INFO 646 IS MANAGEMENT

Each assignment will analyze successive elements of a strategic IS plan for a single company. You should select a leading company that you will use for all four group assignments, based on the amount of information available for that company and its potential for business innovation.

You may choose *any* firm of interest - if in doubt, discuss your ideas with the instructor, to make sure the scope is not too great. Potential companies are:

Best Buy (a leader in combining bricks and mortar with e-retailing – made a big comeback recently by managing their supply chain using IT).

Netflix (innovative, IS-centric strategy, lots of contemporary information available)

Dell (constantly innovating their supply chain and model configuration – now moving into enterprise market)

Comcast (constantly innovating, have an interesting business model based on vertical integration)

Amazon (a market leader, constantly innovating, but sometimes need to dig for strategic information- but may not be much new to say or analyze)

# ASSIGNMENT 1: INITIAL BUSINESS ANALYSIS

## PART 1: UNDERSTAND THE BUSINESS

### 1.1 What business are we in?

Describe the business, then discuss how it operates in detail. For example, Dell is not just any old PC manufacturer – they do business by selling specific *types* of PC to specific customer-segments – and Amazon is not just a book store(!). Be specific (think deeply) about the product­markets targeted by the firm and the strategic goals for each product-market. I suggest that you select one single product-market or two related product-markets to focus on (e.g. Comcast's home cable and ISP businesses are obviously related and so should be analyzed together, as there are tradeoffs and complementarities between the two).

### 1.2 Who are our target customers?

What are the demographic and characteristics of our customer base.

What customer market segments do we serve? What are the specific characteristics and business potential of various customer segments? *Again, be specific and think critically about this* – *it is important*.

### 1.3. How does the company compete?

Answer each of the following questions – each one addresses a different issue.

* What characterizes this company over others in our product market(s)?
* What is our *business model:* how we sell products or services and do business to this specific product market? **Use the four-quadrants of the business model presented in the Week 1 lecture** – define the elements important to each quadrant and think about how some elements impact elements in other quartiles (e.g. how technology resources support the firm’s profit mode or critical business processes):

1. The Customer Value Proposition
2. The Firm’s Profit Model
3. Critical Business Processes
4. Critical Human or Technology Resources

* What is our *unique selling proposition* and why is this of value to the customer segments that we serve?
* What are the *core competencies* required by our company (the things we need to be better than anyone else at doing), to do business in this way?

### 1.4 *So what?*

What are our main business goals from steps 1.1-1.3 and how would we *prioritize* these? I would expect 3-4 major business goals at this point.

## PART 2: PERFORM AN INITIAL ASSESSMENT OF THE BUSINESS PROSPECTS

### 2.1 Perform a PEST Analysis

What are the political, economic, social, and technical changes that may affect our company in the next 5-10 years? Note that some of these may present threats to our current business model and some may present opportunities (e.g. to exploit new technologies to support a *different* business model).

*What* ***Critical Success Factors*** *(things we need to do, to respond to the PEST issues) follow from this analysis?* We need CSFs that are defined around what we discovered from the analysis, e.g. to cope with rapid changes in technology, we might define CSFs such as *reduce product design cycle to 18 months, to cope with rapid technology changes.*

### 2.2 *So what?* What do you conclude from this analysis?

What should be the company business priorities, moving forward - and why?

*I would expect around 6-8 Critical Success Factors at this point.*