A FRAMEWORK FOR CREATING FUSION IN THE BUSINESS-IT INTERFACE

by

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Table of contents

EXECUTIVE SUMMARY

CHAPTER 1 BACKGROUND TO THE STUDY

1.1 Preface
  1.1.1 The importance of ICT in organisations
  1.1.2 The changing IT career
  1.1.3 Changing demands on IT professionals
  1.1.4 A skills profile for IS/IT professionals
  1.1.5 Previous research leading to this study

1.2 The IT/Business interface
  1.2.1 The importance of relationships
  1.2.2 The failure rate of IS/IT systems
  1.2.3 Strategic alignment
  1.2.4 Business-IT alignment is not enough anymore
  1.2.5 Fusion
  1.2.6 Management and fusion

1.3 Rationale and motivation for the research

1.4 Problem statement

1.5 Purpose of the study

1.6 Research design
  1.6.1 Phase one: Background literature study
  1.6.2 Phase two: Non-fusion
  1.6.3 Phase 3: The role-players in creating fusion

1.7 Scope of the research

1.8 Actuality of the study

CHAPTER 2 LITERATURE STUDY

2.1 The business-IT relationship
  2.1.1 Introduction
  2.1.2 Reasons for the failure of IT projects
  2.1.3 The relationship gap
  2.1.4 Summary of the issues in the business-IT relationship
  2.1.5 Bridging the gap

2.2 Business- and systems analysis
  2.2.1 Roles and responsibilities
  2.2.2 Job titles
2.2.3 What is required of the business systems analyst? 61

2.3 Organisational Development (OD) 62
  2.3.1 Introduction 62
  2.3.2 What is organisational development (OD) 63
  2.3.3 The move towards holistic OD 64
  2.3.4 Who is responsible for OD? 67
  2.3.5 The IT executive’s role in organisational development 74
  2.3.6 New skills required of IT executives for their OD role 91

CHAPTER 3 RESEARCH METHODOLOGY AND RESEARCH METHODS 95
  3.1 Research methodology 95
  3.2 Research methods 101
    3.2.1 Introduction 101
    3.2.2 Literature study 102
    3.2.3 Empirical research 103
    3.2.4 Discussion of the research methods 104
    3.2.5 Qualitative methods 112

CHAPTER 4 RESULTS: NON-FUSION IN ORGANISATIONS 135
  4.1 Results from the literature study 118
  4.2 Survey results 119
  4.3 Interview results 125

CHAPTER 5 RESULTS: BUSINESS- AND SYSTEMS ANALYSIS 133
  5.1 The relevance and format of the survey 133
  5.2 Results of the content analysis 134
  5.3 Survey results 139

CHAPTER 6 CREATING FUSION 171
  6.1 Introduction 171
  6.2 What is fusion? 171
  6.3 The OD role of IT executives 172
    6.3.1 Introduction 172
    6.3.3 Developing individuals 175
  6.4 The role of the analyst 182
CHAPTER 7 SUMMARY AND CONCLUSIONS

7.1 Introduction

7.2 The business-IT gap

7.3 Fusion and the role-players who creating fusion

7.4 Limitations of the study

7.5 Future research

CHAPTER 8 BIBLIOGRAPHY

APPENDICES

1. Questionnaire – IT/Business relationship
2. Demographics of participants – IT/Business relationship
3. Results – IT/Business relationship
4. Questionnaire – analysts
5. Cover email message
6. Demographics – business- and systems analysis
7. Results of the survey - business and systems analysis
Executive summary

Information Systems (IS) and Information Technology (IT) play a very important role in modern organisations. IT can help drive business success and there are many potential efficiencies and competitive advantages afforded by technology. But, the real question is: are their strategic planning processes, organisational cultures, and day-to-day decisions of today’s organisation consistent with this belief?

The IS/IT industry does not seem to be capable of delivering what business expects of it. This is evident in the many failed IS/IT projects. Due to this “expectation gap” and various human behavioural issues, there is an adverse relationship between IS and business. Business experts have a negative perception of the IS/IT function. A study of the business-IT interface produces numerous reasons for the relationship problems.

Creating a relationship between business and IT is currently done through strategic alignment: set the business strategy and then determine how technology can help. For decades, IT strategy has followed and aligned with business strategy. Recent viewpoints are that traditional alignment approaches “invite risk and leave opportunities untapped”. To solve the problems in the fast-changing environment of today, more than merely aligning IT with business is needed. Higher returns can only be achieved through “a higher degree of strategic alignment”, namely the “fusion” or “atunement” of business and IT (IBM, 2002). Such fusion between IS/IT and business should be achieved on strategic, tactical and operational level.

Creating fusion therefore depends on successful IT implementations, as well as healthy interpersonal relationships between the various stakeholders in the IT/Business relationship - from high-level relationships between the Chief Executive Officer (CEO) and Chief Information Officer (CIO) to lower level relationships between an IT professional and a client/user.

Two important reasons why the IS function does not solve the real business need and why a gap exists, are insufficient analysis of the business problem and incomplete user
requirement specification. Many organisations have a role called analyst, which was
designed and positioned to bridge the gap between IT and the business client. The role of
the business analyst is complementary to that of the systems analyst – and sometimes
combined with the role of systems analyst - who is responsible for the IT system analysis.
The analyst is key to ensuring that the information system fulfils the needs of the
organisation. Their role is integral to the success of the information system and, in turn,
the success of the organization. It is the role of business- and systems analysts to ensure
that the real business problem is identified, well documented and that systems are
designed that will solve the problem. These employees play a bridging role between
business and IT and they need good IT-, business-, social- and communication skills to be
successful in their jobs - they have an important role to play towards business-IT fusion.

Many of the real problems facing IT departments are neither technical nor fiscal, but
organisational and managerial. Many IT executives are still unaware of the many human
organisational factors that can be attributed to project failure and they fail to take a
holistic perspective on IT related organisational change and –development. The purpose
of Organisational Development (OD) is to improve organisational effectiveness and
create an organisation that can solve its own problems, has high performance levels and a
good quality of work life. Functional managers - such as IT managers - cannot deny their
responsibility toward organisational development anymore. As IT managers gain OD
competence, they could become its most basic practitioners and fulfil an important role
towards creating Business-IT fusion.

An important factor in creating employees to successfully manage the business-IT
relationship is the training and education of prospective IS/IT employees. Preparing
employees for business-, technical- and relationship roles and delivering graduates with
the required profile to meet the challenges of the new economy is the duty of higher
education institutions. A need has been identified to develop a framework to integrate
the various factors that contribute towards fusion in the IT/Business interface.