Conclusions

Information systems strategy is concerned with the planning, use, control and benefits of IS and IT in business and public organizations. While a business strategy is the broadest pattern of resource allocation decisions, more specific decisions are related to information systems and information technology. IS must be seen both in a business and an IT context.

An e-business strategy is combining the perspectives of strategists and technologists by identifying e-business models that are aligned with business strategy and IS strategy. Necessary elements of a business strategy include mission, vision, objectives, market strategy, knowledge strategy, and our general approach to the use of information, information systems and information technology.

Necessary elements of an IS strategy include future IS/IT applications, future competence of human resources (IS/IT professionals), and future IS/IT organizational structure, and control of the IS/IT function. Important application areas include electronic business and knowledge management. Future applications are planned according to priorities, how they are to be developed or acquired (make or buy), how they meet user requirements, and how security is achieved.

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Changes are currently affecting IS strategy. Major changes are concerned with e-business, knowledge management, sourcing, and governance. Electronic business has integrated information systems in business models. Knowledge management enables e-business, sourcing, and governance. Sourcing represents new approaches to hierarchical and market-based supply of IT services. Finally, IT Governance is specifying decision rights that were previously assigned to strategy project management.

This book was based on the premise that it is difficult, if not impossible, to manage a modern business or public organization without at least some knowledge of the planning, use, control, and benefits of information systems and information technology. Managers need to have an understanding of strategy development, including the current technology situation, the current and desired business situation, the need for changes, the application portfolio, and organizational and human resource issues in the area of information technology.

Furthermore, managers need to have an understanding of emergent perspectives that influence their role. Sourcing makes their relationship role more important, while governance makes their decision-making role more important.

This book combined strategy development (process) with theories of the firm, e-commerce and e-business, knowledge management systems and IS/IT outsourcing (content). This book presented emerging perspectives that influence strategy work, such as IT sourcing and IT governance.

The main perspectives of e-business strategy, IT sourcing and IT governance are linked in different ways. As illustrated in the figure, we can identify the following six links:

1. **E-business strategy influencing IT sourcing.** For example, an e-business model requiring more IT infrastructure services may cause the need for new sourcing options to satisfy emerging infrastructure requirements.

2. **E-business strategy influencing IT governance.** For example, an e-business strategy focusing on standardization may cause decision rights to move from business unit managers to corporate level staff function.

3. **IT sourcing influencing e-business strategy.** For example, the outsourcing vendor has developed a new e-business architecture that is optimal for the organization.

4. **IT governance influencing e-business strategy.** For example, corporate management has implemented a hands-off role for themselves and left IT governance completely to business unit executives. Consequently, e-business models will be designed and implemented, contingent upon business unit requirements, rather than corporate requirements.
5. **IT sourcing influencing IT governance.** The more complicated sourcing arrangements in terms of the number of sources and the number of services, the more people and functions will have to be included in the governance arrangements.

6. **IT governance influencing IT sourcing.** For example, the more decision rights are preserved within the organization, the less partnership and the more transaction-based sourcing will be taking place.

The need for an e-business strategy changes as an organization evolves. Earl’s (2001) six stages of evolving end at the final stage of transformation, where the company has successfully made the journey of e-business. In this long-term perspective of company development, the “e-” is a temporary phenomenon.

Strategy, sourcing, and governance, on the other hand, are no temporary phenomena. That is why strategy, sourcing and governance should also be understood independent of the “e-,” as illustrated in this book.