RUNNING HEAD: IT

Assessment 1

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The Information Systems or Information Technology is utilized by business organizations to improve the business position and compete with rivals. IT is imperative to enhance the efficiency of business operations and bring innovation in its processes. In the highly competitive business environment, organizations cannot survive without technological innovations and use of Information Systems. In addition, companies that utilized IS/IT to innovate and maintain a competitive position in the market.

# Examples from Industries

Some of the organizations that have employed IS/IT for innovation include Zappos, Netflix, Amazon, Royal Bank of Scotland and CVS Health etc. (“The World’s Most Innovative Companies List,” n.d.). Zappos is known to be one of the most successful organisations that implemented IS to bring innovation in the customer service experience. The website of the company is connected with the warehouse management and merchandising planning and warehouse management system. The company utilizes IS to compute precise merchandize and make updates on a daily basis (Rainer et al., 2013). Netflix is a famous name when it comes to creative technological innovation. It is an excellent example of the successful adoption of information technology that brought a huge revolution in the industry of television shows (McDonald and Smith-Rowsey, 2016).

Amazon is s one of the leading innovative giants and in 2017 it was considered as the most innovative company in the world. The technological sophistication at the company empowers customers to interact with the digital platform of the company (Thierry and Lescop, 2009). It has adopted the technology of networking to integrate its human resource, logistics and accounting systems. However, some corporations also failed to implement IT and IS successfully, that caused huge disruption. One example of such an organisation is the Royal Bank of Scotland that caused disruption among 600,000 customers due to a system failure in 2015.

# Success factors and lessons learned

Numerous factors were responsible for the success and failures of these corporations concerning the implementation of IT and IS. Zappos used IS to enhance the customer's shopping experience. The e-commerce system implemented by the company enhanced customer experience that resulted in a huge loyal customer base and gave creative freedom to its employees (Perschel, 2010). Amazon changed the online shopping and delivery in the most innovative ways. Amazon Prime Air was a game-changer in the arena of online shopping since it enabled the fastest delivery via drones. It also uses cloud computing to make web service faster. Amazon accounts create ease for customers in making payments. In addition, both businesses merged to bring the best outcome for customers.

Netflix has revolutionized the use of the internet to create an innovative business model that transformed the way people watch TV (McDonald and Smith-Rowsey, 2016). The internet subscription and video streaming are some of the ways it chose to deliver content. It transformed the concept of exclusive content, from buying the content to producing its own original content. Technology-enabled the company to provide unlimited access to its users anywhere in the world. The case of the Royal Bank of Scotland gives clear speculation of what an IT failure can lead to, especially for the company highly dependent on the technology. The IT failure resulted in millions of loss to the customers and a heavy monetary cost to the company as well. The banking industry must learn from this failure that banks rely on resilient IT systems and one failure creates a setback for millions of customers.

# The impact of internal and external factors

The success or failure of an IT/IS enabled innovation depends on numerous internal and external factors. These factors guide an organisation in the way it can implement the technology to enhance its business performance. The internal factors like people, management and leadership of an organisation determine the success of IT-based programs as well (Deschamps, 2005). For instance, Zappos created a culture of "Customer First" and employed technology to attain its aim to be the best customer service provider. Employees of the company are familiar with the company's culture and they have an alignment of their personal goals with that of goals of the company. Amazon CEO Jeff Bezos is known to be the technology leader that made Amazon the most tech-oriented company (Levy, 2011).

In addition, the company responded to the external factors of adopting the best innovative technology to serve its customers and differentiate itself from other players in the industry. Amazon takes several other decisions such as merging with Zappos to preserve its position in the highly competitive e-commerce industry alongside introducing innovative technologies. Netflix also retorted to the external factors and was able to explore potential opportunities in the industry before any tech leader. The company leadership resulted in a huge success and made Netflix a technological breakthrough. In the same manner, the failure of the Royal Bank of Scotland is not merely an IT failure but an outcome of several poor decisions taken by the company. It is proof of the lack of effective management and leadership at the company that led to the IT system crash. Besides, the bank went for an IT upgrade but failed to keep its operations streamlined.

# Recommendations

This paper discussed some success and failure stories with regard to IT/IS innovations. From the successful IT projects, it can be witnessed that IT can make or break a company. Innovation in technology is a factor, every organization must emphasise on to survive in the market. Companies must learn lessons from this success and failures and the underlying factors responsible in each case before implementing change. In addition to this, relying on technology merely is not something commended but various other associated factors must also be kept in mind.

Companies must be ready to respond to the ever-changing technological environment. When it comes to technology, the decision must be based on research in the future. In the absence of a culture of technology and innovation, reliable leadership, sound management and efficient decision making, the most innovative technologies can also fail to produce favourable results for the companies (Harper and Utley, 2001).

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