E-commerce is not new, though the interest shown in it is of relatively recent origin. Academics have applied their skill in seeking to maintain or improve business efficiency for years past, but they have concerned themselves mainly with obtaining facts of a historical nature – that is, by analyzing past papers, they have sought to regulate future policies. Until more recently they have been chiefly occupied with matters of a domestic or internal nature, and although they have not been able to ignore affairs outside, such as the influence exerted by customers, nevertheless they have not sought to extend the field of their activities. They have concentrated their endeavors on seeking to establish an efficiently run business, leaving those engaged on the various executive activities of the organization to pronounce on their own particular fields of interest.

Modern business activities and the increasing complexity of present-day e-commerce have necessitated a broadening of the views, knowledge and influence of the consultant, and while greater specialization has taken place within the profession itself, a new branch of IT has evolved, namely, that of e-commerce.

“E-Commerce” may be defined broadly as that aspect of IT that is concerned with the efficient management of a business through the presentation to management of such information as will facilitate efficient and opportune planning and control.

The managerial aspect of his work is the management consultant’s prime concern. Having satisfied himself as to the efficiency of the organization of the business – covering such matters as the regulation of activities – he may justifiably expect to be concerned with the day-to-day running of affairs. His attention should be directed more particularly towards the extraction of information from records and the compilation and preparation of statements that will enable management to function with the minimum of effort and with the maximum of efficiency.

The term e-commerce has been used carefully for the title of this book, because it covers a broader view than “e-commerce.” To carry out his duties effectively, the manager is now required to extend his knowledge and research
into related but distinct fields of activity covering disparate areas such as taxation, manufacturing processes, electronic data processing, stock exchange activities, economic influences and statistical research.

The consultant needs not to be (for example) a qualified production engineer to be able to concern himself with the efficiency of e-commerce processes, but he must nevertheless have some knowledge of the organization’s workflow to be able to assess what costing, statistical or other records are necessary to ensure effective control. His training and experience must enable him to comprehend and deal with these allied activities.

The essential characteristics of information required for e-commerce management are that (a) it must be relevant, and (b) it must be timely. To meet the first requirement, the e-consultant needs to have a detailed understanding of the business concerned. They must also have the ability to present such information in a way that enables management to concentrate on essential matters. The ideal e-consultant presents information to management without wasting time on routine activities that were previously assessed and concurred. It is here that “management by exception” should be operated. At the same time, if capital projects, expansion or proposed mergers are under consideration, it will be the manager’s duty to grasp the underlying essentials of the situation and to present them in a way that will enable management to reach a decision based on all relevant facts.

In the second instance, the e-commerce manager must realize that information, to be useful, should be received in enough time to enable the executive to act effectively. To be informed after events have reached a stage that precludes their regulation or adjustment merely causes frustration and may lead to wrong decisions, aggravating an already difficult situation. It is here that factors of planning and control manifest themselves as essential to sound management. In analyzing the functions of the accountant regarding his presentation of information to management, his duties may be sub-divided as to:

1. The presentation of forecasts and budgets of a forward-looking nature, facilitating planning.
2. The supplying of such current information will ensure efficient control of activities during the fulfillment of the plans formulated.
3. Ensuring that internal control within the business is such that relevant information is automatically prepared and summarized in such a way as provides an easy, rapid analysis and compilation for submission to management.

The application of control, particularly flexible control, presupposes the availability of sufficient information being at hand for budgeting. An efficient office routine is essential, as mentioned previously, but – and here the wider aspects of
the e-commerce’s experience must be applied – relevant information must also be made available from the web floor, the warehouse and the sales department. Part of such information should arise in the routine order of work, for example, the preparation of requisitions and their subsequent analysis or of efficient stock recording. Other information would have to be prepared specially, as for example, sales budgets and market analysis. In any case, the accountant should know what kind of information is likely to be useful and should ensure it will be received in time for analysis, interpretation and presentation to management.

Nevertheless, the broader aspects of planning will no doubt require the preparation of statistics and the amassing of information in those wider aspects of the e-commerce manager’s field of experience. Where projects are to be undertaken, not only will a recommendation as to an adequate return on capital invested be required, but also the most suitable method of raising the necessary finance will have to be indicated. Likewise, if any take-over project or investment in a subsidiary company or other concern is contemplated, e-commerce will be expected to be able to express an opinion based upon the ability to interpret accounts, to assess future trading prospects, etc.

The importance of information being received in time for effective action has already been stressed. In this respect, the submission of information covering standards and variances from those standards during the course of actual activities will facilitate management by exception and effective action while control may still be exercised.

The necessity for the efficient recording of essential information has already been dealt with. This assumes efficient internal control and the suitable allocation of duties within the e-commerce’s department so information may be rapidly compiled in an orderly manner, especially in the event of some urgent business arising, ensuring that no dislocation occurs.

Being in the nature of an introduction to the field of e-commerce, this brief exposition has sought only to illuminate some of the main aspects of the subject and to emphasize the duties falling to the management consultant; the more detailed aspects are dealt with in the pages of this book.

In the first chapter, Dr. Paul Taylor describes from a ‘Devil’s Advocate’ stance the cultural context to the rise of various online activities that oppose the general values of e-Business. In the new digital times, capitalism’s iconoclastic qualities have been enthusiastically re-appropriated by business gurus on the opposite side of the political spectrum.

In the second chapter, Roberto Vinaja addresses the potential benefits of Electronic Commerce to developing countries. Electronic commerce has many potential benefits for developing countries (DC). In his chapter, he describes the
potential benefits of Electronic Commerce for developing nations and he provides case examples that illustrate this trend. The widespread adoption of electronic commerce is especially important for developing countries.

Jatinder Gupta describes in the third chapter the various adverse effects that have accompanied the advent of the Internet and e-commerce revolution. The Internet has become an incredibly powerful tool for conducting business electronically. Companies have taken the proactive approach and are jumping on the new way to conduct business. E-commerce greatly enables organizational change and helps organizations to conduct business with improved efficiencies and productivity. E-commerce is credited with empowering employees and knowledge workers in particular, by giving them easy access to virtually unlimited information. E-commerce technologies have helped nations to accelerate their economic growth and to provide more opportunities for the businesses to grow. Meanwhile, it has also created many challenges and adverse effects, such as concerns over privacy, consumer protection, security of credit card purchases, displacement of workers (especially low-status ones) and a negative quality of work life.

In the fourth chapter, Geoff Erwin shows that with the proliferation of the Internet and constant technological advancements, e-commerce will reshape the business world. Government organizations, large co-operations, medium and small business will have to organize their information and information systems in an accountable, well-structured way. He also asks “How do we document electronic businesses activities?”

In the fifth chapter, Sam Lubbe notes that the economic impact on e-commerce is and how this could be used to create new markets and to improve the strategic alignment of the organization. Over the past couple of years, the Internet has taken off and organizations will soon reap economic benefits on it. E-commerce will therefore hopefully emerge as an efficient yet effective mode of creating new markets, although most managers still doubt the economic impact and profitability it has. Enabled by global telecommunication networks and the convergence of computing, telecom, entertainment and publishing industries, e-commerce is supplanting (maybe replacing) traditional commerce. In the process, it is creating new economic opportunities for today’s businesses, creating new market structures. Managers of tomorrow must therefore understand what e-commerce is; how the approach to this concept will be; and how it will affect the economic position of the organization. These questions could therefore be asked: What is the return on investment (ROI) on e-commerce? What is the effect of e-commerce on the strategic alignment of the organization? What is the economic effect of the strategic alignment on the organization?
In the sixth chapter, Rick Gibson looks into an effective online customer service strategy. Although the effectiveness of the online customer service will vary and depend on the type of business the company is involved in, the usage of different types of tools in this arena have proven to be more useful than others. Effectiveness in this work will be used in the sense that the more effective strategy will lead to more satisfied customers, a higher customer retention rate and higher revenue for the business.

In the seventh chapter, Geoff Erwin relates to the fact that Executive Information Systems (EIS) are designed to serve the needs of executive users in strategic planning and decision-making and for making both strategic and tactical decisions. The accessibility, navigation and management of data and information for improved executive decision-making are becoming critical in the new global business environment.

In the eighth chapter, Eric Cloete addresses how these small businesses in a developing country perceive the potential benefits of e-commerce and look at their consequent adoption of e-commerce activities in their own organizations. Comparisons are made between studies conducted in first world countries, particularly regarding the role of government initiatives.

In the ninth chapter, Shaun Pather and Sam Lubbe address the fact that the world of Internet commerce has been rapidly evolving since its advent in the 1990s. This has had implications on research directions in the field of Electronic Commerce (e-commerce). No longer is it sufficient to study the formation of electronic markets in e-commerce. It is also necessary to have insight into the electronic markets’ innermost workings.

In chapter ten, Marlon Parker states that tertiary education institutions aim to be recognized for social, knowledge and economic contributions in South Africa. There has also been an increase in the different uses (including e-learning) of the Internet. This increase has contributed to the electronic learning revolution and some South African tertiary institutions are making the technology-based paradigm shift for this reason.

In the eleventh chapter, Michael Mullany and Peter Lay investigated the relationships between user resistance to new information systems (such as e-commerce) and the differences in cognitive problem-solving styles between systems developers (analysts) and users.

In chapter twelve, Sandra Henderson, Charles Snyder and Terry Byrd present a study examining the relationships between consumer privacy concerns, actual e-commerce activity, the importance of privacy policies and regulatory preference.

In the final chapter, Paul Pavlou addresses the issue of “impersonal trust” in establishing successful B2B relationships—the type of trust that is created by structural arrangements, rather than from repeated interaction and familiarity.