

Technological advances lead to organizational change

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Changes due to new technologies take time and are difficult to overview. This is a conclusion made in a new doctoral thesis from the University of Gothenburg. The author of the thesis, researcher Sara Hjelm Lidholm, studied a company's transition from mail order to e-commerce over a period of 10 years. The results of the transition include an entirely new organisation and an increased customer focus with stronger customer relations.

Sara Hjelm Lidholm followed a Swedish company's transition from being a mail order company to becoming an e-commerce company for a period of 10 years – a period that included both the IT bubble and the broadband explosion. Hjelm Lidholm for example studied how the function of e-commerce changed over time and how this changed the entire organisational structure of the company.

'When the company started using the Internet to sell products in 1996, it was perceived as a complement to the catalogue and other sales channels. Today the Internet is the company's number one sales channel, and this transition has led to extensive organisational change and sometimes also to conflicts between departments and between new and old staff,' says Hjelm Lidholm.

Sara Hjelm Lidholm for example points to the fact that the company's development initially was led by the IT department and the available technology at the time with a view of the Internet as a shop window. Today, all parts of the company are completely customer oriented, and

the development is mainly led by the marketing department. The Internet is where the company conducts its business, implying that it has moved closer to and developed stronger links with the customers.

One conclusion reached by Hjelm Lidholm is that there are no quick fixes in a process of major change – every involved actor must complete all the necessary phases. The original definition of the work is never the same as the definition used at the end of the work – the available opportunities and technologies, as well as the world at large, keep changing.

'Processes of change triggered by new technologies are particularly difficult to predict and assess over time, since new opportunities emerge and the playing field keeps changing. As a result, the process must be continually adjusted to suit the way things unfold. And any work of change takes time – in fact, it usually takes much longer than initially thought.'

Provided by University of Gothenburg

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