

PACE UNIVERSITY
INFORMATION SYSTEMS PLANNING & POLICY

IS 639 (CRN 35675) – 3 credits

Spring, 2003 Friday 6:00-8:40

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Catalog Description:

This course focuses on the relationship of the information systems plans and strategies to those of the organization. Topics include: IS perspectives, planning and control, application development and maintenance, systems management and control, IS strategy, computer center administration, social and legal considerations, telecommunications directions and the information center.

Background:

The effective management of information services in the modern firm is a challenging task, to say the least. Most enterprises today are highly dependent on their ability to manage information technology. In many firms, the quality of the firm's products or services depends on the strategic choices the firm has made with respect to its information services. The three key elements of an IT strategy are: the choice of what IT-related products or services are required for the business, the determination of which of these products and services will require firm-specific capabilities, and the choice of governance and ownership for both firm specific and generic capabilities. These decisions intertwine and cannot be made in isolation or even in sequence. To complicate matters further, most firms find that their business strategies are in some part driven by what they can expect in terms of an IT strategy. For example, for a firm to adopt an e-commerce strategy, they must also insure that they can obtain the appropriate IT products and services, which these will be firm-specific as needed, and that they will have appropriate levels of ownership and control over the requisite products and services. Needless to say, many firms struggle to maintain a reasonable fit between their business and IT strategies. Some (but not all) of the responsibility for this difficult task falls to the information services unit and the chief information officer.

This course takes a management instead of a technical approach to the material presented. The purpose of this course is to help you develop a keen appreciation for the challenges of setting an information services strategy while delivering high quality information services. This knowledge should benefit you whether you pursue a career as an information services professional or in any area that is dependent on an information product or service provider. It should be of great value to those who will sell products and services to information services units. We will use class time to discuss a variety of cases and articles.

The Case Method:

As you will soon see from the case studies, there are no "right" answers to management problems. Rather, what cases do is bring a small chunk of the real world into the academic setting, where we can examine it, determine what problems exist, discuss optional approaches to dealing with the problems, and decide upon a course of action. In this respect, the study of management via cases is similar to the study of medicine. That is, it is difficult to learn medicine without examining specific cases; reading about a disease is no substitute for managing the care of a patient. The same is true for organizational management.

Those of you who have participated in courses using the case method know that it is an extremely exciting way of learning. In particular, it gives recognition not only to your experience, but also to the fact that the real world is a complicated place where "cookbook" solutions simply will not work. As such, it puts participants in the middle of the action, forcing them to be analytical and utilize management concepts rather than reiterate them. However the case method does not work, and furthermore, can be quite boring unless the participants (including the instructor) thoroughly prepare the case and reading materials in

advance, and the participants actively participate in the discussion of the case.

Prerequisites:

This course is a required course for students enrolled in the Master of Science (M.S.) degree in Information Systems and an elective for other degrees and majors. Coursework assumes that participants have completed the following prerequisites or have significant experience with the following graduate-level courses (15 credits in Information Systems):

- IS 520 - Information Systems Concepts
- IS 613 - Database Management Systems
- IS 621 - Structured System Analysis
- IS 622 - Structured System Design
- IS 637 - Information Systems Project Management

Text:

Required:

Lynda M. Applegate, Robert D. Austin and F. Warren McFarlan, *Corporate Information Strategy and Management: Text and Cases*, 6th Edition, McGraw Hill (ISBN 0-07-245672-8). Please note that the softcover version does not contain the cases which are an integral part of the course and your grade.

Recommended:

Tom Peters, *The Professional Service Firm 50*, Alfred A. Knopf (ISBN 0-375-40771-5). Discusses 50 ways on how to transform a “department” from corporate to professional service firm thinking.

Grading:

This course will be conducted as a seminar. Students are expected to attend class and to be thoroughly prepared to discuss the day’s readings and cases (based on required text only). Grades will be based on the following components:

Class Preparation and Participation	35%
“Blackboard” Quizzes	30%
Term Project	35%

Class Preparation and Participation:

In this class much of the learning is dependent on the accessing the combined knowledge and experience of the group. It is everyone’s job to keep the discussion productive and moving forward. In class discussions it is equally important to talk about *how* to do something, as it is to talk about *what* to do. Contributions don’t all have to be original flashes of insight - but these are very welcome! Class members who summarize, clarify, simplify or suggest what else needs to be covered can also make a valuable contribution. If you are shy about contributing, prepare well and speak longer when you have the floor. If you are confident about speaking in public, focus in increasing the quality to airtime ratio of your contributions. I encourage you to take some risks in this class, assuming you have done the analysis and assessed the evidence. In evaluating your contribution to class learning I take many factors into account.

Things I view positively include:

- useful ideas, coherently and succinctly expressed
- good analysis supported by case facts or your own experience
- relevance to previous contributions i.e. ability to listen and build on what others say
- constructive disagreement
- regard, respect and acknowledgment of other’s contributions
- readiness to contribute upon receiving a “cold call”
- a good sense of humor

Factors I view negatively include:

- lack of involvement - silence, detachment or disinterest
- leading our discussion into unrelated topics
- spending undue amount of time on minor points
- long, rambling comments.
- being absent or unprepared, or passing on a cold call

If you are concerned about your contribution to class learning please make an appointment to see me. I will provide feedback on class participation about half way through the semester.

Please note that participants should not prepare written responses for submission, but rather come prepared to class to discuss the case questions identified below.

“Blackboard” Quizzes:

Weekly (10) open book quizzes of three multiple choice (or true/false) questions each will be given through the Blackboard system. The purpose of these quizzes is to solidify your understanding of the course concepts, in anticipation of your using these concepts during class discussion. Quizzes can be taken anytime from one week in advance to the start of the actual class meeting and will be limited to thirty minutes. Content of quizzes will be limited to the textbook and will not include cases.

Term Project:

The term project will consist of a thorough analysis of case # 4-1 “Cisco Systems, Inc.” Written responses, should address the following two issues:

(1) Assuming you are the new CIO arriving at Cisco in 1993, develop a presentation for management (not to exceed ten pages in PowerPoint) on how you intend to address the following issues during your first 100 days as CIO:

- Clarifying roles and expectations
- Understanding the business
- Assessing the delivery of IT services
- Assessing IT human resources
- Strategy development
- IT Governance

Your answer need not be limited to the facts of the case. You may supplement your intended actions with relevant research identifying “best practices” using recognized technology literature.

(2) Using the instructions contained in the handout “The Use of Cases in Management Education,” perform a comprehensive analysis of the case. Document the results of your work in a PowerPoint presentation that may not exceed 15 pages.

Term projects are due April 25. Substantial penalties will be assessed for late submissions and poor grammar.

Course Web Site

A web-based, password-protected class site (e.g., Blackboard) is available to you. Syllabi, assignments, copies of selected presentations and other resources will be made available to you within this site. Site activities could include exchanging e-mail, engaging in class discussions and chats, and exchanging files. In addition, class e-mail rosters are a component of this site and will serve as the primary means for my communicating with you outside of class if needed.

Course Schedule:

- Date: January 24
Topic: Introduction to the course and the participants. Challenges of Managing in a Networked Economy
Text: Introduction
Supplements: Corey, E. Raymond, "The Use of Cases in Management Education," Harvard Business School 9-376-240, September 23, 1996.
M. Bensaou and M. Earl, "The Right Mind-Set for Managing Information Technology," Harvard Business Review, September/October 1998, pp. 118-128
Case: Tale of Two Airlines in the Network Age
Case Questions: What assumptions did the passenger make about IT at the London airline?
Were these realistic given the timeframe (mid-nineties)?
What factors led to the passenger's differences between expectations & reality?
What alternative approaches could have been taken to resolve the situation?
What were the differences between the two airlines approach?
What advice would you provide the London airline's management?
- Date: January 31
Topic: Creating Business Advantage with IT
Readings: Text, Chapter 1
Supplements: M. Porter, "Strategy and the Internet," Harvard Business Review, March 2001, pp. 63-78
Case: Valuing the AOL-Time Warner Merger
Case Questions: Was the merger a good idea? Did the stockholders receive value?
How will value be created in the short and long term?
What could go wrong with the mega merger?
Are the aggressive goals achievable?
What advice do you have for management?
- Date: February 7
Topic: No Class Tonight
- Date: February 14
Topic: Creating Business Models
Readings: Text, Chapter 2
Supplements: J. Bower, C. Christense, "Disruptive Technologies: Catching the Wave," Harvard Business Review, January 1995.
Case: QuiuckenInsurance: The Race to Click and Close
Case Questions: Which network business model will dominate?
What should be the response to the slow rate of progress in signing up carriers?
Should the investment be made in QuickenInsurance or Quicken.com?
How should the Quicken.com business model evolve?
- Date: February 21
Topic: Building Networked Businesses
Readings: Text, Chapter 3
Supplements: M. Beer, "Why Change Programs Don't Produce Change," Harvard Business Review, November/December 1990
Case: Taco Bell
Case Questions: Why didn't Taco Bell go out of control?
Can Taco Bells's competitors copy Taco Bell's strategy? Why/why not?
What advice would you have given John Martin in 1994?
- Date: February 28
Topic: Making the Case for Digital Business
Readings: Text, Chapter 4

Supplements: Haeckel and Nolan, "Managing by Wire"
Case: American Express Interactive
Case Questions: How important was AXI to American Express?
Evaluate the actions taken to implement AXI travel.
Evaluate CSI's role and actions within Amex? What should the role be?
What advice would you have given management in summer 2000?
What business model would you choose to launch an internet business?

Date: March 7
Topic: Understanding Internetworking Infrastructure
Readings: Text, Chapter 5
Supplements: P. Weill, M. Subramani, M. Broadbent, "Building IT Infrastructure for Strategic Agility," MIT Sloan Management Review, Fall 2002, pp. 57-65.
Case: Jamcracker
Case Questions: What is an Application Service Provider?
What drives their emergence?
How does Jamcracker fit in the ASP space? What is their business model?
What are the critical challenges that Jamcracker faces and what must they prove?

Date: March 21
Topic: Assuring Reliable and Secure IT Services
Readings: Text, Chapter 6
Supplements: C. Meinel, "How Hackers Break In...and How They Are Caught," Scientific American, October 1998.
"Guide for Developing Security Plans for Information Technology Systems," NIST Special Publication 800-18, December 1998.
Case: The iPremier Company: Denial of Service Attack
Case Questions: How well did the company perform during the 75 minute attack?
What would you have done differently during the attack?
How effective were the operating procedures? What's needed to improve?
What can the company do to prevent another attack?
In the aftermath, what actions would you recommend?

Date: March 28
Topic: Managing Diverse IT Infrastructures
Readings: Text, Chapter 7
Supplements: J. Magretta, "The Power of Virtual Integration: An Interview with Dell Computer's Michael Dell," Harvard Business Review, March/April 1998, pp. 72-84.
Case: Ford Motor Company: Supply Chain Strategy
Case Questions: How does buying a car compare with buying a computer?
What advantages does Dell derive from Virtual Integration?
How do these advantages impact the auto business?
What would you recommend to senior management?

Date: April 4
Topic: Organizing and Leading the IT Function
Readings: Text, Chapter 8
Supplements: ERP Resource Section in the www.cio.com website
"Maximizing the Success of Chief Information Officers – Learning from Leading Organizations," General Accounting Office, March 2000.
Case: Harley-Davidson: Enterprise Software Selection
Case Questions: Review exhibit 10 in the case. Does it include all critical factors?
Which provider would you have selected and why?
How would you have presented your choice to senior management?
What is your overall assessment of Harley's selection approach?
What if anything would you have done differently?

Date: April 11
Topic: Managing IT Outsourcing
Readings: Text, Chapter 9
Supplements: B. Allen, "Make Information Services Pay Its Way," Harvard Business Review, January/February 1987, pp. 57-63
"BITS Framework: Managing Technology Risk for Information Technology Service Provider Relationships," Bank Information Technology Secretariat, October 2001
Case: Xerox: Outsourcing Global Information Technology Resources
Case Questions: Why did Xerox outsource? Do you agree with the reasons?
How does global outsourcing differ from domestic outsourcing? Which is harder?
What will the EDS/Xerox relationship look like in five years? What actually happened?

Date: April 25
Topic: A Portfolio Approach to IT Projects
Readings: Text, Chapter 10
Supplements: C. Galusha, "Getting Started with IT Asset Management," IT Professional, May 2001, pp. 37-40
"Board Briefing on IT Governance," IT Governance Institute, 2001
Case: Destiny WebSolutions, Inc.
Case Questions: What problem is Destiny trying to solve by using pattern resources?
Why is the "masters and apprentices" approach so important to pattern languages?
Would you recommend the above over other knowledge transfer methods?
What does Russell Holt mean by "organic approach" to software development?
Should Duncalfe accept a more conventional methodology for Destiny's business?
How would you manage customer perceptions with the pattern language approach?

Date: May 2
Topic: Course Review
Readings: None
Supplements: None
Case: Cisco Systems
Case Questions: Review of term project case