Chapter I

Understanding Senior Executives’ Use of Information Technology and the Internet

Guus G. M. Pijpers
Philips Electronics, The Netherlands

The Internet and information technology (IT) have received considerable attention from senior executives, yet they still have not committed themselves fully to these technologies. Consequently, they are not reaping the full benefits. Recent studies investigated the factors that influence senior executives’ use of IT and the Internet. Surprisingly, only a few factors had a significant influence on usage, directly or indirectly. A better understanding of these factors can facilitate the design of interventions that address the adoption and acceptance of a new IT tool, an information system or the Internet. This chapter proposes a limited number of interventions aimed at improving usage. The Internet will change the way information is being gathered, evaluated, and communicated. This also applies for senior executives and their main constituencies. Now is the time for senior executives to hone their Internet skills so that they can receive the right information in the right way, leading to enhanced decision-making.

INTRODUCTION

Senior executives are constantly being told that information technology is the key to the success of the business, yet the so-called IT productivity paradox leads managers to believe that investments in IT are reaching unprecedented levels with no commensurate increase in productivity. However, to measure whether investments in any technology deliver value, we must assume the technology is being adopted and used. Furthermore, few organizations derive full value from their IT investments, either because people have not learned how to use technology well enough or because managers have not yet learned how to manage its benefits (Orlikowski, 2000). One reason for the poor return on IT investments in the perception of the senior executive could be their lack of personal involvement and low level of use of IT and its applications. A number of senior executives still have not committed themselves to IT and consequently have not been able to experience the benefits at first hand. As a result their attitudes and behavior remain unchanged.

One might argue that senior executives need not to be involved with IT use in an organization, but rather with its deployment. Others consistently advocate that the use of the technology rather than technology itself should be evaluated, and innovative use of IT should be rewarded (Orlikowski, 2000). It could be argued that senior executives do not warrant special attention when investigating the acceptance and use of IT, especially because they form only a small percentage of the total user population. However, recent studies showed these individuals should be treated differently (Ghorab, 1997; Igbaria & Iivari, 1995; Seeley and Targett, 1999). Most notably their willingness to adopt and use IT, their role model, the confidentiality and integrity of their information, and their external orientation differentiate their work and, hence, the IT tools for their tasks.

The few research projects targeting senior executives reported that the main obstacle to executives using IT was the lack of IT literacy. Other arguments mentioned were that executives felt intimidated by the computer—that it would require too much time for them to learn and that they would be embarrassed about taking courses to attain IT literacy. Many senior executives argue that the real reason they do not use IT is that they do not see a connection between what IT does and their tasks as executives. The same reasoning might be valid for using the Internet for their daily work, although compelling evidence is not yet available. Most senior executives, now in their late 40s or 50s, had scant if any contact with IT during their college years. At the same time, during their careers they have attained positions with no involvement or experience of IT.