Components of a Business: What They Are & Their Relation to IT & Cybersecurity

Carl Lochstampfor Jr.

Department of Cybersecurity, Old Dominion University,

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Assignment:

Identify key components of a typical business or organization: where do those components 'fit' in compared to IT, and how do they interact?

Summary:

A business's main priority is meeting deadlines and making a profit by offering a valuable and economical solution to a target audience. The business must successfully sell products or services while keeping its expenses low in order to earn a profit. People often form organizations and business models to help delegate and diversify specific responsibilities to different but specialized departments (Kim, 2015). A well-conceived business model can help an organization achieve this goal and stay ahead of its competition.

Many organizations have multiple hierarchical components, including but not limited to the following:

1. Chief Executive Officer (CEO) and Board of Directors (BoD)
2. Accounting and Finance Department
3. Sales and Marketing Department
4. Human Resources Department (HR)
5. Operations Department
6. Information Technology Department (IT)

At the top of a business stands the Chief Executive Officer (CEO). The CEO is responsible for the day-to-day leadership and operations of the company (Mazares, 2024). These responsibilities include making key corporate decisions, allocating resources and tasks to appropriate teams, ensuring resource use aligns with the organization's mission and business model, and occasionally serving as the company's public representative (Lazzari, 2023). The CEO also acts as a liaison between the Board of Directors (BoD) and the corporate operations and is sometimes a freshly "minted first-time" CEO.

The next component is the Board of Directors (BoD). This governing body comprises seasoned, proven executives (or former ones), taking a more objective advisory role to the CEO and the company. The BoD provides oversight and guidance to the company, focusing on the broader strategic and governance aspects while delegating its legislation and monitoring to sub-committees (Lazzari, 2023). Key roles and responsibilities also include protecting the interests of shareholders, engaging and communicating with shareholders to maximize the value they bring to the company, policy development, and governing systems like auditing and risk management sub-committees.

Third are the Accounting and Finance Departments. Accounting focuses on past dollars and managing the current checkbooks to ensure they are balanced to meet annual budget goals. Finance focuses on future dollars, where monies should go to grow the company, increasing assets while reducing liabilities. One example is reinvesting profits back into the company to the research and development teams (R&D). It also helps minimize company overhead costs, improve process efficiency, enhance current products and services, or explore new innovative products and services.

Fourth are the Sales and Marketing Departments. The Sales team is responsible for 'bringing home the bacon.' They are the company's primary drivers of earnings by selling its

products and/or services through different mediums (i.e., face-to-face interactions, email, cold and warm calling campaigns, and internet transactions). Marketing focuses on building the company's brand and presenting it to the world in the most attractive way possible. It helps drive company earnings because Marketing efforts guide and funnel public inquiries to the Sales team to buy the company's products and/or services. Marketing teams also conduct a lot of research about their target audience to ensure the organization meets the demands of their customers and that the company's products and services better solve customer problems by the most efficient means possible (Kim, 2015).

Fifth is the Human Resources Department. The Human Resources Department (HR) has several key roles on paper. First, HR aims to ensure all company employees behave respectfully and equitably towards each other, with the customer base, and with the public. The HR team helps the company meet legal compliance guidelines and regulations enforced by government authorities. Second, HR is responsible for the recruiting, hiring, and termination processes. However, from my experience in the corporate and banking industries, HR's words and actions always follow the money: HR's priority is to preserve, protect, and advance the company's brand and reputation. Everything else is secondary, including the 'human' side of the business, such as its employees' well-being.

Sixth is the Operations Department. The Operations Department ensures the business runs as efficiently and effectively as possible, usually working alongside other departments of an organization—like the IT Department. The Operations team oversees managing company resources, infrastructure, technology—especially the internet— and people. Its purpose is to optimize productivity, increase quality control, assist other departments in meeting compliance guidelines, and deliver goods and/or services to customers in a timely fashion—the Supply Chain

(Kim, 2015). The Supply Chain is a system of connected activities for producing and delivering a product or service from an initial supplier to the final customer (Kim, 2015). These logistics include sourcing raw materials for manufacturing, transportation, storage, and distribution.

Lastly, the newly minted Department of Government Efficiency (DOGE) resembles an Operations team. It seeks to reduce wasteful spending and eliminate lackluster portions of a company to drive growth and profits—cost-cutting may include layoffs and eliminating unnecessary or unproductive projects from the company's work queues.

Where does the Information Technology (IT) Department "fit" in an organization, including roles and responsibilities?

IT departments are usually separate and autonomous components. Physically and logically, segmenting the IT Department better protects the organization against threats and bad actors from gaining unauthorized access. For example, an IT team may divide an organization's network into segments with unique security controls and privileges. These practices help prevent lateral movement in case of a security breach, limiting the potential damage. Within these divided sections, each assigning each employee to a specific logical group—a group policy with its own rules and restrictions—based on least privilege guidelines.

IT teams also work closely with other departments within an organization. For example, the IT team may conduct a Technical and Business Gap Analysis with the Operations team to better understand the organization's current network security. The Technical Gap Analysis evaluates an organization's current technical infrastructure, identifying any physical or logical shortfalls affecting the full utilization of an organization's security solutions. The Business Gap Analysis evaluates an organization's current business processes, identifying any shortfalls affecting the full utilization of cloud-based solutions.

Another example is working with HR when hiring new employees or offboarding recently terminated employees. Onboarding processes include setting up new user accounts for the new hires, issuing fully updated computer workstations to new hires, and setting up remote protocols and VPNs for authorized access to the primary office. Offboarding processes will include asset and change management, removing the terminated employee's access privileges from group policies, and collecting all business-owned workstations and devices lent to the employee while performing their duties on the payroll.

Lastly, the IT team may work simultaneously with the Accounting, Finance, Marketing, and Customer Service teams to roll out new online third-party platforms or services. Before purchasing and rolling out the latest software, IT will heavily research software compatibility with the company's network and Operating Systems (OS). The IT team will want to extensively test these applications within a controlled environment—called a 'Sandbox'—to see if there are any issues before deploying the applications to live production.

In conclusion, the IT Department is the 'glue' for an organization, holding every other hierarchical component together and ensuring strong, secure, and streamlined networks. This approach increases a company's likelihood of being profitable and staying ahead of its competition.

References

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