

Business driven technology

Technology



Answer: 1

Primarily focus would be the standpoint along with cost leadership in the medium term. Focus would extend to the exploration of services which is currently lacking in the market and has not been met by any healthcare institute. Such services would include availability of doctors, instituting an emergency center at every part of the city for fetching emergency patients, 24 hour circulating emergency van for a better service. The focus would be to ensure better understanding of the citizens and the healthcare policies in place. The cost leadership would act as a stimulus to the various focus strategies and would enhance the strategy involved in acquiring the customers and their retention. The retention principal would announce the success of the “ focus” followed by the organization.

The primary activities to lure the patients would be as follows:

1. Affordable diagnosis and health checkup plans
2. Blood donation camps
3. Seminars regarding essential health issues
4. Easy and fast payment schemes with installment facilities
5. Alarming citizens regarding any emergency concerns
6. Publishing newsletters and health tips
7. Old-age medical kits
8. Hosting a site and incorporation of RSS

Example: B. P. Poddar hospital was not able to fetch patients and was faced with the local competitors. They introduced mini-diagnosis packages at affordable prices for attracting local residents to avail the benefits and get a

health checkup. This boosted their revenue and more people availed this package. The price differentiation and innovation has driven their growth and also served the community greatly.

Answer: 2

Enterprise Resource Planning (ERP) largely supports organizational transformation. The primary purpose of preferring ERP over other components like SCM and CRM is to exercise control over the large scale operations of an organization and optimize the invisible costs arising due to time and effort of performing various business processes and data exchange among each other. The reduction of cost, reduction in business process lead time and change. The very concept of binding a large enterprise with various operating grounds all over the globe is taken care by ERP.

ERP is a complement to the business processes and embodies a virtual organization in itself. Organizational changes which can be brought over through information technology are as follows:

Ensure better change management: ERP ensures that every activity in an organization is tapped and recorded for the purpose of aggregation and decision making. It makes sure that all the various changes in the organization is well handled and all details pertaining to the change of a process. Any deviation with such change management processes are skillfully handled with the help of information technology (Claudio, 2005).

Better supply chain management: The ability of the ERP to handle all the business entities namely the suppliers, manufacturers and other external entities would ensure better management of the supply chain of the

organization. It not only helps the organization to know its processes but also to track various inventory, manage communication, order placing and issue solving options (Zachman, 2007). It also reduces the cost, effort and time of communicating across the business processes and entities.

Decision making: The primary job of every ERP is to collate large amount of real life organizational data and to mine for making crucial decisions in business. Information system promotes organizational change with the help of decision making. The power of information system is exploited by an organization to forecast their business decisions towards resource utilization, costs, sales, purchases and financial and economic decisions to a very large extent. Such decisions enable an organization to change the way it traditionally operates (Ballou, 2002).

Better handling customers: The customers are the primary proponent for every kind of business and ensure the business growth and prosperity. ERP with the help of CRM ensures acquirement, retention and innovation of customers so that business can be successful.

With ERP in place, the enterprise functional modules lead to more trustworthy demand forecasts for the various product ranges. ERP architecture would effectively pull resources of the organization to fill their objective. The enterprise architecture would fetch the importance of the various business units and the various business processes that are required to be identified and made good for fetching the right objective for the purpose (Symons, 2006). The enforcement of enterprise architecture would be to embrace change for the organization as the defined processes would be helpful to identify the need to implement change. The alignment of <https://assignbuster.com/business-driven-technology/>

business units and flexibility can be largely enforced for fetching the scalability of the resources to invest fresh ideas and processes for change. Enterprise architecture has made clear all processes to be identified and collaborate with better planning and organizing ability.

Example: Nestle is one of the largest manufacturing companies in the area of food products with one of the largest chain of 200 operating countries in 80 countries around the world. It had taken up SAP ERP to manage its global operations with \$200 million contract with SAP and an additional \$80 million for consulting and maintenance to install an ERP (Enterprise Resource Planning) system for its global enterprise (Worthen, 2002). The SAP ERP maintained by the enterprise consist of a single database for a variety of business functions such as Manufacturing, Supply Chain Management, Financials, Projects, Human Resources and Customer Relationship Management (Worthen, 2002).

Answer: 3

The consumer behavior is a key differentiation in every type of business and rules out the various strategies often implemented in the organization. The CRM system often devised results in huge failure as the customer behavior is not analyzed well for the concerned business.

Although the behaviors of consumers are circumstantial, the possibility of compromise due to guiding factors cannot be ruled out, which is dependant and/or related on elements that best govern the buying motives with respect to groups.

Consumer behavior traditionally means the activities that people undertake when obtaining or consuming products and services. Simply put it is thought of as the study of why people buy. As mentioned earlier retailing involves an assortment of products which enables the customers to choose from a variety of products. What prompts the consumer to buy those products is consumer behavior. It is a well know fact among businesses around the world that ' customer is king'. In the retailing context one can cite the example of Sam Walton - the founder of Wal-Mart. He used to formulate strategic plans for Wal-Mart using information gathered from customers. It may sound easy only it is not that easy.

Online shoppers regard convenience as a major factor while deciding their shopping medium.

Researchers suggest that e-Commerce is just a facilitator of many stages of consumer behavior which included decision making. According to (Brown et. al. 2003), buying a product depends on various motives, understanding these motives while making a comparison becomes essential for this study.

Example:

Wal-Mart has revolutionized its business policies harnessing the power of internet and focussing on consumer behaviour. The online sales and target marketing is a result of it. It focuses the consumer behaviour of its customers and enables better spread of its brand to every corner of the world.

Answer: 4

The data access issues are some of the most critical measures which need to be decided with several perspectives taken into picture. The installation of

<https://assignbuster.com/business-driven-technology/>

database and data warehouse would ensure better handling of information and would ensure privacy at every step for every type of system user. The government must intervene in the data protection act to safeguard the critical data usage and data manipulation.

1. Patient information shared by organizations

Patient information that is shared by the organization would result in loss of privacy. This step requires the abstraction level which is required for fetching the extent to which data must be protected.

1. Employee information shared within a specific organization

This information forms a primary evaluation of the various employees in the organization and is a great form of privately held for the concerned organization.

1. Business information available to patients

The business information must be published to the extent possible and allowed by the rules of the state. It must forbid the exposure of various internal details of the organization which would harm the organization and its operations.

The healthcare industry is a good choice for data protection models due to the various setups that occur at each of these hospital systems. When a hospital system tries to send out a bill today, they must deal with various reports and response from insurance companies in paper remittances or Electronic Data Interchange (EDI) files as well as bulk payments for various patients from the same insurance company. If these responses were manually posted, it could take weeks to process all of these payments due to <https://assignbuster.com/business-driven-technology/>

the complexity of looking up patient information and ensuring that the correct payment is processed to the correct account. In order to solve this growing dilemma, many companies now employ custom third-party applications that allow for these payments to be posted into the various legacy systems, or old mainframe computer systems that hospitals have used for years, that had to be posted and researched manually before. Such associations and apprehensions make the data organization a very critical issue and the government must always intervene into data operations and protection.

Example: TATA Memorial hospital, Singapore has protected its data from misuse in regulation with the government and its own protocols framed for the safety of its data.

Answer: 5

Competitive advantages are typically temporary as it is dependent on several factors like globalization and internationalization attitude. The effective use of IT also makes it a standpoint in the derivation of competitive advantage.

Globalization simply means a free market that allows overseas business opportunities by eliminating barriers to cross border investments. This happened as a result of saturation and slow growth in domestic markets. According to Hill (2003) globalization is a shift to a more independent and integrated economy.

However, the key players in the world business market do not have major market share, globally. This clearly states the potential harbored by the

global market and the opportunities that lie ahead. Hence the key challenge is to achieve success is customizing the products and services to local needs.

Globalization provides a platform for retailers to explore the potential markets overseas; however the concept of retailing standardized products on the global level is still revolutionary. Strategies that focus on local responsiveness tend to excel in most of the markets making it the most important factor for market establishment and achieving competitive advantage.

Globalization is about sharing information for the efficient use of the resources and to fulfill the efficient handling of business and economic decisions.

It is evident that in the early stages of the quest for international competitiveness, corporate activities are focused on the domestic market. The initial objective of Internationalisation is to ensure domestic survival through lucrative foreign trade. At this stage, the enterprise is typically able to cater only to a limited extent to the market-specific diversity of foreign demand — an ethnocentric strategy.

The emergence of multinational enterprises demands success in serving a multiplicity of national markets, and the appropriate strategic orientation. Subsidiaries need to be quasi-autonomous; allowed sufficient latitude to orient themselves to the peculiarities of the specific market in which they are operating, but without excessive strategy concentrates on the strongest local competitor. To achieve this, it is vital to attain effective integration of the complex international network of corporate activities. A conscious

acceptance of semi finest performance in some areas may be a rational component of overall strategy.

Organizations “ must first understand who their customers are, what they value, how the organization plans to create profits by providing this value and how to deliver that value in a way that the competition cannot mimic”. They saw that the best methodology for measuring IT value “ should start with defining the value chain in order to identify the intangible benefits of IT project”. They assured that “ without a framework for evaluating increases in business functionality enabled by IT, measuring the value of IT initiatives to the organization becomes impossible”. They concluded that “ by using an appropriate framework, the intangible benefits can be linked to observable consequences that can ultimately be measured, resulting in a more effective assessment of the true value of IT.

Transparency in IT operations and making sure that the security of the IT infrastructure is stable at the same time. Transparency would make sure that all the various operations are known to the people and is acknowledged for achieving the overall objective of the business. Security makes sure that the vulnerabilities are handled with special attention to website security towards viruses, spamming and other related affairs.

The variables that are inclusive are return on assets, risk adjusted return, and market adjusted return, Sharpe performance index and others. The various factors make sure those ongoing sales.

The decision making to be performed for the alignment of IT strategy towards business structure would make the entire decision scenario quite

fulfilling (See table 1 in appendix). The IT department would make sure that the strategies fall in place (Weill, 2005).

Allard (2002) mentions that enterprises require maintaining good communication with external environments so that it is able to focus on the challenges with regard to innovation of products and services. Good consumer and supplier relations are extremely essential for business continuity and steady progress.

At the moment of framing the strategy the appropriate positive and negative factors of IT implementation must be considered for an organization. The amount of association to be represented among the various departments would be quite a challenging task and would include plan and awareness on the part of the strategist.

Thus it can be concluded that all the major factors like globalization, internationalization and implementation of IT effectively by an organization large decides its competitive advantage and largely varies with time.

Example: E-Bay has achieved competitive advantage by reshaping its business keeping in mind the medium income level customers.

References/Bibliography

Ballou, R. H (2002). *Business Logistics Management* , Prentice Hall, Englewood Cliffs, NJ, Third Edition.

Claudio, U. Ciborra (2006). *Teams, Markets and Systems*. Cambridge University Press, 2, 78-82.

Cooper, M. C., and L. M. Ellram (2003). Characteristics of Supply Chain Management and the Implications for Purchasing and Logistics Strategy. *The International Journal of Logistics Management* , 4, 2, 13-24.

Cummins, FA (2005). EnterpriseIntegration: Architecture forEnterpriseApplication and Systems Integration. John Wiley & Sons, Inc. New York, NY, USA.

Symons, C. (2006). Measuring the Business Value of IT. Forrester. Retrieved 17, April 2009 from http://viewer.media.bitpipe.com/1070398394_846/1201804423_89/SAP_AMerica_47_MeasuringtheBusinessValueofIT.pdf

Worthen, Ben (2002). " Nestlé's Enterprise Resource Planning (ERP)Odyssey". Retrieved 6, May 2009 from http://www.cio.com/article/31066/Nestle_s_Enterprise_Resource_Planning_ERP_Odyssey.

Zachman, A Z (2007). A framework for information Systems architecture. Retrieved 17, April 2009 from <http://www.research.ibm.com/journal/sj/263/ibmsj2603E.pdf>