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INFORMATION SYSTEMS IN NONPROFITS AND GOVERNMENTS: DO WE NEED DIFFERENT THEORIES?

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Introduction

Increasingly, Information Systems scholars are examining information systems in non-private organizations (i.e., government and nonprofits). For some, the type of organization is irrelevant and the choice of organization is a matter of convenience, but for others, the type of organization is part of the research question. Indeed, there are at least two compelling reasons for studying IS in non-private organizations: the non-private sector has become a major economic force as well as influential in shaping the IT industry and information systems in the non-private domain touch, either directly or indirectly, everyone in society today. It has become generally accepted that an understanding of context is critical to gain insight regarding IS management, development, and use. This panel assumes and reaffirms that IS research on non-private organizations is important but then goes one question further: what, if anything, is conceptually unique about the non-private context and the role IT serves in this context? Consequentially, do we need to apply new research approaches (theories, methodologies, and analytic strategies) for such research?

About the Panelists

Traci Carte has been at the University of Oklahoma since completing her doctorate at the University of Georgia. Her dissertation research involved, among other things, a comparison of private and non-private contexts in the implementation of business intelligence capabilities.

Dov Te'eni is at Tel-Aviv University after serving on the faculty at Case Western Reserve University and then at Bar-Ilan University. In addition to engaging in scholarly research in the non-private sector, Dov has served as task force chair on the use of the IT for fundraising and initiated an information clinic for nonprofits in Cleveland.

Bob Zmud is Professor, Michael F. Price Chair in MIS, and director of the Division of MIS, Michael F. Price College of Business, University of Oklahoma. In addition to engaging in scholarly research in the non-private sector, Bob was heavily involved in consulting and legislative advisory activities in the Florida state government during his tenure at Florida State University.

Panelists Views

Traci Carte: The public-private distinction moderates theoretical relationships. Public administration researchers regularly assert that the external environments and the internal processes/activities of public and private organizations are distinct (Rainey et al. 1976). Prior research has observed a number of public/private differences with regard to IT management (Bretschneider, 1990), IT priorities (Caudle et al. 1991), predictors of information systems performance (Mansour and Watson, 1980), and information systems performance measures (Newcomer and Caudle, 1991). Further, the previously mentioned literature on “publicness” assumes, for the most part, that the public/private distinction is dichotomous. Such an assumption might be a potentially harmful oversimplification (Rainey 1997). Rather than thinking of sector (i.e., a public/private dichotomy), more researcher attention paid to a richer conceptualization of publicness may add to our understanding of the interaction between
organizational context and the IT artifact. Traci’s premise is that the publicness construct intrudes on these environmental layers (external and internal) to act as a rarely studied moderator. Further, study of the more general concept of publicness may provide understanding that could be generalized to more private organizations as well.

**Dov Te’eni: Studying the non-private sector is “a whole new ball game.”** Nonprofits are unlike business and government because the latter undertake certain activities that are instrumental to achieving their overall objectives, while “for nonprofits, the particular service or the given constituency or the articulated cause is of primary concern, not subservient to an overriding financial or political bottom line” (O’Neill and Young 1988, p.4). This duality of goals leads to conflicting criteria in decision making and difficulties in prioritizing allocations of resources between mission-related activities and supportive activities. The IT resource is no exception. Current theories of IT evaluation and business–IT alignment will not explain effective IT decision making in nonprofits. Alignment of IT strategy with organizational strategy cannot rest solely on, for example, the idea of maintaining competitive advantage. A more complicated model is needed, one that considers the inherent tensions within non-privates. Moreover, the role of IT in non-privates must be linked to their economic rationale or raison d’etre. For example, in situations of heterogeneous preferences and information asymmetry between consumers and government, non-privates provide public goods on a voluntary basis.

**Bob Zmud: Studying public organizations is “more of the same.”** Current theoretical models are more than sufficient to accommodate the inclusion of non-private organizations into sampling frames used in IS research. It might be argued that non-privates can be differentiated from profit-seeking organizations with respect to issues such as resource availabilities (in some cases, such as local governments and local nonprofits, these might be constrained while in other cases, such as federal agencies and military organizations, these might be abundant), the nature of IT–management processes (in some cases, such as federal agencies, these might be tightly defined while in other cases, such as local governments, these might be loosely defined), and the intentions for undertaking IT investments. However, one might also argue that similar distinctions apply across the for-profit context (i.e., small versus large organizations with regard to resource availabilities, IT-mature versus IT-immature organizations with regard to IT management processes, and bureaucratic versus innovative organizations with regard to the intentions that underlay IT investment). Thus, Bob’s contention is that existing theoretical models are applicable across all of these various contexts as long as the variables reflecting these models’ constructs are defined in a sufficiently rich manner so as to appropriately account for the nuances of these distinctive contexts.

**Conduct of the Panel**

Opposing views will be presented by different panelists suggesting three courses of action: remaining with current theories and methods, employing and developing new theories, and taking the middle ground by continuing with current theories but paying attention to possibly different results that may in the future generate new theory. At this stage, the audience will be invited to participate in dialog. Two consequential issues to be raised by the panel are: “Can concepts derived from studying public and third sector organizations inform our research on private organizations?” and, “Do we need new research methods?”

**References**


