Learning Objectives

- Understand the role of planning.
- Understand the feasibility.
- Understand the role of planning in the development of E-business strategies, architectures, and applications.
- Understand the importance of a vision.
- Understand the challenge of managing change.

Planning

Key Terms:
- Shared Vision
- Mission
- Goals
- Objectives
- Strategies
- Tactics
- Policies
- Processes
- Procedures

Planning (continued)

Types of:
- Strategic Planning
- Tactical Planning
- Operational Planning
- Short Range Planning
- Long Range Planning
- IS Planning

Planning (continued)

How do I plan?

Methodologies:
- Scenario Approach
  - Critical Success Factors
  - Business Systems Planning
  - Vision Process
Planning (continued)

The Process

- Establish
  - Vision
  - Mission
  - Goals
  - Objectives

- Develop
  - Strategies
  - Policies
  - Tactics

- Develop Implementation Methods & Controls

Feedback

Planning (continued)

Trends

- Technology
  - Electronic Commerce
  - Customer Information Technology
  - "Death of Distance"
  - Digital Everything
  - Information Content of Products & Services Increasing

- Deregulation
  - Regulated Markets Opening Up
  - Fewer Regulatory Impediments in Business
  - Single Currency Zones
  - Regulations Outflanked by Changing Boundaries

- Competitive Imperatives
  - Imperatives
    - Real Growth
    - Globalization
    - Customer Orientation
    - Knowledge & Capability as Key Assets
    - New Entrants
    - Enablers
    - Alliances
    - Outsourcing

- Customer Sophistication/Expectations
  - Demand for Better & More Convenient Solutions
  - Demand for Added Value
  - Less Tolerance for Poor Standards
  - Just-in-Time Delivery
  - Global Influences
  - Brand "Savvy"

Planning (continued)

Positioning Internet Technology

| High Risk | High Payoff |
| Low Risk  | Low Payoff  |
| High Risk | High Payoff |
| Low Risk  | Low Payoff  |

Planning (continued)

E-Business

Key Objectives

- E-Business Strategies and Models
- E-Business IT Strategies and Architecture
- E-Business Application Development & Deployment

Feasibility

Key Objectives

- Proposals for addressing E-Business priorities
- Business case for investing in E-Business IT projects
- E-Business planning for application development and implementation

Action Plan

- Key Insights
- More Questions
- Priorities

A study which investigates the logic, practicality and possible user receptivity of a new information system while also determining the resource requirements, costs and benefits.
### Feasibility (continued)
#### Areas of assessments

<table>
<thead>
<tr>
<th>Economic Feasibility</th>
<th>Information System Feasibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Feasibility</td>
<td>Technical Feasibility</td>
</tr>
</tbody>
</table>

### Economic Feasibility
Is concerned with whether expected cost savings, increased revenue, increased profits, reductions in required investments, and other types of benefits will exceed the costs of developing and operating the proposed system.

**Things to consider:**
- Does the proposed system cover its development and operating costs?
- What will be the major sources of economic justification and are the managers prepared to support this claim?

### Organization Feasibility (continued)
Focuses on how well a proposed information system supports the goals and strategies of the organization and its plan for the role of information systems.

**Things to consider:**
- Is the organization (managers and users) prepared to support the need for and the use of the new system?
- How will the importance of the proposed system be communicated within the company?

### Operational Feasibility (continued)
Determines if reliable hardware and software are capable of meeting the needs of a proposed system and if the proposed systems can be acquired or developed in the allotted time.

**Things to consider:**
- How significant are the technical risks for the IS organization and for end users?
- Does the company have the necessary technical skills and if so are they available for this project?
Feasibility (continued)

Information System

- Automates routine, structured procedures?
- Affects only one business area?
- Can be completed in less than a year
- Uses stable, proven technology?

Feasibility (continued)

Importance

- Clearly states the goals and expectations of the project and assesses the risk involved.
- Decides whether the benefits outweigh the costs.

Feasibility (continued)

Information Systems Benefits

What you expect and what you get! (hopefully)
The justification of computer-based-information systems
When would you like to have a good understanding of IS benefits?

Feasibility (continued)

IS Justification

Translating an Information System proposal into a justifiable, approved request.
How does one do this so that senior management will provide the funds and related resources to design and implement the system?

This could be accomplished through a combination of tangible and intangible benefits.

Feasibility (continued)

Tangible Versus Intangible

Tangible benefits: those that can be quantified in relation to various aspects of an information system.

Intangible benefits: less direct cost savings and more difficult to quantify.

Feasibility (continued)

Tangible Benefits

- People displacement.
- Space reduction or avoidance.
- Utilities reduction or avoidance.
- Services reduction or avoidance.
- Miscellaneous overhead reduction or avoidance.
Intangible Benefits

- Improve competitive position.
- Shorten product lead-time
- Faster customer response.
- Better quality product, service or business process.
- Improve employee morale. (retain employees)

Who Provides the Justification?

Does the IS organization have a primary responsibility to determine the benefits of a new system?

They are involved but the formulating of specific benefits and a commitment to realizing them must come from user management.

Justification Conclusion

Methods, approaches and criteria will vary from one company to the next, but justification of information systems is both logical and necessary.

E-Business

Architecture

To design, build and implement E-Business applications. (foundation and infrastructure)

The Way to Run a Business

1. The primary job of a CEO is the long term viability of the business.
2. Vision can be the key to business leadership.
3. Vision without action is poverty-stricken poetry.
4. Action without vision is stumbling in the dark.

How do you run a business?

- The primary job of a CEO is the long term viability of the business.
- Vision can be the key to business leadership.
- Vision without action is poverty-stricken poetry.
- Action without vision is stumbling in the dark.
We expected that good-to-great leaders would begin by setting a new vision and strategy. We found instead that they first got the right people on the bus, the wrong people off the bus, and the right people in the right seats and then they figured out where to drive it.

The old adage “People are your most important asset” turns out to be wrong. People are not your most important asset. The right people are.

**Vision**

_**Good to Great** by Jim Collins_

We expected that good-to-great leaders would begin by setting a new vision and strategy. We found instead that they first got the right people on the bus, the wrong people off the bus, and the right people in the right seats and then they figured out where to drive it.

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**Vision (continued)**

**Considerations**

What is happening in our industry and related industries?
What makes us special? What must be done to remain so?
Who are our competitors and business partners?
What type of organization and style of management do we want to have?
What role should IT logically plan in our future?

**Vision (continued)**

**Elements of a Vision**

- What the company wants to be at some point in the future.
- Motivates people as to what the company is trying to change.
- Provides a continuing focus.
- Provides a yardstick for measuring progress.

**Vision (continued)**

**Is this a good vision?**

Absolutely, positively overnight!

**Federal Express**

**Vision (continued)**

We want to sell a variety of products on a daily basis to every living person on the earth

**PepsiCo.**

**Vision (continued)**

**The Good-to-Great Companies**

Disciplined People, Disciplined Thought, Disciplined Action

1. Abbott
2. Circuit City
3. Fannie Mae
4. Gillette
5. Kimberly-Clark
6. Kroger
7. Nucor
8. Philip Morris
9. Pitney Bowes
10. Walgreens
11. Wells Fargo
**Vision (continued)**

*Is this a good vision?*

Empower people through great software, anyplace, any time and on any device.

Microsoft

**Vision (continued)**

*Is this a good vision?*

Do it, try it, fix it!

Wal-Mart Stores

**Vision (continued)**

*Key to the Vision Process*

1. Establish a clear vision of the future.
2. Provide a basis for sharing values and views (the vision).
3. Send a message regarding the importance of the vision process throughout the entire organization to gain consensus and momentum.

**Managing Change**

- Senior Management Involvement and Sponsorship
- End User Involvement
- Training and Methodologies
- Change Agent Involvement

**Managing Change (continued)**

Change is a significant alteration or disruption in peoples’ expectation patterns.

Like it or not, people are creatures of habit.

We live in a world of change, yet we act on the basis of continuity.

**Managing Change (continued)**

Time compression: information and communications

Turbulence: political and cultural

Interdependence: one economic and social world

Technology advances: rapid pace of product change and its impact on other areas.

Business pressures: time to market, time to develop and manufacture and time to decisions.
Managing Change (continued)

End User Resistance

• New ways of doing things creates resistance among employees.

• This is the biggest obstacle to the implementation of new information systems.

Managing Change (continued)

Human Aspects of Change

• New skills are required.

• Patterns of communication are altered.

• Time spans between communications are decreased.

• Points of influence, authority and control are redefined.

• Roles, work relationships and reporting responsibilities are modified.

• Data ownership shifts.

• Privacy and security concerns increase.

• New management techniques and organizational structures evolve.

Managing Change (continued)

Insanity is doing the same things over and over again, and expecting different results.

Hillary Clinton

Managing Change (continued)

Change Management

Managing the process of implementing major changes in IT, business processes, organizational structures, and job assignments to reduce the risks and costs of change, and to optimize its benefits.

Managing Change (continued)

A commitment from top management and an organizational design to plan the future of IT and IS within the business.

Change management involves analyzing and defining all changes facing the organization, and developing programs to reduce the risks and costs, and to maximize the benefits of change.

Managing Change (continued)

Dealing with end user resistance:

- Proper education and training.

- Direct end user participation before implementation helps ensure that the end users assume ownership of a system, and that its design meets their needs.
Managing Change (continued)

Dealing with end user resistance:

• Proper education and training.

• Direct end user participation before implementation helps insure that the end users assume ownership of a system, and that its design meets their needs.

• Change Agent

Managing Change (continued)

A New Attitude? A Company Culture

Change is natural and to be expected.

Continuity is unnatural and to be suspected.

Managing Change (continued)

Fast paced change has frequently become essential for a business to remain efficient in its operations and/or to remain competitive.

Change management has become fundamental to running a successful business.
Let’s Take the Survey!