

## ICTs Help Companies but Do Not Make Them More Horizontal

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*Executives demand more smart access to information for decision making. They also claim that good use of technology requires additional resources for employee training and add that although ICTs are changing the way people work, they are still incapable of reducing the verticality of their companies.*

How do Spanish executives perceive the internal changes being generated by information and communications technologies (ICT) at their companies?

Finding the answer to that is among the objectives of the biannual survey for the BIT project (Business and Information Technologies).

The survey was carried out by the PwC&IESE e-Business Center, which was responsible for the Spanish part of the project, led by the Anderson School of Management at UCLA.

After analyzing a series of statements related to the impact of technology on the workforce, the 254 people surveyed expressed their level of agreement or disagreement with the statements, basing their opinions on their own experiences.

The preliminary results, which correspond to the year 2007, show a strong coincidence of opinion between the executives of large companies and those of SMBs. This similarity allows for extrapolation of their assessments of the overall Spanish business world.

First off, the majority (89% of those polled from large companies and 86% of those working in SMBs) said that there is indeed growing demand among executives for smart access to information.

Additionally, a clear majority confirms the belief that the use of ICT reduces the physical distance between employees: 82% of the executives from large companies perceive an increase in the use of conference calling as a communication channel. At SMBs, this use has increased by 68%—a smaller jump but still significant.

Nevertheless, while it would be logical to deduce that such tools also increase collaboration between employees, just 69% and 65%, respectively, of those surveyed feel that this actually happens that way at their companies.

### **New Ways of Working**

The responses confirm that ICTs are bringing about new ways of working. One example is telecommuting, a practice that, according to 74% of the executives from large companies and 63% of those from SMBs, is being used more and more employees. Also in the majority are executives (78% from large companies and 86% from the SMBs) who feel that there is a growing proportion of employees working in front of a computer screen. This increase led 87% and 90% of those polled to say that it is necessary to increase IT skills through training, particularly at the lower levels of their companies. In this respect, 81% and 83% add that workers must constantly renew themselves in order to stay up to date with the technological changes.

In terms of whether IT has graduated from its traditional support role to play a strategic role in the business, more than half of those surveyed say yes. In specific terms, 57% and 66%, respectively, believe that this trend is already a reality at their companies.

### **ICT and Company Size**

Does subcontracting reduce the number of employees? Just 44% and 31% gave a yes answer, while most do not perceive this impact to be happening in reality. Fewer still (37% and 26%) are those who say that automating functions affects the size of the employee base. And just 27% and 24% agree that technology reduces the number of middle managers.

The results of the last three questions seem to indicate that ICTs still do not have a major impact on the structure of Spanish companies. Nor are they making them horizontal enough.