

Strategising in the age of agility and globalisation

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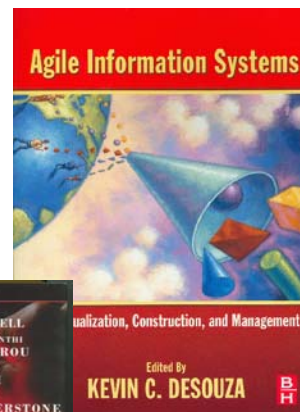
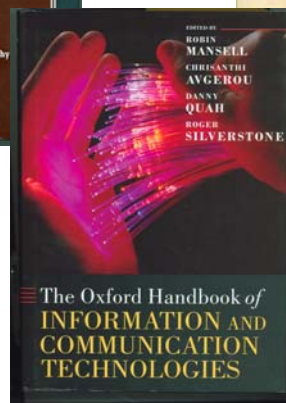
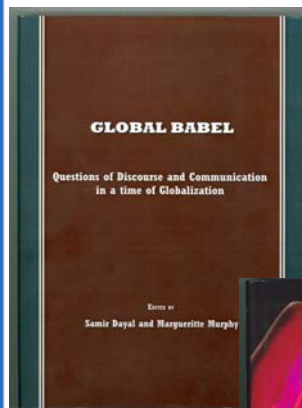
Strategising in the age of agility and globalisation: Information Systems that meet dynamically changing needs

- How might organisations ...
 - meet their changing information needs when traditional business models no longer have the requisite flexibility to deal with global competition – and alliances?
 - simultaneously leverage new ICTs?
 - facilitate knowledge creation amongst teams that increasingly work in global, virtual settings?

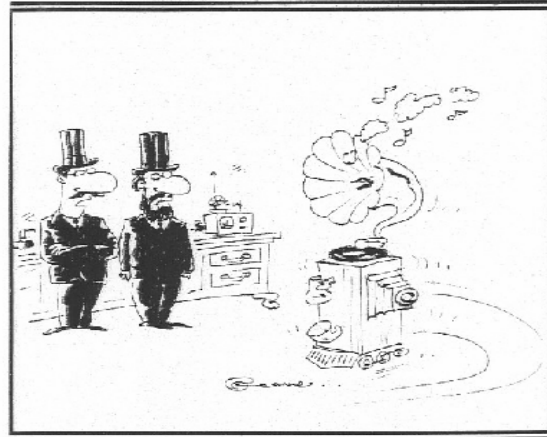


Today's agenda

- Strategising for agility in the context of globalisation:
 - a critique of taken-for-granted notions in IS management and strategy
 - the age of globalisation ... and its implications
 - towards a guiding, socio-technical framework



THE IT REVOLUTION

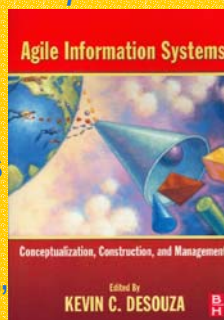


“Forget it Bell – no one’s going to want a mobile telephone that takes photos and plays music.”

© Private Eye magazine T. Reeve.

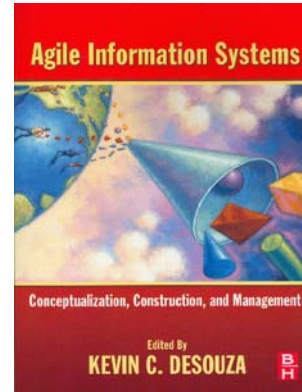
Agile Information Systems

“The concept of agile information systems has gained great *strength in the past three years ... The idea of agility is powerful ... a company’s ability to move with their customers and support constant changing business needs is more important than ever.*”



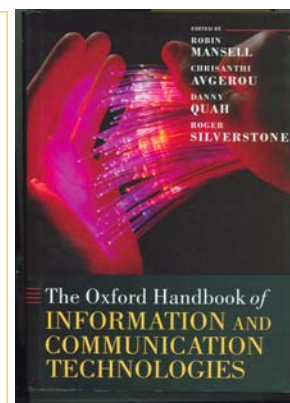
Strategizing for agility. *Confronting IS inflexibility in dynamic environments*

- The strategy *process* (not the *outcome*)
- Participative exploration of alternative “futures” ...
- ... and the associated information requirements



A critical look at ...

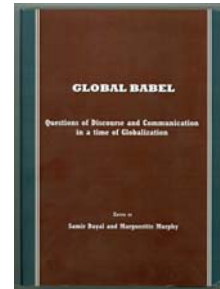
- IT strategy
- Business Process Reengineering (BPR)
- Enterprise Systems
- Knowledge Management



“On confronting some of the common myths of Information Systems strategy discourse”

Knowledge creation and sharing in the age of “globality*”

- “Technology does not make cultural and business boundaries disappear simply because it exists ... Collaborative technologies cannot single-handedly facilitate global reach.” (Newell, *et al.*, *CACM*, 2001)
- Four vignettes:
 - National cultures
 - Organisational cultures
 - Organisational sub-cultures
 - Project cultures



(* Beck, 2000)

“IT and globalization: knowledge creation and sharing across frontiers”

Four vignettes

- An Anglo-Japanese electronics company (Lam, 1997)
- The globalising bank (Galliers & Newell, 2001)
- Component-based development (Huang *et al.*, 2003)
- An Indian-Jamaican software development project (Walsham, 2003)

Anglo-Japanese electronics company

- Goal: leverage complementarity in each firm's knowledge/expertise
- But ... different approaches to organisation of knowledge, technical work and product development, e.g.,
 - British: abstract knowledge; formal university training; sequential, self-contained product development stages
 - Japanese: practical know-how/problem solving; holistic approach to product development/multi-functional teams

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- Very nature of Engineering perceived differently:
 - Codified *versus* tacit knowledge ... and role of ICT (cf. Polanyi ... *versus* Nonaka)

The globalising bank

- Major customer lost to a rival
 - Different products/services in different countries
- “Vision 2000”; “The networked bank”
 - 150 separate intranets; “electronic fences”
- Two-day strategy retreat
 - Single corporate portal
 - Within a week: 7 portals created

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- Growth by acquisition; autonomous units
 - Reinvention stimulated rather than prevented

Component-based development

- CBD chosen as preferred approach to software development
 - Reduced costs; shorter development times; flexible infrastructure
- Resistance:
 - End-users: lack of training
 - IS staff: CBD seen as “a threat”
- CBD requires collaboration/information sharing

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- Resistance:
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- CBD requires collaboration/information sharing
 - Not forthcoming (organisational sub-cultures):
 - Back/middle offices: “not the way things are done”
 - Front office: “no time” for sharing; “we don’t have the luxury”

Indian-Jamaican software development team

- Jamaican insurance company
 - Computer records lost following hurricane
 - New secure system to be developed
 - Jamaican IT unit: local, industry knowledge
 - Indian team: project management expertise
- A perfect match?

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- A perfect match?
 - Resentment: conflicting management style and ethnic differences, leading to cost overruns and delays
 - Deadlines imposed: “stringent”; “unreasonable”
 - Jamaican team members: “too laid back”
 - Five years later: “still much work to be done”

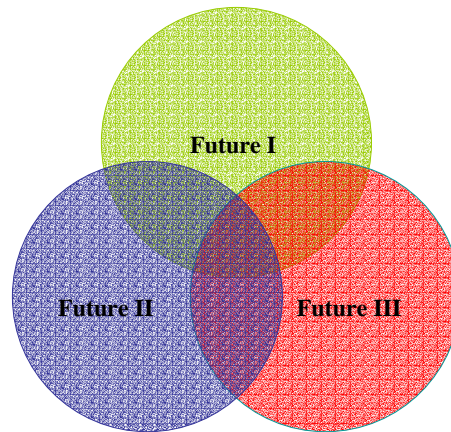
Cross-cultural miscommunication

- The conceptualisation of knowledge transfer (Anglo-Japanese case)
- Rigid organisational structures reinforcing national and functional boundaries (globalising bank case)
- Back office - front office organisational sub-cultures (CBD case)
- National cultural differences – or back office - front office misalignment? (Indian-Jamaican team case)

Some building blocks: towards a synthesis

- Agility ... and scenarios
- A critical look at IS management and strategy
- Ditto, knowledge creation and sharing

Alternative Futures ...



- “Facts”
- “Heavy trends”
- “Issues”
(SEMA Prospective)

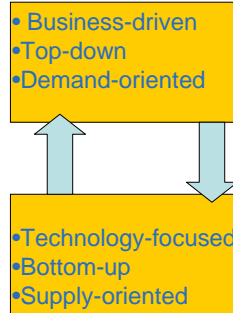
... and associated information needs

A critical look at mainstream IS and knowledge management

- IT strategy
- BPR
- Enterprise systems
- Knowledge creation and sharing

IS versus IT strategies

IS strategy

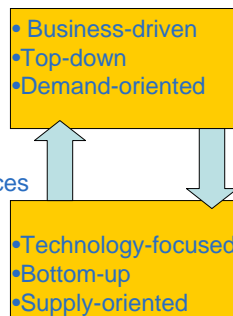


IT strategy

Amended from Earl (1989; 63)

IS versus IT strategies

IS strategy (*what?*)



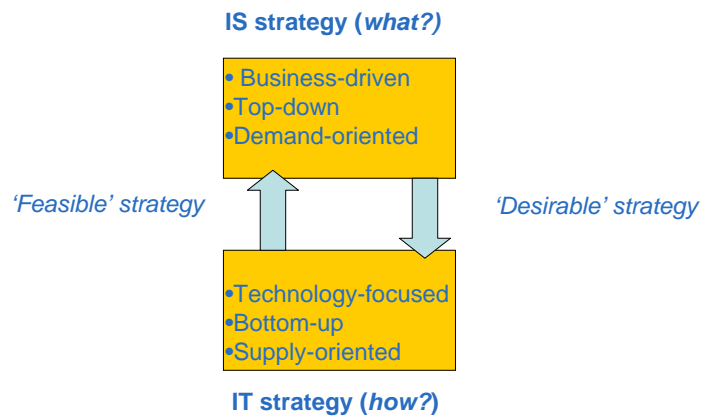
IT infrastructure,
appliances & services

Information & information
services requirements

IT strategy (*how?*)

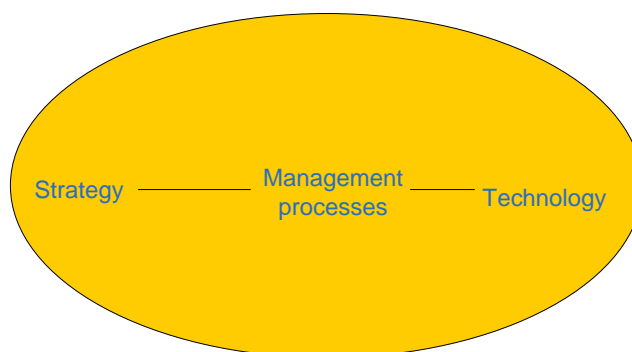
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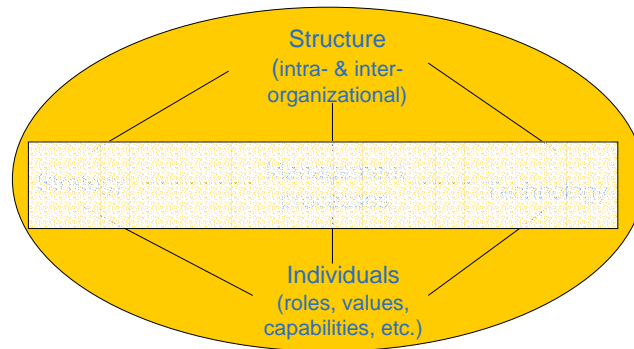
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Business Process Reengineering (BPR)



BPR: “The fad that forgot people?”*

Social, economic &
technological environment



Adapted from Leavitt (1965)

* Davenport (1996)

Enterprise systems

- Best practices built in to the software
- Off-the-shelf solutions
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- But ...
- Best for whom?
- Consultancy services?
- The new legacy systems?
- Standardisation? convergence?
commoditisation?
- *Limiting* innovation and knowledge creation?

Knowledge Management: the “mainstream” view

- Knowledge – a key organizational resource
- KMS counter the negative impacts of BPR
- KMS transfer knowledge across individuals, groups, organisational units
- Knowledge is “out there” – ready to be mined
- Best practice incorporated in KMS

Knowledge Management

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(Checkland)

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Knowledge Management

- Information = data + knowledge (Checkland)
- Computers process data; human beings interpret data, using their knowledge, so that data become meaningful
- Data – context free
- Knowledge – tacit (Polanyi) ... and “sticky” (Szulanski)

So what?

- IT and IS strategies
- BPR
- Enterprise Systems
- Knowledge Management

So, what have we learned?

- IT and IS strategies should not be confused; changing information needs
- BPR – “the fad that forgot people”
- Enterprise Systems – whose ‘best practice’? A force for standardisation?
- Knowledge Management – IT systems process data; humans apply knowledge to make sense of data

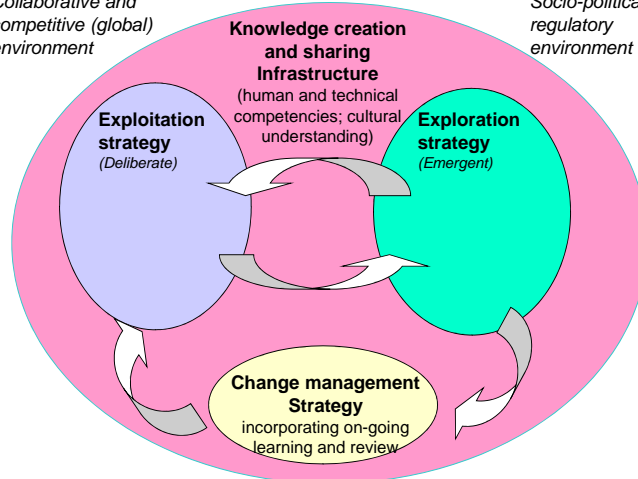
Where to from here?

- Dynamic quality of information needs
→ alternative futures/scenarios
- IT strategy → “exploitation”
- IS strategy → “exploration”
- Learning processes → “strategising”
(Galliers); “appreciative systems”
(Vickers)

An Information Systems Strategising Framework

Collaborative and competitive (global) environment

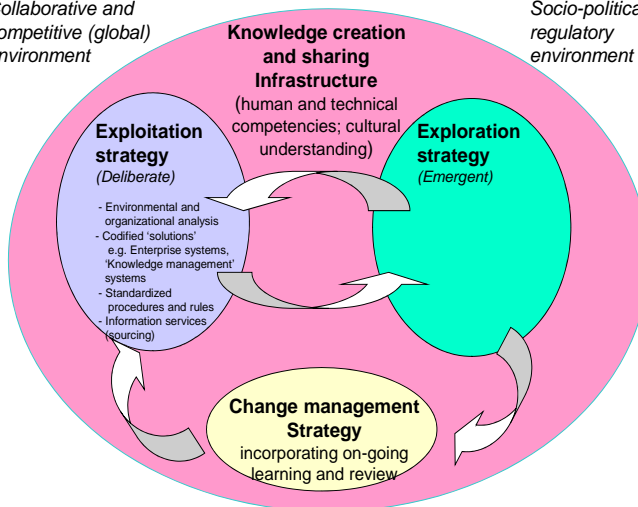
Socio-political, regulatory environment



An Information Systems Strategising Framework

Collaborative and competitive (global) environment

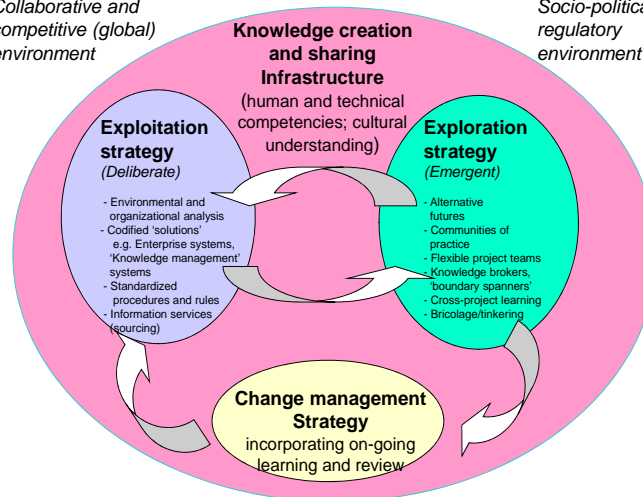
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An Information Systems Strategising Framework

Collaborative and competitive (global) environment

Socio-political, regulatory environment



Postscript

- A socio-technical framework/ conception
- A word of warning:
- An aid to “sensemaking” (cf. Weick)
- *Not* prescriptive
- Provides questions, *not* answers