Chapter IV

Maintaining the Own Responsibility: Selected Information Systems Architecture, Selective Outsourcing and Organizational Learning as a Base for a Sustainably Positioned Information Technology Service

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ABSTRACT

This chapter introduces an alternative concept against the dominating trend of a complete outsourcing of IT services, especially in small and medium-sized enterprises (SME). It argues that the undiscriminating adoption of this trend tends to reduce IT on a cost factor and neglects the importance of specific IT
knowledge for the continuous improvement of business processes. Also, it neglects the importance of a “communication interface” between the IS users on the one hand and the software development and IT production on the other hand.

In opposition to leading management trends, this chapter will present an approach that bases on an internal competence centre for IS and that demands a steady communication between the IT staff and the various departments. In this approach, only selected IT services are externalized and the continuing growth of specific IS knowledge is essential.

This approach was developed since the end of the 1990s at the building society, with about 100 employees, in which the author is working.

INTRODUCTION

This chapter introduces an alternative concept against the dominating trend of a complete outsourcing of IT services, especially in SMEs. It argues that the undiscriminating adoption of this trend tends to reduce IT on a cost factor and neglects the importance of specific IT knowledge for the continuous improvement of business processes. Also, it neglects the importance of a “communication interface” between the IS users on the one hand and the software development and IT production on the other hand.

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THE PROBLEM

In the 1990s the outsourcing of IS services became a dominating trend, especially in SMEs. It is indisputable that outsourcing can be a possibility to reduce costs, to participate in new technological developments, to reduce the time to market, to increase the reliability of IS, and so on. But the discussion about outsourcing was guided along the requirements of large enterprises and international companies and along some actual trends just like e-commerce. Also the arguments for outsourcing have been the same for the last decade, while business strategies, organization structures, and techniques have changed.
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