European Management Journal (2008) 26, 213–222

ESCP-EAP
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European School of Management
University of Glasgow
journal homepage: www.elsevier.com/locate/emj

Negotiating meaning of shared information in service system encounters

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KEYWORDS
Information transparency;
IT outsourcing;
Performance metrics;
Web portals

Summary One of the key components of service systems is access to ''shared information'' among service providers and clients. Information transparency has been offered as a mediating response to the breakdown in trust and accountability that sometimes accompanies service system encounters. It is argued that by providing access to the operational details of business, public and governmental institutions participants in service relationships — whether citizens, customers, investors, or business partners — are better able to gain the necessary assurances that their interests are being protected. Based on an ethnographic study of the interactions between IT outsourcing executives of a large enterprise service provider and their client counterparts, this paper critically examines the underlying assumptions of the claim that access to information is at the heart of the accountability and trust problem in service systems. This ethnographic study was undertaken to help inform the design and development of a web-enabled portal and dashboard technology that promised to provide transparent views of the performance of IT outsourcing services. The analysis suggests that greater attention should be focused on the role of organization members in negotiating the meaning of service performance information and creating the organizational context for establishing ''shared'' views of information.

Introduction

Recent definitions of service systems propose that shared information is a key component, enabling coordination and management of action and interaction between service providers and clients (Maglio et al., 2006; Spohrer et al., 2007; Maglio and Spohrer, 2008). This formulation suggests that the production, exchange and analysis of information facilitates value co-creation by allowing providers and clients to more accurately view, assess, and negotiate the terms of their relationship. From this perspective, information is positioned as a necessary conduit for sustaining interacting networks of people and technology. Given the importance ascribed to shared information in the definition of service systems, it seems useful to explore the role of information in particular service system configurations.

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doi:10.1016/j.emj.2008.05.004

The focus of this article is on IT performance information provided by service providers to their outsourcing clients as both mandated by contractual agreements and utilized to sustain the ongoing relationship between provider and client. Before discussing the findings from an ethnographic study of interactions and information exchange between IT service providers and their clients undertaken to inform the design of a web-based portal technology, recent arguments for the importance of information transparency as a mediating response to the breakdown in trust and accountability in service system encounters are presented. This discussion is followed by a description of IT outsourcing engagements, including the role of IT performance metrics as technologies of accountability, and a brief sketch of web-based portal technologies as resources for information sharing. The findings from the ethnographic study as they pertain to the question of inter-organizational relations and information exchange are then presented, followed by a discussion of their implications for the design of the portal technology. Finally, the notion of information transparency and its role in service system encounters is revisited, stressing the importance of opportunities to negotiate the meaning of information in specific organizational contexts.

Information transparency

Transparency of information is often claimed to allow parties in a relationship to simultaneously hold one another accountable while developing more trusting relationships. In other words, the accessibility and completeness of information makes possible assessments of the integrity of the actions of others (Hale, 2008; Héritier, 2003; Oliver, 2004; Vishwanath and Kaufmann, 2001). Florini (2004, p. 8) writes that ''even honest officials make mistakes that need correcting, and transparency is the most effective error-correction system humanity has yet devised''. Concealment of information has been implicated in corporate accounting scandals and information transparency is proclaimed to be the solution. Borgia (2005, p. 21) asserts that ''in the simplest term, all stakeholders in the corporation want to know all the facts about a corporation's financial health and structure, including whether each officer and board member is acting in the interest of the shareholders, employees, customers and the public''. Furthermore, transparency is argued to aid in the ability of businesses to execute decisions more quickly, solve problems faster and build trust with partners, employees and clients (Pagano et al., 2003).

Tapscott and Ticoll (2003) advises that changes in media and technology make possible, even require, that institutions and organizations of all kinds disclose information about their operations to interested interlocutors. He further maintains that ''transparency is a new form of power, which pays off when harnessed'' (Tapscott, 2005, p. 18). In exchange for more satisfied customers, more confident investors, happier employees, and more trusting partners, corporations are asked to open their books to customers, investors, employees, and business partners.

Exploring how new information technologies are making possible the exteriorization of organizational processes, Knorr Cetina and Bruegger (2001) advance the notion of ''a regime of transparency'' where activities within globally distributed organization are ''witnessable'' and thereby informational, organizational and managerial distances are reduced and organizational hierarchies are flattened and coaching management styles are rewarded. However, they note that transparency depends on the practices of witnessing which themselves are evolving and varied, and as such cannot be taken for granted to follow solely from information access.

While arguments for the value of information transparency appear compelling, the limits and singular value of transparency have been questioned (Finel and Lord, 2002; Welch and Rotberg, 2006). The concerns stem from three main sources; first that transparency can lead to competitive disadvantages as market adversaries get access to critical performance, product and operational information (Lamming et al., 2004). Second, that too much information can make it more difficult to process and assess the meaning and implications of information. In other words, sorting out the wheat from the chaff becomes near impossible (Dubbirk, 2007). And third, that transparency of only ''some'' information, often that which is more easily measurable, renders aspect of organizational performance invisible (Neyland, 2007). To these concerns, a fourth is added; that the transparency mantra can shift attention away from the work required to render information meaningful, useful and accountable for any particular situation and to promote sustainable relationships (Marshall et al., 2007).

IT outsourcing

Companies spend millions of dollars each year on information technology (IT), and these expenditures are not likely to diminish anytime soon. IT outsourcing services, wherein a third party contracts for the management and enhancement of all or part of a company's IT operation and maintenance, account for a large share of the resources companies invest in IT (Kakabadse and Andrew, 2002). Although the percentage of IT spend devoted to outsourcing has fluctuated over the last few years, Gartner forecasts continued growth for IT outsourcing going from $181B in 2003 to $253B in 2008, representing a 7.0 percent compound annual growth rate (Potter et al., 2007). Outsourcing contracts, typically fixed-term, with commitments that can stay in effect for up to 10 years or more place clients and providers in long term relationships with one another. Frequently included in these outsourcing agreements is the transfer of assets and people from the client organization to the service provider which further magnifies the intermingling of provider and client interests and investments.

As a rule IT outsourcing services are arranged into technology function areas, sometimes called service towers. Service towers include such things as managing the client's portfolio of applications, the infrastructure services to support e-business, end-user workstations (both fixed and mobile), mainframe and server environments, networks (voice, data and video), and end-to-end service requests from call receipt to problem diagnosis. At one end of a continuum, clients may turn all their IT assets over to a provider to manage, and at the other extreme, the provider may take over only a single tower, such as help desk services. Complicating some outsourcing relationships is the fact that ser-