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THE VALUE OF IS – A NEW PERSPECTIVE

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Abstract

Several studies have been done in the last decades to align business and IS personnel and to present how IS can increase business value. Nevertheless, many of them were not successful and the business-IS gap is still present in many companies causing several failed IS implementation projects. Consequently, IS department is often considered merely as a cost and not as an enabler of business value. However, researchers were focusing mostly on the business value of IS and regardless of the effort the same problems that were existing a decade ago are still present in the business-IS relationship. Therefore, there is a strong a need to improve the importance of IS by presenting the value of IS from a different perspective. By the advent of social networks new opportunities are emerging for researchers and organizations to recognize the new value of IS. The purpose of this research is thus to present IS as an enabler and constructor of a better future and not emphasizing merely the business value of IS. Approximately 400 undergraduate students will be invited to participate in the research enabling to present the value of IS in a way that helps people to live better.

Keywords: IS value, IS solutions, healthy lifestyle, motivation

1.0   Introduction

In the last few decades researchers devoted a special attention to the problematic and inefficient relationship between IS personnel and business personnel. This problematic relationship is often referred in the literature as a business-IS gap (Coughlan, Lycett, & Macredie, 2005; Grindley, 1992). The gap is generally defined as a lack of understanding between management and IS personnel and leads to different views and expectations from both IS personnel and top managers and therefore prevents the company from developing a competitive advantage based on IS (Grindley, 1992).

Several attempts have been made to improve the relationship between IS personnel and business managers (Milis, Fairchild, Smits, & Ribbers, 2008). It was already shown that one of the most important factors of successful IT implementation is top management support (Indihar Štemberger, Manfreda, & Kovačič, 2011; Ranganathan & Kannabiran, 2004). Given the extension and consequences of the relationship between top management and IS personnel for a company's overall performance,

several researchers devote considerable effort to this issue with the intention to capture factors that affect this relationship (Manfreda & Indihar Štemberger, 2014).

Despite the effort to bridge the business-IS gap it seems that it remains an important issue that is still not properly solved. An important and often neglected issue is the perceived value of IS which still remains vaguely answered. Organisations namely often focus merely on the existing business processes and their automation, and do not take advantage of the IS department to completely redesign the business processes (Kovačič, 2004). Thus, IS department is mainly viewed in companies as a cost and not as an enabler of business value which consequently even worsens the relationship between top management and IS personnel. It is claimed that IS creates business value by enabling business processes and is enabling organisations to perform their functional activities better compared to their competitors (Luo, Fan, & Zhang, 2012). However, perceiving and recognizing this value by top management is even more important issue.

Innovative IS are certainly a way for companies to obtain a competitive advantage (De Haes & Van Grembergen, 2009); however, the latter is not enough until top management does not perceive the business value of IS innovativeness (Manfreda & Indihar Štemberger, 2014). Still, researchers were focusing mostly on the business value of IS and regardless the effort in the research, problems in the business-IS relationship that were existing a decade ago are still present. Therefore, there is a strong need to present a value of IS from different perspective. More specifically, not focusing solely on the business value of IS, but rather presenting IS as an enabler and constructor of a better future. More specifically, presenting the value of IS in a way that helps people live better.

The purpose of this research is thus to focus on the common good value of IS and to present how IS solutions can help people to improve their healthy life. Nevertheless, by the increased usage of different social networks new opportunities are emerging for researchers to recognise the new value of IS, including presenting IS as a tool that helps people to live healthier. Several students will participate in the research enabling to identify reasons for taking or not taking care for a healthier way of living and to

present how IS can help increasing the importance of a healthy life. It is reasonably to assume that this positive aspect of IS may improve the position of IS personnel in organizations and consequently help to bridge the business-IS gap.

2.0 Literature review

2.1 Classical view on the value of IS

Studying the influence of IS on the business value has been a main challenge for researchers in the last few decades (Luo, et al., 2012; Piccoli & Ives, 2005; Wagner & Weitzel, 2007). Due to the important role of IS, it has been suggested that presenting the value of investing in IS is a particularly important contribution of the IS theoretical field since understanding the impact of IS inspires ideas concerning future IS applications (Agarwal & Lucas Jr, 2005). Therefore, several researchers have been motivated to understand the influence of applying IS on improved organisational performance (Melville, Kraemer, & Gurbaxani, 2004).

IS should be an essential component of the strategy since mere technology does not by itself contribute to organisational performance, but contributes by being part of an overall system that improves the creation of economic value (Piccoli & Ives, 2005). It has been argued that IS is enabling business process reengineering, strategic alliances and competitive advantages (Avison, Cuthbertson, & Powell, 1999), and consequently IS can present its value to the organisation and, even more, it has the opportunity to participate in high-level business decisions (McKeen & Smith, 1996). After all, IS creates business value by enabling business processes and enables organisations to perform their functional activities better compared to their competitors (Luo, et al., 2012). Further, IS helps organisations be innovative by providing appropriate infrastructures and consequently sustaining competitiveness (Hewitt, 1995). Despite its potential, the IS department was still merely considered as a secondary activity (Avison, et al., 1999).

Nevertheless, opportunities for obtaining strategic advantages from IS are disappearing, since companies with the largest IS investment were not performing the best financial results (Carr, 2003) signifying that IS has become a commodity for organizations and therefore does not create a competitive advantage by itself. On the

contrary, it has been claimed (Hackathorn, 2003) that it is important to consider also the procedures and processes behind business activities that IS supports since these procedures are an asset that cannot be bought and treated as a commodity.

2.2   Gamification view on the value of IS

Gamification as a new trend that has emerged in 2010 and denotes applying elements connected with video games in non-game applications (Deterding, Dixon, Khaled, & Nacke, 2011) with the purpose to increase individuals' commitment. Despite the fact that the concept has been mainly used in the marketing, the potential of its application has been extended also to other areas as environment and energy, health or education areas (Deterding, et al., 2011). Gamification is closely connected with social elements and therefore it is has the main implications to the generation of people who use and share their everyday in social networks (Simões, Redondo, & Vilas, 2013) since several features are common to social games and gamification as well like user loyalty, achievements... It has been claimed that games have even encouraged management scholars to propose the gamification concept in order to describe the application of psychological game design principles for motivating employees (Zichermann & Cunningham, 2011).

Based on this it is possible to hypothesize that using gamification concept with proper IS solutions can help people to improve their healthy life. With the gamification concept also the value of IS can be increased since it is possible more easily achieve some common welfare goals like increasing awareness of a healthy lifestyle.

3.0   Research methodology

The research question will be empirically tested using data from Slovenian students. A special questionnaires was therefore developed and special IS solutions intended for increasing a healthier way of living are included in the survey for the testing purpose.

The questionnaire is, among other indicators that are not relevant for this research, composed of several items measuring students' contemporary way of living, items measuring their motivation for healthy way of living, items measuring their expectations from "ideal" IS solutions, items describing different IS solution and their

possibilities, items measuring students' satisfaction after quick overview of selected IS solutions.

The data collection will start in March 2014. Approximately 400 students will be invited to participate in the research. A smaller number of students will also participate in the detailed testing of different selected IS solutions intended to increase awareness of healthy lifestyles, namely MyFitnessPal and OPEN platform for clinical nutrition.

4.0   Future Research

The research in progress involves interviews with selected students in Slovenia and online participation of larger number of undergraduate students. The purpose of developing a survey is to present the reasons for taking or not taking care for a healthier way of living and to present how IS can help in increasing the importance of a healthy life.

Two groups of students will be invited to participate in the research. A smaller group will focus on particular IS solutions for improving healthy way of live including testing these solutions; while a larger group will participate in the survey in order to discover factors that are important for increasing motivation to use these solutions. Moreover, the purpose of a survey is also to test to which extent IS solutions can help young people to change their way of living and to open their awareness towards healthier lifestyle.

The research has two main phases. The first phase refers to completing the survey and will be finished in April 2014. This phase will enable to obtain students' overview of the selected IS solutions for healthy lifestyle and student's expectations regarding the "ideal" IS solution. The second phase refers to analysing the small group of students and their usage of selected IS solutions. This phase will be finished in June 2014. At the end of the research all the observations will be used to improve the existing solution and to increase a general awareness regarding the healthy life and finally to present how IS solution can help people to reach their goals easier and faster.

5.0   Conclusion

Given that several studies are focusing mostly on the business value of IS without solving the problem of underestimating the value of IS in companies or problem of considering IS as a merely marginal resource, it is particularly important to improve the "reputation" of IS by presenting the value of IS from a different perspective. This research will focus on improving the value of IS and consequently reducing the business-IS gap by presenting how IS solutions can help people in improving their healthy life. The research will thus present IS as an enabler and important element for developing a better future. Instead of merely focusing on the business value of IS, this research will focus on presenting the value of IS by emphasising the common welfare that can be achieved through different IS solutions.

Research and study results have also some limitation since they will be limited to a part of the population of students in single country; however, they will not be constrained by the sample size. Since the research is to test implications on the young people this is not considered as a major limitation. Moreover, the research will be easily applied to other groups of students or other interested groups.

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