

Chapter 20

Service–Oriented Organizational Management System for an Information Systems Business

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ABSTRACT

Recently, the globalization of information system business has expanded all over the world. In order to enhance the service quality of the business, the authors examine adopting the “value in use” concept to a traditional organizational management system based on GDL. Now, they face the improvement problems, which are defined as transformation from GDL-oriented organizational management systems into service-dominant logic-oriented organizational management systems. In this chapter, the authors describe how to transform from the GDL-oriented system into the SDL-oriented management system by using the “value in use” concept, which is deeply related to service value creation.

INTRODUCTION

Priorities of the investment for enterprise information systems have recently been changing, and the information system business has also been changing their form of project delivery in response to these changes. Rather than looking at only the software, hardware, or the information systems that combine these elements, the business have arisen by looking at the full range, including the IT processes around it. The necessity to expand

the scope of the decision-making concerning all this has also been increasing. We should transform our decision-making target from goods centric decision-making to service centric decision-making. Therefore, we must change the management style from goods-oriented to service-oriented in the information system business and IT department management. Organizations are always trying to maximize the activities of customers and users.

A problem has recently arisen with the co-creation relations between management and others in the environment surrounding the information system business section and the IT section

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Figure 1. Organizational management issues to be enclosed in IT business unit and/or IT department

Business Request	Service Strategy	Service Design	Service Transition	Service Operation	Service Monitoring	Service Kaizen	Service Governance
Relevance of business goals and service outcome is ambiguous	<ul style="list-style-type: none"> No unified rules No metrics or agreements 						<ul style="list-style-type: none"> Accountability to top management is not enough to fulfill
<ul style="list-style-type: none"> Can not determine advisability of investing Ambiguous prioritization Inadequate verification a posteriori 	<ul style="list-style-type: none"> Can not determine validity of cost Dance to outsourcers and vendors tune Unclear division of roles and work with outsourcers and vendors Requirements without committing, process delay, cost overruns occur frequently 						
<ul style="list-style-type: none"> Flexible architecture for future IT does not draw 	<ul style="list-style-type: none"> Insufficient change to new business from old-fashioned business 			<ul style="list-style-type: none"> Unclear who is responsible for policy development Comparatively costly, insufficient quality 			<ul style="list-style-type: none"> Internal control is not fully functional
<ul style="list-style-type: none"> Ambiguous mission 							<ul style="list-style-type: none"> Would delay regulatory compliance
<ul style="list-style-type: none"> Lack of resources including skills 							
<ul style="list-style-type: none"> Governance is not fully functional 							

(Figure 1). This problem is widespread and found in many business fields (Bartenschlager & Goeken, 2010). Our concept described below is used to determine whether or not the problem described in Figure 1 when applying a service-oriented view, know-how, etc. to the decision-making in the management of an information system business or IT department is solvable (Peterson, 2003) (Salle & Rosenthal, 2005) (Simonsson, Johnson & Wijkstrom, 2007).

Various problems occur when a big company like ours that has been in the manufacturing sector since the beginning advances into a service enterprise (Uchihira et al., 2008). Uchihira et al. focused on “The organization optimized by the present manufacturing industry” and “An organization suitable for a service enterprise,” and mentioned what problems a big company in the manufacturing sector tends to face. However, they did not mention concrete features, such as what forms of management should be carried out at the organization and/or transformation steps.

We can find the keywords and phrases that represent the organizational characteristics in the manufacturing sector in Japan. They are “ambiguous definitions, accountabilities, and decision-

making,” “personal and the argument without a share,” “with no success & failure case share,” “the shortage of organization cooperation, flexibility, and speed,” “independent business,” and “high-cost structure.” I believed that these could be used to encompass the end of the phenomenon constituting the cause of a problem and the problem that we summarized in Figure 1. Isn’t a Goods Dominant Logic (GDL)-oriented organization in the same situation which actualized problems and subjects on an organizational operation charted into Figure 1? In addition, isn’t an organizational operation form in which a Service Dominant Logic (SDL)-oriented organization should aim at the ideal state for the GDL’s in these opposite sides?

The problem with and subject of organizational operations that a GDL-oriented organization easily deals with, and an organizational characteristic are first extracted from Figure 1 and the related documents in this chapter. Then, an ideal way for a SDL-oriented organization changing from a GDL’s will be represented in. After that, the change in theme that should be researched from among the two previously mentioned ones is shown. An idea of the concrete measures supporting the change

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