University of Ljubljana

FACULTY OF ECONOMICS

The Research Centre of the Faculty of Economics cordially invites you to a research seminar on Tuesday, 14th February 2017 at 13 p.m. in room P-201 at the Faculty of Economics, University of Ljubljana

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will present the research:

"Bridging the gap between top and IT managers – a necessity in the era of digital transformation"

"Inefficient relationship between top management and IT personnel is often denoted as a business-IT gap. Several attempts have been made to align business and IT; however, the business-IT gap still exists in many companies causing several failed IT implementation projects and business underperformance. In the era of digital transformation bridging this gap and establishing a proper relationship between business and IT is even more important as ever before. Despite significant efforts to bridge that gap, it is still present in many companies. The purpose of this research is to analyse the gap in order to ease the process of bridging it by identifying items with significant differences between top and IT managers regarding the expectations about IT and IT personnel. Empirical data were collected using two questionnaires that were developed for IT managers and for top management in order to find different expectations regarding IT personnel and to examine the business-IT gap. Questionnaires were distributed to the medium and large Slovenian companies. A total of 314 responses were collected, namely 221 IT managers and 93 top managers and firstly analysed using the Mann-Whitney U test. The research confirmed the existence of several differences in expectations between top and IT managers regarding the importance of IT, necessary skills and the role of IT personnel. The research also revealed items where the business-IT gap is seen as being already bridged; however, a deeper examination of knowledge and skills items exposed significant differences that are causing and increasing the gap.

In the next phase, the so-called business-IT partnership construct has been developed based on interdisciplinary studies and transferred to the business-IT relationship together with factors leading to it. The model has been empirically tested by using the data obtained from interviews with 221 IT managers. A combined exploratory and confirmatory approach was used (exploratory techniques for measurement purposes and the results of exploratory studies were later used in further confirmatory analysis). Exploratory factor analysis using SPSS was thus undertaken to verify the construct validities of the measurement model. A principal axis factoring extraction method with a Varimax rotation was used to examine whether the questionnaire items measure the defined model. In the confirmatory analyses, structural equation modelling (SEM) and the LISREL tool were used to empirically verify the model and the hypotheses. The results confirm that perceived value of IT and business orientation of the IT department have a positive influence on the business-IT partnership; while contrary, merely technology oriented IT department does not contribute to the partnership relation."

You can register for the free seminar by phone (01) 58-92-490, or via e-mail: research.seminars@ef.uni-lj.si by Monday, **13**th February 2017.

You can find all information regarding future research seminars on following link: <u>http://www.ef.uni-lj.si/raziskovanje/seminarji_in_konference</u>

We look forward to seeing you!

