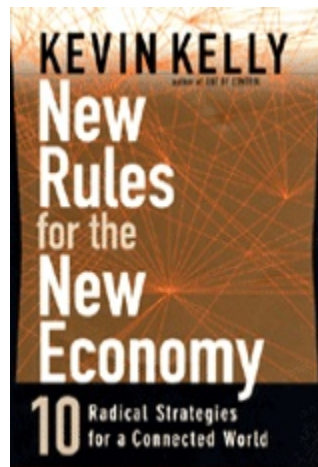


BUSINESS NETWORKS

TRACK PRESENTATION

THE NETWORK ECONOMY





*the new economy is often referred to as the **Information Economy**, because of information's superior role (rather than material resources or capital) in creating wealth. I prefer the term **Network Economy**, because information isn't enough to explain the discontinuities we see.*

Kevin Kelly, editor of Wired, in: Wired 5.09

TECHNOLOGY PERSPECTIVE




  What is a Smarter Planet?

Instrumented. Intelligent. Interconnected.

How we use data. How industries collaborate. How we make a smarter planet.

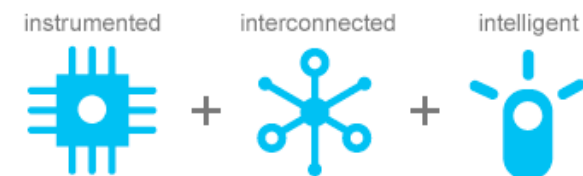
Our definition **Industries in focus** **Applying insights**



Source: <http://www.ibm.com/smarterplanet/us/en/overview/ideas/index.html>

„Data is being captured today as never before. It reveals everything from large and systemic patterns – of global markets, workflows, national infrastructures and natural systems – to the location, temperature, security and condition of every item in a global supply chain.“

By smarter, we mean the world is becoming:



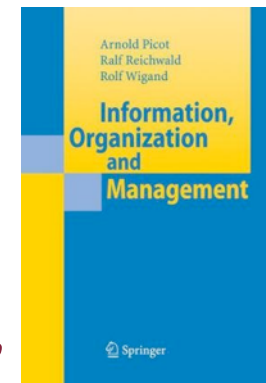
Source: <http://www.ibm.com/smarterplanet/uk/en/overview/ideas/>

THE BOUNDARYLESS ENTERPRISE

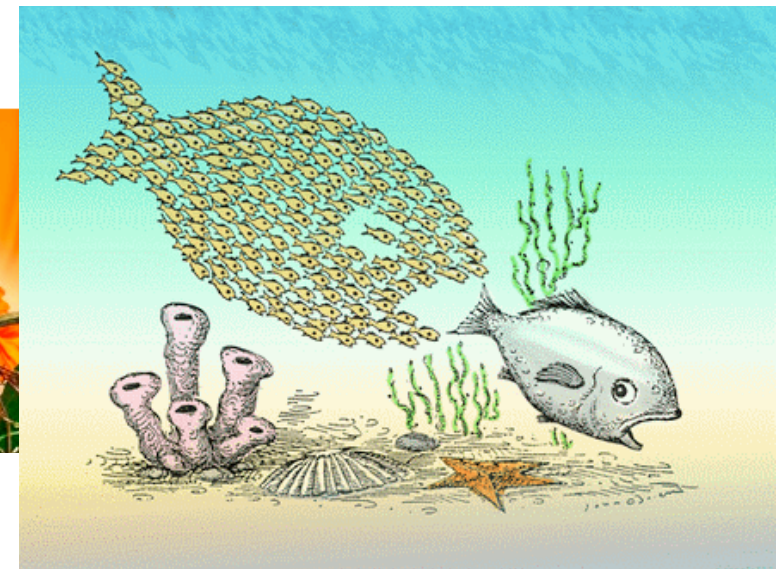


“We think of corporations as self-contained, integrated structures. They are physically located in office buildings and production plants where the corporation’s employees normally work and where the required machines, equipment, materials, and information can be found. [...] Naturally, a corporation constantly crosses its own boundaries when transferring goods to and from markets, procuring input goods, [...]. Nevertheless, this type of boundary crossing [...] denotes a clear perception of inside and outside, [...].

In today’s economy, many areas no longer match this textbook model of corporate boundaries. Network organizations, telework, cooperative networks, virtual organizational structures, and telecooperation are no longer buzzwords, but found in the real world. [...] Traditional corporate boundaries are beginning to blur, to change internally as well as externally, and, in some cases, to dissolve.” (Picot, Reichwald, Wigand 2008, pp. 3-4)



PARTNERING FOR SMES



Source: http://www.bioteams.com/images/big_fish_little_fish.gif

Present in 150 countries.
Globally 58.000 partners
processed over 25 mio. flower orders p.a..

STRATEGIC ALLIANCES



„Today in London, our two companies announced plans for a broad strategic partnership that combines the respective strengths of our companies and builds a new global mobile ecosystem.“

<http://conversations.nokia.com/2011/02/11/open-letter-from-ceo-stephen-elop-nokia-and-ceo-steve-ballmer-microsoft/>



- 48% more strategic alliances used today by America's fastest growing companies than 3 years before (Trendsetter Barometer 1998)
- Yet, a precarious undertaking:
 - failure rate of business alliances 50-70% (PWC, KPMG)
 - dissolution rate of 50% (Park, Ungson 1997)

Cf. Barringer, Harrison 2000, p. 368

GROUP VS. GROUP



	Star Alliance^[5] 27 members Founded 1997	SkyTeam^[6] 20 members Founded 2000	Oneworld^[7] 15 members Founded 1999
Passengers per year	637.62 million	588 million	506.983 million
Countries	193	178	152
Destinations	1,269	1,064	992
Fleet size	4,338	4,467	3,324
Employees	439,232	459,781	391,968
Revenue Billion US\$	173.12	186.331	142.571
Daily departures:	18,000	15,723	14,011

Source: http://en.wikipedia.org/wiki/Airline_alliances

LEARNING OBJECTIVES



- What is the motivation of firms to engage in inter-organizational cooperation?
- In what kind of relationships do companies enter?
- What are viable network business models?
- How does successful cooperation and coopetition work?
- How can networks be managed?

TRACK OVERVIEW

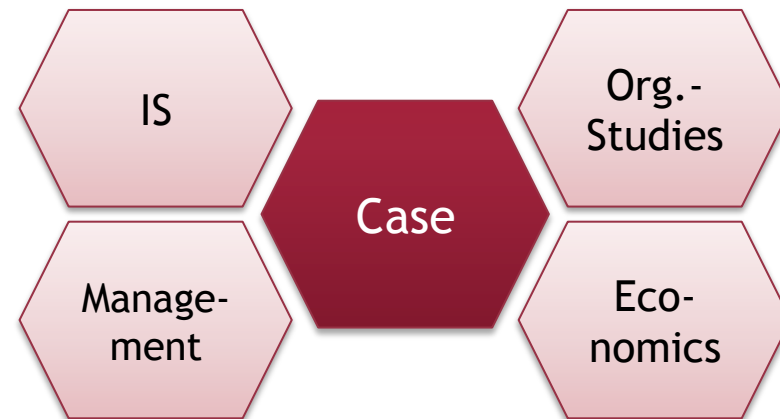


Winter term	Summer term
Inter-organizational Systems	Information Security
	Network Economics

Inter-organizational Systems

Seminar style with integrated lectures

Discussion of case examples from different theoretical angles





THE IS RESEARCH NETWORK

www.ercis.org