INTRODUCTION

Accompanying the global spread of the post-industrial society (Bell, 1973) are nations who see economic opportunity deriving from the development of an information economy to support it (Porat, 1977). But while advanced industrialized nations moved gradually from industrial to post-industrial work over a period of decades, newly industrializing countries are “leapfrogging” directly from agrarian to information-intensive work in a matter of years. Given this rapid labor force transformation, a critical consideration in the development of a global information sector is the development and management of information technology (IT) workers.

Ireland is an appropriate country for examination of this leapfrog phenomenon because it was one of the earliest examples of this phenomenon, having developed its information sector rapidly and successfully through inward investment by multinational firms during the 1970s to the 1990s. Thus, this case offers the point of view of both an advanced industrialized or “first wave” country and of a “second wave” country that is taking an alternate path into the information economy. Since Ireland was one of the earliest examples of “leapfrogging”, the Irish case has lessons applicable to other contexts (Trauth, 2000).

BACKGROUND

Ireland’s rapid transformation from a poor, agrarian society to a robust information society fueled by its information economy was the result of policy initiatives, cultural compatibility with IT work and adaptive responses to opportunities and crises. Ireland’s policy of economic development through inward investment was a direct reversal of the preceding policy of cultural and political sovereignty achieved largely through economic isolationism. But a combination of high emigration and high unemployment signaled the need for change (Trauth, 2001).

The multinational firms brought direct benefits through the jobs that kept people in Ireland and away from unemployment, and indirect benefit through the foreign investment that would provide both jobs and a new business climate. These outside influences were expected to help Ireland more quickly develop an indigenous entrepreneurial capacity. The long-term benefits would be the spillover effects from the development of technical and business expertise.

Ireland provided attractive economic incentives in the forms of tax relief and grants for equipping their factories, and training the work forces. These were the necessary conditions for establishing the multinational IT sector in Ireland. But the sufficient conditions were a societal infrastructure supportive of IT work and a qualified labor force to do it. Today, Ireland’s software industry has emerged as a strong contender for multinational sites, along with Israel, India (Heeks, 1996) and Eastern Europe (Heavin, Fitzgerald, & Trauth, 2003). Ireland’s software sector employs 30,000 people in both indigenous and multinational operations and creates revenues in excess of Euro 10 billion (Flood et al., 2002).

The Irish case offers two important sets of human resource issues. The first set relates to ensuring a supply of appropriately qualified IT workers. The second set relates to managing IT workers in a cross-cultural environment. To the extent that Ireland’s experiences are typical of other second wave countries, the lessons learned apply to indigenous and multinational managers as well as government policy makers in other counties.

ENSURING A SUPPLY OF QUALIFIED IT WORKERS

(Re)Designing Societal Structures to Support IT Work

Among the societal infrastructures that were adapted to support the emerging IT sector, the most important was the educational infrastructure (Clancy, 1988). Irish policy makers recognized that the well-educated Irish population was a powerful resource that could be leveraged to support the emerging information sector. But there were two serious issues to overcome. The first was establishing equality of access to education. This was accomplished in 1968 when secondary education became state-
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