

## IMPACT OF E-COMMERCE ON ORGANISATIONAL PERFORMANCE: A DIAGNOSTIC APPROACH

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### ABSTRACT

DOI URL: <https://doi.org/10.36713/epra3020>

*The objective of this paper is to measure the impact of e-business implementation from the e-business process frame work. We have presented here some basic terms of influences with some observations. Basic considerations are from e-procurement and e-ordering. This paper provides a scientific basis for e-business strategies to find the basic impact of efficiency and effectiveness of e-procuring and e-ordering and strengthen customer relationship management.*

**INDEX TERMS:** *e-procurement, e-business strategies, e-ordering, customer relation management*

### INTRODUCTION

In the process of implementation e-business every organisation get stack holders.

Stack holder are: (i) Customers (ii) Suppliers (iii) Partners (iv) Competitors; and (v) Market

The information exchange changes the political, economic and social structures forever. The ability of ICTs to change existing systems and provide alternatives, have made people and government to sit together and take notice. ICTs for development projects have been implemented well over a decade but now we are witnessing a subtle change in global attitudes. In this realm, governments possess a duty not just to provide services as efficiently as possible, but also to make the government operations transparent and civil servants accountable to those they serve.

In a broader perspective, governance is known as the way in which organisation and systems are steered and directed. A distinction is often made between governance and government. Governance refers to steering and coordination, either by something less than full government, or not by government alone. The word e-Government is too general. Specifically, it means using the tools of IT for enhancing the productivity, efficiency of government organisations and quality of the delivery of services. In India, the use of ICT in governance process has shown some benefits such as speedy execution of administration; cost minimization; ease of accessibility of citizen services; etc. e-Commerce is the

application of information and communication technologies to transform the efficiency, effectiveness, transparency and accountability of informational and transactional exchanges within government, between government and government agencies of National, State Municipal and local levels and citizen and businesses, by empowering citizens through access and use of information. It is more than just a government website on the internet, which is a form of e-business in governance and refers to the processes and structures pertinent to the delivery of electronic services to the public (citizens and businesses), collaborating with business partners and conducting electronic transactions within an organisational entity.

So, E-Commerce is generally considered as a wider concept than e-government, since it can bring about a change in how citizens relate to governments and to each other. E-commerce can bring forth new concepts of citizenship, both in terms of citizen needs and responsibilities. Its objectives are to engage, enable and empower the citizen. The use of information technology can increase the broad involvement of citizens in the process of governance at all levels by providing the possibility of on-line discussion groups and by enhancing the rapid development and effectiveness of pressure groups. Advantages for the government involve that the government may provide better service in terms of time, making governance more efficient and more effective. In addition, the transaction costs can be lowered and government services become more accessible.

**The fields of implementation of e-commerce are**

- (i) E-administration (ii) E-services (iii) E-democracy

**GOALS OF E-COMMERCE**

- Improve the internal organisational processes of governments
- Provide better information and service delivery
- Increase government transparency in order to reduce corruption
- Reinforce political credibility and accountability
- Promote democratic practices through public participation and consultation.

**ISSUES OF E-COMMERCE**

- ✓ Organisational and institutional changes effecting both people and methods at all interfaces of the Deliver Chain acceptance of this Changed Processes would have to be properly understood, accepted, adopted and improved to enable full advantage of the technology.
- ✓ De-layering of the decision-making levels leading to re-engineering and appropriate sizing of the decision-making machinery.
- ✓ Training and acclimatization of the personnel at all levels more so at the lower rung of Government management organisations.

E-commerce conducted between businesses differs from that carried out between a business and its consumers. There are five generally accepted types of e-commerce such as:

- Business to Business (B2B)
- Business to Consumer (B2C)
- Consumer to Business (C2B)
- Consumer to Consumer (C2C)
- Business to Government (B2G)

**The advantages of E-Commerce to the consumers**

- Electronic commerce enables customers to shop or do other transactions 24 hours a day, all year round, from almost any location.
- Electronic commerce provides customer with more choices; they can select from many vendors and from many more products.
- Electronic commerce frequently provides customers with less expensive products and services by allowing them to shop in many places and conduct quick comparisons.
- In some cases, especially with digitized products, E-Commerce allows quick deliver.
- Customers can receive relevant and detailed information in seconds, rather than days or weeks.
- Electronic commerce makes it possible to participate in virtual auctions.
- Electronic commerce allow customers to interact with other customers in electronic communities and exchanges ideas as well as compare experiences.
- E-commerce facilitates competition, which results in substantial discounts.

**Facilities required for usage of E-Commerce in a concern**

- ❖ E-commerce applications
- ❖ Internet connection
- ❖ Website

- ❖ Other language version of the website or information in different language than Swedish should be made available.
- ❖ Email communications inside the company should be made available
- ❖ Email communication with partners and customers should be made available
- ❖ Publishing information on web page such as products, catalogues, brochures and so on should be made available.
- ❖ Usage of internet and website to promote companies products
- ❖ Usage internet to search for new suppliers
- ❖ Electronically interaction facilities between the company and government agencies
- ❖ Company fill in and send electronic forms
- ❖ Sending facility of electronic invoice
- ❖ Receive facility of electronic invoice
- ❖ Using electronically technologies to share information about sales for use fro inventory control, accounting or distribution channel
- ❖ Order placing facility for the customers from the website
- ❖ By other electronic payment facility for the customers
- ❖ The company can order electronically from suppliers facility to order electronically for the suppliers
- ❖ Usage of electronic technologies for administrative positions inside the company.

Implementation of e-commerce helps the organisation in moving towards the standardization by uncovering a variety and lack of process standardization with and between various business units. The quantitative and qualitative analysis of e-commerce impact on business efficiency shows that the main cost position, which directly depends on e-commerce adoption and use, and experience quite big changes, are average cost of inventory management, the cost of materials ordering process, ad the cost of labour. The e-commerce impact on business result analysis is improved by detailed costs, which depends on e-commerce adoption, analysis and definition of e-commerce impact on business results, by evaluating the business efficiency in quantitative and qualitative forms.

**FUNCTIONALITIES**

The causal relationships among strategy, resource and e-business capabilities existed in implementation process. From the causal link between e-business processes, strategic initiative should focus on the design and deployment of integrating information systems which is the base from providing the information sharing capabilities and the collaborative process capabilities in different e-business processes. This is valuable for mangers to understand the significant effect of the causal relationships, and convey to the strategic initiative accordingly.

**Basic influences of E-Commerce towards information technology industry**

- At the time of adopting the conditions where task is fully dependent on e-business.
- At the time of finding the efficiency factory when e-business is not considered

- At the time of listing the drawbacks and importance of e-business
- At the time of priority framing form importance in terms of e-commerce related to IT-industry.

### Step by step evaluations of each state

- I. Adopting the e-commerce o traditional enterprises (Adopting the conditions where task is fully dependent on e-business): every stream of enterprise is dependent on e-commerce. The evaluation of recruitment process to appointment stage. The employee is applying to the employer website online and recruitment takes place with online test further last stage is offline. The transactions related to the IT-industry are also restricted to the online process in very flexible manner. More usability of secure e-transactions gives an very frequently used system in short time span.
- II. Finding the efficiency factor when e-business is not considered (offline transactions): considering the various stream of accessing data by various stack holders for various purposes. The basic taken factors are more time consuming if it is done offline. The stage of allotment to procurement of each stage in IT-industry is affecting a lot. The data taken in factor of on-line is more easy and paperless work than offline process. The system will take care of the process and at last the result is given in terms of IT-industry frames.
- III. Listing the drawbacks and importance of e-business (basic observations): most of the IT-sectors have importance than drawbacks. As per the technical issues conserved or solved most efficiently the conditions are handled.
- IV. Priority framing for importance in terms of e-commerce related to IT-industry (co-relating to the various IT-industry)  
Priority is given in terms of on-line issues of e-commerce which are solved to the extent of more relevant way. If not solved then going for other source of solutions (which is lat priority).

### APPLICATIONS

Adoption of Information technology will positively influence success of e-commerce in the organisation. Leadership and Management of the organisation positively influence the success of e-commerce. Organisational culture will positively influence the degree of E-commerce application. Different types of operational strategies will influence degree of E-commerce application. Marketing strategies positively influence the E-commerce adoption.

There is a significant relationship between E-commerce competency and Organisational Performance. Globalization will significantly influence the adoption of e-commerce.

Financial strength will positively influence the success of e-commerce. The strong human resource base will positively influence the success of e-commerce. E-commerce will enhance the business efficiency of organisation.

### CONCLUSIONS

E-commerce entities providing marketplace will not directly or indirectly affect the sale price of goods or services and shall maintain level of markets transitions. We give a glance of e-commerce importance and how it can be more important in all sectors. Through the study is carefully undertaken, it is not devoid of any limitations. Listed below are inherent limitations of the undertaken research work. Data is confined only to the IT companies of Hyderabad which are implementing e-commerce services for their business transactions. Only 10 IT Companies have been considered for data collection out of 1300 IT companies existing in Hyderabad. Because of time constraint, limited sample size is considered.

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