

**Exploring the Relationship between the Strategic Impact
of Information Technology on Organizational Variables
and Organizational Performance:
The CEO's Perceptions**

Pui Lai To

Tamkang University

R.O.C.

Chechen Liao

Tamkang University

R.O.C.

Abstract

In today's competitive environment, many organizations have adopted applications of information technology (IT) to gain competitive advantage. However, the existing IT research still relies heavily on conceptual framework, case studies, and anecdotes. Little empirical work has been conducted. The goal of this study was to investigate the relationship between the strategic influence of information technology on organizational variables and organization performance. Data for this study consisted of the CEO questionnaire responses from 144 major U.S. companies. Results indicated the existence of a significant positive relationship between certain IT impact variables and organizational performance. Eight IT impact variables had positive relationships with organizational performance. However, only two variables (economics of production and internal organizational efficiency) had significant relationships with organizational performance. The internal organizational efficiency variable and the economics of production variable were the most important variables in terms of improving organizational performance.

Keywords: Strategic Impact of Information Technology, organizational Performance, Chief Executive Officer, CEO.