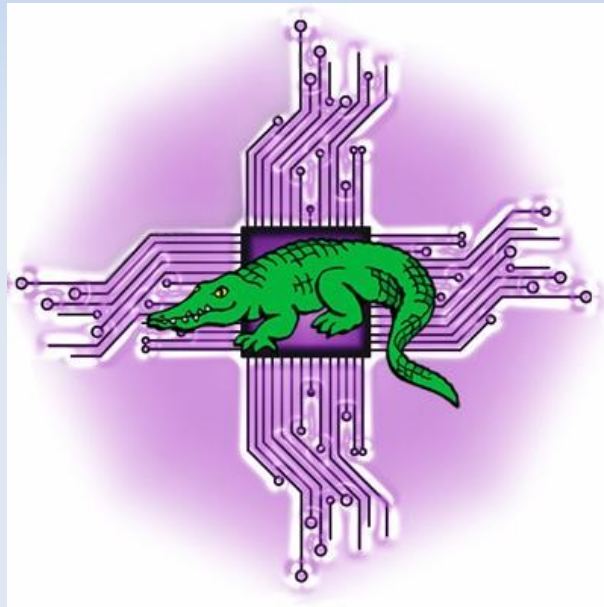


# E-Business Strategy Using Linux

## Presentation to Linux Users of Victoria



**June 7, 2011**

<http://levlafayette.com>

# 0.0 E-Business Strategy: Why?

**0.1 The Unspoken Truth (Managers).** (Computerworld, Jeff Ello, 2009). It's About Respect. It's About Technical Reasoning. Techs Will Ignore You. Managers must be technically competent.

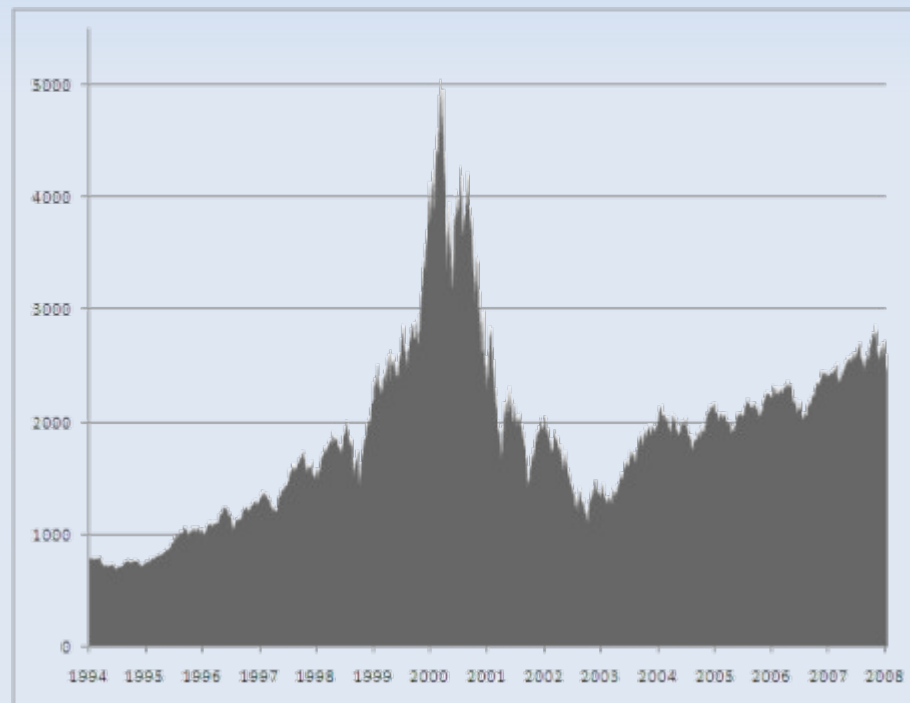
**0.2 The Unspoken Truth (Technicians).** It's about understanding. It's about the combining the business operations with technical genius. It's about a customer focus.



**The critical question on tonight's presentation: Can we make better use of Linux for e-Business Strategy? Is Linux innately better at e-Business Strategy than proprietary operating systems?**

# 1.0 E-Business

**1.1 The Dot.com Bubble.** NASDAQ went from c1500 to c5000 to c1000 within 2 years. Crash examples; pets.com, boo.com, go.com.. Success examples; Google, Redhat



# 1.0 E-Business

**1.2 Why Adopt e-Business?** (a) core activity, (b) facilitate, (c) support.



**1.3 A Definition:** Computer-mediated operations that occur in an attempt to achieve an organisation's major goals within an action plan.

**1.4 Four stages to Strategy Development:** (a) strategic planning (b) systems design (c) implementation (d) performance management.

# 2.0 Plans and Purpose

**2.1 A successful strategic plan builds value;** it has a customer focus, it uses mature technologies, it develops the business model, it networks and outsources Saarinen et al. (2006). Consider the famous Betamax versus VHS.

**2.2 Many advantages to e-Business:** Stakeholder value improvements for customers, employers, suppliers, shareholders and the business itself.

**2.3 Risks and Issues:** Poor strategy, poor translation into design, poor implementation, failure to measure performance.



# 3.0 E-Business Practise

**3.1 Better value for stakeholders is the goal.** There are four sources of value; Efficiency, Complementaries, Lock-in versus Loyalty, Novelty.

**3.2 Building Blocks of customer value;** points of parity, difference and contention (Anderson et. al. 2006).

**3.3 E-Business Systems:** Knowledge Management, Value Chain, e-Marketing, e-CRM, m-Business, Operations (e.g., Accounting, Project Management).

**3.4 Linux Examples.** Knowledge-Tree, bespoke MySQL, Mailman, Postbooks, Drupal ERP, Adempiere, CiviCRM, SugarCRM, vTiger, Embedded Linux, GnuCash, Storm etc etc etc!

# 4.0 The Strategic Plan

**4.1 Not Just The Technology.** Stakeholder sensitive, Customer focus, Technology, Project completion, Resource management, Organisational culture, Competitive orientation. Technology S-Curves

**4.2 Planning Concepts:** Strong First Mover Advantage, Value Chain, Co-opetition (consider Microsoft and Novell), Intermediation, Rol.



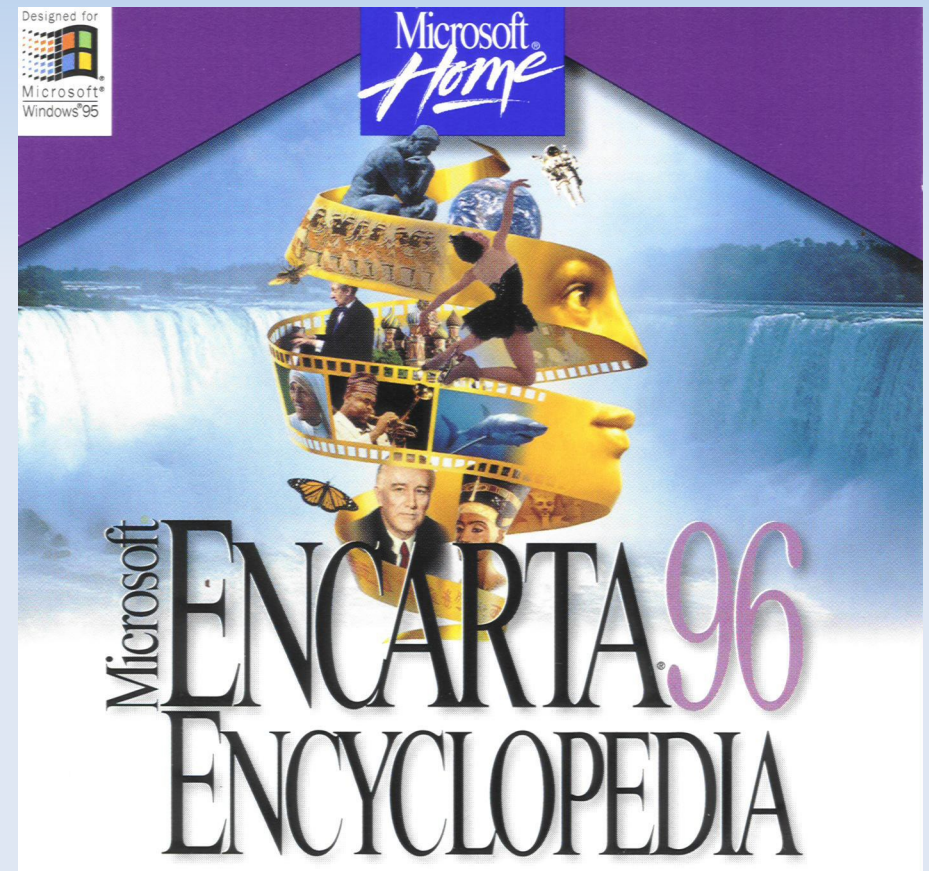
**4.3 Strategic Planning:** Manage the strategic planning process, revisit the organisation's vision and mission statements, gather competitive intelligence, create strategy alternatives, screen alternatives and select. Incorporate performance management. Amazon vs Barnes & Noble.

# 5.0 Design and Implementation

**5.1 Design.** Action and Objectives, Organisational issues, Business Processes. Architecture, Platform, Infrastructure and Middleware. Telstra and single-billing service. Encyclopedia Britannica versus Encarta versus Wikipedia.

**5.2 Implementation.** Outsourcing issues, Action, Pilot tests and rollout, Control and measurement.

**5.3 Risk Issues.** Failure in design and implementation.



# 6.0 Performance Management

**6.1 Measuring Performance.** Evaluation is necessary. Informational versus Diagnostic Metrics, Analytical Hierarchy Process (TCO versus usability vs power).

**6.2 Managing Performance.** Link with vision and mission. Establish objectives and SMART metrics. Measure and communicate results. Correct off-target performance.

**6.3 Performance Management Systems.** Financial based. Activity based. Sink and Tuttle. Balanced Scorecard

# 7.0 The GNU/Linux Future

**7.1 Information Goods.** Initial costs are high. Marginal cost of reproduction is close to zero. Over time, open source will get even better than it is now.

**7.2 Cathedral versus Bazaar.** The more widely available the source code is for public testing, scrutiny, and experimentation, the more rapidly all forms of bugs will be discovered.

**7.3 Truth, Logic, Relationships and Loyalty Are On Our Side :)**

