

STRATEGIC INFORMATION TECHNOLOGY MANAGEMENT
MIS375 Unique #: 03720 & 03725
SPRING 2012

VERSION: 1/14/2012

Instructor	:	Hüseyin Tanriverdi, Associate Professor
Class times	:	Unique # 03720: MW 12:30 – 2:00 pm Unique # 03725: MW 2:00pm -3:30pm
Class location	:	UTC 1.130
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Course objectives

Information technology (IT) is a relatively young business function in corporate history compared to other business functions. But rapid developments in the short history of IT have already had profound impacts on firms. In addition to becoming an essential infrastructure over which almost all business functions run, IT has played major roles in expanding capacity of firms for sensemaking, learning, and improvising in complex, dynamically evolving competitive landscapes. Yet, many business leaders are mystified by technical complexities of IT. They have a tendency to relegate IT management to technical leaders and run IT as a support function rather than a strategic platform that determines where the firm can play and how it can win. For such business leaders, IT continues to be a blind spot and a stumbling block to the achievement of their firms' strategic objectives. This course is developed for students who would like to avoid such blind spots and stumbling blocks and use IT strategically. The course introduces students to fundamental concepts of business strategy, information economics, and strategic IT management. Understanding economics of information is essential especially in service-oriented economies in which the majority of goods and services are information based. The course examines how firms use IT to architect a foundation for executing their business strategies and competing on information products and services. It explores how IT-enabled interconnections among products, customers, business processes, firms, industries, and economies affect the complexity of competitive landscapes and growth and decline of firms. The course also discusses how digital business strategy of a firm can enable or constrain profitable growth of the firm in complex, hypercompetitive landscapes.

Course delivery format

The course is delivered through a participant-centered, discussion-based, active learning format in which students share control and responsibility for learning.

- Course website** : Hosted on the Blackboard system <http://courses.utexas.edu/>. Updates to this syllabus and other course materials will be posted on this website. Please log on to the site before each class to view the announcements.
- Course packet** : A digital course packet (**CP**), which contains electronic versions of some of the cases and articles that will be used in the course can be purchased at: <http://cb.hbsp.harvard.edu/cb/access/12013126>
Reading assignments that are not available in the course packet can be accessed through Blackboard (**BB**).

Grading:

Contributions to in-class discussions	:	25%
Take home midterm-1	:	25%
Take home midterm-2	:	25%
Take home final	:	25%
Total	:	100%

Contributions to in-class discussions. This class uses a participant-centered, discussion-based, active learning format. You are expected to read, analyze, and think about the issues covered in assigned articles, cases, and presentations before coming to class. This preparation is a critical success factor for making contributions to in-class discussions and earning participation credits.

The following note in the case packet provides guidance for preparing for a case discussion: Hammond, J.S. "Learning by the Case Method," Harvard Business School Teaching Note #: 9-376-241.

Your contribution level will be assessed in all class sessions throughout the semester.

- Your attendance is required, but attendance earns only 20% of the in-class participation credit for the day. To earn the remaining 80% of the in-class participation credits, you need to make contributions to discussions and learning processes in the classroom.
- If you have to miss a class, please notify me by email before the class. You must make up for participation expectations in subsequent classes.

The following factors will contribute positively to your in-class participation:

- Doing the assigned readings and coming to class prepared for discussions
- Arriving before the start of class and staying until the end
- Listening actively to instructor and peers
- Asking good questions
- Linking and synthesizing topics
- Bringing to discussions examples and questions from prior work experiences
- Synthesizing or reconciling issues being discussed
- Responding to questions raised
- Disagreeing with others constructively
- Neither dominating the conversation nor being too quiet
- Exhibiting a good sense of humor

The following factors will contribute negatively to your in-class participation:

- Being unprepared, passing on cold calls
- Lack of involvement, silence, detachment or disinterest
- Distracting others by surfing the web, e-mailing, instant messaging, not turning off your cell phone, etc.
- Not listening actively
- Lack of empathy
- Dominating the conversation
- Leading the discussion into unrelated topics
- Spending undue amount of time on minor points
- Long, rambling comments

Please use a name card until the instructor and peers learn your name. Sitting roughly in the same place in each class could help speed up this process.

Take home exams: Take home exams of this class entail written analyses of assigned questions on case studies. The cases will be available either in the digital course package or

posted on the course website. A set of case write-up questions will also be posted on the class website by 11am on the day of the take home exam. There will be no class that day. Your solution to the take home exam will be due within 48 hours, i.e., by 11am, two days after the posting of the take home exam questions. Submissions after the deadline will incur a late submission penalty of 10pts for each additional hour of lateness. In preparing and submitting the take home exam, please follow the format and submission requirements to be posted on the course website along with the exam questions. Your write-up should address the assigned questions based on the facts covered in the case and concepts discussed in class.

Final letter grades: Weighted averages of in-class participation and take home exam grades will be used to set a class "curve." The curve will be the basis for determining final letter grades.

McCombs Classroom Professionalism Policy

The highest professional standards are expected of all members of the McCombs community. The collective class reputation and the value of the Texas BBA experience hinges on this.

Faculty are expected to be professional and prepared to deliver value for each and every class session. Students are expected to be professional in all respects.

The Texas BBA classroom experience is enhanced when:

- **Students arrive on time.** On time arrival ensures that classes are able to start and finish at the scheduled time. On time arrival shows respect for both fellow students and faculty and it enhances learning by reducing avoidable distractions.
- **Students display their name cards.** This permits fellow students and faculty to learn names, enhancing opportunities for community building and evaluation of in-class contributions.
- **Students minimize unscheduled personal breaks.** The learning environment improves when disruptions are limited.
- **Students are fully prepared for each class.** Much of the learning takes place during classroom discussions. When students are not prepared they cannot contribute to the overall learning process. This affects not only the individual, but their peers who count on them, as well.
- **Students respect the views and opinions of their colleagues.** Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.
- **Laptops are closed and put away.** When students are surfing the web, responding to e-mail, instant messaging each other, and otherwise not devoting their full attention to the topic at hand they are doing themselves and their peers a major disservice.
- **Phones and wireless devices are turned off.** We've all heard the annoying ringing in the middle of a meeting. Not only is it not professional, it cuts off the flow of discussion when the search for the offender begins. When a true need to communicate with someone outside of class exists (e.g., for some medical need) please inform the professor prior to class.

Make-up and Drop Policy. This course does not permit make-ups except for documented medical emergencies. If the University policies allow, a student may withdraw/drop the course within the timeframes set by the University. Students who drop the course after the official withdraw/drop timeframe will receive a grade based on what they have earned in the course at that point in time.

Scholastic Dishonesty Policy. *The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the Policy Statement on Scholastic Dishonesty for the McCombs School of Business:*

By teaching this course, I have agreed to observe all of the faculty responsibilities described in that document.

By enrolling in this class, you have agreed to observe all of the student responsibilities described in that document. If the application of that Policy Statement to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification. Policy on Scholastic Dishonesty: Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, and the integrity of the University, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <http://deanofstudents.utexas.edu/sjs/> or the General Information Catalog to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

The following was taken from the website for the Dean of Students:

A fundamental principle for any educational institution, academic integrity is highly valued and seriously regarded at The University of Texas at Austin. More specifically, you and other students are expected to maintain absolute integrity and a high standard of individual honor in scholastic work undertaken at the University. This is a very basic expectation that is further reinforced by the University's [Honor Code](#). At a minimum, you should complete any assignments, exams, and other scholastic endeavors with the utmost honesty, which requires you to:

- acknowledge the contributions of other sources to your scholastic efforts;
- complete your assignments independently unless expressly authorized to seek or obtain assistance in preparing them;
- follow instructions for assignments and exams, and observe the standards of your academic discipline; and
- avoid engaging in any form of academic dishonesty on behalf of yourself or another student.

For the official policies on academic integrity and scholastic dishonesty, please refer to [Chapter 11](#) of the *Institutional Rules on Student Services and Activities*.

Questions about scholastic dishonesty procedures should be referred to Paula Murray, Associate Dean for Undergraduate Program Office.

Special Accommodations Policy. The University of Texas at Austin provides upon request appropriate academic accommodations for qualified students with disabilities. For more information, contact the Office of the Dean of Students at 471-6259, 471-4641 TTY.

**STRATEGIC INFORMATION TECHNOLOGY MANAGEMENT
SPRING 2012 COURSE OUTLINE**

Where to find the assigned discussion articles and cases?

(CP): Course packet. It contains electronic versions of Harvard Business School Articles and Cases that will be used in the course. You can purchase the packet at: <http://cb.hbsp.harvard.edu/cb/access/12013126>

(BB): Article to be posted on Blackboard prior to class session

S#	Day	Date	TOPIC	Discussion materials
1	W	Jan18	Introduction to the course and strategy	(BB) Course syllabus (CP) Porter, M.E. "What Is Strategy?," <i>Harvard Business Review</i> (74:6), Nov-Dec 1996, pp. 61-78.
2	M	Jan23	Forces that shape competitive strategy	(CP) Porter, M.E. "The Five Competitive Forces That Shape Strategy," <i>Harvard Business Review</i> (86:1), Jan 2008, pp 78-93.
3	W	Jan25	Corporate strategy and competing on resources	(CP) Campbell, A., Goold, M., and Alexander, M. "Corporate-Strategy - the Quest For Parenting Advantage," <i>Harvard Business Review</i> (73:2), Mar-Apr 1995, pp 120-132. (CP) Collis, D.J., and Montgomery, C.A. "Competing on Resources," <i>Harvard Business Review</i> (86:7-8), Jul-Aug 2008, pp 140-150.
4	M	Jan30	Case discussion	(CP) Anand, B., Collis, D.J., and Hood, S. "Danaher Corporation," Harvard Business School Case # 9-708-445, pp. 1-31.
5	W	Feb01	Building a foundation to execute strategy: Operating model and IT governance	(CP) Ross, J.W., Weill, P., and Robertson, D.C. "To execute your strategy, first build your foundation," in: "Enterprise Architecture As Strategy: Creating a business foundation for execution", Harvard Business Press, Boston, 2006, pp. 1-24. (CP) Ross, J.W., Weill, P., and Robertson, D.C. "Define your operating model," in: "Enterprise Architecture As Strategy: Creating a business foundation for execution", Harvard Business Press, Boston, 2006, pp. 25-44.
6	M	Feb06	Case discussion	(BB) Ross, J.W. and Beath, C.M. "Building business agility at Southwest Airlines." MIT Sloan Center for Information Systems Research, Working Paper # 369, May 2007, pp.1-14.

S#	Day	Date	TOPIC	Discussion materials
7	W	Feb08	Architecting business and IT	<p>(CP) Ross, J.W., Weill, P., and Robertson, D.C. "Implement the Operating Model Via Enterprise Architecture," in: "Enterprise Architecture As Strategy: Creating a business foundation for execution", Harvard Business Press, Boston, 2006, pp. 45-67.</p> <p>(CP) Ross, J.W., Weill, P., and Robertson, D.C. "Navigate the Stages of Enterprise Architecture Maturity," in: "Enterprise Architecture As Strategy: Creating a business foundation for execution", Harvard Business Press, Boston, 2006, pp. 69-89.</p>
8	M	Feb13	Case discussion	<p>(BB) Ross, J.W. and Beath, C.M. "PepsiAmericas: Building an information savvy company." MIT Sloan Center for Information Systems Research, Working Paper # 378, February 2010, pp.1-17.</p>
9	W	Feb15	TAKE HOME MIDTERM-1	<p>(BB) Ross, J.W., et al. "United Parcel Services: Business Transformation Through Information Technology." MIT Sloan Center for Information Systems Research, Working Paper # 331, September 2002, pp.1-36.</p>
10	M	Feb20	Exploiting the foundation for scalability and profitable growth	<p>(BB) Hallowell, R. "'Scalability": the paradox of human resources in e-commerce," International Journal of Service Industry Management (12:1) 2001, pp 34-43.</p> <p>(BB) Chui, M., and Fleming, T. "Inside P&G's Digital Revolution," McKinsey Quarterly, November 2011, pp. 1-11.</p>
11	W	Feb22	Case discussion	<p>(BB) Ross, J.W. and Beath, C.M. "USAA: Organizing for Innovation and Superior Customer Service." MIT Sloan Center for Information Systems Research, Working Paper # 382, December 2010, pp.1-18.</p>
12	M	Feb27	Competing on analytics	<p>(CP) LaValle, S., Lesser, E., Shockley, R., Hopkins, M.S., Kruschwitz, N. "Big Data, Analytics and the Path From Insights to Value" MIT Sloan Management Review (52:2), Winter 2011, pp 21-32.</p>
13	W	Feb29	Case discussion	<p>(BB) Tanriverdi, H., Du, K., and Ross, J.W. "Trinity Health: Exploiting Digitization, Unification, and Data Analytics to Tame Quality, Cost, and Accessibility Problems of Healthcare" MIT Sloan Center for Information Systems Research, Working Paper # 385, July 2011.</p>
14	M	Mar05	Exploiting a digital platform and unified operating model for value creation in mergers, acquisitions, and divestitures	<p>(BB) Tanriverdi, H., and Du, K. "Trinity Health: Exploiting a Digital Platform and a Unified Model to Create Value in Merger, Acquisition, and Divestiture Transactions" MIT Sloan Center for Information Systems Research, Working Paper # 386, August 2011.</p>
15	W	Mar07	Case discussion	<p>(BB) Tanriverdi, H., and Du, K. "EMC Corporation: Managing IT M&A Integrations to Enable Profitable Growth by Acquisitions." MIT Sloan Center for Information Systems Research, Working Paper # 384, July 2011.</p>

S#	Day	Date	TOPIC	Discussion materials
SPRING BREAK				
16	M	Mar19	The promise of digitization and the economics of information goods and services	(CP) Elberse, A. "The creative industries: The promise of digital technology" Harvard Business School, Module Note 9-511-090, March 24, 2011. (CP) Shapiro, C., and Varian, H.R. "Versioning: The Smart Way to Sell Information," <i>Harvard Business Review</i> (76:6), Nov/Dec 1998, pp. 107-114.
17	W	Mar21	Platform-based competition-1	(CP) Eisenmann, T.R. "Winner-take all in networked markets" Harvard Business School Module Note # 9-806-131, pp. 1-15, 2007.
18	M	Mar26	Case discussion	(CP) Yoffie, D.B., Kim, R. "Apple Inc. in 2010" Harvard Business School Case #: 9-720-467, pp. 1-25, March 21, 2011.
19	W	Mar28	Platform-based competition-2	(CP) Hagiu, A. "Note on Multi-Sided Platforms: Economic Foundations and Strategy," Harvard Business School Note # 9-709-484, pp. 1-17.
20	M	Apr02	Case discussion	(CP) Suarez, F., Edelman, B., and Srinivasan, A. "Symbian, Google & Apple in the Mobile Space (a)," Harvard Business School Case # 9-909-055, pp. 1-18.
21	W	Apr04	Competing against free	(CP) Bryce, D.J., Dyer, J.H., and Hatch, N.W. "Competing against free" <i>Harvard Business Review</i> , June 2011, pp. 1-9.
22	M	Apr09	Case discussion	(CP) Rivkin, J.W., and Van Den Steen, E. "Microsoft's Search," Harvard Business School Case # 9-709-461, pp. 1-18.
23	W	Apr11	TAKE HOME MIDTERM-2	(CP) Piskorski, M.J., Eisenmann, T., Chen, D., and Feinstein, B. "Facebook's Platforms," Harvard Business School Case #: 9-808128, October 28, 2011, pp.1-38.
24	M	Apr16	The Big Shift	(CP) Hagel, J., Brown, J.S., and Davison, L. "The Big Shift: Measuring the Forces of Change," <i>Harvard Business Review</i> (87:7-8), Jul-Aug 2009, pp 86-90.
25	W	Apr18	Hypercompetition	(BB) Devan, J., Klusas, M.B., and Ruefli, T.W. "The Elusive Goal of Corporate Outperformance," <i>McKinsey Quarterly</i> (3), May 2007, pp. 1-3. (CP) McAfee, A., and Brynjolfsson, E. "Investing in the IT that makes a competitive difference," <i>Harvard Business Review</i> (86:7-8), Jul-Aug 2008, pp. 98-107.
26	M	Apr23	Strategy in complex adaptive business systems	(BB) McDaniel, R.R., Jordan, M.E., and Fleeman, B.F. "Surprise, surprise, surprise! A complexity science view of the unexpected," <i>Health Care Management Review</i> (28:3), Jul-Sep 2003, pp 266-278.

S#	Day	Date	TOPIC	Discussion materials
27	W	Apr25	IT strategy in complex adaptive business systems	(BB) Tanriverdi, H., Rai, A. and Venkatraman, N., "Reframing the Dominant Quests of Information Systems Strategy Research for Complex Adaptive Business Systems," <i>Information Systems Research</i> , 2010.
28	M	Apr30	Synthesis & conclusion	(CP) Camillus, J.C. "Strategy as a Wicked Problem," <i>Harvard Business Review</i> (86:5), May 2008, pp. 98-106.
29	W	May02	TAKE HOME FINAL	(CP) Sriram, N. and Bourgeois, L.J. "Danaher-The Making of a Conglomerate," Darden Business Publishing, University of Virginia Case#: UV4256, October 27, 2010, pp. 1-28.