Syllabus

Digital Strategy

- **Instructor:** Dr. Yusaf H. Akbar, Meeting by appointment and/or after class
- **Credits:** 2 (4 ECTS)
- **Term:** Fall 2018-2019
- **Course level:** MA/MSc
- **Prerequisites:** None
- **Course drop:** For course drop details please see the MS in TMI regulation [here](#).

**Course description**

The last decade has witnessed a dramatic reduction in the costs of creating, transmission and consuming information along with the development of novel solutions to manage and monetize information. This emergence of technology-based information strategy has not only changed the firm environment as we knew it, but crucially altered the rules of competition in the market. To thrive in an environment which is increasingly hypercompetitive and uncertain, managers need to be on top alignment between business strategy and IT management. Managers need to understand and unlock the source of competitive advantage that technology can bring to their business.

Our course introduces three related pillars in strategy alignment and IT management

1. **Strategic Processes and IT:** While the early days of IT management, the focus has largely been on the role that IT plays in enhancing organizational efficiency, today these digital transformation takes us beyond efficiency into sources of differentiation and new product development – raising topline performance as well as lowering the cost curve.

2. **Business model transformation:** As digital transformation proceeds apace, the way in which businesses strategically engage with customers and clients places an astonishing high importance on the role of IT in the pursuit of competitive advantage. The course will examine how IT management can be core competence for firms in developing unique and hard to copy solutions/products/services.

3. **Innovation, Business Strategy and IT management:** IT management is no longer seen as a support function. It is now expected to feed directly into the innovative capacity and growth profile of a firm. How innovation and IT management relate to business strategy is a crucial issue addressed in this course.

**Learning outcomes**

- CLO1: Understand the role of information technology within an organizational perspective and its evolution over time
- CLO2: Understand the basis upon which information technology can be used to formulate and execute business strategies
- CLO 3: Realize strategies to achieve competitive advantage through the utilization of information and information systems
Reading list

- The Economist (2013). Surfing the digital wave, or drowning?
- The Economist (2014), Back to the future.

Assessment (including minimum pass requirement)

<table>
<thead>
<tr>
<th>Assignment A1</th>
<th>Class Participation (20%)</th>
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</table>
| Description of Assignment: | A course at graduate level inevitably emphasizes decision-making from the senior leadership perspective. How you conduct yourself in class; in the issues you raise; the analysis you offer; how you listen to others and where necessary in the positions you take on issues all factor in to how you will be graded.  

Thus, participants who dominate discussion without doing a good job of listening to others will not gain simply by saying more. By the same token, it is not a sign of leadership and strategic thinking that students avoid entering into and having their views challenged in debate. |
| Learning Outcomes Targeted | CLO1, CLO2, CLO3 |
| Assignment A2 | Individual Assignment –  

"IT at the table" (35%) |
The individual in class assignment for this course is an essay style paper to address three questions. For this, you are required to investigate ways for IT in your company to have a seat at the strategy table.

In no more than THREE pages.

Your task is to develop essay style answers to the three questions presented in the assignment, ensuring your points of view and ideas are clearly presented and link back to the learnings from class.

Answer the following questions:

1. Explain the current “seat at the strategy table” held by IT in your organization. What is the current picture? (25% of word count)

2. What would an optimal “seat at the table” for IT look like? What challenges, opportunities, any constraint related to people, culture, skills, context etc exist in your company? (50% of word count).

3. How would you recommend to go from the existing “seat at the table” of IT to the proposed optimal one (25% of word count)?

Learning Outcomes Targeted

CLO2, CLO3

Grading Rubric

<table>
<thead>
<tr>
<th>Individual Written Assignment</th>
<th>Organization and Clarity</th>
<th>Issue Identification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper demonstrates concise and consistent writing. Transitions between ideas are handled well. Formatting is appropriate, writing is free of grammar and spelling errors.</td>
<td>Paper is organized and clear. Errors do not detract from overall ideas. Could have used better transitions between ideas. Some grammar or spelling errors.</td>
<td>Presents an accurate and detailed description of a variety of problems and opportunities that are compelling and insightful. Most major issues are identified and adequately discussed.</td>
</tr>
<tr>
<td>Needs Improvement - Writing needs outside support. The main ideas are getting lost as a result of the grammar and spelling errors.</td>
<td>Needs Improvement - One or two major ideas are identified, but there is only a surface discussion of these major ideas occurs.</td>
<td></td>
</tr>
<tr>
<td>Fail</td>
<td>Fail</td>
<td></td>
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<tr>
<td>Issue Analysis</td>
<td>Presents an insightful and thorough analysis of all identified issues. Includes all necessary calculations.</td>
<td>Presents an adequate analysis of most of the issues identified but lacks depth in some areas. Is missing some necessary calculations.</td>
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<tr>
<td>Action Recommendations</td>
<td>Recommended course of action has strong arguments based in the analysis and issues and includes anticipated consequences and alternatives.</td>
<td>Recommended course of action is appropriate to address major issues and is linked to the analysis. Some anticipated consequences and alternatives are included.</td>
</tr>
<tr>
<td>Use of Course Concepts</td>
<td>Demonstrates complete command of tools and concepts from the course. Makes appropriate and powerful connections between identified issues and the strategic concepts studied in the course readings and class lectures.</td>
<td>Demonstrates sufficient command of tools and concepts from the course. Makes some connections between identified issues and the strategic concepts studied in the course readings and class lectures.</td>
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<td>Overall</td>
<td>A/A-</td>
<td>B+/B/B-</td>
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### Assignment A3: Individual Final Assignment – State of IT Strategy Alignment in my Company (45%)

**Description of Assignment:**

The take-home assignment for this course is a write up paper. For this, you are required to investigate an IT strategy issue in your company. Written Report:

In no more than FOUR pages.

- Your first task is to identify a business unit in your company/organization that has sought to use IT to develop and execute a strategy-related project. Examples include:
1. **Designing agile processes**: For example, a hospital may benefit from launching new electronic patient record system.
2. **Building a novel business model**: For example, a newspaper launching an online edition.
3. **Building futuristic organizations**: For example, organizations like start-up Pebble have used Kickstarter (the crowdfunding platform) for securing capital to launch their product.
4. **Established firms increasingly use competition platforms** (e.g., TopCoder) to boost their internal R&D efforts or firms such as Danone use social media to share knowledge inside the organization.

Answer the following questions:

1. Explain the IT strategy model of your chosen firm (or Business Unit’s)? How is it different from the IT strategy model of your competitors? (25% of word count)
2. Explain the goals of IT-strategy alignment? (25% of word count)
   How exactly does this work in practice in your organization?
3. How does the activity you are analyzing provide sources of competitive advantage? (25% of word count)
4. What are weaknesses of the current/proposed initiatives? (25% of word count)

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**Learning Outcomes**

**Targeted**

CLO1, CLO2, CLO3

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<td>Presents an insightful and thorough analysis of all identified issues. Includes all necessary calculations.</td>
<td>Presents an adequate analysis of most of the issues identified but lacks depth in some areas. Is missing some necessary calculations.</td>
<td>Needs Improvement - The level of analysis could use better framing and more depth. Factual and/or computational support for the analysis is omitted.</td>
<td>Fail</td>
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<td>Recommended course of action is appropriate to address major issues and is linked to the analysis. Some anticipated consequences and alternatives are included.</td>
<td>Needs Improvement - The recommended course of action could use more connections to the identified issues, and the addition of one or more anticipated consequences or alternatives would strengthen the plan.</td>
<td>Fail</td>
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<td>Demonstrates sufficient command of tools and concepts from the course. Makes some connections between identified issues and the strategic concepts studied in the course readings and class lectures.</td>
<td>Needs Improvement - Makes only a few, if any, connections between identified issues and concepts from course readings and class lectures.</td>
<td>Fail</td>
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**Technical/laptop requirement**

When class is in plenary, laptops, tablets and smartphones may **not be used**. When working in teams on cases, you may use your laptops. Increasing evidence suggests that while a minority of people may use laptops to aid learning, most of the time it produces negative outcomes:


Course schedule and materials for each session

The course has four topics/modules each lasting two classes each (approx. 6 hours). The first part of the module will be plenary discussion of the topic covering concepts and applications, while the second part will involve teams of 3-4 students in analyzing case studies. It is vital that you have prepared the cases and readings before classes begin.

1. Strategic Management: An Overview (2 classes)

Sub-topics and concepts:

- Planned v. emergent strategy
- Execution as Strategy
- Strategy as a system

Guiding question:

What is strategy, why do we need it, and how has that been changing?

Case: Spotify: Face the Music (update 2018) (IES678-PDF-ENG)

Articles/Videos:


Karl Moore, “Porter or Mintzberg: Who’s View on Strategy in the Most Relevant Today?”. Forbes, 3/28/2011,


2. IT and Business Strategy: Alignment (2 classes)

This session places IT as a core functional activity within the strategic context of a company. In particular, we will examine how the alignment of strategy and IT technologies can lead to superior performance of a company. We will also briefly introduce new trends in IT strategy as a foundation for later exploration in the course.

Read the following:

Case: Digitization of an Industrial Giant: GE Takes on Industrial Analytics (IN1395-PDF-ENG)

Articles:


3. Digital Business Models (2 classes)

How do firms develop digital business models? What role do IT managers play in this process. This session links the discussion on strategy execution to a specific IT project.

Read the following:

Case: AccorHotels' Digital Transformation: A Response to Hospitality Disruptor Airbnb (IMD885-PDF-ENG)

Articles:


4. Value Realization and the Future of IT (2 classes)

Moving forward, we will examine how the emerging areas of technology and strategy will impact the IT function. We will focus on two areas: collaborative consumption (aka Sharing Economy) and Data Analytics. While data analytics is becoming a mainstream activity, sharing economy business models are only just emerging.

Read the following:

Case: WeChat Work: Bringing Social Networking into Enterprise Workplace (NTU171-PDF-ENG)

Articles:


Short bio of the instructor (1 para)

Dr. Yusaf H. Akbar is Associate Professor in Management at the Department of Economics and Business and Central European University. With extensive teaching, research and consulting experience in emerging markets - specifically of the Central and East European (CEE) region (currently engaged in consulting and executive education in Bulgaria, China, Hungary, Latvia, Lithuania, Morocco, Poland, Russia and Ukraine) - Yusaf’s current research interests are focused on three topics (a) the internationalization capabilities of SMEs into emerging markets; (b) non-market strategies of multinational firms and (c) strategic impacts of the Sharing Economy. His current roles in the Academy and beyond include Founding Editor of the International Journal of Emerging Markets and an advisor to governmental authorities. His consulting and professional references include Citibank, Deutsche Telekom, Siemens and Toyota. He completed Visiting Researcher positions at University of Trieste and the Wirtschaftsuniversiteit in Vienna in 2013. He has published in peer-reviewed journals including Journal of International Management, International Journal of Hospitality Management, Journal of World Business, Business and Politics, Cross-Cultural Management, Global Governance, Global Business and Organizational Excellence, Harvard Business Review, International Business Review, Thunderbird International Business Review, Journal of Air Transport Management and World Competition.