BUSI 620: Strategic Information Systems
September 13-17, 2006

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Course Description:

Technology has become an indispensable resource of today's organizations. It is difficult to think of an industry that has not been affected – sometimes profoundly and painfully – by technological change. What's more, the accelerating pace of technological evolution means that these changes will occur ever more rapidly. Being able to operate effectively in an environment of rapid technological change has, thus, become a prerequisite for 21st century managers. To succeed in such environments, managers must be directly involved in a number of important decisions that involve technology investments, adoption and governance; they must become as adept in dealing with technology as they have traditionally been expected to be in dealing with people.

This course is designed for general managers and not for teaching technology details or for creating technical managers. Hence no prior technical knowledge is either assumed or required for this course.

Course Objectives:

Our objectives are to provide you with frameworks and examples that will help you handle successfully the most important technology-related decisions faced by today's top executives. Specifically, in this course you will learn:

1. How technology relates to an organization's strategy and other resources
2. How technology can transform entire industries, and what this might mean to your organization.
3. How to assess the potential of an emerging technology.
4. How to reason about technological investments: what technologies to invest on, when to invest and how much money to spend on them.
5. How to successfully adopt a new technology: how to assess its likely impact on the organization, how to plan and execute implementation and change management.
6. How to govern your organization's technological resources: what decision rights should reside with whom, what to keep in-house and what to outsource.

Course Materials

- Packet of readings and cases available from Xanedu
- Additional optional materials posted on Blackboard and handed out in class.

COURSE SCHEDULE

Note: (BB) next to a reading means that the reading is available on Blackboard; (XN) means that the reading is part of your Xanedu coursepack.

DAY ONE

Introduction to the Course

IT and Business Strategy

In a Netcentric world, information technology and corporate strategy are intertwined; technology makes possible new strategies, and the execution of the firm's strategy depends on its ability to implement and manage IT. To be successful in developing strategy, a manager has to be aware of the capabilities of the technology, the opportunities it provides the firm and the way in which the technology aligns with the firm's other resources.

Readings:

- Basic concepts of Strategy and Porter's Five Forces framework. (Links to online resources, available on Blackboard.)
- M. Treacy and F. Wiersema. Customer Intimacy and Other Value Disciplines. Harvard Business Review Article 93107 (XN)
- Case: Charles Schwab in 2002. Harvard Case 9-803-070 (XN). In addition, read selected excerpts from the Stanford Case "The Charles Schwab Corporation" (Stanford EC-18), available on Blackboard.

Technology and Industry Transformation

Technological changes can have profound impact on entire industries, often dethroning established leaders and allowing new entrants to take the scepter. Why do established companies seem to so often miss the boat? Is it possible to predict how a new technology will affect your industry, identify opportunities and threats, and act before it is too late?

Readings:

- Bower, J. and C. Christensen: "Disruptive Technologies: Catching the Wave", Harvard Business Review, January-February, 1995 (XN)

DAY TWO

Technology and Industry Transformation (continued)

- Case: BMG Entertainment. Harvard Case 9-701-003 (XN)

How to assess technological investments?

One of the most frequent questions from senior management is "what do we get from our investment in information technology?" This simple question turns out to require a very complex answer. Assessing the value of IT is a challenge because there are so many different kinds of applications, as well as different kinds of value. Managers proposing new IT innovations need to become adept at explaining the value they will provide.

Readings:

- T. E. Copeland and P. T. Keenan. How Much is Flexibility Worth? *The McKinsey Quarterly* 1998, Number 2. (BB)
- K. J. Leslie and M. P. Michaels. The Real Power of Real Options. *The McKinsey Quarterly* 1997, Number 3. (BB)

- Case: Whirlpool Europe. Harvard Case 9-202-017 (XN) [This case forms the basis of the in-class assignment; I will introduce the case in class myself; please read it before class as you read any other case.]
- In-class Assignment (time-permitting): Complete Whirlpool spreadsheet project evaluation assignment working in pairs (BB)

Evaluating proposals and making decisions

Readings:

- Nolan, R. and W. McFarlan: "Information Technology and the Board of Directors", *Harvard Business Review*, October 2005. (XN)
- Case: Zara: IT for Fast Fashion. (Harvard Case 9-604-081) (XN)

DAY THREE

Technology Implementation and Adoption

50% of IT projects fail. Some never complete, others complete but go over budget and often do not realize the promised benefits. Companies have gone bankrupt because of failed IT implementations and many managers have lost their jobs because of them. Understand the reasons behind these sad statistics and learn how not to be part of them.

Readings:

- Andrew McAfee, When Too Much IT Knowledge is a Dangerous Thing. Sloan Management Review, Winter 2003. (XN)

- Case: Rich-Con Steel. Harvard Case 9-699-133 (XN)

- Case: Amagansett Funds (A) (Harvard N9-606-005) (XN)

- Case: Dubai Ports Authority (A) Harvard Case 9-603-061 (XN)

- Mini-Case (time-permitting): “Nightmare”: the sad story of FoxMeyer Drug (BB)

DAY FOUR

Information-based Strategies and their Implementation

CRM, Personalization and Knowledge Management seem to be on everyone's lips these days. Understand what these technologies can do, how to integrate them into your firm's strategy and the challenges associated with their successful implementation and adoption.

Readings:

- (Optional) Introduction to Data Mining and Knowledge Discovery (BB)
- Case: Carnival Cruise Lines 9-806-015. (XN)
- Case: Siemens ShareNet: Building a Knowledge Network 9-603-036 (XN)

Electronic Commerce: Changing Markets and Industries

Few technologies have had such as profound an impact on firms as industries as the Internet. Today's managers must be able to factor this important technological element into their strategies. In this session we try to cut through the hype of the last 10 years to understand when and how the Internet adds value and how it changes the rules the competition in different industries.

Readings:

- Michael Porter, Strategy and the Internet. HBR OnPoint Article 6358. (XN)
- Case: Amazon.com 2002 – Harvard Case 9-803-098 (XN)
- Article: Click to Download. Economist magazine, August 17, 2006. (BB)

DAY FIVE

Electronic Commerce (Continued)

- Case: Monster.com: Success Beyond the Bubble. Harvard Case 9-802-024 (XN)

- (Optional) More media, less news. Economist magazine, August 26, 2006. (BB)

IT Governance

Research has shown returns up to 40% greater than competitors by firms that clarify business strategies and the role of IT in achieving them, measure and manage the amount spent on, and the value received from, IT, assign accountability for the organizational changes required to benefit from new IT capabilities and earn from each implementation, becoming more adept at sharing and reusing IT assets. This session is devoted to understanding who should have the right and responsibility for making the above decisions.

Readings:

- P. Weill and J. Ross. IT Governance in One Page. MIT Sloan Working Paper No. 4517-04 (BB)

- Case: Enterprise IT at Cisco (2004). Harvard Case 9-605-015 (XN)

Course Wrap-Up

GRADING

Your grade for this course will be determined by your class contribution and your performance in the pre- and post-course group assignments.

1. **Class contribution (30% -- individual grade):** This course will be conducted using the case method. We will spend most of our class time engaged in case discussions and very little time lecturing. For the case method to work, your thoughtful and lively class participation is essential. <u>**All**</u> students are therefore expected to come to each class prepared to discuss the assigned cases. You are expected to contribute to the case discussion that is led by your fellow students. Your contributions will determine one third of your grade. For those unfamiliar with the case method, Appendix A provides detailed guidelines and study questions for each of the cases we will discuss.

2. **Case Discussion Leadership (20% -- group grade):** Each group is responsible for preparing and leading the discussion of one of the cases (see details below). The quality of your discussion leadership and your ability to summarize the main points of the discussion and the case will determine your grade on this course component.

3. **Case summary worksheet (15% -- group grade):** See details below.

4. **Group paper (35% -- group grade):** See details below.

GROUP ASSIGNMENTS

Learning to work in teams is an important skill in business and business school education is designed to reinforce this skill. Accordingly, I have divided the class into ten groups of 3-4 students each. In each group I tried to mix people with and without prior experience in IT. Your group is listed in a spreadsheet that is attached to this document (and available on Blackboard).

The following assignments are group assignments. This means that all members of each group are expected to contribute equally and all will get the same grade.

<u>**Pre-Course Assignments: To be completed before the beginning of classes.**</u>

1\. Please read all cases and as much of the text assigned as possible (<u>if you are short on time please give priority to preparing the cases; all students are expected to contribute to all case discussions, class participation is a very important component of your grade; each student will be graded individually on their class participation</u>)

2\. Each group is responsible for preparing and leading the discussion of one of the cases as listed on the group assignment spreadsheet. When forming groups I tried to include at least one person who works in a field that is similar to the case I assigned to that group.

Your group will lead a 60-80 minute discussion of your assigned case. Your main objective would be to engage and draw your classmates into the discussion. At the end of the class discussion your team should summarize the recommendations and the main insights from the case and its discussion.

Please see Appendix A for detailed instructions on how to prepare for the cases of this course. Feel free to email me with any questions you may have.

<u>Post-Course Assignments: To be completed by October 2, 2006.</u>

1. Complete the case summary worksheet (available on Blackboard), distilling the main managerial insights and lessons you learned from each of the cases. This worksheet will give your group an excellent opportunity to review the materials of the course and will serve as a handy reference to you in the future.

2. Pick one of the following two topics and write a 10-15 page (double-spaced) group paper as per the detailed instructions below.

Please email me your completed case summary worksheet and group paper before Monday October 2, 2006.

Topic A: Industry Transformation Case Study

Your group will choose an industry to study in depth and assess the impact of some emerging technology (preferably an Information Technology) on transforming that industry in the next 5-10 years. IT can provide new opportunities (e.g. on-line auction markets) or threaten existing business models (e.g. Kodak).

Your presentation should have the following components:

1. Map out the industry's current value chain and the main players in each link of the chain (Ideally I'd like to see something like Slide #8 of class_02_industryanal.ppt). Briefly point out any features that you find particularly remarkable (e.g. high concentration or high fragmentation, many intermediaries, high inefficiency in a certain dimension, etc.)

2. Briefly discuss the emerging technologies that you chose to analyze; describe their current state and how you think they will evolve in the near future.

3. Apply Porter's 5-forces, Christensen's disruptive technology frameworks (and any other frameworks you feel are relevant) to understand the main forces that have made the industry look as it does today as well as to reason about the impact of these technologies on each link of the value chain (If the industry is complicated then you may focus on the most important links). Your analysis should be somewhat analogous to the analysis we did when discussing the BMG case.

4. Based on the preceding analysis, make predictions on how the industry will look like in 5-10 years: Will it be more concentrated? More fragmented? What players are threatened the most? What players have the most to gain?

5. Imagine that you are an executive of one of the incumbent companies that will be most affected (positively or negatively) by the new technologies. Recommend a path of action that will help your company make the most out of (or hurt the least by) the pending industry changes. Justify your recommendations on the basis of frameworks we discuss in the class or other sound arguments.

Your grade will be based on the quality of your analysis and insights. Accordingly, try to pick a topic that allows for interesting and rich insights at the industry level.

You should feel free to select any pair of industry/technologies you believe would lead to an interesting study. I would be happy to discuss your choice of topic via email or in person.

Topic B: Enterprise IT Case Study

For this assignment your group will study how a particular organization manages IT. In particular, you will need to select an organization and, through interviews or literature search, discuss the following issues:

A. The impact of IT on the organization and the industry

- Provide a brief background on the organization you selected and its industry. Be very brief here.
- Assess how IT is used in the organization and the industry (providing specific examples) using any of the frameworks discussed in class (or another framework you may find relevant).
- What is the role of IT in the organization? Does it provide competitive advantage? If so, how and why?

B. Technology decisions in the organization

- Identify the main challenges that business managers face with IT. For example, how do managers perceive IT? What are the main pain points? Be specific.
- Perform an analysis of the IT capabilities of the organization: i.e. describe and evaluate the IT governance in the organization, and describe how the organization makes IT investment decisions.
- Based on your analysis, identify the strengths and weaknesses in the way the company manages IT. Propose solutions to improve the weaknesses.

C. Technology adoption in the organization

- Describe a particular implementation of an IT project in the organization. You will need to select one for which you can provide enough information, lessons learned, and recommendations. You will need to:
- Describe the different challenges (adoption, process redesign, cultural change, etc) the organization has been confronted with while implementing the technology;
- Discuss some key stories describing the implementation of the IT and the management of the technological change; and,
- Propose a set of best practices and recommendations to avoid these problems.

For this assignment, you must successfully use the frameworks covered in class. Your grade will depend mainly on the rigorous use of these frameworks. You also need to provide specific information and argue why what you discuss applies specifically to your project and is not just generic. Be as specific as you can, and provide as many examples and evidence as you can find to support your points.

Again, you are free to select any company you want and I would, of course be happy to discuss your topic before or during the course.

APPENDIX: AN INTRODUCTION TO THE CASE METHOD OF TEACHING

This is meant to be a "shorthand" guide on how to prepare for participating and leading the discussion on the teaching cases used on this course.

What is a teaching case?

Teaching cases---also known as case studies---are narratives designed to serve as the basis for classroom discussion. Cases don't offer their own analysis. Instead, they are meant to test the ability of students to apply the theory they've learned to a ``real-world" situation. Although teaching cases originated in professional education---business, medicine, law, and public administration---they can be used in any course where good accounts of specific events can help exemplify and illuminate theory.

How does the case method differ from a lecture approach?

Case teaching is both more interactive and more indirect. The method is based in the belief that ``wisdom can't be told." In other words, although some material is best presented through lecture, learning can also take place and be reinforced through a discussion which forces students to reach their own conclusions about the narratives they read. This approach is often called discussion-based learning.

Do cases have ``answers''?

Cases are not the same as exercises or problems. They present ambiguous situations in which protagonists face difficult questions. A good case teacher aims to shape a discussion in which there is a high quality of analysis---not a single right answer. This is not to say that one observation in a case discussion is as good as another, however.

How should one prepare to lead a case discussion?

The discussion leader plays a fundamentally different role in leading a case-based class than in lecturing. Rather than reading from notes or reciting from memory, your job, instead, is to stimulate a structured discussion by asking questions. Thus, one should prepare by devising a good first question which will elicit, if possible, various points of view. One should strive to imagine the probable course of the discussion based on the likely answers to that first question. This, in turn, leads to a formulation of the subsequent stages of the discussion.

Should the discussion leader provide an opinion?

One does not want to give the impression that the case discussion is nothing but an extended ``hide the ball" exercise, in which the discussion leader encourages a lot of heat only to reveal, in the end, that he or she is the true source of light. But many discussion leaders do close case discussions with their own wrap-up, in which they summarize key insights and highlight what they believe to have been the key insights proferred.

How to prepare to discuss a case for this course?

In preparing for class, I recommend that you read each case twice. The first reading should be a quick run-through of the text in the case. It should give you a feeling for what the case is about and the types of data it contains. Your second reading should be in more depth. Many people like to underline or mark up their cases to pick out important points they know will be needed later. Your major effort on a second reading should be to understand the decision problem and context. For example, analyze the case with respect to customer behavior and trends, competitor's behavior and trends, and the firm's strengths and weaknesses. Part of the case analysis process, as in real life, is identifying the real decision problem amidst lots of (often superfluous or misleading) data and information. It is your task to figure out what decision(s) must be made (if a decision needs to be made at all), make action recommendations, and consider how you would specifically implement your recommendation. On your second reading, study the preparation questions I have provided for each case, think about them, and, in consultation with your team-mates, write down short answers that you can then use during the case discussion. These questions are not necessarily "tips for a successful case solution," but rather are meant to insure that everyone understands the basics of the case and the discussion can begin "on the same page."

During the class discussion, you should be prepared to share your thoughts on the real problems and issues of the case and present a persuasive summary of your recommendations. Be prepared to explain why you rejected any obvious alternative courses of action and provide vital facts supporting acceptance of your recommendation. Your goal is to convince the class that your recommendation is the best. However, a rigorous approach will consider both sides to every recommendation. You should be up-front about potential problems you might expect in implementing your recommendation.

How to prepare to lead a case discussion?

First, read the case twice and think through the preparation questions, as outline above. Also read the assigned readings for the relevant session especially carefully and think how the concepts and frameworks discussed in these readings might apply to the case at hand. Then prepare a discussion plan. Your discussion plan should consist of the questions you will be asking the audience, a few bullet points outlining the kind of answers you expect to get back, and a plan for moving from one question to the next. It is also a good idea to have a sense of how long you want to spend on each of the questions. Keep in mind that the entire discussion should take between 60-80 minutes.

You may base your discussion plan on the preparation questions I provide. You should also feel free to add questions/change questions as you see fit. <u>Your primary objective should be to facilitate the class discussion NOT tell the class what you think is the right answer</u>. Of course, having an idea of what (you think) are the right answers will be very helpful in terms of steering the class in the right direction.

At the end of the discussion your team is expected to summarize the main points of the case and the broader managerial lessons. You may optionally prepare a few slides or you can do this wrap-up on the fly.

Following each case discussion I will take 30-45 minutes doing my own debriefing.

Each team has between 3 and 4 members. I am assuming that all of you will contribute equally to the preparation of the case. There are several ways in which you can allocate the energies of team members during the case discussion. You can assign one person to be the discussion leader throughout the case and the other 2-3 people can be parts of the audience, helping motivate and facilitate the discussion (since, presumably, they will have thought about the case deeper than everyone else). Or you can have team members alternate in leading different parts of the case. One good idea is to have one of the team members asking the questions, another person writing the main points of the discussion on the board and a third person acting as a member of the audience. It's up to you how you feel you can best allocate your resources to facilitate an effective discussion.

I will lead the discussion of the first case (Charles Schwab) to give you an idea of how this works. I will also set aside some time at the end of each day to go over the discussion plans and ideas of the teams that present the day after. In the meantime, please feel free to email me with questions.

Case-based teaching results in exciting, interactive classes that are a lot of fun for everyone involved.

I look forward to seeing you all in class!

Guidelines for preparing the Charles Schwab Corporation case

First, make yourself comfortable with the facts of the case:

1. How does the traditional (full-service) brokerage industry operate? What value does it add to the customer? What is its revenue model?
2. What factors contributed to the birth of the discount brokerage industry? What was the key observation that led to Charles Schwab's entry into that industry?
3. What are the different customer segments in the brokerage industry? What are the dimensions along which they differ? What was the segment Charles Schwab was after?
4. What were the most important phases in Charles Schwab's history? What factors contributed to Schwab's competitive advantage in each phase? In particular, how did Schwab use technology as part of its strategy?
5. The emergence of the Internet has been a disruptive force in many industries, including the brokerage industry. Was it as disruptive to Charles Schwab? Why, or why not?
6. Why does Schwab seem to be having difficulties after the year 2000? What changed in the world and in its industry?
7. How does Schwab seem to try to respond to the challenges it is currently facing?

Now trace Charles Schwab's history from the perspective of the value disciplines framework (see the Treacy/Wiersema article):

1. What value discipline did Charles Schwab excel at at different stages of its history?
2. How did technology contribute to Charles Schwab's choice of value discipline as well as to its excellence in the corresponding value discipline?
3. How do the IT organization and the other elements of Charles Schwab support its excellence in its chosen value discipline? How sustainable of an advantage did they convey?
4. What major events throughout Charles Schwab's history necessitated reconsideration of its strategy?
5. Why does Schwab seem to be having difficulties after the year 2000? What changed? Do these changes warrant a reconsideration of Schwab's overarching value discipline? In what direction?
6. Viewed from the value discipline perspective, how would you judge Charles Schwab's recent (2001-4) moves (see the Stanford Case excepts posted on Blackboard)? Do they show evidence of value discipline focus?
7. Again, using the value discipline perspective, what would you recommend that Charles Schwab do next? Pay special attention on how technology can help, but also on what other elements of the organization must change to make it all work.

Guidelines for preparing the BMG Entertainment Case

Objective: The goal of this case is to provide an example of how one can assess the impact of a new technology on industry structure, identifying opportunities and threats for incumbents and new entrants.

1. What does the value chain of the music industry look like? What are the main players in each link of the chain?

2. Why have a handful of major record companies dominated the music industry through most of the last century? What strategic forces led to such high industry concentration? Why has such high concentration persisted for so long?

(To answer this question use the Porter Five-Forces framework.)

3. What emerging Internet-based technologies are likely to affect the music industry?

4. How do these technologies change the structure and economics of the music industry? What players are most threatened? What players have the most to gain?

(To answer this question use the Porter Five-Forces framework and also think about Christensen's disruptive technology framework)

5. Will major record companies continue to dominate the business? Will they be dis-intermediated by smaller upstarts or by artists going direct to the public?

6. What should Zelnick and Conroy do? Specifically, what should the strategy and structure of BMG's digital organization be? Should BMG continue to work with a wide array of technology partners?

Guidelines for preparing the Zara Case

Objective: The purpose of this case is to illustrate a “rational” way of reasoning about the extent to which one should overhaul ageing IT: Map-out a company’s business model, focusing on the core business processes that generate the company’s competitive advantage. Identify the information requirements of these processes and argue whether these are currently met by the firm’s existing IT infrastructure and/or whether introduction of new technology will lead to significantly improved information flows and more effective business processes.

1. What is Zara's business model? How does it differ from a more conventional fashion company?

2. What value discipline best describes Zara?

3. What aspects of its business system allow it to respond so fast to new trends?

4. What information flows are necessary to support the processes you have identified in the previous step?

5. Is Zara getting the information it needs through the existing POS infrastructure?

6. Would the current business processes and information infrastructure still be adequate if, say, Zara opened 10 times the number of retail stores it currently owns?

8. In view of the above what would you upgrade to? What kind of system? What added functions?

9. Where does Zara fall in the Nolan/McFarlan framework (see readings)? Do you see a reason for it to move to a different quadrant?

Guidelines for preparing the Rich-Con Steel Case

Objectives: The objective of this case discussion is to help us perform an anatomy of a failed IT implementation, understanding what we mean by "failure" and distilling some of the managerial mistakes that led to this failure and which, hopefully, students of this class will never make.

1. What would you do if you were Sawyer at the time of the case? (Pull the plug or not?)

2. What kind of company is Rich-Con? (Industry, business model, competition, profits, etc.)

3. Why did Marty Sawyer decide that Rich-Con needed new IT? Give us an example of a kind of report/analysis that Rich-con might like to do bit is not able to in the old systems environment

4. Sawyer looked around for packaged software and didn't find any. Why is this? There are many IS available for distributors; why weren't any of them suitable for Rich-Con?

5. How big a risk did Sawyer think she was taking when she decided to implement the BAI system?

6. So you think that Rich-Con was not 'ready' to use a system like this. How might that lack of readiness contribute to the meltdown that the company experienced?

7. So what happened? Why was there such a severe meltdown at Rich-Con after the new system went live?

8. The Rich-Con project was pretty clearly a failure but what do we mean by failure? What about the causes of failure?

9. Could these be anticipated? How? What would you have done differently if you were the CEO of Rich-Con?

Guidelines for preparing the Amagansett Funds case

Objective: This case highlights issues related to user resistance to new IT initiatives.

1. What type of company is Amagansett?

2. What is the role of wholesalers in a company like Amagansett?

3. Describe the CRM initiative at Amagansett. What was its functionality? What was its strategic purpose?

4. The case mentions that “managers considered it important, but most users hated it” — Why did most users hate it?

5. What are the advantages of good CRM to Amagansett? Does the current system deliver that value?

6. What value does this system currently provide the sales force?

7. What are you going to do at this point?

(Would you abandon the CRM initiative altogether? Is replacing the system the solution? Would you do something else? Try to think of as many options as you can and discuss the pluses and minuses of each one.)

8. Looking back at this case, can you generalize the lessons learned? What types of IT systems are most vulnerable to the adoption resistance issues that plagued Amagansett’s CRM initiative. If you can foresee such issues arising, what can you do upfront to avoid them?

Guidelines for preparing the Dubai Ports Authority case

Objective: The goal of this case is to highlight the challenges faced by IT business-process improvement efforts that span multiple organizations.

1. Given the importance of information flows in the worldwide shipping industry, why are they still so inefficient? Why is this critical part of the industry still so backward?

(Focus on data formats.)

2. How well positioned is DPA to lead an effort to improve information flows in the shipping industry? Why would other players in the industry be willing to go along with DPA proposals? What kinds and influence does DPA have over the players that need to be involved?

(Put yourself in the position of a large shipping line with significant investments in IT. How willing would you be to move data formats proposed by someone else in your industry? If you and the other large lines got together to negotiate standard formats, which one would you advocate for? Which would the other companies advocate for?)

3. How should DPA go about developing the MDS system? Should the system include the ability to handle uncontainerized cargo? Should it include Customs functionality?

(This about external partners, scope and phasing of project, functionality to include/leave out.)

4. How should DPA go about introducing the MDS system once it’s developed? Who should the initial users be?

5. How important is DPA Customs’ participation in the initial MDS implementation?

6. How might Sharaf and his colleagues be able to persuade Customs to participate?

Guidelines for Preparing the Carnival Cruise Lines case

Objective: The goal of this case is to make you think about the ways in which a company can strategically use the increasingly pervasive business data.

1. How did Carnival's management build the line into the dominant brand in the industry? Do they currently have a strategic focus? What are the elements of their current strategy?

(See if you can relate your answers to the value disciplines framework.)

2. Should Carnival do "CRM"? What should CRM look like at Carnival? What does CRM mean to Carnival's management?

(First of all, discuss whether it makes any sense at all for a company like Carnival to consider changing the way they do things now. Then think about all the different ways in which Carnival can take advantage of analyzing customer-data. The case mentions some of them but there are many others. To prepare for this question brainstorm with your team-mates trying to come up with as many answers as you can to the following question: “Suppose that Carnival had better data about its customers, their demographics and everything they do while on-board. How can Carnival generate value from analyzing such data?” Think as broadly as you can. All of these different initiatives are often collectively called “CRM”; however they are very different from one another. Do some of these initiatives make more sense to a company like Carnival than other? Why?)

3. How should Carnival go about implementing a CRM strategy?

(Think about what new data collection capabilities are needed, what new systems/data analysis capabilities, what changes in the company’s culture etc.)

4. If you were one of the young executives in favor of CRM and faced with skeptical “old-guard” top executives, how would you go about instilling a CRM culture at Carnival? Where would you start from and what would be your first project?

Guidelines for Preparing the Siemens ShareNet Case

Objective: This is a great case to discuss the merits and challenges of building a successful knowledge management effort in a large organization.

1. What kind of company is Siemens?

2. Why is it considering the development of a KM initiative?

3. Would you call such an initiative strategic? In what sense?

(Relate to the value disciplines framework.)

4. What, in your opinion are the crucial stages in building a successful KM initiative?

5. What are the features of a KM system? What is the reason why these features are there?

6. What steps did Siemens take to create excitement around its KM initiative? Do you think that these steps were necessary?

7. Why would people contribute knowledge to a KM system? Why wouldn't they? What did Siemens do to induce people to contribute? What else could they have done?

8. How can a KM system provide some type of quality control? How did Siemens do it? How else can one do it? Could any ideas used in current Internet-based online communities be applicable here?

9. How can one monitor the success and health of a KM initiative?

10. After sales, Siemens tried to implement a KM initiative in R&D. How did this project go? Why?

11. How can Siemens find out the value of a KM system?

12. What is the best way to assess and pay for a KM initiative? What should Siemens do?

Guidelines for preparing the Amazon.com case

Objective: This case focuses on the opportunities and challenges that the Internet creates for retailers, as well as the drivers of competition in this space.

1. What type of company is Amazon? What are the main stages of its history and evolution?

2. Why would somebody shop online?

3. Why would somebody not shop online?

4. In what other ways has the Internet changed the experience of retail shopping?

5. What were the factors that made Amazon successful?

6. What is Amazon's strategic advantage relative to other online retailers? Is it sustainable? (review factors that make a strategic advantage sustainable)

7. What do you think of Amazon's marketplace initiative? How do you evaluate Amazon's different categories of merchants and services? How does this initiative fit within Amazon's strategy?

8. What are the current challenges Amazon is facing? How should it respond?

(Refer to the Economist article that is available on Blackboard)

9. Given the previous discussion, generalize your ideas on how online retailers try to differentiate themselves from one another? In what ways has the Internet changed the drivers of competition among retailers?

10. Does the Internet offer room for small online retailers or is it a "winner-takes-all" environment where only a handful of huge companies will survive?

Guidelines for preparing the Monster.com case

Objective: This case focuses on the opportunities and challenges that the Internet creates for online brokers, as well as the drivers of competition in this space. It also helps students think how the growth of online intermediaries is affecting seemingly unrelated traditional industries, such as the News industry.

1. What type of company is Monster.com? How does its business model differ from, say, Amazon.com?

2. Why has it been successful? How successful has it been vis-à-vis other dot.com companies and companies in general? What drives that success?

(Think through drivers of sustainable advantage outlined in our first lecture.)

3. Was the decision to grow quickly a wise one? If not, what alternative strategies would you have recommended? If so, why did it make sense for Monster to grow quickly when it didn't make sense for a number of other firms we have looked at?

4. What is Monster.com's value proposition to its customers? How does this value proposition compare to what is available from (1) competitors (other Internet job sites) and (2) substitutes? What are the dimensions of competition in Monster.com's space?

5. If you were a publisher of a major newspaper, how would you respond to Monster in 1996, 1997 or 1998? How would you respond today?

(Read Economist article on the challenges of the News Media, available on BB.)

6. What should Monster do about continued growth? Please make recommendations to Jeff Taylor (Monster's CEO) on which of the noncore growth areas he should support and which, if any, he should jettison (or, how the strategy for those new growth areas should change). Please consider any effort to grow the business beyond job listings as noncore.

Guidelines for preparing the Cisco case

Objectives: This is a case on IT governance; it discusses alternative ways in which the decision rights and accountability for IT resources can be allocated within a large organization and challenges students to think of the relative merits of each alternative way of organizing and their connection to the company's overall strategic goals.

1. What type of company is Cisco?

2. What is the role of IT for a company like Cisco?

(Relate your answer to the Value Disciplines framework)

3. What concrete governable elements constitute "IT" in a modern firm? Think as broadly as you can.

4. How has Cisco organized and managed the IT function before Pete Solvik became CIO?

5. What has Pete Solvik changed? Why? How do his changes relate to what was going on at Cisco during the years of his tenure?

6. Why is Brad Boston trying to change the way IT is governed within Cisco?

7. What are the arguments in favor of IT centralization?

8. What are the arguments against IT centralization?

9. What is Boston's hybrid structure? How is he implementing it in the case? What are the pluses and minuses?

10. Do you think there is one right structure for IT in the organization? Should "IT" be considered as a monolithic function or perhaps as a set of different layers of decisions, each of which should be governed in a different way?

(See the Weill/Ross reading.)

11. What do you think should be the role of the CIO in a modern organization?