

Technology Advances in e-Commerce and e-Business: Obsolescence or Evolution of Organisational Structure and Management Roles?

Evidence from the FinTech Payment Sector

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Abstract

This report critically evaluates the claim that technological advances in e-Commerce and e-Business have rendered traditional organisational structures and management roles obsolete within twenty-first-century organisations. Using the FinTech payments and lending sector as the primary analytical context, the report examines whether digital organisations have replaced classical management principles or adapted them to meet the demands of increasingly technology-enabled and platform-based business environments. Drawing on classical management theories alongside contemporary perspectives on organisational adaptation, leadership and digital transformation, the review argues that claims of complete obsolescence are overstated. Technological advances have fundamentally reshaped organisational structures, managerial responsibilities and competitive practices, but they have not displaced the fundamental principles of management. Instead, these principles continue to provide important explanatory foundations while being applied within increasingly digital organisational contexts.

Evidence drawn from Alibaba, Klarna and Revolut demonstrates that organisational structures have become more agile, decentralised and digitally enabled without abandoning the need for governance, coordination and managerial accountability. The review further finds that technological change has expanded managerial responsibilities by increasing the importance of technological literacy, adaptive leadership, organisational capability and effective governance. Although contemporary technologies present significant opportunities for innovation, organisational agility and competitive advantage, they also introduce challenges relating to workforce adaptation, data governance, regulatory accountability and the responsible use of artificial intelligence. The report concludes that technological advances have driven the evolution rather than the obsolescence of organisational structures and management roles within e-Commerce and e-Business, highlighting that sustained organisational success increasingly depends on the ability to integrate technological innovation with effective management, organisational adaptability and robust governance.

1. Introduction

1.1 Background

The emergence of e-commerce, generally understood as online transactional activity, and e-business, which covers digitally mediated processes, platform ecosystems, and algorithmic operations, has significantly changed the competitive and organisational environment of modern enterprise. FinTech stands out as one of the most notable examples of this change, altering how financial services are created, delivered, and consumed through digital platforms, ecosystem-based business models, and widely accessible financial technologies (Alt, Fridgen and Chang, 2024). As a result, the FinTech sector offers a useful setting to consider whether technological progress has made traditional organisational structures and management theories outdated. There is a common belief, both in practitioner discussions and in some management literature, that the speed of technological change has replaced the organisational systems and management ideas that came from the industrial era. Digital transformation is often described as disruptive, which leads to the view that hierarchy, functional specialisation, and clearly defined managerial roles are becoming less relevant (Vial, 2019; Hanelt et al., 2021; Kretschmer and Khashabi, 202). Yet this does not necessarily mean that these structures and roles have disappeared. This report therefore examines the claim using established management theory and evidence from e-Commerce, e-Business and, primarily, the FinTech sector. The report also considers classical management theory as a valid subject for critique, assessing how well the frameworks of Fayol, Weber, and Mintzberg still explain organisational coordination in digitally enabled enterprises. Where these theories fall short, their weaknesses are seen as signs of organisational evolution, not just clear obsolescence.

1.2 Purpose of the Study:

This report critically evaluates whether technological advances in e-Commerce and e-Business have rendered traditional models of organisational structure and management roles obsolete. FinTech, operating within the wider e-Commerce and e-Business environment, provides the main sector through which this question is examined. The discussion considers how technological change has affected organisational structures and management roles and whether established management theories remain useful in explaining these changes. It first considers the development of technology in business and the meaning of e-Commerce and e-Business before examining organisational structures and management roles. The discussion then considers how these have changed within 21st-century corporations, with particular attention to FinTech, before examining the challenges and opportunities created by technological change. The report concludes by evaluating whether traditional structures and management theories have become obsolete or have instead evolved.

2. Literature Review

2.1 Evolution of Technology in Business

The relationship between technology and organisational form has long been recognised for management theory. However, the classical treatments of that relationship were developed to explain a materially different technological environment from the one contemporary FinTech organisations now inhabit. Distinguishing where continuity ends and genuine novelty begins is therefore central to evaluating whether technological advances in e-Commerce and e-Business have rendered traditional organisational structures and management theories obsolete.

Woodward's (1980) landmark study of English manufacturing firms challenged the prevailing assumption that a single "best" organisational form existed by demonstrating that production technology systematically shaped organisational structure. Firms using different production technologies adopted different spans of control, hierarchical levels and managerial structures (Woodward, 1980). Perrow (1967) extended this insight beyond manufacturing by arguing that organisational structure is influenced not only by technology itself but also by the analysability of organisational tasks and the variability of the problems firms encounter. Galbraith (1973; 1974) further explained this relationship by arguing that as task uncertainty increases, organisations must process more information, prompting them either to strengthen vertical information systems or to decentralise decision-making through laterally coordinated structures.

These contributions establish an important principle: technology influences organisational design. They also share an assumption that becomes increasingly problematic in digitally enabled organisations that technology exists as a relatively stable variable external to the organisation, to which structure adapts through periodic adjustment. This assumption sits uneasily with contemporary FinTech, where technologies such as machine-learning credit models evolve continuously through live transaction data and are not always fully observable even to the organisations deploying them. Hanelt et al. (2021) argue that digital technologies require organisations to become increasingly adaptable because technological change often outpaces any single structural response. Vial (2019) also conceptualises digital transformation as an ongoing organisational process rather than a discrete event after which organisational structures stabilise. Kretschmer and Khashabi (2020) argue that digital technologies also redefine organisational boundaries as data, algorithms and digital platforms increasingly operate across interconnected ecosystems. Shahzad, Imran and Butt (2025) demonstrate that organisations undertaking digital transformation redesign hierarchy, formalisation and coordination mechanisms as part of an ongoing process of organisational adaptation.

FinTech reflects this evolution in business technology. Arner, Barberis and Buckley (2015) identify the post-2008 era as a distinct phase in the evolution of financial technology, characterised by technology firms driving innovation beyond the traditional boundaries of regulated banking. Gai, Qiu and Sun (2018) similarly argue that technologies such as mobile payments, algorithmic lending and blockchain-based settlement generate organisational demands including real-time processing, continuous regulatory compliance and cross-platform data integration that extend well beyond the production technologies contemplated by classical contingency theory. This evolution has important implications for classical management theory. Fayol's (1916) Administrative Theory, Weber's bureaucratic model and Taylor's (1911) Scientific Management continue to explain many of the stable, internally coordinated activities found within contemporary FinTech organisations, particularly in areas such as compliance, audit, operational control and process optimisation. However, they provide less guidance for coordinating activities that extend across open banking Application programming interface(APIs), cloud infrastructures, platform ecosystems and AI-enabled decision-making.

2.2 The Rise of e-Commerce

Early conceptions of e-Commerce largely viewed it as a simple exchange of goods and services. Wigand (1997) describes electronic commerce as commercial transactions across computer networks, while highlighting efficiencies such as lowered search costs, less friction of geography and disintermediation compared to traditional commerce (Wigand, 1997). Viewing e-Commerce simply as another channel for distributing goods and services misses its wider organisational implications, because it assumes that traditional businesses can move online without changing how they operate. Nambisan, Wright and Feldman (2019) suggest that digital technologies reconfigure the locus of organising itself into networks where the boundaries of who and what organisations entail are distributed across interconnected actors. Thenoz, Juteau and Rowe's (2024) systematic review of e-commerce transformation literature similarly concludes that e-commerce does not simply migrate existing retail or service activities to digital channels. Rather, firms leverage digital technologies to redesign internal routines, authority systems, and external business arrangements in accordance to how they fit within digital ecosystems. Put plainly, e-commerce is not just a transactional tool that businesses adopt, it transforms how the business itself is organised. The structure of, how businesses operate, where decisions are made, and who those decision-makers are changes when a business operates online. Finance technology companies are no longer built around e-commerce as an additional channel for their business, they're built with e-Commerce being the core of their business model. This is evident through their value propositions; cloud-native backends that weave together APIs, real-time clearing and settlement, embedded checkout systems, and AI-driven fraud mitigation into scalable solutions that support payment service operations at the core of their business (Lee and Shin, 2018; Yadlapalli, 2025). Platforms create value by organizing ecosystems of other actors (Gawer, 20 21). Gawer's statement builds from Jacobides et al.'s (2018) work that suggests value creation is occurring at the level of networks of firms, rather than within firms themselves. Competitive advantage comes from how you interact with and position yourself between these business ecosystems (Rong et al., 2018). Coordination is still required, it just shifts where it occurs. Hanelt et al. (20 21) discovered that digitally empowered organisations tend to decentralise operational work while maintaining traditional management and accountability hierarchies, they just don't completely abandon hierarchy. Thenoz, Juteau and Rowe (20 24) found a similar pattern regarding how organisations implement e-commerce transformations. In FinTech, there is a persistent need to balance and elevate traditional hierarchies in areas such as risk management, AML compliance,

and customer protection in conjunction with innovation in customer-facing products such as payments and lending. E-commerce should be thought of as a way to reconfigure your business, not just a tool for processing transactions.

2.3 The Emergence of e-Business

Growing adoption of digital technologies by organisations challenged assumptions about the value of going online alone. Companies eventually realised they could not sustain competitive advantage by digitising transactions, prompting the emergence of e-Business. Unlike e-Commerce, which centres specifically around electronic transactions, e-Business describes organisational activities that are digitised, along with adjacent parts of the value chain (Plekhanov, Franke and Netland, 2023). The distinction matters in FinTech because digital technologies support back-office activities like fraud prevention, regulatory reporting and credit-risk modelling as well as customer-facing services. When Amit and Zott (2001) surveyed academic research on value creation in e-Business they provided one of the field's most memorable analogies for why it matters. They contrasted models that conceptualised digital technology purely as a cost-reduction mechanism that can be overlaid onto existing transactions. Instead, they posit four reusable sources of value that may be embedded in e-Business models: efficiency, complementarities, lock-in, and novelty (Amit and Zott, 2001). By stressing how multiple sources of value interact to create sustainable advantage, Amit and Zott (2001) implied that e-Business could reconfigure organisations so long as the resulting changes don't overextend on any single axis. If e-Business intrinsically involves value recombination, we have little basis to assume that technology will completely destroy existing forms of organisation. Indeed, recombinant theory suggests organisations will adopt technology and continue to modify how they are structured by bundling capabilities, resources and relationships in new ways. Supporting this view, Plekhanov, Franke and Netland (2023) reviewed 537 peer-reviewed empirical studies and found digital transformation leads to "tension between centralization and decentralization", where senior managers can more closely monitor the organisation's performance but individual units enjoy greater autonomy to make decisions using digital tools. Warner and Wäger (2019) likewise conceptualises digital transformation as something of a feedback loop where organisations sense new opportunities then capture value by adjusting their business model, rather than a one-time project with a clear end state. Merín- Rodríguez, Dasí and Alegre (2024) contribute to this discussion by finding

that digital transformation contributes to firm performance by enabling business-model innovation more so than through technology adoption itself. Businesses that don't alter their business model may therefore see fewer benefits from digitising their operations. Like e-Business generally, digital transformations in FinTech and related ecosystems.. A prime example of coordination at FinTech scale can be seen in how firms implement embedded-finance and platform-partnership business models. They must coordinate across cloud infrastructure providers, card networks, regulatory-technology vendors, and merchant integrations (Nambisan, Wright and Feldman, 2019). Alibaba's restructuring in 2023 demonstrates how this plays out at organizational scale. The Chinese conglomerate centralised management of shared capabilities like cloud computing and digital payments while dividing its operating units into six semi-autonomous business groups (Reuters, 2023). Put in Amit and Zott's (2001) terms, Alibaba achieved organisational recombination by trading away some elements of centralisation for horizontal integration across business groups. To extend the analogy, the rise of e-Business does not imply the end of structure or management.

2.4 Definition and Explanation of Organisational Structure

Organisational structure describes how labour is divided into differentiated activities and coordinated through assigned responsibilities, authority and communication (Chandler, 1962). Chandler's (1962) study of large American firms introduced the idea that structure follows strategy. As organisational needs change with strategy and complexity, so too can organisational structure. Mintzberg (1979) built on this work by identifying five organisational configurations, defined by their coordinating mechanisms and the conditions under which they operate. These theories explain how firms coordinate activities, but they were developed when most organisational activity took place within the boundaries of a single firm. That assumption is less straightforward today, as digital platforms and partnerships have made organisational boundaries more fluid (Plekhanov, Franke and Netland, 2023).

Mintzberg (2023) suggests that organisations can be understood less as fixed structural forms and more as customised designs, with some organisations combining characteristics of more than one configuration. Plekhanov, Franke and Netland (2023) express a similar view in their discussion of how digital transformation affects organisational structure. The relationship between strategy and structure described by Chandler (1962) still holds, and many organisations can still be understood through Mintzberg's configurations. However, neither

theory fully explains platform organisations, where coordination can extend across organisational boundaries through digital platforms and digital interfaces (Gawer, 2021). This does not make traditional theories irrelevant, but it does show where their original assumptions need to be reconsidered.

Traditional financial institutions often organised functions such as risk, compliance, operations and finance into separate departments. Galbraith's (1973; 1974) information-processing view helps explain why this arrangement can become less suitable when organisations face greater information-processing demands. When decisions need to be made more quickly and information needs to move across different areas of the organisation, relying only on vertical reporting lines may not be enough. There is a greater need for coordination across functional boundaries. Klarna and Revolut have restructured around teams to meet these demands while retaining organisational control (Klarna, 2023; Revolut, 2022). They have not done away with structure; they have adapted it to suit their needs.

Digital transformation has therefore changed how many organisations coordinate activities, but not why they need structure in the first place. It has introduced forms of coordination that do not always fit neatly within traditional models, particularly where organisational boundaries are more fluid and different areas of expertise have to work together.

2.5 Theories of Management Roles

Historically, management has been viewed through core functions such as planning, organising, commanding, coordinating and controlling (Fayol, 1916). These principles continue to influence how management and organisational coordination are understood (Hatchuel and Segrestin, 2018). However, one principle has become more difficult to sustain in digitally enabled organisations: unity of command. Fayol (1916) assumed that authority and accountability could be traced through a single reporting line, with each employee receiving instructions from one superior. Matrix and cross-functional structures challenge this assumption. In Klarna and Revolut, product work involves people from different parts of the organisation, so decisions are not necessarily handled through one functional reporting line (Klarna, 2025; Revolut, 2022). This does not mean that accountability has disappeared. It means that decisions have to be worked through across different teams and areas of expertise.

Mintzberg looked at management by focusing on what managers actually do. His work identified ten roles across interpersonal, informational and decisional activities (Mintzberg, 1979). These roles have not disappeared with technological change. Mintzberg (2023) argues

that technology has changed the context in which managers work rather than removing the practice of management itself. We can see this in the way digital organisations now bring different functions and areas of expertise together, often across organisational boundaries (Hanelt et al., 2021). Decision-making can also be shared between central management and more decentralised parts of the organisation (Plekhanov, Franke and Netland, 2023). The role is therefore still recognisable, but the environment in which managers carry it out is different.

The greater challenge emerges when managerial responsibility depends on decisions generated by AI systems. Mintzberg's informational roles assume that managers can obtain and interpret the information needed to monitor activities and justify decisions. Santoni de Sio and Mecacci (2021) question whether this assumption still holds when AI systems produce outcomes that cannot be fully explained. A manager may remain accountable for an AI-driven credit decision system but lack the information needed to understand how a particular decision was reached. Islami and Mulolli (2024) argue that AI and human intelligence are most effective when they complement one another, with AI supporting analysis while managers provide interpretation and judgement. Where managers cannot question or justify AI-generated outputs, Mintzberg's informational role becomes more difficult to discharge. Technological advances have therefore changed how managerial roles are enacted without rendering those roles obsolete.

2.6 Implications for Traditional Models

Technological advancements have undoubtedly influenced the ways that organisations are structured and managed. However, they have not made classical theory irrelevant. Structural contingency theory explains why organisations continue to adapt without settling on any singular way of “doing organisation”. Lawrence and Lorsch (1967) argue that organisational effectiveness depends on finding the right fit between organisational structure and environmental uncertainty. Donaldson (2001) later builds on their argument by theorising that organisational structures will shift as their underlying technologies, competition and organisational demands change. This explains why organisations operating in e-Commerce and e-Business environments continue to redesign their structures rather than settle on permanent configurations.

Contingency theory, however, leaves some questions unanswered. It explains why organisations may feel the need to adapt but does not explain when organisations will need to redesign their structures or what those structures should look like (Donaldson, 2001). It also, and more importantly for this report, says relatively little about accountability structures when decisions increasingly need to be made by AI-

enabled technologies. Santoni de Sio and Mecacci (2021) explain that opaque forms of AI have the potential to create responsibility gaps where managers are still held accountable for decisions they cannot fully explain or justify. As fewer organisational decisions can be made without the consultation of machine learning technologies, clear lines of accountability will become harder to identify. Contingency theory explains the need to adapt but does not explain how responsibility should be distributed amongst humans when the decision-making process itself can no longer be understood by humans.

Complexity theory addresses this issue from another angle. According to Stacey (1995), organisational outcomes are emergent phenomena that result from complex interactions between people, technologies and organisational processes. Riaz, Morgan and Kimberley (2023) echo this sentiment and argue that complex adaptive systems are able to account for organisational change in these uncertain conditions better than traditional (linear) models of organisational change. The integration of these two perspectives is sufficient to explain why organisations exposed to similar technological conditions may settle on different structures and managerial approaches. Classical theories still explain the need for organisational structure coordination and management. In contrast, complexity theory helps explain why changes to that structure do not always manifest in predictable ways. What is less understood are the implications for accountability when decisions can no longer be explained by humans.

3. Changing Nature of 21st Century Corporations

3.1 Increased Connectivity and Globalization

E-Commerce and e-Business organisations conduct business outside of their organisational boundaries and are coordinated between customers, merchants, technology platforms, financial institutions, and regulators (Yang et al., 2025). Katz and Kahn's (1966) Open Systems Theory frames organisations as open systems that rely on transactions with their environment to survive. Nunes et al. (2024) conclude that because of digitalisation, internationalisation and organisational boundaries are converging through digital platforms, e-commerce, and business model innovation to coordinate value creation outside of traditional organisational boundaries. This explains connectivity as a foundational shift in how organisations conduct transactions across national and institutional boundaries. Payment ecosystems serve as a useful example of this phenomenon. APIs, cloud computing technology, and digital platforms allow merchants, payment organisations, financial institutions, and technology providers to share data and communicate transactions outside organisational boundaries. The OECD (2024) writes that Open Banking allows financial institutions to share their customer's financial information via standardised APIs. This secure transfer of financial information allows for increased competition and innovation within financial ecosystems. The UK implemented Open Banking

after the Competition Markets Authority's Retail Banking Market Investigation recommended use of the technology to foster competition through the "secure sharing of data between authorised financial service providers" (Gov. UK, 2021). Although nationally focused, the initiative created shared digital infrastructure across participating institutions (Gov. UK, 2021)

Open Systems Theory helps explain how organisations interact with their wider environment, but it offers less insight into how authority, accountability and control are coordinated beyond organisational boundaries. This highlights a weakness in Weber's (1978) bureaucratic principles. Though his theory was grounded in large organisations operating within defined boundaries, he maintains that organisations are controlled by formal rules and authority (Weber, 1978). Yet Chandler's (1962) relationship between strategy and structure remains relevant because organisations still have to design structures that support the way they operate, even when activities extend across digital ecosystems. Simply because transactions occur on digital platforms does not mean that organisational complexity has decreased. Organisations are expected to comply with multiple regulatory institutions despite using the same digital infrastructure to conduct transactions (Yang et al., 2025). Organisational structures must therefore balance the efficiencies of global digital integration with the demands of fragmented regulatory environments.

3.2 Shift towards Digital Transformation

Adoption of new technologies is only one aspect of digital transformation. According to Leso et al. (2025), businesses add value by learning how to recognise new opportunities, take advantage of them, and continuously reorganise resources in response to shifting business conditions. This is consistent with Teece's (2025) Dynamic Capabilities Theory, which highlights how an organization can update its capabilities as markets, technology, and consumer expectations change. According to this viewpoint, digital transformation is not so much a technological endeavour as it is an organisational competence.

Vial (2019) and Hanelt et al. (2021) expand on this conversation by contending that, in addition to technology advancement, digital transformation modifies organisational structures, managerial duties, and business procedures. Klarna is an example of this connection. In order to increase efficiency and enhance the customer experience, the company gradually integrated artificial intelligence into software engineering, customer support, and operational tasks as it embraced a team-based and agile operating model (Klarna, 2025). The organisation structure design which accommodates AI makes this significant. As a result organisational reform and digital technology develop together, influencing one another.

Chandler's (1962) argument that structure comes after strategy is also extended by this. While Teece (2025) acknowledges that strategy itself is constantly transformed by technological innovation, competitive challenges, and changing customer expectations, Chandler contended that companies remodel their structures in response to shifting strategic priorities. This leads to organisational adaptability stops being an occasional reaction to strategic change and instead becomes a part of regular management. Fayol's principles of planning, organising and coordinating continue to signify organisational effectiveness, but they are now exercised within organisations where adaptation is continuous. Even so, Dynamic Capabilities Theory offers only a partial explanation of organisational change. It explains how organisations adapt but pays less attention to how accountability, governance and independent oversight should evolve alongside those adaptations. Klarna reflects this tension by maintaining autonomous Risk Control, Compliance, and Internal Audit departments with direct reporting lines to the CEO and the Board while using a team-based and flexible organisational style,(Klarna, 2025). Therefore, the necessity for formal governance is not lessened by organisational agility. Rather, it emphasises the necessity of governance structures that develop in tandem with organisational capacities in order to uphold accountability as companies continue to change.

3.3 Importance of Adaptability and Agility

Rapid technological, competitive and regulatory change has increased the need for organisations operating in e-Commerce and e-Business to be more flexible and agile. Asghar, Kanbach, and Kraus (2025), defines organisational agility as a multifaceted capability that includes strategic, operational, innovative, and personnel characteristics that allow businesses to adapt successfully to shifting business environments while maintaining a competitive edge. This is expanded upon by Ngandoh (2024), who contends that organisational flexibility, leadership, strategic alliances, and an organization's ability to adapt to shifting market conditions are all necessary for strategic agility. This demonstrates that an organization's capacity to adapt to environmental demands, rather than just its technological prowess, shapes its agility. This represents the main idea of contingency theory, which holds that attaining a suitable fit between organisational structures and the circumstances of the external environment is essential to organisational efficiency (Lawrence and Lorsch, 1967; Donaldson, 2001). As uncertainty rises, this can involve changing structures, reallocating decision-making authority and coordinating activities more quickly in response to changes in technology, competition and customer expectations. Klarna is an example of this connection. As the company adopted an agile operating model, it progressively embedded artificial intelligence across customer service, software engineering and operational activities to improve productivity and customer experience (Klarna, 2025). Nguyen et al.(2025) however argues that increased organisational flexibility also poses new difficulties.

Decentralised structures can enhance creativity and responsiveness, but when decision-making power is distributed more widely, they may raise the need for coordination and oversight (Nguyen et al., 2025). Although contingency theory explains why businesses change their structures in response to external circumstances, it provides less information about how accountability and governance should change as organisational flexibility rises. As organisational structures grow more flexible, companies engaged in e-commerce and e-business must also create governance systems that can sustain coordination, and accountability.

4. Obsolescence of Traditional Organisational Structures

4.1 Hierarchical Structures vs. Flat Organisations

Organisational structure shapes how authority is exercised, work is coordinated and how organisational objectives are achieved (Albert, 2024). However, advances in digital technologies have introduced changes in how organisations working within e-commerce and e-business work through decentralised teams, platform-based operations and technology enabled collaboration. Schuster and Kanbach's (2024) review of organisation types and power relationships found that hierarchy remains embedded in most organisations despite the growing visibility of flatter organisational forms. Lee (2024) argues that decentralised authority increases organisational flexibility but does not remove the need for coordination, accountability and organisational control. The conversation around flat vs hierarchical organisations centres on where hierarchy exists in organisations rather than if it exists at all.

Fayol's (1916) administrative principles remain relevant in explaining authority, coordination and managerial control. The operational structures adopted by many digital organisations distribute decision-making more widely across autonomous teams than the vertical scalar chain envisaged in Fayol's administrative model. Weber's (1947) bureaucratic model continues to explain formal authority, regulatory compliance and accountability, all of which remain essential within regulated e-Commerce and e-Business sectors. Bureaucratic control no longer defines the organisation as a whole, as formal governance increasingly coexists with flexible operational arrangements. Mintzberg's (1979) structural configurations recognise that organisations coordinate work through different organisational forms.. Contemporary digital organisations often combine characteristics associated with several of these configurations, making classification within a single structural form less straightforward than the framework originally anticipated.(Schuster and Kanbach, 2024)

Klarna combines an agile operating model with formal governance arrangements. The company with its operational flexibility, retains independent risk control, compliance and

Internal Audit functions reporting directly to senior leadership (Klarna , 2025). This explains that organising work more flexibly has not removed the need for coordination, governance or managerial oversight; instead, these responsibilities are concentrated within formal governance structures while day to day operations remain more adaptive. Regulatory compliance, strategic direction and corporate accountability continue to depend on clearly defined reporting relationships and central authority. Technological change has altered where hierarchy operates and how authority is exercised, but not the organisational need for coordination, accountability and control.

4.2 Matrix Organisations and Cross-Functional Teams

Digital transformations have changed the way work is coordinated within e-Commerce and e-Business organisations, with greater cross-functional integration and the development of multifunctional teams as organisations adapt their structures to support digital work (Shahzad et al., 2025). This means that functions such as engineering, product management, compliance, cybersecurity, data science and customer experience may need to work together on the same product. Each brings a different area of expertise, but the decisions made by one function can affect the others. Joseph and Sengul (2025) argue that digital technologies have changed how specialist knowledge is shared across organisational boundaries. Sivaraju (2024) makes a similar point, showing that digital transformation requires areas such as architecture, security and operations to work together. Xu and Castillo (2026) found that this kind of collaboration can improve organisational efficiency, although it can also make responsibilities and decision-making less clear. A FinTech case discussed by Kautz et al. (2024) shows this in practice, with product teams bringing together developers, designers, testers and product managers while also drawing on specialist knowledge from other teams when needed.

This kind of working fits with a matrix structure, where employees can remain within their functional area while also working on a particular product or project. The organisation can bring different areas of expertise together in this way, but overlapping responsibilities can make it harder to know who has authority over a decision (Nagini et al., 2020). This is where Fayol's (1916) emphasis on coordination becomes useful. The structure may have changed, but the need to coordinate the work has not. A digital product can involve engineers, data specialists, compliance teams and customer-facing staff, and their decisions cannot be made separately from one another. What has changed is where the coordination happens. It now cuts across functions and, in some cases, across product teams as well.

4.3 Decentralisation and Empowerment

Technology has also changed how decision-making is organised within organisations. Decisions that were once concentrated at senior management level can increasingly be taken by specialist teams closer to the work, as digital technologies make information more accessible across the organisation. Huettermann et al. (2024) link giving people more responsibility for decisions with better organisational performance, as decisions can be made closer to the work. In digital organisations, information can move quickly and specialist teams are often closer to what is happening in day-to-day operations. However, Lee (2024) points out that giving teams more decision-making power still requires coordination and accountability. Contingency Theory helps explain why this approach may work better in some organisations than others. Lawrence and Lorsch (1967) and Donaldson (2001) argue that organisational structures need to fit the conditions in which an organisation operates. Digital technologies have changed some of those conditions by making information available more quickly and across different parts of the organisation. This can make it easier for decisions to be made closer to the work instead of passing through several levels of management. Stacey's (1995) Complexity Theory takes the argument further. Once authority is spread across different people and teams, their decisions can affect one another in ways that are not always easy to predict. A decision that works well for one team may create difficulties for another, particularly where different priorities and responsibilities have to be managed alongside regulatory requirements. Revolut provides a practical example of how operational autonomy has to be balanced with formal accountability. Revolut's focus on responding quickly to operational issues did not mean that formal governance became less important. Regulatory scrutiny drew attention to weaknesses in its governance and accountability (Whitwell and Cellan-Jones, 2019; Bank of Lithuania, 2022), which was followed by governance reforms. The case shows the difficulty of giving teams more freedom while still keeping clear responsibility for decisions and regulatory compliance. This reflects Lee's (2024) point about the importance of coordination and accountability, while the regulatory context also shows why the structure of the organisation has to fit the circumstances in which it operates. Stacey's (1995) Complexity Theory is also relevant because the different demands placed on teams can affect how decisions are made across the organisation. The example shows that classical organisational theories have not become irrelevant because of technology. Their ideas remain useful for understanding organisational change, although technology has changed the conditions in which they are applied. This points to the evolution of organisational structures and management roles rather than their disappearance.

5. Redefining Management Roles

5.1 Transformational Leadership

Technology has changed some of the work managers have traditionally done. AI systems can carry out or support some managerial tasks (Hillebrand et al., 2025). Some of the activities associated with Taylor (1911) and Fayol (1916) is being built into digital systems, so managers do not have to oversee every task directly (Kellogg, Valentine and Christin, 2020). The manager still has a role, but some of the focus has moved away from routine activities. Bass (1985) helps explain this through Transformational Leadership Theory, which lays emphasis on giving direction and helping employees respond to change. Ibrahim (2025) links this to digital transformation, arguing that leaders can encourage innovation and help employees learn as new technologies change the way work is done. Klarna shows how this can happen in practice. When AI was introduced in the organisation, it was presented as a way to change how work was done and move employees towards higher value activities, and not a way to reducing the workforce (Klarna, 2024). Managers had to help employees understand what the change meant for their work and how they would adapt.

This connects with Transformational Leadership Theory because the technology changed the work itself, but people still needed leadership through that change. The theory does not explain everything about the manager's role in a technology-enabled organisation. Ibrahim (2025) points that managers need to have a better understanding of AI and data as these technologies become part of organisational decision-making. Managers may have to question the information produced by these systems and take responsibility for how they are used. Some routine management work can be handled by digital systems, but managers are still needed when decisions call for judgement and accountability. The management role has changed, but the basic ideas behind these theories still apply.

5.2 Embracing Technological Literacy

Taylor (1911) saw managers as having an important role in gathering and using knowledge about how work was carried out. Technology has changed how much of this information is obtained. In FinTech organisations, AI, data analytics and digital platforms produce information that managers can use when making decisions. Islami and Muloli (2024) argue that this makes technological literacy an important part of management. Managers do not need to have the same technical skills as software developers or data scientists, but they need to understand enough about the technology to make sense of its outputs and use them in their decisions. This changes the type of knowledge managers need. They are no longer relying only on what they observe themselves or on information passed to them by others. Mintzberg's (1979) informational roles help explain this change. Managers still collect, interpret and share information, but some of the information they work with now comes from algorithms, predictive analytics and digital platforms. Powell and Snellman (2004) argue that organisations gain an advantage from their ability to create and use knowledge, and Islami and Muloli (2024) bring this into the digital context by showing why managers need enough technological understanding to work with that knowledge. In financial services, AI is already being used in areas such as credit scoring, fraud prevention and algorithmic decision-making (Alahmad, Ghouse and Bhatti, 2026). The technology provides information that can support these decisions, but managers still have to decide what that information means for the organisation. They cannot simply accept what the system produces. They have to consider whether the output fits the organisation's priorities and responsibilities. This brings Taylor's (1911) view of management knowledge and Mintzberg's (1979) informational role back into the discussion. The source of information has changed, but managers still have to make sense of it and decide what to do with it. Technology has changed the knowledge managers work with without removing the need for managerial judgement.

6. Challenges and Opportunities

6.1 Overcoming Resistance to Change

The changes technology brings to e-commerce and e-business also affect how managers deal with employees when new ways of working are introduced. Mayo human relations theory linked employees' acceptance of change to workplace relationships, communication and participation (O'Connor, 1999). This means employees are more likely to struggle with change when they feel excluded from what is happening. Technology adds another issue because digital transformation can change how people do their work and the skills they need. Mustafa Adnan Madloul Al-Bakri (2026) argues that digital transformation affects organisational capabilities and processes, while Verhoef et al. (2021) point to organisational readiness, leadership commitment and workforce acceptance as important to successful transformation. Mayo's argument still helps explain why employees may resist change, but the situation has changed. When artificial intelligence (AI) is introduced in an organisation which is a form of digital transformation, an employee may now be trying to understand the new system, learn new skills or work out what AI means for their role.

AI also brings the issue into decision making. Raisch and Krakowski (2021) explain that AI can change managerial authority when some decisions are supported by intelligent systems. Jöhnk et al. (2021) link this to organisational readiness, workforce capability and employee confidence when organisations introduce AI. This can be seen in digital businesses such as Klarna, where employees have had to adjust as AI changes the way work is carried out. Klarna used workforce redeployment and natural attrition as part of its response to AI, allowing employees to move into other roles as the organisation changed (The Guardian, 2025). This fits with Mayo's (1933) view that the way employees experience change matters (O'Connor, 1999). It also adds something that Mayo (1933) could not have considered: employees now have to build confidence in the technology that is changing their work. Employees may accept a new AI system and still have concerns once they start using it. They may not understand how the system arrives at a decision, or they may disagree with what it recommends, and managers have to deal with these concerns as AI becomes part of everyday work.

In e-commerce and e-business, where AI is becoming part of customer service, decision-making and other business activities, this can affect how employees work with the technology. Resistance can continue when employees are unsure about the systems they are expected to use. This adds an additional responsibility for managers alongside introducing new technology; they need to help employees understand the systems and remain confident in using them. Technology has changed how organisations manage change, but Mayo's human relations theory emphasise on the way employees experience change still applies.(O'Connor, 1999). Managers still have to consider how employees respond to new ways of working and support them as they adapt

6.2 Ensuring Data Security and Privacy

Data security and privacy have become part of the wider responsibilities organisations have to embrace as technology is increasingly being embedded into daily operations. The use of this technology in e-commerce and e-business means organisations are handling much more information than before. Customer data is used for payments, personalisation and other digital services (Zurigat and Khasawneh, 2026), so keeping that information safe has become part of the way organisations are managed. Chikoti (2025) argues that organisations need governance and risk management alongside the technology when introducing AI. Having the system in place is only part of the job. Organisations also need to be clear about how the data will be used and who is responsible for it. Singh (2024) makes this point from the customer side by linking data security with trust in FinTech services. If customers do not feel that their information is safe, they may lose confidence in the organisation.

This brings the issue beyond the technical side of the business. Who has access to the data, how it should be handled and what happens when something goes wrong should remain someone's responsibility rather than relying solely on AI. Weber's (1978) ideas are useful here because he placed importance on formal procedures and clear responsibilities within organisations. Those ideas still make sense when the organisation is using AI and other digital systems. The difference is that technology now plays a much bigger part in handling information. The Bank of England (2022) found that firms using machine learning were having to consider issues such as data governance, explainability and the risks associated with these systems. So, when an AI system produces an output, the organisation may still need to check it and understand how it should be used. The system can process the information, but it does not remove the need for someone to take responsibility for what happens next.

This supports Chikoti's (2025) argument that AI adoption needs more than technological capability. Singh (2024) also helps explain why the issue matters beyond the organisation itself, since poor data security can affect customer trust. What has changed is the amount of information organisations handle

and the role technology plays in processing it. The responsibility for managing that information is still there. Weber's (1978) ideas remain useful even in a digital organisation. Technology has changed the way organisations manage information, but it has not removed the need for clear responsibility and accountability.

6.3 Leveraging Technology for Competitive Advantage

Managing technology responsibly is one part of the challenge for organisations. Getting something useful from the technology is another. In e-Commerce and e-Business, organisations can use AI, cloud computing and digital platforms to improve their services and respond to customers. The problem is that these technologies are becoming easier for competitors to access. Having AI or a digital platform does not, on its own, give an organisation a lasting advantage. Porter (1985) linked competitive advantage to creating value through cost leadership and differentiation. That idea still helps us understand competition, but the digital environment has changed the situation. When competitors can access similar technologies, the question becomes what each organisation can actually do with them. Teece (2025) helps to explain this part of the argument. His focus is on how organisations recognise opportunities, respond to change and adjust their resources and capabilities as their environment changes. Alghamdi and Agag (2024) found that organisations get more value from data when they have the innovation capabilities to respond to changing customer needs and competitive pressures. Chaudhuri et al. (2024) also found that digital technologies can contribute to organisational performance when organisations support data use, learning and innovation. So, having access to technology is only one part of gaining value from it. The organisation also needs the ability to use what it has and change when circumstances change.

Klarna gives us an example of this. The company uses AI in areas such as personalised shopping, customer service and credit underwriting (Klarna, 2025). Other FinTech organisations can access AI too, so Klarna's advantage cannot simply come from having the technology. What is more important is how the company has brought AI into different parts of its business and used it to improve its services. This is close to what Teece (2025) is describing. The organisation is not just using a new technology; it is using its resources in different ways as the business and customer expectations change. There is still a link to Porter's (1985) argument here because the aim remains the same: creating value and giving customers a reason to choose the organisation. Porter does not identify as much about what organisations need to do when the same technology is available to their competitors. Teece (2025) adds that part of the picture by focusing on the organisation's ability to adapt. This matters for the management role too. Someone still has to decide where the technology will be useful, which resources need to change and when the organisation needs to respond to what customers want. Technology has changed the tools available to businesses, but managers are still making decisions about how those tools should be used. This leaves organisations at an advantage of not just technology but what they can do with it.

7. Conclusion

7.1 Summary

This literature review examined whether technological advances in e-Commerce and e-Business have made traditional organisational structures and management roles obsolete or whether they have changed to meet the demands of increasingly digital business environments. The literature points more towards change than disappearance. The way organisations operate, compete and create value has been altered by technology, but it has not removed the need for management. The examples of Alibaba, Klarna and Revolut show this in different ways. Organisations are changing how work is organised, with some decisions moving closer to the people doing the work. They are also having to respond more quickly to changing business conditions. This doesn't eliminate the role of coordination and accountability. Decisions still need to fit together across the organisation, and responsibility still needs to be clear.

The same pattern can be seen in the changing role of managers. Taylor, Fayol and Weber provide some of the earlier foundations for understanding efficiency, planning, authority and responsibility. Mayo adds the importance of employee relationships and participation, while Mintzberg looks at the different roles managers perform, particularly their use of information. Technology has not simply made these ideas irrelevant. Some of the work managers once carried out directly can now be supported or performed by digital systems, but managers still have to make decisions, coordinate resources and lead people through change. Contemporary perspectives such as Contingency Theory, Complexity Theory, Dynamic Capabilities Theory and Transformational Leadership Theory help explain what happens when established management ideas are applied in organisations dealing with rapid technological change.

The opportunities and challenges discussed in the review point in the same direction. Technology has given organisations new ways to improve how they work, serve customers and compete, particularly within FinTech and the wider e-Commerce and e-Business environment. It has also created new problems. Employees have to adjust to new ways of working, while organisations have to deal with data governance, privacy, cybersecurity and regulatory accountability. The discussion of competitive advantage also showed that adopting technology is only the starting point. Organisations still have to work out how to use it, where it can create value and what needs to change as customer expectations move.

A point that kept coming through the different parts of the review was the gap between what technology can do and what organisations are ready to manage. An organisation can adopt AI or another digital system quite quickly, but developing the structures and capabilities to use it properly can take much longer. This came through in the discussions on employee adaptation, data governance and competitive advantage. Having access to the technology is one thing. Making good use of it is another. Organisations still need the knowledge and structures to use the technology properly and respond when things change.

The evidence supports evolution rather than obsolescence. Technology has changed the context in which organisations operate and some of the work traditionally carried out by managers. It has also encouraged organisations to become more flexible and responsive. What has changed most is the way these roles and structures are carried out within a digital environment. The theories discussed in this review do not explain everything about today's digital organisations. They still help us understand some of the basic principles of management, even though

technology has changed how those principles are put into practice. Technology has changed the way management is carried out, but it has not made management unnecessary.

7.2 Implications for Future Research

This report drew on academic literature as well as corporate reports, regulatory publications and industry evidence to examine the influence of technological advances on organisational structures and management roles within e-Commerce and e-Business. While this approach enabled the integration of diverse sources of evidence, the findings remain interpretative and are not intended to establish causal relationships. Future research could strengthen understanding of these issues through primary empirical studies involving managers responsible for leading digital transformation within organisations operating across the e-Commerce, e-Business and FinTech sectors.

There is also a need to understand how these changes develop over time. Organisations may respond to AI and other digital technologies differently at first, but their approach may change as they gain more experience with them. Longitudinal research could follow organisations over a period of time to see how their structures, leadership and governance change as technology develops and regulatory requirements change. It would also be useful to compare organisations of different sizes and from different industries and countries. This could show whether the changes discussed in this review are mainly found in digitally intensive organisations or whether other sectors are experiencing similar changes.

Another area that needs more attention is the capability organisations need to manage technological change. There is a lot of research on technology adoption, but less on how organisations develop the capabilities needed to keep using that technology effectively over time. Future research could look at how managers develop the skills needed to work with new technologies while also dealing with the organisational changes that come with them. It could also consider whether existing management theories are still enough to explain these changes or whether they need to be developed further. This would help us understand what organisations need to do to keep gaining value from technology as it continues to change.

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