Chapter 17

Impacts on Individuals, Organizations & Society

Information Technology For Management 6th Edition

Turban, Leidner, McLean, Wetherbe

Lecture Slides by L. Beaubien, Providence College

John Wiley & Sons, Inc.

Learning Objectives

- Describe some of the major impacts of information technology on individuals, organizations, and society.
- Understand the changes that take place in the workplace and the lives of individuals when information technology eliminates geographical and spatial barriers.
- Discuss the positive and negative effects associated with the abundance of information made available by IT.
- Identify the issues that arise due to uneven diffusion of information technology across countries and socioeconomic classes.

Learning Objectives (Continued)

- Understand the complexity of effects of technological progress on labor markets and individual employees.
- Discuss the impacts of information technology on the quality of life and interpersonal relationships.
- Recognize the legal, ethical, and moral issues that become particularly critical due to proliferation.

Personal Issues and Technology

TABLE 17.3 Impacts of IT on Personnel Issues

Impact	Effect of IT
Shorter career ladders	In the past, many professionals developed their abilities through years of experience and a series of positions that exposed them to progressively more complex situations. The use of IT, and especially Web-based computer-aided instruction, may short-cut this learning curve.
Changes in supervision	IT introduces the possibility for greater electronic supervision. In general, the supervisory process may become more formalized, with greater reliance on procedures and measurable (i.e., quantitative) outputs and less on interpersonal processes. This is especially true for knowledge workers and telecommuters.
Job mobility	The Web has the potential to increase job mobility. Sites such as *techjourney.com* can tell you how jobs pay in any place in the United States. Sites like *monster.com* offer places to post job offerings and résumés. Using videoconferencing for interviews and intelligent agents to find jobs is likely to increase employee turnover.

Jobs, Authority and, Power & IT

TABLE 17.2 Impacts of IT on Structure, Authority, Power, and Job Content

Impact	Effect of IT
Flatter organizational hierarchies	IT increases *span of control* (more employees per supervisor), increases productivity, and reduces the need for technical experts (due to expert systems). Fewer managerial levels will result, with fewer staff and line managers. Reduction in the total number of employees, reengineering of business processes, and the ability of lower-level employees to perform higher-level jobs may result in flatter organizational hierarchies.
Change in blue-to-white-collar staff ratio	The ratio of white- to blue-collar workers increases as computers replace clerical jobs, and as the need for information systems specialists increases. However, the number of professionals and specialists could *decline* in relation to the total number of employees in some organizations as intelligent and knowledge-based systems grow.
Growth in number of special units	IT makes possible technology centers, e-commerce centers, decision support systems departments, and/or intelligent systems departments. Such units may have a major impact on organizational structure, especially when they are supported by or report directly to top management.
Centralization of authority	Centralization may become more popular because of the trend toward smaller and flatter organizations and the use of expert systems. On the other hand, the Web permits greater empowerment, allowing for more decentralization. Whether use of IT results in more centralization or in decentralization may depend on top management's philosophy.
Changes in power and status	Knowledge is power, and those who control information and knowledge are likely to gain power. The struggle over who controls the information resources has become a conflict in many organizations. In some countries, the fight may be between corporations that seek to use information for competitive advantage and the government (e.g., Microsoft vs. the Justice Dept.). Elsewhere, governments may seek to hold onto the reins of power by not letting private citizens access some information (e.g., China's restriction of Internet usage).
Changes in job content and skill sets	*Job content* is interrelated with employee satisfaction, compensation, status, and productivity. Resistance to changes in job skills is common, and can lead to unpleasant confrontations between employees and management.

Virtual Communities



A virtual (Internet) community is one in which the interaction among group members that share a common interest takes place via the Internet rather than face-to-face.

TABLE 17.1 Potential Benefits of Telecommuting or Virtual Work

Individuals	Organizational	Community and Society
• Reduces or eliminates travel-related time and expenses • Improves health by reducing stress related to compromises made between family and work responsibilities • Allows closer proximity to and involvement with family • Allows closer bonds with the family and the community • Decreases involvement in office politics • Increases productivity despite distractions	• Reduces office space needed • Increases labor pool and competitive advantage in recruitment • Provides compliance with Americans with Disabilities Act • Decreases employee turnover, absenteeism, and sick leave usage • Improves job satisfaction and productivity	• Conserves energy and lessens dependence on foreign oil • Preserves the environment by reducing traffic-related pollution and congestion • Reduces traffic accidents and resulting injuries or deaths • Reduces the incidence of disrupted families when people do not have to quit their jobs if they need to move because of a spouse's new job or family obligations • Increased employment opportunities for the homebound • Allows the movement of job opportunities to areas of high unemployment

Managerial Issues

- Offshore Outsourcing
- Managing and evaluating non-present workers
- Dealing with information overload
- Providing high-quality information
- Displacement of employees with information technology
- Use of electronic surveillance
- Ethical Issues

Chapter 17

Copyright © 2008 John Wiley & Sons, Inc. All rights reserved. Reproduction or translation of this work beyond that permitted in Section 117 of the 1976 United States Copyright Act without the express written permission of the copyright owner is unlawful. Request for further information should be addressed to the Permissions Department, John Wiley & Sons, Inc. The purchaser may make back-up copies for his/her own use only and not for distribution or resale. The Publisher assumes no responsibility for errors, omissions, or damages, caused by the use of these programs or from the use of the information contained herein.