

Abstract

Over time, a number of Information Systems (IS) Leadership models have been proposed (Rockart, Bullen [1982]; McLean & Smits [1993]; Ross & Feeny [2000]; Smaltz [2000]). A common element in almost all the models is that an Information Systems (IS) executive's role in organization and the required attributes for the role-performance are affected by the relevant trends (business environment, rapidly changing technology, demanding users etc) and managerial environment scenario.

Due to the rapid change in technology landscape in the last decade, there has been a discussion in the research community about the need for re-examination of the IS executive role. One of the compelling arguments is that there is always a time-lag between technological changes and the managerial adaptation of those changes (Iivari [1995]; Sampler [2000]; McKenney [1993]; Ross & Feeny [2000]; Klenke [1996]). Looking at the contextual scenario, there is a lot of dynamism on both the technological and organizational fronts today. On one hand, the technological changes such as Internet and, on the other hand, organizational issues such as outsourcing are driving a demand to change the way IS executive operates.

Apart from serving the purpose of examining the role of IS executive in today's business environment, this research investigates specifically the factors that enable or inhibit the strategic role - as opposed to an operational support kind of role, which has been the focus of majority of prior research on IS Leadership - of IS executive in an organization.

The major determinants of the strategic role of IS Leader can be divided into five broad categories:

- Environmental factors
- Organizational factors
- Information Systems Organizational factors
- Linkages between Information Systems and the Organization
- Attributes of the IS executive.

These categories can be further broken down into eleven specific determinants of IS executive's strategic role:

- Firm's strategic positioning in the industry
- Business Climate
- Presence of dominant IT suppliers
- Extent of outsourcing
- Business orientation of the IT executive
- Focus of executive's efforts
- Position of firm in the strategic grid
- Degree of Information Systems maturity
- Degree of IS centralization
- Reporting relationship.
- Executive team membership.

The research collected data from individuals heading the Information Systems function in their organizations. The results support most of the hypotheses except two. As hypothesized, the analysis shows that as the competitive positioning of the firm goes from that of a Reactor to a Defender, the extent of strategic role of the IT executive increases. Also, the greater dynamism in the business environment meant greater strategic role. The results also bear the fact that the more the focus of work is on technology, the lesser is the strategic role of the IS executive. As hypothesized, the practice of IT outsourcing leads to a greater strategic role, and also a greater business orientation of the IS executive means a higher extent of strategic role. The presence of dominant suppliers was posited to lead to a lower strategic role of the executive, but this hypothesis is not supported, either by quantitative or qualitative analysis. The only other hypothesis that was not supported was the positive correlation between the dynamism in the business environment. The results exhibit a negative correlation between the two which is a surprising result.

On the IS organizational structure side, the high level of IS maturity and greater degree IS decentralization lead to a greater strategic role. The reporting relationship, and the membership in the top management team also showed a positive correlation with the strategic role of the IS executive.

The research has important managerial implications. The results have some actionable inputs to the practicing managers. The concerns about IT outsourcing leading to the elimination or reduction of IT executive's role are misplaced. In fact, on the contrary, outsourcing leads to a greater strategic role of the IT executive. Also, the information systems organization should be decentralized as much as possible in order to enable an IT executive to play a strategic role. Further, given the importance of business orientation for the IT executive, it is imperative for the graduate schools to include a greater business perspective in their information systems curricula. Academically, this study contributes by developing a comprehensive taxonomy of Strategic Role of the IT executive.

Every research has its limitations, and this one is no exception. With the benefit of hindsight, especially when viewed from the lens of the difficulties encountered during data collection, it might have been a better idea to focus on a specific parameter (such as Outsourcing) and take a comprehensive view on that. Instead, the current research takes a fuller view of strategic role taxonomy. While this approach allowed for a quantitative and qualitative examination of a significant number of hypothesis, by taking a broad view, the results perhaps do not reveal as much in depth as they do. And that is the exact reason for which parameter-specific research studies are suggested for future.