

E-Business Strategy

UWTSD MBA

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EBS Unit 1: Aims

The aims of this first e-Business Strategy (EBS) Unit are to:

- introduce the EBS module, outline its syllabus, key topics, core readings and coursework requirements.
- set the scene for studying e-business strategy by defining terms, reviewing the main models of e-Business and introducing some of the technical background for e-Business processes and planning.
- examine the first core reading on “An Ontology for Developing e-Business Models” (Osterwalder, Lagha, Pigneur, 2002).
- examine the second core reading on “Beyond Strategic Information Systems: towards an IS Capability” (J. Peppard, J. Ward, 2004).

[Both of these core readings form the basis for in-class assignments next week - and are available on Moodle]



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EBS Unit 1: Objectives

Learning Objectives: By the end of this Unit, you will be able to:

- plan your study requirements for the EBS course;
- begin your background research and literature survey for the coursework assignments;
- complete a careful study of the core readings on 'e-Business models' (Osterwalder, Lagha, Pigneur, 2002) and on 'IS Capability' (Peppard, Ward, 2004);
- access the Moodle learning materials to prepare for in-class activities related to the core readings.



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EBS Unit 1: Syllabus Overview (1)

- **Strategy** -- how does e-Business strategy relate to the broader context of business strategy in general?;
- **E-business Models:** how does one define and classify the components and stages of an e-Business strategy?;
- **E-business Strategy:** what are the components of a strategy for 'e-Business'?;
- **Formulating an e-Business Strategy:** how does one formulate the stages and changes for an e-Business strategy?;
- **Strategic Analysis:** what are the current enabling technologies for e-Business? How may these be put to effective use within businesses (of various sectors)?



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EBS Unit 1: Syllabus Overview (2)

- **E-business application portfolios:** case studies of successful and failing e-Business strategies;
- **Supply Chain Management (SCM):** using ICT resources to plan, implement and control the operations of the supply chain to satisfy business needs efficiently and effectively.
- **Customer Relationship Management (CRM):** automation or support of customer information requirements; online interaction with customers to facilitate pre-sale, in-sale and post-sale customer support; analysis of customer data for a forecasting / business intelligence / marketing purposes.
- **BPR and Enterprise Resource Planning (ERP):** Business Process Re-engineering as a component of e-Business strategy.



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EBS Unit 1: Coursework Requirements (1)

Part A (75% of the module requirement; Guideline: 7,000 words).

- Select **one** from the list of questions in the handbook – relating to aspects of information management strategy in e-Business/e-Commerce development.
- Choose a business sector or business context within which to analyse and discuss the possible answers to the question set – **within a specific functional area of business operations for your chosen business sector**
- Provide secondary data sources, analysis and argument that contribute to your critical evaluation of the possible answers.
- Give a reflective and balanced argument in support of your preferred answer to the question – providing up-to-date (primary or secondary) evidence from the business sector selected.
- Cite appropriate research literature and comparison case studies to back up your argument. Ensure that all sources of primary and secondary data are appropriately referenced and acknowledged.



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EBS Unit 1: Coursework Requirements (2)

Part B: Presentation (25% of the module requirement)

- Using a presentation application, prepare a presentation in which your chief objective is to explain and justify your proposed answer to the selected question – in relation to the business context of your choice.
- Your presentation should focus upon the current systems / processes in use; the problems encountered and the alternative solutions you have researched, together with the arguments you have developed for or against the answers you have considered to the question selected.
- The presentation should be prepared and delivered as if you (as a business analyst) had been asked to explain and justify your recommendations to a senior management team representing the business context you have chosen for Part 1 of the assignment.
- Legal and ethical issues involved in implementing your recommendations should be considered, alongside measures you would recommend to evaluate the potential success of your proposed answer.
- You will be asked to deliver your presentation individually in a 20 minute time slot – of which 5 minutes should be reserved for questions. You will also be asked to upload notes and supplementary documents, together with your presentation slides, as a single file before the submission deadline.



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EBS Unit 1: Setting the scene

- **“An Ontology for e-Business Models”**, (Osterwalder, Lagha, Pigneur, 2002):
What is an ontology? What are the components of a business model? What is the purpose of an e-Business model?
- **Building blocks of an e-business model**: The purposes of an e-business model are:
 - identifying and understanding the relevant elements in a business domain and their inter-relationships.
 - formalising the knowledge required to enable business managers to share and communicate their understanding of an e-business amongst other stakeholders.
 - managing change: mapping new business processes to facilitate discussion of change management procedures and modifications to an ongoing e-business strategy;
 - identifying the relevant performance measures used to assess the likely success of an e-business strategy;
 - simulating the technology processes required for migration to an online business -- enabling learning for management and operational staff to plan changes to current business operations.
- **E-business strategic issues**: What are the strategic issues which a business model should address?
 - Revenue / Product aspects
 - Stakeholders / actors and networking aspects
 - Marketing aspects
 - BPR aspects / staff development / sourcing (outsourcing) / technology aspects.



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EBS 1: Understanding IS Capability - a resource-based view

- **“Beyond Strategic Information Systems: towards an IS Capability”** (J. Peppard, J. Ward, 2004).
- “This paper proposes a perspective on the management of IT in organisations that specifically considers how organisations can continuously derive and leverage value through IT. The analysis moves beyond a focus on identifying ‘strategic systems’ and develops the concept of an IS capability, ... The paper presents a model of an IS capability, outlines its core components and illustrates its application” (J. Peppard, J. Ward, 2004).
- “A central message from the research literature, and one that is universally accepted, is that technology itself has no inherent value and that IT alone is unlikely to be a source of sustainable competitive advantage. The business value derived from IT investments only emerges through business changes and innovations, whether they are product/service innovation, new business models, or process change, and organisations must be able to assimilate this change if value is to be ultimately realised. . . .” (ibid. p. 169)

Do you agree that ‘sustainable’, ‘competitive advantage’ is unlikely to be achieved by investment in new ICT technologies? Which other factors are essential in e-Business development to ensure both ‘sustainability’ and ‘competitive advantage’?



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EBS: Unit 1: Summary

In this initial EBS Unit we have focused upon the following:

- introducing the EBS course, outlining its syllabus, key topics, coursework topics and core readings.
- setting the scene for studying e-business strategy by defining terms, reviewing the main models of e-Business and introducing some of the technical background for e-business processes and planning.
- beginning an examination of the core reading: “*An Ontology for Developing e-Business Models*” (Osterwalder, Lagha, Pigneur, 2002).
- beginning an examination of the second core reading on ‘*IS Capability*’ (Peppard, Ward, 2004) — addressing a question for next week’s in-class assignment.



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EBS Units 1 - 2: Core Readings

Books:

- Chaffey, D (2004), *E-business and E-commerce Management*, 2nd edition, London, Longman, ISBN: 978-1405847063.
- Stephen Chen (2005, 2nd ed. 2011), *Strategic Management of E-Business*, Wiley.
- Tawfik Jelassi, Albrecht Enders, (2005), *Strategies for E-Business: Creating Value Through Electronic and Mobile commerce (Concept and Cases)*, Pearson Prentice Hall,
- Turban, et al (2006), *Electronic Commerce: a Managerial Perspective 2006*. Pearson Prentice Hall, New Jersey

Research Articles:

- Osterwalder *et alia*, (2001), "An Ontology for developing e-Business Models", 15th Bled Electronic Commerce Conference.
- J. Peppard, J. Ward, (2004) "Beyond Strategic Information Systems: towards an IS Capability", *Journal of Strategic Information Systems*, vol. 13, 167 - 194.
- Dubosson et al (2001), "e-Business Model Design, Classification and Measurements", *Thunderbird International Business Review*, January 2002, vol. 44, no. 1: 5-23
- Hackbarth, Gary (2000), "Building an e-Business strategy".
- Anghern, Albert (1997), "Designing mature internet business strategies: the ICDT model".