PANEL 4 EXECUTIVE INFORMATION SYSTEMS: ASSESSING IMPACTS AND VALUE

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PANEL 4

EXECUTIVE INFORMATION SYSTEMS: ASSESSING IMPACTS AND VALUE

Panel Chair: Joyce J. Elam, Florida International University, USA
Panelists: Tom Clark, Florida State University, ISA
Hisham El Sherif, The American University in Cairo and Information and Decision Support Center, Cabinet of Egypt, Egypt
Jack Rockart, Massachusetts Institute of Technology, USA

Strategic decisions have enormous impacts on organizations and a long line of organizational research has focused on understanding how information is used to support and enhance strategic decision making. Executive Information Systems (EIS) emerged in the 1980s as a vehicle that could deliver the right type of information in the right way to executives so as to improve their overall decision making. Executive Information Systems have caught hold in many industries and their use is projected to grow significantly in the next few years.

The major issue that this panel will address concerns the impacts and value that organizations adopting EIS can expect to gain from their use. Clearly, these impacts and value will not be uniform across organizations. In the first part of the panel discussion, the panel will describe situations where the impacts and value have been significant and others where the value of an EIS is questionable.

Dr. Jack Rockart and Dr. Hisham El Sherif will describe situations where the impacts and value of EIS have been high. Dr. Rockart is an acknowledged expert in the area of Executive Information Systems and an advocate of their use. Based on his extensive research in this area, Dr. Rockart will present overwhelming evidence that the use of an EIS can provide real value to organizations. Dr. El Sherif has managed the design and delivery of information and decision support systems for the Cabinet of Egypt. These systems were implemented to provide enhanced support for the strategic decision making process of the Cabinet and its Ministerial Committee. Dr. El Sherif estimates the cumulative leverage that the set of systems has provided to be at least in the tens and possibly in the hundreds of millions of dollars.

Dr. Tom Clark and Dr. Joyce Elam will describe situations where the impacts and value of EIS are not so evident. Dr. Clark will discuss his recent work on measuring the value of information in decision making within a particular industry setting which calls into question the overall benefit of an EIS. Using a detailed simulation model of the canning industry, Dr. Clark found that more accurate and explicit information at the strategic decision making level actually resulted in worse performance than ambiguous and implicit forms of information. Only at the middle and operational levels did "better" information result in better performance. Dr. Elam will discuss the results on EIS value she found in a study of the use of advanced information technologies by senior executives in the banking industry. Some executives had adopted EIS as a very valuable managerial tool which others saw the use of an EIS as providing no additional value whatsoever.

In the second part of the panel discussion, the panel will try to reconcile the conflicting evidence on the impacts and value of EIS. The topics that will be addressed by the panel include:

- the source of EIS value;
- the critical set of underlying organizational factors that must be considered when assessing potential impacts and value such as perceived time pressure to act, nature of competitive environment, decision making style of the organization, and values and cognitive biases of upper management; and
- the theories of organizational design and decision making that can aid in the analyses of the impacts and value that EIS can have when used by top management.
FORMAT OF PANEL PRESENTATIONS

The members of the panel represent different schools with different educational philosophies, student bodies and educational goals. Each panel member will make a short presentation

1) describing the objectives, environment, content and pedagogy of their own core course with particular attention to the goals listed above;

2) evaluating their course with respect to the three objectives mentioned above and providing guidance on topics and pedagogical approaches that have worked or failed to work in the past; and

3) discussing future directions for the core course, paying particular attention to the role of the core course in the overall MBA curriculum.

The chair will also present some statistics related to the status of the MBA core course in business schools.