Strategic and Competitive Information Systems

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The mini-track on Strategic and Competitive Information Systems begins with a session on recent economic research that is relevant to assessing the impact of information on strategy. The session begins with a presentation on "Data Mining, Signaling, and Screening: Industry Experience With Distinguishing Profitable And Unprofitable Accounts," by Eric K. Clemons (The Wharton School), Ben Hammond (McKinsey), Laura Hewitt (Booz-Allen and Hamilton), and Steve Glick (Boston Consulting Group). This paper summarizes experience with customer profitability analyses in diverse industries, focusing on mechanisms that can differentially attract and retain the most desirable market segments. The second paper, "Sustaining Strategic IT Advantage in the Information Age," is by Genzius J. Hidding of Loyola University Chicago. This paper presents recent work in the nature of sustainability of advantage achieved through information technology, examining both the nature of the resources of the innovating firm and the ecology of innovation in the firm’s industry. The final session, "Real Options For Risk Management In Information Technology Projects," is by, Dhimant Chatterjee and V.C. Ramesh (both of Illinois Institute of Technology). This paper uses options pricing to assess the decision to invest in alternative forms of information technology innovation where the benefits are uncertain.

The second session addresses the relationship between information technology and organizational structure and design. The papers for this session are based on case studies, driven by theory. These papers use small, rich, and complex data sets, rather than formal analytics. The first paper, "Setting The Appropriate Organizational Design for the Modern Global Firm: Interaction Among Product Design, Environment, And Technology," is by Brendan Carney, Eric K. Clemons, and Deirdre Flynn (all of the Wharton School) and Jason Dandridge, (of A. T. Kearney). This paper deals with the interactions among rates of turbulence and change in market conditions, the balance between the need for local responsiveness and the opportunities for global efficiency, and the role of information infrastructure, in achieving the optimal balance between control and empowerment. The session concludes with "Rosenbluth International: Strategic Transformation Of A Successful Enterprise," by Eric K. Clemons And Il-horn Hann (both of the Wharton School). This paper examines the non-economic barriers to strategic transformation, and the mechanisms available to overcome organizational resistance to strategic business transformation.