Notes: MISP-WRY-Lecture-1

(Introduction to Strategy – MISP Course)

FAILURE TO PLAN IS PLANNING TO FAIL

In the Art of War, Sun Tzu said

“Go forth without having determined strategy and you will destroy yourself in battle.”

“When you can attack anywhere and defend everywhere, then your strategy is complete.”

STRATEGIC PLANNING – Setting the stage

(1) The business world today is considerably different and more complex than it was just a year ago. It seems like yesterday.

(2) Today we experience improving economies, rising interest rates, extensive outsourcing, a migration of work to developing countries, more attention to business ethics, ballooning budget deficits, continued globalization, rising unemployment, a European Union of twenty-four countries instead of twelve, and intense rivalry in almost all industries.

(3) E-commerce (electronic) too has changed the nature of business to its core. Then there comes M-commerce (mobile) and T-commerce (television).

(4) Thousands of strategic alliances and partnerships, even among competitors, have been formed in recent years.

(5) Hundreds of companies have declared bankruptcy and corporate scandals have highlighted the need for improved business ethics and corporate disclosure of financial transactions.

(6) Downsizing, right-sizing, reengineering, and countless divestitures, acquisitions, and liquidations have permanently altered the corporate landscape in the last few years.
(7) Thousands of firms have begun global operations and thousands more have merged.

(8) Thousands have prospered and yet thousands more have failed in the last few years.

(9) Many manufacturers have become e-commerce suppliers and long-held competitive advantages have eroded as new ones have formed.

(10) China has become the third country to send a person into space and the war on terrorism threatens the world's economic stability.

(11) Both the challenges and opportunities facing organisations of all sizes today are greater than ever.

(12) And the list goes on.

Thus, there is less room than ever for error in the formulation and implementation of a strategic plan.

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**STRATEGY**

The word and its derivatives are everywhere. The word is, of course, "strategy."

Its presence creates an aura of importance, commands respect and demands attention.

The variations to the word are:

- strategic,
- strategically,
- strategize,
- strategist,
- stratagem,
- strategies.

**What is strategy?**
**How does one create winning strategies?**
**Why do some succeed and others fail?**
**How do strategists think?**
**Why does strategy command such respect?**
Why does strategy deserve such an aura of importance?

INTERESTING QUOTES

(1) Strategic planning is a difficult subject to teach because in order to understand the whole you must first understand the parts; but to understand the parts, you must first understand the whole.

(2) After 20 years of experience, certainly there is no one best way to teach strategic management and planning, the capstone business administration course at almost all four year colleges and universities. Professors who teach this course supplement lectures with simulations, guest speakers, experiential exercises, class projects, and outside readings. Case analysis, however, is typically the backbone of the learning process in most strategic management courses. This course is sometimes called business policy, but case analysis is almost always an integral part of the class.

What is our strategy in this course on Multimedia Information Strategic Planning (MISP)?

Our strategy for MISP is to combine the relevant subjects of:

- Strategic Management (SM)
- Strategic Planning for Information Systems (SPIS)
- Managing Information Technology (MIT)

When we add the above up, our equation becomes:

\[
\text{MISP} = \text{SM} + \text{SPIS} + \text{MIT}
\]
What is strategy?

Strategy is all the things described below and the list is still incomplete ...

(1) Strategy is choice; making choices in the present to position for the future.

(2) Strategy is change; moving the organization from where it is to where it needs to be.

(3) Strategy is leadership and leadership is strategy.

(4) Strategy is foresight; the deep intellectual challenge of trying to see and understand when the future is still "formless," communicating that foresight, and mobilizing the organization to act.

(5) Strategy is a process in motion, unending and never complete, constantly adapting to be in accord with events.

(6) Strategy is holistic understanding of all the functions of the business; including all, neglecting none.

(7) Strategy is alignment; creating a shared competitive agenda and preempting misalignment.

(8) Strategy is leverage, multiplying, and amplifying each benefit.

(9) Strategy is an art, assembling a plan from a puzzle of missing and irregular pieces.

(10) Strategy is commitment, perseverance in the face of obstacles and hurdles.

(11) Strategy is qualitative over quantitative; all can add and subtract but few can see before existence.

(12) Strategy is the means of fairly creating and maintaining an unfair marketplace advantage.
(13) Strategy is the Quixote quest to command (or at least bend) fortune rather than be a timeless victim of it.

(14) Strategy is learning; maintaining a fluid mental model in accord with ever changing times and circumstances.

(15) Strategy is seeding many experiments now to cull the best ideas for commitment later.

(16) Strategy is confronting the hard issues of change; the problem of leadership is not acknowledging the need for change, the challenge of leadership is choosing, from the endless permutations, when to change, how to change, and, most importantly, what to change to.

(17) Strategy is following reason (and vision) to wherever they lead; incremental change for times of stability and radical change for times of discontinuity.

(18) Strategy is preparing yourself to win the endless race; the race between the organization's speed of adaptability and the swiftness of change in the marketplace.

(19) Strategy is “all the above”? Ha.. ha.. ha..

What is Multimedia?

Multimedia is “of many media forms and types” or “information on many media” - a combination of elements such as text, sound or music, lighting, computer-generated graphics, animation and video used for purposes of entertainment, presentation, advertising, or public relations.

- Media = plural of “medium”

- Media forms = physical medium (electrons ... magnetic media, electronic media, light or electromagnetic media, CD plastic, silicon semiconductor, CMOS, MOSFET, etc)

- Storage media = volatile RAM, ROM, EPROM, Hard Disk, CD, Thumb drive, floppy disk, magnetic tapes, etc
• Media format = binary, analog and digital with specific encoding.

• Media format types = ASCII, EBDIC, JPG, MPEG, AVI, PNG, MNG etc

**Information System (IS)**

(1) People use the terms IS and IT interchangeably. Strictly, that is not right.

(2) IS refers to any formal, organized and systemic set of information that is captured, stored and utilized by an entity, organization or business, thus the word, “information system”.

(3) It should be remembered that information systems existed in organizations long before the advent of information technology and, even today, there are still many information systems present in organizations with technology nonexistent (paper-based or in-the-head).

**Information Technology (IT)**

(1) IT refers specifically to technology, essentially hardware, software and telecommunications networks. It is thus both tangible (e.g. with servers, PCs, routers and network cables) and intangible (e.g. with software of all types). IT facilitates the acquisition, processing, storing, delivery and sharing of information and other digital content.

(2) Some information systems are totally automated by IT. For example, Dell Computers – (Reference: Reading-1.pdf Page 3)

**Information Communication Technology (ICT)**

(1) ICT is the combination of communication technology, IS and IT – spanning and covering the entire scope of preparation, collection, transport, retrieval, storage, access, presentation, movement and transformation (processing) of information in all its varied forms (voice, graphics, text, video, data, image, and animation).
(2) Information communication can take place between humans, humans and machines, and between machines.

**Organization or Business Strategy**

(1) Organization or Business Strategy is the definition of a desired future state for the business, objectives, and strategic moves to accomplish the objectives, a change management plan, and a commitment plan.

(2) Strategic moves are purposeful and coherent actions to achieve the objectives. They are purposeful in that they directly act to achieve or cause one or more objectives. They are coherent in that they complement and enable each other; they do not block or retard each other.
This Course - Multimedia Information Strategic Planning (MISP)

(1) This course, MISP is about strategic planning of multimedia information systems.

(2) The 3 eras - DP, MIS and SIS eras. The prime objective of using IS/IT in the eras differs:

(3) **DP or Data Processing** - to improve operational efficiency by automating information-based processes;

(4) **MIS or Management Information Systems** - to increase management effectiveness by satisfying their information requirements for decision making;

(5) **SIS or Strategic Information Systems** - to improve competitiveness by changing the nature or conduct of business (i.e. IS/IT investments can be a source of competitive advantage).

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<th>MIS</th>
<th>'Era'</th>
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<td>Reasons for using the technology</td>
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One view of Strategic Planning

Process Overview – Assessment, Strategy and Execution

The strategic planning process provides an ordered set of steps designed to culminate in the development and execution of a comprehensive strategic business plan. The process is performed as follows:

**1. ASSESSMENT**

(1) Assessment is the activity of developing a clear and thorough understanding of the business situation from both an internal and external perspective.

(2) Assessment culminates in the identification of "conclusions" which pinpoint critical issues requiring strategic attention.
Two major sub-steps: positioning and situational analysis, are used to generate conclusions.

- **Positioning** provides a graphical way to understand the "position" of the business in all relevant strategic areas (i.e., market share, customer satisfaction, core competencies, etc.).

- **Situational Analysis** is the use of various analytical methods to interpret the data about the company and its environment. Assessment is a data intensive and analytical intensive activity.

## 2. STRATEGY

1. **Strategy** consists of identifying the desired future state of the business (future position), the specific objectives to be achieved, and the strategic moves needed to realize the future state and objectives.

2. **Objectives** are descriptive of what we wish to achieve.

3. **Strategic moves** are prescriptive identifying the actions to be undertaken.

4. To support the realization of the objectives, a commitment plan to focus organizational attention on the objectives and a change management plan to anticipate and reduce resistance to change are also developed.

5. Once a strategy has been defined and communicated, the business can quickly determine which opportunities "fit" and which events pose "threats."

6. Unfortunately, there is a great deal of ambiguity in terminology used to describe the various objects of strategic planning. The most confusing is the word strategy.

7. Sometimes, strategy is used to mean specific actions to be taken. Other times, strategy is used to mean all the objects which compose the strategic plan (i.e., future business scope, future strategic positions, objectives, commitment...
plan, etc.) Sometimes, in the same sentence or paragraph, the word strategy is used to mean both.

(8) To eliminate confusion, we use the word **strategy to mean** the complete strategic plan and the words move, initiative, or actions to denote the specific actions taken to achieve an objective.

### 3. EXECUTION

(1) **Execution** is the action of putting the plan into motion. It is the translation of intent into reality.

(2) Strategies are made operational through implementation programs which are partitioned into multiple projects.

(3) **Projects** achieve objectives and interim objectives called goals.

(4) A process monitoring and control step is used to:
   - adjust and tune the projects,
   - provide learning feedback from the project experiences,
   - observe the ever changing environment for additional situations requiring strategic response.

(5) Success of the execution step depends on the commitment and change management plans designed in the strategy step to minimize barriers and obstacles.

(6) Throughout the entire process, quality control actions are interwoven to catch mistakes as close to the point of introduction as possible, and procedural steps are undertaken to maximize organizational input and participation. All steps focus on understanding and achieving the strategic intent of the business which represents the long term ambition of the enterprise.
A second view of Strategic Planning

A third view of Strategic Planning

THE PROCESS OF SETTING DIRECTION

- Assessment
- Vision
- Strategic Planning
- Operational Planning
THE END