Original Research Paper

Commerce

APPLICATION OF E-COMMERCE IN KUMARAN SYSTEMS CHENNAI CITY

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ABSTRACT The Concept of E-Commerce is not a new one. The implementation of commercial activities such as Banking, Advertising etc through online system is a basic concept of E-Commerce. Commerce has a long tradition of profiting from innovative systems and tools. This study deals with the importance of E-Commerce Application in Business Environment. From this study it is very clear that the concept of E-commerce is a real gift to the Business organisations to administrate the entire world of Business. No doubt that all Business organisations should install the system of E-commerce irrespective of their scale of operation which will lead to the effective operation. Further future advancement in E-Commerce will increase the speed of Business activities to the great extent.

KEYWORDS :

INTRODUCTION

The Concept of E-Commerce is not a new one. The implementation of commercial activities such as Banking, Advertising etc through online system is a basic concept of E-Commerce. Commerce has a long tradition of profiting from innovative systems and tools. As technologies emerge, successful businesses are quick to identify developing opportunities and expand their commercial capabilities. Conducting commerce electronically is no different. For many businesses, new technologies that digitally exchange text and monetary information are effective tools to serve traditional business goals of streamlining services, developing new markets, and creating innovative business opportunities. In addition, they offer the potential to develop types of services that are so innovative and distinct from tradition that they define a new type of commerce. Appropriately named, electronic commerce (E-Commerce) is the synthesis of traditional business practices with computer, information and communication technologies. E-Commerce is not an entirely new type of commerce. It first emerged in the 1960's on private networks, as typically large organizations developed **electronic data interchange** (EDI) installations and banks implemented **electronic funds transfer** (EFT). Today, however, E-Commerce is no longer the exclusive domain of large organizations or private networks. The open network Internet and particularly the World Wide Web not only present new commercial potential for large organizations, but also provide a viable entry point for small and medium-sized enterprises (SMEs) into E-Commerce opportunities. Even though E-Commerce has existed for over thirty years, it has just recently sustained significant growth. In the past 5 years the Internet has transformed from an auxiliary communication medium for academics and large organizations into an entrenched communication medium that spans across nearly all parts of mainstream society. E-Commerce growth is tied directly to these socio-technological changes. The more entrenched the medium becomes; the more users are drawn to it. An increase in users increases markets. As markets expand, more businesses are attracted, which in turn drives the development of better, more stable and secure technology to facilitate E-Commerce. A stable, secure environment for exchanging mission-critical and monetary information only draws more businesses and consumers to the Internet and ensures the growth pattern continues. All these related factors contribute to a burgeoning E-Commerce marketplace that should continue to grow well into the new millennium.

ORGANISATION PROFILE

Kumaran systems is one the leading software development Company inTidal Park Chennai. It provides entire software support and software testing in Windows Based Application Softwares. It fully implies the concept of E-commerce in their organisation in daily routine activities. Kumaran systems was started in the year 1996 with initial Capital of Rs.1 Crores. The Company operates with a Working Capital of Rs.20 lakhs per month. It is Partnership based Organisation having a healthy Manpower system. It has its registered office at Tidal Park, Chennai. It has more than 20 Programmers headed by three Team leaders. Kumaran systems undertake Development Projects and Software Testing Projects from National and International Companies which are indulging in Banking and Insurance Activities. Kumaran systems have achieved a growth rate of 10% per annum in its activities. Its annual Turnover in the first year of commencement was 3 Crores. The

Turnover was at peak in the year 1999 and 2000 due to the Year 2000 Problem. M/s. Kumaran systems not only perform Development activities in addition to this they undertake the Maintenance Contract for the Various Software Projects. The Company has more Experts who are undertaking the Project In charge for many Overseas Projects. The Company has contact with many International Software Agencies who provides various projects in Banking and Insurance Sectors at International Level. The Company has well Structured Marketing Department which contain Executives with both Marketing and Technical skills. Kumaran Systems has placed many programmers in their overseas Project. The Company has a well designed and integrated E-Commerce implemented. The takes the full advantage of E-Commerce to become one of the successful Software Development Organisation in Chennai. It delivers full support to its Customer in Foreign countries through Internet and through in house Call Centers which operates 24 hours. It has well equipped computers and licensed software for carrying out the development process quickly and easily. It has a strong administration structure for planning and implementation of the projects.

PROBLEM OF THE STUDY

1) The study deals with Implementation of E-Commerce in Kumaran systems
2) The study covers the advantages and disadvantages of E-Commerce Implementation in Kumaran Systems
3) The study covers the various activities of E-Commerce performed in Kumaran Systems.
4) This study analyses the problems in implementation of E-Commerce.
5) This study analyses the various constraints in carrying out the business activities through E-Commerce

OBJECTIVES OF THE STUDY

1) The main objective of the study is to analyze the steps in Implementing E-Commerce
2) This study aim finding out the advantages and disadvantages of E-Commerce in Business Applications
3) This study aims to find out the practical difficulties in handling business activities through E-Commerce
4) This study aims to compare the business activities before and after the implementation of E-Commerce
5) This study aims to enumerate the successful implementation and execution of E-Commerce in business organizations
6) To analyze the various developments in E-Commerce
7) To Investigate the consistency and suitability of E-Commerce in Business organisation

METHODOLOGY OF THE STUDY

The sample size used for my study is 120. This study involves collection of both primary data & secondary data

SCOPE OF THE STUDY

The geographical area covered under this research study was in Chennai. In this connection 120 respondents, employees of M/s.Kumaran Systems, Chennai were approached for primary data through Questionnaire

DATA ANALYSIS AND INTERPRETATION
Reduction of Missed Deadlines through E-Commerce Application

S. No	Opinion	No. of Respondents	Percentage
1.	Yes	81	67.50
2.	No	39	32.50
	Total	120	100

Source: Questionnaire

From the above table No.15, it can be understood that out of 120 respondents, 81 (67.5%) of the respondents feel that there has been a considerable reduction of missed deadlines through E-Commerce Application, and (32.5%) of them are of the opinion that there is no reduction of missed deadlines through E-Commerce Application. Therefore, accordingly to the above analysis, majority of the respondents feel that there is considerable reduction of missed deadlines through the practices.

Improvement in Quality by E-Commerce Application

S. No	Opinion	No. of Respondents	Percentage
1.	Strongly Agree	21	17.50
2.	Agree	63	52.50
3.	Neither Agree Nor Disagree	29	24.17
4.	Disagree	6	5.0
5.	Strongly Disagree	1	0.83
	Total	120	100

Source: Questionnaire

From the above table No.16, it can be understood that out of 120 respondents, 21(17.5%), of the respondents strongly agree that there is improvement in quality by E-Commerce Application, 63 (52.5%) of them agree that there is improvement in quality by application of E-Commerce, 29(24.17%) of them neither agree nor disagree, 6 (50%) of them disagree and 1 (0.83) of the respondents strongly disagree on this issue. Therefore according to the above analysis, majority of the respondents agree that there is improvement in quality of products and services through application of E-Commerce.

Enhancement of Reputation of Organisation by Application of E-Commerce

S. No	Opinion	No. of Respondents	Percentage
1.	Strongly Agree	90	75
2.	Agree	22	18.33
3.	Neither Agree Nor Disagree	2	1.67
4.	Disagree	6	5.0
5.	Strongly Disagree	-	-
	Total	120	100

Source: Questionnaire

From the above table No.17, it can be understood that out of 120 respondents, 90 (75%) respondents strongly agree that organizations reputation enhanced through TQM program, 22 (18.33%) agree that the above and 6 (5%) respondents disagree that reputation is not enhanced through application of E-Commerce. Therefore, according to the above analysis, majority of the respondents strongly agree that organizations reputation is very much enhanced through application of E-Commerce

SUMMARY OF FINDINGS, CONCLUSIONS AND SUGGESTIONS

FINDINGS
In this research work a detail analysis of Application of E-Commerce in M/s. Kumaran System was made, during this research work various facts and figures have come out. Out of this certain information are absolutely out of our research purview. In this stage a review of those findings are made to suggest certain remedies. The following are noted findings in this regard.

1) Changes in an organisational Setup

The Application of E-Commerce in business administration has expanded the existing organisational setup in a different way. A new functional relationship has been developed in between top-level management and financial management. It indicates the growth and specialisation in business atmosphere. Therefore it is one of the most important changes in business.

2) Satisfaction over E-Commerce Application
Introduction of E-Commerce makes the members of organisation feel happy and satisfaction over its functioning. At the same time there are a very few respondents who are not satisfied because of certain drawbacks

3) E-Commerce have brought new image to the Business Activities
Introduction and implementation of E-Commerce in various application of business has changed the image of the company.

4) Change in taste and expectation of consumers
The preference of consumers must be considered to survive in the market. In most of the cases consumers are very much attracted by the E-Commerce.

5) Growing complexity of business transactions
Nowadays business transactions have become more complicated due to various reasons lead to the role various departments of business have become complex. All these complexity are solved by the implementation of E-Commerce

6) Auditing, Internal Control and Filing have become more effective
Introduction of E-Commerce have brought various advantages, out of those one can witness the effectiveness in Auditing, Internal Control and filing. It happened due to systematic scientific approach by the management.

7) Huge Investment and Maintenance cost
Introduction and Application of E-Commerce in the organisation requires huge investment at the time of Installation and Maintenance cost after.

SUGGESTIONS
The findings of research work are listed above have direct link with the objectives. In those findings certain findings are favorable, which indicate the effectiveness of E-Commerce, at the same time there are certain findings which indicate the problem areas. These problems will have adverse effect on the growth of the business and success of E-Commerce. Hence it is our responsibility to suggest certain measures to overcome those problems. So, a few important suggestions are discussed below.

1) Organisational design must be made carefully
Introduction and implementation of E-Commerce in business organisation may create unwanted problems within the routine administrative work, to tackle this problem; a suitable organisational hierarchy must be framed. This is a basic requirement of the organisation.

2) Better Co-ordination
The success of E-Commerce heavily depends upon the co-ordination between the departments and between the staff members. Lack of co-ordination brings many disadvantages to the system and it will lead to the failure of the Application. Proper interdepartmental co-ordination paves the way to huge success for the Application of E-Commerce in the business organisation.

3) Installation of User friendly Softwares
For getting better results from E-Commerce, the basic software packages installed must be simple, flexible & user friendly. The installed software should be equipped to accept the process of E-Commerce. Therefore it is the responsibility of the management to select suitable and compatible software Environment

4) 100% Maintenance
In order to decrease the maintenance cost of E-Commerce Application, proper preventive maintenance by the user is required. Periodic maintenance such as Virus Checking & Machine Checking should be made to avoid breakdown of Computers.

5) Implementation of Centralized Processing System

The top level management should centralise the processing facility of E-Commerce to reduce the overall cost.

CONCLUSION:

The study of Application of E-Commerce in Kumaran Systems resulted in various ideas about the functioning and implementation of E-Commerce in Business organisations. This study deals with the importance of E-Commerce Application in Business Environment. From this study it is very clear that the concept of E-commerce is a real gift to the Business organisations to administrate the entire world of Business. No doubt that all Business organisations should install the system of E-commerce irrespective of their scale of operation which will lead to the effective operation. Further future advancement in E-Commerce will increase the speed of Business activities to the great extent.

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