IT Management and Organizational changes

Setting up an IT in Public Org

- Needs Assessment
  - Information collection
    - What are the Lines of Businesses (LOBs) and Services Provided?
    - Present modes of delivery
  - Problem identification and Prioritization
    - Baseline improvements in LOBs and Services
    - Can IT adaptation achieve the improvements?
    - Statement of technology needs
  - Alternative Technological solutions
  - Consensus on selected alternative
Setting up an IT in Public Org

- **Business Process Analysis**
  - Workflow analysis
  - Efficiency comparisons to existing process
  - Risk Assessment
  - Security Issues

- **Feasibility Study**
  - Operational, Economic, and Technical
  - Pilot Project

- **Project Management**
  - Inhouse or outsource?

IT Management

- **In-house development (public)**
  - Human resource, technical expertise

- **Partnerships (Public/ private)**
  - Partners in developing IT service, bringing strengths of each
  - What if Partnership of Weaknesses?
    - Separation between Industry & government
    - Hostage by private industry

- **Outsourcing**
  - Privatization of specific services; competitive
    - San Diego County; Minneapolis
IT Management

- **Outsourcing problems**
  - Security; False savings; Public vs private accounting; Biased rules; Oversight; Vendor dependence

- **Contract Management**
  - Specifications; Changing requirements; Maintenance; Integration (enterprise wide portability); Standards
  - Incentives for performance
    - Performance based service contract
    - Share in savings contract

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IT Management

- **Why IT Projects Fail**
  - Complexity – projects are too large and complex
  - Commitment Failure – lack of commitment to the project from stakeholders
  - Planning Failure – creation of poor business plans
  - Vision Failure – underling assumptions are unrealistic
  - Inappropriate Methods – agency methods may not match IT
  - Short Time Horizon – unrealistic schedules
  - Turbulent Environments- rapid rates of change can beget lack coordination and system failure
  - Failure to Support End Users – end users have no incentive to use the technology or are unable to use it
IT Management

- Why IT Projects succeed?
  - Management Support – active involvement of top management
  - Stakeholder Motivation – typical resistance to change must be overcome by convincing stakeholders of the benefits
  - Goal Clarity – project scope must be clear
  - Support for Organization Culture
  - Participatory Implementation – employee resistance factor
  - User Friendliness – a way to increase stakeholder motivation
  - Adequate Budget and Time Horizon
  - Phased Implementation – extension of goal clarity
  - Process and Software Engineering – dealing with legacy systems
  - Project Management – professional is better

Organizational effects

- IT will flatten organizational structures by shrinking middle management
- IT will de-territorialize organizations through telework
- IT both centralizes and decentralizes organizational structures
- IT can both reinforce or erode organizational power structures
Organizational effects

- Does IT weaken organizational norms through de-individualization?
  - i.e. alienation of the individual from social and/or organizational norms
- Does IT intensify social networking and thus build social capital?
- Does IT improve managerial decision-making?
- Does IT promote the diffusion of innovation?
- Is IT linked to organizational revolution toward consolidation of control?

Organizational Changes

- Manuel Castells: *Information Age* trilogy
  - Spaces of flows: Integrated global network
    - Financial networks; social networks
    - Timeless time; spaceless space
- Saskia Sassen: *Globalization* (various)
  - National governments vs city states
    - Denationalization: National boundaries are immaterial
    - Linked Cities
    - Transnational corporations: International division of labor
Organizational changes

- **Friedman: *World is Flat* [and others]**
  - Sources of flattening: Political, legal, **IT**
    - 11/9/89; 8/9/95; Work flow softwares; open sourcing; outsourcing; offshoring; supply chaining; insourcing; in-forming; steroids

- **Consequences**
  - Horizontal networks vs vertical hierarchies
  - Weak government control
    - Contrast:
      - China’s Filtering Policy: Jingjing” and “Chacha”
      - US controversy on Snooping policies
  - Local advantages in global competition
    - 24/7 world

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Consequences

- **Labor**
  - Aging (outcome of demographic transition)
  - Flexible; part time
  - Global labor competition
  - Reverse colonization

- **More efficiency (?)**
  - Cutting out the fat