

### Digital Business Strategy: Toward a Next Generation of Insights

#### Guest Editors

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#### Rationale for the Special Issue

Over the last two decades, IT strategy has been framed as a functional-level strategy that must be aligned with the firm's business strategy (Henderson and Venkatraman 1993). This thinking is also reflected in research studies in business process redesign, intra- and interorganizational systems, business value of IT, and IT outsourcing. However, during the last decade, the digital infrastructure of business and society has undergone radical shifts and unleashed a new digital era. Today's digital technologies are fundamentally reshaping traditional business processes as modular, distributed, cross-functional, and global processes that enable work to be carried out across boundaries of time, distance, and function (e.g., Sambamurthy et al. 2003; Straub and Watson 2001; Wheeler 2002). They are also enabling different forms of dynamic capabilities suitable for turbulent environments (Pavlou and El Sawy 2006). Digital technologies are also transforming the structure of social relationships in both the consumer and the enterprise space. Furthermore, products and services increasingly have embedded digital technologies, and it is becoming more difficult to disentangle business processes from their underlying IT infrastructures (e.g., El Sawy 2003; Orlikowski 2009). Digital platforms are enabling cross-boundary industry disruptions, and thus inducing new forms of business strategies (e.g., Burgelman and Grove 2007). Furthermore, theoretical structures for strategy making in nonlinear dynamic environments are also emerging (e.g., Davis et al. 2009; Meyer et al. 2005; Pavlou and El Sawy 2010). Consequently, as exponential advancements in the price/performance capability of computing, storage, bandwidth, and software applications drives the next generation of digital technologies to be delivered through cloud computing, it is time to rethink the role of IT strategy, from that of a functional-level strategy aligned but essentially subordinate to business strategy, to a fusion between IT strategy and business strategy into an overarching *digital business strategy*.<sup>1</sup>

The purpose of this Special Issue of *MIS Quarterly* is to examine whether *digital business strategy* is a more appropriate framework to examine the evolution of IT and business strategy. In particular, what role can IT play in formulating and leading new business strategies, designing new organizational forms, and creating new business capabilities for success? Should IT strategy always be subordinate to business strategy, or is IT strategy the new business strategy? Is IT strategy better understood as a functional-level strategy, or is it fundamentally different than other functional-level (e.g., operations, marketing) strategies? To spawn a next generation of insights, we invite scholars not only in the IS field but also across all functional domains who share an interest in how IT impacts and shapes key drivers of competitive advantage.

Our objectives in this Special Issue are three-fold: (1) to examine and crystallize the interconnection between IT strategy and business strategy; (2) to develop a set of core building blocks for positioning and developing digital business strategy as an emerging perspective for value creation and firm competitiveness; (3) to develop a new cross-disciplinary understanding of digital business strategy and to energize the next generation of research studies around digital business strategy.

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<sup>1</sup>Although the term *digital business strategy* may have been used colloquially in consulting publications, such as the CSC Index Foundation Report 113 (CSC Index 1997) and others in the 1990s, the term is now gaining in importance (e.g., Kulatilaka and Venkatraman 2001).

## Questions for the Special Issue

We envisage that contributions in the Special Issue will address the following (and related) questions.

### Conceptualizing and Defining Digital Business Strategy

1. How can we conceptualize and define digital business strategy as a compelling view of the fusion between business and IT strategy, different from the alignment view that relied on the inherent separation between IT and business strategy? Under what conditions is it still best to use the separatist perspective?
2. What characteristics (environmental, global, industry, market, organizational, etc.) distinguish digital business strategy from other functional-level strategies, such as marketing, operations, etc.? What does this view mean for leadership, organizational design, management processes and performance assessment?
3. It appears that many new concepts in management such as agility, ambidexterity, resilience, robustness, and others are related to IT-enabled capabilities; yet, these concepts have been developed with minimal attention to IT. How can we better delineate the concepts of digital business strategy and digital infrastructure functionalities to inform and influence emerging management concepts?
4. There is a belief that the deployment of IT on a global basis will have a significant impact on how firms develop and execute their business strategies. How do we define digital business strategy to understand this global dimension that goes beyond IT outsourcing and IT offshoring?
5. Is there a maturity cycle or adoption curve for digital business strategy across firms, value chains, and ecosystems? What are the organizational capabilities needed for developing and implementing digital business strategies, and where do they come from?

### Role and Impact of Digital Business Strategy

6. The importance of digital business strategy is due to its ability to change the “rules-of-the-game” in many industries through disruptions of business models. The expectation is that such rules will be redefined due to virtualization, cloud computing, Internet of Services, and other IT developments. How can we better understand the intrinsic connection between IT architecture and changing rules of the game beyond general assertions? How does IT architecture affect cross-industry disruption?
7. Digital business strategies call for coordination across firms along product, process and service domains, thereby creating complex and dynamic ecosystems for growth and innovation. What is the role of alliances in such dynamic networks that are different from interfirm relationships in the industrial era? How does that change in emerging market spaces and in fragile ecosystems?
8. Demonstrating the value and impact of IT strategy has been a challenge over the last decade—partly due to the separation of IT from business strategy. How can we better demonstrate the value of digital business strategy on firm performance? What new approaches appear promising?
9. How does IT architecture impede or constrain the execution of digital business strategy? How does that change when the business environment becomes more turbulent? What are the control points and friction points that influence the execution of digital business strategy?
10. What new research methods and methodological paradigms will we need to better examine the role and impact of digital business strategy?
11. What insights can we derive from a global, cross-country perspective on digital business strategy?
12. What is the role of senior leaders in the development and evolution of digital business strategy?

## Scope of the Special Issue

Submissions are encouraged from all theoretical and methodological perspectives, and scholars from IS, strategic management, and related disciplines. Authors must justify why their study is new and interesting for IS research and practice. It is imperative that the submitted papers break new ground and make a unique and novel contribution. It is expected that all papers published in the Special Issue will significantly contribute to and extend the existing IS literature. The most important criterion for acceptance is whether the paper makes a novel, unique, and significant theoretical, empirical, or managerial contribution.

The Special Issue will explicitly try to engage researchers from outside the IS discipline who work on digital business strategy by viewing IT as an integral component of business strategy. These include other areas of business (such as strategy, marketing, operations, entrepreneurship) as well as other social sciences (such as public policy, economics, political science).

During the period in which the call for papers is out, the SEs will also systematically engage with the AEs and a selected group of “visionary provocateurs” to invoke their thoughts on the critical issues in terms of theory, research, and practice. These would include IS scholars, scholars from other adjoining management fields, and select thoughtful practitioners. Depending on the response, these attempts may be coupled with informal, small-scale workshops that may help generate submissions. A summary of these insights will be accumulated and provided to potential contributors online on the *MIS Quarterly* website during the period

in which the call for papers is out to inspire submissions to the Special Issue. These visionary provocateurs will also be invited to attend the MISQ workshop to offer comments on the presentations of the papers that are invited for a second revision.

Finally, a distinctive feature of this Special Issue is to seek short (~2,000 words) refereed commentaries on the theme of the Special Issue. These opinion pieces will be both contributed (anyone can send a submission) and invited (to select visionary provocateurs). These commentaries will serve to spawn a discussion about the importance of digital business strategy and the need to go beyond existing paradigms of IT strategy and alignment and espouse new theoretical and methodological paradigms. These opinion pieces will jointly appear under an overarching article titled “Perspectives on Digital Business Strategy,” each with a separate title and authors’ names.

## Types of Papers

We expect that the Special Issue will be published with a mix of three types of papers, as well as an integrated summary of a set of refereed opinion pieces.

- **Conceptual papers** that offer new theoretical approaches and insights to define digital business strategies that reflect the fusion between business and IT strategy, or that explore new theoretical constructs and develop frameworks to guide the development of propositions and hypotheses. We are particularly interested in manuscripts that develop frameworks on how digital business strategy as an overarching concept could offer insights on how IT strategy supports and shapes business strategies for the 21<sup>st</sup> century. We will also consider papers that offer novel methodological approaches especially suited to the examination of digital business strategy.
- **Empirical papers** that develop and test hypotheses on the role and effect of digital business strategies under different conditions. We are interested in studies that explore new dependent variables or new empirical methods that are particularly suited for examining impacts of digital business strategies. We are also keen on papers that offer empirical insights on the role and impact of digital business strategies under different contingencies (e.g., across industries or global geographical regions).
- **Case Studies** that offer new insights on digital business strategy. We are *not* interested in teaching cases but papers that derive new insights on digital business strategy from in-depth analyses (single case study or comparative case studies). For example, what can we learn about digital business strategies from e-business firms such as Amazon, eBay, AOL and others over the last two decades? What can we learn from enterprises that have embarked on global off-shoring to create new digital business capabilities?
- **Opinion pieces** (2,000-word articles) in the form of MISQ’s Issues & Opinions that will offer opinions on digital business strategy. These pieces will be refereed whether invited or contributed. These pieces will serve to energize discussions across related fields about the role of IT in the formation of digital business strategy. All opinion pieces will appear under a single article titled “Perspectives on Digital Business Strategy,” clearly separated under their own title with their authors’ names. Additional supplementary material beyond the 2,000 words may appear as online supplements on the MISQ website.

## Consultation with Special Issue Editors

To ensure a good fit with the theme of the Special Issue, authors are encouraged to discuss their work with the Special Issue Editors before submitting their paper by sending a brief description of their intended submission. Authors are asked to prepare a one or two page proposal describing their study’s idea, results, and intended contribution, and feedback will be provided to the authors prior to submission if received before July 15, 2010.

## Page Limit

Regular submissions must be limited to 40 double-spaced pages in Times New Roman, 12-point font, including all references, figures and tables. Opinion pieces should be 2,000 words or less (excluding online supplements).

## Early Submissions

Initial submissions that are received earlier than the schedule shown below will be processed *immediately*. The dates shown below represent the time frames for each stage in the process and so papers that are received earlier will be handled using the same timing parameters.

## Schedule and Submission Information

1. All submissions will receive an initial screening by the Special Issue editors, and only promising submissions that fit the theme of the Special Issue and are deemed to have a reasonable chance of acceptance will remain under consideration. All submissions must adhere to the formatting guidelines for *MIS Quarterly*. Submissions are made electronically to <http://mc.manuscriptcentral.com/misq>.

2. The promising submissions will be forwarded to one of the Associate Editors of the Special Issue who will also assess the quality of the manuscript and collectively decide with the Special Issue editors whether the paper should be sent to reviewers for a full review.
3. Papers that are invited for a second round of review will be invited for presentation at a workshop that will take place about 3 months after the initial reviews are sent to the authors. Details of the workshop will be given to the authors when their paper will be invited for a second round of review. Authors will be asked to present the latest version of the revised paper along with a revision plan that addresses the major issues identified by the reviews. Additional feedback will be given to the authors during the workshop by the editors.
4. Submissions that pass the initial screening will have the opportunity for a maximum of two revisions. If a submission is not accepted by the end of the second round of reviews, it will be rejected. Submissions will enter a third round of reviews with the AE and Special Issue editors only if the revisions to be undertaken after the second round are relatively straightforward.

## Timetable

A strict schedule for submission and revisions will be adhered, as shown below.

- July 15, 2010           Deadline for submitting an optional one to two page idea to solicit initial feedback from the Special Issue editors about fit with Special Issue
- September 1, 2010    Deadline for submission of manuscripts
- January 15, 2011     First round of reviews are provided to the authors
- May-June, 2011       Workshop presentation of revised manuscripts
- July 15, 2011         Deadline for submitting first revision of the manuscript
- October 15, 2011     Second round of reviews are provided to the authors
- December 15, 2011   Deadline for submitting second revision of the manuscript
- February 1, 2012     Final editorial decision on the manuscript

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