

## Organization New Forms: Old Strategies during the E-Strategies Studying in the Cultural Industry

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**Abstract:** The internet cultural era has shown a high interest for scientists and experts in the use of web (Internet, Intranet and Extranet) resources in electronically helping companies and organizations (e-operation) (ICE). However, while network technology is of great importance and high expectations for companies, the use of network technology by these internet-based organizations and the strategies these companies formulate and deploy for competing in ICE remain unclear. This paper examines the adoption of network technology among 56 Small to Medium-sized Enterprises (SMEs) in the logistics and tourism sector. It focuses on how these SMEs are unlearning their old strategy formulation and implementation and are engaging in e-strategy formulation. Reported findings indicate considerable gaps between theory and practice. The article indicates that SMEs are required to examine a number of situational antecedents to recognize e-strategic opportunities in order to leverage the network technology to its full potential. The work, thus, provided a fresh insight into the existing approaches for evolving types of organizations, and as such, scholars and practitioners alike are likely to be involved.

**Keywords:** Small to Medium-sized Enterprises (SMEs), Internet Cultural Era (ICE), Business-To-Business (B2B), Business-To-Consumers (B2C), and Business-To-Government (B2G).

### 1. Introduction

In the 21st century and beyond, the network technology (referred here forth as the Internet, Intranet and Extranet only in this paper) is one area of technological development that has and will revolutionize modern organizations and the communication world like nothing before. The interest of both researchers and practitioners around the use of the network technology to support businesses and organization operations electronically (e-operations) has been high in the Internet Cultural Era (ICE).

The main aim of this paper is to examine the adoption of network technology among 56 Small to Medium-sized Enterprises (SMEs) in the logistics and tourism sector with its corresponding strategy formulation and implementation. The focuses are on how these SMEs are unlearning their old strategy formulation and implementation and are engaging in new e-strategy formulation and implementation [1]. This paper indicates that SMEs need to examine a series of situational antecedents to recognize e-strategic opportunities in order to leverage the network technology to its full potential. The work thus offers a new insight into existing e-strategies for evolving types of organizations, and as such, academics and practitioners alike are likely to be involved. In general, it can be considered that in any sector there are three distinct areas: marketing, economics and accounting, and all other business fields fall into one or more of these areas. Investment, real estate, insurance or banking may, for example, be included [2]. While management is regarded as an academic field, it actually forms part of all three areas: Management of economy, marketing and sales.

Management of operations concerns the performance and efficiency of the operation in order to sustain and achieve the strategic objectives of the company. The architecture and processes of structures for the distribution of goods and services are other fields that concern operational management. In short, the management of operations consists of the design, preparation and control of activities that turn inputs into outputs. In this sense the operations management involves a variety of renowned and well-developed principles, tools and techniques. Although management of the words operations gives you an insight into production environments, many of these principles have been implemented in service environments, some of which have been developed specifically for service organizations. The management of operations is also an analytical field of study which focuses on successful manufacturing or service companies' planning, planning, use and control and operations [3]. This area is a combination of engineering design, geotechnical engineering, IT management, quality control, manufacturing, inventory administration, accounting, and other tasks.

Management design and determination of appropriate worker productivity is responsible for efficient processes. Staff are not able to add to this process - they can only function. The methodology to science management did not please many individuals [4]. In particular, the staff believed that management used these approaches to raise output arbitrarily without paying them accordingly. However, several organizations have taken the path of science management. Today many consider science management as a significant achievement in organizational management and have played a large role in management of operations.

### 2. Literature Review

To effectively examine SMS's e-strategies in the Internet Cultural Era (ICE), there was need to explore in the literature and on practical issues in the field on old strategies. The research question posed was "what were your organizational strategies before and are there any differences in the strategies that SMEs use to compete in the ICE?" It was the hope of the researchers that answering this research question would provide an understanding on how these SMEs are unlearning their old strategy formulation and implementation and are engaging in new e-strategy to gain competitive advantages through an insight in the existing approaches engaged by these SMEs [5].

Review of recent e-strategies literature shows that in the e-economy, most organizations use or intend to use network technology to support their business operations at various levels such as Business-To-Business (B2B), Business-To-Consumers (B2C), and Business-To-Government (B2G). However, difficulties remain in creating and recognizing the best approaches to be implemented [6]. The literature further demonstrates that the new models of organization are required to examine a number of situational antecedents to find strategic possibilities in order to leverage the network infrastructure to its full potential.

Therefore, they need to decide whether incorporation or separation of online and offline business operations would provide the best approach with each value-added interface as they grow from one organizational stage to the next. The distribution of small and ordered non-food products (i.e., packages and parcels) that are the most significant online sales group in the World both in the internet stores and delivery sector have been a major area for LGV development [7].

The distribution sector of parcels is highly competitive, with low profit margins and increasingly customer-focused services. As a result of the efforts needed to satisfy these demanding delivery services, the very last running of a motor vehicle is always weak and the delivery services are duplicated at any given geographic areas, as rivals live for business. [8].

The guiding force behind every company's changes and inventions is to boost its profits. In theory, e-commerce can boost its efficiency in two ways: firstly, through an increase in client base and the number of transactions and, secondly, through e-commerce implementation, through cost reductions. Cost saving such as inventory savings, travel reduction, storage costs or personal costs reduction [9]

There are several ways of understanding the policies of an organization within the ICE. Porter defines strategy as building fit among the vital activities of a company. It provides for a more formal definition. I see strategy as a framework for an organization to deal with, what its priorities should be, and what strategies and policies are required for achieving those goals. As such, successful strategic planning relies on correct understanding of the environment of the organization, including the dynamics of the industry itself [10].

Porter's framework was chosen as the main theoretical framework to answer this research question because its analysis and strategic focus was on the Internet at the industry and firm level. Hence this was borrowed and applied in the SMEs setting. Thus, Porter's five forces model was used as a theoretical basis to map the answers provided by the interviewed SMEs to derive the e-strategies in this research in learning new strategies in table 1.

It will however be noted that though the views of Porter five forces model were general in nature and some authors like noted that it was suitable for large organization. However, there are successful applications of the Porter's five forces model in SMEs settings. For instance, showed how SMEs innovation can be evoked through the formulation and implementation of Porter's five forces in the general-merchandise retailing industry [11].

The arguments of Mr. Michael Porter regarding the novel economy, as offered in "Strategy and the Internet," published in the Harvard Business Review offer a good base-line for environmental analysis into a rapidly changing world for SEMs and large enterprises also applied the Porter's five-force model to analyze how the novel thinking and models of business depict clustering into the novel e-economy and use it for gaining the benefits of competition in the zone of ceramic industry in Sri Lanka and to e-transform an organizational strategy cluster. The successful application of Porter's model in SMEs setting also strengthens the case for its adoption in this research.

### **3. Methodology**

The interactions in person were selected like the main process of gathering data needed for this research as it permitted to question suitable individuals within the SEMs. The biggest advantage of interviews in person is that it helps one to more accurately gather the study data from the individuals concerned.

Three components differentiate CIM from other production methodologies as a process of production:

- Means for storage, recovery, handling and presentation of information;
- Condition sensing and process modification mechanisms;
- Algorithms for unification of the detector element and data acquisition component

The empirical research included interviewing 56 organizations from the Chamber of Commerce database of SMEs in the logistics and tourism sector, were arbitrarily chosen from the National Board of Small-Scale Industries (NBSSI) database in Ghana and the UK. The sample restriction was the need for organizations to have access to the Internet and a website to show a representative example of emerging e-organization types.

#### **3.1 Location of Premises**

The interviewees ranged from 23 directors or owner managers to 33 other managers (IT managers or staff, general managers, managers of operations, etc.). merely an interview was conducted for each company, and it engaged two to three hours for each interview. Result verification was obtained via interviews. The interview tool,

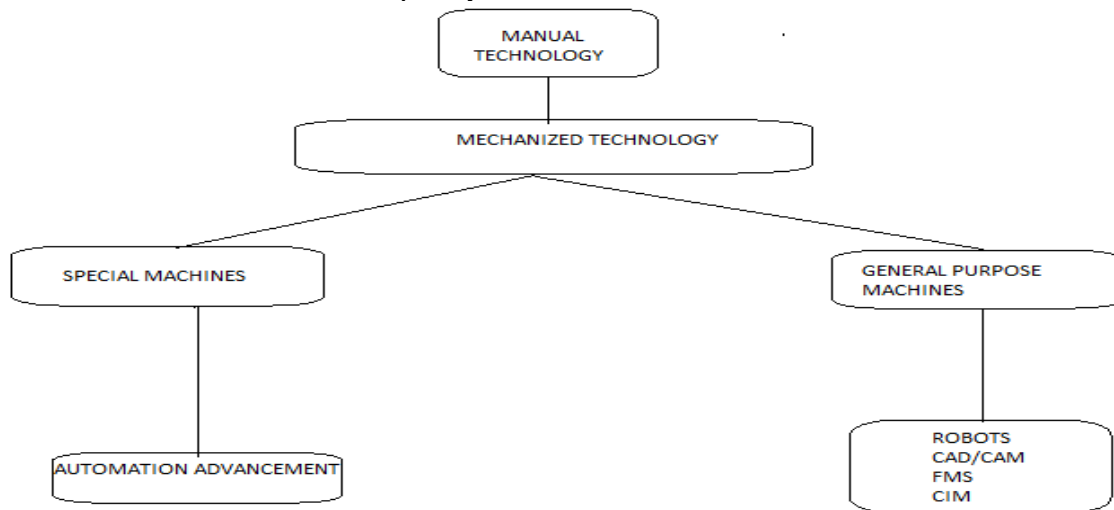
which had been planned for conducting the semi-structured interviews, contained the combination of closed and open-ended questions.

### 3.2 Planning of System

It included a compilation of both quantitative and qualitative data, allowing comparison of rating-based and ranking-based adoption of e-strategies. The quantitative data were analyzed utilizing SPSS and, using NVivo, the qualitative data were evaluated. Enhanced Computational Modeling technology tools combine multiple elements of product lifecycle management (PLM), including design, finite element analysis (FEA) analysis, production, demand planning, quality control and visualization, product documents, product support, etc.

### 3.3 Design of Premises

Production planners' decisions depend on the holding period. The number of facilities needed to meet consumer needs, or the impact on technique changes on methods for producing services and products, could involve long-term decisions [12]. The long-term planning varies with industry and depends on the complexity and scale of the planned changes. Long-term strategy, however, may typically include deciding the size of the workforce, designing training programme, collaborating with services to increase product quality and distribution processes and determination of total order quantity.



**Fig.1. Classification of Advancement in Technology in Automation**

Supply chains—management of all dimensions of supplying a customer with products, from resource extraction to complete dumping.

Organization interface operations - determining the importance of consumers before business development.

Control and Financial Interface Activities - A large portion of the assets of several companies are comprised of capital goods and stocks.

Operational services - Measuring efficiency, etc. with inherent services such as synchronized transportation.

Operational Policy - Compliant and in line with other operational policies of the Organization.

Designing and developing the method - managing the process of innovation.

Reduced creation and production time for new goods/services · ensuring high quality and maintaining cost management ·

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Acquisition, formation and maintenance of trained staff and managers

Work efficiently with other business functions to achieve the company's objectives

Incorporation in decentral organizations of manufacturing and service operations on multiple sites

Working with vendors successfully to be customer-friendly ·

Work successfully with emerging strategic partnerships partners.

With Computers can be more widely used in many of the analytical methods proposed by management science.

Data collection with important effects such as forecasting, planning and stock planning was facilitated. Inventory management and scheduling were developed with a particularly significant computerized framework, the material requirements planning (MRP).

The preparation of material specifications has been able to process enormous quantities of data to calculate inventory requests and to create timetables for thousands of products. Before the computer era, this method of processing was unthinkable. Today, the exponential growth of computer capacity persists to the handling of import processes [13].

The qualitative further indicated that for the three emerging forms of organization to be competitive, they must adopt appropriate global standards in order to be able to transact business globally and these are highly significant for establishing a proficient and successful network system for the collection of data and transmission to enable them to overcome any online business barriers

#### 4. Results

The findings suggested that in the ICE the rising forms of organization must learn to be efficient and innovative in terms of using the network technology. Summary of the results are presented in below table. Their innovation and efficiency policies should be linked to their e-strategies, which must therefore stem from decisions of a strategic nature (profit and survival in the short to medium and ultimately to long term) as follows as shown in Table 1:

**Table 1: Patterns of the E-Strategies**

Types of emerging forms of organization	Pattern of e-strategies	Name of e-strategy	Strategic learning point to focus on & Remark
<b>½ - Fusion</b>	Services	*services differentiation * services bundling *introduction of niche services	* providing mix offers on both websites and catalogues.
	Pricing	*competitive pricing	*Offer quality services at lower price
	Customer	*Customer centric	Increase customer base through emails & mailing *1-2-1 customer relationship
<b>Fusion</b>	Services	*Promotional strategy	*To position their website offers distinctively, discounts and rewards
	Pricing	*Cost competitiveness	*To provide more benefits to the customer at a lower price
	Customer	*Direct communication strategy *Customer network strategy	*To proactively engage customers *Strategy of getting to the customer by all means available
	Security	*Security alleviating strategy	*To assure customers transaction is risk free
<b>E-organization</b>	Services	*Information strategy	*To provide much information about their distinct company, services virtually
	Pricing	*Virtual cost competitiveness strategy	*Making it easy for customers to complete their transaction online
	Customer	*Communication strategy *Distribution strategy *Community's creation strategy	*To proactively engage both customers and partners *Build virtual network of customers and groups
	Security	*Virtual security alleviating strategy	*To assure customers that their transaction is risk free with virtual security mechanisms

- If the key objectives are short-term consequences, the approach should be directed towards market protection to strengthen one 's position through cost reduction and resource optimization;
- If the plan is oriented towards medium to long-term sustainability and profit creation, goals must be changed to creating and expanding new markets through VAP, more creative and effective technologies and the comprehensive use of network technology;
- Focus to quality service, diversification, and so on can be converted into strategic orientation and actions reserved for superior strategic performance.

In addition, the qualitative findings show that the decision-making process around strategic decisions essentially has to be related to overall success of the organization. It follows from these considerations that the measurement parameters have to be able to relate approaches to objectives like:

- Business objectives: to raise market share, to extend into new markets, through the strategic use of network technology, VAP and strategic alliances, which would then lead to,
- Financial objectives: enhanced productivity, cash flow and, ultimately, medium to long-term stability and improved strategic performance.

## 5. Conclusion

Adopting the network technology in the logistics and tourism sector requires SMEs owner/managers knowing their current organizational form and reviewing their existing business strategies appropriately, whilst simultaneously implementing new e-strategic initiatives. Entrepreneurial organizations can explore new opportunities through the use of innovative processes to gather information and effectively market and distribute their products or services with the formulation and implementation of new e-strategies that are completely different from traditional business setups. This research revealed that the relationship between new ideas and possibilities, and the pace at which they result in innovation, depends on the ability of SMEs owner / managers to leverage and incorporate such innovation in their business model. Finally, it will be recommended that the total development of emerging forms of organization requires some amount of experimentation, organizational learning and management of successful strategies, which prove useful in their e-operations, implementation and support processes.

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