Hot Issues of Information Management

Global E-Business and Collaboration: P&G (Chap. 2)

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Thu 7,8 (14:10-16:00) B702

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http://mail.tku.edu.tw/myday/
2017-10-05
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<td>Introduction to Case Study for Hot Issues of Information Management</td>
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<td>Information Systems in Global Business: UPS (Chap. 1) (pp.53-54)</td>
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<td>Foundations of Business Intelligence: IBM and Big Data (Chap. 6) (pp.261-262)</td>
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<td>18</td>
<td>2018/01/18</td>
<td>Final Exam Week (期末考試週)</td>
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Management Information Systems: Managing the Digital Firm

1. Organization, Management, and the Networked Enterprise
2. Information Technology Infrastructure
3. Key System Applications for the Digital Age
4. Building and Managing Systems

Chap. 2
Global E-Business and Collaboration: P&G
Case Study: P&G (Chap. 2) (pp.84-85)

Piloting Procter & Gamble from Decision Cockpits

1. What management, organization, and technology issues had to be addressed when implementing Business Sufficiency, Business Sphere, and Decision Cockpits?

2. How did these decision-making tools change the way the company ran its business? How effective are they? Why?

3. How are these systems related to P&G’s business strategy?

Overview of Fundamental MIS Concepts

Management

Organization

Technology

Business Challenges

Information System

Business Solutions

Business Model

Key Partners

Key Activities

Key Resources

Value Proposition

Customer Relationships

Channels

Customer Segments

Cost Structure

Revenue Streams

The Order Fulfillment Process

1. Generate order
2. Submit order
3. Check credit
4. Approve credit
5. Generate invoice
6. Assemble product
7. Ship product

A Payroll TPS

Employee Data

Payroll System

To General Ledger

Manager reports

To government agencies

Employee paychecks

Payroll data on master file

Employee Number
Name
Address
Pay rate
Gross pay
Federal tax
FICA
Medicare
State tax
Net pay
Earnings (YTD)

How Management Information Systems Obtain Their Data from the Organization’s TPS

Voyage-Estimating Decision Support System

Enterprise Application Architecture

Requirements for Collaboration

Collaboration Capability

- Open culture
- Decentralized structure
- Breadth of collaboration

Collaboration Technology

- Use of collaboration technology for implementation and operations
- Use of collaborative technology for strategic planning

Collaboration Quality

Firm Performance

The Time/Space Collaboration Tool Matrix

Same time synchronous

- Face to face interactions
decision rooms, single display
groupware, shared table, wall
displays, roomware,…

Different time asynchronous

- Continuous task
team rooms, large public display,
shift work groupware, project
management,…

Same place collocated

Remote interactions
video conferencing, instance
messaging, charts/MUDs/ virtual
words, shared screens, multi-user
editors,…

Different place remote

Communication + coordination
e-mail, bulletin boards, blogs,
 asynchronous conferencing, group
calendar, workflow, version control,
wikis,…

The Information Systems Function in Business

• Information systems department:
  – Formal organizational unit responsible for information technology services
  – Often headed by chief information officer (CIO)
    • Other senior positions include chief security officer (CSO), chief knowledge officer (CKO), chief privacy officer (CPO)
  – Programmers
  – Systems analysts
  – Information systems managers

The Information Systems Function in Business

• End users
  – Representatives of other departments for whom applications are developed
  – Increasing role in system design, development

• IT Governance:
  – Strategies and policies for using IT in the organization
  – Decision rights
  – Accountability
  – Organization of information systems function
    • Centralized, decentralized, and so on

Definition of Business Model

A business model describes the rationale of how an organization creates, delivers, and captures value.

A business strategy is a long term plan of action designed to achieve a particular goal or set of goals or objectives.

Source: (Ostenwalder, Pigneur and Tucci, 2005)
Business

• “the activity of providing goods and services involving financial, commercial and industrial aspects.” (WordNet 2.0)

Source: (Ostenwalder, Pigneur and Tucci, 2005)
Model

• “a simplified description and representation of a complex entity or process.” (WordNet 2.0)

Source: (Ostenwalder, Pigneur and Tucci, 2005)
A business model is a conceptual tool containing a set of objects, concepts and their relationships with the objective to express the business logic of a specific firm.

Therefore we must consider which concepts and relationships allow a simplified description and representation of what value is provided to customers, how this is done and with which financial consequences.

Source: (Ostenwalder, Pigneur and Tucci, 2005)
Business Model Concept Hierarchy

Source: (Ostenwalder, Pigneur and Tucci, 2005)
Business Model vs. Business Process Model

• Business Model
  – a view of the firm's logic for creating and commercializing value

• Business process model
  – how a business case is implemented in processes

Source: (Ostenwalder, Pigneur and Tucci, 2005)
**Business Model vs. Strategy**

- **Business Models**
  - a system that shows how the pieces of a business fit together.
  - an abstraction of a firm's strategy

- **Strategy**
  - includes competition

Source: (Ostenwalder, Pigneur and Tucci, 2005)
Implementing Business Models

1. **Design Business Model**
   - Management defines and designs a business concept that responds to market circumstances.

2. **Finance Business Model**
   - Management works out a financial structure for the business model (e.g., internal funding, venture capital, stock).

3. **Implement Business Model**
   - The business model is implemented into business structure, business processes and...

Source: (Ostenwalder, Pigneur and Tucci, 2005)
The Business Model's Place in the Firm

Source: (Ostenwalder, Pigneur and Tucci, 2005)
# Nine Business Model Building Blocks

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Business Model Building Block</th>
<th>Description</th>
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<tbody>
<tr>
<td>Product</td>
<td>Value Proposition</td>
<td>Gives an overall view of a company's bundle of products and services.</td>
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<tr>
<td>Customer Interface</td>
<td>Target Customer</td>
<td>Describes the segments of customers a company wants to offer value to.</td>
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<td>Distribution Channel</td>
<td>Describes the various means of the company to get in touch with its customers.</td>
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<td>Relationship</td>
<td>Explains the kind of links a company establishes between itself and its different customer segments.</td>
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<tr>
<td>Infrastructure</td>
<td>Value Configuration</td>
<td>Describes the arrangement of activities and resources.</td>
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<tr>
<td>Management</td>
<td>Core Competency</td>
<td>Outlines the competencies necessary to execute the company's business model.</td>
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<td>Partner Network</td>
<td>Portrays the network of cooperative agreements with other companies necessary to efficiently offer and commercialize value.</td>
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<td>Financial Aspects</td>
<td>Cost Structure</td>
<td>Sums up the monetary consequences of the means employed in the business model.</td>
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<td>Revenue Model</td>
<td>Describes the way a company makes money through a variety of revenue flows.</td>
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Source: (Ostenwalder, Pigneur and Tucci, 2005)
Planning, Changing and Implementing Business Models

The management analyzes the current business model's adequacy to environmental pressures and designs a new business model.

The new business model becomes a goal to achieve and guides planning, change and implementation.

Source: (Ostenwalder, Pigneur and Tucci, 2005)
Managers are aware of the use of Information Systems to realize goals, exploit opportunities and obtain competitive advantage.

Information Systems support the company's business model and are targeted on areas that are critical to successful business performance.

Source: (Ostenwalder, Pigneur and Tucci, 2005)
Business and IT/IS Alignment

Source: (Ostenwalder, Pigneur and Tucci, 2005)
## Infrastructure Alignment

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<tr>
<th>9 INFRASTRUCTURE SERVICES</th>
<th>Application Infrastructure</th>
<th>Communications Management</th>
<th>Data Management</th>
<th>IT Management</th>
<th>Security</th>
<th>Architecture and Standards</th>
<th>Channel Management</th>
<th>IT Research and Development</th>
<th>Training and Education in IT</th>
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<td>9 BUSINESS MODEL BUILDING BLOCKS</td>
<td>Value Proposition</td>
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Adapted from Weill and Vitale [2002]

Source: (Ostenwalder, Pigneur and Tucci, 2005)
Case Study: Starbucks (Chap. 3) (pp.129-130)

Technology Helps Starbucks Find New Ways to Compete

1. Analyze Starbucks using the competitive forces and value chain models.
2. What is Starbucks’ business strategy? Assess the role played by technology in this business strategy.
3. How much has technology helped Starbucks compete? Explain your answer.

資訊管理專題
(Hot Issues of Information Management)

1. 請同學於資訊管理專題個案討論前，應詳細研讀個案，並思考個案研究問題。
2. 請同學於上課前複習相關資訊管理相關理論，以作為個案分析及擬定管理對策的依據。
3. 請同學於上課前，先繳交資訊管理專題個案研究問題書面報告。
4. 上課時間地點：
   週四 7,8 (14:10-16:00) B702
References


– Kenneth C. Laudon & Jane P. Laudon原著，游張松主編，陳文生翻譯 (2014)，資訊管理系統，第13版，滄海