

Leveraging CIO Power to Enhance the Relationship Between Social Alignment and IT-Business Strategic Alignment

Jennifer E Gerow, Virginia Military Institute, Lexington, USA

ABSTRACT

To give Information Technology (IT) a more central role in an organization and avoid disrupting the existing executive team power balance, Chief Information Officers (CIOs) should only leverage their power in certain situations. We propose CIOs can leverage their expert, prestige, and structural power attributes to influence the social–intellectual alignment relationship versus the social–operational alignment relationship in unique ways. Analyzing data collected from 140 CIOs, the results suggest IT knowledge strengthens the social-strategic alignment relationship, business knowledge and structural power weaken the social–intellectual alignment relationship, and prestige power has no impact on the social-strategic alignment relationship. Implications of these findings are discussed.

KEYWORDS

Chief Information Officer, CIO, Intellectual Alignment, IT-Business Strategic Alignment, Operational Alignment, Power, Social Alignment

1. INTRODUCTION

There is no doubt aligning business and IT strategies and processes is valuable (Gerow, Grover, Thatcher, & Roth, 2014) and continues to be IT management's top concern (Kappelman et al., 2017). Despite this, researchers and practitioners still struggle to understand how to create and sustain IT-business strategic alignment (Kappelman et al., 2017; Preston & Karahanna, 2009) which will be referred to as strategic alignment throughout this paper and is defined as “the degree of fit and integration among business strategy, IT strategy, business infrastructure, and IT infrastructure” (Chan & Reich, 2007, p. 300). To better understand strategic alignment, researchers have considered multiple antecedents such as governance structure, IT investments, social alignment, and strategy (Gerow et al., 2014). Of these, social alignment is considered key to facilitating strategic alignment (Preston & Karahanna, 2009) where social alignment is defined as “the state in which business and IT executives within an organizational unit understand and are committed to the business and IT mission, objectives, and plans” (Reich & Benbasat, 2000 p. 82)¹. While research shows a positive relationship between social and strategic alignment, it is still unclear how social alignment impacts different strategic alignment types (Gerow et al., 2014) or how social alignment can be facilitated

DOI: 10.4018/IJEP.2018040102

Copyright © 2018, IGI Global. Copying or distributing in print or electronic forms without written permission of IGI Global is prohibited.

given its many components (Ullah & Lai, 2013). We discuss these research opportunities and how this paper contributes to this literature stream in the following paragraphs.

Social alignment may impact different strategic alignment types in unique ways (Gerow et al., 2014). To explore these nuances, organizations must first identify whether they are pursuing the alignment of their IT and business strategies and/or their IT and business processes². The alignment of business and IT strategies is referred to as intellectual alignment (Chan & Reich, 2007; Reich & Benbasat, 1996; 2000) and is defined as “the degree to which the mission, objectives, and plans contained in the business strategy are shared and supported by the IS strategy” (Chan, Sabherwal, & Thatcher, 2006, p. 27). The alignment of business and IT processes is referred to as operational alignment and is defined as “the link between organizational infrastructure and processes and I/S infrastructure and processes” (Henderson & Venkatraman, 1999, p. 476). While some studies have considered social alignment in a model with these different strategic alignment types (e.g. Fink & Neumann, 2009; Tiwana & Konsynski, 2010), we could not find any study that considered the individual impact of social alignment on both strategic alignment types simultaneously. While individual studies on intellectual and operational alignment may provide evidence for positive relationships with social alignment, it is also important to understand the relative strength of social alignment on the strategic alignment types since some strategic alignment types could be more strongly affected by social issues than others (Dulipovici & Robey, 2013; Gerow et al., 2014).

Power may also have an impact on the social-strategic alignment relationship because executive-level employees tend to be more involved in strategic decisions which can be unstructured and ambiguous in nature such that power-seeking behavior is frequently demonstrated by executive team members (Finkelstein, 1992; Jasperson et al., 2002). While any changes at the executive level are difficult due to these power balances, technology offers a unique set of challenges in that IT resources are often restricted due to lower IT budgets and uncertainty is often associated with IT solutions and payoffs (Banker, Hu, Pavlou, & Luftman, 2011; Pettey & Stevens, 2010). Additionally, CIOs usually do not have the ability to control executive team members since they are typically equal or subordinate members of the executive team (Banker et al., 2011; Enns, Huff, & Golden, 2001). To ensure the executive team’s power balance is not adversely impacted when attempting to align IT and business interests, CIOs may need to consider which and how power attributes are used when aligning with executive team members. These power attributes include leveraging the type of skills and knowledge the CIO possesses (expert power), the CIO’s role within the existing social network (prestige power), and the CIO’s position in the hierarchy (structural power) (Bassellier & Benbasat, 2004; Day, 2007).

While the social-intellectual alignment relationship has been well-established in the literature (Chan et al., 2006; Chen, 2010; Gerow, Grover, & Thatcher, 2016; Kearns & Lederer, 2003; Kearns & Sabherwal, 2006; Lai, Lee, & Hsu, 2009; Preston & Karahanna, 2009), the social-operational alignment relationship has received no attention to our knowledge. Regarding the power attributes, researchers have considered knowledge and structure in models with social or strategic alignment (Fink & Neumann, 2009; Preston & Karahanna, 2009; Tiwana & Konsynski, 2010) but have not examined all the power types within the same study or as moderators of the social-strategic alignment relationship to our knowledge. Taken together, our contribution to the alignment literature is to identify how social alignment influences intellectual and operational alignment and how power facilitates social alignment. Thus, we focus on the following research question:

Should CIOs leverage their power attributes to enhance the relationship between social alignment and intellectual and operational alignment?

We organize the remainder of this paper as follows. In the next section, we present our research model and develop our hypotheses. We then describe our research method. We conclude with a discussion of our results including key findings, implications for theory and practice, and suggestions for future research along with the limitations of our study.

19 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/article/leveraging-cio-power-to-enhance-the-relationship-between-social-alignment-and-it-business-strategic-alignment/219258

Related Content

Micro- to Meso- to Macro-Scale Coordinated Individual and Group Action(s) on Electronic Hive Minds

(2019). *Electronic Hive Minds on Social Media: Emerging Research and Opportunities* (pp. 271-289).

www.irma-international.org/chapter/micro--to-meso--to-macro-scale-coordinated-individual-and-group-actions-on-electronic-hive-minds/228555

Evolution of Trust and Formation of Preference Clusters in Distributed Networked Structure

Purnendu Karmakarand Rajarshi Roy (2011). *International Journal of Virtual Communities and Social Networking* (pp. 17-50).

www.irma-international.org/article/evolution-trust-formation-preference-clusters/61432

The Effect of Politics on ICT4D: A Case of Econet Wireless's Struggle for a License in Zimbabwe

Sam Takavarashaand John Makumbe (2012). *International Journal of E-Politics* (pp. 40-60).

www.irma-international.org/article/effect-politics-ict4d/67807

Learning for the Future: Emerging Technologies and Social Participation

Guy Merchant (2010). *Social Computing: Concepts, Methodologies, Tools, and Applications* (pp. 2239-2251).

www.irma-international.org/chapter/learning-future-emerging-technologies-social/39852

Artificial Neural Network Research in Online Social Networks

Steven Walczak (2018). *International Journal of Virtual Communities and Social Networking* (pp. 1-15).

www.irma-international.org/article/artificial-neural-network-research-in-online-social-networks/235457