

# Risks involved for amazon essay



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The operations of an organization that has its transactions online and do not have a physical presence are not that huge, but still Amazon has to make sure that the operations are managed in the best manner possible. Hence, it is very important for the business like Amazon to deliver the process in the most efficient manner in order to achieve the desired results and support the organization's overall purpose.

I. T. Governance Process Assessment in the Domain ME After the implementation comes the last stage of the cycle where the implemented process needs to be monitored as to everything is going right or not and evaluated as to whether the benefits achieved are surpassing the cost or not. Monitor and Evaluate IT Performance The importance of IT in a business is mostly assessed by the benefits of implementing it surpassing the cost that it has incurred but for an organization that is entirely internet based it's evaluation would be based on the consumer response to it which goes for Amazon as well.

Monitor and Evaluate Internal Control Despite the importance of a free flow of information and a flat hierarchy, it is essential for the organization and similarly Amazon to make sure that it has some level of control over its employees as well in order to ascertain the proper implementations of procedure and reinforcement in case of repetitive mistake occurrence.

Ensure Regulatory Compliance However important maybe the communication and lessening of gap among employees, it is more important to have compliance among the regulations that are laid down by the organizations. Hence, Amazon needs to make sure that the regulations in IT department are in coordination with that of the suppliers and so on and so

forth. Provide IT Governance In every environment, governance is needed and when the entire business is based on IT, it is of utmost importance to make sure that not only the implementing is done in a proper way but the supervision is done in the most apt manner possible. Risks Involved for Amazon.

Com and Recommendations Despite the existence of internet over the years, it has still not been able to gain trust regarding the transactions online. Amazon. com along with other organization based online for selling face the challenge of assurance of security to its customers. As for Amazon.

com, it failed to provide trust in regard of security to e-commerce project because they did not concern about technical risks. Despite the presence of a huge customer base, a lot of potential customers are hesitant to buy from amazon. com because of this particular reason. However, there is a long procedure regarding the security of credit cards and its personal information which is utilized by many websites present today." Many sites that accept credit cards claim they are secure when they have an encryption certificate. This is where you can see the padlock symbol at the bottom of the screen.

The encryption certificate encodes the message with the credit card details when it is sent and the organization issuing the certificate (e, g, Thawte or Verisign) verify the business before they issue it. (E-commerce Security, n. d. ).

Amazon. com follows the same long procedure of ensuring that the customer feels safe but even then there is a lot of chance of stealth of the information and its misutilization might lead to disastrous losses to an individual. This is <https://assignbuster.com/risks-involved-for-amazon-essay/>

the fear that stops the potential customers from entering into the market of internet. " If credit card numbers are stored on a server they are still potential targets for a hacking attack.

Afferent Media protects its server with anti virus and firewall systems. Its ultimate defense though is that it does not store any credit card numbers" (E-commerce Security, n. d. ). Hence, despite the effort, due to technical risk involved Amazon.

com is facing the same threat as many other online retailers. Although Amazon. com has developed a trustworthy image over the years but when it comes to monetary losses people are hesitant to take risk as the loss incurred might get too huge to counter. This technical risk can however be countered in order to gain the potential customers that are hesitating at the moment.

This can be countered if " transactions are carried out in real time, in just the same way as an EFTPOS machine. The message is encoded and sent to the bank, if the card passes the checks then funds are transferred directly to the vendor. This is just like when you buy petrol or shop in a supermarket. The vendor swipes your card in and EFTPOS machine, they do not store the card details. " (E-commerce Security, n. d.

). Like every weakness, if this factor is also addressed in its early stages it might not even classify as a problem and may be included in one of the challenges but the more Amazon. com delays it, the more it might lead to disaster and reduction of customer base. It has the advantage that the solution has already been identified, therefore the company just needs to

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incorporate this procedure in its security e-commerce procedure and keep proper checks and balances over a period of time and the job is done. Once the authenticity of the procedure is verified, it would not be hard for customer to develop trust in the online services.

Despite the overall success of the organization, there are still factors that it needs to counter before the issues convert into real threat to the existence of the organization. The security factor is always vital in e-commerce as no customers would want to risk their monetary gains for shopping online.

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