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SA70 STRATEGIC ROLE OF IT LEADER IN INTERNATIONAL BUSINESS PROCESS CHANGE

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ABSTRACT

The purpose of radical process change (Re-Engineering), as well as the incremental business process improvement approaches (continuous improvement), is the transformation of business processes. The desire to achieve such transformation has served to propel practice ahead of formalised theory. This formalisation of the theoretical context of effective business process change management is essential for improved implementation and, more generally, to advance systematic inquiry in the field.

This research leads to the conclusion that the theoretical basis of business process change should concern the creation of an organisational environment that develops a culture supportive of change. This can be achieved through learning, knowledge sharing (including IT enablement and leadership), and internal and external network partnering. This concept facilitates the implementation of effective processes and change management practice, which leads to improvement in business processes and greater benefits. Implied in this statement is the vital role that the leader plays in establishing strategic initiatives such as communicating a vision to move the organisation toward business process change and providing tangible support to enable and maintain an organisational environment that is receptive to BPC management practice.

Regarding the strategic role of IT leadership for the internationalisation process, the interviews conducted produced mixed results. On the one hand more companies than expected have developed world-wide communication networks. These networks include E-mail as well as internal fax networks. On the other hand, the stereotype that IT Leadership pushes globalisation was not supported. Firms use IT leadership to facilitate the management of international business processes and renew the communications hardware when higher levels of internationalisation ask for it. It is found that IT leadership influences the interaction between headquarters and subsidiaries and may have an impact on the use of co-ordination instruments. IT Leadership helps to solve problems which are intensified by the international scope of business processes: geographical distances that have to be overcome, scattered members in a decentralised organisation who need to create and process information in many places, and different time zones between senders and recipients of information that pose additional problems.

The internationalisation of firms increases the dynamics and complexity of their relations with the environment. Rapid external change makes Multi-National Companies so vulnerable that they cannot fully rely on adaptive structural changes. They have to organise their business processes in ways that allow greater flexibility. Organising for more flexibility means deliberately to design or re-design existing international business processes. This requires a clear understanding of the Strategic Role of the IT Leader.

In this paper discussion that moves toward a theory of the strategic value of Information Technology (IT) Leadership in business process change management is presented. The beginnings of such a theory are based upon both conceptual syntheses of observations from practice as well as drawn from research literature from several related disciplines.

Key Words: Strategic, Leadership, Process, Change, Business.