Information Technology and Organizational Performance: An Integrative Model of IT Business Value

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3 *REVIEW:* INFORMATION TECHNOLOGY AND
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31 [1]Jane Webster was the accepting senior editor for this
32 paper.

Abstract

Despite the importance to researchers, managers, and policy makers of how information technology (IT) contributes to organizational performance, there is uncertainty and debate about what we know and don't know. A review of the literature reveals that studies examining the association between information technology and organizational performance are divergent in how they conceptualize key constructs and their interrelationships. We develop a model of IT business value based on the resource-based view of the firm that integrates the various strands of research into a single framework. We apply the integrative model to synthesize what is known about IT business value and guide future research by developing propositions and suggesting a research agenda. A principal finding is that IT is valuable, but the extent and dimensions are dependent upon internal and external factors, including complementary organizational resources of the firm and its trading partners, as well as the competitive and macro environment. Our analysis provides a blueprint to guide future research and facilitate knowledge accumulation and creation concerning the organizational performance impacts of information technology.