



**e-Company**

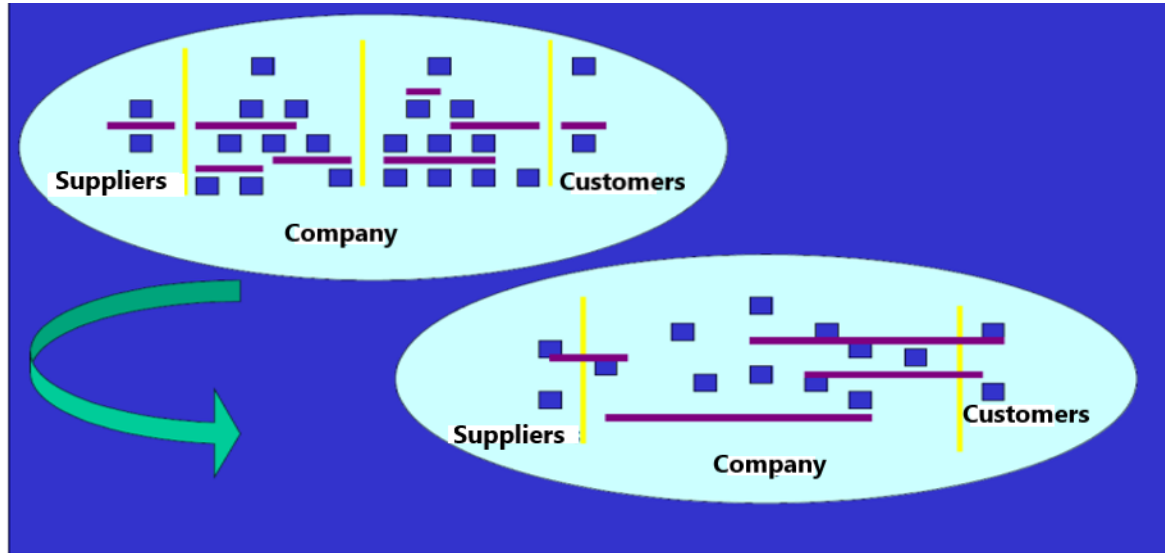
**Dr. Vasilios Zoumpoulidis**

# Business Environments (1)

- Modern companies are characterized by an ever-increasing supply of capabilities, increasing global competition and rising customer expectations
- In response, companies around the world are changing their organizational structures and functions
- Business processes are redesigned, so as to transcend intra-organizational boundaries
- We now see many such examples of processes that "open" different departments and positions of a company, even processes that are managed by the company and its customers or suppliers



## Business Environments (2)



- ❑ Increasing supply capabilities, ever-increasing global competition, increasing customer expectations
- ❑ Companies are changing their organization and functions



# Internet (1)

The history of the Internet is relatively new, but the following facts emerge from its study:

- Initially, there was not even the slightest suspicion for its exploitation in commercial transactions
- Its spread, though, was rapid





# Internet (2)

This rapid spread is due to the nature of the Internet:

- Decentralized computer network, open and accessible to anyone having a PC and telephone line, which offers the ability to contact anyone
- Any user can add value to it
- It has no geographical, temporal, size and type of content limits
- Dynamic content
- Too cheap
- It allows the synchronic and asynchronic communication



# Companies and Internet

- The internet market is essentially a business-to-business (B2B) one, although the media give publicity mainly to the consumer market
- This is because:
  - In the overall economy, business-to-business transactions account for the bulk of economic transactions
  - There is an easier access to the new technologies and the ability to depreciate equipment
  - They have direct benefits due to cost reduction and thanks to its multiple applications
  - Continuation of EDI



# 'e-' (electronic) and Commerce

- 'e-' ("electronic") is a broad term, meaning the use of computers and/or of any communication channels such as telephone, television, radio or the Internet
- According to Webster's dictionary, '**commerce**' means "an exchange of goods, commodities, production or property of any kind, between nations, organizations, or individuals" either by commercial exchange, or by purchase or sale"
  - The main objective of trade is the exchange of goods and services in the sense of "commercial exchange / sales..."
  - During a purchase / sale, as we will see later, many activities will be performed, which are called commercial "transactions"



# Enterprise

- Enterprise is "...commerce or markets in general", "...commercial or industrial establishments (e.g. shops and factories)"
- The second alternative takes a broader view, introducing all kinds of activities, including the buying and selling that can occur in commercial and industrial establishments
- The term "industrial" includes all types of missions in industrial environments, e.g. purchasing, material and resource planning, manufacturing, transportation, recording, quality control, testing, marketing, etc., of which selling and purchasing is only a subset
- For example, the entrepreneurial process specifies the complex groups of tasks of this model which concern the main activities of companies





# Economy

- It is "...the system or the science which concern public revenues and expenditures, or any other financial issues"
- "...the financial sources (e.g. income) of a nation, an organization, an individual..."
- Economics is about "money"
  - e-Business is a broader term than e-Economy, which is a sub-unit to e-Business
  - Economic organizations, such as Banks, Brokers, Stock Exchanges, etc., they commonly participate in economic activities, such as payments, money transfers, etc., or other organizations such as Businesses, Governmental State Mechanisms and consumers



# Governance

- Governance, again from Webster's dictionary, is "...an established system of political administration by which a nation, region, etc., is governed..“
- Govern, means "...to exercise the power of a nation, a region,...."
  - Defines the concept of Government, regarding all types of public management entities, through three levels of activities, national, regional or state/local levels
  - To govern means to cope with all types of activities; many of these activities might be exactly the same to those taking place in private companies



# e-Business

- The changing of technology has driven every industry, from retail distribution to banking, from manufacturing to publishing and education
- The pressure of new technologies (computer, networks, television, telephone) combined with increasing customer demand (flexibility, convenience, customization, service, etc.) and hyper-competition (global market, narrow production cycles, increasing risk, rapid changes) requires private companies and public organizations to redefine their strategies, services, products and processes
- e-business is a specific set of technologies that impacts these industries



# Academic definitions (1)

- "The distribution of business information maintains business relationships and conducts business transactions with the use of telecommunication network means
- It includes, not only the buying and selling of goods, but also the various processes within the individual organizations which support this purpose"
- The use of the word "enterprise" may at first cause confusion, but the definition is not contested.....more than the online buying and selling of goods, it includes the use of networks and communication technologies to engage large-scale activities in the added value chain, inside and outside of the organization





# Academic definitions (2)

- "Quite complex, making it possible to explain, according to the interpretation "value chain" and "organization",..... a modern business methodology that directs the needs of organizations, traders and consumers reduce costs while improving the quality of goods and services and increase the speed of service delivery
- The term also refers to the use of computer networks to search and retrieve information with human support and shared decisions



# Academic definitions (3)

- Too complicated and broad by the calculation of new and unnecessary details such as "the decision process"
- "...the strategic development of the computer together with business tools and IT technologies to meet business objectives"
- "Any type of business transaction through which the parties interact electronically rather than through physical exchanges or direct physical connections"
- The first definition corresponds to e-Business and the second, makes it necessary to define specifically what a business transaction is



# Industrial definitions (1)

- "Automated processing procedures" provided computer processing insight and automation of information exchange through networks
- Reference to trade alone leaves everything else open
- "The general term for the behaviour of the company with the aid of telecommunications"
- This could be an adequate definition of e-business



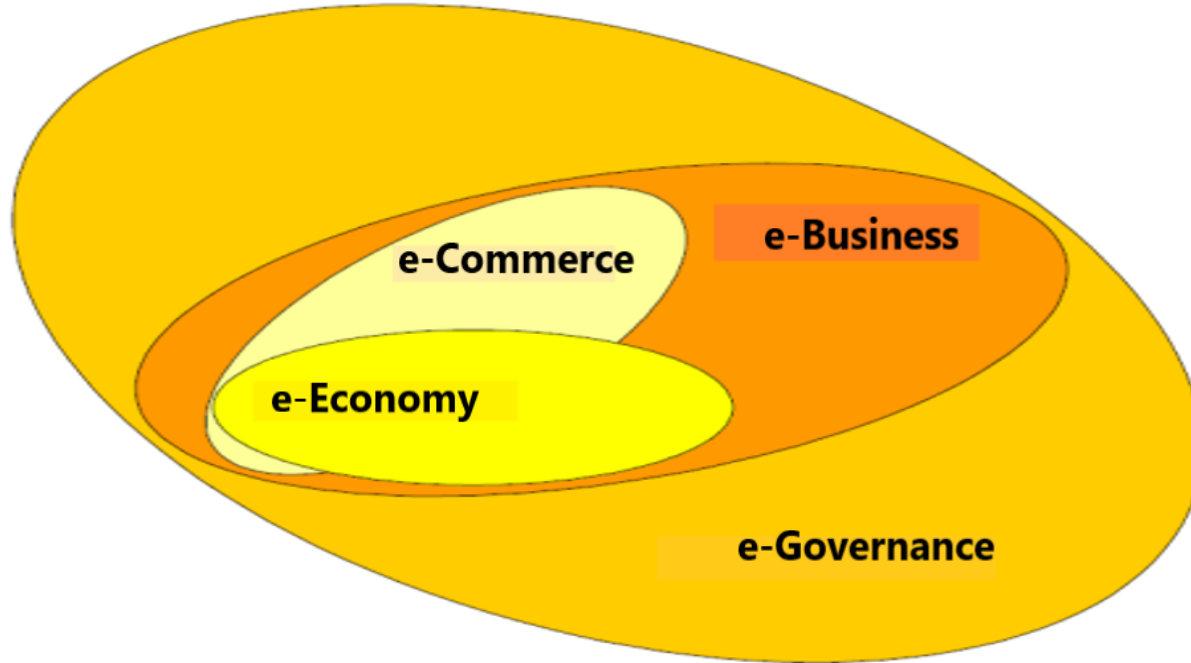
## Industrial definitions (2)

- “All the marketing and the sales process, as well as, other various business activities that take part in the network”
- All activities conducted online to attract the customer to the products before the sale takes place, as well as, the performance and the customer support after the sale
- “Business models for potential customers, other performances and management”
- Commercial transactions that occur on open networks





## e-Connections



# Proposed definitions

- e-Commerce means the execution of sale and purchase activities via Internet
- e-Business means the performing of all kinds of activities that are taking place in commercial and industrial environments through the Internet
- e-Economy is the execution of all kinds of financial checks through the Internet
- e-Government, meaning Government through the Internet, represents all possible activities of Government in any of the three formal levels of administration (national, regional and local), as well as in any of the three formal divisions of power (administrative, legislative and justice delivery system)



## e-Commerce categories (1)

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



# e-Commerce categories (2)

- **Business – to – Business (B2B)**
  - Electronic means are used to place orders, receive invoices and make payments between business organizations
  - This category of e-commerce has been established for many years now, specifically using Electronic Data Interchange (EDI) for private or value-added networks.
- **Business – to – Consumer (B2C)**
  - This category has been expanded via the World Wide Web
  - There are shopping malls on the Internet that offer all types of consumer goods, from sweets and drinks to computers and cars





## e-Commerce categories (2)

- **Consumer – to – Consumer (C2C)**
  - Minor importance
- **Business – to – Government (B2G)**
  - It covers all forms of business transactions between companies and government agencies, such as government procurements issued on the Internet; companies are responding electronically



# Types of e-Governance

- **Government – to – Government (G2G)**
  - This category is not widely distributed yet, but in the near future it may become very important, as a structure of interaction and integration of various public administration entities from the same or a different government
- **Business – to – Government (B2G)**
  - same as in the e-Commerce respective category
- **Citizens – to – Government (C2G)**
  - Processes in this category mainly concern citizens who have access to proper information and are able to fulfill simple transactions, such as paying their taxes

