



Student Name : Xec Sikander Xeculi

Student ID : 2413387

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Lecturer : **Dr. Amer Kareem**

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1. Introduction

Kalori Ltd. sells consumer electronics. They have 30 physical shops and a website, and over the past year their sales numbers have gone up quite a bit. On paper, the business looks healthy. The problem is that the technology behind the operation has not kept up with that growth, and it is starting to show in ways that actually cost the company money.

Stock management is where things fall apart first. The company still tracks inventory by hand at each store. What that means in practice is that the website might show an item as available when the nearest warehouse ran out two days ago. Customers order it, find out it is not coming, and either cancel or ask for a refund. Neither outcome is good. Laudon and Laudon (2022) describe this exact kind of failure as a hallmark of businesses that have outgrown their systems but not yet invested in replacements. On top of the online problem, individual store managers cannot easily see what stock levels look like across other branches, so some locations end up sitting on surplus while others run dry.

Customer data is scattered. The company keeps records in several different places, none of which connect to each other. So if someone rings up the support line with a complaint, the person answering the phone might not be able to pull up what they bought or when.

Marketing has a similar problem. Without a joined-up view of customer behaviour, sending out targeted promotions is basically guesswork. Buttle and Maklan (2019) argue that retailers without a single customer database almost always see engagement drop off, because shoppers these days expect companies to know who they are and what they like.

Reporting is another sore point. Sales figures get pulled together manually in spreadsheets, which is slow and leaves plenty of room for mistakes. By the time a report reaches a senior manager, the data in it could be a week old. That makes it hard to react to trends or spot problems early. Sharda, Delen and Turban (2020) make the case that organisations still doing reporting this way are at a genuine disadvantage compared to competitors using automated tools.

There are also data protection concerns. The existing setup does not have strong access controls, meaning more people can see sensitive customer information than probably should. Under GDPR, that is a liability. Voigt and Von dem Bussche (2017) are blunt about this: non-compliance can lead to fines running into millions. And then there is the integration issue. Sales, finance, and stock teams all use different software that does not share data. Staff copy numbers from one system to another by hand, which wastes time and introduces errors. Put all of these issues together, and it becomes clear that Kalori Ltd. needs to rethink its information systems from the ground up.

2. Evaluation of Existing Systems

The systems Kalori Ltd. currently relies on were probably fine a few years ago when the business was smaller. But they have not scaled. What worked for ten stores and a basic website is now creating bottlenecks across every department, and patching things together with workarounds is no longer a realistic option.

Start with inventory. The whole process runs on spreadsheets and manual data entry. Each store logs its own stock numbers, and there is no automatic connection between those records and the online shop. Laudon and Laudon (2022) point out that manual inventory tracking simply cannot provide the speed or accuracy that a multi-channel retailer needs. When a customer orders something online that was actually sold in-store an hour ago, the system has no way of catching that in time. The order goes through, the item is not there, and the customer gets a cancellation email. That sequence of events is happening regularly at Kalori, and each instance chips away at trust.

Customer records are fragmented in a similar way. Different departments hold different pieces of information about the same person, but none of it is linked. The marketing team cannot build a proper picture of who their customers are, and the support team cannot quickly access a purchase history when someone calls with an issue. Buttler and Maklan (2019) describe this kind of fragmented data environment as one of the main reasons retailers lose customers to competitors who offer a more joined-up experience. Personalisation matters more than ever in retail, and Kalori is not in a position to offer it.

Reporting is slow and unreliable. Managers across the business still compile performance data by hand in spreadsheets. For a company operating 30 stores and an online platform, that approach is not just inefficient; it actively holds back good decision-making. Sharda, Delen and Turban (2020) note that businesses using manual reporting methods tend to make decisions based on data that is already outdated by the time anyone reads it. Real-time visibility is not a luxury for a retailer of Kalori's size. It is a basic requirement.

Security is another area where the current setup falls short. There are no proper role-based access controls in place, which means that more people than necessary can view or modify sensitive customer data. GDPR requires businesses to take reasonable steps to protect personal information, and Kalori Ltd. would have difficulty demonstrating compliance in its current state (Voigt and Von dem Bussche, 2017). O'Brien and Marakas (2019) stress that when departments operate on separate, unconnected systems, the problems go beyond just inefficiency. Data gets duplicated, records fall out of sync, and staff spend time on admin that could be automated. Across every area, the conclusion is the same: these systems are no longer adequate for the business Kalori has become.

3. Recommended Solution

Fixing one part of the system while leaving the rest untouched would just shift the problem somewhere else. If inventory gets automated but customer data stays fragmented, the business still cannot operate properly. The only approach that makes sense is a joined-up solution where everything connects.

The centrepiece of the recommendation is an Enterprise Resource Planning system, or ERP. An ERP pulls inventory, sales, finance, and procurement data into a single platform so that everyone across the business is working from the same set of numbers. Monk and Wagner (2013) describe ERP as the backbone of modern retail because it removes the need for staff to manually transfer information between departments. In practice, this means that when someone buys a product online, the stock figure updates instantly across all 30 stores. No more overselling items that are not actually available. ERP platforms commonly used in retail include SAP Business One, Oracle NetSuite, and Microsoft Dynamics 365. For Kalori, a cloud-based option would make the most sense because it avoids the cost of setting up physical servers and allows the system to grow alongside the business (Laudon and Laudon, 2022).

A CRM system should sit alongside the ERP. Right now, customer information is spread across multiple systems. A CRM would bring all of that together into one place, so marketing can see what people actually buy and support staff can pull up a full history in seconds. Buttle and Maklan (2019) are clear that any retailer serious about holding onto its customers needs a unified CRM. Something like Salesforce or HubSpot would work here, and both connect well with the major ERP platforms. That integration matters because the last thing Kalori needs is another standalone system that does not talk to anything else.

For reporting and analysis, a business intelligence layer on top of the ERP would solve the spreadsheet problem. Tools like Power BI or Tableau pull live data from the system and turn it into dashboards that managers can check whenever they need to, rather than waiting days for someone to compile a report. Sharda, Delen and Turban (2020) stress that BI tools let businesses spot patterns, forecast demand, and react to shifts in the market much faster than manual methods. Chen, Chiang and Storey (2012) take that argument further, suggesting that data-driven decision-making has become one of the things that separates successful retailers from the rest.

Security needs to be built into whatever solution gets chosen. At a minimum, that means role-based access so staff only see what is relevant to their job, encryption for data at rest and in transit, multi-factor authentication for logins, and regular audits to check that everything is working as it should. These are not nice-to-haves; GDPR makes them a legal

requirement (Voigt and Von dem Bussche, 2017). Most modern cloud-based ERP systems come with these features out of the box, but they still need to be configured properly from day one.

Bringing all of this together, an integrated ERP, CRM, and BI solution would deal with every major issue raised in the previous section. Stock gets tracked in real time. Customer data lives in one place. Managers get live dashboards instead of stale spreadsheets. And the company's handling of personal data comes up to the standard the law expects.

4. Implementation Plan

Buying the software is one thing. Actually getting it up and running across 30 stores without causing chaos is a different challenge entirely. A rushed rollout could leave staff confused, data lost in transit, and shops unable to process sales properly. So the implementation has to be planned carefully, and it has to happen in stages.

Before anything else, someone needs to sit down with people from every department and work out exactly what the new system has to do. That sounds obvious, but Davenport (2018) makes the point that a surprising number of technology projects go wrong not because the software was bad, but because nobody spent enough time understanding what the business actually needed. Getting the requirements nailed down early saves problems later.

Once those requirements are documented, the next job is picking a vendor. Kalori should look at three or four ERP and CRM providers and compare them on price, how well they handle growth, what security features they include, and whether they can plug into the existing e-commerce platform without too much trouble. A cloud-hosted system is the better option here because it avoids spending heavily on physical servers and makes scaling up simpler down the road.

After a vendor is chosen, the system has to be configured to match the way Kalori actually works. This is not an off-the-shelf install. The ERP needs to connect to the website, the payment system, and any logistics tools already in place. Then comes data migration, which is the process of moving all the old records across from the spreadsheets and legacy databases. That migration has to include a cleanup step, because years of manual data entry will have left behind duplicates, inconsistencies, and outright errors.

Training matters more than most businesses realise. Even if the new system is well designed, it is useless if the people using it every day do not understand how it works. Every department should go through hands-on sessions, not just a slide deck, and there should be reference guides available afterwards for when questions come up on the job. Some staff will resist the change, especially if they have been doing things a certain way for years. That

is normal. Clear communication from leadership about why the switch is happening tends to help.

Rather than switching every store over at once, a phased rollout is the safer route. Start with three to five pilot stores, fix whatever problems come up, and then expand from there.

O'Brien and Marakas (2019) recommend exactly this approach because it limits the damage if something goes wrong during the early stages. Once every location is live, a small support team should stay in place to handle maintenance, updates, and the kind of day-to-day issues that always crop up with a new system.

5. Conclusion

Kalori Ltd. has outgrown its systems. The manual stock tracking, scattered customer records, spreadsheet-based reporting, and weak security controls are all symptoms of the same underlying problem: the technology was never upgraded to match the pace of the business. If left alone, these issues will only get harder to fix as the company keeps expanding.

What this report has proposed is a combined ERP, CRM, and business intelligence solution that ties everything together. Stock would update across every channel in real time.

Customer data would sit in one place where both marketing and support can use it.

Managers would get live dashboards rather than waiting for someone to pull numbers together by hand. And the company's data handling would finally meet what GDPR actually requires.

There is a cost to doing this. New software, data migration, staff training, and the disruption that comes with changing how people work are all real expenses. But the cost of doing nothing is arguably higher. Lost sales from stock errors, lost customers from poor service, slow decisions from outdated reports, and the legal risk of a data breach all add up. The question is not really whether Kalori Ltd. should modernise. It is how soon they can start.

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