

# Announcements



- ◆ More info?
  - ◆ [www.ucsonline.ca](http://www.ucsonline.ca)

# **MGT 415H5 S**

## **Electronic Commerce**

Lu Lahodynskyj

Week#6 – Impact on Culture & Business

# Agenda

- ◆ Group Projects – Due Now
  - ◆ Let's review TurnItIn.com
- ◆ Notes
- ◆ Review of Last Week
  - ◆ Business Basics
    - ◆ Last Week's Speaker here today
- ◆ Impact of E-Commerce
  - ◆ Culture
  - ◆ Business
- ◆ Next Week – Reading Week

# Notes



- ◆ Any volunteer for today?
- ◆ Last week's Notes

# *Review of Last Week*

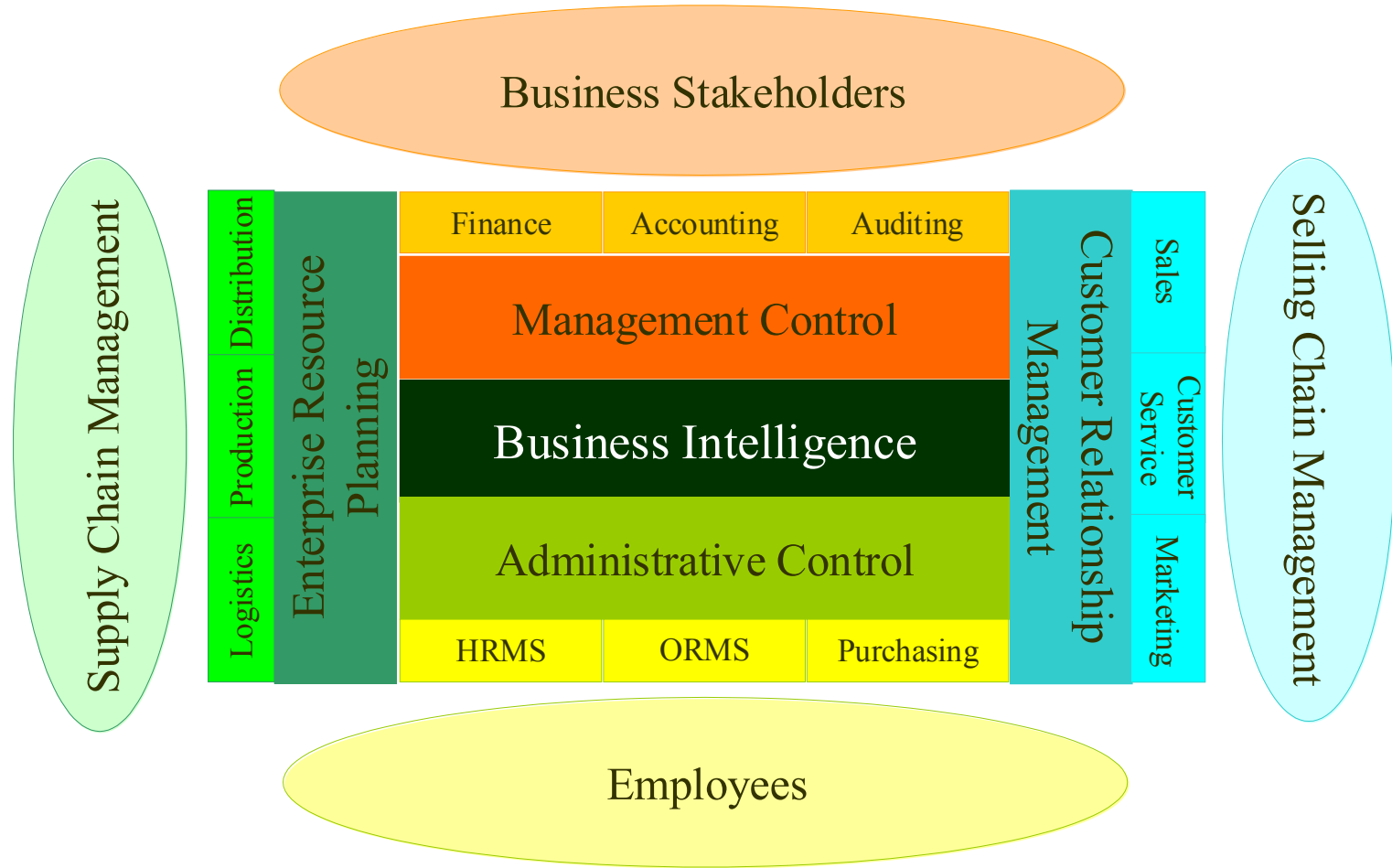
# *Business Basics*

# Value Chain



Source: 'Supply Chain Performance: Achieving Strategic Fit', S.Chopra and P.Meindl, Chapter 2

# Enterprise Applications



Based on Ravi Kalakota and Marcia Robinson, 2001, *e-Business 2.0 Roadmap for Success*, Addison-Wesley, fig. 5.11.



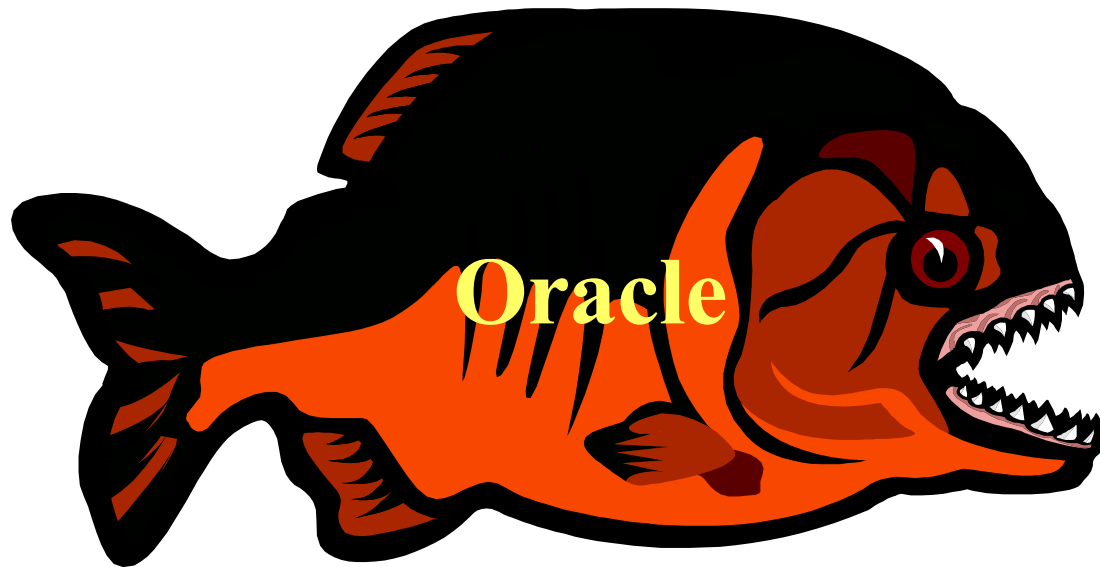
# Enterprise Applications – SAP & Seibel



# Enterprise Applications – PeopleSoft



# Enterprise Applications – Oracle



# Enterprise Applications – SAS & Cognos



# Enterprise Applications - Microsoft



# Enterprise Buy/Build Stats



## ◆ Cutter Consortium, 2003 September

### ◆ 46% = Packages

- ◆ 12% - SAP
- ◆ 12% - Oracle
- ◆ 10% - PeopleSoft
- ◆ 12% - Other

### ◆ 54% = Unique

- ◆ 18% = Microsoft
- ◆ 12% = BEA
- ◆ 11% = IBM
- ◆ 5% = Sun
- ◆ 8% = Other

# Enterprise Applications – Buy? Build?

## ◆ Buy

### ◆ PRO

- ◆ Quick deployment
  - ◆ Development complete
  - ◆ Tested by many
  - ◆ Training available
- ◆ Share costs with others
- ◆ Uses proven processes
- ◆ Support
  - ◆ User Group
  - ◆ Consultants
    - ◆ Vendor
    - ◆ 3<sup>rd</sup> party
    - ◆ Independent

### ◆ CON

- ◆ Changes your processes
  - ◆ No strategic advantage
  - ◆ Disruption
- ◆ Unnecessary features
  - ◆ Clutter & “fat”
- ◆ Updates/fixes tied to Vendor release cycle
- ◆ User Exits

## ◆ Build

### ◆ PRO

- ◆ Tailored to the business
  - ◆ Strategic advantage
  - ◆ Keep your processes
- ◆ Cheaper
  - ◆ Specific for you

### ◆ CON

- ◆ Dependent upon 1 person
- ◆ Testing from scratch
  - ◆ but less to test

# Enterprise Applications – Buy? Build?

## ◆ Buy Example

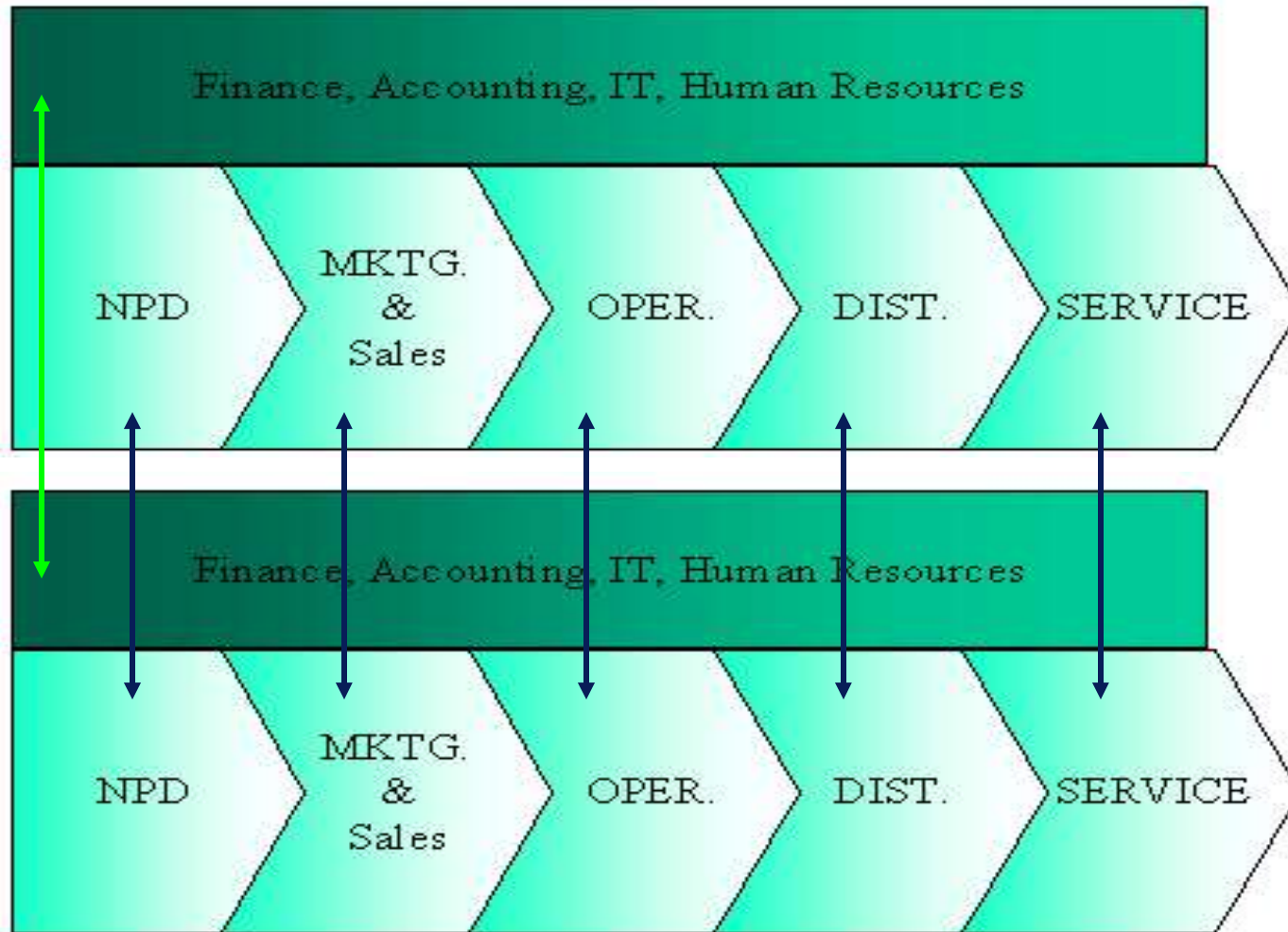
- ◆ “Around the World in 99Days”
- ◆ Waters Corp
- ◆ Cost: \$8million+++
- ◆ Return: Rolled out to 20 countries
- ◆ Baseline, 2003 October

## ◆ Build Example

- ◆ Battery-Biz
- ◆ Cost: \$643,000
- ◆ Return: \$4,100,000
- ◆ NucleusResearch.com
  - ◆ [http://www.roiawards.com/casestudies/Integration\\_...ry-Biz.pdf](http://www.roiawards.com/casestudies/Integration_...ry-Biz.pdf)



# Enterprise Activities – B2B

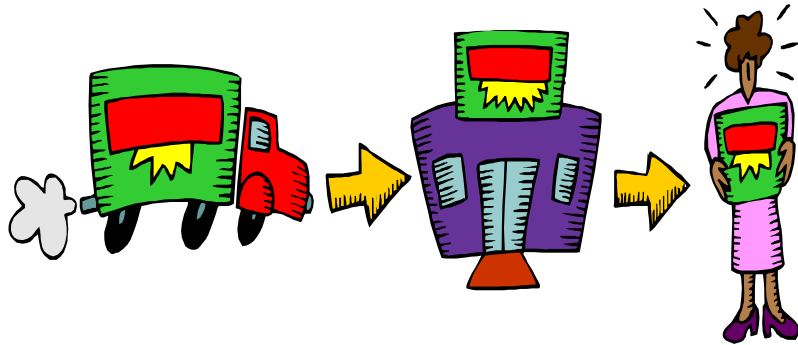


# Ways to Bind Two Parties



- ◆ Information Exchange
  - ◆ E-mail
  - ◆ Instant Messaging
- ◆ Portals
  - ◆ Checklist
    - ◆ Examples
- ◆ Exchanges
  - ◆ Checklist

# Summary



- ◆ Business has basic processes
- ◆ Applications built for those processes
- ◆ Several ways “in”
- ◆ World wide Customer base
  - ◆ Got to deliver
    - ◆ 24/7

*Impact*

Culture  
Business

# Culture of the Cell Phone



- ◆ Who has a cellphone?
  - ◆ 100%
    - ◆ Convenience of contacting others
  - ◆ Text Messaging
    - ◆ 60%
      - ◆ Personal Communications
- ◆ Who has a credit card?
  - ◆ 100%
- ◆ Who has a pager?
  - ◆ 1
    - ◆ Issued by client organization for support

# Culture of the Internet



## ◆ Who has the Internet?

- ◆ E-mail
  - ◆ 100%
- ◆ Research
  - ◆ 100%
- ◆ Games
  - ◆ 1 person
    - ◆ Sony site
  - ◆ Other Ref
    - ◆ Shockwave
      - ◆ Aid to software distribution
    - ◆ Gamer.tv
- ◆ Shopping
  - ◆ 50%
  - ◆ Others cited security concerns

# Culture of the Internet - Comfort

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(^\_^)

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## ◆ How many are

◆ experts

◆ comfortable

◆ still finding their way

## ◆ Agism?

◆ eg:

<http://www.npr.org/programs/specials/poll/technology/index.html>

## ◆ Professionals

◆ 40% are uncomfortable with computing

## ◆ Learning

◆ eg: [http://lilt.ilstu.edu/saskers/thesis/zzDEFENSE\\_in\\_html/body\\_partitions/study2\\_results.htm](http://lilt.ilstu.edu/saskers/thesis/zzDEFENSE_in_html/body_partitions/study2_results.htm)

# Culture of the Internet

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## ◆ Who has Instant Messenger?

- ◆ 86% - MSN (2003)
- ◆ 0% - AOL
- ◆ 6% - Yahoo
- ◆ 8% - ICQ (1998)
- ◆ 0% - Lotus Notes
- ◆ Other
  - ◆ Tertiary option

## ◆ Smiley ☺ and more

- ◆ [www.hiroette.com](http://www.hiroette.com)



# Culture of the Internet



Wednesday, February 11, 2004

Morning News Roundup

With less than a quarter of the total delegates having been selected so far, John Kerry stays at the front with wins in Virginia and Tennessee yesterday. Howard Dean is second in overall delegates, ahead of John .....

Posted by Joe Rospars at 11:04 AM

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(0) | Comments (183)

## ◆ Blogs

### ◆ Dean for prez

◆ <http://www.blogforamerica.com>

◆ Successful?

◆ Helped raise  
\$20MILLION

◆ He's in 2<sup>nd</sup>

◆ Cannot make a silk  
purse....

### ◆ Techies

◆ [www.slashdot.org](http://www.slashdot.org)

# Culture of the Internet



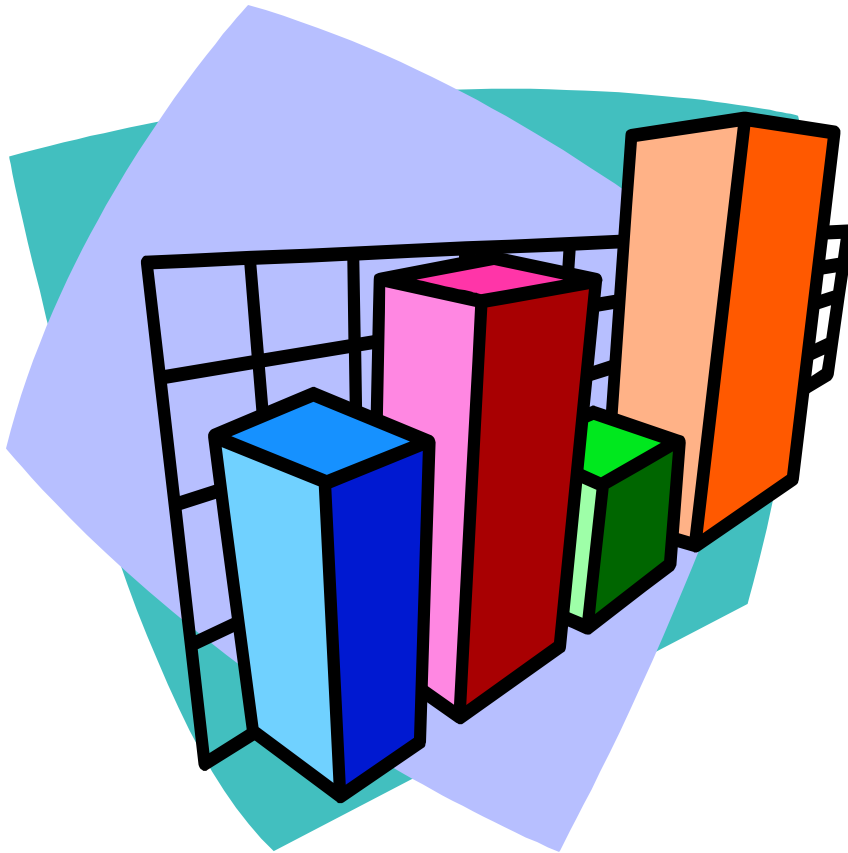
- ◆ Downloading
  - ◆ Stuff is always available
    - ◆ And it's free
- ◆ Mainstream
  - ◆ Globe&Mail

# Culture of Instant Access



- ◆ You are always available
  - ◆ Everywhere
- ◆ So is the 'Net
- ◆ Telephone History
  - ◆ 1870 – AGB patent
  - ◆ 1880 – Bell
  - ◆ 1947 – Car phones
  - ◆ 1973 – Dr.MC 1<sup>st</sup> call
  - ◆ 1987 – 800Mhz Band
  - ◆ 1997 – DSL
  - ◆ 2003 – Cameras added
  - ◆ GSM????

# Data Available



- ◆ Your boss
  - ◆ National Grocer
    - ◆ Daily reports by shelf
  - ◆ Shoppers Drug Mart
    - ◆ Daily reports
  - ◆ New Balance
    - ◆ Weekly report to the prez
      - ◆ Who will call Sales

# Workspace



- ◆ Google
  - ◆ Pyra Labs
    - ◆ Web-log software
    - ◆ Blogs
      - ◆ Firewall
      - ◆ Internal Use Only
- ◆ Inex Pharmaceuticals
  - ◆ Scientists
    - ◆ Records Retention
    - ◆ Chat room

# Marketing & Sharing Information



- ◆ Blogs
  - ◆ Microsoft's Scoble
    - ◆ <http://radio.weblogs.com/0001011/>
- ◆ Chatbot
  - ◆ McDonalds
    - ◆ dugg.ca
- ◆ Virtual Tours
  - ◆ Condos
- ◆ Lawyers
  - ◆ Extranets

# Business Impact of Instant Access



“crack-berries”

- ◆ You are always available
  - ◆ Everywhere
- ◆ We are watching you
  - ◆ Calls recorded
  - ◆ IM monitored
  - ◆ E-mail stored
  - ◆ Text msgs stored
  - ◆ Surfing tracked
  - ◆ Blogs for all to see
    - ◆ World
    - ◆ Company

# Business Impact of Instant Access



- ◆ Out-sourcing
- ◆ Asset Management
- ◆ Not a Guarantee
  - ◆ Markham
  - ◆ US Delaying flights



*Next Week*

Reading Week

# Seminar – 2004Feb18 – 2pm



- ◆ [www.webseminarslive.com](http://www.webseminarslive.com)
  - ◆ Needs IE 5.5 or 6
- ◆ Instant Messaging: The Gateway to the Real-Time Enterprise
  - ◆ Sponsored by Yahoo! Business Messenger
  - ◆ Instant messaging has woven its way into the fabric of everyday life in the Information Age.
  - ◆ As real-time information streams become an enterprise requirement for keeping up with the competition, information workers must learn to harness the power, flexibility, and best practices of the next generation desktop.
  - ◆ Attend this eSeminar and learn how instant messaging services can be designed specifically to meet the needs of companies.
- ◆ Also archive
  - ◆ Many, many, seminars.....

# *Next Assignment*

# Individual Assignment



- ◆ Required
  - ◆ Identify the Business
  - ◆ Changes made
  - ◆ Results
    - ◆ (\$ & non-\$)
  - ◆ Cost
    - ◆ (\$ & non-\$)
  - ◆ Key Success Factors
- ◆ E-mail me
  - ◆ Approval for the business
    - ◆ 2002 or later
  - ◆ Not
    - ◆ Examples used
    - ◆ Dell, e-Bay, Walmart, etc.

# *Business Basics*

# Speaker Today



## ◆ Graham Highley

### ◆ Partner

- ◆ ProfitPoint

### ◆ Background

- ◆ 25yrs experience
- ◆ World Traveller
- ◆ Roles

- ◆ Financial Controller
- ◆ Logistics Planner
- ◆ JDEdwards Projects
- ◆ SAP Sales

# ERP

- ◆ Packages started as
  - ◆ Finance
    - ◆ Book-keeping
      - ◆ Planning added (Financial & Personnel)
      - ◆ Decisions support added
  - ◆ Manufacturing
    - ◆ Scheduling of work
      - ◆ Evolved into MRP II (Materials resource Planning)
      - ◆ Added APS (Advanced Planning Systems)
- ◆ ERP traditionally referred to the above
  - ◆ Now encompasses it all
    - ◆ Added
      - ◆ Help Desks
        - ◆ Evolved into CRM (Customer Relationship Management)

# Business Drivers

- ◆ JIT
  - ◆ Toyota's KanBan system
- ◆ VIM (Vendor Managed Inventory)
  - ◆ Collaboration or Coercion? Finance
- ◆ Internet enables collaboration
  - ◆ Prior to that was EDI
    - ◆ Data exchanged, but not always application to application.
- ◆ “Beer Game”
  - ◆ MIT simulation that shows how consumer demand can be distorted within a supply chain with poor communications



# Navision

- ◆ <http://www.microsoft.com/businessSolutions/Navision/default.mspx>
- ◆ Runs on a laptop
  - ◆ 3-layer network architecture NOT required
  - ◆ Consists of modules
    - ◆ Modules consist of granules
      - ◆ Can purchase at granule level
  - ◆ Uniform code, gives predictable behavior
- ◆ Target Market
  - ◆ Manufacturing in the \$50-250million range
  - ◆ Can work for a business in the \$5million range
    - ◆ Typical cost is \$200,000 for software and consulting
      - ◆ Each situation needs to be evaluated