

## EDITOR'S COMMENTS

### IT CHANGES OUR WORLD

On a recent afternoon at MIT's Center for Information Systems Research, the research team debated IT-led innovation. Researchers had observed that some CIOs were investing heavily in technology and process innovations. Other CIOs were finding creative ways to seek out innovation without spending much. A third set of CIOs felt that innovation was the responsibility of business people, not IT. Certainly, firms have varying demands on the type and extent of innovation required to succeed in their marketplace. But I would argue that firms are kidding themselves if they think they can succeed in an increasingly digital economy with IT simply responding to innovative business concepts. IT leaders have a responsibility to identify change opportunities and then help bring about the change.

This is a tall order. For many years, it worked fine for IT to provide the tools and services required to execute business innovations. But those innovations focused on efficiency and productivity—the goal was operational improvements. Today's new technologies are more often targeting knowledge, collaboration, and decision making. Firms need to think differently about how they achieve the business of their business. IT can't accomplish much on its own, but CIOs may well need to lead the charge by making clear the possibilities.

This issue of *MIS Quarterly Executive* is a reminder of the power of IT in disseminating information, sharing knowledge, and creating opportunities for collaboration. It's also a reminder that, in general, these are tough things to do well, and no technology will make them easy. However, technologies are creating enormous possibilities. Creative firms will find ways to use those technologies to change a firm's business processes or organizational model. The rest will be left in the dust.

In the first paper, Gabriele Piccoli and Richard Watson discuss four strategies for using customer data. Most firms suspect they have a gold mine in their customer data, but they haven't figured out how to excavate it. The authors note that firms have different requirements, starting with the traditional concerns like cutting costs or cross-selling, but they note that for many firms, the real value of customer data lies

elsewhere. Understanding your firm's unique needs can help you target your customer data initiatives.

Ruey-Lin Hsiao gives us a detailed look at one professional service company's efforts to capture and use knowledge. Some of the description harkens back to learning we acquired in the 1990s, when Chief Knowledge Officers were fashionable—and largely unsuccessful. The notable thing about this case study is the total commitment and significant investment the firm makes in every stage of the knowledge management and use life cycle. The critical success factors described here help us understand why firms struggled to drive value from their early initiatives. Despite the failed initiatives of the nineties, we are seeing a rebirth in knowledge management efforts. It's easy to see why—the global, digital economy has made knowledge management an essential ingredient of business success.

In the third paper, Omar El Sawy and Paul Pavlou take a broader look at how turbulent business environments have forced firms to accelerate the rate at which they adopt changes. The legacy environment at most firms is not conducive to rapid introduction of IT-enabled business changes. The authors note that firms must build technology, applications, and human resource infrastructures to be able to become more adaptive to business environments. They look at the architectures that allow firms to reshape their legacy environments so they can adopt both planned and improvisational changes.

Blake Ives and Iris Junglas provide an overview of an innovative technology that most CIOs are viewing as a toy rather than a business tool: virtual worlds. The authors examine the state of the art with regard to virtual worlds and share the experience of developing an “island” for the SIM community. They explore the opportunities that virtual worlds present to businesses and the obstacles to their adoption. Their conclusion? Take a serious look at the possibilities.

### SIM ACADEMIC WORKSHOP AT ICIS

I want to invite the entire SIM community to the pre-ICIS 2008 SIM Academic Workshop to be held from 10am-6pm on **Saturday, December 13, 2008**,

at Dauphine University in Paris, France. This year's workshop will include invited and competitive paper presentations that focus on the theme "Domestic and Global Sourcing of the IT Workforce." Program chairs are accepting abstracts for presentation at the workshop until October 3. Please see the call for papers at <http://simnet.org/Programs/AcademicPrograms/SIMAcademicWorkshop/tabid/81/Default.aspx>. The agenda will also be posted on <http://www.simnet.org> when it becomes available. This workshop discusses research for practice and will result in a special issue of *MISQE* in December 2009. We look forward to lively discussion.

Sincerely,

Jeanne W. Ross  
Editor-in-Chief