

Editor’s Comments

Driving Benefits from IT

Long ago, IT professionals and researchers learned that technology problems are rarely the source of technical failures. Implementation requires effective project management involving both IT and business experts. Then we learned that success involves more than system implementation; it requires system use. Systems cannot generate anticipated benefits unless the users of the system actually adapt their behavior to take advantage of the new technology. The growing importance of enterprise systems has highlighted yet another truth of IT success: driving value from IT means making better decisions. Most companies are still learning how to design organizational structures, processes, and roles to ensure that decision makers understand both the strategy and the data to deliver the potential value of IT capabilities.

In this issue of MIS Quarterly Executive, we explore how companies benefit from IT investments, starting with an article by Joe Peppard, John Ward, and Elizabeth Daniel. The authors describe a Benefits Dependency Network approach to realizing benefits. This approach involves explicitly linking investment objectives to the required business changes. A company can then better identify where to focus resources to ensure project—and longer term business—success. Immediately following the article, we have comments from three CIO Advisory Board members (Ted DellaVecchia, Stuart Scantlebury, and John G. Stevenson). While all three agree with the premise of the article—that the ability to deliver business change is the critical factor in delivering value from IT—they add insights gained from their extensive industry experience.

An article by Dorothy Leidner and Jane Mackay looks at change from the perspective of new CIOs. They note that CIOs must tend to IT human resources, IT processes, IT infrastructure, and business partnerships. New CIOs can choose to focus initially on one of these four areas to gradually increase the value of IT to the organization. Alternatively, they can attempt to radically transform three or even four areas upon their arrival. The authors note that the more incremental approach is less risky, but the visibility of the prior CIO provides a context that may dictate the more radical approach.

Harvey Enns, Dean McFarlin, and Sid Huff note that the ability of the CIO to influence senior management is critical to realizing value from IT. They describe 11 influence behaviors and then explain how CIOs should rely on different behaviors depending upon their reporting relationships and the types of strategic initiatives the company targets. The ability to apply influence behaviors appropriately helps to determine the CIO’s effectiveness in bringing about organizational change.

Finally, Iris Junglas and Blake Ives provide a case study of the IT unit at Northrop Grumman, as it worked to recover from Hurricane Katrina. They describe the extraordinary circumstances resulting from a disaster so catastrophic that it disabled some standard recovery procedures. Recognizing that companies will care first about the well-being of their people, the case also recognizes that the business is dependent on IT leaders reestablishing IT services as quickly as possible. This article shares one company’s experience to help others prepare for worst-case disasters.

Combined, these four articles and the CIO Advisory Board comments provide varying perspectives on how IT delivers value to organizations. They also highlight the challenges in doing so. Indeed, we still have much to learn about the process of realizing IT benefits.

Editorial Board Retirements

Nine members of our initial Editorial Board are retiring. They are Ted Clark, Kathy Curley, Ajit Kambil, Laurie Kirsch, Al Segars, Jim Short, Peter Todd, Mike Vitale, and Mike Zack. I thank them for helping us inaugurate MISQE. We have benefited greatly from their contributions. Our Editorial Board has been critical to providing guidance and advice to senior editors. We are grateful to all the Editors listed on our Web site and on the front inside cover of the printed journal.

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