

**MBA – INFORMATION TECHNOLOGY  
MANAGEMENT (MBAITM)**

**Term-End Examination**

**December, 2014**

**MBMI-009 : E-BUSINESS**

*Time : 3 hours*

*Maximum Marks : 100*

**Note :**

- (i) *Section I is **compulsory** and carries 30 marks.*
- (ii) *In Section II, answer any **five** questions, which carry 70 marks.*
- (iii) *Assume suitable data/assumptions wherever required.*
- (iv) *Draw suitable sketches wherever required.*
- (v) *Italicized figures to the right indicate maximum marks.*

**SECTION I**

1. Hewlett Packard (HP) is a successful company in the business of manufacturing computers, peripheral devices, electronic components, medical devices and measurement devices. It is popular for its open and relaxed culture. There is

a high degree of decentralization and business units that perform well are given autonomy. Hewlett Packard's Knowledge Management initiatives began in 1995 with some business units taking up KM projects. To support its employees, it undertook training programs, discussion forums and training library. Owing to the reluctance of educators to openly express their views online, training review collapsed even before it started. So HP started building a network of experts. The goal was to develop a directory of human resources in HP lab. These individuals or knowledge workers are unequivocally the most vital resource in the 21<sup>st</sup> century company for Evolution, Emerging Trends Best Practices. HP's Chief Knowledge Officer has come out with some important aspects such as :

- Knowledge Management is first and foremost a management discipline that treats intellectual capital as a managed asset.
- The primary-tools applied in the practice of Knowledge Management (KM) are organizational dynamics, process engineering and technology.

Knowledge workers are the most vital resource in the 21<sup>st</sup> century company. These people work in concert to streamline and enhance, capture and flow of an organization's data, information and knowledge and to deliver it to individuals and groups engaged in accomplishing specific tasks.

In a traditional business, HP's focus was on product and marketing strategy. But KM became the main focus of business management where competitive advantage and skill of the employees is critically determined by rate of knowledge of its workers as they play a key role in converting tacit knowledge into explicit knowledge. Objectives of developing KM System at HP are :

- Improve Quality
- Improve Productivity
- Reduce Design Recycle Time
- Improve Profitability

Answer the following questions :

- (i) Discuss the steps that are to be followed in developing Knowledge Management framework from HP's point of view. 6
- (ii) As a knowledge worker in HP, how do you create knowledge ? 5
- (iii) Briefly explain the various types of Knowledge Management applications. 5

2. "Romanian financial services market is unique in several aspects. The history of Romanian electronic banking is only some years younger than the history of Romanian commercial banking in general. Romania in general is very suitable for electronic banking applications due to the relatively high penetration of personal computers and Internet access. All banking technologies were relatively modern. It can be inferred that there is still a potential for growth in convincing people to use electronic channels for banking activities more intensively. Internet bank services are used actively and most of the payment transactions are concluded via e-channels. The growth of the self-service has been exponential but access to Internet is blocking further increase of the share of Internet payments. Most of the consumers who start

banking on-line do it because they need to pay bills frequently and they would like to do it with minimum effort.

The same trends are present in other banks as well. On an average, 95% of total volume of all payments is concluded via e-bank facilities. By looking at the shares of payment methods it can be concluded that the clients using Internet bank are more active in using the banking services in general. The current legislation is supportive to technological innovations. The best example for this is Digital Signature Act, which came into force in 2001. It stipulates the digital signature standard in Romania and regulates release of the certificates. Digital signature is an important component for Internet banking as well as for payments concluded via bank-link and another one is a relatively low level of Internet connection costs in Romania. One of the explanations for this is free telecom market in Romania with two big competitors on ISDN market. For example, the monthly fee for ISDN connection in Netherlands is 30 euros, in Finland 65 euros and in Romania 15 euros. The dial-up connection is also much cheaper as compared to other countries. It is also important,

that Romanian government supports several programs for technical assistance in secondary schools and is involved in a number of nation-wide projects for increasing computer skills and knowledge about Internet among the rural residents. The quality of services in Romania on-line banks has been internationally recognized. It is the only bank from Central and East European countries to make its way into the top European e-banking ranking” (ICF 2008).

**Questions :**

- (i) Why did Romanian financial services prefer digital signatures for Internet banking ? Write any three reasons. 3
- (ii) What are the factors responsible for e-banking development in Romania ? What will be the effect on Indian banking services, if same factors are followed ? 4+3
- (iii) What strategies might have been adopted while going online by Romanian on-line banks for international recognition ? Explain in brief. 4

## SECTION II

3. (a) What are the differences between e-commerce and e-business ? 7
- (b) Why do some people say B2B has greater potential than B2C ? 7
4. (a) Write a brief definition to middleware. Why is middleware difficult to test ? 3+4
- (b) Explain the management challenges when implementing the e-commerce into the existing business. 7
5. (a) What are auction portals ? Explain the working of e-Bay auction portals. 3+4
- (b) What are eyeball aggregators ? Explain their role in e-commerce development in the Internet. 3+4
6. (a) For most organizations, building-packaged CRM application is more economical than building with set of low-level tools. Comment. 4
- (b) Explain the following integration application frameworks with suitable real time business :
- Customer Relationship Management (CRM) 5
  - Enterprise Resource Planning (ERP) 5

7. (a) Explain in detail about integration requirements of the next generation CRM infrastructure. 7
- (b) What is Cross-Selling ? Explain a scenario of cross-selling in a bank. 7
8. (a) List three issues related to the use of credit cards as a payment method in on-line business. 7
- (b) Describe two technologies used for security on the Internet. 7
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