

Discussion group: The Changing Role of Management

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1 INTRODUCTION

This contribution summarises the findings of the conference discussion group on the changing role of management. The discussions have taken place according to a quite broad format:

- i) exchange experiences
- ii) find and discuss key themes
- iii) identify educational issues for further studies.

Details of the discussion are organised as follows. First, an identification of different management roles and relationships are discussed. Secondly, the underlying key themes in the changing role of management is evaluated. Thirdly, the ideas for developing IS management in the light of these roles are created. Eventually the educational issues are categorised and discussed.

2 DIFFERENT MANAGEMENT ROLES

2.1 Three critical groups

Organisations and their managers are in a situation, where formerly isolated and routine-oriented information processing activities should now be regarded as important management issues. Managers should conduct strategy planning to guide the decisions concerning the use of information, acquisition of IT and development of information systems. The process of information strategy planning is loaded with different perspectives by stakeholders of the organisation. Three critical stakeholder groups affecting the information strategy process and contributing to strategy formation are the top management group, user management group and IT/IS management group. In contrast to separate IS projects, stakeholder thinking is different in the context of information strategy planning which aims at setting long-term objectives for management and usage of information resources both at business, corporate and even corporate network level. In the start-up phase of the information strategy process, as in all strategy planning processes, the influence and especially power of management is crucial. After investigating each of these stakeholder stances change management can happen and improve the strategy implementation phase. Surveys indicate that many executives argue that the key issue is not the strategic plan itself but the learning that results from the planning process. IS

planning processes are 'action learning'-based activities in which mutual understanding of critical IS issues can be promoted, i.e. it enhances organisational learning. In addition to hardware/software elements of organisational IS maturity we need to evaluate the human side of organisational maturity, too. The skills, knowledge and views of organisational actors affects the way IS resources are managed and used. There we have the challenge of information management education which faces both teachers, publishers, policy planners and educational institutions at the tertiary education level.

3 KEY THEMES

Four key themes, underlying the changes in the role of management, were identified:

- i) Cultural issues
- ii) Societal pressures
- iii) Organisational structure and change management
- iv) Stages of IS development.

3.1 Cultural issues

The roles of management are, in part, culturally dependent, as they reflect and respect local customs, morals, and traditions, as well as government laws and regulations. Large differences can be found in management roles between China, Japan, Australia and even between European countries.

3.2 Societal level pressures

Major developments in society influence the relative importance placed on IT. Investors might focus on short term revenue and tight financial control; government regulations about accountability and liability, thus giving rise to pervasive tracing, tracking, and quality control. These pressures may also be extended to the kinds of education and training that are needed, whether university based or privately operated. Policy planners need to recognise underlying, fast changes.

3.3 Organisational structure and change management

Changes to the organisational structure inherently alter the role of the managers. This becomes even more acute when the organisational position of an IS/IT department is changed and its responsibilities reshuffled. A trend can be discerned toward decentralising the responsibility for IS/IT development, changing the user's role to commissioner and the IS department becoming the undertaker. Coaching the parties involved is necessary. Top management has to display leadership.

3.4 Stages of IS development

Whether it happens in different countries, in different companies, or in different departments within the same company, the level of IS maturity is never the same. Depending on the level of understanding of the users, the level of experience and professionalism of the IS department,

and the level of commitment of top management, different roles can and must be played by each of these groups. Learning-oriented planning can enhance mutual understanding of different organisational groups.

4 THE DEVELOPMENT OF MANAGEMENT THROUGH ROLES

4.1 Top Management

Increasingly, top management will become responsible for displaying leadership with respect to IT developments. This involves a basic understanding and awareness of IT issues in relation to the business. IT also means that the integration of strategic planning and IS/IT planning needs to be initiated by top management. Careful review and evaluation of strategic planning decisions and execution is called for, although it is, unfortunately, too often absent in the current practice.

4.2 User Management

Key in the future role of user management is the organisational capability and commitment to successfully implement IT applications. IT is supposed to change the way the users organise their work, so the users better be able to make these changes and actually take control of these changes. An obstacle to this new role might be the lack of distinct and explicit roles and responsibilities in some organisations, or the feeling that roles and responsibilities need to be restricted to a discrete organisational unit such as the IS department. Boundary spanning activities will be called for, educating, negotiating, and co-ordinating the activities between different departments, especially a user department and the IS department. An ensuing responsibility, also locking into the strategic planning initiatives of top management, is the strategic involvement of user management in IS planning and development. User management will also have to be able to adopt 'imported' management systems, e.g. tailor the headquarters' practice to local circumstances. These imposed management systems can take the form of strict regulations from an (international) central office or they can be the result of adopting standard market software packages.

4.3 IS/IT management

The role of IS/IT management depends largely on the maturity of IS. This can range from simple IT service, by ways of programming and systems development, to problem solving and systems analysis, and finally to full-fledged business services based upon IT. The latter stages will require the IS department to become an intelligent counterpart for user and top management, being able to think and talk from a business perspective. In all cases it is necessary to adopt a full life cycle view, rather than the short-term solution perspective.

4.4 External environment changes

The roles described above are not only influenced by organisational growth and maturity, but also by external factors. The most important factor is the political, social, and economic situation. The discussions about the state of affairs in the different countries represented in our

discussion group made that very clear. Another external issue of importance is market pressure. This can be explained in two ways: a) how competitive is the primary marketplace of the organisation; b) what is the position and behaviour of commercial vendors of software and services in this industry. In some branches strong positions are held by vendors of standard package software.

4.5 Relationships

Some consideration has to be given to the relationships between different management groups. Top management and user management have to clarify the implicit needs they have for the application of IS. A well-executed yearly planning cycle, in close co-ordination with IS/IT management, might enable such a process. Planning should not be a bureaucratic act of lip service, it should aim at organisational learning and renewal. IS/IT management itself plays a definite role, by sustaining a dialogue with both user and top management about the current developments in IT and their possible relevance in the specific business situation. However, too often budgetary restrictions lead to an evasive strategy by IS/IT management. Of course budgetary restrictions have to be in place, but they should be matched by proper restrictions on the functionality to be realised and the expectations about service levels to be met. In all, the organisation should strive for a realistic perspective on what the budget will actually buy them.

5 THE EDUCATIONAL ISSUES

We have categorised the educational issues in three levels:

- i) the course/program level which focuses on specific or specialised(post graduate) education;
- ii) the degree level, where we look at the broader picture in terms of standard degree programs; and
- iii) the institutional level, which covers issues on market positioning of schools and universities.

5.1 Course/program level

A definite change is taking place from stand-alone IT courses to mixed, integrated courses. However, there is a need for differentiation between groups, as the entry level knowledge of IT will be vastly different among students. Given the number of dependencies, the focus in post-graduate and commercial industry programs should be on an open, in-house, learning environment. Continuing education might be provided in the form of an IT update for management. Ideally this should be carried out by the IS/IT department, as they keep up with IT developments through professional training.

5.2 Degree level

Apparently some kind of focus should be introduced, in the sense that the contingencies on what students can expect in the real world are rather numerous. A proposed way of focusing a management degree might be through specialising in one or more branches of industry. As an alternative, or in addition, a cultural focus might be adopted. A general observation is that

national differences and demand conditions need to be observed when contemplating degree programs in different countries.

5.3 Institutional level

Institutions are faced with numerous changes they have to keep up with:

- i) technological changes; keeping their knowledge and infrastructure up to date
- ii) demographic changes; the level of entry-level IT knowledge will change drastically
- iii) changing requirements from management and industry.

Responsiveness to these changes will greatly influence the competitive position and success of the institution. The educational environment will gradually move from the institution itself to the organisations the students come from. This, for example, requires strategies for distance learning, tailor-made assignments, and on-site assessment practice. Institutions might consider forging alliances with other organisations:

- i) local or domestic schools for joint programs
- ii) international schools for marketing and delivery of existing programs
- iii) industry partnerships providing a regular (possibly international) student base.

Three remarks are needed here:

- i) when exporting existing programs, institutions need to take into account the presence or absence of a solid foundation for advanced management education;
- ii) when entering into a partnership with industry, care should be taken as to who is actually running the program; sometimes it would be better to just sell the material and let the company run its own program.;
- iii) where lies the distinction between education and training; to what extent and in what form should institutions run training programs.

6 CONCLUSION

The future of information management education is challenging, but it needs both structural and operational changes in our educational system. Competition between different educational institutions depends on rapid evaluation of one-step-ahead needs on organisational and labour market levels.