MBA9009

Managing Information Age

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

- Technology reshaping organisations
- Pioneering changes
  – Advances in ICT
- Business efficiency
  – GM – the world first digital manufacturing company
- Mature B2B and B2C
- Intranets
- Extranets
• Trends
  Open architecture and middleware applications
  – B2B and B2C to continue its growth
• Consolidations
  – Mature industries – oligopolies
  – Less mature – strong competition
• Overall, advances in technology leads to continuous changes in the organisation and operation of most firms

• Organisational transitions
• Consolidations lead to alliances, joint ventures, etc.
• These lead to downsizing, outsourcing, re-engineering of business processes, etc.
• Reasons include
  – Economies of scale, improve efficiency, elimination of operational redundancies, etc.
• IT is critical/essential to success

• Centralisation vs. decentralisation
• Larger organisations decentralise operational control with limited centralised control reserved to headquarters
  – Decision making to operational centres
• Capture the best of both worlds using ICT
• 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

• Enabling resources – the most important asset
  – Boeing
  – Verizon

• Corporate vitality depends on skills
  – Recruitment, training and retaining
• 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

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  • Pyramid of individual needs
    • First most basic, when these fulfilled move to the next most important needs
    • Example from IT/IS environment

• 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

IT planning and control

• 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 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