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Information Systems Strategy and Management

BUSINESS INFORMATICS STRATEGIC MANAGEMENT



EVROPSKÁ UNIE Evropské strukturální a investiční fondy Operační program Výzkum, vývoj a vzdělávání





Sample Metrics	Focus on	Impacting
- Total revenue - Revenue per employee - Profit - Asset value	on what object Organization's economics	Business
 Process cost Output product/service price Product/service quality Speed of response to customer requirements 	Business process	
- Service scope - Service volume - Service quality - Service price	ICT service	
 Application implementation period Acquisition and implementation costs Application operating costs 	Application architecture	
 System Availability Response time Transaction costs End station costs 	Technological architecture	іст

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Figure 10-1 Potential business informatics orientations - (Voříšek k., 2015)

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However, the aforementioned facts do not mean that projects focusing on technology innovation and business informatics management cannot bring economic effects. For example:

- Innovation of ICT processes, using ITIL, CobiTu or ITGPM can improve the quality and performance of ICT processes, reducing ICT service delivery time and increasing their quality,
- ICT consolidation focused on reducing the number of heterogeneous used platforms, database systems, and operating systems may reduce software license costs and costs of managing these resources,
- simplifying the application architecture may



Table 1. Three Conceptions of IS Strategy Identified from IS Literature						
Conception: IS strategy as		the use of IS to support business strategy	the master plan of the IS function	the shared view of IS role within the organization		
Differences in the definition of IS strategy (or the questions answered by the IS strategy) applying Mintzberg (1987)'s Ps.		Position : For a chosen business strategy, how can IS be used to support business strategy/gain and sustain the targeted competitive advantage?	Plan : What IS assets (IS staff, IS process, infrastructure, applications, IS budget) are required and how to allocate the existing ones efficiently?	Perspective : What is our view towards IS within the organization?		
Assumptions related to the IS strategy development process	Starting point when developing IS strategy	A chosen business strategy	The IS function	The managerial attitude toward IS		
	Standpoint taken when developing IS strategy	Business-centric	IS-centric	Organization-centric		
	Relationship between IS and business strategy	IS strategy is developed as an inherent part of the business strategy. IS strategy is not a strategy in its own.	IS strategy is developed in isolation from business strategy. IS strategy is viewed as functional level strategy.	IS strategy can be devel- oped separately from the business strategy. IS strategy is an organiza- tional level strategy.		
Assumptions related to the IS strategic impact	Desired impact of IS strategy	Ensure business strategy is implemented and the desired strategic position of a business is achieved.	Identify IS assets require- ments; ensure required assets are retrieved and effectively allocated.	Provide a shared under- standing across the organization to guide subsequent IT investment and deployment decisions.		
Assumptions related to IS/business strategic alignment		Intrinsic <i>a priori</i> alignment	<i>Ex post</i> alignment	Dynamic alignment		

Three Conceptions of IS Strategy, (Chen & Teubner, 2010)



Conceptual Model and Information Strategy Structure



Figure 10-2 Information strategy development conceptual model - (Voříšek k., 2015)



Information Strategy Structure

The information strategy conceptual model (IST) per the MMDIS methodology defines the IST creation process. It becomes clear from the diagram that the IST creation features its three main groups of activities:

- Description and evaluation of the current IS/ICT state,
- Definition of the IS/ICT target status,
- Suggested path of transformation of the current
 state into the target one.



Business Informatics Strategic Management Process



Figure 10-3 Business informatics strategic control process -

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(Voříšek k., 2015)

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Strategic Management Process

IST Planning

The first stage is the information strategy plan development. The plan includes as follows:

- Specification of the solution content and depth-
- specification of the IST timeframe, i.e., period covered by the information strategy,
- proposed solution organization team
 composition, definition of responsibilities and
 authorities of the solvers, determination of
 working conditions,
- setting a strategy development timetable.



Strategic Management Process

Receipt of the GST Conclusions and their Verification

- The second stage is to take over the global strategy results and verify them from the IS/ICT perspective.
- During this stage, global business strategy documents get analysed (global strategy objectives, business development programs, SWOT analysis, BSC, RPF, etc.) and identified by factors that will require specialized or extensive information support or will affect IS/ICT operations.



Strategic Management Process Business Informatics, its s, and Summary of IS/ICT

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Analysis of Business Informatics, its Surroundings, and Summary of IS/ICT Requirements

The third stage of the strategic management process focuses on the analysis of business informatics its significant surroundings, and summary of all the IS/ICT requirements. This stage consists of seven sub-steps:

- Analysis and evaluation of the IS/IC trend.
- IS/ICT competition analysis.
- Analysis of IS/ICT business partners.
- Analysis of products, services, and information available on the ICT market.
- Analysis of corporate culture, maturity of business
- Analysis and evaluation of the current TS/T(T status.



Strategic Management Process the Business Informatics

Definition of the Business Informatics Target State

The fourth stage of the strategic management process is the definition of its target state over two to three years. The stage features six steps:

- Formulation of vision and business informatics objectives.
- Proposed global IS/ICT architecture, i.e. ICT services architecture design.
- Proposed IS/ICT sourcing.
- Design principles for IS/ICT development and operation.
- Proposal approval.
- Projection of global architecture into sub "architectures.