## MBA9009

### Managing Information Age

- People critical to the success of the modern organisations
- “how we do things around here”
  - Function of the management system

<table>
<thead>
<tr>
<th>Trends</th>
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<tbody>
<tr>
<td>- Technology reshaping organisations</td>
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<tr>
<td>- Pioneering changes</td>
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<tr>
<td>- Advances in ICT</td>
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<tr>
<td>- Business efficiency</td>
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<td>- GM – the world first digital manufacturing company</td>
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<tr>
<td>- Mature B2B and B2C</td>
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<tr>
<td>- Intranets</td>
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<td>- Extranets</td>
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<th>Consolidations</th>
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<tr>
<td>- Mature industries – oligopolies</td>
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<td>- Less mature – strong competition</td>
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<tr>
<td>Overall, advances in technology leads to</td>
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<tr>
<td>continuous changes in the organisation and</td>
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<tr>
<td>operation of most firms</td>
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<th>Organisational transitions</th>
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<tr>
<td>- Consolidations lead to alliances, joint</td>
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<td>ventures, etc.</td>
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<td>- These lead to downsizing, outsourcing, re-</td>
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<td>engineering of business processes, etc.</td>
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<td>- Reasons include</td>
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<td>- Economies of scale, improve efficiency,</td>
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<td>elimination of operational redundancies,</td>
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<tr>
<td>etc.</td>
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<tr>
<td>- IT is critical/essential to success</td>
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<tr>
<th>Centralisation vs. decentralisation</th>
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<tr>
<td>- Larger organisations decentralise</td>
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<tr>
<td>operational control with limited</td>
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<tr>
<td>centralised control reserved to</td>
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<tr>
<td>headquarters</td>
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<tr>
<td>- Decision making to operational centres</td>
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<tr>
<td>- Capture the best of both worlds using ICT</td>
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- Centralisation vs. decentralisation
| • The span of communication  
• Might vary from very large to rather small  
  – IBM technicians in California to IBM engineers in Germany  
  – Colorado application specialists to their customers in North America  
  – Employees working on product design building solutions for customers just in time |
| • Partnerships throughout the firm  
• Facilitate user adoption  
• Support development  
  – CAD  
  – ERP  
  – Innovations – age old problem |

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**A Quotation**

“It should be borne in mind that there is nothing more difficult to arrange, more doubtful of success, and more dangerous to carry through than initiating changes. The innovator makes enemies of all those who prospered under the old order, and only lukewarm support is forthcoming from those who prosper under the new. Their support is lukewarm partly from fear of their adversaries, who have the existing laws on their side, and partly because men are generally incredulous, never really trusting new things unless they have tested them by experience.

In consequence, whenever those who oppose the change can do so, they attack vigorously, and defense made by others is ineffective.

So both the innovator and his friends are endangered together”

Nicolo Machiavelli, The Prince, 1513.

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| • Enabling resources – the most important asset  
  – Boeing  
  – Verizon  
• Corporate vitality depends on skills  
  – Recruitment, training and retaining |
| Boeing  
• “Our people are the real source of our competitive advantage. We will continually learn, and share ideas and knowledge. We value the skills, strengths and perspectives of our diverse team. We will foster a participatory workforce that enables people to get involved in making decisions about their work that advance our common business objective”.

|
### Verizon

- “Above all else, our continued strength as a company derives from the efforts of nearly 250,000 dedicated employees.
- On September 11th these qualities were put to the test in the most excruciating circumstances imaginable. All three terrorist attacks – in Shanksville, at the Pentagon and at the World Trade Center – happened in Verizon territory.

- Our people worked heroically, under devastating conditions, to restore service and rebuild the communications network on which America depends. This spirit of patriotism and duty extended beyond the workers at Ground Zero to energize our entire employee body, which generously donated thousands of volunteer hours and millions of dollars to aid the victims and rebuild our communities.”

### People and IT

- Implementation of IT/IS - shortages
  - OOP
  - C++
  - COBOL
  - Web applications

### People-management skills

- Essential
  - Employing skilled people
  - Managing them sensitively
  - Providing effective leadership
- Maslow’s theory
  - Pyramid of individual needs

### Physiological needs

- Safety
- Social
- Esteem
- Self-actualisation
- First most basic, when these fulfilled move to the next most important needs
- Example from IT/IS environment

### Effective people management

- Respect for individual dignity
- Understanding individual’s preferences and motivations
- Making favourable judgments
- These influence attitudes toward the manager
• Attitudes and believes of good people managers
  • Employees are:
    – Honest
    – Intelligent
    – Willing to learn
    – Desire self-fulfilment
  • High-performance firms high expectations
  • Very challenging personal performance standards
  • Setting good examples reflects positively on firms productive environment
  • The rise of morale and productivity of managers
    – influenced by self-satisfaction and self-fulfilment of employees

• Obstacles and obstructions
  – Meaningless rules?
• Responsibilities of good people managers:
  – If the rules are meaningless – remove or revise
  – If meaningful – explain and assist
• Expectation of solving the problems
  – Preventions
• Fostering creativity, invention and innovation
  • Achieving high morale – through trust and confidence:
    • Maintain two way communication
    • Provide training and complete information
    • Inform employees of career opportunities
    • Listen to suggestions for improvement
    • Sponsor teamwork and cooperation
    • Be available

• Understand the amount and quality of each employee’s work
• Use the knowledge of each employee’s work to grant fair salary increase and promotions
• Lead the department enthusiastically toward achieving its goals/objectives
  • Ethics guide for managers
    • Develop a statement of ethical principles for the firm
    • Establish employee and manager rules of conduct
    • State and enforce penalties for rule violations
    • Emphasize ethics as a critical factor in the firm
• Inform employees about applicable laws and regulations
• Recognise ethical behaviour in performance evaluations
• Maintain business controls, thus removing temptation
• Support a confidential forum for answering ethical questions
• Lead by outstanding example

• Management processes
  – Strategising and planning
  – Portfolio asset management
  – E-business management
  – Network management
  – Financial and business control, etc

• Strategising and planning
  – Building IT strategies and
  – Developing long and short range plans to implement IT’s strategic direction

• Critical first steps because
  – Link and align IT’s strategic direction with the firm’s business direction

• Portfolio asset management

• One of the most important issues is application portfolio asset management
• E-business management
• Systems and applications provide competitive advantage
• Service Level Agreements (SLA)
  – Negotiating technically achievable and financially sound service levels that meet business needs either in B2B or B2C
• Service problems
  – System for dealing with problem management, change management, performance analysis, and capacity planning

• Network management
• Consolidations of hardware and software
• Many firms merge IT and telecommunication departments
• Need for network configuration management

**SLA**
A service level agreement (SLA) is a contract between a network service provider and a customer that specifies, usually in measurable terms, what services the network service provider will furnish. Many ISPs provide their customers with an SLA. More recently, IS departments in major enterprises have adopted the idea of writing a service level agreement so that services for their customers (users in other departments within the enterprise) can be measured, justified, and perhaps compared with those of outsourcing network providers.

**Batch processing**
In a computer, a batch job is a program that is assigned to the computer to run without further user interaction. Examples of batch jobs in a PC are a printing request or an analysis of a Web site log. In larger commercial computers or servers, batch jobs are usually initiated by a system user.

Some are defined to run automatically at a certain time. In some computer systems, batch jobs are said to run in the background and interactive programs run in the foreground. In general, interactive programs are given priority over batch programs, which run during the time intervals when the interactive programs are waiting for user requests.