

**A FRAMEWORK FOR CREATING FUSION IN THE
BUSINESS-IT INTERFACE**

by

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Submitted in partial fulfilment of the requirements for the degree

**DOCTOR OF PHILOSOPHY IN
ORGANISATIONAL BEHAVIOUR**

in the

Department of Human Resources

FACULTY OF MANAGEMENT SCIENCES

UNIVERSITY OF PRETORIA

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January 2004

ACKNOWLEDGEMENTS

**All the honour goes to God who shows me the way and never lets go of my hand...
Deo Gloria!**

I also wish to thank the following people for their contribution towards this research project :

- My supervisor, Professor Crystal Hoole for her valuable contributions and enthusiasm.
- My parents, husband (Steven) and two daughters (Louise and Evarni) for their love and support during the hectic days.
- My colleagues, friends and neighbours for their encouragement throughout the whole project.
- Members of the Advisory committee of the department of Business Applications and IT management at Tshwane University of Technology (TUT) for their contributions.
- All the participants from industry for taking the time to complete questionnaires and participate in the interviews in such a positive manner.
- The fourth year IT management class at Tshwane University of Technology (TUT) for conducting the interviews with managers in various companies.
- The department of Business Applications and IT management at Tshwane University of Technology (TUT) – without you the project would not have been necessary! Thank you for your support.
- The Faculty of Information and Communication Technology at Tshwane University of Technology (TUT) for affording me the opportunity to grow in knowledge and experience through this project.

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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.