

Day 4.1

Digital Transformation of Governance Models

MIS 5801 Spring 2016: Tokyo

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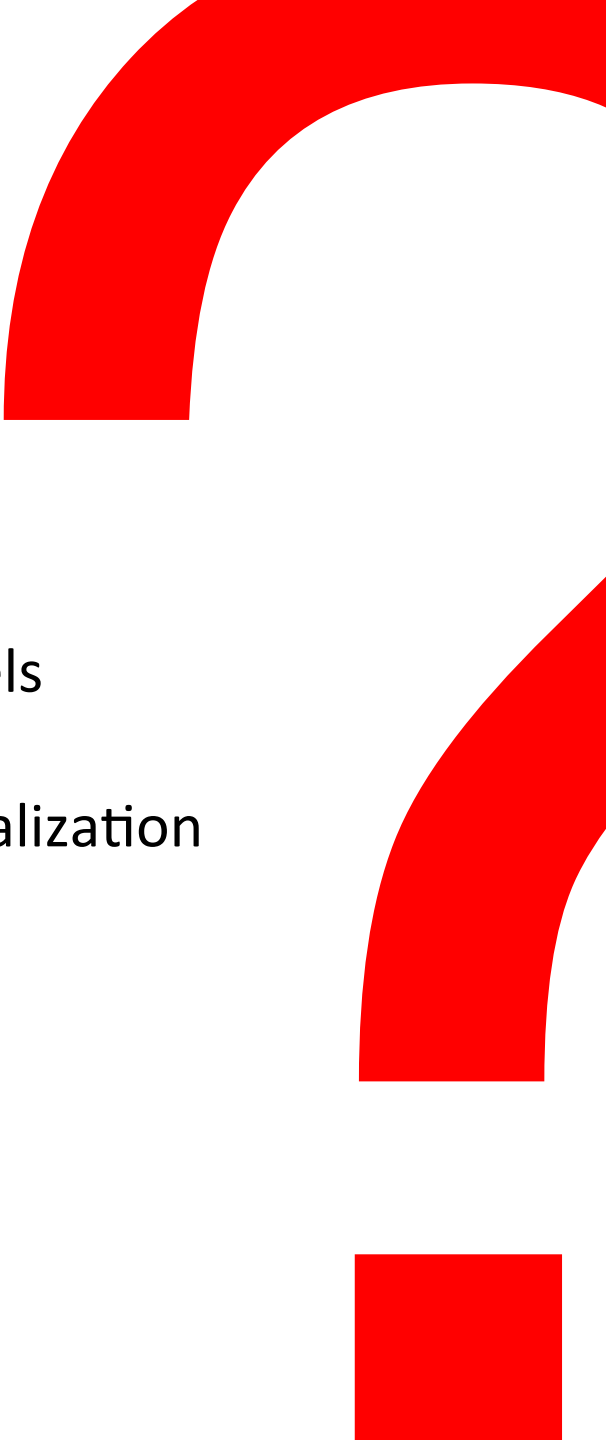
Adapted from material by Munir Mandviwalla and Steven L. Johnson

Class Discussion:

Digital Transformation of

GOVERNANCE

MODELS

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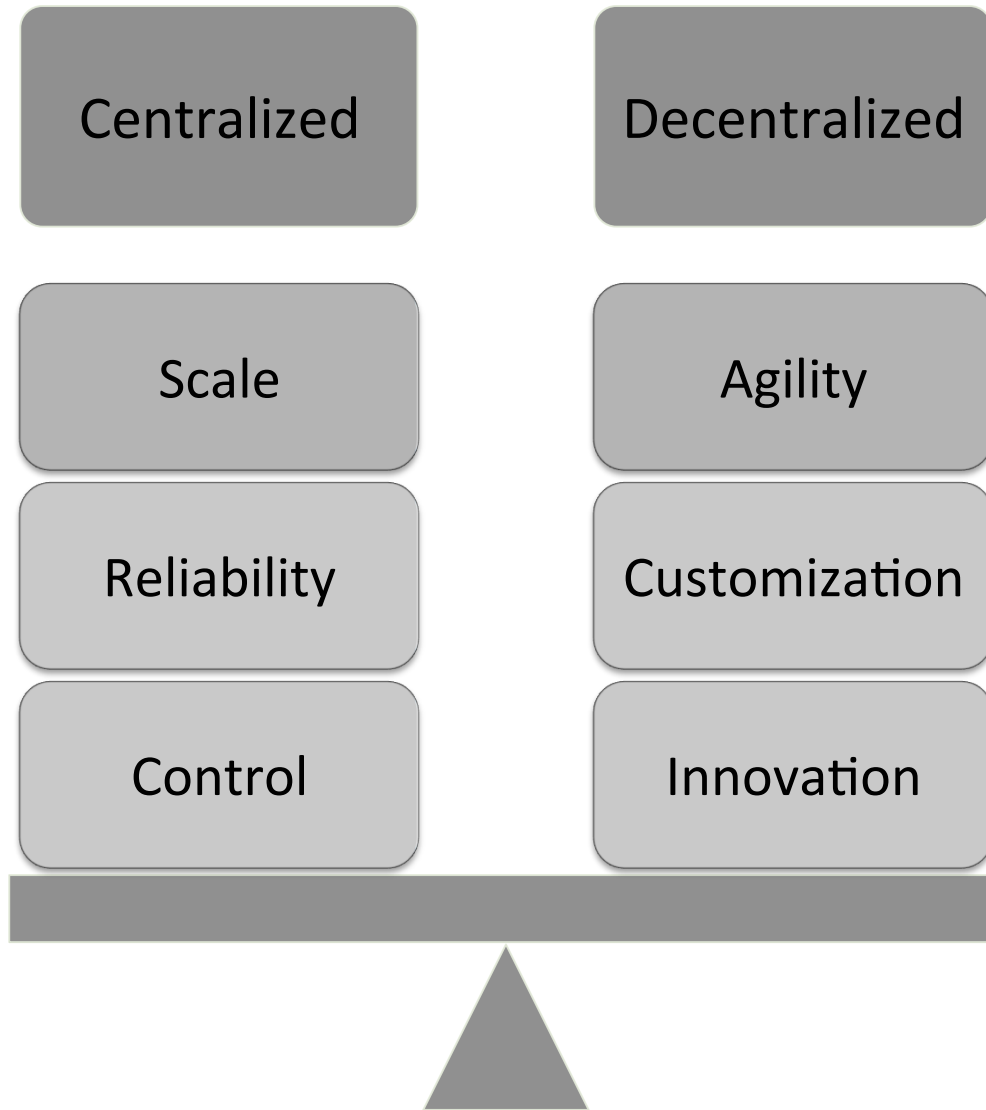
Class discussion of the following issues
from the readings:

- How IT enables decentralized business models
- Tension between centralization and decentralization of the IT function
- The role of metrics in IT evaluation

Centralization versus Decentralization



Comparing the Models

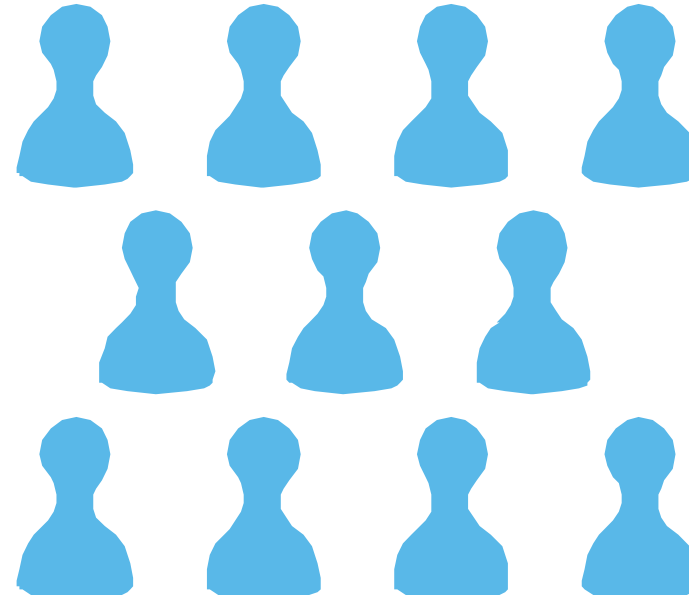
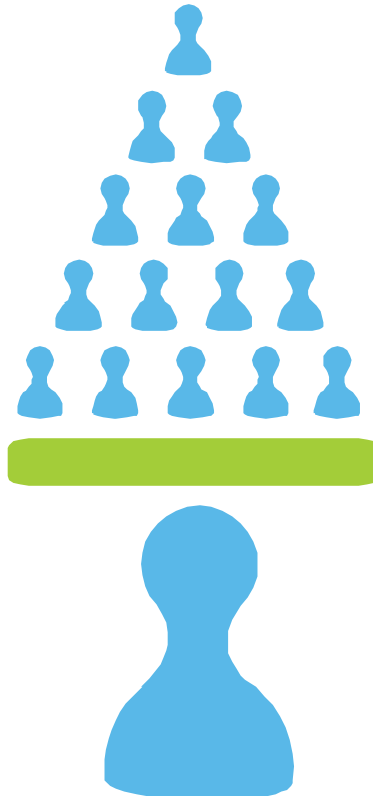


Why Does the Pendulum Swing?

- What is the governance model in your organization?
- Is your governance model a good fit for your organization?



The Hybrid Approach



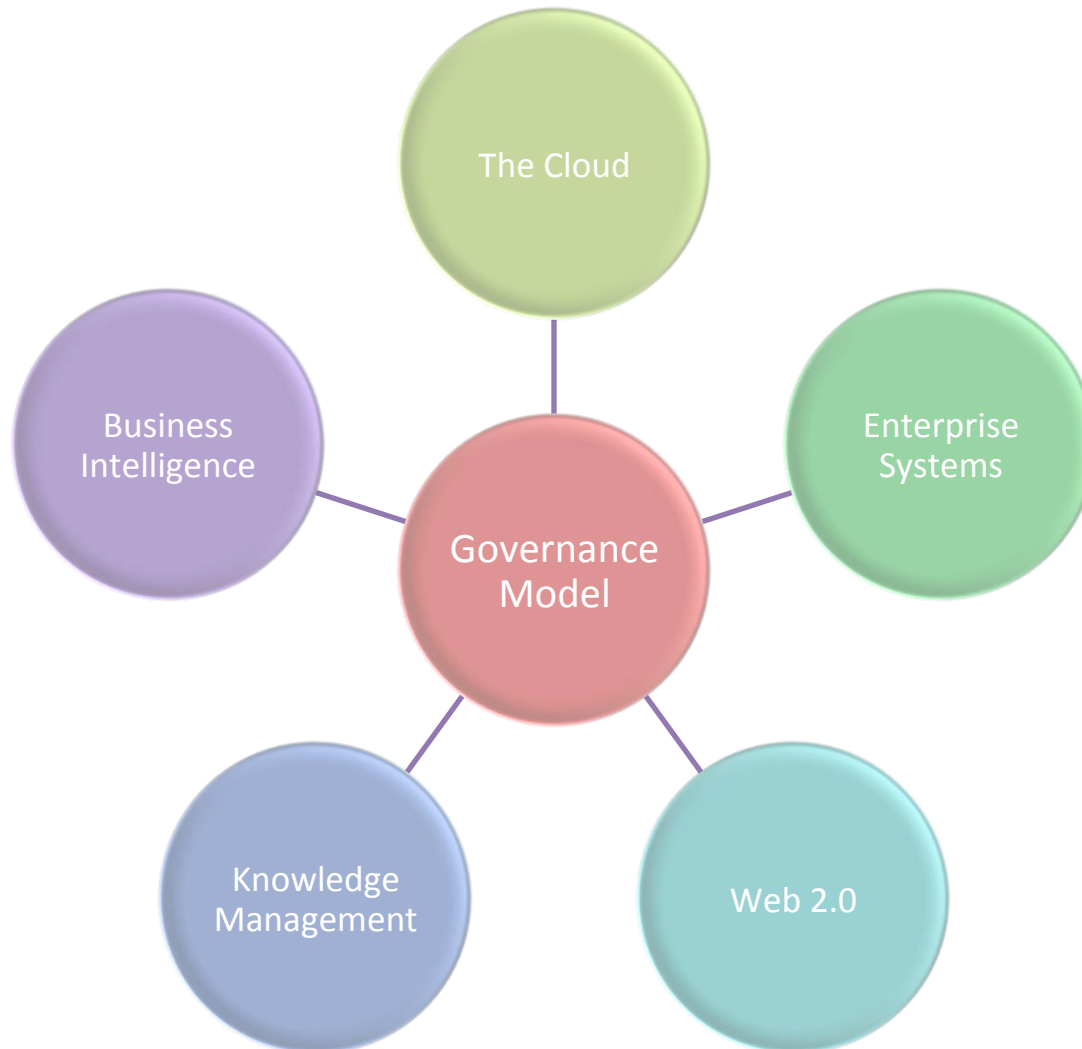
Shared Services

Business-Unit Services

Metrics

- In either model, how do you measure success?
- Are there “key metrics” for an IT initiative?
- Is *everything* measurable?

How can technology support a hybrid approach?



Breakout Session + Assignment:
Managing IT Projects

**VOLKSWAGEN
OF AMERICA**

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In groups, discuss the following questions:

- Describe the problems with the way Volkswagen had been managing IT projects at the start of the case.
- How did the new management system change their prioritization processes?
- How is it possible that under this new system a “critical” project (the global supply chain system) was underfunded?



Assignment #1 (Group):

Each group should prepare a 10 minute presentation which addresses the following issue:

Groups 1 and 3: What did Volkswagen of America get right regarding its method of prioritizing IT projects? How does it enable innovation?

Groups 2 and 4: What did Volkswagen of America get wrong regarding its method of prioritizing IT projects? How does it hamper innovation?

**class
discussion**

**TEAM
PRESENTATIONS**

Breakout Session + Activity:

Technology Platforms

**APPLYING SYSTEMS
THINKING**

Mobile Platform Business Models



Apple's iOS



Google's Android

Many Similarities

Built upon an operating system

App-based platforms

Encourage communities of developers

Hardware is important

Two different philosophies

Apple

- Tight control
- One device manufacturer
- Single ecosystem

Google

- Looser control
- Many device manufacturers
- Multiple, overlapping ecosystems

Real differences...

Mobile store

- **iOS:** iTunes only
- **Android:** Android Market, Amazon AppStore, Verizon (carrier) App Marketplace

App Development and Distribution

- **iOS:** iTunes only and Apple approves submissions
- **Android:** Anyone can distribute “non-market” apps

Putting media on the device

- **iOS:** iTunes only (and some “unofficial” options)
- **Android:** Multiple options, including DIY through PC



What is
Apple's
strategy?



What is
Google's
strategy?

*And how is it consistent with what
you know about each company*



What is the future?

Single Ecosystem?

Multiple Ecosystems?

Activity

- Prepare a brief analysis of who will prevail: Google or Apple?
- Apply a “systems thinking” approach, considering
 - The threats from disruptive innovations
 - Level of agility of each platform
 - Where control over the platform rests
 - The viability of each ecosystem model
 - Consistency with a “flat world”