THE UNIVERSITY OF NEW SOUTH WALES

SCHOOL OF ACCOUNTING

ACCT3585 E-Business: Strategy and Processes

Course Outline

Session 2, 2001

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This course overview brochure contains:

The University of New South Wales
School of Accounting

ACCT3585 E-Business: Strategy and Processes

Session 2, 2001

COURSE OUTLINE

1. General Information

Course Status and Location

This is an optional course offered by the School of Accounting within the Bachelor of Commerce or Bachelor of Economics degrees. In order to enrol in this course, the following pre-requisite must have been satisfied – ACCT2522 Management Accounting: Process Improvement and Innovation <u>or</u> ACCT2532 Management Accounting: Process Improvement and Innovation (Honours).

Introduction

Organisations engaging in electronic forms of business are seeking to create and sustain value by radically altering conventional business models whilst focusing and reconfiguring their internal processes. Emergent electronic business models such as information, brokerage, electronic auction, virtual community, third party market place (or portal) and value chain integrator, are challenging the conventional ways by which business is conducted and work is performed. It is argued that, for such organisations, the strategic management of time, cost, flexibility, quality and integration is critical to sustain value generation. This course will build on existing second and third year courses in accounting. It has the following aims:

1. It seeks to highlight and evaluate the new business strategies and models adopted by e-Businesses.
2. It seeks to explore how these models have differential effects on business processes.
3. It examines the implications of reorienting existing organisational structures, processes and culture to e-Business strategy.
4. It discusses the relevance of new performance metrics (shareholder value analysis, economic value added, etc) in the management of intangible assets.

The course draws upon research, professional literatures and case studies to explore the issue of creating value through electronic forms of business.

COURSE OBJECTIVES

The substantive objectives of this course are:

1. To provide a framework for understanding the importance of e-commerce and its impact on the conduct of most facets of business activity;

2. To encourage a comprehensive appreciation of the influence of the internet on the development of business strategy;

3. To provide an understanding of the major e-Business models and the context in which they are generally applied to create value;

4. To facilitate an understanding of the enterprise capabilities and process alignment required to successfully implement e-Business strategies;

5. To encourage critical thinking when comparing and evaluating contemporary literature on e-Business practice.

LEARNING OUTCOMES

Content-based.

As a result of satisfactorily completing this course, you will be able to:

1. Identify and evaluate the e-Business strategies of contemporary organisations;

2. Understand the manner in which e-Business strategy decisions impact upon internal activities and processes.

3. Analyse a market opportunity and develop an appropriate e-Business strategy.

Skills-based.

As a result of satisfactorily completing this course, you will achieve the following skills:

1. A capacity to learn independently and to assume responsibility for the learning process;

2. A capacity to learn within teams – to co-operate with team members, to assume leadership and to manage differences and conflicts;

3. A capacity to conduct applied research – acquiring, analysing and presenting knowledge;

4. A capacity to tolerate ambiguity in problem-solving;

5. A capacity to think critically about informing literatures and extant organisational practices;

6. A capacity to appreciate and leverage diversity in the learning environment;

7. A capacity to reflect on your own strengths and weaknesses as a learner; and

8. A capacity to develop the self-motivation to engage in life-long learning.

COURSE STRUCTURE

This course is comprised of seminars held in weeks 1 to 14. Each seminar is of three hours duration. During this period instructor-centred discussions, syndicate exercises and student presentations may be held.

COURSE ASSESSMENT

The composite mark for **ACCT3585** will be calculated as follows:

Syndicate Case Study	20%
Syndicate Presentation and Portfolio	10%
Essay	20%
Class Contribution	10%
Final Examination	40%
TOTAL	100%

Syndicate Case Study (20%)

The case study will be undertaken by syndicates of five students within the same seminar group. Self and peer assessment will be involved in the determination of the final mark. The case study is due in week 11. The composition of syndicates must be finalised by **week 5** and submitted to your seminar leader in writing. Details regarding the nature of the case study and its assessment are provided on page 15.

Syndicate Presentation and Portfolio (10%)

Each syndicate is required to make a brief presentation on the case during Weeks 12 and 13. Details are provided on page 20.

Essay (20%)

The essay will be an individual exercise on a nominated topic. It will be due in week 7. Details are provided on page 13.

Class Contribution (10%)

Each student is expected to contribute to the seminar discussion. Expectations with respect to contribution are provided on page 12.

Final Examination (40%)

Students are required to sit for a final examination paper in this course. Students will be advised of the general format and content of the final examination during Week 13.

2. COURSE RESOURCES

TEACHING STAFF

Teaching Staff	Room No.	Telephone
Course Facilitator & Seminar Leader		
▪ Rodney Coyte	Quad 3117	9385 5810

CONSULTATION HOURS

Students will be notified of the timing of staff consultation hours during the first seminar in week 1. Three hours per week is provided to conduct consultations on a drop-in basis. You are encouraged to seek help at a time that is convenient to you during the regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. You may also telephone during consultation hours.

TEXT BOOKS

Students are required to purchase a three textbook set from the UNSW Bookshop. You will be unable to complete the course without this resource. Additional materials will be issued in class.

The textbooks are as follows:
Rayport, Jeffrey F. and Jaworski, Bernard J. (2001) e-Commerce, McGraw-Hill/Irwin.
Rayport, Jeffrey F. and Jaworski, Bernard J. (2001) Cases in e-Commerce, McGraw-Hill/Irwin.
Afuah, Allan and Tucci, Christopher L. (2001), Internet Business Models and Strategies-Text and Cases McGraw-Hill/Irwin (Text only).

COURSE WEBSITE

A course website will be maintained within the WebCT environment. You are required to have a Unipass and Unipin to access this website. In addition, you must be enrolled in the course to access the website. The website will contain announcements, copies of the weekly questions and any other material deemed suitable by the Course Facilitator from time to time. We can not place any material on the website that involves the use of student IDs or that raises issues with respect to privacy. Details regarding access to this website will be provided in class in week 2.

Where appropriate other websites that provide useful content with respect to the course will be included by way of a series of hyperlinks in the course website. You are encouraged to explore these sites and learn from them also.

The following websites provide useful support resources:

▪ www.student.unsw.edu.au	UNSW homepage for students
▪ www.library.unsw.edu.au	UNSW library (catalogues, info, etc.)
▪ www.lc.unsw.edu.au	UNSW Learning Centre (help with learning

	and language support, etc.)
▪ www.counselling.unsw.edu.au	UNSW Counselling Service (dealing with personal issues)
▪ www.comms.unsw.edu.au	UNSW Communications unit (net access, UDUS, email)

3. STUDENT RESPONSIBILITIES

PREPARATION FOR AND PERFORMANCE IN CLASS

It is a requirement of this course that all students attempt the assigned weekly reading and seminar questions *prior* to attending class. Students are expected to participate in the class discussion.

The expected workload for an undergraduate course is 10 hours per week (on average).

ATTENDANCE REQUIREMENT

Students are expected to be regular and punctual in attendance to all classes. You are required to attend your assigned class each week. Any variation must be approved by the Course Facilitator. All applications for exemption from attendance at seminars of any kind must be made in writing to the Registrar. If you attend less than 80% (that is, 10 complete seminars) you may be refused final assessment.

Students are requested to turn off their mobile phones prior to entering the classroom.

SATISFACTORY PERFORMANCE

To be eligible for a passing grade in this course, students must (1) attain a composite mark of at least 50% **AND** (2) perform at a satisfactory level in each component of the composite assessment (as stated above). Failure to do so may result in either supplementary assessment being required or the award of a failing grade, depending on an individual's situation.

SUBMISSION OF CONTINUOUS ASSESSMENT

Continuous assessment must be submitted by the due date. Failure to do so will attract a penalty which is to be calculated as follows: One day late - 10% of the maximum possible mark; Two days late - 20% of the maximum possible mark; Three days late - 40% of the maximum possible mark; Four days late - 60% of the maximum possible mark; Five or more days late - 100% of the total mark.

Extensions will only be granted in **exceptional** circumstances and will only be made by the Course Facilitator. Applications for an extension must be made (in advance) in writing to Rodney Coyte and must be supported by medical certificates etc. The onus is on students to plan their workloads to meet the course deadlines.

SPECIAL CONSIDERATION

It should be noted that special consideration is available only to students confronting *abnormal and significant* difficulties in completing this course. University regulations must be consulted before applying for formal consideration. It should be noted that illness or personal problems do not ensure that supplementary assessment will be granted automatically. In *addition* to the normal University application for consideration, students are required to lodge a detailed written application with the Course Facilitator. Details of the consideration will be treated in confidence by staff.

ACADEMIC MISCONDUCT

Students are reminded that the University regards academic misconduct as a very serious matter. Students found guilty of academic misconduct are excluded from the University for two years. However, because of the circumstances in individual cases, the period of expulsion can range from one session to permanent expulsion from the University.

The following are some of the actions which have resulted in students being found guilty of academic misconduct in recent years: taking unauthorised materials into an examination; submitting work for assessment knowing it to be the work of another person; improperly obtaining prior knowledge of an examination and using that knowledge in the examination; and failing to acknowledge the source of material in an assignment.

SUPPORT INFRASTRUCTURE

The following services are recommended to students requiring additional and specialised support.

Learning Centre

The Learning Centre provides a free and confidential service offering learning and language support to UNSW students. Assistance is provided through workshops, discipline-based courses and individual consultations. The Learning Centre is located at Room 231, Level 2, Library Building. (Phone 9385 3890 for an appointment.)

Education Development Unit

Additional learning and language support or a 'discipline-specific' support class can be arranged with the Education Development Unit (EDU) in the Faculty. Students may consult the EDU for advice and assistance with assignment writing, academic reading and note-taking, oral presentation, study skills or other learning needs. The Unit is located in Room 3054, Level 3, Quadrangle Building. (Phone 9385 6163 or 9385 6087 for an appointment.)

Counselling Service

Counsellors offer assistance in planning, decision making, problem solving, and social and emotional development. The Counselling Service is located at Level 2, East Wing, Quadrangle Building. (Phone 9385 5418 for an appointment.)

COURSE TIMETABLE

WEEK	STARTING	TOPIC	READINGS
1	23rd July	Introduction to e-Business Strategies and Processes.	• Rayport and Jaworski (2001) Chapter 1.
2	30th July	e-Business and the "New Economy" – A Framework for Understanding	• Afuah and Tucci (2001), Chapters 1 and 2. • Rayport and Jaworski (2001), Chapter 9.
3	6th August	Strategic Management and e-Business	• Johnson and Scholes (1999), Chapter 1 • Afuah and Tucci (2001) Chapter 8 • Amazon.com (A) and (B) (Rayport and Jaworski, 2001)
4	13th August	The Changing Environment and the	• Afuah and Tucci (2001), Chapter 3 • Porter (2001) • Kanter (2001), Chapter 3 and Chapter 4

		Development of e-Business Strategy	extracts • Amazon.com (C) and (D) (Rayport and Jaworski, 2001)
5 **Submit syndicate lists**	20th August	Understanding and Developing e-Business Models – I Analysing the Market Opportunity	• Eisenmann (2002) Introductory Notes • Rayport and Jaworski (2001) Chapter 2 • Barnes and Noble (A), (B) and (C) (Rayport and Jaworski, 2001)
6	27th August	Understanding and Developing e-Business Models – II Types of Business Models and Value Propositions	• Rayport and Jaworski (2001) Chapter 3 • Afuah and Tucci (2001) Chapter 4
7 **Essay Due 6pm 3/9**	3rd September	Understanding and Developing e-Business Models – III The Customer Interface	• Rayport and Jaworski (2001) Chapter 4 • First Direct (Rayport and Jaworski, 2001)
8	10th September	Understanding and Developing e-Business Models – IV Business Model Appraisal	• Afuah and Tucci (2001), Chapter 5 • Applegate and Collura (2000) Crafting E-Business Models • First Direct (Rayport and Jaworski, 2001)
9	17th September	e-Business Strategy: Organisational Implications – Core Processes in the Value Chain	• Rayport and Jaworski (2001) Chapter 9 • Afuah and Tucci (2001) Chapter 6 • Kalakota and Robinson (2001), Chapter 5 • Dushkin Readings 9-11
	24th September	**RECESS**	
10	1st October		*There are no classes or assigned readings for this week.*
11 **Assignment 2 due 8/10 6pm**	8th October	Implementation of e-Business Models – Innovation	• Rayport and Jaworski (2001), Chapter 6 • Weill and Vitale (2001) Chapter 13
12 **Syndicate presentation**	15th October	Implementation of e-Business Models - Enterprise Capabilities	• Means and Schneider (2000), Chapter 3 • Applegate and Collura (2000) Developing E-Business Capabilities
13 **Syndicate Presentation**	22nd October	Performance Monitoring and Appraisal	• Rayport and Jaworski (2001) Chapter 7
14	29th October	Valuation	• Afuah and Tucci (2001), Chapter 7 • Rayport and Jaworski (2001), Chapter 8 • Tom.com (Rayport and Jaworski, 2001)

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Guidelines for Allocating Class Contribution Marks (10%)

Each student will be assigned a contribution mark ranging from 0 to 10. No fractional marks will be assigned. The following guide will be used when assigning contribution marks. Contribution marks will be finalised in Week 14.

MARK	GUIDE
0	• has failed to meet the 80% attendance requirement ie, 10 complete seminars.
1-2	• has satisfied the attendance requirement but has not contributed to class activities
3-4	• has satisfied the attendance requirement and has participated in team activities within the class room
5-6	• has satisfied the attendance requirement, participated in team activities and contributed to class room discussions
7-8	• has satisfied the attendance requirement, participated in team activities, contributed to general class room discussions in particularly relevant and constructive ways
9-10	• has satisfied all the above and has demonstrated excellence in their

	contribution to the dynamics of the course

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Essay (20%)

Week 7 (Deadline: Monday, September 3 at 6:00pm)

"A company is not transformed simply because it creates a website; that might be only a cosmetic change. Success requires a more complete makeover, namely, rethinking the model for how to organise the work of the whole organization. It requires challenging traditional assumptions about relationships with customers, internal and external communication, decision making, operating style, managerial behaviour, employee motivation and retention-and then defining a new way. That's a human problem, not a technological one."

(Kanter, Rosabeth Moss, (2001) : e.Volve – Succeeding in the Digital Culture of Tommorrow, Harvard Business School Press, Chapter 3: Lipstick on a Bulldog- Why Cosmetic Change Doesn't Work, p.72.

Required:

Discuss and critically evaluate Kanter's statement regarding "offline" enterprises ('bricks and mortar') endeavouring to establish "on-line" strategies (to become 'clicks and mortar' enterprises). Use contemporary literature on Business Strategy and e-Business as well as examples to support your evaluation. Consider such areas of enterprise functioning as culture, structure and motivation and control systems.

(An upper limit of 2000 words applies. Diagrams are permitted where used appropriately to illustrate connections between concepts addressed in the essay.)

Additional References on Managing Change in Established Enterprises:

Johnson, G. and Scholes, K., Exploring Corporate Strategy: Text and Cases, 5th Edition, Prentice-Hall 1999. Chapter 1: Corporate Strategy: An Introduction and Chapter 11: Managing Strategic Change.

Weill, Peter and Vitale, Michael R. (2001): Place to Space- Migrating to e-Business Models, Harvard Business School Press, Chapter 1 The e-Business Revolution.

Faulkner, Matthew and Means, G.E., Strategic Innovation in the New Economy, *The Journal of Business Strategy*, May/June, 2000, Vol. 21 (3), pp.25-29.

Markides, C., "Strategic Innovation in Established Companies." *Sloan Management Review*, Spring, 1998, pp.31-42.

Submission Details:

- A hardcopy of the essay is to be submitted by 6.00 pm on Monday 3rd September. It is to be submitted to essay box marked for the course under the School of Accounting Notice Board (on the first floor of the Quadrangle Building) or to room 3117 in the Quadrangle building. Any essays received after this time will be considered late and subject to the penalty described in the course outline. Last minute printing difficulties will not constitute an adequate excuse for lateness.

- Each student must keep a copy of their work.

- The title page should clearly indicate the name of your seminar leader and the time and location of your class.

- All essays must be word processed. The use of in-text referencing is preferred. Footnotes should be reserved for points of clarification. The use of appendices for the essay is not permitted.

- Please note, elaborate binding and plastic covers are not permitted. Please staple your work in the top left hand corner only.

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Syndicate Case Study (20%)

Week 11

The case study is to be based on companies competing in the e-Business arena in either the B2B or B2C modes.

Required: (2,500 words excluding executive summary, tables, diagrams, bibliography, and appendices)

Based on your syndicate's choice of one of the pairs of enterprises below. Compare, analyse and evaluate the approach of each enterprise against the following criteria:

- Customer Value
- Scope
- Price
- Revenue Source
- Connected Activities
- Implementation
- Capabilities
- Sustainability

(Criteria from Afuah and Tucci, (2001) Chapter 4: Components of a Business Model)

Note: The comparative evaluation and analysis should highlight and summarise the strengths and weaknesses of each enterprise across each of the criteria listed. It should form the basis of the recommendations to be presented in the Syndicate Presentation (ie do not include the recommendations in this part of the assignment.)

Choose one of the following pairs and examine their online business activities as indicated above:

1. Securities Broking: Commonwealth Securities (Comsec) and J B Were.

2. Travel and Accommodation: Harvey World Travel and Flight Centre
3. Retail Groceries: Woolworths.com and Dstore
4. Airlines: QANTAS and Ansett
5. Retail Banks: Commonwealth Bank of Australia and National Bank of Australia
6. B2B Purchasing Centres: corProcure and Ventro's Chemdex (See Rayport & Jaworski and Afuah & Tucci-Case 4: Verticalnet: The New face of B2B)

Submission Details:

- A hardcopy of the case study is to be submitted by 6.00pm on Monday 8th October. It is to be submitted to the essay box marked for the course under the School of Accounting Notice Board (on the first floor of the Quadrangle Building) or to room 3117 in the Quadrangle building. Any assignments received after this time will be considered late and subject to the penalty described in the course outline. Last minute printing difficulties will not constitute an adequate excuse for lateness.

- Each syndicate must keep a copy of their work.

- The title page should clearly indicate the name of your seminar leader and the time and location of your class as well as the names and student numbers of each syndicate member.

- All case studies must be word-processed. The use of in-text referencing is preferred. Footnotes should be reserved for points of clarification. The use of appendices must be kept to a minimum.

- Individual marks will be based on the attached marking scheme (see over).

- Please note, elaborate binding and plastic covers are not permitted. Please staple your work in the top left hand corner only.

Peer Evaluation Marking Scheme

In order to provide an opportunity for substantial individual contributions to team performance to be rewarded the following marking scheme is proposed.

STEP 1: The case will be marked and awarded a mark out of 20 (for illustrative purpose only).

STEP 2: Each student will provide their seminar leader with a **rating** of their own contribution and their assessment of the individual contribution of each of the other members of their syndicate. This will be a score out of 10 that reflects the amount and quality of the effort made by each of the syndicate members.

STEP 3: The ratings provided by each team member will be collated, averaged and converted to a percentage out of 100 to determine the proportionate contribution of each team member to the team result.

STEP 4: Half the total mark out of 20 will be credited to each student in the group.

STEP 5: The other half of the total mark will be multiplied by the number of members in the team and placed in a pool.

STEP 6: The pool will be allocated back to each team member based on the calculation of the proportionate contribution made by each team member.

STEP 7: The two marks determined in STEPS 4 and 6 will be added to give each student's grade for the Case.

The following example will illustrate the calculation of marks.

STEP 1:
A five member group receives a mark of 14 out of 20 for the case.

(NOTE: For steps 2 to 6 all calculations will be rounded to 1 decimal place)

STEP 2:
The individual ratings (out of 10) from each member average as follows:

Simone		8
Tran		10
John		6
Zoe		10
Angelina		6
	Total	40

STEP 3: RELATIVE CONTRIBUTION

Simone	8	= 20%
Tran	10	= 25%
John	6	= 15%
Zoe	10	= 25%
Angelina	6	= 15%
		100%

STEP 4:

Simone	7
Tran	7
John	7
Zoe	7
Angelina	7

STEP 5: Pool of Marks

5 (group size) x 7 marks = 35 marks

STEP 6: RELATIVE POOL OF MARK CONTRIBUTION

Simone	8	= 20%	35	7
Tran	10	= 25%	35	8.75
John	6	= 15%	35	5.25
Zoe	10	= 25%	35	8.75
Angelina	6	= 15%	35	5.25
		100%		**35**

STEP 7:	STEP 4 MARK	STEP 6 MARK	**TOTAL MARK**
Simone	7	7	**14**
Tran	7	9	**16**
John	7	5	**12**
Zoe	7	9	**16**
Angelina	7	5	**12**

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SYNDICATE PEER EVALUATIONS

A copy of this form is to be submitted with your case submission in Week 11. It is to be placed inside an envelope and attached to the syndicate submission.

NAME: ______________________________

ID: ______________________________

SIGNATURE: ______________________________

Please provide a mark out of 10 for each member of your syndicate, including yourself, which reflects the relative contribution of each member.

Syndicate Member	Student ID	Mark out of 10
1. Insert **your** name here.		
2.		
3.		
4.		
5.		

Any other comments about syndicate performance that may be relevant to the marker:

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Presentation and Portfolio (10%)

Every syndicate is required to make a presentation, based on their case study enterprise in class **in week 12 or week 13.**

Required:

Each syndicate must make a 15 minute presentation (12 minutes for presentation and 3 minutes for questions) on **one** of the enterprises studied. In particular, you are to assume the role of a consultant (internal or external). Your presentation is to be pitched to the senior management of the enterprise. The purpose of your presentation is to provide a series of recommended changes and improvements to the e-Business strategy and business model pursued by the enterprise. The aim is to help enhance the competitive position of the enterprise. Your presentation is to be to the senior management of the enterprise and should outline the rationales for your recommendations. You are to prepare a portfolio for senior management as a record of your presentation. (The portfolio is to be brief and will include a one page overview of your presentation and a copy of your overheads only.)

Five marks will be assigned for the content, quality, clarity, effectiveness and time-management of the 15 minute presentation, in addition to your responses provided to any questions asked. The remaining five marks will be assigned to the management portfolio.

Each member of the syndicate will receive the same mark. It is up to each syndicate to make the best use of its combined talents (i.e., some may be better doing the talking, others have strong design or content talents etc.) Marks will be made available to each syndicate at the completion of the seminar.

Resources:

If you require any resources, other than the boards and overhead projectors provided in the classroom, it is your responsibility to arrange these. Staff will NOT make data projectors available to students for this task.

Submission Details:

Your portfolio is to be submitted prior to the commencement of your presentation. Your seminar leader will allocate a particular time for your presentation during the regular class time in week 11.