The Role of Trust in Promissory Organizations in IS Innovation Adoption – Development of a Research Model

Research-in-Progress

Christian Hoerndlein
Institute for Information Systems and New Media
Ludwig-Maximilians-University Munich
Ludwigstr. 28, Munich, Germany
hoerndlein@bwl.lmu.de

Alexander Benlian
Institute for Information Systems and New Media
Ludwig-Maximilians-University Munich
Ludwigstr. 28, Munich, Germany
benlian@bwl.lmu.de

Thomas Hess
Institute for Information Systems and New Media
Ludwig-Maximilians-University Munich
Ludwigstr. 28, Munich, Germany
thess@bwl.lmu.de

Abstract

Promissory organizations like IS analysis companies or academic institutions have started to play an increasingly important role in the way organizations make sense of IS innovations. Research has so far neglected how the trust that potential adopters place in these promissory organizations affects institutional pressures that promissory organizations exert on them. In this research-in-progress paper, we develop a research model to analyze the effects of different trusting beliefs – integrity, competence, and benevolence beliefs – in IS analysis companies and IS scholars, and how they affect potential adopters' performance expectations in the early diffusion stages of an IS innovation. We expect this model to contribute to a more nuanced understanding on the role of promissory organizations as a mechanism of producing institutional trust and the importance of institutional trust for potential adopter firms in IS innovation adoption.

Keywords: Promissory organizations, institutions, trust, innovation adoption
Introduction

The growing prevalence of companies providing information systems analysis services (i.e. IS analysts) indicates that so-called “promissory organizations” (Pollock and Williams 2010) play an increasingly important role in the way organizations make sense of new IS and their adoption (Pollock and Williams 2009). The world’s largest IS analyst Gartner Inc., for example, exceeded revenues of one billion US dollars (USD) in 2006, increasing its revenue from 964.1 million USD in 2005 to 1.288 billion USD in 2010 by almost 34% (Gartner 2010, 2011). IS analysts are part of a whole institutional setting that produces future-oriented knowledge on the benefits of IS innovations. Other influential actors include technology vendors, IS consultancies, and academic institutions (Swanson and Ramiller 1997).

IS research has recently started to pay closer attention to how institutions shape a potential adopter organization’s decision whether or not to adopt an IS innovation (Currie and Swanson 2009). The focus regarding promissory organizations has been on the means through which they shape institutional arrangements (e.g. Pollock and Williams 2009; Swanson 2010; Wang and Swanson 2007, 2008) and how these arrangements influence potential adopter organizations’ expectations and help them make sense of innovations (e.g. Firth and Swanson 2005; Pollock and Williams 2010). As technological superiority and related economic benefits of an innovation don’t necessarily translate into its widespread diffusion (David 1985), supporting institutional settings like the ones provided by promissory organizations are considered necessary to build and sustain an innovation’s momentum (Wang and Swanson 2008).

Despite the influence of promissory organizations on adopter firms, there is still a lack of research on the role of adopter firms’ trust in promissory organizations and its role in innovation adoption in the early diffusion stages of an innovation. Adoption decisions are always made under uncertainty, which holds true particularly for early-stage adoption decisions where no or only few other companies have adopted an innovation and therefore no or only little learning from the experience of other companies can have occurred (Strang and Meyer 1993). As we will show later in this paper, the use of promissory organizations is a special means of adopter companies to make sense of new technologies in lack of other cues, and therefore potential adopters have to take this “leap of faith” (Gefen et al. 2006) and believe in promissory organizations’ competence, integrity, and benevolence. Therefore, trust can be expected to be a crucial factor in companies’ willingness to rely on promissory organizations’ advice.

Besides, the extant institutionalist literature suggests that, once an innovation starts to become institutionalized and gain legitimacy (Suchman 1995), institutional forces become the driving force behind an innovation’s adoption (DiMaggio and Powell 1983; Meyer and Rowan 1977). An adopter firm’s choice to dismiss promissory organizations’ pressure to adopt an innovation due to the lack of trust in them has not been discussed in the literature so far.

To gain a better understanding of the role that trust plays in an early institutional adoption setting, we therefore address the following research question: How does a potential adopter’s trust in a promissory organization influence its intention to adopt an IS innovation?

Our research-in-progress study provides the following contributions to extend existing research on promissory organizations and the role they play in innovation adoption: Extant literature has mainly focused on the effects of institutional pressures in the middle and late phases of an innovation’s diffusion where performance considerations have been theorized to be secondary to legitimacy considerations (Tolbert and Zucker 1983; Wang 2010). However, this “two-stage model” of adoption, i.e. that early adopters are motivated by efficiency and technical gains, whereas later adopters primarily seek social benefits and want to appear legitimate, has recently been criticized. Adoption behavior should not be oversimplified by regarding it as either-or decision, as efficiency and legitimacy don’t necessarily represent conflicting goals (Kennedy and Fiss 2009).

In contrast, our study’s main objective is to develop a more nuanced understanding of how institutional influences operate by developing a research model to analyze how trust in promissory organizations, as a form of institutional trust, moderates the relationship between promissory pressures and performance expectations in the early diffusion stages of an IS innovation. Based on this research model, we plan to examine the relative importance of the different facets of trust – integrity, competence, and benevolence beliefs (McKnight and Chervany 2002) – and how they relate to different groups of promissory organizations. Literature on promissory organizations depicts them as actors whose ability to influence adoption decisions rests primarily on their ability to use the “institutional apparatus” for their own purposes.
(Swanson 2010). By focusing on the different trusting beliefs in two distinct groups of promissory organizations, IS analysts and academic institutions, within that institutional setting, we want to shed light on their ability to shape potential adopters’ perceptions and performance expectations regarding IS innovations. Therefore, our study can help promissory organizations understand which dimensions of trusting beliefs have the strongest impact and which ones they would have to emphasize among the population of potential adopters if they planned to exert more influence on them.

This paper is structured as follows. First, we summarize the role that the concept of rationality has played in the IS adoption literature and what role institutions and institutional trust have started to play. Second, we formulate our research model and present our hypotheses. Third, we provide an agenda for further empirical study including a preview on the research design, methods and the operationalization of our hypotheses. Finally, we conclude the paper with illustrating the potential implications of our study.

Conceptual Background

In this section, we will first describe how promissory organizations contribute to reduce uncertainty in an adoption setting and how they shape potential adopters’ expectations. We then highlight the growing focus that has recently been placed on institutions in IS research, before we conclude this section with the notion of institutional trust.

Promissory Organizations

The demise of the idea of the neo-classic rational decision-maker - the Home Economicus, an all-knowing individual with unlimited information-processing capacities - marked a more realistic notion of how people make decisions (Thaler 2000). With the advent of Simon's (1957) concept of bounded rationality and other streams related to the field of behavioral economics, researchers started paying more attention to the fact that people’s decision are fundamentally biased and that they are prone to systematic errors in reasoning (Conslik 1996). However, even if we assumed the existence of actors who are completely rational in a neo-classic sense and could cope with the complexity of reality, these actors could still not eliminate the “fundamental uncertainty” inherent in social reality as “unimagined and unimaginable new states may occur in the future, either through the intended or through the unintended consequences of people’s actions” (Dequech 2001, p. 192).

Due to the nature of innovation itself, fundamental uncertainty is inherent in decisions regarding the adoption of new innovative technologies (Dequech 2001). This kind of uncertainty is true especially for IS innovations, which are “new to the adopting organizations or individuals” (Wang and Swanson 2007, p. 60), as they are introduced to the marketplace in an immature state with yet unclear benefits and still emerging trajectories (Rosenberg 1994; Swanson and Ramiller 1997). Therefore, companies usually have different perceptions regarding the value that a new IS technology holds (Au and Kauffman 2003). To reduce this uncertainty for potential adopters, a diverse interorganizational community interacts to shape the expectations regarding the IS innovation by creating an “organizing vision” (Swanson and Ramiller 1997). This shared vision reduces the perceived uncertainty that comes with the innovation’s adoption, as it helps potential adopters to interpret the innovation.

The actors that contribute to shaping an innovation’s vision haven been termed as “fashion-setting industry” (Abrahamson 1996), “idea or knowledge entrepreneurs” (Abrahamson and Fairchild 1999), “innovation wave machine” (Swanson 2010), or “promissory organizations” (Pollock and Williams 2010). These “institutional participants” (Swanson 2010) are intermediaries “that routinely and prodigiously produce[s] future-oriented knowledge claims” (Pollock and Williams 2010, p. 532). Such organizations include IS analysts (Pollock and Williams 2010), firms organizing conferences (Swanson 2010), technology vendors, consultancies, but as well media companies and academic institutions (Swanson and Ramiller 1997). These institutions play a crucial role in innovation adoption by performing an informational function and shaping potential users’ perception of the innovation (Dequech 2001).

In addition to helping firms make sense of an innovation, promissory organizations also mobilize market forces to legitimate an innovation (Swanson and Ramiller 1997). By doing so, they create the transitory collective belief among organizational stakeholders that a certain informational technology is “new, efficient, and at the forefront of practice” (Wang 2010, p. 64) - a so-called “fashion” (Abrahamson 1991, 1996; Abrahamson and Fairchild 1999). As organizational stakeholders expect organizations to be
managed rationally in the most efficient way (Meyer and Rowan 1977), promissory organizations thus exert pressure on organizations to adopt an innovation.

**The Role of Institutions in IS Adoption**

In the adoption of IS innovations, the role of institutions has recently gained increased interest in IS research (Weerakkody et al. 2009) labeled under the term “organizational institutionalism” (Currie and Swanson 2009), in which institutions are defined as “durable social structures made up of symbolic elements, social activities, and material resources” (Scott 2008, p. 48). Research on organizational institutionalism focuses mainly on two kinds of processes: Institutional effects and institutionalization. Institutional effects, which we will focus on in this paper, deal with the processes through which institutions exert pressures on other economic actors. Institutionalization on the other hand, analyzes the stages in the formation of institutions (Mignerat and Rivard 2009).

Institutional pressures cause organizations in a field, in their pursuit of legitimacy, to resemble one another, which results in “interorganizational homogeneity” or “isomorphism” (DiMaggio 1983; Heugens and Lander 2009). These pressures have been attributed to three different “pillars”: Regulative, normative, and cultural-cognitive (Scott 2008). The regulative pillar explains isomorphism through coercive pressures exerted on organizations by other organizations upon whose resources they are dependent (DiMaggio and Powell 1983). The normative pillar is connected to social obligations and how they form binding expectations for an organization’s behavior (Scott 2008). Finally, the cultural-cognitive pillar and its mimetic mechanisms result from taken-for-granted conceptions and a shared understanding of an organization’s environment (Scott 2008).

In IS research, institutionalism has been acknowledged to add a richer framework to the analysis of adoption decisions by stressing the importance of analyzing technology within a broader socio-economic setting rather than focusing on the IT artifact (Currie and Swanson 2009). This view acknowledges that “one cannot explain everything that happens in organizations by considering only the rational actions of managers, but rather one must find a means for taking into account the ‘irrationalities’ arising within the institutional context that surrounds organizational actors” (Mignerat and Rivard 2009, p. 369).

Instead of only competing for resources and customers (DiMaggio and Powell 1983), organizations strive even more for “organizational legitimacy” of their actions (Liang et al. 2007). Besides, institutionalism helps to understand both the technological changes and the institutional context that they are embedded in (Orlikowski and Barley 2001), thus stressing the importance of analyzing the IT artifact within its socio-economic and political landscape (Currie and Swanson 2009). In a recent meta-study, Heugens and Lander (2009) show that institutional influences can indeed explain a significant share of organizations’ behavioral responses.

However, institutionalism has been criticized for an “oversocialized account” (Granovetter 1985) of organizational decision making and that organizations have been portrayed as “too passive” (Currie and Swanson 2009). Proponents of organizational agency (Heugens and Landers 2009) claim that organizations possess at least some discretion whether and to what extent to succumb to institutional influences (DiMaggio 1988; Oliver 1991). In addition, by focusing on the institutional setting’s influence – which is the same for every organization in the same organizational field (Scott 2008) - in innovation adoption, institutional research necessarily abstracts from firm-specific factors that might play a role in a potential adopter firm’s choices. One of the most important firm-specific factors, we believe, is the level of trust that potential adopters place in an institutional setting. As we will present next, the level of trust in an institutional setting has already been shown to have a significant influence on the behavior of different economic actors. We thus expect research on institutionalism in general and on promissory organizations in specific to benefit from incorporating the concept of trust.

**Institutional Trust**

Trust has originally been researched in personal, one-to-one (“dyadic”) relationships (McKnight and Chervany 2002; Pavlou 2002). It is central in situations that are shaped by risk, uncertainty, or interdependence (McKnight and Chervany 2002) and fear of opportunism (Pavlou and Gefen 2004). As benefits of trust include lower agency and decreased transaction costs (Wicks et al. 1999), trust is not wholly irrational (Gefen et al. 2006), although it certainly contains affective and even moral elements (Wicks et al. 1999).
The notion of institutions and the role they play in shaping organization’s decisions caused interest in the concept of “institutional trust” (Gefen et al. 2006; Zucker 1986). Institutional trust has been defined as the “trustor’s belief that effective third-party guarantees are in place to assure the trustee’s behavior will be consistent with the trustor’s favorable expectations” (Gefen et al. 2006, p. 206). This definition reflects that the focus on the extant institutional trust literature in IS has been on institutional mechanisms that facilitate specific transactions (Pavlou and Gefen 2004) among different actors. In the IS field, studies on institutional trust include the importance of recommendation agents in e-commerce (Wang and Benbasat 2004), the role of online business-to-business (Pavlou 2002) and consumer-to-consumer marketplaces (Pavlou and Gefen 2004) in trust formation, and the importance of peer network structure in peer-to-peer networks for building trust (Xu et al. 2009).

Institutional trust “generalizes beyond a given transaction and beyond specific sets of exchange partners. In order to generalize, the ‘locally produced’ trust must be reconstructed as intersubjective, exterior to any given situation, and as part of the ‘external world known in common,’ objective in that they are repeatable by other individuals without changing the common understanding of the acts” (Zucker 1986, p. 63). In this form, trust becomes a saleable, social commodity that can be traded on the market (Zucker 1986) and offered by promissory organizations to interested parties.

We argue that promissory organizations are a mechanism of producing institutional trust in an innovation adoption setting. Instead of engaging in exchanges with technology vendors and other actors on the market to learn about the appropriateness of an innovation, potential adopters can make use of promissory organizations’ services to make sense of an innovation. The knowledge that promissory organizations routinely produce (Pollock and Williams 2010) hereby becomes independent from specific vendor-client exchanges (exterior) and meaningful beyond the scope of an individual adopter (objective).

**Research Model and Hypotheses**

The research model that we develop in this research-in-progress paper draws on and extends Teo et al.’s (2003) model and is depicted in Figure 1 together with the research hypotheses. We posit that an organization’s intention to adopt an IS innovation can be explained by mimetic ($H_{1a}$) and normative pressures ($H_{1b}$), as well as innovation performance expectations ($H_{2b}$). The latter are caused by influences exerted by promissory organizations ($H_{2a}$), with innovation performance expectations partially mediating the influence of mimetic ($H_{1c}$) and normative ($H_{1d}$) pressures on the intention to adopt. The focus of our research-in-progress study and this model lies on the relationship between promissory pressures and innovation performance expectations. We predict that it is positively moderated by integrity ($H_{3a}$), competence ($H_{3b}$), and benevolence ($H_{3c}$) beliefs in promissory organizations.

In the sections that follow, we further elaborate on our research hypotheses. The main focus of hypotheses development in this research-in-progress paper will be on the impact of trusting beliefs on the relationship between promissory pressures and performance expectations, as these relationships are considered the study’s core contributions.
Mimetic and Normative Pressures

As we have already discussed regarding the role of institutions in IS adoption, extant organizational institutionalism literature on the adoption of IS innovations has so far explained organizations’ adoption of an innovation through coercive, normative, and mimetic pressures that organizations are exposed to. Our study’s focus lies on innovation adoption in its early diffusion stages. We therefore posit that, although at this stage comparatively weak compared to promissory pressures, both mimetic and normative pressures will cause organizations to adopt an innovation. In this context, mimetic forces would correspond mainly to the extent of adoption among competitors and their perceived success, whereas normative pressures are caused by the perceived prevalence of an innovation and its diffusion in an organizational field (Teo et al. 2003). As we will focus on an innovation whose adoption is voluntary and e.g. not enforced by government laws or demanded by suppliers, we will neglect coercive pressures in our study. Hence, we posit:

\[ \text{H}_{1a}: \text{ There is a positive relationship between mimetic pressures and the intention to adopt an IS innovation.} \]

\[ \text{H}_{1b}: \text{ There is a positive relationship between normative pressures and the intention to adopt an IS innovation.} \]

In addition to the direct influence of mimetic and normative pressures on the intention to adopt an innovation mainly for legitimacy reasons in the early diffusion phases, as conceptualized in the two-stage model, we want to take up critical comments that it is problematic to segregate social (i.e. legitimacy) and economic (i.e. efficiency) gains (Kennedy and Fiss 2009). The notion that “the distinction between technical and social benefits is itself embedded in institutions” (Kennedy and Fiss 2009, p. 897) implies that potential adopters’ performance expectations regarding an innovation are themselves socially constructed and shaped by institutional pressures. Therefore, we expect the relationships between mimetic and normative pressures and the intention to adopt an IS innovation to be partially mediated by innovation performance expectations, and hypothesize that:

\[ \text{H}_{1c}: \text{ Innovation performance expectations partially mediate the positive relationship between mimetic pressures and the intention to adopt an IS innovation.} \]

\[ \text{H}_{1d}: \text{ Innovation performance expectations partially mediate the positive relationship between normative pressures and the intention to adopt an IS innovation.} \]

Promissory Pressures

When organizations face uncertainty, as is the case in adopting an IS innovation (Swanson and Ramiller 2004), organizations turn to constitutive schemas to make sense of their environment. As we have described earlier in this paper on the growing importance of promissory organizations, potential adopter organizations resort to the predictions of promissory organizations to make sense of an innovation and its implications. Especially early adopters are – more than later adopters – driven by the quest for performance improvements that innovations might hold (Wang 2010). Influences by promissory organizations that predict such performance improvements can come in different forms, depending on the specific group of promissory organizations under consideration. Means of IS analysts to influence potential adopters are their sales force, articles in trade journals, special reports, conferences that are organized around a certain innovation, and the daily interactions of IS analysts with their clients. On the other hand, articles in scientific or practitioners’ journals, presentations at conferences, or research reports are means of academic IS research institutions (which we will refer to as IS scholars in this paper) to communicate the potential benefits of innovations to organizations. We hypothesize that:

\[ \text{H}_{2a}: \text{ Higher pressures through promissory organizations cause potential adopters to have more positive expectations regarding that innovation.} \]

We predict innovation performance expectations to have a significant impact on an organization’s intention to adopt an innovation. This corresponds to performance expectancy as a strong predictor of the intention to adopt (Venkatesh et al. 2003).

\[ \text{H}_{2b}: \text{ Higher performance expectations regarding an innovation result in a higher intention to adopt this innovation.} \]
**The Moderating Effect of Institutional Trust**

It has been acknowledged in the literature that promissory organizations pursue their own economic agenda within the fashion-setting process (Abrahamson 1996; Kieser 1997). Promissory organizations have strong economic incentives to launch an innovation wave and thus earn reputation as the leading authorities on that innovation. Once an innovation has achieved sufficient legitimacy, promissory organizations will try to maximize their payoff by extending the innovation’s momentum (Swanson 2010). Therefore, potential adopters would have every reason to doubt whether they can trust promissory organizations, and whether the recommendations regarding an IS innovation are indeed in their best interest, or are primarily motivated by the promissory organizations’ own benefits.

We posit that the predictions made by promissory organizations exert institutionalist pressures by creating expectations related to a certain IS innovation. However, we claim that – contrary to existing views – higher pressures by promissory organizations to adopt an IS innovation don’t necessarily translate directly into higher positive expectations and corresponding adoption behavior by an organization. We rather assume that the strength of the relationship between the institutional pressures of promissory organizations and the effect on the positive expectations that potential adopters place in an innovation, is moderated by the trust that potential adopters place in promissory organizations.

Institutional trust assumes a slightly different meaning in the context of promissory organizations and innovation adoption. In such a setting, promissory organizations do not vouch for the success of a specific transaction between a vendor and a buying organization. They rather assure the organization contemplating the adoption of an innovation that the technology fits its specific needs and circumstances. Drawing upon McKnight and Chervany (2002), McKnight et al. (2002), and Wang and Benbasat (2007), an organization’s trust in a promissory organization can be defined as an organization’s perception that a group of promissory organizations

- adheres to a set of generally accepted principles, especially honesty, keeping promises and being unbiased (integrity belief),
- has the skills and expertise to effectively assess an IS innovation’s potential (competence belief),
- and cares about the organization’s interests and acts in its best interest (benevolence belief).

In this definition, the focus is not on a specific transaction between an organization and a vendor, in which the promissory organization has the role of an intermediary. Rather, the focus is on how trustworthy a potential adopter perceives the promissory organization to be in helping it make the right decision regarding the adoption of a new technology. Besides, this definition of trust does not focus on a one-to-one relationship between a potential adopter and a specific promissory organization. Instead, trust in this setting is viewed as the trust an organization places in promissory organizations as a group. This notion of trust in promissory organizations is similar to Pavlou and Gefen’s (2004) concept of the trust in a group of vendors in an online-marketplace setting. Thus, we derive the following hypotheses:

\( H_{3a}: \) The higher the integrity beliefs in a group of promissory organizations, the stronger the influence of promissory pressures on the potential adopter’s performance expectations.

\( H_{3b}: \) The higher the competence beliefs in a group of promissory organizations, the stronger the influence of promissory pressures on the potential adopter’s performance expectations.

\( H_{3c}: \) The higher the benevolence beliefs in a group of promissory organizations, the stronger the influence of promissory pressures on the potential adopter’s performance expectations.

**Trust in IS Analysts and IS Scholars**

In addition to analyzing promissory organizations and their institutional pressures in general, we intend to pay closer attention to the differences between specific groups of promissory organizations and how these relate to the different dimensions of trust. We postulate that the stronger a group of promissory organizations depends on the successful diffusion of an IS innovation, the more reason a potential adopter has to doubt their integrity. On the other hand, we believe that the more experience a group of promissory organizations has with the practical challenges that potential adopters face, the higher a potential adopter believes their innovation competence to be. Both the believed competence and integrity of a promissory organization can be assumed not to be dichotomous characteristics, but rather continuous dimensions.
even within a homogenous sub-group of promissory organizations. However, we feel that two coherent sub-groups exist: IS analysts on the one side and IS scholars on the other side.

The group we assume to have more direct economic incentives to encourage the adoption of an IS innovation independent from positive performance impacts are IS analysts. As they have to align organizational resources and invest time and money to market an innovation to potential adopters (Swanson 2010), they will be forced to hold on to their positive evaluations of an innovation even if the experiences of early adopters turn out to be negative. Therefore, this group can be assumed to be regarded as having lower integrity than academic institutions. Although IS scholars can benefit as well from promoting IS innovations in their own economic interest on the “external market” (i.e. non-academic field), academic institutions nevertheless only partially depend on these external economic incentives. IS scholars primarily set their research agendas regarding incentives in the academic “internal market” (Ramiller et al. 2008). Therefore, we argue that:

\[ H_{3d}: \text{Potential adopters attribute higher integrity beliefs to the group of IS scholars than to the group of IS analysts.} \]

On the other hand, we expect IS scholars to be regarded having lower competence assessing a specific innovation’s benefits for a potential adopter than IS analysts. We assume that through their constant interaction with clients, their specific performance needs and practical problems, IS analysts build the reputation among the population of potential adopters of possessing the competence to evaluate IS innovations regarding their merits for an adopting organization. In contrast, we expect IS scholars to be regarded as showing comparatively little competence because their interactions with IS innovations and their impact on organizations are often mainly theoretic. According, we expect that:

\[ H_{3e}: \text{Potential adopters attribute higher competence beliefs to the group of IS analysts than to the group of IS scholars.} \]

No clear statement can be derived from the literature whether IS analysts or IS scholars show higher levels of benevolence. IS analysts’ research methodologies and tools have been discounted as pure “marketing tool”, full of “bias” and “partiality” (Pollock and Williams 2010). However, one can also reason that IS analysts, like consultants in general, increasingly strive for a partnership with their clients to work on long-term organizational issues (Appelbaum and Steed 2005), thus increasing the incentives to show earnest interest in the well-being of their clients.

As IS scholars show – as already discussed regarding integrity beliefs – lower motivation in financial terms and more in scientific progress, they could appear to be less malevolent than IS analysts. Nevertheless, IS scholars have been criticized for focusing too much on academically relevant research questions and less on issues of practical concern (Benbasat 1999). Thus, IS scholars might neglect the pressing issues of potential adopters over their focus on theoretically interesting but practically irrelevant questions. In summary, whether IS analysts or scholars behave more benevolent than the respective other group cannot be settled merely on theoretical reasoning. Therefore, we plan to analyze this question in an exploratory fashion through a post-hoc analysis.

**An Agenda for Further Empirical Study**

In this paper, we have presented a nascent theoretical discussion of the role of trust in promissory organizations and its influence on IS innovation adoption. Our next steps will focus on the empirical testing of the hypotheses presented in our research model (see Figure 1). The empirical study will be conducted in two phases: (1) instrument development and validation and (2) theory-testing by conducting a web-based survey.

During the first phase, our focus will be on developing a valid instrument from existing measures of mimetic and normative pressures (Teo et al. 2003), trusting beliefs in promissory organizations (Wang and Benbasat 2007), and innovation performance expectations (Staples et al. 2002; Liang et al. 2007). Besides, we will conduct an item-generating process for the construct of promissory pressures. The initial pool of items draws on the rhetoric and strategies of promissory organizations described in the literature (e.g. Kieser 1997; Miller and Hartwick 2002) and will include the following statements:

- **IS analysts / IS scholars present [name of technology] as the solution to urgent business problems.**
IS analysts / IS scholars emphasize the benefits of [name of technology].

IS analysts / IS scholars depict the negative consequences that non-adopters of [name of technology] will face.

To test the content validity of the mimetic, normative, and promissory pressures constructs, we will adopt a Q-sorting methodology (Thomas and Watson 2002). Findings from this step will provide input for further instrument development and refinement. Then, pilot tests will be employed to test measurement reliability and validity.

During the second phase, we will conduct a web-based survey among potential adopter organizations, extract and examine the data set for the sub-sample of firms that has yet to adopt a specific IS innovation, and compare trusting beliefs into promissory organizations between the groups of IS analysts and IS scholars. We plan to relate the survey questions to Software as a Service as an IS innovation.

To collect our data, we will draw on the Hoppenstedt firm database, which is one of the largest commercial business data providers in Germany. The database contains over 300,000 profiles of companies located in Germany and corresponding contact details of managers of different functions and hierarchy levels. We will distribute the survey to approximately 5,800 German companies in the Hoppenstedt database that operate in the fields of automotive and medical technology, as more than 80% of innovations in these industries are driven by information and communication technologies (Federal Ministry of Education and Research 2007). Therefore, we expect IS innovations to play a crucial role for these companies, as they need to make sense of innovations to stay ahead of competition.

The survey will use a “key informant” approach for data collection (Segars and Grover 1998) by addressing it to the Chief Information Officer or the person responsible for the use of IS within a company, as we feel that they can provide the most relevant experience related to the research objective of our study. To achieve a high response rate, we will combine a personalized invitation e-mail with an online-administered questionnaire (Ilieva et al. 2002), and offer to provide the summary of the study’s results as an incentive (Cobanoglu and Cobanoglu 2003) if indicated by the respondent in the survey. In addition to the advantages that come with conducting a web-based survey compared to traditional mail surveys (Ilieva et al. 2002), we feel confident that a web-based survey is the right choice regarding the IT-inclination of the targeted respondents.

Finally, to empirically test the research model in Figure 1, it will be translated into a structural equation model and validated through the Partial Least Squares (Chin 1998) approach.

Conclusion

Through our theoretical discussions on the role of promissory organizations as a mechanism of producing institutional trust, this research hopefully contributes to a deeper theoretical understanding of how trust mitigates or reinforces promissory pressures in early IS diffusion stages. In particular, this research attempts to identify which facets of trusting beliefs – integrity, competence, or benevolence beliefs – have a stronger moderating influence on the relationship between promissory pressures and innovation performance expectations. Besides, by analyzing the mediating effect of innovation performance expectations, we plan to contribute to the discussion of the interplay between social and economic influences. Future research will empirically validate our theoretical conceptualizations. Through our program of study, we will also examine how institutional trust affects downstream constructs such as actual innovation adoption, post-adoption satisfaction, and continued use. Therefore, our research has the ambitious goal to advance the application of organizational institutionalism in IS adoption research and go further beyond the “dominant paradigm” (Fichman 2004).

The implications of our research can also help promissory organizations gain insight into what trusting beliefs have the strongest impact on promissory pressures. We believe that the results of our study will be able to shed light on the possibilities of IS academics to intervene with the fashion-setting process. Therefore, we contribute to the discussion to what extent academic institutions can shape the public discourse around fashions (Ramiller et al. 2008; Baskerville and Myers 2009).
References


