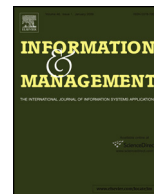




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The role of institutional work in the transformation of the IT function: A longitudinal case study in the healthcare sector

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ABSTRACT

This study aims to provide a deeper understanding of how information technology (IT) functions transform over time in order to align themselves with organizational visions and motivations. We conducted a longitudinal case study in a large mental health institute where an attempt was made to transform the mission and profile of the IT function. To orient our case analysis, we combined a typology of IT function archetypes with key concepts from institutional theory. By focusing on key actors' motives, actions, and decisions, our theoretical propositions suggest, among others, that institutional work that reflects all the three pillars of rules, norms, and meaning are necessary in order to successfully create and maintain an envisioned IT function archetype. Implications of our findings for both theory and practice are discussed.

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1. Introduction

Change management remains one of the most important concerns of managers in organizations. Indeed, private and public companies face internal and external pressures that lead them to implement many changes, small and large. Because of the rapidly evolving digital world, it is becoming increasingly difficult for chief information officers (CIOs) to define what the value of information technology (IT) in organizations should be. Currently, technology is embedded in products and services, customer and supplier relationships, and all of the organization's processes. Organizations must rapidly adapt to change, and they expect IT (and the IT function) to help them achieve higher performance levels. CIOs are thus under heavy pressure to elicit and then support all aspects of the organization's existing and future strategies. Faced with this reality, CIOs must develop a strong competency to drive radical IT-based changes. Although they are sensitive to the importance of developing an IT vision for change, planning the change, negotiating the necessary resources, preparing an effective communication strategy, managing stakeholders, and obtaining top management support, it is not always clear *how* CIOs should

proceed. In other words, they must understand how to translate their strategic plans into reality.

Previous information system (IS) studies have provided a wide variety of descriptions of the transformative path taken by IT departments in organizations [4–6]. Still, most studies are atheoretical or based on anecdotal evidence, which prevents the development of enlightening research propositions. Some studies have identified internal factors and external pressures that contribute to the radical transformation of the IT function in organizations (e.g., [18]). Thus, although the extant literature contributes to our understanding of how IT functions are transformed (macro perspective), it does not reveal much about how and why key actors' motives, actions, and decisions may influence this transformation process (micro perspective). In other words, we do not have a proper understanding of how CIOs and other influential actors facilitate or inhibit the transformation of the IT function role and profile in organizations. The present study proposes to fill this gap. More precisely, it seeks to provide a deeper understanding of how organizational actors act and interact in order to initiate, develop and consolidate the transformation of the IT function profile in organizations.

In line with this objective, we provide answers to the following research questions: What motives, actions, and decisions do institutional actors adopt in order to create, maintain or disrupt the IT function archetype in their organization? How do these motives, actions and decisions influence this transformation process? To

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answer these questions, we conducted a longitudinal case study in a highly institutionalized setting where an attempt was made to transform the IT function. We were able to follow and analyze the institutional work of the key actors over a period of 5 years. As explained in detail later, we did this by combining a recent theoretical typology of IT functions [17] with key concepts from institutional work [25]. By focusing on the key actors' actions, we provide the foundations for a new theory of the transformation of the IT function in organizations.

The remainder of this article is structured as follows. The next section presents the conceptual foundations of this study. Next, the methodological approach is detailed, followed by a presentation and discussion of our findings. To conclude, we present the study's limitations and key contributions to both theory and practice.

2. Theoretical foundations

2.1. Archetypes of the IT function in organizations

Researchers have long examined the role of the IT function in organizations in the interest of developing specific profiles or archetypes (e.g., [38,40–42,45]). In synthesizing this important bulk of knowledge, Guillemette and Paré [15,17] developed a typology of the IT function consisting of five ideal archetypes called *System Provider*, *Architecture Builder*, *Project Coordinator*, *Partner* and *Technological Leader*. According to these authors, none of these profiles is deemed inherently superior, as each of them could be well-suited to an organization depending on its particular needs and intentions. Each ideal profile represents a unique and coherent combination of properties associated with four fundamental dimensions, namely, the critical activities performed by IT specialists; the most important skills and abilities for IT professionals; the nature of the relationship with business units and external partners; and IT governance issues (i.e., how decisions about IT investments are made and who is accountable for IT success). According to Guillemette and Paré [17], IT functions are transformed over time as one or another of these archetypes is adopted in response to observable changes in organizations and their environments. Below we provide a brief description of each archetype.

First, the *System Provider* provides the organization with high-quality ISs that meet its needs at the lowest possible cost. It therefore places great emphasis on system development, acquisition, and maintenance activities, and has structured methodologies for organizing such activities. In its day-to-day work, the help desk serves as a link with the business units. IT professionals are skilled at communicating with users and have strong technical skills (e.g., programming, networks and development). This archetype is accountable for compliance with budgets, infrastructure reliability, and system quality. Second, the *Architecture Builder* seeks to design flexible and integrated IT architecture and infrastructure that will provide appropriate support to the business's present and future activities. It applies best practices and fosters the use of integrated technologies. IT professionals are very proactive, and can quickly grasp the organization's needs and satisfy them within the existing architecture. This profile often takes full responsibility for IT projects and oversees communication between the different units affected by IT projects. Third, the *Project Coordinator* primarily manages relationships between suppliers and business units in order to meet the organization's needs. It ensures that current contracts are successful, manages IT projects, and supports business units in this process. IT professionals understand the needs and expectations of business units and external partners and mediate between these two groups. This archetype is thus responsible for controlling IT costs, ensuring system availability and maintaining the level of IT service in the

client units. Fourth, the *Partner* serves as a catalyst for changes to business processes. IT professionals have an excellent understanding of the organization's processes and can evaluate where and how IT may be deployed to support business objectives. This knowledge is acquired in everyday work through the IT professionals' close contacts with members of the organization. Decisions are made in collaboration with the business units in multidisciplinary teams where responsibility is shared by all members. Fifth, the mission of the *Technological Leader* is to identify emerging technologies, find innovative applications for them in the organization, and then implement them as required. IT professionals have excellent knowledge of the organization's business environment and strategy as well as a deep understanding of the competitive dynamic in the industry. The IT function is very proactive and has considerable influence in the business units. It therefore often agrees to take responsibility for IT projects it sets in motion, assuming leadership until completion. As a final remark, Guillemette and Paré [17] observed that the five archetypes are not mutually exclusive and that IT functions that are close to the ideal of any given profile seem to be outperforming those with hybrid profiles (i.e., IT functions having features of several archetypes).

Previous research has shown that this typology can be effectively used in combination with the theory of punctuated equilibria to investigate the transformation of IT functions in organizations [16,18]. In these studies, IT archetypes served as precious anchors that helped researchers characterize the IT function before, during, and after a transformation process, and the theory of punctuated equilibria offers a very insightful, yet macro explanation of the phenomenon under investigation. As mentioned above, we argue herein that the typology developed by Guillemette and Paré [17] can also be combined with key concepts from institutional theory in order to develop a complementary, yet more fine-grained explanation of the transformation of the role and profile of the IT function in organizations.

2.2. Institutional theory in IS

An institution is a social structure that provides organizations and individuals with lines of action and orientations; simultaneously, this social structure controls and constrains organizations [47]. Institutions are supported by three distinct but inter-related pillars – regulative, normative, and cognitive structures – through which legitimacy is established and maintained. The regulative pillar refers to how some actors have formal control over the behavior of the other actors. Particularly, the normative pillar explains the influence on behavior exercised when specific behaviors are identified as appropriate in given social situations. Last, the cognitive pillar is based on “shared conceptions that constitute the nature of social reality and the frames through which meaning is made” [47]; p.57). Institutionalized practices may be maintained at any given time through the action of one of the pillars or the combined action of multiple pillars [47]. Under institutional pressures, organizational actors implement strategies in order to earn, maintain or re-establish their legitimacy [51]. Institutional theory is primarily concerned with the tendency towards standardized organizational structures.

The IS literature that has taken an institutional approach was reviewed and analyzed in a paper by [34] that positions IT contributions with respect to the principles of institutional theory and in terms of their levels of analysis. According to this review, the contributions of previous research in this area were essentially related to institutionalization processes, study of institutional pressures on an organization or group, and behaviors observed in response to these similar pressures (legitimation strategies). More precisely, the institutional topics most investigated concern the development and diffusion of technological innovations,

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