

Introduction

Chartered Accountancy Business Level 2 Digital Business Strategy (DBS)

Susantha Weerakoon
B.Sc. (MIS), MBA (ISM), PHD (Business Psychology)



JMC Jayasekera Management Centre (Pvt) Ltd
Pioneers in Professional Education

65/2A, Sir Chittampalam A Gardiner Mawatha, Colombo 02 | T: +94 112 430451 | E: info@jmc.lk | F: +94 115 377917

BL -8 Digital Business Strategy

CA Business Level 2



Dr. Susantha Bandara Weerakoon
(BSc (MIS), MBA (ISM), PhD (Business Psychology))

| Curriculum | Main syllabus areas | Weight |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| | A. Introduction to Business Strategy and Technology Chapter 01 Business Management Process and Technology Chapter 02 Managing Technology in Business Chapter 03 Digitalization of Business and Commerce | 20% |
| | B. Managing Information in Business Chapter 04 Role of Information Systems in Business Chapter 05 Enterprise Resource Planning Systems | 25% |
| | C. Nature and Scope of e-Business Chapter 06 Introduction To E commerce Chapter 07 E-Business Environment Chapter 08 E-Business Applications | 30% |
| | D. Marketing Strategies in Digital Age Chapter 09 Marketing Practices in Digital platforms Chapter 10 Mobile and Social Media Marketing Chapter 11 Content Marketing | 25% |

Introduction to Business Strategy and Technology

What is Strategy?

Strategy: 'Is the long-term direction of an organisation.' (Johnson et al, 2017).

Strategy. A course of action, including the specification of resources required, to achieve a specific objective.

Digital Business Strategy. Digital strategy is the application of digital technologies to business models to form new differentiating business capabilities.

Strategic plan. Statement of long-term goals along with a definition of the strategies and policies that will ensure achievement of these goals.

Corporate Policy. Undated, long-lasting and often unquantified statement of guidance regarding the way in which an organisation will seek to behave in relation to its stakeholders.

What is Strategy?

Information systems (IS) strategy. This sets out to provide a long-term direction for the development of information systems throughout the organisation.

Information technology (IT) strategy. This is concerned with the development and maintenance of hardware and software to facilitate the overall IS strategy. (eg to provide the required information).

Information management (IM) strategy. This outlines how the organization will control and manage information in the organisation

What is Strategy?

Strategy is therefore concerned with the following:

The long term: this will mean a number of years, which can be thought of as 'three horizons'.

Horizon 1 means defending and extending the current business.

Horizon 2 businesses are emerging activities that should provide new sources of profit.

Horizon 3 ventures are new and risky and might provide returns in several years' time.

Managers need to consider all three in formulating strategy.

Strategic direction: organisations will generally have objectives and then organise themselves to meet those objectives.

Organisation: organisations generally contain people with differing views and interests, which are relevant in setting strategy. It will also have to consider its internal and external stakeholders and its boundaries – what it decides to include in or exclude from its activities.

What is Strategy?

Johnson, Scholes and Whittington suggest that there are six general areas for decision making that are normally regarded as 'strategic'.

1- Long-term direction

2 – Scope of Activities

3 – Competitive Advantage

4 – Adapting to changes in the business environment

5 – Exploiting to unique resources and core competencies

6 – Recognising values and expectations of major stakeholders

Levels of Strategy?

Corporate strategy deals with the overall purpose and scope of an organization and how to add value to the different parts business units of an organization for example, the decision to expand into a new geographical location or market

Business-level strategy is about how to compete successfully in particular markets continuing with the expansion analogy, the head of a business unit must decide where to be based, what products to sell and the markets to target etc

Operational strategies are about how parts of an organization such as marketing, Finance or IT support the overall strategy (the heads of IT, HR, in terms of recruitment, appraisal and agreeing terms and conditions)

Characteristics of Strategic decisions

Complexity: Decisions about strategy are complex. They involve a number of interrelated factors that must be considered, and there will often be a variety of different possible outcomes from any strategic decision

Uncertainty: There is likely to be a high degree of uncertainty surrounding a strategic decision, both about the precise nature of current circumstances and about the likely consequences of any course of action

Effect on business operations: Strategic decisions have extensive impact on operational decision making (decisions at lower levels in the organization).

Affect the entire organization: Strategic decisions affect the organisation as a whole and require processes that cross operational and functional boundaries within. An integrated approach is therefore required.

Technology and Value creation

