Proceedings of the 52nd Hawaii International Conference on System Sciences | 2019

Information Systems Benefits and Value

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Organizational information systems (IS) are often asked to create value for the organization and/or its users. This question is usually posed before the systems are acquired, i.e. at the time of the investment decision. However, quite rarely the system's value or its benefits are evaluated after the system is in-use. The concept of value is consequently seen important proactively, but ignored when it could actually be assessed. There are several explanations for this. For example, the concept of value could be unclear as it contains several scopes, interpretations, stakeholders, and timescales. Or, when assessing the value, information technologies are quite often segregated from their use context as this makes the evaluation easier. Thirdly, the assessment could be ignored simply because the system is already in use, and a bad outcome could endanger one's position. Fourthly, the value of IS could be concretized only after a long time.

These are just some example of difficulties in assessing IS benefits and value. Models and methods for understanding IS success, benefits, or value, benefits realization of IT investments, realizing the benefits of information systems in general, proactively measuring them before renewal, or retrospectively analyzing them at the project have largely remained untouched.

It is surprising that despite the number of problematic IS projects, IS value and benefits realization are still little understood in the information systems researcher community. For example, the questions, such as how to proactively set measurable objectives for IS benefits, how to choose an appropriate acquisition strategy and method for maximum benefits, how to define the value in a certain context, and how to measure the benefits of IS investments after the project, have been left largely intact. However, these are significant issues for practitioners and economy. For example infamous IS success model [1, 3] identifies the benefit realization model, although theorizes the phenomena on an abstract level. Although benefits realization has been identified as the most important Tero Päivärinta Luleå University of Technology, Sweden <u>tero.paivarinta@ltu.se</u>

issue by IS procurement professionals in the public sector [2], the value, success and benefits of IS investments remain rather abstract in practice. Despite numerous methods and techniques for value assessment, benefits justification, management and realization, they have not reached wide utilization in practice.

This minitrack presents three papers that contribute to different conceptual viewpoints related to IS benefits and value: strategic alignment of processes and IS for value creation; the impact of the supplier's activities for the buyer's benefits, and measuring intangible benefits of digital information.

- L'Écuyer, Reymond, Fabi and Uwizeyemungu study SME's in the manufacturing industry, and their human resource management capabilities. The authors propose and validate a research model for understanding the strategic alignment of human resources and corresponding IS.
- Preston and Chen focus on the supplier's IT exploitation and exploration. They found out a mutual dependency between the two, and argue that they contribute to the buyer's operational and strategic benefits.
- Ahlin argues for the importance of intangible benefits of digital information. She lists and discusses several measurement methods.

References

[1] DeLone, W.H., & McLean, E.R. (2003). The DeLone and McLean Model of Information Systems Success: A Ten-Year Update. *Journal of MIS*, *19*(4), 9-30.

[2] Moe, C. E., & Päivärinta, T. (2013). Challenges in information systems procurement in the public sector. *Electronic Journal of e-Government*, 11(1).

[3] Petter, S., DeLone, W.H., & McLean, E.R. (2008). Measuring Information Systems Success: Models, Dimensions, Measures, and Interrelationships. *European Journal of Information Systems*, *17*, 236-263