Chapter 7

Strategies for Managing EUC on the Web

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Beginning in the early 1980s, end-user computing (EUC) began to permeate organizations following the advent of the personal computer and a host of applications directed at the non-IS professional. Along with EUC came a whole new set of organizational opportunities and risks. Ten years later, the World Wide Web has opened the door to a yet more powerful set of EUC applications capable of reaching well beyond the boundaries of the organization. Indeed, Web technology permits end users to design applications that are immediately accessible by unlimited numbers of people from anywhere in the world. As a result, EUC using Web technology has introduced a whole new set of opportunities and risks for organizations. The purpose of this research is to examine what strategies organizations are using in their attempt to maximize the benefits of the Web for end users while mitigating the inherent risks. To this end, individuals from 12 major organizations were surveyed via the Web. The results indicate that while organizations seem to be doing an adequate job of establishing roles and standards, mechanisms for resource allocation, development management, and maintenance appear to be lacking. In fact, most firms seem to be relying on a monopolist control strategy at this point in time. While such a strategy may be the best approach...
given the relative infancy of Web technology, it could prove to be an unstable strategy in the long run given the reach, range and flexibility of access that Web technology provides. Organizations are encouraged to take a proactive, formal posture toward EUC development on the Web.

"Build it and they will come" ... the marketing department of a Fortune 500 retailer spends several million dollars developing a "virtual store front." They heavily promoted the initial system’s launch and eager consumers hit the system heavy and hard in its initial hours of operation. Unfortunately, the system infrastructure couldn’t handle the million plus hits they took in the first several hours. One customer sent in a comment to management that it appeared that, "this was a system running on a 286 in someone’s basement." Not at all what was expected from this major retailer. Early problems with system access and use were so acute that usage dwindled over time. After six months, the system was getting only several hundred hits a day and generating only several thousand dollars in sales a month ... the system was shut down and the investment written off. Aside from the cost of the system, the firm noted that overall store sales had declined 4%, due in large part, to the damage to their reputation from the fiasco.

"Caution: user-developed Web sites can be hazardous to your organization" ... a senior manager within a financial services organization publishes a Web page with inaccurate stock quotes, financial information, and forecasts about various companies. This led to several hundred thousand dollars in sales to customers based on the erroneous information. When stock prices plunged, the firm was forced to make good on the losses to their customers. The manager lost his job.

"Breach of security" ... hacker uses a “sniffer” to steal 10,000 credit card numbers via a corporate Web site that was developed by an end user ... The system did not have security features in place to encrypt the transactions and they were sent as plain text. A large lawsuit is pending.

With the spread of end-user computing in the mid-1980s, organizations became concerned with how to manage the use of information technology by non-IS personnel. There was a need to both leverage and protect an organization’s information technology investments. This led to the development of various end-user computing (EUC) strategies which to varying degrees tried to balance the need for slack resources to foster end-user initiatives with the controls needed to protect organizations against risk (Davis, 1982). These strategies set standards and established policy over technology acquisition as well as the assignment of specific roles and responsibilities within organizations for EUC-related activities. They also
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