

ICT Business Alignment Versus Digital Alignment: Similarities and Differences for Driving Organizational Innovation Management

Hanan Maoz, Efrat Guli

Department of Management, Track in Technology Management
Bar-Ilan University
Ramat-Gan, Israel

Hanan.Maoz@biu.ac.il, EfratGuli@gmail.com

Abstract

Increased digital readiness and use of digital technologies in business organizations in a variety of applications and processes are affecting how businesses innovate and perform in the new large-scale competitiveness age. Businesses are recognizing the importance of their ability to adapt to changes following knowledge revolutions, social networks and digital applications, in order to maintain an attainable and/or sustainable competitive advantage (SCA).

The study focused on a central question of how businesses can integrate a digital strategy initiative and plans to improve firm performance in terms on innovativeness capabilities. Contemporary research suggests that the well-known ICT-Business strategic alignment method among traditional information technologies and business operations is not sufficient to create an SCA or to form improved firm performance.

A structural equations modeling techniques operated to empirically construct a model and analyze a data set obtained from the Israeli industrial sector. It examines how this sector is affected by digital technologies and trends, create digital strategies and transformation programs, and how digital alignment corresponds with traditional ICT-business alignment. Results show significant validation of the structural model while at the same time sharpen the differences between the two concepts due to the ambiguity that exists in the literature and industry. The study also points to differences between senior or executive level managers who refer more impact to Technology Alignment over Digital Alignment while low ranking or younger managers tend to perceive digital alignment as a more powerful for gaining firm performance.

Finally, the study delineates several similarities and differences factors that can serve as value drivers for researchers and practitioners to develop synchronous ICT and digital alignments strategies, and outline on a possible framework to achieve ICT and digital alignments for new firm performed innovation.

Keywords

ICT (Information Communication Technologies) Alignment, Digital Transformation, Digital Alignment, SCA (Sustained Competitive Advantage), Organizational Innovation, Firm Performance Management

Biography

Dr. Hanan Maoz is a lecturer in Bar-Ilan University, Israel, and was previously a lecturer in Technology Management in Sapir College and at the Industrial Engineering Department in Tel-Aviv University. Dr. Maoz was educated at Tel Aviv University and graduated with bachelor and master degrees (M.Sc. in MIS, MBA in Finance) while spending more than 15 years in the software industry at Oracle Corp. (NASDAQ: ORCL) and Lotus Development (IBM Subsidiary) in a variety of executive positions. Following his departure from active executive position in hi-tech industry, Dr. Maoz attended Ben-Gurion University, Israel gaining his Ph.D. while embarking on an academic career, which has both embraced teaching undergraduate and postgraduate students and research.

Dr. Maoz main academic research is focused on information & technology management in enterprises and entrepreneurship, including business value creation from ICT (Information communication Technologies)

investments, technology digital projects and portfolio, technology entrepreneurship, enterprise technology risk management, and firm performance management.

Efrat Wiesner is an M.A. Student in Industrial Management at Bar-Ilan University in Israel. Following her bachelor's degree in Technology Management, Mrs. Wiesner took a professional position as a key figure in the implementation of data-driven decision-making capabilities, leading technology teams to develop efficiency-oriented business processes for the improvement of the whole organization. Mrs. Wiesner believes in the combination of professional and academic work for a benefit of both fields and thrives to develop both business and academic career.