PEPPERDINE UNIVERSITY
THE GEORGE L. GRAZIADIO
SCHOOL OF BUSINESS AND MANAGEMENT

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MBFE 654.45

Weekends

INFORMATION and PROCESS SYSTEMS

Spring, 2004

ORANGE COUNTY

11/17/03
INFORMATION and PROCESS SYSTEMS  654.45

Weekends  1,9-10; 1, 30-31; 2,13-14;  3,5-6;  3,26-27

Orange County

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Course Description

This course focuses on the relationship between process analysis and information systems in creating significant productivity improvements. Emphasis is on the management challenge to recognize how process enabling information technology offers opportunities to enhance the firm’s competitive position, and the more complex issue of implementing these new systems. Emphasis is on the impact of the Internet on this process.

This course will also analyze the role of information systems in supporting and integrating the various activities in the firm’s virtual value chain with emphasis on supply chain management concepts. Students will have an opportunity to evaluate an IT opportunity in their Integrating Module.

This is a case based course requiring thorough preparation for class discussion and written case analyses. Study groups are strongly recommended.

Extensive use of collaborative technology will be employed. All students will be expected to be proficient in email and Internet usage.

Guest experts will also be scheduled.

Course Objective

To develop an in-depth understanding of the managerial issues in leveraging information technology to strengthen a firm’s competitive position.
Course Materials*

1) TEXTPAK of cases and readings from Study.Net

*MATERIALS FOR SESSION 1 WILL BE MAILED TO YOU by mid-DECEMBER. COMPLETE COURSE MATERIALS WILL BE PURCHASED ON-LINE. YOU ARE RESPONSIBLE TO BE PREPARED FOR THE FIRST SESSION. No written deliverables for first session.

Grading

Grading will be based on 100 points allocated as follows:
Class participation (QUALITY, not quantity) 35
written analysis #1=10
written analysis #2=10
written analysis #3=30
oral team presentation=15

A (100-95)  A-(94-89)  B+(88-83)  B(82-78)

Papers are due at the beginning of class. Late papers will carry an automatic 10% point penalty.

Attendance Policy

Students are expected to attend all assigned classes. Absences require permission of the instructor. All absences will require make-up assignments and students are responsible for material presented during their missed session.

Conduct

GSBM students are expected to respect personal honor and the rights and property of others at all times. The University rules on conduct can be found starting on p.207 of the current GSBM catalog. Additionally, students with disabilities are encouraged to familiarize themselves with page 31 of the catalog.
WEEKEND I January 9,10

PROCESS ANALYSIS and IT INTEGRATION

NOTE: Content for this session will be mailed by mid-December.
BE PREPARED for first session!

“The Use of Cases in Management Education” will be helpful to understand the teaching methodology employed in the course.

Course Readings: These readings provide a foundation for understanding a number of the concepts and issues in the course. Read them thoroughly before our first session and again from time to time throughout the course.

1) The Dynamic Synchronization of Strategy and Information Technology
2) Managing in an Information Age
3) The Implications of Information Technology Infrastructure for Business Process Redesign

Block I Overview

Case: Rich-Con Steel

How did Rich-Con end up with the chaos created by their new information system? What advice would you give to Marty Sawyer?

Block II The Process of Process Analysis

This block will examine the challenge of selecting appropriate processes whose redesign may enhance productivity.

Readings: 1) “Decoding the DNA of the Toyota Production System”
2) Process Improvement Template
Case: Deaconess-Glover Hospital (A)

What do you think Carter recommended to Deaconess’ management? How do you think they reacted? What are the “Toyota DNA” elements in his plan? What barriers would you foresee in applying the Process Improvement Template to processes with which you are familiar?

NOTE: Assignment of Internet companies. (see supplement). Time will be made available for team meetings.

Block III The Process/IS Integration Challenge

Review course readings: Focus on “Managing in an Information Age”

Case: Frito-Lay

Describe the processes that had to change for F-Lay to implement an effective IS? What were the organizational impacts? How did these changes provide FL a competitive advantage?

Case: State Street Bank

What forces drove SSB’s redesign? What role did information technology play? Why was this a successful transition?
Weekend II January 30, 31

The Process/IT Integration challenge (continued)

**NOTE:** Submit company management teams. Class time will be allocated for your presentation team meetings.

**Block I**

Written Analysis #1 (10/100 points. Maximum fifteen pages. Double-spaced, please.)

Cases: Providian Trust A and B

Compare management’s perception of the role of information technology in Providian to Frito-Laye’s same industry. What “processes” were being changed? Be very specific. What were the factors that led to making these changes? What led to SSB’s success and Providian’s failure?

Support your position with references from our readings to date.

**Block II  Enterprise Systems**

Reading: Note on ERP

Case: Vandelay Industries

What are the major hurdles for implementing an ERP system at Vandelay? What competitive advantage does R/3 provide? Is the $20 million dollar budget sufficient? How should Elaine Kramer react to George Hall’s call? What are the trade-offs in process improvement vs. a rigid ERP system?

Case: IBM Technology Group

What are the most important aspects of the Technology Group’s approach to ERP implementation? What would you do to leverage the Technology Group’s current IT capabilities? Is there another effort you might favor than the one described at the end of the case?
Reading: The Power of Virtual Integration

Case: Ford Motor: Supply Chain Management

Based on the “Power of Virtual Integration” reading what is the impact on Ford of the Internet and the concept of virtual integration? Is Dell a relevant comparison? What parts of Ford’s value chain can be enhanced by the Internet?

Reading: The Supply Chain Management Effect

Case: Quantum Corporation: eSupply Chain Management

What competitive forces are forcing Quantum to leverage IT resources? What are the pro’s and con’s of the group’s charter? Why does Quantum need and advanced planning and scheduling system? How should Quantum manage their MKE and eHITEX relationship?
The Internet Era

Readings: Strategy and the Internet-(focus on the value chain diagram).


NOTE: These are important foundation readings for the remainder of the course.

NOTE: Written analysis #2. (double spaced: maximum 15 pages) 10 points.

Case: FreeMarkets On-Line

What role does FreeMarkets play in supply chain management? How does FM create value for its customers? How does the Internet enable the FM model? How do you calculate a break-even point for FM? How would you answer Meakem’s questions about the direction for FM?

Support your position with references to appropriate readings to date.

Block II

Case: E-Commerce at William-Sonoma

Identify lessons that can be learned from W-S’s experience in implementing e-commerce. What is the value of the pilot projects? Recommend a course of action for Nandkeolyar.

Case: Alibris (A)

Evaluate the Alibris business model. How do they plan to leverage Internet technology? What are the technological risks they face? What course of action would you recommend to management?

Case: Moore Medical

What guidance would you give Autore on each of her IT investment opportunities? How would you analyze ROI on these alternatives? How does Moore reflect the impact of IT on operations? Be prepared to use exhibit data to support your position.

Block III Emerging Internet applications
Case: Syncra Systems

Describe in some detail the role Syncra’s product plays in enhancing its customers’ value chain. What specific role does it play in supply chain management? What are the barriers in implementing “alliance-IT” applications? Use case info and previous readings to support your position.
Review previous readings

NOTE: PRESENTATION TEAMS 1 and 2

Block I Emerging Internet applications (continued)

Reading: Note on Application Solution Providers

Case: Jamcracker

How does Jamcracker fit in the ASP space? Identify two or three critical challenges that Jamcracker must address. Why don’t all companies outsource their IT operations?

Case: Everdream

How does Everdream’s strategy relate to Jamcracker’s? What would be your concerns as a prospect for Everdream services?

Block III The Role of Knowledge Management in Designing IS

Readings: The Experts in Your Midst
Note on Knowledge Management

Based on Exhibit 1 do you know how KM processes work in your firm? How can “knowledge management” impact process redesign? What is the role of the IS function? Do you know any “experts”?

Case: Managing Knowledge and Learning at NASA and the Jet Propulsion Laboratory

What are the implications of “faster, better, cheaper” for knowledge management? What different kinds of risk are managers dealing with? How serious for JPL is the problem of knowledge loss through retirement? What role should IT play?

Case: Siemens ShareNet: Building a Knowledge Network

What are the KM issues for Siemens? What is your prognosis for its success? What role should IT play?

WEEKEND V
Final paper (#3) due at beginning of class. (double-spaced; maximum 20 pages; 30 pages.

Block I  Remaining Presentations

Discussion of final paper

Block II  Course summary

Case: GE’s Digital Revolution

How does GE’s Internet strategy reflect the issues we have discussed? How do their actions reflect the future of corporate organizations and the role of IT?

**Presentation assignment: Managing Internet Firms**
The Internet has created enormous opportunities for new ventures seeking to enhance business processes through Internet technology. We will study a number of these firms in depth through group projects.

The project has three primary objectives:

1) To develop an in-depth understanding of the Internet by examining a broad range of applications.
2) To integrate your learning from previous courses in analyzing a public company in the "information systems" industry.
3) To develop managerial presentation skills.

A secondary objective is to evaluate the use of the Internet in managing this project. You are urged to use the Internet for preparing the presentation particularly the Pepperdine Library On-Line document files.

1) The audience (our class) is a national conference of investment bankers.

2) \(x\) groups will be formed and assigned an early stage, public company for analysis.

A. The group should select three presenters: The CEO should provide the introduction; the VP Marketing should provide the product/operations info; and the CFO should provide the financials. The CEO should summarize with the outlook. Assume the roles and names of these individuals asap. Insure you have a continuous flow of information about your company during the semester. All members of the group will receive the same grade.

B. Presentations should emphasize:

- A description of the firm's position within the industry; and, most important, how the firm’s Internet technology enhances the customers’ processes.

a) A demonstration of the Company product and that of the primary competitor's. (Internet access will be provided)

b) Company's financials-as current as possible.

c) Your outlook for the future of the firm.

d) Presentations will be maximum 30 minutes-15 minute Q and A will follow.

Please provide a copy of your presentation, including URL's used in the research, to the audience upon completion.