Information Systems Procurement and Benefits Realization

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Organizational information systems are acquired through numerous means: as service (cloud computing), as configurations to large enterprise systems, as packaged software, or through dedicated development. Despite of existing tracks of research on these topics, yet, according to Gartner reports and popular press articles, numerous information systems acquisition projects fail in terms of costs, schedules, and objectives [2]. Moreover, despite two decades on research focusing on benefits realization of IT investments, challenges to adopt the recommended practices and to realize the benefits of information systems have largely remained.

It is surprising that despite the problems the practitioners face in information systems acquisition, the topic is still little understood in the IS researcher community. For example, such questions as how to choose an appropriate acquisition strategy and method, how to execute the acquisition project successfully, and how to acquire IS related services have been left largely intact – even though these are significant issues for practitioners. A recent Delphi study identified benefits realization as the most important issue to be considered by IS procurement professionals in the Norwegian public sector [1]. Public sector procurement is strictly regulated and instructed (e.g., in Europe), so that criteria for selecting the IS need to be known early on in the acquisition process. For instance in Norway, all public ICT acquisitions need to justify rather detailed benefits to the public or to the civil servants *proactively, before the acquisition takes place*. Although the literature documents several methods and techniques for benefits justification, management and realization, they have not reached wide utilization in

practice. The situation is, up to large extent, identical in the private sector as, for instance, business cases are difficult to write and different IS initiations are difficult to compare.

This minitrack consists of three different approaches complementary to each other in terms of information systems procurement and benefits realization.

- Gao, Liu, Heng and Hu discuss the contingent effects on social learning in ERP assimilation. They underline that social learning is a bidirectional process, and has significant implications to ERP assimilation.
- Jede and Teuteberg use the real option theory for evaluating the advantages of terminating flexible IS, such as Software as a Service. This evaluation obviously helps decision-making in the case of outsourced IS services.
- Hellsten, Alanne, Pekkola and Tuunanen analyze IS acquisition as a service and argue that appropriate cooperative work adds value to all participants and creates a win-win situation through several different means and mechanisms.

References

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- [2] Pekkola, S., Niemi, E., Rossi, M., Ruskamo, M., & Salmimaa, T. (2013). ERP Research at ECIS and ICIS: a fashion wave calming down?. *ECIS* (p. 123).