Editor's Comments

Maximizing Benefits; Minimizing Risks

Information technology drives different benefits in different organizations. Across all organizations, however, the IT management mandate is to maximize benefits while minimizing risks. Because of assumed tradeoffs between benefits realization and risk mitigation, they are simultaneous concerns. The outcomes of any given IT-related initiative, therefore, will include both quantifiable and more subjective measures of the risks and returns. In this issue, we explore how managers at top-performing firms are managing risks while pursuing growth opportunities. Their initiatives range from implementing home computer training and awareness programs to rethinking how they state potential costs and benefits in business cases. We also consider the risks and benefits of shared services organizations and IT innovation processes. As with every issue of MIS Quarterly Executive, we deliver these insights by applying rigorous academic research to the need for practical business advice.

In the first article, John Ward, Elizabeth Daniel, and Joe Peppard describe a robust approach to the business case development process. They study the approach to business case development in firms reporting a high degree of success in achieving projected benefits as compared with less successful firms. In doing so, they offer a framework for developing a business case based on their own experiences working with firms to enhance business case development. This paper offers unique insights into the characteristics of successful business cases and the multiple benefits they offer firms. It also offers a detailed approach to articulating the various types of benefits and costs of any project. The methodology presents an opportunity for firms to introduce continuous improvement to business case development. And, as the authors note, such continuous improvement will lead to organizational learning about how to maximize the return on IT investment dollars.

Mary Lacity and Jim Fox offer an in-depth look at the development of global shared services at Reuters. The Reuters case focuses on financial shared services, but the list of potential benefits and risks apply equally to IT shared services. The authors discuss both the important considerations associated with establishing a shared services organization and the choices firms face with regard to sourcing and organizational design. They elaborate three different models for shared services that Reuters considered. They then share 10 lessons from the Reuters experience. As more firms establish global shared services to secure economies of scale and ensure world class processes, these lessons can prove valuable for driving the benefits and limiting the risks of global shared services.

The Intel case, written by George Westerman and Martin Curley, looks at the growing demand for IT to create opportunities for business innovation. An earlier version of this paper won the 2007 SIM Paper Award. SIM judges valued Intel's portfolio approach to innovation. The firm created organizational structures, roles, processes, and funding mechanisms to foster IT-based innovations. Picking up where an earlier MISQE article by Martin Curley left off, this paper describes how Intel built on dramatic improvements in the IT organization's service delivery capabilities to become a strategic asset in Intel’s efforts to develop new products and services. The paper provides a thoughtful analysis of the role of IT in business innovation.

The last paper, by Mary Culnan, Ellen Foxman, and Amy Ray, serves as an alert to IT executives who are answering the demands of their employees to make computer and communications capabilities available from their homes and on the road. The authors' research highlights the general lack of awareness of the security and privacy risks created by home computing. They found that awareness and training programs do make a difference. Their findings should drive increased efforts to impose responsibility for computer privacy and security on every employee.

Upcoming Events

The goal of MIS Quarterly Executive is to make research accessible to practitioners and increase the quality and impact of practice-oriented academic research. To that end, senior editors Cynthia Beath and Carol Brown are conducting workshops for researchers who would like to target publication of their work for practitioner audiences. While the deadline for the workshop at ECIS in June has already passed, they...
are accepting papers and abstracts for a workshop at AMCIS in Toronto on August 14. They also hope to have a workshop at PACIS the first week in July. For more information, please contact Cynthia Beath at Cynthia.Beath@mccombs.utexas.edu.

We also encourage academics and practitioners to take advantage of the opportunity to meet and discuss the challenges facing IT executives at SIMposium, which is being held this year in Orlando on November 9-12. For more information, see www.simnet.org.

Sincerely,

Jeanne W. Ross
Editor-in-Chief