

Executive support system

Technology



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Executive Support Systems (ESS) • supply the necessary tools to senior management. The decisions at this level of the company are usually never structured and could be described as "educated guesses." Executives rely as much, if not more so, on external data than they do on data internal to their organization. Decisions must be made in the context of the world outside the organization. The problems and situations senior executives face are very fluid, always changing, so the system must be flexible and easy to manipulate. The Role of ESS in the Organization Executives often face information overload and must be able to separate the chaff from the wheat in order to make the right decision. On the other hand, if the information they have is not detailed enough they may not be able to make the best decision. An ESS can supply the summarized information executives need and yet provide the opportunity to drill down to more detail if necessary. • As technology advances, ESS are able to link data from various sources both internal and external to provide the amount and kind of information executives find useful.

As common software programs include more options and executives gain experience using these programs, they're turning to them as an easy way to manipulate information. Many executives are also turning to the Web to provide the flexibility they need. Benefits of ESS • As more executives come up through the ranks, they are more familiar with and rely more on technology to assist them with their jobs. Executive Support Systems don't provide executives with ready-made decisions.

They provide the information that helps them make their decisions.

Executives use that information, along with their experience, knowledge,

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education, and understanding of the corporation and the business environment as a whole, to make their decisions. Executives are more inclined to want summarized data rather than detailed data (even though the details must be available). ESS rely on graphic presentation of information because it's a much quicker way for busy executives to grasp summarized information • • • • •

Simple for high-level executives to use Operations do not require extensive computer experience • Provides timely delivery of company summary information • Provides better understanding of information • Filters data for better time management • Provides system for improvement in information tracking Disadvantages • Computer skills required to obtain results • • Requires preparation and analysis time to get desired information • • Detail oriented Provides detailed analysis of a situation • • Difficult to quantify benefits of DSS How do you quantify a better decision? • Difficult to maintain database integrity • • Provides only moderate support of external data and graphics capabilities Examples of ESS • The Sutter Home Winery uses mostly external data, including information from the Internet, in its ESS. It organizes the information in order to help executives make decisions based on trends in the marketplace. The information includes data on competitors and information from market research.

Sutter uses its system output to determine sales forecasts, marketing campaigns, and investment plans. Managers at the Royal Bank of Canada are able to choose their own criteria (from among 15 choices) to drill down and navigate data through easy-to-use interfaces. They don't have to accept data in formats chosen by someone else who may not understand individual

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manager's needs. Data analysis is more timely because the information is quicker to obtain and more convenient than before. • Characteristics of ESS

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- Computer skills required Very low -must be easy to learn and use
- Flexibility High - must fit executive decision making style
- Principle use Tracking, control
- Decisions supported Upper level management, unstructured
- Data supported Company internal and external
- Output capabilities Text, tabular, graphical, trend toward audio/video in future
- Graphic concentration High, presentation style
- Data access speed Must be high, fast response

ESS Applications • • • • Manufacturing Medical Government Financial summary

- Executive Support Systems meet the needs of corporate executives by providing them with vast amounts of information quickly and in graphical form to help them make effective decisions. ESS must be flexible, easy to use, and contain both internal and external sources of information