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PANEL 4
**INFORMATION TECHNOLOGY AND STRATEGIC
ORGANIZATIONAL CHANGE**

Chair: **Melissa Mead**
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Panelists: **Charles Feld**, Vice President, Management Services, Frito-Lay, Inc.
M. Lynne Markus, University of California, Los Angeles
James Ware, Principal, Nolan, Norton & Company

Today's business milieu is marked by increasing levels of significant change. Information technology plays a major role in many of these transformations. It offers tremendous opportunity for firms faced with the need to increase the flexibility, speed and complexity of their operations. Some examples are:

1. Massive "restructuring" -- efforts to become more efficient and profitable through shifts in organizational configuration. This takes many forms: general personnel cutbacks, reduction of white collar jobs, consolidation of production, entry and exit from major market segments, acquisition and divestiture of major strategic business units.
2. Micro-marketing -- a trend particularly noticeable in the consumer products industry toward regional marketing programs rather than a national focus.
3. Service orientation -- firms seeking to add value to their baseline products and services through increased customer service before and after the sale.

Information technology impact can go beyond enabling change. In the hands of management, information technology projects can be used as a tool to *promote* change in organizations. The specific technology is not at issue. The decision to proceed with a technology project, however, represents a significant allocation of attention and resources. Shifts in information and knowledge, power, decision making authority, and recognition often accompany such a project. As such, IT choices are similar to structural organization changes, compensation and reward programs, hiring and firing, process and procedure changes. Historically, the focus surrounding IT has been on the technology rather than these more subtle elements that make information technology a powerful tool for change -- far beyond its impact on information processing. Recognition of this aspect of IT offers executives another means for driving change within organizations.

This panel will focus on the use of information technology by managers for purposeful organizational change. Panelists include information systems researchers studying organizational change, a consultant experienced in assisting organizations through IS-based changes, and a practitioner from an organization in the midst of such a transition. Discussion will focus on the appropriateness of information technology as a tool for change. Is this a desirable use of technology? Is it inevitable? How can information technology projects that lead to important organizational change best be managed? The responsibilities and opportunities for researchers, practitioners and managers will be debated.

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Another name for "the use of information technology for purposeful organizational change" is social engineering, the rational control of natural phenomena. Social engineering has had a long career in the

field of management (e.g., Taylorism, Scientific Management). This career, however, has not been particularly distinguished, in that the difficulty of producing desirable outcomes without undesirable side effects has been repeatedly demonstrated. Nevertheless, managers are unlikely to abandon their attempts to control natural phenomena through the application of rational methods and technology. Indeed the very word "manager" connotes social engineering; originally, "manager" meant "horse trainer" (Webster's New World Dictionary, 1968).

Social engineering has had an even longer career in the social sciences (Bodley 1975; Landreth 1976; Udehn 1986) than in the field of management. If anything, the record of social scientists at social engineering has been more dismal than that of managers. Today, "most sociologists have ceased to believe that it is possible to construct society according to a blueprint in the same manner as the mechanical engineer constructs a bridge or a machine" (Udehn 1986, p. 30). But, whereas managers are unlikely to cease social engineering endeavors, many social scientists deny that research and theory have any utility for practical managerial purposes (see, for example, the arguments in Davis 1971). Others argue that social science should aim to advance "the interests of the underprivileged and oppressed and [to be] a part of their struggle for emancipation" (Udehn 1986, p. 20). Hirschheim (1985) elaborates on these perspectives as they apply to information systems research.

Personally, I am persuaded by the arguments of certain interpretivist and social constructionist sociologists that, whether we desire it or not, "theory influences social action -- even if the reactions to such theory [for instance, by managers] are boredom, misunderstanding, or scorn" (Gergen 1982, p. 205). The very act of labeling a human behavior as "resistance to information systems" assigns intentionality, and so "makes a silent pronouncement on matters of moral responsibility" (Gergen 1982, p. 205). Such "theoretical accounts may enter into the common conceptual agreements of the culture, and in this way have the capacity to alter society" (Gergen 1982, pp. 204-205).

At the same time, I do not believe that the only way to behave morally and ethically as a social scientist of information technology is to refuse to work in the interests of managers and to devote oneself to the service of oppressed workers. However, moral and ethical research for management may require information systems researchers to abandon the assumptions of ethnocentrism. To the anthropologist, ethnocentrism is belief in the superiority of one's own culture (Bodley 1975). To the information systems research, ethnocentrism is belief in the superiority of rationalized, managed and automated work. Avoiding ethnocentrism is perhaps the single most important way in which information systems research can contribute ethically and responsibly to managers' attempts to use information technology for purposive change.

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