

# Strategic Information Systems Plan for Kwangju Bank (1996)

# Coventry University

## Information Systems Strategy - 1999

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- ◆ **Purpose and Benefits**
- ◆ **KJB Strategic Plan**
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# Introduction

- ◆ The report documents planning activity for the KEMI Integrated Management Information Systems (KIMIS) project at Kwangju Bank (KJB) in the city of Kwangju, South Korea. The report documents the Strategic Information Systems Plan (SISP) for the KJB Strategic Data Model.
- ◆ Participating in the development of the SISP were staff from KEMI (Kwangjubank Economics & Management Institute - a subsidiary of KJB). Facilitating the development was *Clive Finkelstein* (Chief Scientist of Visible Systems Corporation in USA and also Managing Director of Visible Systems Australia Pty Ltd in Melbourne, Australia: previously called Information Engineering Services Pty Ltd - IES).

# Introduction (Cont.)

- ◆ KJB has massive amounts of operational data.
- ◆ While this data provides detail at specific points in time, much of the information that managers need for decision-making must be summarised from this operational data as aggregates: analyzed from many dimensions; and also as change trends examined over time. KJB databases and systems are designed to deliver this information to management.

# Introduction (Cont.)

## ◆ CASE Tool

- *Visible Advantage*, an Integrated Computer Aided Software Engineering (I-CASE) is used

## ◆ Methodology

- Information Engineering (IE)

# Purpose and Benefits

- ◆ Databases and systems developed from the KJB Strategic Model have the following purpose and benefits for Kwangju Bank:
  - A framework for provision of timely and accurate information.
  - A directory of information defining the meaning of data and the relationship of that data to other data.
  - Data integration to remove data inconsistencies
  - An Information Warehouse that offers ease of use in obtaining information from operational data bases, where that is currently very difficult to obtain.

# KJB Strategic Plan

- ◆ The KJB Strategic Plan was used as a catalyst to identify information needed by management to achieve goals, objectives and key performance indicators detailed in those plans.

# KJB Strategic Plan (Cont.)

## ◆ Mission

- Contribute to the development of regional economy and to the affluent life of customers and employees with progressive banking activities.

## ◆ Vision

- Integrated finance group leading the information culture
- Regional financial nucleus expanding worldwide
- An integrated financial institution leading the banking culture of daily life . . . .<sup>8</sup>



# KJB Strategic Plan (Cont.)

## ◆ STRENGTH

- Relatively young people and quick decisions
- Excellent information Infrastructure and technologies

## ◆ WEAKNESS

- Difficulties in hiring talented persons
- Short of business experts with knowledge and skills

## ◆ OPPORTUNITIES

- Deregulation enables KJB to advance into new market, introducing new products and new business
- Speeding up information around the world allows KJB to do business with no boundary limit

## ◆ THREATS

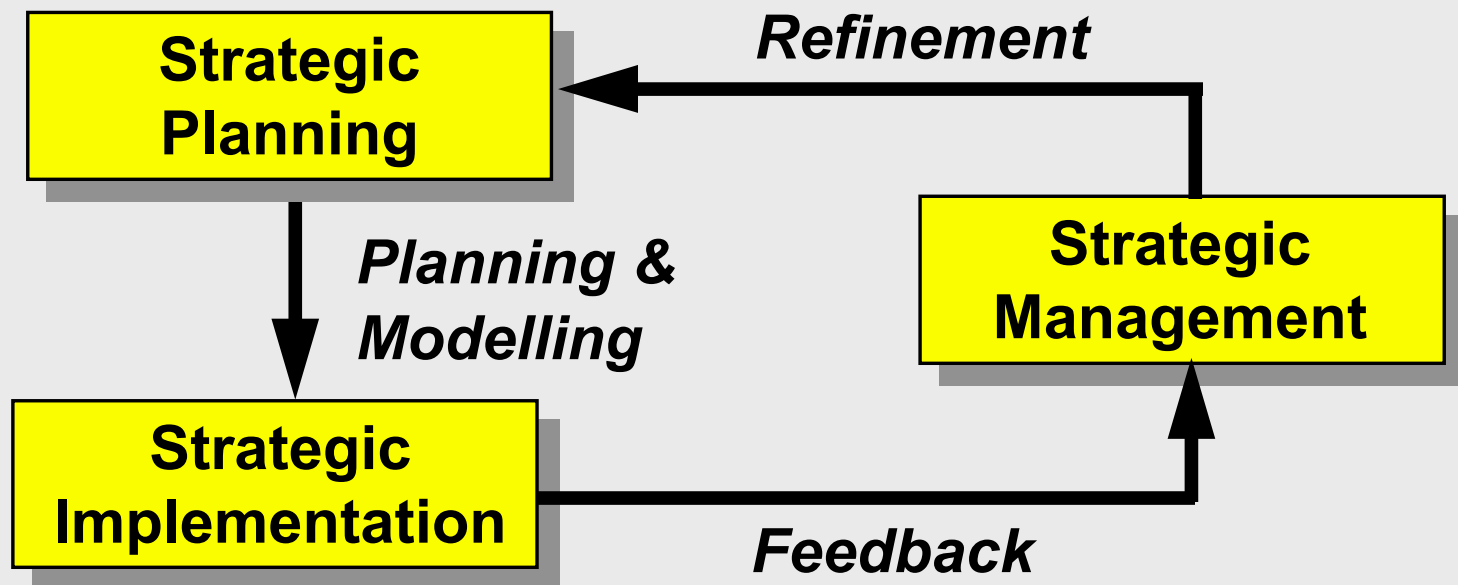
- Deregulation makes new competitors equipped with new products and high technologies emerge in the market
- New competitors through Internet

# KJB Strategic Plan (Cont.)

## ◆ Goals

- Building up strong business networks in the South West region and infrastructure for electronic banking(internet)
- Place KJB's information structure on a firm base to share Enterprise wide knowledge
- Establish a basis for Global banking
- ....

# Strategic Planning Feedback from Implementation



# Strategic Planning Feedback from Implementation (Cont.)

- ◆ This feedback, the refinement of plans and identification of information needs is carried out in tactical-level projects discussed later. This approach will:
  - Result in databases and systems that will deliver management information at all levels of KJB, to help managers carry out their responsibilities and achieve their defined plans.
  - Identify information that managers will need from the KJB databases and systems, and the data to be stored in the Information Warehouse where it will be used to derive that information.
  - Provide invaluable feedback to management to clarify the wording of planning statements where needed, so those statements are correctly interpreted and implemented.

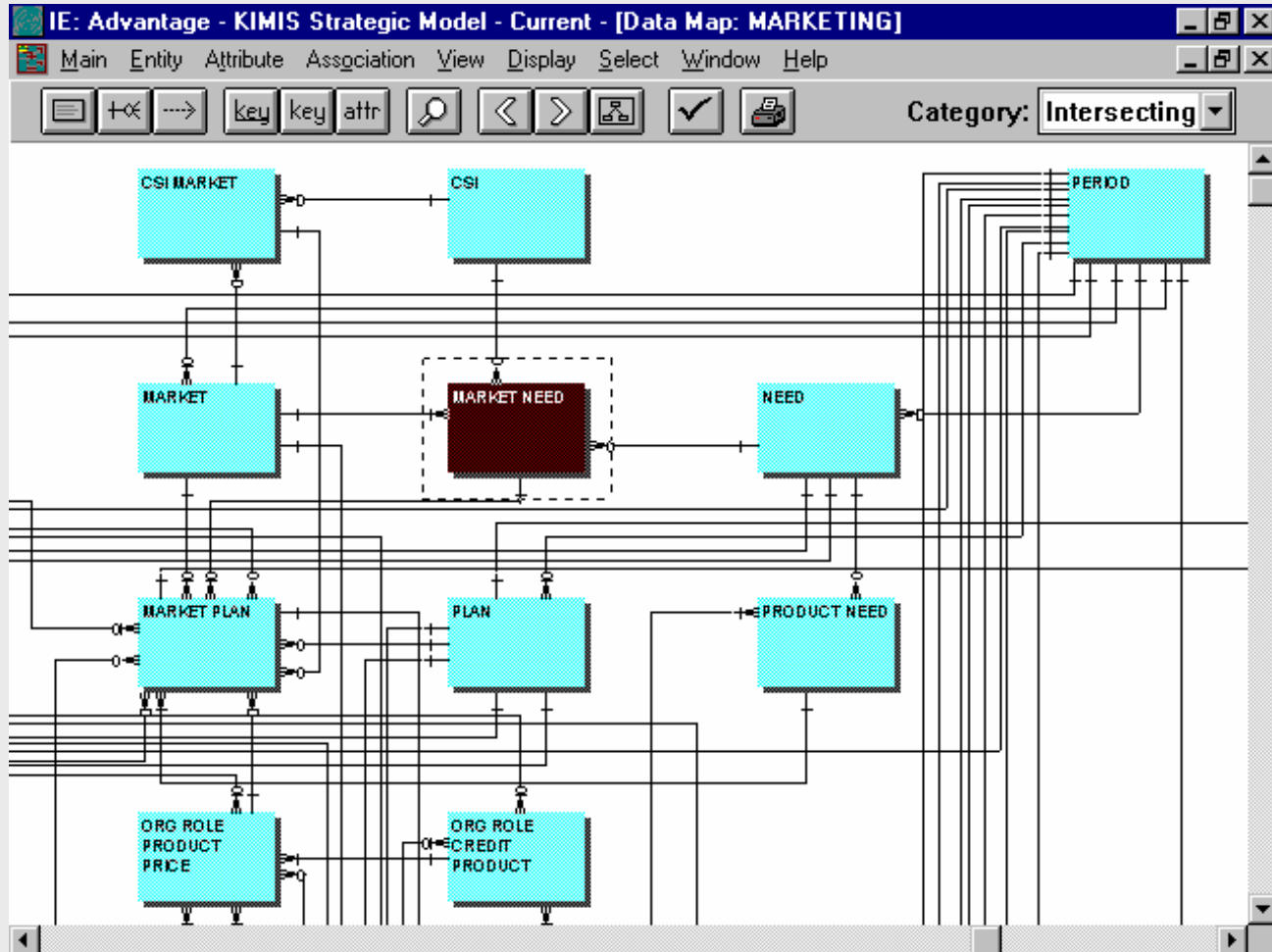
# The assignment of Goals to Functions

IE: Advantage - KIMIS Strategic Model - Current - [Statement-View Matrix: The Entire Model]

Main Matrix Statement View Display Window Help

Model Views	BRANCH	COST	CUSTOMER	EXTERNAL FACTOR	FINANCE	KJB Strategic Model	KJB STRATEGY	MARKET	MARKETING	PERFORMANCE	PLANNING	PLANNING & RESOURCE
Statements												
A - MISSION : HARMONY OF LIFE AND FINANCE	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
B - VISION	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
C - KJB STRENGTH	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
D - KJB WEAKNESS	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
E - OPPORTUNITIES	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
F - THREATS	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
G - BROAD PRESENCE	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
G1 - EXPAND NETWORKS IN JONBUK	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>

# Strategic Data Map for Marketing in the Strategic Model



# Planning Dictionary shows Data Links supporting Mission

The screenshot displays the 'IE: Advantage - KIMIS Strategic Model - Current' application window. It features a menu bar with 'Main', 'Entity', 'Attribute', 'Association', 'View', 'Display', 'Window', and 'Help'. Below the menu is a toolbar with navigation and search icons. Two windows are open:

- Planning Dictionary: MARKETING**
  - Statement: A - MISSION : HARMONY OF L
  - Type: Mission
  - Text: Contribute to the development employees with progressive b
  - Data Links: BRANCH, BRANCH BUDGET, BRANCH FINANCIAL ACCOUNT, BRANCH LOCATION, BUDGET, FINANCIAL ACCOUNT STRUCT, FINANCIAL STATEMENT, FINANCIAL STATEMENT PLAN, MARKET, MARKET NEED
  - Model Views: KJB STRATEGY, KJB Strategic Model, MARKETING, PRODUCT, BRANCH, RISK & FINANCE, FINANCE
- Data Dictionary: MARKETING**
  - Entity: MARKET NEED
  - Category: Intersecting
  - Nature: Dynamic
  - Authority: Shared Create, Read, Update
  - Purpose: Overall activities analyzing classification
  - Attributes: csi id #, market id #, need id #
  - Associations: >0+ CSI, \*+ MARKET, +0< MARKET PLAN, >0+ NEED
  - Model Views: KJB Strategic Model (Sha), MARKETING (Shared Cr), MARKET (Shared Cre)
  - Stmnt Links: A - MISSION : HARMONY OF, **G - BROAD PRESENCE**, G3 - BUILD UP TOTAL MARK, G4 - STRENGTHEN ELECTR

# Current Functions, Databases and Systems

## ◆ Current KJB Functions

- the Strategic Model can be used to identify business activities that are also needed to support the Strategic Plan.
- But first, existing Business Functions in the Bank were identified as documented



# Current KJB Databases and Systems

- ◆ The Strategic Model will later be used to define more detailed data at the tactical and operational levels of the Bank.
- ◆ These tactical and operational data models will indicate the data and information needed for implementation of databases and systems that support the Strategic Plan at those levels.
- ◆ These data models will need to be compared with the data and information provided by current databases and systems that are used by the Bank.

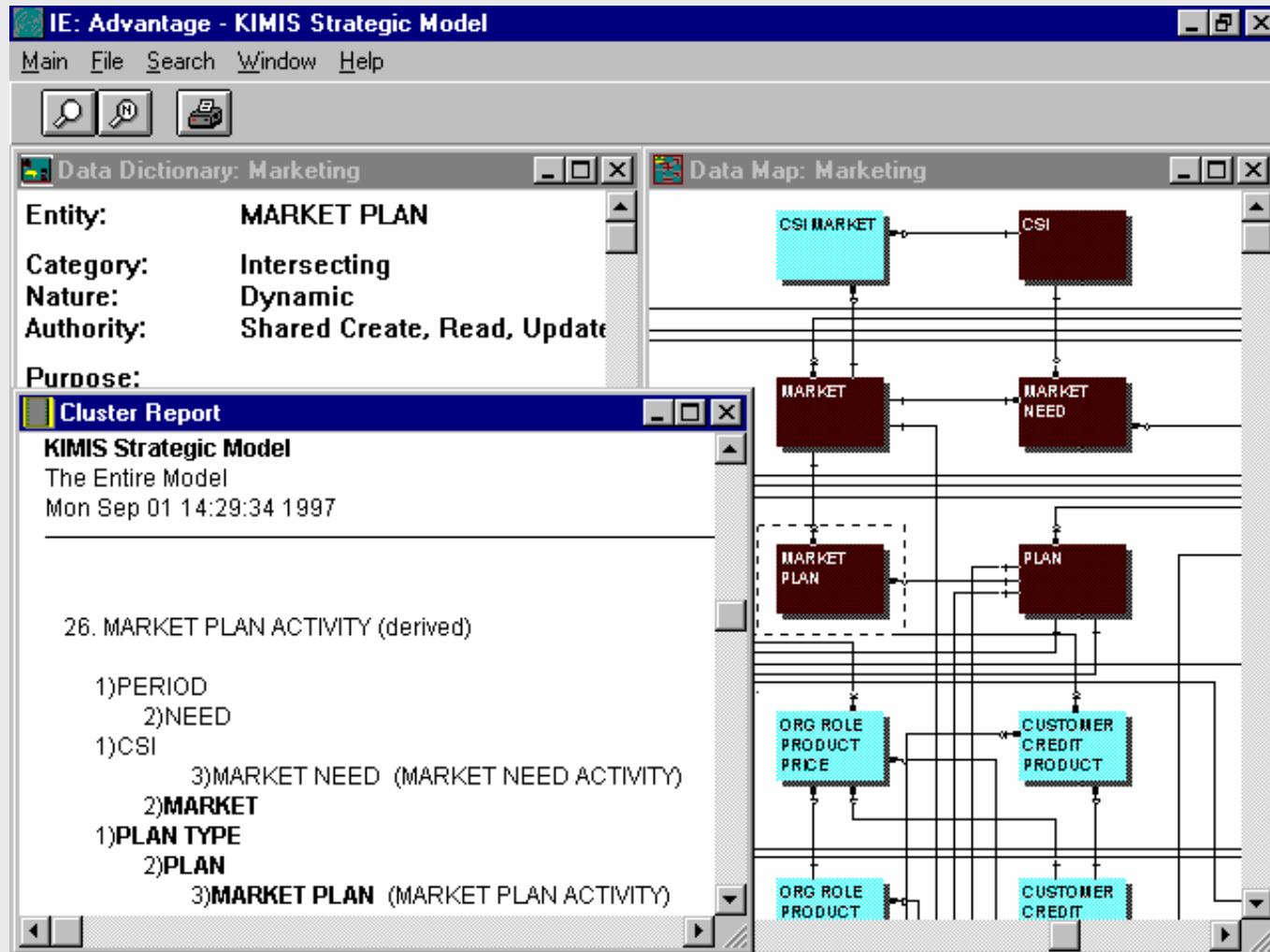
# Projects Identified from KJB Strategic Model

- ◆ The Strategic Model can be analyzed to identify Business Activities and develop Project Plans to manage detailed tactical and operational data modeling.

# How to Identify Business Activities from a Strategic Model

- ◆ The CASE tool Visible Advantage was used to analyze the Strategic Model to identify business activities and processes that will be used to provide information to management from the KJB databases and systems.
- ◆ This analysis results in derivation of “*clusters*” of related data entities needed by each activity or process.
- ◆ Cluster analysis objectively and precisely identifies subsets of the data model based on the dependency and the commonality of data shown in it.

# Business Activity Description: Market Plan Activity



# How to Derive Project Plans from a Strategic Model

- ◆ that the CASE tool identified over 160 activities and data bases based on data entities defined in the Strategic Model

# **Strategic Information Systems Plan for Kwangju Bank Strategic Data Model (1996)**

*The End*