

Managing Business Information

LCLM5004 (Resit)

Tashan Watson

2336706

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1. Introduction

Maldiva Ltd. is a rapidly growing fictional consumer electronics retailer that operates 30 physical stores alongside an e-commerce platform. The organisation has experienced significant growth in sales and plans to expand further. However, its existing information systems have not developed at the same rate as the business. This has created a number of operational challenges that are affecting efficiency, customer satisfaction and the organisation's ability to make effective business decisions.

A major challenge is inventory management, as Maldiva Ltd. relies on manual processes that can result in inaccurate stock information between its physical stores and online platform. This can cause customers to order products that are unavailable, resulting in complaints, refunds and delays. The organisation also experiences difficulties identifying overstocked and understocked products.

Another significant challenge is customer relationship management (CRM). Customer information is stored across several disconnected systems, making it difficult to access complete purchase histories and provide personalised marketing or efficient customer support. In addition, the use of manually prepared spreadsheets creates problems with reporting and decision-making, as information can be outdated or contain errors.

The organisation also faces a lack of integration between departments, particularly sales, finance and inventory, which results in unnecessary manual data transfers and increases the likelihood of errors. Finally, Maldiva Ltd. has concerns regarding data security and GDPR compliance, as its current systems do not provide sufficient access controls to protect customer information.

This report will examine these challenges and recommend a modern, integrated information system that can improve operational efficiency, decision-making, customer satisfaction, security and support the organisation's future growth.

2. Evaluation of Existing Systems

Maldiva Ltd. currently relies on several information systems and manual processes to manage its business operations. These include systems for inventory management, sales, customer information and financial activities. However, these systems are not effectively integrated, meaning that information cannot flow efficiently between departments. The organisation also relies heavily on spreadsheets and manual data entry, which creates difficulties as the business continues to grow. Laudon and Laudon (2021) explain that business processes involve activities that need to be organised and coordinated to achieve specific business results, with information systems playing an important role in supporting and improving these processes.

The most significant inefficiency is the manual inventory tracking system. Stock information is not consistently updated between Maldiva Ltd.'s physical stores and its e-commerce platform. This creates discrepancies between actual stock levels and the availability shown to customers online. As a result, customers may purchase products that are unavailable, leading to cancelled orders, refunds and complaints. Store managers also have difficulty identifying products that are overstocked or understocked. This demonstrates a gap between the information required by the organisation and the information currently available to employees.

A further gap exists within customer relationship management. Customer data is stored across multiple disconnected systems, preventing employees from accessing a complete view of customer interactions and purchase history. This limits the ability of the marketing team to create targeted promotions and makes it more difficult for customer support employees to resolve complaints efficiently. The lack of integration therefore reduces the value that Maldiva Ltd. can obtain from its existing customer information.

The organisation's reporting and decision-making processes are also inefficient. Sales reports are manually created using spreadsheets, which increases the risk of data entry errors and means that management may be working with outdated information. In addition, the separate systems used by sales, finance and inventory require employees to manually transfer information between departments. Laudon and Laudon (2021) highlight that information systems can automate activities that were previously performed manually and can improve efficiency and effectiveness. Maldiva Ltd.'s continued dependence on manual processes therefore represents a significant weakness in its current information systems.

Finally, the organisation has a security and compliance gap because its current systems do not provide sufficient access controls. This increases the risk of unauthorised access to customer information and may expose the organisation to financial, legal and reputational consequences. Overall, the existing systems are no longer sufficiently integrated or efficient to support Maldiva Ltd.'s continued growth, creating a clear need for a modern information system.

3. Recommended Solution

It is recommended that Maldiva Ltd. implement an integrated Enterprise Resource Planning (ERP) system with Customer Relationship Management (CRM) and Business Intelligence (BI) capabilities. An ERP system would allow key business functions, including sales, inventory and finance, to share information through a centralised system. This would be more suitable for Maldiva Ltd. than continuing to operate separate systems because the organisation is growing and requires a system that can support its increasing number of stores, online sales and customers. Laudon and Laudon (2020) explain that enterprise applications can integrate business processes and information across different functional areas, helping organisations improve operational performance.

The proposed system would improve efficiency by reducing the organisation's reliance on manual data entry and the transfer of information between departments. For example, when an online or in-store purchase is made, the transaction could automatically update inventory and sales information, while relevant financial and customer information could also be recorded. This would reduce duplication, minimise human errors and provide employees with more accurate and up-to-date information. Tavana (2017) highlights the role of digitalised enterprise systems in creating more streamlined business processes and improving organisational performance. This is particularly relevant to Maldiva Ltd., where manual processes and disconnected systems are currently creating delays and inefficiencies.

The CRM element would provide a centralised view of customer information and purchase history, allowing marketing and customer service employees to provide more effective and personalised services. The system would also improve data management and decision-making

through BI tools and real-time reporting. Instead of relying mainly on manually prepared spreadsheets, managers could access dashboards showing current sales performance, inventory levels and customer trends. This would allow management to identify changes in demand more quickly, improve forecasting and make more informed decisions.

Although implementing an integrated system would require an initial investment in software, implementation and employee training, the long-term benefits could outweigh these costs. Reducing manual processes, stock errors, cancelled orders and duplicated work could help reduce operating costs. Furthermore, an integrated system would be scalable, allowing Maldiva Ltd. to add new stores, products, employees and customers as the business expands. Therefore, an integrated ERP system with CRM and BI capabilities would provide Maldiva Ltd. with a more efficient and scalable foundation for future growth.

4. Implementation Plan

The implementation of an integrated ERP system with CRM and Business Intelligence capabilities should be completed in a structured and phased manner to reduce disruption to Maldiva Ltd.'s operations. ERP implementations can be complex and costly, meaning that careful planning, project management, communication and management support are important factors in achieving successful implementation (Nah and Delgado, 2006). The first stage should therefore involve establishing a project team consisting of senior management, IT specialists and representatives from sales, finance, inventory and customer service. The team should identify the organisation's requirements, define clear objectives and select a suitable system and supplier.

The second stage should focus on analysing Maldiva Ltd.'s existing systems and business processes. Existing customer, sales, financial and inventory data should be reviewed and cleaned before being transferred into the new system. This is important because inaccurate or duplicated data could reduce the quality of information produced by the new system. Umble, Haft and Umble (2003) identify data management, business process analysis, system testing and appropriate implementation planning as important factors in successful ERP implementation. Maldiva Ltd. should also determine which existing systems can be integrated with the new ERP platform and which systems may need to be replaced.

The third stage should involve configuring and testing the new system before it is introduced across the organisation. Integration should allow information to flow automatically between sales, inventory, finance and CRM functions. For example, when a customer purchases a product online, the transaction should update the inventory record and sales information without employees having to manually enter the same information into multiple systems. A phased implementation would allow Maldiva Ltd. to test the system in a smaller number of stores before expanding it across all 30 locations. This approach can reduce the risks associated with introducing a major system change across the entire organisation at once (Aloini, Dulmin and Mininno, 2007).

Employee training should form a major part of the implementation process. Employees from different departments will require training that is relevant to their responsibilities, such as inventory management, customer service, sales reporting and finance. Training should include

practical exercises and ongoing support after the system is launched. Research into ERP implementation has identified user training, change management and effective communication as important factors in successful implementation (Nah, Lau and Kuang, 2001). Employees should also be informed about the reasons for the change and the benefits the new system will provide, as resistance to change could reduce adoption.

Security and data protection should also be considered throughout implementation. Since the new system will contain customer and business information, Maldiva Ltd. should introduce appropriate access controls and ensure that employees only have access to information required for their roles. Data protection should be considered from the beginning of the system design process rather than being added later. The European Commission (2026) highlights the importance of data protection by design and by default, including limiting access to personal data to those who have a legitimate need to access it.

Finally, potential challenges should be monitored throughout the implementation. These may include employee resistance, technical problems, data migration errors, integration difficulties, implementation costs and temporary disruption to business operations. Top management support, effective communication, project management and change management are recognised as important factors in reducing these risks (Nah and Delgado, 2006). Maldiva Ltd. should therefore monitor the system after implementation, collect employee feedback and measure performance against its original objectives. This will allow problems to be identified and corrected while ensuring that the new system continues to support the organisation's growth.

5. Conclusion

In conclusion, Maldiva Ltd. is experiencing significant operational challenges because its existing information systems are no longer suitable for a rapidly growing organisation. The use of manual inventory processes, disconnected customer information, spreadsheet-based reporting and separate departmental systems has resulted in inaccurate data, inefficient processes, delays and difficulties with decision-making. In addition, weaknesses in access controls create potential security and data protection risks. These issues could become increasingly difficult to manage as Maldiva Ltd. continues to expand its physical stores and e-commerce operations.

The report has recommended that Maldiva Ltd. implement an integrated Enterprise Resource Planning (ERP) system supported by Customer Relationship Management (CRM) and Business Intelligence (BI) capabilities. This solution would allow sales, inventory, finance and customer information to be connected through a more centralised system. As a result, the organisation could reduce manual data entry, improve inventory accuracy, provide employees with better access to customer information and give management more timely information for decision-making. Research indicates that the quality and timeliness of information provided by ERP systems can contribute to both financial and non-financial organisational performance (Balić et al., 2022).

Successful implementation will depend not only on the technology itself but also on effective planning, employee training, data migration, system testing, security and change management.

A phased implementation would allow Maldiva Ltd. to reduce disruption and identify potential problems before the system is introduced across all 30 stores.

Overall, the proposed integrated information system would provide Maldiva Ltd. with a more efficient, secure and scalable foundation for future growth. By replacing fragmented and manual processes with integrated and reliable information, the organisation should be better positioned to improve operational performance, support informed decision-making and provide a higher level of customer service.

Reference List

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