Value Innovation with Information Technology

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1. Nature and Objective of the Course

Visionary enterprises have been successful over the years because they have been able to continuously innovate. Information Technology is one of the key drivers of innovation. Convergence of legacy IT systems, mobile computing, multimedia computing, and enterprise computing is bound to open up several new business opportunities in the context of both large enterprises and small start ups.

This course is ideal for those who wish to prepare themselves for a quick rise through either the corporate ladders of large enterprises or the entrepreneurial mazes. The course will help you to combine business value of IT about managing current information system and emerging technologies to identify new business innovations through using examples of how strategic managements of IT were used to create business values.

This course mainly focuses on IT planning cultivating Innovation and value with building new business models. Strategic planning in light of information technology can offer new value propositions for students. IT Planning cultivating Innovation and Value yields the "competitive advantage" necessary to attract and assure the resources necessary to support investments in IT and development of new practices and competencies. Experience with leading-edge organizations suggests that systemic, enterprise-wide innovation is more effective in creating value differentiation between enterprises than fragmented, individual innovation.

IT strategic planning and new business model generation needs to move beyond planning, implementing, and executing "systems of record," to creating stretch goals for using IT to enable innovation, personalized value propositions, and new experiences for stakeholders in order to generate genuine competitive distinctiveness. IT is a key enabler of innovation and new, personalized value propositions. In order to justify ongoing investments in enterprise resource planning (ERP), learning management systems (LMS), enterprise portals, the next generation of content management, and Web services applications, this course need to commit to using these tools to pervasively reinvent processes, aggressively pursue cost reduction, and enable the personalization of value propositions. And this course will cover the following topics:

Business Value of IT with innovation in Hyper connected enterprise
Value innovation with emerging technologies
Development of IT-based business model innovation with Open Innovation
Strategic value innovation using strategic enterprise management (SEM)
SI Firms' business strategy following the advanced shape of IT
Value innovation from customers' changing behaviors
Innovative strategy based on governance / real-time enterprise(RTE)
Business model generation with IT

This course does not require any programming. It does require students to be tech-savvy i.e. relate to new technologies and be interested in new technologies. This course will require student teams to come up with business innovations.

The successful student will:
1) gain the most popular and current innovative value-oriented managerial IT technologies.
2) gain the ability to plan for the IT implementation from the value-oriented perspective
3) gain the ability to use information systems to identify compelling new business innovations with new business model building
4) gain the knowledge on the well-prepared qualification to be a manager of IT organization, like CIO.

2. Course Material

BVIT(Business Value with IT) cases: (for a team presentation)

Jim Champy:, " OUTSMART!: How to do what your competitors can't", Pearson Education, Inc., 2008

BMG(Business Model Generation): (for an individual presentation)

Alexander Osterwarder & Yves Pigneur, "Business Model Generation" Wiley, 2010

General reference materials: (in the order of priority)

- Eng K. Chew and Petter Gottschalk, "Information Technlogy and Management: Best Practices (Premier reference source)(2008)
- Joe Stenzel(Editor), "CIO Best Practices- Enabling Strategic Value with IT", John Wiley & Sons, Inc.(2007)
- Peter Weill and Jeanne W. Ross, "IT Savvy – What top executives must know to go from pain to gain", Harvard Business Press (2009)
- Paul Gray," Manager's Guide to Making Decisions about Information Systems," WIELY(2006)
- Robert D Galliers, Dotrothy E Leidner, "Strategic Information Management: Challenges and Strategies in Managing Information Systems," 3rd edition, Butterworth-Heinemann (an imprint of Elsvier Science) (2005).
- Soung Hie Kim, Hong Gi Kim, et al, "New business strategy in high-speed era, Real-Time Enterprise", Century 21 Books (2005, in Korean) Clayton M. Christensen, "The Innovator's Solution: Creating and Sustaining Successful Growth", Harvard Business School Press (2003)
- John Ward, Joe Peppard, "Strategic Planning for Information Systems". John wiley & Sons Ltd.
- Bernard H. Boar, Strategic Thinking for Information Technology, John Wiley & Sons (1999)
- Arther Money, et al, 'The Effective Measurement of IT Costs and Benefits, Butter Heinemann (2000).
- Rolf-Dieter Kempis (Editor), Jurgen Ringbeck, Ralf Aufustin,Gun Bulk, Do IT Smart, Seven Rules for Superior Information Technology Performance, Mc Kinsey & Co (1999).
- Alan Afuah & Christopher Li Tucci, Internet business models and strategies: Text & Cases, McGraw-Hill (2001).
- Clayton M. Christensen, "The Innovator's Dilemma: The Revolutionary Book that Will Change the Way You Do Business "Publisher: Collins (2003)
- W. Chan Kim, Renée Mauborgne, "Blue Ocean Strategy: How to Create Uncontested Market Space and Make Competition Irrelevant" Harvard Business School Press, (2005)
- Paul Trott, "Innovation Management and New Product Development", Prentice Hall-Financial Times (2005)

3. Policy on Academic Misconduct

Academic misconduct includes cases of cheating and plagiarism in assignments, cases, projects, or exams. It is important for the students to avoid any misconduct during the class exam. Whenever you cite somebody else's work, make sure that you cite the reference.

4. Evaluation

Individual	Class Participation	10%
Individual	1 Individual Presentation (BMG)	40%
Team	1 Team Presentation (Case study of BVIT)	20%
Individual	Final Exam	30%
	TOTAL	100%

5. Class Participation

Students are encouraged to participate in the class discussions and PowerPoint-based slide presentations. Attending the class is not enough to get participation credit. Your ability and willingness to actively contribute in the class activities will determine your participation grade. You need to show that you have a positive attitude towards learning.
The constructive participation in class discussions is an important part for me to assess you and your team's performance. Also, you are encouraged to discuss issues and share relevant materials through them if you have any.

Note: Usually, class participation will be considered and used to resolve "borderline grades."

Lecture Schedule

Week	Topic	PPT #	Presentation
1	Overview of new business value innovation with information technology - Futuristic CIO (ppt# 0-0) - Business Value of IT with innovation (ppt#1-0) - Hyper Connected Enterprise: anticipating the next wave of business influences (ppt#1-1)		
2	Value innovation with Emerging technologies - Hype curve of new technologies: How to choose the next wave of business influences (ppt#2-1) - Value innovation with technologies (ppt#2-0)		BMG #1-6
3	Development of IT-based business model innovation - Business model innovation: Wave 2.0(ppt#3-0) - Web business model evolution (ppt#3-1) Open Innovation - Introduction of Open Innovation (ppt#4-0) - Business model based on Open Innovation (ppt#4-1)		BMG #7-17
4	Strategic value innovation using Strategic Enterprise Management - Introduction of Strategic Enterprise Management (ppt#5-0) - What makes a great company? (ppt#5-1)		BMG #-18-26
5	SI Firms' business strategy - Challenges of SI Firms (ppt#6-2) - Advanced shape of IT from SI firms' viewpoint (ppt#6-1) - SI business strategy (ppt#6-0)		BMG #27-35
6	Value innovation from customers' changing behaviors - Evolution of the customer experience (ppt#9-0) - Socialization of IT (ppt#9-1) - Advances of Digital natives (ppt#9-2)		BVIT ch2-ch5
7	Value gain from IT governance/architecture - Value from IT Governance (ppt#8-0) - From value to advantage (ppt#7-1) - Real-Time Enterprise (ppt#7-0)		BVIT ch6-9
8	Term project presentation / Final Exam		

(Team Presentation)

Business Value with IT (BVIT)

(Jim Champy:, “OUTSMART!: How to do what your competitors can’t”, Pearson Education, Inc., 2008)

Outsmarting the competition requires more than intelligence, experience, and business sense; you also have to be quick, flexible, and ready to adopt to the transforming world.

- Reengineering the cooperation
- High velocity companies

- These cases (8 Winners in the growth race) describe the very real and practical strategies that are working for today's most successful business.

How to reignite growth by

1. Seeing what others don't (Ch 2)
2. Thinking outside the bubble (Ch 3)
3. Using all you know (Ch 4)
4. Changing your frame of reference (Ch 5)
5. Doing everything yourself (Ch 6)
6. Tapping the success of others (Ch 7)
7. Creating order out of chaos (Ch 8)
8. Simplifying complexity (Ch 9)

(Individual Presentation)

Business Model Generation: BMG

(Alexander Osterwarder & Yves Pigneur, Wiley, 2010)

For striving to defy outmoded business models and design tomorrow's enterprises.

"This is a powerful tool for business model design and innovation on board level (CxO). The power of it lies in the fact that it manages to capture the complete set of the most essential elements of a business model in a simple way, express it well by means of visualizations and easy-to-understand schemes, enabling management to “design a business model on one A4 page.” *Ziv Baida, Managing Consultant Technology Strategy at IBM*

"- Apple created an innovative new business model that transformed the company into the dominant force in online music.
- Skype brought us dirt-cheap global calling rates and free Skype-to-Skype calls based on peer-to-peer technology.
- Zipcar frees city dwellers from automobile ownership by offering hourly or daily on-demand car rentals under a fee-based membership system.
- Grameen Bank is helping alleviate poverty thru an innovative business model that popularized micro lending to the poor."

* 470 members of the Business Innovation Hub contributed cases, examples, and critical comments to the book

* Trying out to visit the Business Model Hub at www.BusinessModelGeneration.com/hub

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2.3 Multi-sided Platforms (Google/Apple's Platform operators)	76-87	7-9
2.4 FREE as a Business Model (Advertising; Metro /Newspapers; Facebook /Freemium:Flickr /Open Source: Red Hat /Skype /Insurance: REGA /Bait & Hook /Gillette)	88-107	10-17
2.5 Open Business Models (Procter & Gamble /GlaxoSmithKline /Innocentive +)	108-109	18-20
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