Global IT Management

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Abstract :

While the eighties and the nineties witnessed global business and global IT expansion, the issues in global information technology management have now reached a new level of interest and maturity. As other trends in IS have come and gone, global IT is not a trend – the global issues are real, permanent, and irreversible. The changes in the world economies, the opening of the borders, and the seamless transfer of work across geographical boundaries made possible by high band☐width telecommunication networks (e.g., the Internet) have made revolutionary changes in ways "work" is conducted. Irrespective of its origination, almost any work can now be conducted anywhere or anytime facilitated by information technology. These far☐reaching changes have profound impacts on organizations, their suppliers and customers, and people in general. The management issues are enormous and need to be carefully evaluated if we wish to reap the full benefits of the global revolution. Carefully crafted investments in global information technology offer firms an opportunity to increase control and enhance coordination, while opening access to new global markets and businesses. But engineering such global systems presents numerous challenges to management.

Keywords:

Global Management, Global IT Management, Management Information Systems Issues, Global IT Framework

Introduction

Global Management

The new environment, arising out of competitive global economy is highly fluid and uncertain. It is governed by entirely new dynamics. Availability of global capital and technology along with mobility of talents has facilitated development of business. On the other hand, customers' expectations are constantly increasing. The markets are highly demanding. The key issues which a globalizing firm today has to tackle relate to:

- Access to open markets
- Demanding customers
- Sustained performance improvement
- Need for rapid, flexible decision making and communication
- Constant growth in technological innovation
- Critical importance of relationship management
- Diversity and complexity

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- Managing regulatory and social environment

As the process of globalization evolves, the organizational structure and forms also change. By and large most of the globalizing firms evolve into a Transnational Corporation which acquires competitive edge by developing capabilities. These capabilities include knowledge and skills relating to managing across national frontiers, retaining and leveraging local and head quarter's culture to achieve global integration.

Global IT Management

International dimensions have become a vital part of managing a business enterprise in the internet worked global economies and markets of today. Properly designed and managed information systems using appropriate information technologies are a key ingredient in international business, providing vital information resources needed to support business activities in global markets. Organizations are facing increased global competition, economic uncertainties, and changing markets. Technology is changing the way we conduct business and manage information. Interest and research in global information technology (IT) are relatively recent. Palvia, identified three components of global IT, (1) information systems and technology that are global in scope, (2) information systems and technology in different cultures and countries, and (3) IT products and services that are built in one country and used in another. We examine the key issues and challenges faced by executives in managing IT in different parts of the world.

Objectives:

1. To study the issues of Global IT Management.

2. To propose a frame work for Global IT Management.

3. Finally to highlight how organizations cope with Global IT management issues.

Reasons for shifting to Global IT Management

a) Global scale efficiency and competitiveness in technology.

b) National level responsiveness and flexibility in technology.

c) Cross market capacity to leverage learning on worldwide basis.

Issues in Global IT Management (GITM)

Several researches to study the top issues in information systems management have continually appeared in a stream of articles in various countries like US, Canada, Australia, Hong Kong, India, Taiwan, Europe etc. Accordingly some of the issues are listed in Appendix A. The author points out some vital issues in GITM.

Cultural, Political, and Geo-economics Issue:

Global IT management does not exist in a vacuum. Global IT management must focus on developing global e-business IT strategies and managing global e-business application portfolios, Internet technologies, platforms, databases, and systems development projects. Managers must also take into account the cultural, political, and geographic differences that exist when doing business internationally.

Political Challenge:-

Political challenges facing global business and IT managers include:

1. Many countries have rules regulating or prohibiting transfer of data across their national boundaries (transborder data flows), especially information such as personnel records.

2. Restrict, tax, or prohibit imports of hardware and software.

3. Local content laws that specify the portion of the value of a product that must be added in that country if it is to be sold there.

4. Reciprocal trade agreements that require a business to spend part of the revenue they earn in the country in that nation's economy.

Geo-economics Challenge :

Geo-economics challenges in global business and IT refer to the effects of geography on the economic realities of international business activities. These challenges include:

1. Physical distances involved are still a major problem

2. World's 24 time zones contribute to communications problems

3. Lack of telecommunications capabilities in some countries

4. Lack of specialized job skills in some countries, or enticing specialists from other countries to live and work there

5. Cost of living and labor costs in various countries.

Cultural Challenges

Cultural challenges facing global business and IT managers include:

1. Differences in languages, cultural interests, religions, customs, social attitudes, and political philosophies.

2. Differences in work styles and business relationships.

Global Data Access Challenge:

Global data access issues have been a subject of political controversy and technology barriers in global business operations for many years. Important global data issues involve:

- Transborder data flows (TDF), in which business data flows across international borders over the telecommunications networks of global information systems.

- Many countries view transborder data flows as violating their national sovereignty because TDF avoids custom duties and regulations for the import and export of goods and services.

- Other countries may view TDF as a violation of privacy legislation when data about individuals is moved out of a country without stringent privacy safeguards.

- Others view TDF as violating local laws made to protect local IT industry from competition, or labor regulations for protecting local jobs.

- Other important data issues are concerned with global data management and standardization of data. Common data definitions are necessary for sharing data among the parts of an international business. Differences in language, culture, and technology platforms can make global data standardization quite difficult.
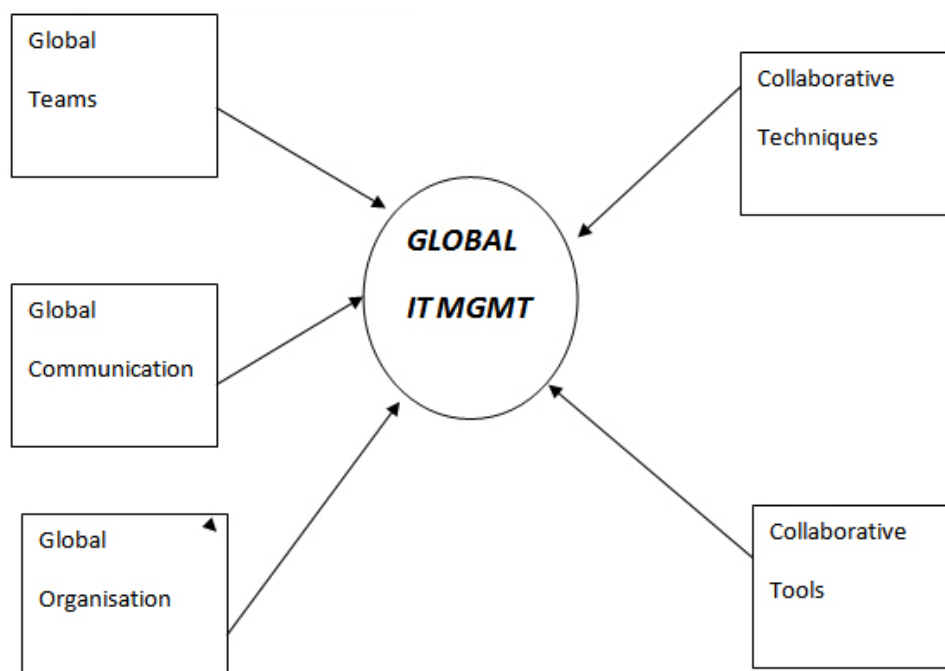
Global Systems Development:

Reaching agreement on systems requirements is always difficult, but becomes many times more difficult when the users and developers are in different countries. Some of these issues involve:

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- Conflicts over local versus global system requirements, and difficulties in agreeing on common features such as multilingual user interfaces and flexible design standards.

- Agreements on global systems must take place in an environment that promotes involvement and "ownership" of a system by local end users.

- Disturbances can arise from systems implementation and maintenance activities.

- Trade-offs must be made between developing one system that can run on multiple computer and operating platforms, by letting each local site customize the software for its own platform.

Frame work of Global IT Management

Conclusion

Most of the issues discussed above have been persistent over the years. IT management in organizations have evolved and grown barring the hurdles, IT professionals in the past have seen themselves as mere technicians performing their jobs in a limited scope. Today it has become a necessity that IT professionals are forced to increase their knowledge and skills to stay competitive in the global village. The frame work shows that to be leaders in GITM (Global IT Management) firms should adopt the variables listed in the framework

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Appendix A

Key issues in information systems management, USA, 1994–1995

Rank	Description of issue
1	Building a responsive IT infrastructure
2	Facilitating and managing business process redesign
3	Developing and managing distributed systems
4	Developing and implementing an information architecture
5	Planning and managing communication networks
6	Improving and effectiveness of software development
7	Making effective use of the data resource
8	Aligning the IS organization within the enterprise
9	Recruiting and developing is human resources
10	Improving IS strategic planning
11A	Managing the existing portfolio of legacy applications
11B	Measuring IS effectiveness and productivity
13	Increasing understanding of IS role and contribution
14	Facilitating organizational learning
15	Managing the existing portfolio of legacy applications
16	Facilitating and managing EUC
17	Using information systems for competitive advantage
18	Planning and integrating multivendor open systems
19	Developing and managing electronic data interchange
20	Outsourcing selected information services

Source: [MIS Quaterly 1996].

Key issues in information systems management, India, 1992

Rank	Description of the issue
1	Understanding/awareness of MIS contribution
2	Human resources/personnel for MIS
3	Quality of input data
4	Educating senior managers about MIS
5	User friendliness of systems
6	Continuing training and education of MIS staff
7A	Maintenance of software
7B	Standards in hardware and software (tie)
9	Data security
10A	Packaged applications software availability
10B	Cultural and style barriers (tie)
12	Maintenance of hardware
13	Aligning of MIS with organization
14	Need for external/environmental data
15	MIS productivity/effectiveness
16	Applications portfolio
17	Computer hardware
18	MIS strategic planning
19	Effect of country political climate
20	Telecommunications

Source: [International Information system 1992].

Key issues in information systems management, Taiwan, 1994

Rank	Description of issue
1	Communication between the IS department and end users
2	Top management support
3	IS Strategic planning
4	Competitive advantage
5	Goal alignment
6	Computerization of routine work
7	IT infrastructure
8	System integration
9	Software development productivity
10	System friendliness
11	Security and control
12A	Software development quality
12B	IS standards (tie)
14	Data resource
15	IS funding level
16	IS role and contribution
17	User participation
18	Recruit, train, and promote IS staff
19	Information architecture
20	Placement of IS department

Source [The Journal of Information Technology Management, 1995]