UNIT-4

Section - A

1. **Objectives of IS for strategic advantage.**

   The several strategic uses of information technologies for electronic business and commerce and how they give competitive advantage to a business. Business process re-engineering frequently involves the strategic use of business technologies.

   The cross functional E-business systems and how they can provide significant business value to a company and its customers and business partners.

   - Enterprise resource planning (ERP)
   - Customer relationship management (CRM)
   - Supply chain management (SCM)

2. **Strategic uses of information technology:-**

   Lower costs:

   - Use IT to substantially reduce the cost of business process.
   - Use IT to lower the costs of customer's suppliers.

   Differentiate:

   - Develop new its feature to differentiate products and services.
   - Use IT features to reduce the differentiate advantages of competitors.

   Innovate:

   - Create new product and services that include IT components.
   - Develop unique new markets or market niches with the help of IT.

   Promote growth:

   - Use IT to manage regional and global business expansion.

- Use IT to diversify and integrate into other products and services.

3. **Business Process and elements of Business Process:-**

The business process is defined as a set of activities performed across the organisation creating an output of value to the customer. every process has a customer who may be internal and external to the organisation. The basic elements of the processes are motivation to perform certain activities. the data is used in the process to generate the information which would be checked, processed and stored.

The process is executed through the basic steps such as receiving the input measuring the input, analysing the document, performing, processing accessing data producing the results and communicating them.

Elements are:

- Motivation to perform
- Data gathering processing and storing
- Information processing
- Checking, validating and control
- Decision making
- Communication

4. **Identifying E-Business and E-Commerce strategies.**

E-business and E-commerce applications and internet technologies can be used strategically for competitive advantage as this text will repeatedly demonstrate.

- Cost and efficiency improvement
- Performance improvement in business effectiveness
- Global market penetration
- Product and service transformation

Section - B

1. **Virtual Company (VC) strategy**.

   VC typically use an organisational structure called a network structure since most virtual companies are inter linked by the internet, intranets, and extranets.

   People and corporations are forming VC as the best way to implement key business strategies that promise to ensure success in today's turbulent business climate.

   Strategies for VC:

   - Share infrastructure and risk
   - Link complementary core competencies
   - Increase facilities and market coverage
   - Migrate from selling products to selling solutions.

2. **Competitive strategic concepts**.

   The 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 facts in the global marketplace.

   The competitive environment of an industry:

   - Rivalry of competitors within industry
   - Threat of new entrants
   - ,,   ,, substitutes
   - The bargaining power of customers and
   - ,, ,,   ,,   ,, suppliers

   Cost leadership strategy:

   Becoming a low cost producer of products and services in the industry.

   Differentiation strategy:

   Developing ways to differentiate a firms products and services from its competitors.

   Innovation strategy:

   Finding a new ways of doing business. this may involves the development of unique products and services or entry into unique markets or market niches.

Alliance strategy:

Establishing new business linkages and alliances with customers, suppliers, competitors and other companies.

3. **Objectives of IS for strategic advantage and strategic uses of information Technology.**

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- Use IT to manage regional and global business expansion.
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