Chapter IX

Exploring the Relationship between Institutional Context, User Participation, and Organizational Change in a European Telecommunications Company

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While much is known about the general process of user participation in information systems development, its effect on organizational change surrounding systems implementation has not been the subject of systematic, empirical investigation. With some notable exceptions, researchers have chosen to adopt variance- rather than process-based approaches to the study of these phenomena and have, therefore, failed to capture the complex interrelationships that exist between them. This study addresses these deficiencies and makes several important contributions to the literature. First, it describes the results of a process-based case study that illustrates how one large organization’s institutional context shaped and influenced the content and process of user participation and associated management of change.
around the development and implementation of two operational support systems. Second, it presents a theoretical model that captures the institutional and development-related contexts which shape and influence the processes of user participation and management of change. Third, this study’s findings indicate that institutionally mediated factors exert a major influence on the level of user acceptance of systems, especially in relation to (a) the expected change wrought by the new system; (b) user influence and power relationships; and (c) user commitment to development-related change. Finally, the model, framework, and findings provide a useful point of departure for future research in the area.

INTRODUCTION

Information systems development is a multi-dimensional change process that presents itself simultaneously within several related social environments—as a reality, it is socially constructed (Visala, 1991; Butler, 1998). The conventional wisdom within the information systems community argues that user participation is a core ingredient in this change process and is vital for successful outcomes in terms of both the development process and its product (see Ives and Olson, 1984). However, two comprehensive reviews of research on the phenomenon of user participation reveal that the relationship between user participation and successful systems development is neither grounded in theory nor substantiated by research data (see Ives and Olson, 1984; and Cavaye, 1995).

A recent meta-analytic study by Hwang and Thorn (1999) argues that system success is positively correlated with user participation. Nevertheless, Lin and Shao (2000) maintain that the positive relationship between user participation and system success should not be taken for granted, as the contextual environment must be considered. Accordingly, Jiang et al. (2000) suggest that factors which influence users’ power, social status, and job satisfaction should receive attention as they impact on user resistance to systems implementation. It is evident then that the controversy and doubt surrounding the outcomes associated with user participation continues. To address this dilemma, Cavaye (1995) argues for qualitative and process-based studies in order to deepen the field’s understanding of the phenomenon. In a process-based interpretive study of user participation, Butler and Fitzgerald (1997) illustrate that the relationship between system success and user participation is moderated by factors not captured in variance-based studies, the most notable of which are those surrounding the management of change. This paper therefore argues that insufficient attention has been paid to the
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