

**E-BUSINESS APPLICATIONS IN CORPORATE SECTOR**

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**ABSTRACT**

*E- Business is a vital for any corporate sector today. It is basically the use of information and communication technologies in order to manage all the activities of business. Corporate sector today are adopting e-business applications in order to handle high workloads and changing requirements in the world of Information Technology. The paper explains the benefits to business enterprises by different e-business applications like CRM, ERP, E-Procurement, Work Flow Management and Supply Chain Management.*

**Keywords:** *e- Business, Customer Relationship Management, Enterprise Resource Planning, e-Procurement, Work Flow Management, Supply Chain Management*

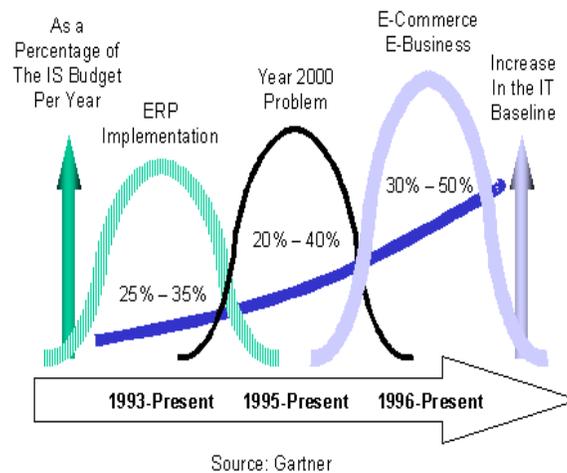
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## 1. INTRODUCTION

E-Business is an appealing concept for most business organizations: buying and selling online, expanding the customer base; improving customer loyalty, and interacting smoothly and efficiently with the suppliers and business partners. E-business is bringing about fundamental changes as it reshapes the structure of entire business industries, creates niches for new set of infomediaries and enables business with well executed business applications to take quantum leaps forward, while those without them suffer.



**Figure 2: Emergence of E-Business in E-Commerce Arena**

Electronic business, commonly referred to as "E-business", may be defined as "the use of information and communication technologies in support of all the activities of business". Commerce constitutes the exchange of products and services between businesses, groups and individuals and can be seen as one of the essential activities of any business. Electronic business methods enable enterprises to link their internal and external data processing systems more efficiently and flexibly, to work more closely with suppliers and partners, and to better satisfy the needs and expectations of their customers [1]. The competitive necessity for electronic business varies considerably from industry to industry. Firms are exposed to wide ranging levels of competition, from slow to fast-moving traditional rivals and Internet-based newcomers. As e-business innovation gains momentum, companies in spite of their industry type, size and location are reformulating business strategies in the face of critical challenges. Collectively, these challenges require organizations to build new capabilities.

## **2. E- Business Applications:**

### **2.1. Customer Relationship Management:**

E-Business means any business that utilizes a computer and carried out its activities through the internet. It involves selling products and services online. This enables business to easily reach a large number of customers than before. The concept of customer self-service is central to e-business. Customer relationship management (CRM) has become a contemporary area of interest particularly with the commencement of e-commerce and is used in an extensive manner [2]. Analyzing past customer behaviour enables an e-business to personalize its contributions and to anticipate the customer's wants and needs. Traditional business methods have proved to be tiresome, costly and very time consuming. As a result businesses have been looking around for a better solution. Customer relationship management is a broadly accepted, widely-implemented strategy for managing and fostering a company's interactions with customers and sales prospects. It involves use of technology to organize, automate, and synchronize business processes—primarily sales related activities, but also concentrated on marketing, customer service and technical support. CRM systems soon grew into sales prospecting and customer relationship tools and technical support[3]. Strategically effective CRM requires the intelligent application of technology. It is regarding how customer information is used to create an ongoing relationship with the customer.

The objectives of the CRM process are to shape customers' perceptions of the organization and its products through identifying customers, creating customer knowledge and building committed customer relationships. The reasons for CRM e-Business growing to such enormous heights is internet technology, benefits of electronic technology and the easily available solutions that exist. Flexibility and the ability to adapt to a changing environment is something that CRM e-Business finds easy to do. Companies find that availing of CRM e-Business facilities boosts the efficiency to a great extent. The reason e-Business has succeeded is on account of its ability to provide cost effective solutions that require very little time to implement. By using e-business-based CRM solutions business organizations can:

- Improve customer retention by building loyalty.
- Improve customer satisfaction.

- Establish a competitive advantage.
- Increase profitability.

## **2.2. Enterprise Resource Planning:**

ERP is a significant tool in our world of today. As more business enterprises begin to compete on a global scale, it will become critical for them to streamline their operations and processes. Enterprise resource planning (ERP) is an integrated computer-based system used to manage internal and external resources including tangible assets, financial resources, materials, and human resources. It is a software architecture whose purpose is to make possible the flow of information between all business functions inside the boundaries of the organization and manage the connections to outside stakeholders. Each ERP software corresponds to a major functional area of an organization. Generally it includes, software for material purchasing, inventory control, product planning, product distribution, tracking the order, financial ERP software, accounting, marketing, and human resource. Organizations implement the ERP software that are both economically and technically feasible and profitable.

Most of the enterprises in developing countries, such as India, are in the process of implementing Enterprise Resource Planning (ERP) system in alignment with organizational transformation and process of re-engineering initiatives. ERP system promises benefits that range from increased efficiency to transformation of quality, productivity and profitability. An ERP and information system plays an important role to support business functions and increase productivity [4].

It helps business processes to be more flexible and responsive by breaking barriers between functional departments and by reducing duplication of effort. The biggest advantage to business enterprises by implementing enterprise resource planning system is that cost will go down while productivity will go up. Employees will no longer need to wait for other employees and departments because all the information can be accessed by anyone. This allows employees to perform their jobs faster, which in turn provides them the opportunity to take on more tasks. In addition, a company will observe fewer maintenance calls and repairs. Since there would be only one program instead of multiple programs, so the amount of maintenance a company will experience automatically goes down. The lower amount of maintenance can also be seen in terms of money. The benefits of ERP to business enterprises are:

**a. ERP helps to improve strategic planning and operations:** It helps to run enterprise in accordance with the strategy and plans, accessing the right information in real time to identify

concerns early. It helps to find the best people and leveraging their talent in right job and at the right time too.

**b. ERP supports day to day management:** The implementation of ERP systems promote the establishment of backbone data warehouses. ERP systems enhanced accessibility to data so that management can have up-to-the-minute access to information for decision making and managerial control. ERP software also helps to track actual costs of activities and perform activity based costing.

**c.ERP helps to reduce costs:** ERP software helps to integrate business processes across departments in to a single enterprise- wide information system. It also helps to improve coordination among different departments and increases efficiency for doing business. It helps to reduce operating costs such as low inventory level, low production cost and low marketing costs.

**d. Improve financial management and corporate governance:** It helps to gain the deep visibility of the organization with financial and management accounting functionality combined with business analytics. It helps to increase profitability through improvement in financial control and managing risk of the organization.

### **2.3. E-procurement:**

E-Procurement is the business to business or business to consumer or business-to-government purchase and sale of supplies, work and services through the internet as well as other information and networking systems, such as Electronic Data Interchange and Enterprise Resource Planning. E-procurement involves the use of electronic methods in every stage of the purchasing process, including advertising contracts, managing contracts, evaluating tenders, paying suppliers, reverse auctions - where the lowest bidder wins, dynamic purchasing systems - an open electronic catalogue where prices can be updated without introducing a new tender.

E-procurement helps in the decision-making process by keeping relevant information neatly organized and time-stamped [5]. Most are template-driven which makes all transactions standardized and trackable. Keeping track of all bids means leveraging your knowledge to obtain better pricing companies can focus on their most lucrative trading partners and contracts. E-procurement helps the business to better manage his suppliers and can locate the suppliers with the best prices and quality, and streamline the negotiation and contracting processes. Well-managed e-procurement helps to reduce inventory levels. Knowing product numbers, bid prices and contact points can help business enterprises to close a deal while other suppliers are

struggling to gather their relevant data. It helps business to electronically track and record the purchasing transactions.

E-procurement improves companies reporting and record keeping and this helps them to increase order fulfillment accuracy and eliminate untracked, off-contract “eccentric” buying by certain groups in the organization. E-procurement also increases purchasing efficiency by automating many routing tasks and eliminating redundant internal steps. Therefore, administration costs are lower and the purchase cycle, from order initiation to fulfillment, is much shorter.

#### **2.4. Work Flow Management:**

Trends towards increased business process automation, e-commerce, and e-business have led to increase interest in the field of workflow management. A workflow consists of a sequence of connected steps. It is a depiction of a sequence of operations, declared as work of a person, a group of persons or one or more simple or complex mechanisms. Workflow may be seen as any idea of real work, segregated in work share, work split or other types of ordering. For control purposes, workflow may be a view on real work under a chosen aspect, thus serving as a virtual representation of actual work. The flow being described often refers to a document that is being transferred from one step to another.

Work flow management is a system of supervision and control over process of transfer of the information, documents and tasks from one employee to another within the business. Nowadays, in order to grow, compete and win, companies need to operate more effectively and efficiently. Many companies have realized the true value of work flow mechanization as a solution to meet challenging business environment. Workflow mechanization systems optimize such business areas as process management, document circulation and data exchange. Work flow automation systems enable business enterprises to move to a new level of performance and productivity through automating repetitive, routine tasks. Work flow management also provides a medium by which business and technology solutions can be unified in a disciplined manner. All aspects of delivering solutions - organizational alignment, corporate culture, the manner in which technology and business solutions are approached, the manner in which information systems are designed, and the formalism presented in describing and agreeing upon standard business processes - are significantly improved by the proper use of work flow. Work flow management systems are widely used and reputable to improve organizational performance [6].

The focus on cross-organization business process definitions, the implicit and necessary support for the free flow of information across organizational boundaries, the automation of core business processes, and the orchestration of business process activities provided by workflow management all serve as primary catalysts for change. Work flow management benefits the business in the following ways:

**a. Tracking tasks performance:** When manager tracks tasks, he can collect important feedback on task performance issues. Analysis of these issues could be caused by a number of reasons: a lack of resources, poor staff education, technical issues, etc. Analysis of the problem can then be used to implement changes to the workflow process.

**b. Improvement in production or service process.** It provides the ability to keep an eye on individual tasks as well as review resources, productivity and work volume at the department/company level. The organization can more easily determine the options available for improvement. Once the task performance issue was detected the manager can take measures to solve it. By simplifying the responsibilities of each employee and clarifying his role within the process, the company can more easily determine where improvements can be made in order to increase efficiency and to improve the quality of the product or service.

**c. Improved customer service:** Work flow Management allows manager to quickly respond to customer enquiries and the customer feel completely involved in the entire process and capable of getting answers to different queries.

**d. Helps to standardize tasks and works.** Work flow management helps to standardize working methods and approaches and allocate tasks efficiently to employees.

### **2.5. Supply Chain Management:**

E-business basically refers to internet-based supported business models. Internal to firms, it is part of modern management practice, especially for data capture, reporting, communication, archival and recovery of information. In the current competitive markets and increased level of globalization and expansion of industries operations to a global scale has facilitated the ability for consumers to easily gain price comparisons. This has become increasingly important to companies. The new technologies adopted have made the task of supply chain management more effective and easier. E-business increases levels of communication and collaboration both internally and externally by streamlining the flow of information within the company and between the company and external business partners

Supply Chain Management is the management of a network of interconnected business involved in the ultimate provision of product and service packages required by end customers. Supply Chain Management spans all movement and storage of raw material, work-in-process inventory, and finished goods from point of origin to point of consumption. Managing the supply chain is not an easy task. Effective supply chain management requires integrating the supplier, manufacturer, distributor, retail outlets, and customer requirements into one cohesive process. This requires utilizing the expertise of all the entities involved in the supply chain. To efficiently manage the supply chain, all functions and entities of the supply chain must be fully integrated. This integration can be made possible through the use of communications networks, which allow alliance among the various entities and functions of the supply chain. This communications network is the heart of e-business. Supply Chain improvements have resulted in a reduced inventory levels, reduced logistics costs, and streamlined payments. Supply chain software can offer tremendous value to any company that relies on the smooth planning and execution of related operations to achieve long-term profitability and maintain a solid competitive edge. The key benefits of Supply Chain Management to business are:

**a. Improve Supply Chain Network:** Supply chain management provide complete, 360 degree visibility across the entire supply chain network that cannot be easily achieved with disjointed manual processes. With supply chain, users can monitor the status of all activities across all suppliers, production plants, storage facilities, and distribution centers. This enables more effective tracking and management of all related processes, from the ordering and acquisition of raw materials, through manufacturing and shipping of finished goods to customers or retail outlets.

**b. Minimized Delays:** With supply chain Management, all activities can be seamlessly coordinated and executed from start to finish, ensuring much higher levels of on-time delivery across the business.

**c. Improve Customer Service:** Supply Chain Management can improve customer service by having the right product at the right place and at the right time.

**d. Reduced Costs:** Supply Chain Management can help to reduce overhead expenses in a variety of ways:

- It Improve inventory management, facilitating the successful implementation of just-in-time stock models, and eliminating the strain on real estate and financial resources caused by the need to store excess components and finished goods
- Improve relationships with vendors and distributors, so purchasing and logistics professionals can identify cost-cutting opportunities such as volume discounts.

## CONCLUSION

E- Business applications help in restructuring the shape of entire corporate sector today. They help in creating a new set of infomediaries and enable business enterprises to reap the benefits of different e- business applications. CRM helps in building relationship with the customers because customer is very important for any kind of business. ERP promise benefits related to quality, productivity and profitability. E- Procurement helps in record keeping through which data can be safely stored. Work Flow management helps in tracking task performance and standardizing work. Supply Chain Management helps in integrating with the supplier, manufacturer, distributor, retail outlets, and customer requirements into one cohesive process.

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