DOES ORGANISATIONAL IDENTIFICATION LEAD TO INFORMATION SYSTEM SUCCESS

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ABSTRACT

Many studies have attempted to explain how information system (IS) success occurs in an organisation. Little attention has been given to the individual’s behaviour and characteristics, in spite of the potential effectiveness of these factors. Most systems fail to meet the objectives and goals defined for them, not because of technical issues, but because of psychological and organisational issues that are not well addressed during the implementation and use of the system. The impact of end-users is an important dimension in IS satisfaction and one of the most widely used measures. To enhance user satisfaction, realising the antecedents of user satisfaction or the factors that influence the creation of user satisfaction is critical for organisations during and after the implementation of an IS. Research on organisational identification (OI) has increased dramatically in various fields during the past decade, but little is known about OI in the area of IS. This study explores the effect of OI on perceived usefulness and end-user satisfaction as a precedent of IS success at the individual level. We further explore the moderating roles of top management behaviour, such as vision setter, motivator, analyzer and taskmaster, between OI and IS success. A total of 135 useful responses are analyzed using the partial least squares method. Our results support the hypothesised relationships: namely, that OI was positively related to satisfaction and perceived usefulness. The results call for managers to pay attention to the importance of OI during the implementation and post-implementation phases of an IS.
ABSTRAK

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CHAPTER 1

INTRODUCTION

1.1 Introduction

To introduce the thesis, this chapter first discusses the motivation for the study, followed by an outline of the research questions. The next section discusses the primary objectives of our work, and then the overall research strategy that we followed to accomplish these objectives are explained. The contribution of the study is explained in 1.5, and finally the thesis structure is provided.

1.2 Motivations for this Study

Investing in a new information system (IS) or just updating the existing one is not an easy decision for any organisation because of the high costs involved. Still, Gartner (2011) predicted that 3.3 trillion dollars will be invested in tech spending during 2012. It is clear, then, that companies continue to recognise the opportunities provided by technology investment even in times of crisis. Technology investment, like any investment, results from careful consideration based on analysis and evaluation, and as such, companies want to know if their technology investments will pay off as an element of their future success.
Because of this focus, understanding success has been an important issue in the field of IS. Many studies have attempted to explain how success occurs in an organisation (DeLone and McLean, 1992; Rai et al., 2002; Seddon, 1997). Little attention has been paid to individuals’ behaviours and characteristics, in spite of the potential effectiveness of these factors. Most systems fail to meet the objectives and goals defined for them, not because of technical issues, but because of psychological and organisational issues that are not well addressed during the implementation and use of the system (Markus and Keil, 1994; Franklin et al., 1992).

The DeLone and McLean model of IS success is one of the most widely-cited models in the IS literature (Heo and Han, 2003). According to Myers, the basic contributions of the model are extremely important to IS researchers because: (1) it provides a classification for all the evaluation measures that have been reported in the IS literature; (2) it identifies the potential stakeholder groups to be subject to evaluation in the model; and (3) it suggests how the constructs may interact with each other.

IS success can be viewed in different ways, and consequently large numbers of system success measures exist. Broadly, IS success can be viewed from two perspectives, namely, the organisational and socio-technical perspectives (Saarinen, 1990; Garrity and Sanders, 1998). The primary focus of the organisational perspective is on the quality of the interface and the information provided by an IS to support the workers in accomplishing their tasks. The socio-technical perspective focuses on individual needs. Assessing the effectiveness or success of information systems within organisations has long been identified as one of the most critical issues of IS management (Ball and Harris, 1982).

Since the impact of end-users is an important dimension in IS satisfaction, in this study we focus on exploring individual perceptions and attitudes of IS success. Among the myriad forms of assessment of IS effectiveness/success, IS user satisfaction (ISUS) is one of the most widely used measures (DeLone and McLean,
1992). A large amount of research has been done in the past on the measurement of IS user satisfaction (Doll and Torkzadeh, 1988; Bailey and Pearson, 1983). However, it is commonly found that an IS with sound objective technical performance may still result in varied levels of user satisfaction. In other words, high ratings on IS attributes do not necessarily result in a high level of user satisfaction.

To date, many attempts have been made to capture the overall post-hoc evaluation by end-users of the use of IS, along with the antecedent factors that form satisfaction mainly by using the expectancy disconfirmation theory (Henry and Stone, 1994). However, the theory fails to explain the situation in which higher than expected performance still results in dissatisfaction. This may be because end-users are unable to voice their actual expectations due to organisational barriers or because of the erosion of user expectations after using the information system over a period of time.

As organisations become more complex and boundary-less, interest in organisational identification (OI) has grown considerably because OI is an approach to describe the relationship between individuals and the organisation they work for. Moreover, OI has important implications for organisations and is viewed as a means of providing consistency and as a key element of organisational success (Mael and Tetrick, 1992; Reade, 2001; Lynne and Postmes, 2010).

OI has a profound impact on many organisational behaviours and therefore on the functioning of an organisation and the achievement of its objectives. As Albert et al. (2000) argued, the identification concept provides a way of accounting for the agency of human action within an organisational framework.

Albert and Whetten (1985) argued that organisational identity is: (a) what is taken by employees to be the central attributes of the organisation; (b) what makes the organisation distinctive and therefore unique from other organisations in the eyes of the employees; and (c) what is perceived by employees to be enduring or
continuing, regardless of objective changes in the organisational environment. These three characteristics suggest that organisations with a strong identity have central attributes, are distinctive from other organisations, and remain the same for longer periods.

OI is seen as a basis for employee identification with the organisation (Dutton, Duckerich and Harguail, 1994). Tajfel (1978) sees social identification as the cognition of membership of a group and the value and emotional significance attached to this membership. Specifically, OI has been found to be positively associated with performance and employees’ job attitudes, satisfaction and the effectiveness of the organisation (O’Reilly and Chatman, 1986; Bhattacharya et al., 1995; Sluss and Ashforth, 2007; Kreiner and Ashforth, 2004; Albert et al., 2000).

Despite this, understanding the effect of OI in IS success has yet to be determined. We aim to expand the current framework and explore the moderating effect of top management support between IO and IS success. To the best of our knowledge, no prior study has looked at top management behaviours as explanatory mechanisms within the organisational identification in the context of the IS domain although a number of authors have considered the likely importance of top management behaviour in IS success (Dong et al., 2009; Igbaria et al., 1997).

1.3 Research Questions

As a result of this motivation, we define the following research questions which this dissertation will address as follows:
1.3.1 The Main Question

How does the concept of OI affect IS success?

1.3.2 The Sub Questions

The following sub questions are addressed in respect to the main question above:

1. Is OI affecting end user satisfaction?
2. Is OI affecting perceived usefulness?
3. How does top management behaviour moderate between OI and IS success?

1.4 Objective of the Study

In order to answer the questions, this study explores the following objectives:

1. To provide a new research model to examine the OI concept in IS success.
2. To investigate the relationship between OI and user satisfaction
3. To investigate the relationship between OI and perceived usefulness
4. To investigate the moderating role of top management behaviour between OI and IS
Figure 1.1 Overview of research strategy
1.5 Research Strategy

The research strategy designed to address the goals of this study is shown in Figure 1. The strategy consists of: (1) a synthesised literature review; (2) research model proposal and development of hypotheses; (3) the design, distribution, synthesis and analysis of a survey instrument to further specify and validate it.

1.6 Anticipated Research Contribution

The aim of the present dissertation was to expand the current research on IS and the underlying mechanisms of organisational identification and top management behaviour to offer new insights into IS success.

This study has important implications for the IS and organisational identification literature and expressly highlights the important role of top management behaviour as a moderator between identification process and IS success. This study makes at least three contributions to the IS literature.

First, it is suggested that the organisational identity positively influences system users’ knowledge of the organisational objectives and their attitudinal support for the objectives. Second, the supportive and helping behaviour of the system users has a very significant impact on IS success. The high OI level among the system users relates to more positive perceptions in the minds of the users, particularly in their perception of the perceived usefulness of the system. Thus, managers need to observe and listen to system users: if there are warning signs in the form of low levels of OI, then corrective actions should be taken. Finally, it is important to understand how a manager can influence system users’ identification. Managers can
have an impact on OI through their own behaviour and their routine treatment of system users. Therefore, managers should persistently use positive practices and focus on expressing the central values and goals of the organisation to the system users in order to create high levels of identification, which leads to IS success.

1.6 Overview of Dissertation

In this chapter, the motivations for the undertaking this dissertation have been highlighted, and research questions, study design and potential contributions from the study have been presented.

Chapter 2 presents a review of the relevant literature. The inter-relations between the subject areas, related studies and their implications for the study are discussed.

Chapter 3 presents the building of the research model and the development of the hypotheses.

In Chapter 4 the research methodology is presented. The methodology used in the study's context is the quantitative approach, using a questionnaire.

Chapter 5 presents the initial findings. The findings from the empirical research are discussed in relation to prior research.

In Chapter 6, the findings of the study are summarised. A detailed discussion on the main finding reported in Chapter 5 is presented. Finally, the chapter concludes with an overview of the study’s limitations and recommended directions for future research.
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