The Senior Executive as Organizational Stakeholder of Microcomputer Technology

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For the past three decades information technology has been changing the way businesses operate, providing increased efficiency and productivity within organizations. Senior managers, as company stakeholders, play an important role in the assimilation of microcomputer technology in organizations. In this paper, the relationship between senior managers’ perceptions of information technology and their use will be investigated. The paper examines senior managers’ perceptions of the importance of information technology (IT) within the enterprise, their personal use of information technology (typically microcomputers), their participation in applications development, their allocation of funds for information technology support staff, and the role of IT in their decision making. We will also consider the possibilities for the use of information technology in the future, and further, what changes can be made to ensure positive attitudes toward computer technology, and good organizational support. Our goal is to build a model which helps explain how senior managers’ perceptions of IT impacts important organizational variables.

Since the 1970’s Executive Information Systems (EIS) have been infiltrating the offices of senior executives, allowing them to work more productively and thereby increasing the overall effectiveness of their respective functional areas. How executives perceive the role of information technology is vital to its successful assimilation into the enterprise. Ultimately the success of a firm is becoming more and more dependent on the executives’ perception of information technology. The importance of information technology to executives in the 1990’s cannot be overstated. Consider the following:

Robert Puette, General Manager (Personal Office Computer Div.) at Hewlett-Packard states that as an executive, part of his job is to increase the productivity of his people over the long term.
Today, he says he cannot do that without knowing the capabilities of the microcomputer. He summarized his remarks by stating that for this reason “the effective executive has to understand what micros can do and has to have gone through some training to be individually more productive. Even a small improvement in the way I perform a single task will be magnified many times throughout the company (Moore, 1986).” He further asserted that, “Learning what a computer can do is critically important if an executive wants the people in his or her organization to become more effective.”

In an interview for Computerworld, George Hatsopoulos (Chairman & President of Thermo Electronics Corporation and Chairman of the Federal Reserve Bank of Boston), pointed out that working with the computer allows the executives to think up and respond to questions in a shorter period of time. Hatsopoulos found that when work had been previously delegated to subordinates to calculate information, by the time the results came back to him he had not only forgotten his train of thought, but also why he had asked for it in the first place. Immediate results made available via computers allows the user to interactively query a database and to further develop his ideas. Hatsopoulos commented, “The more answers you get, the more questions and ideas you generate. That is one of the most important aspects of working directly with the computer (Carr, 1985).”

An executive vice president of Phillips Petroleum, 61 year-old Robert G. Wallace, was skeptical of using computer technology at first. “I was brought up with slide rules—even the pocket calculator took a lot of getting used to.” This kind of apprehension is common for business people of his generation. Wallace took the plunge when an executive information system was created by Phillips for its top staff. The system offered immediate access to information that he previously obtained from a variety of sources. Wallace estimates that this system saves him about an hour a day. “This is the kind of thing that will make American companies more competitive,” he predicted (Cheney, Mann, & Amoroso).

Philip B. Fletcher, President of Conagra, Inc, told Executive Report that he carries his laptop computer with him when he travels to answer electronic mail from his hotel room at night, so that it doesn’t get ahead of him. When at his office Fletcher is seldom far from his keyboard. Fletcher and the company chairman sit in adjoining offices, but many of their most productive conversations take place via computer (Cheney, Mann, & Amoroso). “We communicate with one another on the tube, so we don’t have to try to find the time when we can both break from another meeting and talk. If [either of us has] a thought, we just put it on the tube right away, and it’s there,” says Fletcher. Fletcher confessed that it took him about a year before he really realized the value of staying current by using the computer himself. He had been accustomed to having a secretary take the correspondence and respond to it. He felt that she would be much faster at typing than he would be. That was the rationale Fletcher used to avoid using the computer in the beginning. Now he finds it very helpful.

The typical work day for corporate top managers of the 1990’s is characterized by fast-paced and fragmented work activities. Between conferences, phone conversations, and the mass of printed media (magazines, reports, and mail) training in the “to do” bin, executives have been dealing with the problem of information overload. According to Mintzberg (Mintzberg, 1975), managers are people who are compelled to work long hours, think about their jobs continuously, and maintain an unrelenting pace during office hours; these managerial work patterns have remained consistent over the past several decades. Managers prefer actions that are current, specific, well-defined, and non-routine.

Managers who once relied on subordinates to take correspondence and respond to it, are finding that they can keep current themselves in less time via the computer. They are finding that computers can augment other forms of communication (e.g., reports and mail, telephone calls,
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