

Altum Quarterly

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The importance of

system-thinking

in commerce as a service:

THE GOLDEN PIECE



“System of systems problems are a collection of trans-domain networks of heterogeneous systems that are likely to exhibit operational and managerial independence, geographical distribution, and emergent and evolutionary behaviors that would not be apparent if the systems and their interactions are modeled separately.”

Despite the number of “software tools” in the market, why do retailers struggle to formulate optimized, integrated, and execution-ready decisions?



There exists no
integrated tool for
informed decision-
making

A systems approach to e-commerce can lead to the success of an organization. There are some key concepts that form the base of the systems approach.

Overall, the objective of the systems approach is to combine or bring together. In this context, one of the first concepts is *specialization*.

A system is divided into smaller components allowing more specialization concentration in each component. In ecommerce there are different areas where specialization can bring success to the organization. Consider this, the website development is done by a specialized group of persons, but the maintenance is done by another term.

For example, in ecommerce the system is divided into different systems like the procurements system, the human resources system, and the marketing system. Each system enables the ecommerce business to focus more on each component so that it achieves expertise and success.

An important concept in the systems approach is *grouping*. It becomes necessary to group related disciplines or sub-disciplines. In case of an ecommerce business, all functions related to marketing like advertising, personal selling, and publicity may be grouped together in a marketing group.

This grouping helps reduce specialization. Consider another example; an ecommerce may have several functions like obtaining loans, processing customer payments, and making payments to suppliers. These can be grouped together in a finance department.

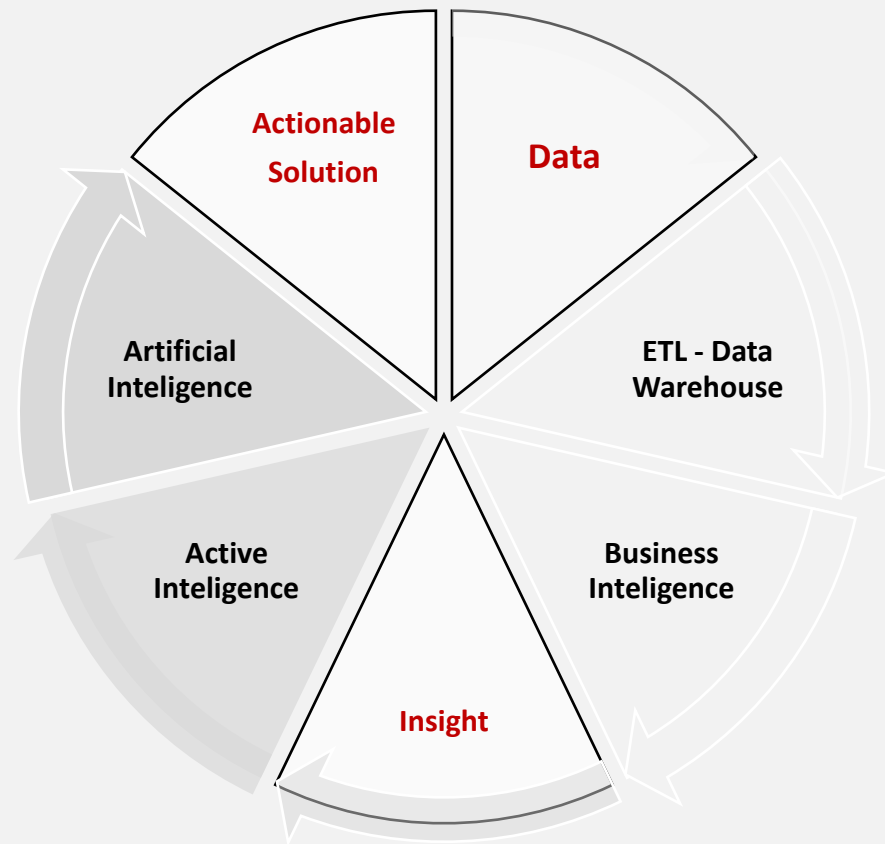
An important concept in the systems approach is the *coordination*. It is necessary for the different ecommerce components and subcomponents to be grouped together. These are necessary so that there are interactions among groups.

For instance, if the marketing depart of the ecommerce business wants to launch an advertising campaign, it must coordinate with finance so that payments for media, design etc are made on time. It also must coordinate with the Information Systems department so that website is prepared for the campaign. It must also coordinate with the procurement group to ensure that there are no ...

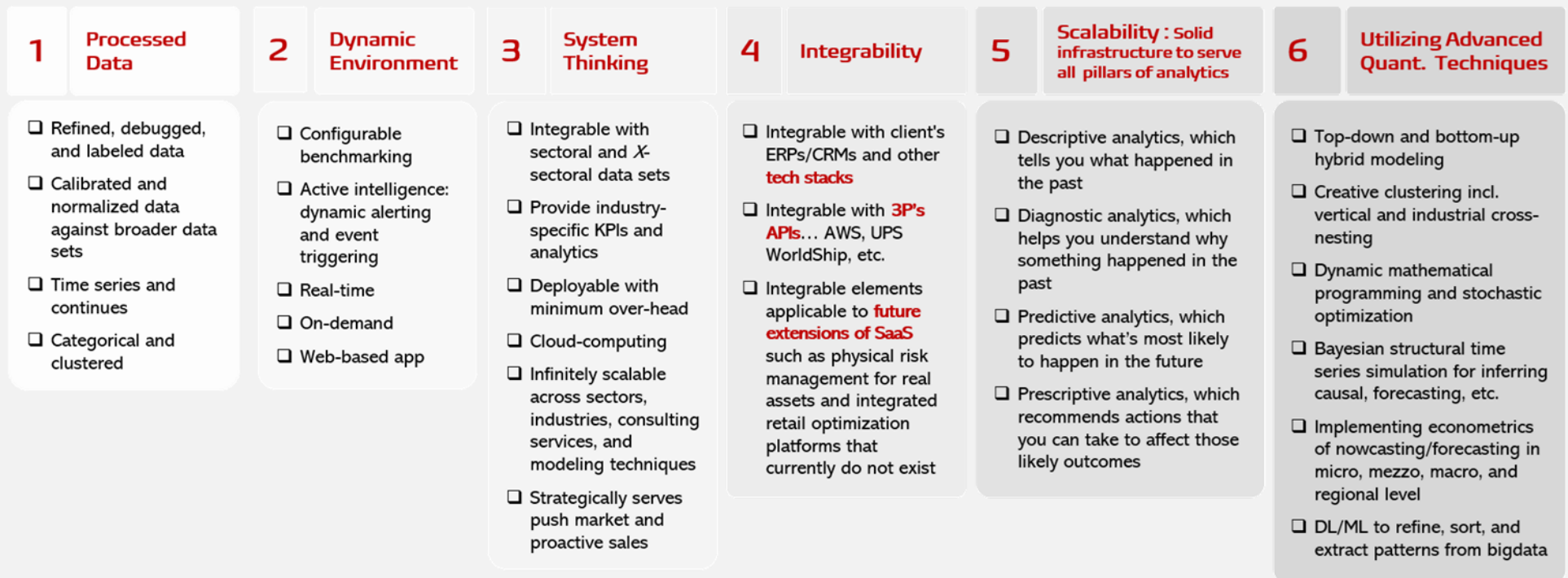
**a
permanent,
yet
scalable,
ERP
solution
to
problems
otherwise
unsolvable!**



bringing in the **INTELLIGENCE**



Unleashing the power of signals hidden deep within large & complex data sets!



Climbing Towards Success

THINK BIG

Start by setting ambitious business objectives, targeting large value pools, and identifying capability gaps.

STRAT SMALL

Select high-value use cases, launch focused pilots, then build, test, and iterate. Using an agile, sprint-based approach, cross-functional teams drive change in an integrated way.

GROW FAST

It is crucial to build the digital and human capabilities needed to sustain and scale their artificial intelligence strategy.

We should be prepared to develop new ways of working, create opportunities for reskilling and upskilling, reimagine processes to facilitate true human-machine collaboration, and deploy a robust AI architecture.

Envisioning

A rapid sprint to set ambitions and identify game-changing sources of

Activating

Agile, Real-time, and AI-powered value creation

Enabling

Diagnose needs and kick-start the organizational IT infrastructure transformation by building the capabilities required for continued success.

Prototype phase

The **PROOF OF CONCEPT** should be developed: innovate the analytics engine, back-test it on historic data, confirm business

Incubation phase

TEST THE ANALYTICS ENGINE in real life and in a control environment, improve accuracy. Design an optimum user interface and reengineer the ways it is working.

Exponential phase

Accelerate industrialization to **MAXIMIZE THE FINANCIAL IMPACT** and setup continuous improvement mechanism. New team with new capabilities to be trained and right technology partners to be

Inflection phase

An ongoing and never-ending process to keep the quality and accessibility of the system at max.

Connecting the Dots!

