The Alignment of Internet Commercial Operations with Information Technology with Organisational Operations

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ABSTRACT

Over the past decade the Internet has taken off and organizations will reap benefits on it. e-Commerce will therefore emerge as an effective mode of creating new markets although managers still doubt the impact and profitability it has. Enabled by global telecommunication networks and the convergence of computing, telecom, entertainment, and publishing industries, e-Commerce is complimenting (maybe replacing) traditional commerce. In the process it is creating new opportunities and challenges for today's businesses (e.g. creating new market structures, and changing the alignment of the organisation).

1. Introduction

Over the past decade the Internet has grown and organizations could reap benefits from using it, as they have never seen. e-Commerce, as one of the 'products' of the Internet will emerge as an effective mode of conducting global commerce although most managers still doubt the 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 opportunities and challenges for today's businesses, creating new market structures, and changing the alignment of the organisation. Many organizations are challenged by an increasing focus on delivery speed and degree of uncertainty. Organizations should keep up while still delivering business value.

The establishment of linkage between business and e-Commerce objectives has been reported as one of the key concerns of managers (Lubbe and Pather, 2002). It is important that executives are involved during the establishment of linkage because it creates an understanding of long-term visions and their rating of the linkage and alignment. Based on the data they collected, Lubbe and Pather, 2002, argued that understanding of current objectives and shared vision for the utilization of e-Commerce are proposed as potential measures for short- and long-term aspects of the reported social dimension of linkage and alignment.

Traditional processes and management concepts that focus on optimisation, efficiency, predictability, control, rigor and process improvement are not flexible enough to create the applications and infrastructure organizations need to achieve success in these competitive times. The e-Commerce Department needs to be adaptable and needs to focus less on what traditional e-Commerce software developers says it 'ought' to do and more on what's actually working in the aggressive e-Commerce driven environment. Managers of tomorrow must therefore understand what e-Commerce is; how the approach to this concept will be; and how it will affect the alignment of the organisation. This article will therefore address the importance of the alignment of e-Commerce, IT and organizational strategies.

2. Key Definitions that will be used in the Article

**e-Commerce**: Best exemplified when a brick-and-mortar business decides to add an Internet based catalogue of their products as an adjunct to their core business. It can be defined as the conduct of financial transactions by electronic means.

**Alignment**: It is the extent to which the Information Strategy supports, and is supported by the business strategy (Tallon and Kraemer, 1998).

**Strategic vision**: for IT is to inculcate that vision throughout the organisation so that all organisation members have access to this critical view of the role of IT in the organisation and can make their decisions based on this understanding. It is typically generated by management and implemented by top management (Brabston, 1994).

**Internet marketing**: The use of the Internet as an outlet to promote the products and services of the
organisation. This needs to be plotted strategically in order for any organisation to maximise its return on the investment.

**Frameworks:** An architectural pattern that provides an extensible template for applications within a domain (Booch et al. 1999).

**The Nature of the Paper**

The paper will address the discipline of e-Commerce value management including the planning of and setting of goals for e-Commerce, and the evaluation of the results, in a business context. The author also discusses the strategic dimension of the organisation in order to emphasize the approaches of trying to align e-Commerce and business decision-making process. Other factors such as the Internet and the Balanced Scorecard is also discussed as valuable contribution to the process of alignment.

3. **Contribution of the Paper**

e-Commerce strategic alignment is one of the top ten challenges faced by any organisation (Lubbe and Pather: 2002). However, alignment of e-Commerce strategies and normal strategies is an ill-defined concept that is difficult to understand and measure. This paper will therefore attempt to contribute to the understanding of the concept of alignment of strategies. It presents different ways in which the term alignment of e-Commerce strategies with organisational strategies can be interpreted and describes procedures for operationalising this alignment.

4. **A Synopsis of some papers addressing the ‘alignment of strategies’ issue**

Chan et al. (1997) addressed the issue of business strategic orientation, systems strategic information and strategic alignment in an article. They did, however, not address the issue of strategic alignment of e-Commerce with the business strategy. Their study indicated that business strategic orientation, IS strategic orientation, and IS strategic alignment is modelled best by utilising holistic systems approaches instead of dimension-specific bivariate approaches. Chan et al. (1997) detected three generic IS strategic approaches and user satisfaction does not capture important strategic aspects of IS effectiveness. They concluded that IS strategic alignment is a better predictor of IS effectiveness than IS strategic orientation and that business strategic orientation, IS strategic alignment and IS effectiveness have positive impacts on business performance.

Sukpanich and Chen (1998) discussed the major issues of conducting business on the Internet. There are many organisations using the Internet as an outlet to promote their products and services. They predicted that in the near future, companies will have to be on the Internet to remain competitive. The planning of Internet marketing should be raised to a higher priority for both practitioners and researchers in IS and marketing fields. Internet marketing, according to them, needs to be plotted strategically in order for any organisation to maximise its return on the investment.

They have developed a framework for Internet marketing research. This framework highlighted issues such as marketing objectives need to have communication channels, transaction channels and distribution channels. The Internet is expected to provide comparative advantages in terms of transaction and distribution purposes. Technical issues need to be considered as well as they can impact on Internet marketing.

In an article on the alignment and integration of IT management with the Balanced Scorecard, van der Zee and de Jong (1999), argued that the continuously growing importance of IT requires organisations to integrate IT decisions with their common planning and decision-making at all organisational levels. The temptation to try to align distinct and separate business with IT management cycles would not be enough. They argued that the need to integrate business and IT strategy has been long advocated but that a practical framework did not exist. The same could be argued in the case of e-Commerce and the argument for a framework would be confirmed in the main body of the article.

The framework they created included the planning of and setting of goals for IT, and the evaluation of results, integrated with the business context. Their case studies confirm that the integrated Balanced Business Scorecard approach, if applied intelligently and with awareness of its limitations, can successfully integrate business and IT planning processes.

Subramani and Walden (1999) argued that the media hype surrounding the growth of e-Commerce has led to considerable interest in making the significant investments required to participate in the growing market. They have studied the returns of these organisations and noted that it is not a happy picture. They also argued that there are more factors influencing these returns than management would like to acknowledge. Their final conclusion is that capital markets recognise the transformational potential of e-Commerce and expect significant future benefits to organisations entering into e-Commerce arrangements.
In an article on factors that influence the social dimension of alignment between business and IT objectives, Reich and Benbasat (2000) argue that the establishment of strong alignment between IT and organisational objectives has consistently been reported as one of the key concerns of IS managers. They presented findings from a study that investigated the influence of factors on the social dimension of alignment within some units of a life insurance industry. They found that four factors (shared domain knowledge, IT implementation success, communication between business and IT executives and IT planning) influences short term alignment. Only the first factor influenced long-term alignment. Business plans, on the other hand, affects both short and long term alignment. They support further research and development into the creation of alignment and IT vision.

Sabherwal and Chan (2001) argued that alignment between business strategy and IS strategy is widely believed to improve business performance. They examined the impact of alignment on supposed organisational performance using a classification model based on Defender, Analysers and Prospector business strategies. They developed some theoretical profiles in terms of some subsystems (e.g. market IS, SDSS and Internal-organisational systems). Their results indicated that alignment affects perceived business performance in some organisations. Alignment also seems to influence overall business success in Prospectors and not in Defenders. Derome (2002) in a white paper on e-Business evolution, argued that the perceptions of technologies enable inter-enterprise exchange. The letter "e" lost much of its language domineering swagger with the fall of the dot-com economy. Many people now cringe at e-Inspired products and there has been a shift in the paradigm of managing these technologies.

All of the research discussed in this section noted the importance of alignment of strategies for IT and organisational strategies. None of them explicitly argued that there should be alignment between e-Commerce, IT and organisational strategies. It is with this in mind, that the rest of the study will argue for the importance and setting the stage for an empirical study (the next phase of this study).

5. The Strategic Dimension of the Organization

Organizations also need to take a strategic perspective to ensure that investment in e-Commerce is contributing to the organization’s business strategy. Increasingly, e-Commerce is therefore being used by innovative organizations to facilitate the alignment of technology strategies now that re-engineering has lost some of its lustre.

It can be argued that competitive advantage should be based on the capabilities of the organization. Competitive advantages are therefore produced by organizational learning processes (Sohn, 1999). The organizational learning processes obtain knowledge from e-Commerce, interpret, distribute to the organization, and memorize the knowledge. In order to have competitive advantage most organizations should have unique resources and capabilities. These resources and capabilities could help with the alignment of the strategies of the organization. Organizational learning therefore provides the opportunities to improve the existing e-Commerce and eventually help with alignment of the strategies.

Ulrich & Lake (1990) as cited by Sohn noted that organizational capabilities have four components, that is shared mindset, management and human resources practices, capacity for change and leadership. These organizational capabilities have the ability to affect alignment and should be kept in mind when alignment is discussed. Sohn argues that IT influence organizational learning and that each process of organizational learning is affected and adjusted by IT. These arguments would affect the alignment of e-Commerce strategy withal other strategies and should be kept in mind by the executives. Organizations should also utilize a set of measurements that could be used to measure key business goals and the results should be used to quantify its performance and emphasize its role in orchestrating alignment with all the strategies. In an age when cost-cutting and adding competitive value lie more squarely on the shoulders of the e-Commerce department it is no longer enough to successfully deploy systems - they should also be part of the alignment of all the strategies. Using metrics enables e-Commerce to highlight its value to get additional funding for future technology projects and ensure that everything aligns.

There had been questions on whether e-Commerce contributes to the business and how efficient the organization is in aligning all strategies. Nobody had been able to effectively answer these questions. The tricky part of this question is how to align all strategies or measure the contribution e-Commerce makes to the organization. The use of e-Commerce in organizations is subject to various kinds of risk and this is part of the alignment of all the strategies (Bandyopadhyay et al.,
As spending on e-Commerce rises, organizations become increasingly technology-dependent and consequently become highly vulnerable to the risks of e-Commerce failure and eventual failure of the organization because there would be no alignment of e-Commerce strategies.

Risk management of e-Commerce is also one of the issues facing executives today. Risk-reducing measures should therefore keep in mind that the eventual alignment of e-Commerce should be enforced. The key to understanding strategic risks is dependent on the organizations ability to foresee the long-term benefits from a new system, assess the resources and capabilities of its competitors, assess its own financial strength, and align its e-Commerce strategy with its overall business strategy (Bandyopadhyay et al., 1999).

Organizational strategy provides the vision of where any organization needs to go. The problem is that many organizations focus on tactics and operations while the real value of e-Commerce is to create opportunities and also to enter new markets. Organizations could directly derive the e-Commerce and operational objectives from the overall objectives, ensuring that the e-Commerce and business strategies are aligned. One of the problems every organization faces is that objectives and strategies can change according to market dynamics.

At the strategic level, senior managers need a clear vision of the competitive impact of e-Commerce and how it will affect the alignment of all strategies. Most organizations therefore focus on e-Commerce (new revenue opportunities) to help the organization become competitive and enter new markets. It should be possible to ensure that Technology Objectives and Operational Objectives could be derived directly from the organization's corporate objectives ensuring that the business and e-Commerce side of organizations are focused on the same goals and that alignment exists. Managers must keep in mind that a life cycle will provide an important perspective of the formulation of these strategies because each phase of the life cycle has distinct characteristics that affect the operation of the business. Each one of these phases could 'experience' a gap and managers should ensure that leverage does not make these gaps bigger during any of these phases. These performance gaps should be managed and the organization should determine its overall market posture considering its relative position in the industry.

To forecast the effect likely to result from implementing alternative alignment planning, organizations should structure profile measures concentrating on industry market potential, relevant industry sales and real market share. e-Commerce and Internet marketing should therefore ensure that everyone who could reasonably be expected to use the product is using the product as often as possible and to its fullest extent. The problem however is that visitor's numbers as claimed by Internet Service Providers (ISP) cannot be verified and until that can be done, will CEOs surely look at the alignment factor as things that cannot be reconciled. These gaps, as mentioned before, can contribute (positively or negatively) towards the alignment of the strategy of the organization and it can affect the actual performance of the organization on Internet marketing and the e-Commerce strategy of the organization. These gaps are: product line gap (Introducing improved or new products that should ensure that the organization could compete on the Internet); Distribution gap (e-Commerce can help to expand the coverage, intensity, and exposure of distribution. This can help to better align the e-Commerce strategy and all the other strategies); Usage gap (The Internet should help to induce current users to try the product and encourage users to increase their usage.); and Competitive gap (This is where e-Commerce can make inroads into the market position of competitors as well as product substitutes.).

The future marketing approach that can be used by the organization can be increased (and the alignment of the strategies of the organization can be improved) by increasing the organization's industry market potential, by increasing relevant industry sales while maintaining the present market share or by improving the organization's real market share at the expense of the competitor's sales.

6. Implications for e-Commerce business value during the alignment of e-Commerce and Business Strategies

Tallon & Kraemer (1998) note that organizations' inability to realize sufficient value from their e-Commerce investment is because of an absence of strategic alignment. They cited Child (1992) who argued that the content of alignment should be a series of intersecting and mutually consistent choices across domains such as business strategy, e-Commerce strategy, organizational infrastructure and processes and e-Commerce infrastructure and processes. There are tools available to oversee and manage the content and process of alignment. According to Tallon & Kramer (1998) there are a number of benefits associated with process-level measures of strategic alignment. Process level measures are likely to yield greater insights into where the organization is
misaligned, helping to isolate bottlenecks and other impediments to e-Commerce business value within the organization. If strategic alignment was measured at the organization level, e-Commerce and business managers might simply know that their organization was misaligned, but would not have sufficient information to isolate the source of the misalignment. It would be different if the organization adopted a process-level perspective and the strategy could be presented as a series of activities within each business process. Strategy can be described as a series of intersecting activities, meaning that it fits neatly with the definition of a process as a sequence or ordered set of activities. Measuring e-Commerce and business strategy at the process-level allow organizations to take a closer look at key activities within each process configuration and to look at the e-Commerce that support those activities.

Opportunities for strategic alignment will arise if technological resources are directed towards the maintenance, improvement and creation of capabilities that underlie the business strategy. A link should therefore be established between resources and capabilities. It must be stressed that strategic alignment is not an event but a process of continuous adaptation and change and therefore it should be noted that the assignment of e-Commerce resources to capabilities must be continuously re-evaluated to prevent the organization slipping into a state of misalignment. Organizations should also keep in mind that the ever-increasing pace of industrial, social, political and environmental change underscores the importance of strategic alignment. e-Commerce resources should thus be utilized to the maximum.

Tallon et al. (1999) find a relationship between business value and strategic alignment in a sense that an absence of strategic alignment can lead to reduced payoffs from e-Commerce investment. Their analysis also found that the e-Commerce department plays a key role in enabling an organization to convert strategic alignment into higher levels of e-Commerce business value. It can be argued that as organizations focus their efforts on achieving intangible impacts in areas such as innovations (for example e-Commerce) and customer relations (especially on the Internet), evaluating these impacts should therefore become a priority.

7. e-Commerce and the Internet’s influence on alignment

Companies incessantly produce and use information, acquired by a variety of means, in part because it is perceived as a source of development. Industries and organizations need accurate and up-to-date information about companies and their financial performance as well as reports on political, economic and market trends embracing environments such as manufacturing, wholesale and retail, government, etc. allowing many different people in different organizations to use this information. The information is important for things such as the operation of the organization and also alignment of strategies. It is important to note that people should have adequate sources of information (internally generated as well as external information). It should also be noted that in times of economic stringency information services seem to be regarded as the least essential arm of the organization. It should be remembered that the magnitude and complexity of the business market is largely unknown to the average customer and very few businesses have the machinery to collect and coordinate information from a variety of sources and to apply it towards improving organizational decision making and alignment of strategies.

8. Organization and e-Commerce alignment

Aligning business and e-Commerce strategies continues to be an important management issue. The problem is that, according to the Cutter Consortium (1999), 65% of organizations have no e-Commerce strategy while 25% of organizations have not yet developed an overall e-Commerce strategy. Only 4.2% of the organizations contacted do have an e-Commerce strategy. It is obvious from their figures that most organizations do not take e-Commerce seriously and that this, once the affect has hit the organizations, would affect their alignment decisions. The Cutter Consortium claimed that many organizations have, however, noted that the role that the Internet can play but they have not taken the steps necessary to fully realize its potential and again this would affect the alignment of their strategies should they try to realize these effects. E-Commerce will affect the alignment of the organization and that people do not know what the initial and eventual affect will be. Technologies, however, affect all organizations - even the smallest one. While being able to pose an opportunity, e-Commerce also pose a threat to the organizations and managers need to recognize all the factors that affect e-Commerce, e-Commerce alignment.

There is however, no framework that can be used by organizations to align strategies while doing e-Commerce and Internet marketing. Some of the impediments on this alignment are: download delays,
limitations in the interface, inadequate measurements of Internet traffic and successes, security weaknesses and lack of standards on the Internet. On the other hand, the results for the organization could be positive in the fact that the organization experiences improved usage of the effectiveness of the organization's resources and improved return on the investment in data, software applications, technology and e-Commerce staff - in other words, improved quality.

The Internet had been promoted as the essential way of doing business lately but it is still a retail medium (Whiteley, 1999). Organizations that establish successful Internet selling operations will need effective alignment and good logistics on the supply side of their operations. Organizations should remember that e-Commerce is commerce enabled by the Internet-era technologies. Whiteley argues that these technologies are: Electronic markets; Electronic data interchange; and Internet Commerce and analogous public ICT systems.

In theory, the use of the Internet should give the consumer the opportunity to bypass the intermediary and, with appropriate interfaces directly affect alignment. Any of the e-Commerce operations should affect the alignment of all strategies and should not be resisted by the organization or the people working in the organization. Organizations trading on the Internet, if they are able to build up a substantial business operation and align their strategies, managers will need to be level headed in all aspects of their business. Organizations with wide ambitions would also have to plan carefully in order to align all their strategies. Internet commerce, however, is seen as a leveller as the size of the organization would not affect their e-Commerce operations (Whiteley, 1999; and Lubbe and Pather, 2002). Therefore, if the organization grows, they will have to keep in mind that they need to be backed up by a good decision framework to ensure fast and efficient alignment of the strategies that should be a long-term investment.

On the other hand, many development teams work hard on projects only to be told by their customers that it isn't enough, priorities are incorrect or the results were wrong and these reactions could affect alignment. Technology changes and developments have been extraordinary in the last couple of years and all of these could also affect alignment. The problem with this is that there seems to be less emphasis on business trends and solutions and more on technology and this could also affect alignment. Highsmith (1999) argues that in the next decade, application development strategies will be among the most important strategy any corporation will make. He also noted that sometime in the 1990s, software made the transition from an enabler of business processes to a driver of business strategies and thus would be helpful with alignment of e-Commerce strategies. According to Highsmith, software is the new economy while the author of this article reckons that all e-Commerce should be taken into account when aligning all strategies (see definitions). Alignment should be taken with the appropriate decision and framework that suit the organization in the specific environment. As e-Commerce capability evolves, it should enable processes and products and opportunities never considered. In order to achieve the goal of being an organization that achieved alignment and ensures that the organization have aligned properly and WILL stay aligned they need to pay attention to the following key questions:

What are the business trends that are driven by or are co-evolving with e-Commerce and Internet marketing?
What are the key business and e-Commerce strategies that are evolving and how does the organization take advantage of this? What skills and capabilities are critical to make the transition to the new economy? What organization, infrastructure, and management changes are needed to implement e-Commerce, Internet marketing and other strategies and how does the organization ensures that they are aligned and stay aligned? How does management assemble a decision framework for alignment of all e-Commerce strategies and how do they communicate it to all relevant people? If the Internet is a strategic business driver, how does the organization gives direction to this and what does the organization do to keep the competitive advantage?

Business strategy alignment is about innovative ideas and putting these ideas into action more effectively that the same competitors. e-Commerce should take a leadership role but it depends on the organization and its culture and the types of strategic plans. Business trends such as market fragmentation, information capacity to treat masses of customers on the Internet, shrinking product lifetimes and convergence of physical products and services are important ones and the organization need to concentrate more on these forces that are co-evolving with the e-Commerce capability and opportunities that spring up.

There are some strategies that can be used to help with alignment because they are highly involved with business initiatives and e-Commerce is knowledge creation and sharing, collaboration, and agility. These are all overlapping and supportive of each other. Knowledge creation and sharing (as stated in this article) is the ability to create new knowledge from available information to
help with alignment while collaboration is the process of shared creation to draw on the expertise of participants and to be able to create alignment from this collaboration. Agility is the ability of the organization to use new knowledge to adapt to external stimulus and use this to better or ensure total alignment of all strategies. All of these would work better if the staff’s motivation were good enough and should be encouraged to ensure that there would be no atrophy.

Alignment is very hard to see but managers would realise that alignment has been achieved and this would be proved once the empirical part of the research had been conducted. The combination of all these mentioned in the paragraphs above should ensure that alignment exists. Knowledge should be there to ensure that there is alignment. The organization should also ensure that all business trends are taken into account when aligning strategies. The question to ask is what skills will be necessary to align e-Commerce and organizational strategies. However, if managers really understand what the organization is trying to deliver, then they should be able to align all strategies. Systems thinking would therefore help with alignment, as these people would ensure that the entire organization is aligned and viewed as a unit.

On the other hand, reporting on user statistics on Internet sites is far below the required standards required for any e-Commerce department. These could affect the alignment of strategies because nobody can plan in anything that is not certain. Many ISPs cannot tell you why the people have ended up on their site and how long they have stayed. The problem is to discover what people do when they arrive on the site and if they ever return. This information is invaluable to e-Commerce managers and carries a lot of credibility. User tracking on the Internet therefore needs to grow up and start to provide useful information those marketers and e-Commerce specialists and executives can use to align all the strategies of the corporation. Some of the problems that are there is nothing absolute about Internet traffic measurement and no one can agree on the best way to measure Internet traffic. The other problem is that publishers can include internal activities in their traffic or they can tamper with log files while the electronic counters are susceptible to server and network congestion and downtime.

Aligning the e-Commerce strategy with the organizations goals is also appropriate for those organizations in which there is a vision for items such as e-Commerce. e-Commerce is part of the actual choice any organization should have - to participate in e-Commerce or not. This is where the e-Commerce Department can play a role - their primary responsibility should be to create opportunities of doing business (e-Commerce) and not merely to ensure that the e-Commerce is there for the whole organization. The role would thus be to ensure that the e-Commerce strategy and the organizational strategy align all of the time while creating new opportunities.

White & Manning (1998) argued that the percentage of individuals on the Internet using the medium for shopping had increased by about 70% between 1995 and 1996. It is important to note that users expect to get something of value for free and this type of marketing could affect the alignment of e-Commerce strategy with the corporate strategy. Personal opinion should affect the alignment of the strategies. Gender appears to be important in Internet marketing and would have to be kept in mind during alignment of strategies. They argue that it is important to find out how Internet marketing could be improved. Better use of the Internet could help with better alignment as well. Consumer demographics on the Internet could differ from normal brick and mortar demographics (and this statement would also be tested while the empirical study would be done) and would be tested while conducting the empirical part. The likelihood of purchasing from an online storefront would help with alignment on a new frontier and should be something that executives should keep in mind.

Executives should communicate the mission of e-Commerce to both the consumer, employee and managers - this could mean half the battle is won during alignment. It is also important to show other people how the e-Commerce department operates because it is important to for people to know how problems are being handled. Get feedback on the e-Commerce department’s role and services they render.

Gibson et al. (1998) note that with the onset of 1990s comes an unstable business environment and businesses started to realise that the strategic vision of the business required a dramatic change in their business environment in order to at least maintain their competitive advantage. This meant that everybody had to realign their strategies to be able to stay in the market. According to them, the companies they investigated exhibited a change in strategic vision but these changes could not be reflected in their e-Commerce. It could be noted that this could create a problem because if e-Commerce cannot reflect the changes in the strategic vision, it would affect the alignment of these. It could be because certain business changes could prevent the advent of developments such as e-Commerce. As noted before, a gap is created and this
gap could create a misalignment between the strategic vision of the organization and the route that is being followed. The gap, in this instance, is created by both business and e-Commerce dimensions and many of the organizations they investigated, acknowledged that their e-Commerce were not a good fit for the organization. These companies that they investigated used a variety of approaches to realign the business model and e-Commerce with their strategic vision. Gibson et al (1998) argued that these approaches have gone beyond technical solutions, which although they would eliminate the technical problems would probably not address the business issues, so realignment would not occur. New technology such as ERP software, combined with business process requires the need to realign both the business model and e-Commerce with their strategic vision.

The aim of management should be to try and provide insights into identifying areas that help or hinder the alignment of the strategy for the organization with the e-Commerce. Alignment focuses on the activities that management performs to achieve cohesive goals across the organization. Certain activities can also assist in the achievement of the alignment while others are clearly barriers. To achieve this alignment is dynamic and can in a certain way be evolutionary. The alignment requires strong support from management at all levels, good relationships within the organization, strong leadership, points must be emphasized that should be paid attention to and communicated well enough so that all people can and should understand the organization’s business environment, at the same time ensuring that the alignment is a success. All enablers and inhibitors should be focused on ensuring successful alignment and therefore all inhibitors should be minimized.

9. The use of the different instruments to measure alignment

Historically there have been a number of challenges in aligning corporate strategies and creating an objective measurement of alignment improvement over time. It is important that measurement focuses on business objectives, end-user participation and satisfaction, reaching and sustaining alignment, tracking and measuring factors that affect alignment and communicate on alignment improvement. While remaining focused on these reported items, the alignment team must also be able to measure and report on their accomplishments.

They should be able to meet the challenges of being able to objectively measure alignment as performed by the management team and at the same time facilitate a process of continuous improvement of the alignment of the strategies; in other words there should be a process to measure the alignment as performed so far. Managers need to have a metric available that allows them to measure value in terms of business output and the following is needs to be tested while conducting the empirical part of the research: Good metrics of past and anticipated future Internet strategies; Sound management; Detailed and disciplined tracking; An agreed approach for management; and Good internal communication to all role players.

Measurement should be adaptable to both traditional application support and to enterprise resource planning on alignments. For the alignment team, the measurement approach should provide a focus on the end product - alignment of all strategies (deliverables that provide value to the organization) rather than simply tracking the alignment of strategies. It also ensures management visibility, in that communications show results in terms of accomplishments and milestones met. It should also provide a highly effective measurement capability that should be objective and reflects measurement capacity and alignment tracking.

Kiani (1998) argues that the current decade has witnessed evolution in the media environment and indicated that e-Commerce could grow in importance. The opportunities offered by this new environment are still unknown and it is this fact that organizations should keep in mind while aligning all strategies. Kiani suggests new concepts and models for marketers that should be kept in mind while aligning strategies. Organizations should keep in mind that they all compete in two worlds - a physical world that people can see and a virtual world made of information. It is thus clear that information should play a role while alignment of strategies takes place. The two-way communication channel between consumer and corporation, Kiani suggests, should be incorporated during the alignment process. This communication should be more in the way of dialogue.

The methodology could be to create a database of transaction histories and this database should be incorporated during the alignment process by management. This database would be moving all the time and it would mean that the alignment process would be more difficult and moving all the time to keep track of all factors that could affect alignment. The unit of measurement could be the value of each Internet and normal customer to the organization. Marketing strategy will be measured by changes in the asset value of the customer’s base over time. Alignment of the strategies should be more flexible as niches too small to be served
profitability could become viable as marketing strategies improves.

Opportunities on the WWW are equal for all players - regardless of size and this would be affected by the information available to the consumers as noted by Lubbe and Pather (2002) Customers could thus help with the alignment of strategies and a partner of the organization. Organizations have earned the right to the digital relationship and they have to shift their alignment all of the time if they continuously enhance the value they offer consumers. All of this should be kept in mind while measuring and aligning all strategies. Alignment of strategies should keep in mind that strategies on Internet marketing and e-Commerce would be how to attract users, engage the users' interest and participation, learn about the preferences of consumers and ensure that there is interaction.

With the flood of data produced by today’s e-Commerce, organizational decision makers must do something to allow all players to extract the correct knowledge from the available information. Recent advances on the Internet and visualization technologies provide many organizations the capability to start using human visual/spatial capabilities to solve abstract problems found in business and as such the e-Commerce aspect of the Internet. This could allow the decision maker to separate the rubbish from the best that there is. To achieve this, organizations must use e-Commerce well and increase the value provided to normal and Internet customers. The Internet will force organizations to evaluate how and when they should start to use the Internet to create additional business value to their organization. Some organizations could rely on strategic use of enterprise-wide e-Commerce to enhance its competitive position as an established supplier of the goods they are marketing normally and on the Internet.

There are measurement services that consultants provide. The statement made is that if you cannot measure it you cannot align it. Once the organization establishes some objectives and goals, e-Commerce can facilitate them through a set of technology initiatives and once organizations have that strategic sense, managers can identify criteria as to how this project creates value to the organization and how it can be used to help with alignment.

Many organizations employ the balanced scorecard technique to measure the e-Commerce department's overall success in an ongoing process. This scorecard gauges things such as internal stakeholders satisfaction, it measures the system, rates the value and quality of that work and can be used in measuring and helping with the alignment of the strategies of the organization. The report card is broken into three categories: responsiveness, value and quality. The users rate things such as deliverables, establishment of timelines, accurately identified timelines and whether the solutions meet the expected ROI. This scorecard gives e-Commerce employees the opportunity for dialogue with business users if results fall short. The balanced scorecard report card can be used to link the alignment of the strategies regardless of the type of investment that was done. Things such as the business outcomes an organization desires, ensuring that key business holders are involved and the issues around change management would affect alignment. It is therefore about setting realistic, tangible and clearly communicated goals, ensuring that the entire team is speaking the same language and this could help with alignment.

To understand the success better organizations can use the balance scorecard to develop a model of organizational performance that could emphasize the contribution of e-Commerce and the Internet to different dimensions of the performance. Some organizations would be able to prove that e-Commerce, along with Internet marketing, when properly aligned with the strategies can contribute substantially to the organizations overall success and market leadership. Computer simulation and human thought could help a lot because strategic advantage could be obtained through effective utilization of the natural strengths each of these have to offer to improve the quality of the decision making on outcomes such as e-Commerce and Internet marketing.

### 9.1 Instruments that could be used to determine if the organization’s strategies are aligned

The important thing to remember is always to determine if the organization has aligned their strategies and one of such tools could be a questionnaire. The questionnaire could be scored as follows. Count each category and determine what the people think of the alignment of strategies. If there are more not sures or disagrees than agrees then you might have a problem. The steps to be taken would be to ensure that communication lines are open. The following table that represents a questionnaire can help determine this.

The questionnaire available (on request as space is limited) could be used in conjunction with the balanced scorecard approach. The balanced scorecard should keep enterprises such as e-Commerce in mind and could be as follows: There should be different categories, combining it
closely with the questionnaire, such as customer perspective, innovation and learning perspective, internal business processes perspective and the financial perspective. All of these categories should be discussed or be part of a decision framework where the different topics could include the goals for each perspective, the measurement of each perspective, the metrics being used, the targets and the actual that could be measured. For customer perspective, organizations need to remember that this could help with better alignment but should not carry as much weight as the internal metrics.

The innovation and learning perspective should be important as this is where new stuff such as e-Commerce and Internet marketing would be added and this would affect the alignment of all strategies. All new innovations and possible innovations should be added here. The internal business perspective should be used, as we need to ensure that employees have kept track of all the perspectives and that they need to know how to work with data, information and knowledge. The financial perspective should concentrate on increased efficiency, effectiveness and transformation and investment.

10. Summary

E-Commerce will develop a lot over the next decade the Internet and it is possible that organizations will reap benefits from using it, as they have never seen. As one of the ‘products’ of the Internet, Internet marketing and e-Commerce will therefore emerge as an efficient yet effective mode of conducting global commerce. The problem is, as mentioned in this article, that managers still doubt the impact and profitability it has. In the process it is creating new opportunities and challenges for today's businesses, creating new market structures, and changing the alignment of the organisation. All organizations are challenged by an increasing focus on delivery speed and by an increasing degree of uncertainty. The question: How do organizations keep up while still delivering business value? was hopefully answered.

This article has addressed the importance of leverage on the strategic alignment of organizations. The article looked at the strategic dimension of e-Commerce in the organization and addressed the issue of e-Commerce forecasting, e-Commerce alignment and e-Commerce, the leverage effect and the measurement of alignment while keeping the effect of leverage in mind.

Organisations that survive and thrive in the new economy and use all to ensure that their strategies are aligned are those with better ideas than the rest. These organizations normally produce better products, novel interpretations of the market (e-Commerce in this instance), innovative management strategies and the ability to create a unified strategic alignment where pools of talent, both inside and outside the organization, ensure that all stays on track and as the organization moves, the alignment moves to ensure that everything is in ‘harmony’. All these issues addressed will be tested during the empirical part of this study and a framework for alignment would be proposed using the theory of this study as basis and supporting the framework with the empirical findings.

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