

The Effect of Information Technology Management on Country's Economy

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ABSTRACT: Now days, no one can reject the effect and impact of Information Technology on the world that is developing rapidly with high speed toward being mechanized. In the world that workers have replaced by machines and accountants have replaced by computer programs, management and development in information technology one among important economic matters. Today, countries are not going to catch information, but consider the information and change it for their own benefits. In this article, considering the management and its definitions, the researcher tries to highlight the role of correct management on information technology and economy. Using new technologies are growing among people of developing countries and have great impact on their economy.

Keywords: Management, Information Technology, Economy, Information Technology Management.

INTRODUCTION

Now days, communication and Information Technology as one of the new grounds are effecting on human life. This effect is obvious in all social faces. One of these effects is the effect of IT on economy. In the new economy which is based on computer nets, working environment is changing into digital one. Such an economy is called with names such as; net economy on digital economy. Digital economy, which is also called new economy on net – base – economy, is a kind of economy that major parts of it is based on digital technologies such as communication nets, computers, soft wares and other information technologies (Boar , 2002; Afuah, 2003).

The existence and using of update information's in developing countries helps their economy a lot. For example, creation of credit cards and the replacement with cashes has been a great influential change in countries economy. There is no more need for production of bunch of cashes with their tremendous costs. Meanwhile, making of the correct using culture of new technologies is very crucial. It will last a long to change classical banking culture to electronic banking system and to replace the money with the credit. Creation of such a culture for all people to use credit instead of cash is time – consuming and needs regular and exact programs (Buckler, 2004).

Due to developments of technologies and its powerful effect on economy. Planning and using of analyzed information has a very important role in which technology and information management is so vital.

In this article the researcher is tries to focus on the effect of modern technologies on economy of the researcher country.

In this research definitions and terms of management master have been used and kinds of management in economic development of the country have been analyzed.

According to the point that we are among developing countries, paying attention to the role of new technologies in economy is very vital and planning and managing of this culture is inseparable. At the beginning, definitions of management are presented, and then, effect of IT on economy is explained and at the end, management of IT in the country's economy is described.

What is management?

Maybe you have heard or have read or you believe to the expressions that, management is both science and art. It means it is knowledge and experience, learnable and substantive, ability and love. Management is not governing on organization. But it is sitting on heart of organization personals. Organization is not on office or a factory. But it is a unity that we sharing and living in it. Collection is not a service of people with different characteristics, but collaborators that we are living with them around the clock. For being a manager, it is not need to seek for book stores, books and teachers. But, it is essential to seek for reality, realism, and acceptance and add use of reality. For being a manager, it is not need to seek for dream, friends and entourages. But, it is need to seek for opportunities, actions and reactions. Is the changing of night to day on day to night a routine? On it is a hope for mutation. Do we think to the saying of mole that woe to someone. Whose today is exactly like yesterday? So woe to us and our mood if we sit and wait for chance and opportunities.

Definition of management

There are many definitions from management, but one of comprehensive definitions is as follow: "Knowledge and art of planning, organizing, guidance and leadership control and surveillance, and finally making collaboration to reach to the pre- defined goal or goals". Management is effective and efficient usage of human and financial sources in organization planning and also integrity, guidance and control of sources and facilities which is accepted based on worthiness system and to reach the organization goals. Part of management can be learnt through training management, and the other part should be learned through work. In fact, the part that could be learnt through training is knowledge of management and the other part in which should be learnt through working experience is the art of management. "in other words, knowing is the science and ability is the art". Also, all of these discussions are about human sourced, because it is the most important and wrathful property of each organization. After that there are other sources such as physical properties and even information. While all of the previous statements are true, if we want to define management in a very simple way, we should say; management is making decision. While the duty of members is making suggestions and administration, duty of managers are making decision and controls of the administration (Huber, 2004).

The role of IT in economy

The term Digital Economy is a sign of economic revolution. A revolution that is effective in all aspects of economy such as products, consumers, sellers, brokers and support services. Many of products and services are presented digitally, such as;

- Information and hobby products such as; paper documents, books newspaper, magazines, coupons, research articles, training materials information related to similar products; catalogs and manuals, visual information like photos, poster cards, maps and calendars voice information like music and lecture cassettes, films and television programs, games and amusing soft wares.
 - Symbols, tickets and reservations of hotels, concerts, sport events transportation and air ways, financial orders such as check cards and credit documents.
 - Services and processes similar to government services, electronic message like letters, phone calls, faxes, commercial worth creation processes, contract nations, and long – distance training and long – distance.
- Consumers are tens of Millions of people who are searching the web around the world. They are potential buyers of goods or survive exhibited or advertised on the internet. Consumers seek for more exact information, comparison of services and goods, tenders and discussions. Sellers are hundreds of millions of online markets that bring and advertise millions of goods and services. In addition, mediums which are presenting online services have different role from the post. They make and manage electronic markets. In other world, they provide basic service foundations of buyers and sellers. Most of mediums are computer systems which are also called information or electronic mediums. Support service also refers to making digital spaces such as issuing certificates, making required soft wares and hard wares, creating contents, etc. In network economy, which is based on communication and IT application, relation between producers and consumers is more and the distance is removed, expressions such as electronic shopping, electronic trade public sale and marketing are defined. Using of IT internet (electronic

trade) such as other applications of IT, reduce costs and increase efficiently. Sellers face with lower expenses and consumers, due to having more information, have the opportunity to experience better choice and cheaper buying. Recent changes in trade marketing, and competition processes expansion, which is results of monopoly breaking, caused organizations look in trade environments carefully and try to find new and better demands and capacities. The most important joint unit in different occupations, which quid's their programs and strategies, is information. IT expansion creates deep changes in goals, administration process, productions and organizational structures. IT gives organizations the opportunity to omit parallel and repeated activities to computer system, and having this in hand, finds more suitable opportunity for revision of working programming's. From structural point of view, organizations point to variety of changes, because expanded usages of computerized systems need new ideas and visions between managers, and personal and also new basic working definitions for performance and appliance of them. In these circumstances, new visions are applied in organizations, and on the base of this, suitable working rules is performed between customers and organizations base on IT services. All the mentioned evolutions and changes pave the way for finding a new vision on the concepts of information and the effect of IT on optimization and information practicality for benefit creation. Today information in a worthy source and finance for organizations and the worth and credit of it is even more than important factors of finance are working members. IT can helps organizations in competitive processes. Benefits and advantages of applying IT in marketing could include many different things. Some of these benefits are increase of information and servicing speed, increase of quality and quality of production, market expansion possibility, possibility for finding needs of new goods and services presentation, and creation of value added for customer. Prerequisites of successful usage of such systems in organization, exact and enough cognition of organization, its sources and recognizing ways of selection and IT expansion in marketing.

Effective factors in role of communication and IT in economic growth

1. Costs of communication and IT: as it is mentioned earlier, expansion of communication and IT has been a driving power for economic growth. In comparisons to modern countries, developing countries have dramatic limitations in communication and IT enterprise. While the costs of communication and IT in developing countries grows up to twice, but they are still far behind of modern countries in term of communication and IT costs. On 2002, based on the report of world information technology in world economic meeting, this ratio for 10 countries which had the most costs in communication and information technologies, was 10 percent, for the 4 new economical countries of Asia, 8 percent, and for the India and Russia, only 3.8 percent of internal impure production this difference in investigation is more obvious when we notice to the difference in their per capita income.

Return of low investment could happen in developing countries for three reasons:

- Lack of suitable entities such as lawful environment and regular frame works, which may bring high operation and investment costs.
- Shortage of professional and efficient personal makes under tan ding, finding and applying of communication and information technologies difficult.
- For gaining network effects, synergy, and bunch of communication and information technology, a specified level of investment in communication and information technology and appliance of it are necessary.

2. High investments and operational costs: Production of communication and information technology services, and effective appliance of it, depends highly on structural framework of communication and information technology. Most of developing countries have not a suitable communication and information foundation, as a results presented results in this countries are limited and expensive. Rules reformations in realm of long – distance communication and correlation, can play important role in competition expansion and investment encouragement in communication and information technology, which in turn reduce the costs and increase using of communication and information technology.

3. Human resource shortage: Use and proper appliance of communication and information technology need proficient human resources. Studies show that the difference between amount of production and appliance of communication and information technology in different countries, relates to their levels of human resource development. Technologies such as internet are designed according to the human and fund resource of modern countries. As a result, delivery of this communication and information technology to developing countries which have less proficient members, bring more adaptation cost. At the beginning, these costs effect negatively on the productivity growth, but, after that this technology has been adapted by the society, the productivity growth will reform. Use of credit cards internet and electronic banking is a simple and common matter in all modern countries. While generation of such a phenomenon in our country is considered new found and its culture is forming. Unsuitable ways are still using in our country and in our economy. As an example, using of papers has still its place, while using of electronic working and electronic trading is relevant in the world big economies. Offers and demands

are mostly performs at virtual environments in modern countries, but paper works are still relevant in our country and it is not beneficial for us. We should reach to a position with working on the culture to replace classical economic culture with new technologies (Turban, 2006).

CONCLUSION

According to the previous discussions in the current complete digital world which the speed of transaction is very crucial, we should have the ability to advance with modern technologies and have a fore ward progress. In the current digital world, delay in delivering of information has no meaning and justification. Today information is transferred with advanced servers and with high speed. At the first stage, we should prepare the context and pave the way. In the recent years, reduction of liquidity and credit cards. Have had many effects on our economy. Sometimes in the developing countries, receive and transfer of information face with difficulties. Removing and passing from these problems needs serious attentions and activities. In the past times, using of credit cards was recommended to people which were the first suitable step in using information technology. Today, authorities invite people to use electronic methods which could lead to progress and change in speeding information transferring and also prevent from making long cues and wasting of time.

Conflict of interest

The authors declare no conflict of interest

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