THIS IS A PRELIMINARY VERSION OF THE SYLLABUS AS OF OCTOBER 2013.

Topics Covered: Managing IT for Business Value, Pricing Strategies for Digital Goods, Competition in Platform/Network Industries, Search and Competition, The Long Tail, Social Media, Data Mining and Business Intelligence, Crowdsourcing and the changing nature of work.

Summary and Objectives

We are at the early stages of an information revolution where information technologies are redefining business models, transforming industries, creating new markets, and generating a whole new “space” where new human communities, behaviors, norms, and regulation are just beginning to emerge. Information technologies are an increasing part of developing new products and services, of integrating business functions, and of managing customer relationships. IT-driven disruptions in business models are frequent.

In such a business environment, decisions about information technologies are increasingly central to business success. In more stable, “industrial age” industries of the past, business models were relatively stable, and the central basis for success with IT investments involved aligning them with complementary organizational and process changes. However, when IT transforms an industry, it realigns the industry’s structure and boundaries, and changes the fundamental business models that work.

The course is both theory and case oriented. The cases have been chosen to cover a range of industries and transformations of business models over the last ten years, and span search advertising, retailing, digital music, telecommunications, the IT industry, entertainment and gaming, and social networking. The objective is to end up with a framework that students will find useful in generalizing across contexts in which information technologies are changing the nature of business and the world. Considerable emphasis is placed on new emerging disruptions including social networks, platform competition, the long tail, data mining, crowdsourcing and the economic impact of search.

This course will not make you an IS technical specialist; its emphasis is on industry and managerial issues. However, through an overview of the technologies, activities, and applications of IS, this course will help you to acquire an appreciation for the possibilities created by IT in tomorrow’s markets, organizations and society. We personally believe that every future executive needs to learn how to think about how IT transforms business, so we recommend it to students independent of their planned career path. Upon completion of this course you should have:

- An understanding of the major information technology enabled business models that have emerged over the past decade.
• An understanding of how information technologies change business models and how to anticipate these changes.
• An understanding of how information technologies transform industries, and a framework for thinking about how to predict whether IT will transform yours.
• A perspective on how information technology can create new markets and social structures.
• An appreciation of the many organizational consequences resulting from alignment (or lack thereof) of IT strategy and business models.

Expectations

Students are expected to be properly prepared for the class and to have thoroughly read the assigned readings and cases. Students are expected to participate actively in class discussion.

Course requirements

There are three requirements in this course:

1. **Assignments and Discussion Questions**: Each week, you will typically be assigned pre-class work a week in advance of the session. You will be asked to electronically submit answers to discussion questions before the class session begins. In addition, there will be a mix of individual and group assignments.

2. **Group Project: Create a New IT-enabled Start-Up**: Your project will involve analyzing and formalizing a strategy to launch a new IT-enabled start-up. It will involve generating an idea for a new IT-enabled business, forming the appropriate team with the human capital assembled in the class, analyzing the market opportunity, the disruption the venture intends to capitalize on, business model development, competitor analysis, and intellectual property development and defense. The key deliverables will include:
   (A) **Team Formation** – To form a balanced team of 3-4 members with complementary skills and distinct responsibilities that will represent the management team of the company.
   (B) **Summary and Pitch** – To create a 1-page summary of the company that crisply identifies the value proposition, succinctly summarizes the venture and your execution strategy, and explains why your team is uniquely qualified to deliver on this venture. Each team will then deliver a 2 minute elevator pitch in class during a chance encounter with a super angel.
   (C) **Business Plan Outline and Slide Deck** – To create a robust and well-researched Business Plan Outline that describes the company and why it will succeed. The Business Plan Outline will be in the form of a PowerPoint presentation. To prepare a slide deck of 10-15 slides that crisply and professionally describes the business, the value proposition and the elements developed in the business plan.
   (D) **Presentation** – Each team will give an in class presentation about the company designed.

3. **Post-class analysis**: You will be asked to reflect on, abstract and summarize crisply the main themes, insights and intellectual takeaways from the course, perhaps in order of significance to you personally.

4. **There may be an in-class or final Exam (TBD)**

**Grading (TENTATIVE—I AM CONSIDERING ADDING AN EXAM)**

- Individual/Group Pre-Class Assignments: 25%
- Participation in Class Discussion: 25%
- Group Project: 40%
- Post Class Analysis: 10%
# Class Schedule (VERY PRELIMINARY)

<table>
<thead>
<tr>
<th>Date</th>
<th>Session</th>
<th>Assignment Due</th>
<th>Guest</th>
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<tbody>
<tr>
<td>S1</td>
<td>2/11</td>
<td><em>Does IT Matter? Managed IT for Business Value</em></td>
<td>TBA</td>
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<tr>
<td>S2</td>
<td>2/18</td>
<td><em>Enterprise 2.0 Managing Knowledge Work in a Digital Age</em></td>
<td>t TBA</td>
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<tr>
<td>S3</td>
<td>2/25</td>
<td><em>Diamonds in Data Data Mining and Competing on Analytics</em></td>
<td>TBA</td>
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<tr>
<td>S4</td>
<td>3/4</td>
<td><em>Does IT Matter? Managing IT Value in Practice</em></td>
<td>Team Assignments</td>
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<tr>
<td>S5</td>
<td>3/11</td>
<td><em>The Influentials Hypothesis Social Network Marketing and Social Media</em></td>
<td>TBA</td>
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<tr>
<td></td>
<td>3/18</td>
<td>SPRING BREAK</td>
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<tr>
<td>S7</td>
<td>4/1</td>
<td><em>The Great Equalizer? Search and Competition in the Internet Era</em></td>
<td>TBA</td>
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<tr>
<td>S8</td>
<td>4/8</td>
<td><em>The Long Tail From Markets of Millions to Millions of Markets</em></td>
<td>1-Page Venture Summary; First “Pitch”</td>
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<tr>
<td>S9</td>
<td>4/15</td>
<td><em>Platform Competition Platforms, Two Sided Markets and Network Effects</em></td>
<td>Second “Pitch”</td>
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<tr>
<td>S10</td>
<td>4/22</td>
<td><em>The Wisdom of Crowds Crowdsourcing and Communities</em></td>
<td>TBA</td>
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<tr>
<td>S11</td>
<td>4/29</td>
<td>Student Presentations (or Topic TBA, depending on number of groups)</td>
<td>TBA</td>
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<tr>
<td>S12</td>
<td>5/6</td>
<td>Student Presentations</td>
<td>Presentation Deck</td>
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<tr>
<td></td>
<td>TBD</td>
<td><em>Final Papers Due, Possible Final Exam</em></td>
<td>Business Plan Outline</td>
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Reading List (Representative but Subject to Change)


Session 2: Enterprise 2.0: Managing Knowledge Work in a Digital Age (2/18):

Session 3: Diamonds in Data: Data Mining and Competing on Analytics (2/25):

Session 5: The Influentials Hypothesis: Social Network Marketing and Social Media (3/11):
15. “Network Based Marketing: Identifying Likely Adopters via Consumer Networks” Shawndra Hill, Foster Provost and Chris Volinsky; Statistical Science; Vol. 21; No. 2; May 2006.

17. “Free! Why $0.00 is the Future of Business” Chris Anderson; Wired Magazine; February 25, 2008.

Session 7: The Great Equalizer? Search and Competition in the Internet Era (4/1):
22. “Wine Online: Search Costs Affect Competition on Price, Quality and Distribution” John Lynch and Dan Ariely; Marketing Science; Vol. 19; No. 1; Winter 2000.
23. “Frictionless Commerce? A Comparison of Internet and Conventional Retailers” Erik Brynjolfsson and Michael Smith; Management Science; Vol. 46; No. 4; April 2000.

Session 8: The Long Tail: From Markets of Millions to Millions of Markets (4/8):


Session 10: The Wisdom of Crowds: Crowdsourcing and Communities (4/22):
