MANAGEMENT IN CONDITIONS OF CHANGE

© A.N. AGAFONOVA

agaff@mail.ru

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METHODOLOGICAL ASPECTS OF SERVICE MANAGEMENT ON THE IT MARKET

ABSTRACT. Reasons for and factors of modern information service formation based on research into key stages of world economy development are established. Information is an economic resource, defining unique characteristics of information services as commodities. The information service market is interpreting the possible ways to satisfy the information needs of stakeholders. Special attention is paid both to the implicit and explicit nature of information needs. The degree of dependence of the evidence on the information needs of the subject of economic relations are analyzed. Conclusions on the necessity to study classical methods of management in information services are made. The author emphasises the importance of organizing the service environment, characterized by high personalization and adaptability in the field of intelligent information service. Prospective areas of corporate information service in outsourcing service models for market participants are identified.

KEY WORDS. Informational market, network economics, informational service, competition.

The evolutionary development of the world economy is caused by the replacement of technological structures. Innovative transformations concern not only the improvement of labor means and objects. There are new types of production and service activity, forms of economic interaction by market participants are being developed. In this regard, special attention is deserved by the information economic sphere, whose dynamics of growth show the maximum rates. Modern development of information products and services in traditional and electronic markets happens within formation of the neoeconomy focused on network organizational forms of managing and virtualization of business processes. This market, created on the basis of global information and technological infrastructure, operates with the major economic resource — information. Information service is the most popular and unique

commodity according to the characteristics of the new information and service economy. However, in Russian scientific literature, due attention is not paid to the theoretical and methodological problems of information service.

The formation of a steady information market began in the mid 1950s. Decade after decade, the information industry obtained increasing weight and influence on the social and economic life of society. The automation of production and optimization of administrative decisions have become the driving force of information market development. Steady demand for complex information services has been created.

The main factors of the information market in Russia are:

- 1. Legislative improvement of the legal base, creating the practical mechanism for the realization of property rights to information.
- 2. Technological development of the information infrastructure, elimination of information market dependence on the import of IT equipment and technologies, improvement of technical compatibility, formation of new and improvement of existing networks and their connection to the international information networks.
- 3. Organizational acceptance of a state program for electronic communication development in Russia, strengthening of personnel potential, extension of the companies providing reference and intermediary services.
- 4. Institutional formation of market economy traditions, elimination of the state monopoly on information resources, growth of competition in the media market.
- 5. Safety factors improving systems to protect information resources from unauthorized access, and to fight crime in the area of information, improvement of information security for personal data [2]

A great demand for information has been generated. The commodity form of information is its representation in the form of information products or services on the market. The famous economists F. Makhlup, A. Mol, J. Stigler and D. Bell investigated the properties of information, the features of its production, distribution and usage.

Having generalized the results of scientific research, it is possible to draw the conclusion that the specific character of information as an economic resource is as follows:

- 1. It is difficult to define the process of consumption and the information consumer.
- 2 There is uncertainty about information utility. The utility assessment of information is in many respects based on judgments, focused on the ability to satisfy the information need of the market participants.
- 3. It is impossible to give a simple estimate for the received volume of information. As a rule, the value of information is defined by the degree of its profitability and the demand for it.
- 4. Information becomes outdated over time compared to the obsolescence of fixed assets and material benefits.
- 5. There is a demand for working out effective forms and methods of information processing and filtration due to the enormous increase in the amount of information available.

Information is an economic benefit and a resource in economic relations. It is a commodity, that is, a product created for exchange. In spite of the abundance of information, there are limitations on its reception and the creation of new knowledge, and the possibilities for its use.

The creation of an information product is possible by creating initial data with special methods, technologies and techniques. It should be noted that intelligence is the main means of production in creating informational products. Intelligence in this case is a man's ability to create new knowledge. In order to create a sought after information product, it is necessary to influence information by special methods and technologies. There is a peculiar economic component in the manufacture of information products and services. It is as follows: there is no direct relationship between the total cost of production and the result of new information and knowledge. Thus, a unique product is created as a result of intellectual activity. This unique product is profitable for the producer, being reproduced or embodied in goods, means of production, technology. The stable transformation of information leads to the creation of new knowledge, information products and information services. Moreover, a significant difference between information products and information services is due to the form of goods, as well as to the possibility of replicating the product without regard to the individual needs of consumers.

The difference between the processes of rendering services and manufacturing products, according to French scientists Eric Langeard and Pierre Eiglier, is the responsibility of the consumer. Consumers don't participate in the manufacturing of commodities. They don't know how various goods have been produced. On the contrary, a consumer takes an active part in rendering services, defining the results of this process.

Investigating customers' needs and requirements is most important within the frameworks of the service concept. They are rather complicated and can be subdivided into two categories: implicit and explicit.

Implicit requirements (from Latin implicite — covert, peripheral (differing from central) are characteristics of a product or a service. They form the features of the future product or service and should be thoroughly studied by the producers o9f these services.

Explicit requirements (from Latin excelicite — clear, obvious) generally concern benefits received by the consumer.

The basic properties of services as an economic category, such as intangibility, heterogeneity, lack of property rights and others, have forward and backward linkages with the dominant implicit motives of consumers.

The demand for material products with standard or clearly stated technical, physical and other characteristics is mainly explicit. The consumers of information services have other motivations.

Fig. 1 shows the dependence of necessity degree on the subject of economic activity. It reveals prevalence of customers' implicit motives to purchasing information, technological and intellectual services.

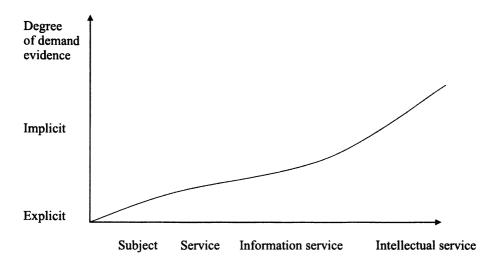


Fig.1. Dependence of necessity degree on the subject of economic activity

Needs for information or intellectual-intensive services are defined mainly by factors of the internal state and development of the economic subject. The intellectual component for a subject of economic relations is caused by aspiration to get knowledge and involve it in organizational, production, marketing and other processes. Such demands are implicit: managers of the companies hardly realize what knowledge they need and how the acquired intellectual information systems will promote economic efficiency in their company.

The probability of formalizing supply and demand in the information market, especially in the segment of highly intelligent products, is extremely low. Thus, the objectives and conditions of such relationships between buyers and sellers of intellectual services should be highly personalized.

Studying the laws of explicit and implicit needs formation for potential customers is a necessary component of the quality management system of information service. Requirements form the expectations of a client and have a direct impact on the perception of the service process.

Information service is an expedient labour activity, the result of which is expressed in satisfying the information needs of people or other objects of service.

The possible directions of information service realization in the market are:

- 1. A man with his personal information needs.
- 2. A person or a collective decision-making body. It is considered to be a subject of management. Depending on the organizational structure of the economic system and the importance of decision-making, it may be senior management, a sales and marketing director, managers, analysts, etc.
- 3. The information system as a whole or its individual elements. In this direction, it is important to take into account the complexity of the service rendered, the availability of clear objectives in information service. They are stated in the contract

on service provision. This type of information service could, for example, be implemented on the basis of the outsourcing model and aimed at ensuring the smooth, efficient operation of a corporate information system.

The requirements are transformed into perception by external and internal factors of service process. J. Horowitz says: «Everything that affects perception either positively or negatively affect consumers' willingness to trust the company. These effects are called filters «[1, 18]. There are several groups of perceptual service filters: physical, psychological, and other image filters.

Physical factors of service perception are mainly due to the physical environment of the service process, they depend on the physical sensations of the consumer. The basic characteristics of the physical environment are changed in the service process. Web-applications on the Internet are becoming the technological basis of modern information services. The degree of business processes virtualization is significantly increasing, and the environment in which the service is delivered to consumers is created with multimedia and computer graphics

A new notion, service environment, can be considered in the field of information service as a highly efficient method of service management. The main function of service environment is creating an atmosphere of trust and mutual understanding between a provider of information and a consumer. Moreover, the quality of the service environment should be evaluated according to the customer's reaction, as well as economic communities' treatment of the producer as a subject of the global information and technology infrastructure.

Transition to outsourcing service models has become the most important organizational and administrative trend. The global outsourcing market is increasing, mainly due to information technology outsourcing. According to the United Nations Conference on Trade and Development in 2010, the volume of the global market for outsourcing services in 2009 amounted to about \$800 billion, the share of IT services was about 60%. The «standard» services for the Russian market of information outsourcing are equipment and infrastructure outsourcing, and also outsourcing of information system management. The tendency was mentioned to transfer stages and operations of automation and business processes management to outsourcing. In the Russian market, the outsourcing of Internet resources is in demand, including the management of dynamic content of company websites, administration of mail systems, protection against viruses, spam and unauthorized access. Domestic customers are ready to rent servers and to pay for their placement on a technical platform of the provider. Outsourcing of information security is in increasing demand.

Development of the methodology of outsourcing management tools in the field of information services is required for large-scale implementation of the global information resources idea on the basis of infrastructure technologies. This is due to both economic and service factors.

The growth of outsourcing companies is stimulated by flexible forms of organization, an individual approach to customers, and strong demand for services and competition. They are already able to provide business organizations with a wide

range of high-quality information services. Innovative development of information technology infrastructure brings new opportunities, mainly for web-oriented economic concepts, which will be established based on the principles of effective information management business processes.

Methodological improvement of the management information service can affect the following areas: the desire to expand the practical interpretation of the neutral footprint by formalizing customer orientation and producing services on their explicit requirements, the prevalence of organizational forms of service activities through outsourcing models, and the need to study and improve customer-service factors environment.

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