

1 Staff Attitude Analysis Digitalization of Corporate Governance

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3 *Received: 16 December 2018 Accepted: 2 January 2019 Published: 15 January 2019*

4

5 **Abstract**

6 The transition to digital technologies for collecting and processing information, organizing and
7 providing decision-making procedures, monitoring the implementation of planned and ongoing
8 impacts is becoming a priority trend in the innovative development of modern corporations.
9 The openly declared recognition of their promise is paradoxically combined with internal fears
10 and destructive reactions of management personnel to participate in these processes. This
11 publication presents an analysis, identified during the author's research in a number of
12 corporations, of the steady reactions of personnel to digitalization of management.

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14 **Index terms**— attitude, concerns, corporation, personnel, reaction, digitalization

15 **1 Introduction**

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17 e-mail: a.v.raychenko@bk.ru relationships shown by subjects in the course of regular professional activities.
18 This allowed us to formulate the first results on the basis of a meaningful analysis of public speaking, free
19 discussions, open documents and other regular sources of information. These circumstances determine the
20 approaches, decompositions, and aspects of the study conducted by the author, the first results of which are
21 presented in this publication.

22 Analysis: The strategically-oriented digitalization trend is declaratively supported by most modern corporate
23 management personnel, which completely fits into the key trends of the scientific and technological progress
24 of modern society. A substantial analysis of the officially expressed positions of the interviewed management
25 personnel practically does not reveal doubts about the expediency and prospects of digitalizing decisionmaking
26 processes [1, ??25]. At the same time, in private conversations with middle and senior managers, specialists
27 and executives of corporate management personnel, a fairly stable range of fears of "decisionmakers" is clearly
28 traced by the content and consequences of the introduction of digital technologies in their area of competence.
29 In its most general and highly formalized form, its main positions are distinguished by the following, most often
30 manifesting, critical fears of leaders (executives):

31 -The inevitability of adapting leadership logic to digital execution formats; -Submission of the efficiency of
32 decision-making to the rhythm of digital technology; -Radical expansion of the range of options for the solution
33 in question; -The need to justify approvals and opinions of specialists; -Coercion to consider, evaluate and accept
34 stakeholder influences; -Reduction of the field of peremptory maneuver of decision-making; -Difficulties in using
35 digital technologies in the management process; -The prospect of limiting power and weakening the authority of
36 the leader.

37 Each of the identified positions requires a special study, a constructive assessment and a corresponding reaction,
38 which are now being developed by the author of the publication. At the same time, relevance: The success of most
39 corporate development programs is largely determined by the formation of a constructive attitude of personnel
40 towards ongoing changes. The developed program of their implementation directly depends on whether the
41 staff becomes an active ally, a passive participant or a hidden adversary of the planned changes. Support for the
42 planned transformations is necessary provided by the analysis of their perception by the staff and timely response
43 to emerging contradictions. Finally, the obtained results of the ongoing transformations and consistent work to
44 increase the efficiency of their use should be adequately evaluated not only by experts, but, first of all, by the
45 corporation staff, whose content and working conditions they have a direct impact on. This is due not only to
46 relevance, but, above all, to the continuing relevance of research, evaluation and accounting for the manifestations

2 METHODOLOGY:

47 of the relationship of corporate personnel to the development and implementation of innovative transformation
48 programs.

49 2 Methodology:

50 The objectives of the study led to the need to adapt the methods of its implementation, providing not only the
51 obtaining of representative materials, but also the possibility of their adequate determination. This is due to
52 significant differences in the definition, understanding and application of the categorically conceptual apparatus
53 for assessing the positions of the subjects in relation to the problems under consideration. The basis of this
54 adaptation was the process approach, which allows registering the R general trends draw attention to the need
55 to develop appropriate measures to compensate for open and latent opposition to such innovations. A clear
56 confirmation of the manifestation of such trends is increasingly found in the argumentation of managers' fears
57 about digitalization of decision-making links to software problems of automated decision-making systems "Boeing-
58 737-MAX". Substantiated, including by this example, the positions of managers regarding the digitalization of
59 the management process become quite a serious obstacle to the development of programs for the development
60 and implementation of the most innovative solutions. However, this position of managers has a significant impact
61 on the motivation of specialists to actively participate in the development and implementation of the full range
62 of innovative programs.

63 As the studies conducted by the author showed, the positions of specialists in the management apparatus
64 regarding the digitalization of information processing processes initially differed from the reactions of managers.
65 They were based on a significant expansion of opportunities that open up for specialists in the process of
66 digitalization of management procedures. This is due to the widely and variably manifested interest and active
67 participation of specialists in the development and implementation of innovative management digitalization
68 solutions. An analysis of the composition and content of the positions of specialists in the administrative
69 apparatus that are formed during the preparation and conduct of the management's ifrovization reveals a fairly
70 wide range of the most frequently encountered aspects of critical concerns. The most contrasting and definite in
71 the spectrum of these concerns are such as:

72 -Tightening of planning and support for the implementation of special functions; -Linking the rhythms of
73 innovative developments to the pace of digital procedures; -Static detailing of communications, limiting creative
74 cooperation; -Excessive regulation of the terms of research and design developments; -Strict formalization of
75 information, abstracting from approaches and nuances; -Limitation of the possibilities of intuitive search and
76 correlation of solutions; -Increased risks of copyright infringement.

77 It is significant that already in the formulations of the above trends, fears of unreasonable restriction,
78 in the process of implementing digitalization measures, and the creative independence of the professional
79 activity of specialists in the administrative apparatus, are contrasting. Their identification and classification
80 can be quite diverse, which does not change the essence of the impact of the fears they emanate on the
81 effectiveness of the development and implementation of digitalization management programs. Directly, it reflects
82 significant limitations on the productivity of the participation of specialists in the management apparatus in the
83 processes and results of the preparation and conduct of digitalization measures. This understanding must be
84 adequately evaluated and constructively taken into account when developing, adapting and implementing specific
85 digitalization programs for managing real corporations.

86 At the same time, the specialists of the administrative apparatus, as a whole, perceive the development and
87 implementation of a wide variety of digitalization programs as the most positive and constructive. The studies
88 conducted by the author showed that it is the experts who are not only the first to participate in the work for the
89 first time started and already carried out activities, but also independently initiate directions, tasks, tools for their
90 determination and implementation. In the analysis of such manifestations and the results of their implementation,
91 it becomes apparent that it is the experts who become the most active participants in digitalization programs and
92 directly interested users of their results. All this significantly increases the importance of research and assessment
93 of the identified fears of specialists in the management apparatus and actualizes the need for substantive study
94 and constructive resolution of the contradictions exposed by them.

95 Fundamentally different fears, as the studies conducted by the author have shown, are manifested in the
96 reaction of the technical executives of the administrative apparatus, without the direct participation of which the
97 implementation of any topical reformation project is complete. In the practice of managing Russian corporations,
98 this influence is of particular importance, figuratively assessed by the destructive role of "... switchman ..." [2,
99 ??1], which is unreasonably often singled out when analyzing and assessing the reasons for the failure to fulfill
100 the plan. Meanwhile, without the meaningful and responsible participation of performers, primarily in solving
101 problems of formalizing the composition and content of the functions actually performed by them, it is impossible
102 to ensure the adequacy and quality of the formulation and resolution of programming problems.

103 Conducted by the author in a survey format, research on the manifestations of the positions of technical executives
104 of the management apparatus of a number of corporations, regarding the development and implementation
105 of digitalization programs, revealed their fears such as: -Regulation of labor procedures for the performance
106 of official duties; -Increase in labor intensity by formalization of load regulation; -Reduction in the number of
107 performers as a result of automation of labor;

108 -Expansion of the area of responsibility of performers as a result of redistribution; -Strengthening disciplinary

109 action based on the results of continuous monitoring; -Registration of personal participation in the processes and
110 results of the team; -Increasing the requirements for the training profile and skill level; -Improving the efficiency
111 and tightening of the effectiveness of monitoring and evaluation.

112 The initial functional analysis of the composition and content of the identified fears of the executives of
113 the management apparatus clearly shows their real attitude and possible reactions to the planned and ongoing
114 digitalization innovations. Obviously, these estimates must be taken into account initially, and the risks they
115 emanate must be neutralized even at the stage of development and adaptation of corporate management
116 digitalization programs. The analysis in this publication only indicates the composition and content of the
117 identified concerns and the likely reactions of management personnel to the development and implementation of
118 digitalization programs. For meaningful processing and applied use of the results of this analysis, it is necessary
119 to correlate them with the main characteristics and specific features of corporations that have a significant impact
120 on the identification, development and solution of tasks.

121 The decompositions and analysis of the relationship of managers, specialists and executives of the management
122 apparatus to the processes and results of the development and implementation of digitalization programs that
123 are presented in this publication should, first of all, be projected on the features of their implementation in large,
124 with a total number of more than 10,000 employees, medium ones from 1,000 employees and small corporations
125 with less than 1,000 employees. This classification is given by the author solely by the number of the entire
126 composition and personnel of corporate governance, since it is precisely this, as the studies showed, that becomes
127 the determining factor in the effectiveness of the detected reactions and their consequences. Moreover, the author
128 collects and processes information in corporations that are steadily working in relatively independent sectors of
129 the economy, which was necessary to ensure the transparency of the results and conclusions of studies formulated
130 on their basis.

131 As a result of processing the materials already obtained by the author, the research has most clearly manifested
132 itself, and the expected constructive reaction of almost all categories of IT management personnel. Alternatively,
133 the destructive reaction of management personnel and, above all, technical executives, large corporations of the
134 industrial sector of the real economy with conservatively outdated technologies also appeared to be expected.
135 A study of the relations of managers, specialists and executives of medium-sized corporations to the processes
136 and results of digitalization of management shows a steady industry correlation, which is largely determined
137 by the level of elaboration and maintenance of relevant programs. Of particular importance in them is the
138 motivation for constructive participation and incentives for the personally achieved results of each employee of
139 the management apparatus. It is also obvious that the development, adaptation and implementation of effective
140 programs for digitalizing the management processes of almost all corporations of any industry initially requires a
141 transparently explained and deterministically designed administrative support for all implementation procedures
142 at each specific workplace.

143 Findings: In general, the ongoing research and the first received and processed materials clearly showed
144 not only the possibility of identification and the need to take into account the attitude of corporate personnel
145 to digitalization of management processes. They contrastingly outlined and structured the composition and
146 content of the most stable trends in the formation and development of concerns of corporate personnel caused by
147 the implementation of digitalization programs, primarily administrative procedures. Obviously, implementation
148 support and a constructive reaction to feedback should be ahead of innovation processes, and not to catch up
149 with them, which is not uncommon in busy corporations. Including for these purposes, the author considers
150 it necessary to continue the ongoing research, presenting their results to a discussion of an interested audience,
151 which will allow focusing on key aspects of the problems considered.

2 METHODOLOGY:

152 Recommendations: Particular attention, as shown by the systematization of the analyzed procedures and
153 already processed research results, requires the study and consideration of the manifestations of the radical
154 relations of corporate personnel to the planning and implementation of significant transformations. Timely
155 identification, analysis of the target impact and the development of a meaningful reaction to the trends they
156 reflect largely determine the effectiveness of the final result of the innovation. The author continues to collect and
157 process information revealing the causes, manifestations and characteristics of the radical reactions of corporate
158 personnel to the development and implementation of transformation and innovative development programs. In
159 this direction, the ongoing research allows us to modernize, test and adapt the adequate tools of the methodology
160 [3, 19] for the development, implementation and support of the implementation of innovations by providing
161 constructive support for corporate personnel.

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