

IT-enabled change must involve the entire organization

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The secret to successful IT-enabled change is the right balance between "hard" factors like planning, goals, structure and system architecture and "soft" factors like mindset, culture and organisation. This is one conclusion drawn by Einar Iveroth, who has studied the Ericsson Corporation's implementation of a large-scale IT-enabled organisational transformation.

Einar Iveroth's dissertation research involved a study of Ericsson's F&A (finance and accounting) department's implementation of its "Global F&A Transformation Programme," involving a changeover from a decentralised organisation to a global network of so-called "shared service centres."

The thesis makes two primary contributions. Firstly, it provides insight with regard to strategic issues relating to successful implementation of IT-enabled organisational change. Secondly, it develops a framework, "The Commonality Framework for IT-enabled Change," for how successful implementation of IT-enabled organisational change should be pursued in practice.

Einar Iveroth shows that the first step in the introduction of an IT system has to do with organisational change. Implementation of new technology must be accompanied by, for example, changes to organisational work processes (how work is carried out), new roles for employees and investment in training. In the absence of such organisational initiatives, optimal utilisation of a new system's potential will not be possible.

"From a practical standpoint, my dissertation demonstrates that most IT-enabled organisational change fails due to paying too much attention to technology and the hard and structural factors of the change," says Einar Iveroth. "Management often approaches IT implementation in terms of isolated, analytical, mechanical processes to be carried out and administered by the IT department. This way of thinking is based on the principle that once new technology has been implemented by the 'IT people,' employees will simply adapt to it as it spreads throughout an organisation."

Einar Iveroth will defend his thesis on 30 March at Uppsala University.

Provided by Uppsala University

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