



# Information Systems Strategy



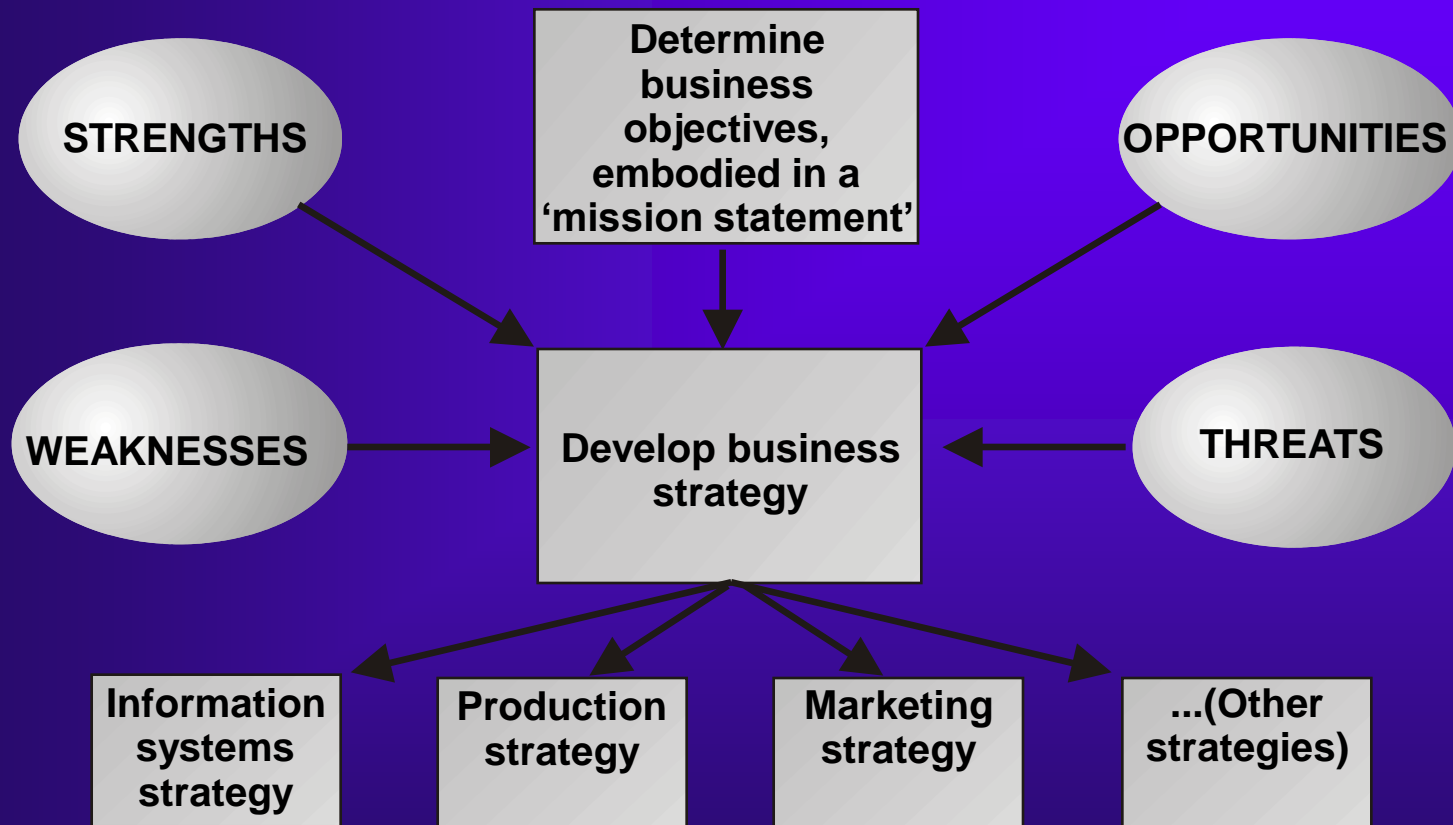
# Introduction

All businesses need a strategy to plan the future

The plan must cater for:

- ◆ Company-wide set of objectives
  - to apply to all departments
- ◆ Resource allocation
  - to allow for research and development
  - for marketing
  - for investment in new and replacement equipment, property and machinery
- ◆ Stakeholder interests
  - Organisations have responsibilities to employees, owners, shareholders, banks and customers, which must be accounted for in the strategy

# SWOT analysis

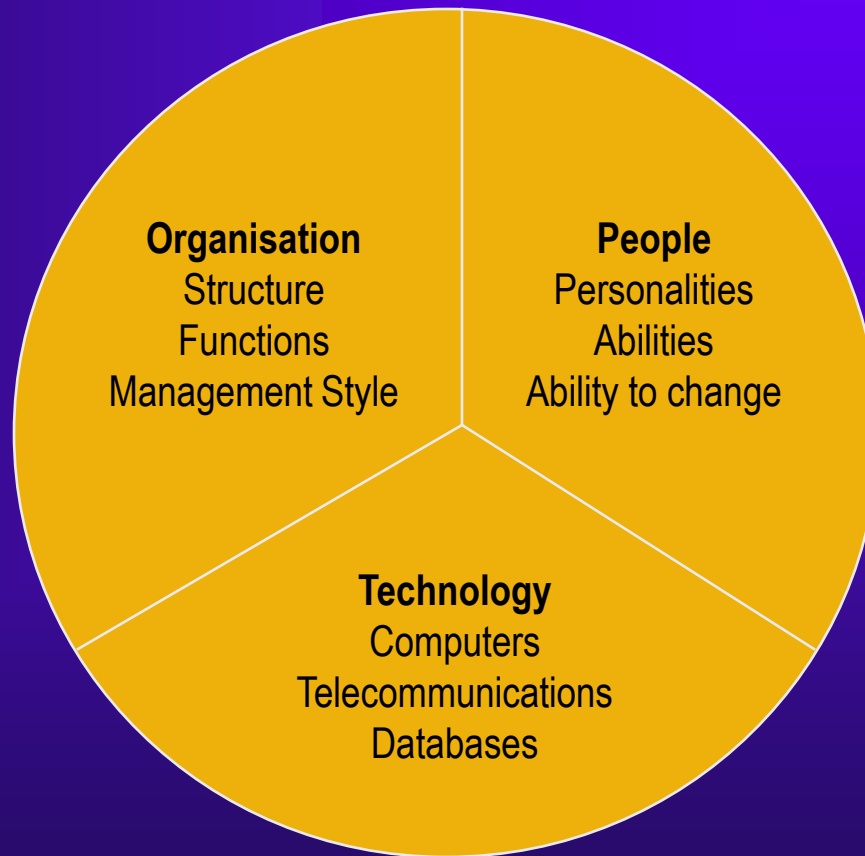




# The Information Systems strategy

- ◆ Part of the overall business strategy
- ◆ Develop within overall corporate objectives
- ◆ Development will involve:
  - Allocation of significant resources
  - Changes in the way some parts of the business operate
- ◆ Must be led by business requirements
- ◆ Must have an awareness of technology potential but not be led by it

# Factors affecting strategy





# End-user computing

## ◆ Advantages

- Quicker results
- Encourages creativity

## ◆ Disadvantages

- Ineffective use of resources
- Incompatible hardware and software between departments
- Poorly designed and documented systems
- Threats to data security and privacy



# I.T. for competitive advantage

- ◆ **Four major forces exert pressure on a business:**
  - Bargaining power of customers;
  - Bargaining power of suppliers;
  - New and better products appearing which make the organisation's product obsolete;
  - New competitors entering the market.
- ◆ **Counteracting strategies**
  - Keeping costs lower than those of competitors;
  - Producing better products than competitors;
  - Creating new or different products that no one else produces;
  - Locking suppliers or customers into the organisation's products or services, for example by supplying excellent after-sales service.