

Eastman kodak case review essay sample

[Business](#), [Company](#)



Eastman Kodak Co.: Managing Information Systems Through Strategic Alliances [HBR case #192030] 1. Why did Kathy Hudson make such a major change in IS resource management at Kodak? What factors contributed to her decision to outsource data center, telecommunications, and PC services to IBM, DEC, and BusinessLand? Kodak had redundant systems operating across their different business areas and they were operating with different operating standards. The business had the philosophy to sell off non core services and as IT was being revamped it was an obvious step for IT to follow the trends of the business. The services outsourced were not part of Kodak's core competencies. They were able to partner with specialist that had the modern technology Kodak needed. To keep these areas internally Kodak would have had to spend an estimated 15 million dollars without a clear timetable when or if that investment would be realized. Kodak was able to show that the outsourcing provided brought equal or better quality of service, helping to show that their decision was based on more than cost savings.

2. Do you agree with her philosophy and approach for selecting outsourcing partners and negotiating the agreements? What would you have done differently? If Kodak truly wanted to have their vendor relationships be truly partnership the agreements had to be flexible to allow the relationship to grow as the companies grew and face new challenges. If they would have chosen vendors that were requiring tight contract terms they would have to go through renegotiations every time the company wanted to make internal changes.

3. What advice would you give Hudson concerning long-term management of Kodak's "networked" IS organization? Keep the relationship culture of partnership. If any member of the IS network feels that they are no longer partners and terms are being dictated to them the relationship will quickly disintegrate. One relationship failing can quickly lead to souring of the other relationships. Be clear of what you expect of your network and what they can expect from Kodak.