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Abstract

GlobalUBid.com is a B2B (business-to-business) e-commerce company offering excess and obsolete inventory to online customers. GlobalUBid is rapidly expanding into the global online marketplace, but recently, its Web site crashed due to a denial-of-service (DOS) attack. A lack of security awareness at an organizational level has left GlobalUBid’s online system vulnerable to internal and external attacks. Though informal security policies are in place, many employees are not aware of them and they are not enforced on a regular basis. Unsecured aspects of the physical...
workplace make the organization vulnerable to disgruntled employees, hackers, and unscrupulous competition. GlobalUBid has hired URSecure consultants to conduct a security assessment in uncovering internal and external vulnerabilities. URSecure has made recommendations for improved security, though the organization must develop most of the implementation details. GlobalUBid management recognizes the need for improved security, though there is a concern about the financial implications of implementing a security plan.

Organization Background

GlobalUBid.com\(^1\) became a start-up company in March of 1998 in order to provide online auction capabilities to U.S. companies getting rid of excess inventory. GlobalUBid is one of the first online auction sites in the B2B e-commerce industry. Inspired by the skyrocketing stock values of 1997 IPOs (initial public offerings), local venture capitalists backed the company with an initial investment of $1.5 million for building the online B2B auction site. The strategic plan was to build the system as quickly as possible with an expenditure of $1 million during the first year.

In May 1998, 10 Web developers, two database administrators (DBAs), and a system administrator (SA) were hired to apply both Oracle and Microsoft software technologies in building the system. The technology staff worked an average of 98 hours per week (14-hour days, seven days a week) with the promise of stock options significantly increasing in value when the company went public. The company had announced plans for an IPO offering in the spring of 1999. Approximately half of the Web developers left within the first three months because of the burnout associated with the mandatory overtime to complete the online system. These employees were replaced immediately but at a higher cost for salaries and increased stock options.

Management and the technical staff knew that when the venture capital ran out, the company would have to declare bankruptcy without an opportunity of going public. They were aware of the dot.com IPO offerings that made employees with stock options instant millionaires. They were also aware of the increasing number of failed dot.coms littering the Internet, many of which had insufficient venture capital to sustain development efforts.

By April 1999, the company had developed the Web technology to support online auction capabilities. The online site became available for public use in July with limited domestic support. Though the online auction site was deemed successful by GlobalUBid’s management team, more customers were needed to increase