

2023

Human Resource Management

Strategic Information System

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OPENCOURSEWARE

Using Information System For Gaining Competitive Advantage



Learning Purposes

- Diagnose basic vying strategies and clarify way of using IT in business in encountering the vying forces it faces
 - Diagnose some strategic IT application and give examples on way of delivering vying benefit to a business
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Activity 1

- Discuss with a person beside you how has IS businesses flourished nowadays.
- Give examples. What have some of the top c Invested in or what areas of R & D have they envisioned?

Information Technology Roles

- In reengineering most business, IT plays a dominant role
 - Be able to extensively improve procedure efficiencies
 - Level up the communication
 - Ease the collaboration
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Strategic IT

- Technology is not an afterthought anymore today but became the cause and driver
- IT can alter the way of a business contend
- A strategic information system is a system regarding information that practices IT to assist a company:
 - Get a vying benefit
 - decreasing vying disadvantages
 - or achieve other strategic enterprise goals

Vying Forces

- To attain good outcome, a business must cultivate strategies to resist these forces:
 - – Competition of challengers in its industry
 - – Fresh competitor into a business activity and its markets
 - – capture the market share using substitute products
 - – Haggling customers' ability to do something
 - – Haggling suppliers' ability to do something
- Example
- Sony, GM

Five Vying Strategies

- Leadership expenses
 - – be low expenses producers
 - – Help suppliers or clients decrease their expense
 - – increasing the expense to challengers
 - Example: Priceline practices online seller bidding buyer sets the price
- Differentiation Strategy
 - – Produce an outcome or goods that is differ from its challengers
- target on a specific area or slot of market
 - Example: Moen practices online customer design

Vying Strategies (continued)

- Innovation Strategy
 - – Exclusive goods, services, or markets
 - Radical alteration to business procedures
 - Example: Amazon's online, full-service clients systems
- Growth Strategy
 - – Broaden organization's capability to create
 - – Broaden into world markets
 - – Produce a variety of products and services
 - Example: Wal-Mart's merchandise ordering global satellite tracking.

Vying Strategies (continued)

- Union Strategy
- Develop relationships and unions with clients, suppliers, challengers, advisors, and other organizations
- Involving mergers, acquisitions, joint ventures, virtual organizations
 - Example: Wal_Mart practices automatic inventory replenishment by supplier

Practicing Vying Strategies

- These strategies are not jointly exceptional
 - – Company practices one, some, or all
- A given action could be categorized into one or more types of vying strategy
- Not all innovative products serves to distinct company from others
 - – Likewise, thing that differentiate company is not necessarily innovative

Activity 2

- Now, think about using the competitive strategy framework,
 - how some companies have acted.
 - Discuss this with your classmate. Take 10 minutes for this activity.
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References

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- Hendrickson, A. R. 2003. Human Resource Information Systems: Backbone Technology of
- Contemporary Human Resources. *Journal of Labor Research*, 24(3): 381-394.