



Manajemen Sistem Informasi

Oleh

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**MANAGEMENT
INFORMATION SYSTEMS**



Fundamentals of Strategic Advantage

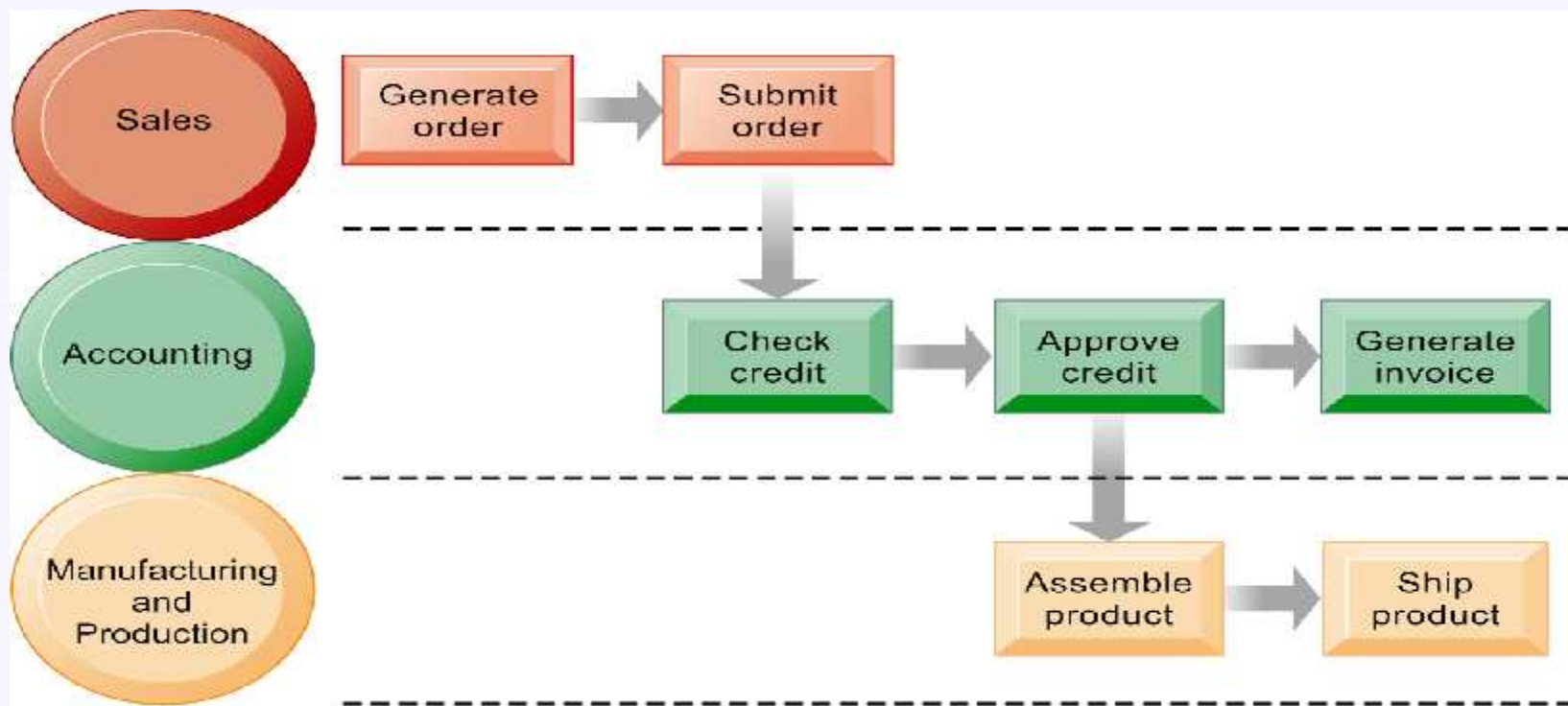
Business Processes and Information Systems

- ***A major role of information systems applications in business is to provide effective support of a company's strategies for gaining competitive advantage.***
- ***This strategic role of information systems involves using information technology to develop products, services, and capabilities that give a company major advantages over the competitive forces it faces in the global marketplace.***

Business Strategic

Business Processes and Information Systems

The Order Fulfillment Process

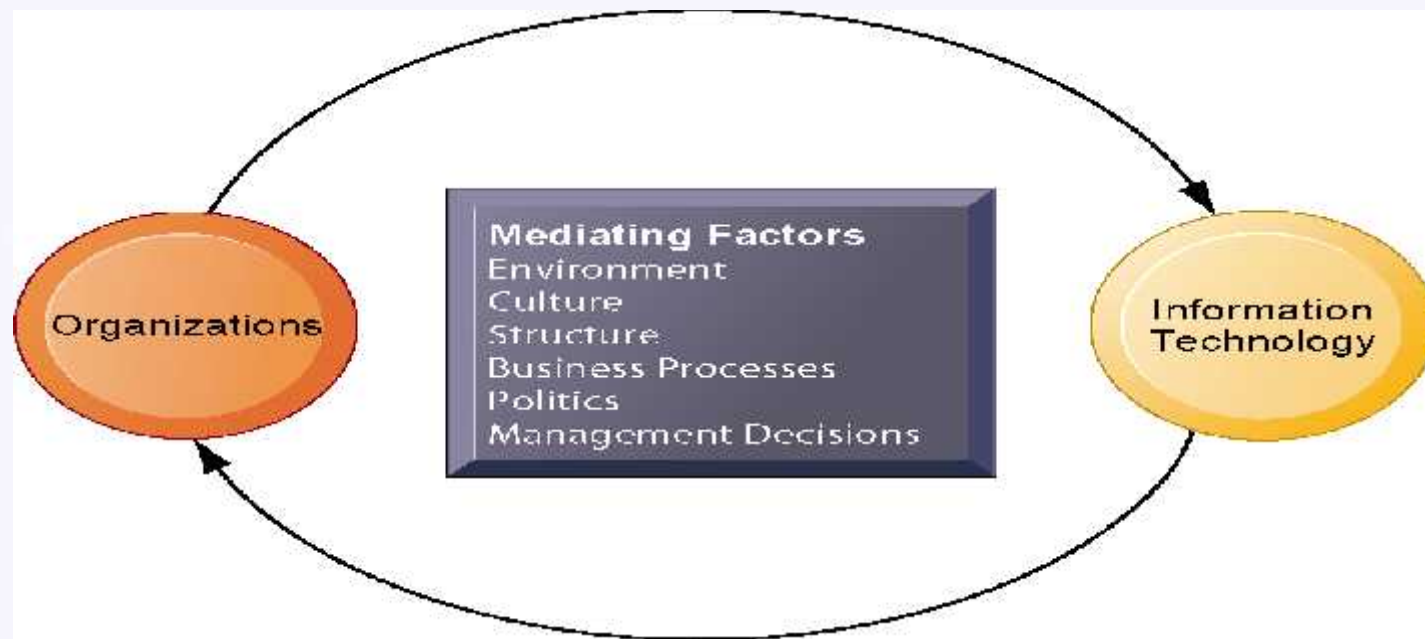


Fulfilling a customer order involves a complex set of steps that requires the close coordination of the sales, accounting, and manufacturing functions.

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Organizations and Information Systems

The Two-Way Relationship Between Organizations and Information Technology



This complex two-way relationship is mediated by many factors, not the least of which are the decisions made—or not made—by managers. Other factors mediating the relationship include the organizational culture, structure, politics, business processes, and environment.

Fundamentals of Strategic Advantage

Business Processes and Information Systems

- ***A company can survive and succeed in the long run only if it successfully develops strategies to confront five competitive forces that shape the structure of competition in its industry.***

Fundamentals of Strategic Advantage

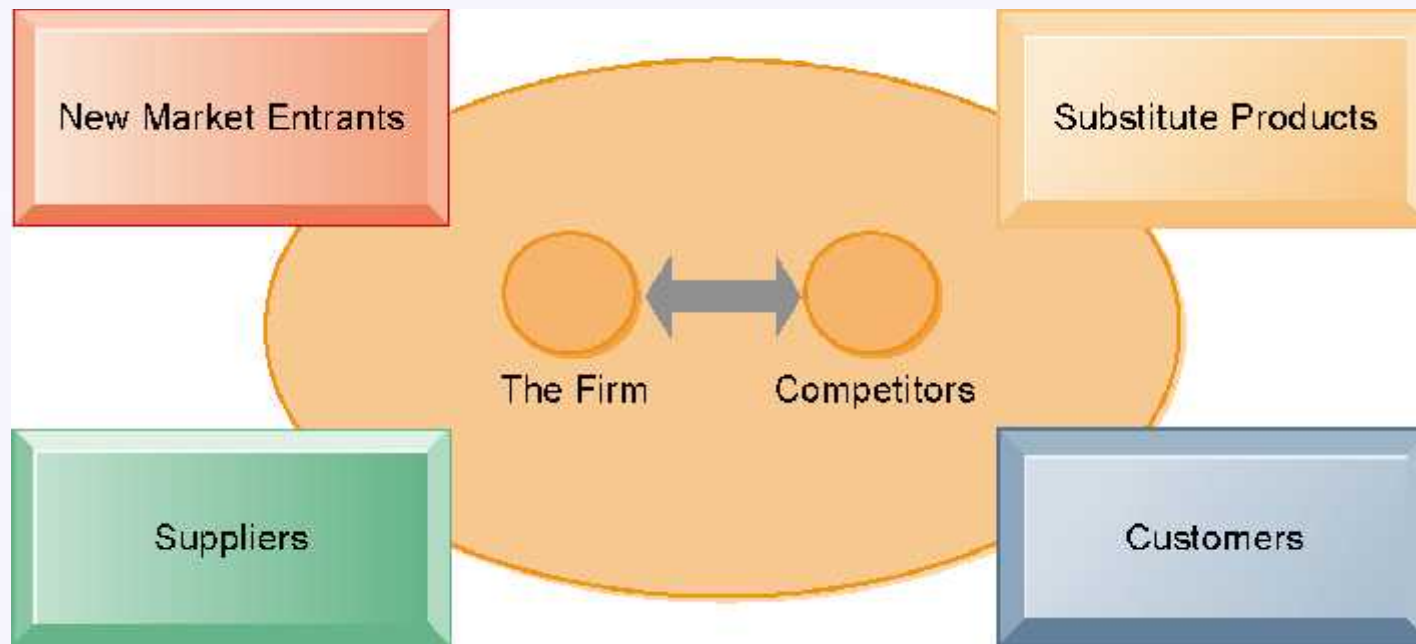
In Michael Porter's classic model of competition, any business that wants to survive and succeed must effectively develop and implement strategies to counter

- *(1) the rivalry of competitors within its industry ,*
- *(2) the threat of new entrants into an industry and its markets ,*
- *(3) the threat posed by substitute products that might capture market share ,*
- *(4) the bargaining power of customers , and*
- *(5) the bargaining power of suppliers .*

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Using Information Systems to Achieve Competitive Advantage

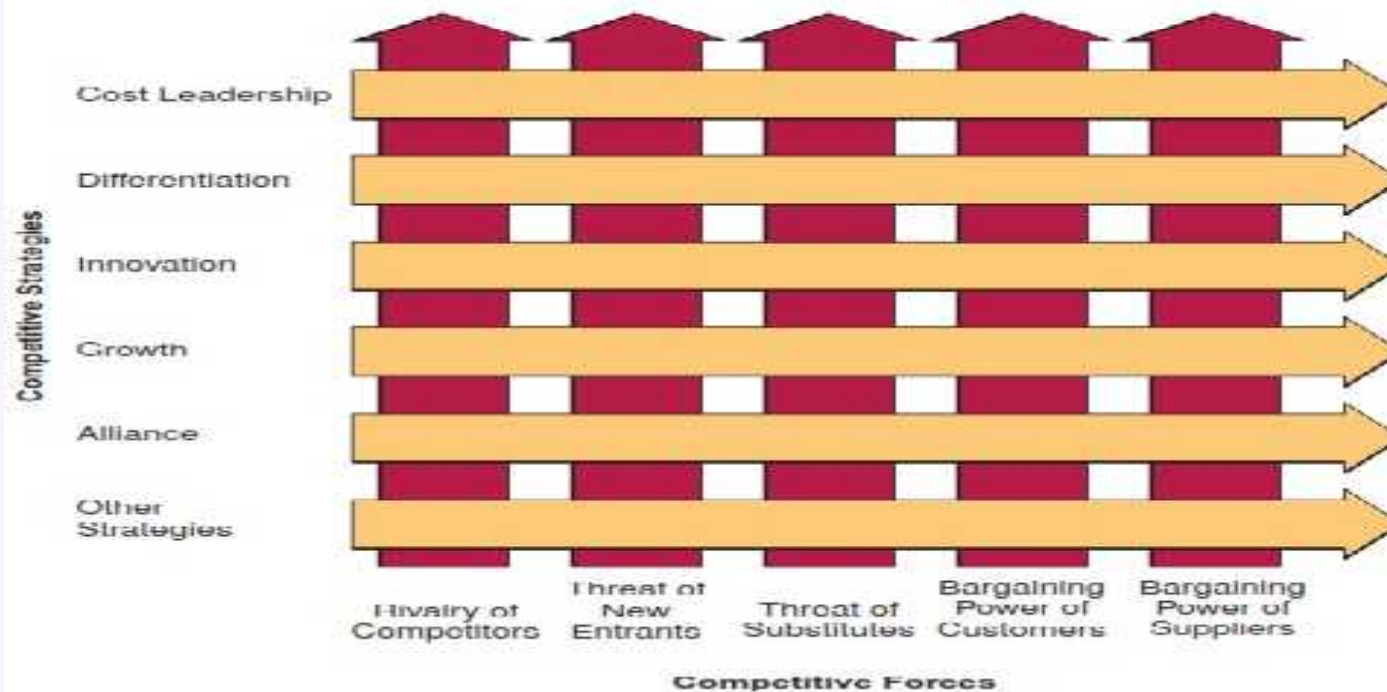
Porter's Competitive Forces Model



In Porter's competitive forces model, the strategic position of the firm and its strategies are determined not only by competition with its traditional direct competitors but also by four forces in the industry's environment: new market entrants, substitute products, customers, and suppliers.

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- Businesses can develop competitive strategies to counter the actions of the competitive forces they confront in the marketplace.



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- **Competition is a positive characteristic in business, and competitors share a natural, and often healthy, rivalry. This rivalry encourages and sometimes requires a constant effort to gain competitive advantage in the marketplace. This ever-present competitive force requires significant resources on the part of a firm.**

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- A summary of how information technology can be used to implement the five basic competitive strategies.

Basic Strategies in the Business Use of Information Technology
Lower Costs <ul style="list-style-type: none">• Use IT to substantially reduce the cost of business processes.• Use IT to lower the costs of customers or suppliers.
Differentiate <ul style="list-style-type: none">• Develop new IT features to differentiate products and services.• Use IT features to reduce the differentiation advantages of competitors.• Use IT features to focus products and services at selected market niches.
Innovate <ul style="list-style-type: none">• Create new products and services that include IT components.• Develop unique new markets or market niches with the help of IT.• Make radical changes to business processes with IT that dramatically cut costs; improve quality, efficiency, or customer service; or shorten time to market.
Promote Growth <ul style="list-style-type: none">• Use IT to manage regional and global business expansion.• Use IT to diversify and integrate into other products and services.
Develop Alliances <ul style="list-style-type: none">• Use IT to create virtual organizations of business partners.• Develop interenterprise information systems linked by the Internet and extranets that support strategic business relationships with customers, suppliers, subcontractors, and others.

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- **Examples**

Strategy	Company	Strategic Use of Information Technology	Business Benefit
Cost Leadership	Dell Computer	Online build to order	Lowest-cost producer
	Priceline.com	Online seller bidding	Buyer-set pricing
	eBay.com	Online auctions	Auction-set prices
Differentiation	AVNET Marshall	Customer/supplier of e-commerce	Increase in market share
	Moen Inc.	Online customer design	Increase in market share
	Consolidated Freightways	Customer online shipment tracking	Increase in market share
Innovation	Charles Schwab & Co.	Online discount stock trading	Market leadership
	Federal Express	Online package tracking and flight management	Market leadership
	Amazon.com	Online full-service customer systems	Market leadership
Growth	Citicorp	Global intranet	Increase in global market
	Wal-Mart	Merchandise ordering by global satellite network	Market leadership
	Toys 'R' Us Inc.	POS inventory tracking	Market leadership
Alliance	Wal-Mart/Procter & Gamble	Automatic inventory replenishment by supplier	Reduced inventory cost/increased sales
	Cisco Systems	Virtual manufacturing alliances	Agile market leadership
	Staples Inc. and Partners	Online one-stop shopping with partners	Increase in market share

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- ***Additional ways that information technology can be used to implement competitive strategies.***

Other Strategic Uses of Information Technology

- Develop interenterprise information systems whose convenience and efficiency create switching costs that lock in customers or suppliers.
- Make major investments in advanced IT applications that build barriers to entry against industry competitors or outsiders.
- Include IT components in products and services to make substitution of competing products or services more difficult.
- Leverage investment in IS people, hardware, software, databases, and networks from operational uses into strategic applications.

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Building a Customer Focused Business

- *The driving force behind world economic growth has changed from manufacturing volume to improving customer value. As a result, the key success factor for many firms is maximizing customer value.*
- For many companies, the chief business value of becoming a customer-focused business lies in its ability to help them keep customers loyal, anticipate their future needs, respond to customer concerns, and provide top-quality customer service.

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The value chain concept

- It views a firm as a series, chain, or network of basic activities that add value to its products and services and thus add a margin of value to both the firm and its customers. In the value chain conceptual framework, some business activities are primary processes; others are support processes.

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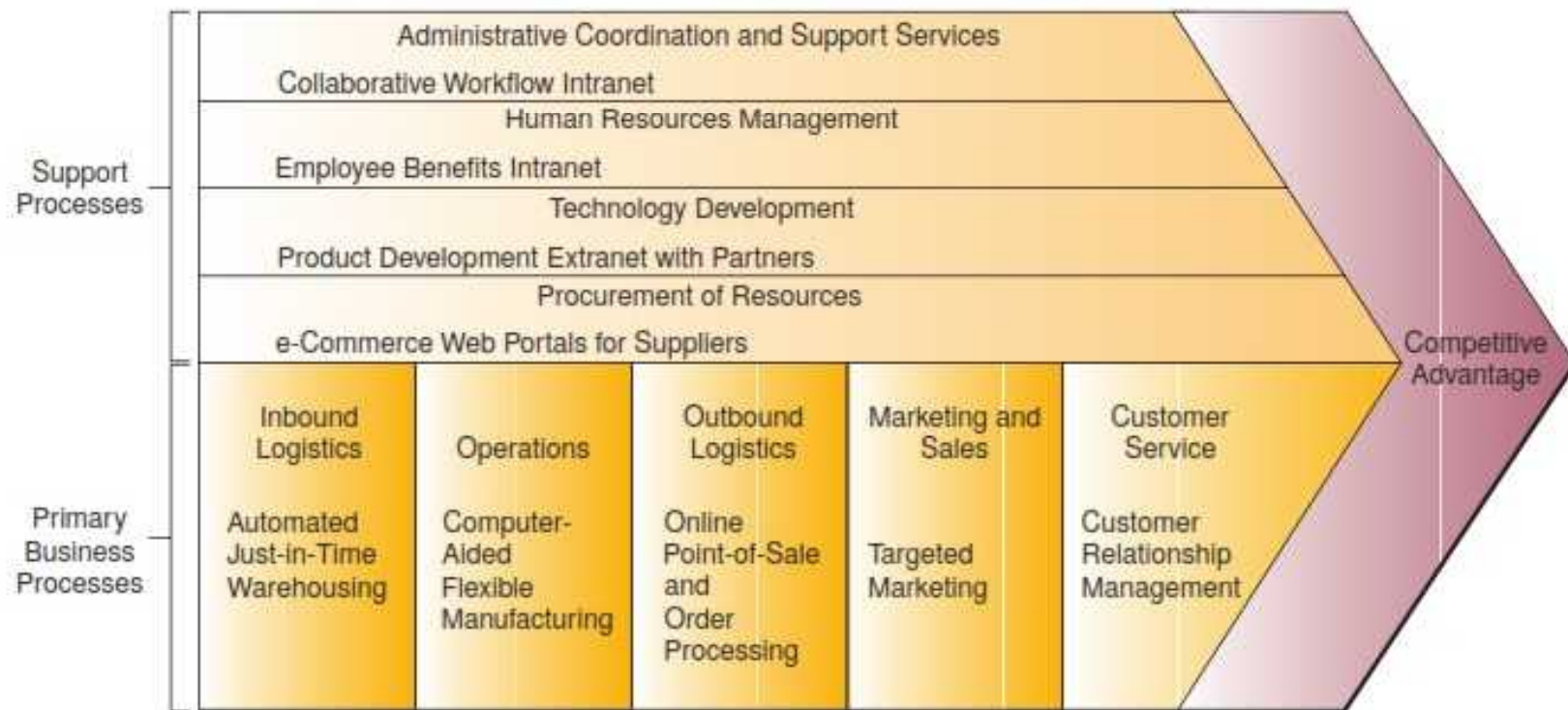
The value chain concept

- *Primary processes* are those business activities that are directly related to the manufacture of products or the delivery of services to the customer.
- *Support processes* are those business activities that help support the day-to-day operation of the business and that indirectly contribute to the products or services of the organization.

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The value chain concept

- the value chain concept can help you identify where and how to apply the strategic capabilities of information technology.



Business Strategic

- How information technology can help a company be an agile competitor, with the help of customers and business partners.

Type of Agility	Description	Role of IT	Example
Customer	<p>Ability to co-opt customers in the exploitation of innovation opportunities</p> <ul style="list-style-type: none"> • As sources of innovation ideas • As cocreators of innovation • As users in testing ideas or helping other users learn about the idea 	Technologies for building and enhancing virtual customer communities for product design, feedback, and testing	eBay customers are its de facto product development team because they post an average of 10,000 messages each week to share tips, point out glitches, and lobby for changes
Partnering	Ability to leverage assets, knowledge, and competencies of suppliers, distributors, contract manufacturers, and logistics providers in the exploration and exploitation of innovation opportunities	Technologies facilitating interfirm collaboration, such as collaborative platforms and portals, supply chain systems	Yahoo! has accomplished a significant transformation of its service from a search engine into a portal by initiating numerous partnerships to provide content and other media-related services from its Web site
Operational	Ability to accomplish speed, accuracy, and cost economy in the exploitation of innovation opportunities	Technologies for modularization and integration of business processes	Ingram Micro, a global wholesaler, has deployed an integrated trading system allowing its customers and suppliers to connect directly to its procurement and ERP systems

Conclusion

Information technologies can support many competitive strategies. They can help a business cut costs, differentiate and innovate in its products and services, promote growth, develop alliances, lock in customers and suppliers, create switching costs, raise barriers to entry, and leverage its investment in IT resources.

Conclusion

Thus, information technology can help a business gain a competitive advantage in its relationships with customers, suppliers, competitors, new entrants, and producers of substitute products.

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