University of NSW, School of Accounting,
ACCT 3585, E-Business Strategies and Processes
Course Outline, Session 2, 2003

Course Status

This is an option course offered by the School of Accounting within the Bachelor of Commerce or Bachelor of Economics degree. In order to enrol in this course, the following pre-requisite must have been satisfied – ACCT 2522 Management Accounting: Process Improvement and Innovation OR ACCT 2532 Management Accounting: Process Improvement and innovation (Honours).

Course Overview

Innovations in information technologies are enabling organizations to conduct business in radically different ways – electronic business is becoming ubiquitous, embedded in the way organizations do business. The commercialisation of the Internet has been a fast moving and global phenomena, impacting national economies, existing organizations and facilitating the growth of innovative new companies.

The course seeks to identify and assess the role of Internet based technologies on the economy and the impact that investments in these technologies are having on industries and companies as they compete in global markets. Major reports and case studies will enable students to evaluate the impact of the technologies and challenge popular perception that the crash of the Tech Boom has seen the end of Internet applications. Students will evaluate the trends and assess the role of e-business in enhancing productivity, increasing competition and creating and in some cases destroying value. The course will review the trends within, the United States, Europe and Asia. The ability of students to analyse strategic trends, and identify threats and opportunities will be developed.

Case studies will facilitate discussion of the strategic challenge the new technologies present to established companies. The course will discuss the emergence of electronic businesses. It will also analyse the application of web technologies to key processes across the value chain. It will review the application and integration of web based technology on core processes such as Customer Relationship Management, Enterprise Resource Planning and Supply Chain Management. Case studies will also be used to evaluate the issues involved in the development and management of value nets. The challenges of managing partnerships and other new business models will be discussed. The emphasis throughout will be on understanding the business challenges inherent in implementation of these new business models and the critical role of developing new capabilities.

And of course the Internet start up companies, surrounded by the hype of the 'Tech Boom" provide fertile ground for analysis of the experimentation that occurred with new business models. Case studies will provide the basis for evaluation of the effectiveness of some of those models, such as e-tailer and third party market place and provide insights into how some of these models have been integrated into current business practices.

The emphasis of the course is on understanding the strategic opportunities created by the development of networked technologies and the building of the operational and organisational capabilities to create business advantage. The aim will be to develop student's understanding of the management challenges involved in developing new organisational structures and building the organisational and team capabilities to deliver sound business outcomes in an increasingly competitive, global world.

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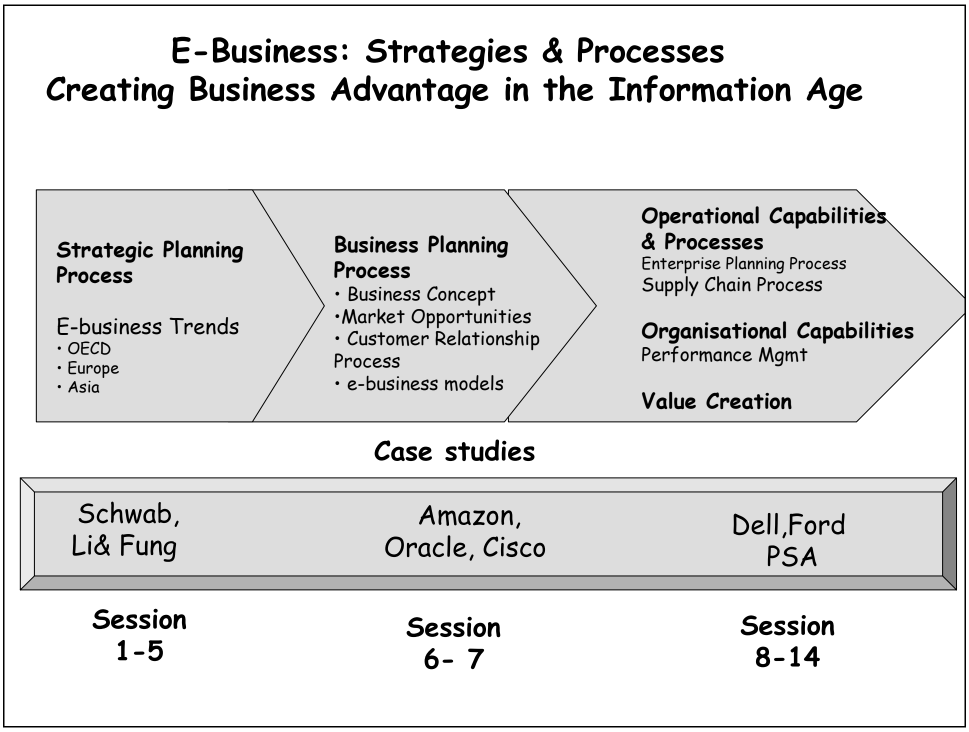
Classes: Monday, 6 to 9pm Room Quad GO 31 Tuesday 9 – 12 am Room AS GO1 **Consulting Hours:** Monday: 5 – 6pm Tuesday 12am – 1pm	**Course Co-ordinator** **Joan Ford** Room: QUAD 3113/ 3083 **Contact:** 9387 2419 - Business Hours Fax: 9389 2686 joanford@ozemail.com.au

Text:

Applegate, L.M., Austin, R.D., McFarlan, F.W, Creating Business Advantage in the Information Age, Mc Graw Hill, 2002.

Additional reading materials are available at the University Co-op Book Shop.

Course Overview:



Course Outline

Session 1: Week of 28th July
Introduction to E-Business Strategies and Process-
Building Information Age Businesses

Session 2: Week of 4th August
Strategic Planning Process
Market Forces
Emergence of Networked Technologies

Session 3: Week of 11th August
Strategic Planning Process
Impact of e-Business on OECD Countries
Case Study: Charles Schwab Corporation, Part 1

Session 4: Week of 18th August
Strategic Planning Process
Impact of e-Business in Europe
Case Study: Charles Schwab Corporation, Part 2

Session 5: Week of 25th August
Strategic Planning Process
Impact of e-Business in Asia
Case Study: Li & Fung

Session 6 & 7:Week of 1st September
Business Planning Process
Business Concept – The Market Opportunity
Customer Relationship Process
Case Study: Amazon.com,

Session 7: Week of 8th September
Business Planning Process
Business Concept – The Market Opportunity
Customer Relationship Process
Case Study: Amazon.com,

Session 8: Week of 15th September
Building Operational Capabilities
Enterprise Resource Planning Process
Case Study: Oracle Corporation

Session 9: **Week of 22nd September**
Building Operational Capabilities
E-business Models - Crafting Value Webs
Enterprise Resource Planning Process
Case Study: Cisco Systems Architecture: ERP and Web-Enabled IT

Mid Session Break: 27th Sept – 6th October

Session 10: **Week of 6th October - Long Weekend**

Session 11: **Week of 13th October**
Building Operational Capabilities
Inbound and Outbound Supply Chain Processes
Case Study: Ford Motor Company: Supply Chain Strategy
Case Study: Dell Computer

Session 12: **Organisational Capabilities and Processes**

Session 13: **Week of 27th October**
Capstone Case Study
Case Study: PSA: The World's Port of Call
World Class Transportation and Materials Handling Company

Session 14 **Week of 3rd November**
Revision

Examination Period **15th November – 3rd December**

Assessment:

Class Participation:	10%
Individual Assignment:	20%
Group Assignment:	20%
Examination:	50%

Class Participation: 10%

Each student will be required to:

1. Prepare for, participate in and attend 80% of all seminars.

2. Lead Groups
    a. Groups of 4 should be formed.
       (Assumptions: 40 students = 10 groups x 2 presentations = 20 presentations for semester
       No more than 2 groups per week

    b. Lead groups will be responsible for inputs into two sessions throughout the semester – leading discussion groups, providing summary of material and making short presentations – presentations to be no longer than 15 minutes – 5-8 power point slides (Skills to be demonstrated – team work, group facilitation, development of quality power point presentations and presentation skills).
    c.
       - Select one **Reading**.
       - Select one ***Case Study***.
       - Presentations to be handed in for assessment (10 marks)

Individual Assignment 20%: Due Session 8 Week of 15th September

2000 words

Based on the readings and case studies from Weeks 1 to 8 argue the point that "e-business is revolutionary not evolutionary".

Group Assignment: 20%: Due Session 12 Week of 20th October

2500 word assignment

Innovations in information technologies are enabling organizations to conduct business in radically different ways – electronic business is becoming ubiquitous, embedded in the way organizations do business.

Choose two prescribed case studies and compare and contrast the way in which they have used e-business to conduct their business in radically different ways.

Examination: 50% - 3 hours - 4 questions

Session 1: Week of 28th July
Introduction to E-Business Strategies and Process
Building Information Age Businesses

Outcomes:

- Overview of Course
- Overview of market forces and emergence of networked technology
- Resources
- Participant Introductions
- Form Groups. Assign group work

Session 2: Week of 4th August
Strategic Planning Process
Market Forces
Emergence of Networked Technologies

Reading:

Applegate, Austin & McFarlan, Creating Business Advantage in the Information Age, Module 1, The Challenges of Managing in the Information Age, pp. 31 -42.

Outcomes:

- Input on key concepts by lecturer– Overview of e-Business
- Input on case study analysis

- **2 Lead Group Summary Presentations (10 minutes, 5 power point slides)**

- Outline key concepts in Applegate, Austin & McFarlan, Creating Business Advantage in the Information Age, Module 1, The Challenges of Managing in the Information Age, pp. 31 – 42

Session 3: Week of 11th August
Strategic Planning Process
Impact of e-Business on OECD Countries
Case Study: Charles Schwab, Part 1

Reading:

OECD Information Technology Outlook, ICTs and the Information Economy, OECD, 2002 - Overview

Case Study:

Charles Schwab Corporation, Case 1-1, Applegate, Austin & McFarlan, Creating Business advantage in the Information Age, pp. 4-23.

Outcomes:

- Input on key concepts by lecturer
- Input on case study analysis

- **2 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**

- Outline the key findings of the OECD Information Technology Outlook, ICTs and the Information Economy, OECD, 2002

- Case Study: Charles Schwab – Cover such issues as:
  a. Overview of the case study Charles Schwab Corporation.
  b. Outline the changes in strategy at Schwab during its history.
  c. What is the critical issue facing Schwab as a result of the emergence of the Internet.
  d. Do a strategic scan illustrating the market forces impacting on Schwab in 1996.
  e. What are its options and the financial implications of each option?

Session 4: Week of 18th August
Strategic Planning Process
Impact of e-Business in Europe
Case Study: Charles Schwab Corporation, Part 2

Reading:

Accenture, The Unexpected e-Europe, October, 2001 Summary pp 1-10

Case Study:

Charles Schwab Corporation, Case 1-2, Applegate, Austin & McFarlan, Creating Business advantage in the Information Age, pp. 23-29.

Outcomes:

- Input on key concepts by lecturer
- **2 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**
    - Outline the key findings of the Accenture Report
    - Case Study: Part 2 of the case study Charles Schwab Corporation. Cover such issues as:
        a. What is the strategic decision made in 1996?
        b. What customer, operational or organisational changes had to be made as a result of the strategic decision?
        c. What new operational and organisational capabilities were built as a result of the strategic decision?
        d. What are the financial impacts of the decision?
        e. What is Schwab's financial position today?

Session 5: Week of 25th August
Strategic Planning Process
Impact of e-Commerce in Asia
Case Study: Li & Fung

Reading:

Boston Consulting Group, Arming for E-Combat in Asia Pacific: The New Rules of Engagement, Feb. 2001

Case Study:

Li & Fung, Case 1-3, Applegate, Austin & McFarlan, Creating Business Advantage in the Information Age, pp. 73 - 91

Outcomes:

- Input on key concepts by lecturer

- **2 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**

    - Outline the key arguments presented in the BCG report on Asia/Pacific countries?

    - Case Study: Li & Fung. Cover such issues as:
        a. Outline the case study
        b. Outline the key strategic developments made by Li & Fung during its history.
        c. What strategic changes does it make as a result of the emergence of e-business
        d. What are the operational capabilities required to conduct its business?
        e. What are the new operational capabilities required as a result of their e-business initiatives?
        f. What is mean by an e-market place/auction site?
        g. What is Li & Fung's financial position today?

Session 6 & 7:Week of 1st September and September 8th
Business Planning Process
Business Concept – the Market Opportunity
Customer Relationship Process
Case Study: Amazon, Part 1

Readings:

Applegate, Austin & McFarlan, Creating Business Advantage in the Information Age, Module 2, Building Information Age Businesses, pp.93 -99.

Rayport, Jeffery F. & Jaworski, Bernard J. e-Commerce, Chapter 2, " Framing the Market Opportunity, pp 25 - 66

Reichheld, FF & Schefter, P, "E-Loyalty: Your Secret Weapon on the Web", HBR, July, 2000

Case Study:

Rayport, Jeffery F. & Jaworski, Bernard J. Cases in e –Commerce,
Amazon A pp 1-35

Outcomes:

- Input on key concepts by lecturer
- **3 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**
  - Outline the key arguments presented by Rayport & Jaworski in "Framing the Market Opportunity"
  - Outline the key arguments presented by Reichheld, FF & Schefter, P, in "E-Loyalty: Your Secret Weapon on the Web"
  - Case Study: Amazon.com. Cover such issues as:
    a. Outline the business concept developed by Amazon.com.
    b. What was the value proposition?
    c. What was the market opportunity?
    d. How did the business concept evolve?
    e. What are the operational capabilities required to conduct its business?
    f. What were the key operational processes?
    g. What was the technological infrastructure developed?

Session 8: Week of 15th September
Building Operational Capabilities
Enterprise Resource Planning Process
Case Study: Oracle

Reading:

Kalakota, R & Robinson, M. E-Business 2.0, Road Map for Success, Addison Wesley, 2001, Chapter 8, "Building the e-Business Backbone: Enterprise Resource Planning", pp 239-270.

Case Study:

Oracle Corporation, HBR, 2000

Outcomes:

- Input on key concepts by lecturer
- **2 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**
- What is an ERP? Outline the key concepts discussed in Kalakota, "Building the e-Business Backbone: Enterprise Resource Planning".
- Outline the case study Oracle Corporation. Cover such issues as:
  a. Outline the key issues raised by the case study – who is Oracle, how has it evolved.
  b. What is the strategic importance of the development of an internet-enabled complete product set?
  c. What were the critical steps involved in Oracle becoming an e-business?
  d. What was the leadership style used to bring about change?
  e. What was the business model?
  f. Identify the key organisational changes introduced?
  g. What is the significance of the Oracle University – what is its strategic importance, how is it organised, how has it become a revenue creator?
  h. Discuss the significance of the standardisation of key processes.
  i. What were the financial implications of becoming an e-business – both internally in terms of cost savings and in terms of revenue growth?
  j. What is Oracle's financial position today?

Session 9: Week of 22nd September
Building Operational Capabilities
E-business Models – Crafting Value Webs
Enterprise Resource Planning Processes
Case Study: Cisco Systems Architecture: ERP and Web-Enabled IT

Case Study:

Cisco Systems Architecture: ERP and Web-Enabled IT, Case 4-3 in Applegate, Austin & McFarlan, Creating Business advantage in the Information Age, pp. 4-29.

Carter, L "Cisco's Virtual Close", HBR, April 2001

Outcomes:

- Input on key concepts by lecturer

- **2 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**

- Outline the case study Cisco Systems Architecture: ERP and Web-Enabled IT. Cover such issues as:
  a. Outline the key issues raised by the case study – who is Cisco, how has it evolved.
  b. What is the strategic importance of the development of the Cisco Systems Architecture: ERP and Web-Enabled IT.
  c. What is the business model?
  d. What are the core processes and how do they interface?
  e. Discuss the significance of the standardisation of key processes.
  f. What were the financial implications of becoming an e-business – both internally in terms of cost savings and in terms of future growth strategies?
  g. How did Cisco build its e-business capabilities?
  h. Outline the key ideas in Carter, L "Cisco's Virtual Close"
  i. What is Cisco's financial position today?

Mid Session Break: 27th Sept – 6th October

Session 10: Long Weekend

Session 11: Week of 13th October
Building Operational Capabilities
Inbound and Outbound Supply Chain Processes
Ford Motor Company: Supply Chain Strategy
The Power of Virtual Integration: An Interview with Dell Computer's Michael Dell

Reading:

Kalakota, R & Robinson, M. E-Business 2.0, Road Map for Success, Addison Wesley, 2001, Chapter 9, Implementing Supply Chain Management and e-Fulfilment pp 271-306
.

Case Study:

Case 3-3, Ford Motor Company: Supply Chain Strategy pp 500 – 506

Reading 3-3 The Power of Virtual Integration: An Interview with Dell Computer's Michael Dell pp 507 – 518

From Applegate, Austin, McFarlan, Corporate Information Strategy and Management, 6th Edition, McGraw-Hill Irwin, 2003,

Outcomes:

- Input on key concepts by lecturer

- **3 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**

- Outline the key ideas in Kalakota, R & Robinson, M. Chapter 9, Implementing Supply Chain Management and e-Fulfilment pp 271-306

- Outline the case study Ford Motor Company. Cover such issues as:
  a. Outline the strategic issues raised by the Case Study?
  b. What are the changes that are proposed for its Supply Chain Processes?
  c. What are the performance measures that need to be achieved?
  d. Could Ford emulate the Dell Business Model?

- Outline the case study Dell Computer. Cover such issues as:
  a. Outline the key issues raised by the case study – the business model, virtual integration, asset management, relationship with suppliers, JIT etc
  b. What are the critical components of its Customer Relation ship Management, product/service development, customer segmentation
  c. What are the critical organisational capabilities?
  d. What are the financial results – in the case study and today?

Session 12: Week of 20th October
Organisational Capabilities & Processes

Reading:

Applegate, Austin, McFarlan, Corporate Information Strategy and Management, 6th Edition, McGraw-Hill Irwin, 2003, Chapter 3, Building Networked Businesses, pp 227 - 261

Outcomes:

- Input on key concepts by lecturer

- **2 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**

- Outline the key concepts in Applegate, Austin, McFarlan, Corporate Information Strategy and Management, 6th Edition, McGraw-Hill Irwin, 2003, Chapter 3, Building Networked Businesses, pp 227 – 261

- Using the model developed by Applegate et al. review two case studies we have studies this session and outline the key organizational capabilities needed/developed in the case studies.

Session 13: Week of 27th October
Capstone Case Study
Case Study: PSA: The World's Port of Call
World Class Transportation and Materials Handling Company

Case Study:

PSA: The World's Port of Call, Cases 2-2, Applegate, Austin, McFarlan, Corporate Information Strategy and Management, 6th Edition, McGraw-Hill Irwin, 2003, pp 313 - 341

Outcomes:

- Input on key concepts by lecturer

- **1 Lead Group Summary Presentations (10 - 15 minutes, 5-8 power point slides)**

- Based on the work covered during the semester
- Outline the case study PSA, The World's Port of Call. Cover such issues as:
  a. Outline the key strategic issues raised by the Case Study – strategic options, risks and opportunities, competition.
  b. What is the Business Model?
  c. How did they build their operational capabilities?
  d. What were the performance outcomes?
  e. How did they build their organisational capabilities?
  f. How effective were they?
  g. What were some of the key operational and organisational performance metrics?
  h. In terms of value creation how effective was the business?
  i. How effective is PSA today?

Session 14 Week of 3rd November
Revision

Examination Period **15th November – 3rd December**