

# 29

## FACTORS INFLUENCING IRELAND'S SOFTWARE INDUSTRY

### *Lessons for Economic Development Through IT*

Ciara Heavin<sup>1</sup>, Brian Fitzgerald<sup>2</sup> and Eileen M. Trauth<sup>3</sup>

<sup>1</sup>*Business Information Systems, University College Cork, Ireland;* <sup>2</sup>*College of Informatics and Electronics, University of Limerick, Ireland;* <sup>3</sup>*Pennsylvania State University, USA and Science Foundation Ireland.*

**Abstract:** Although the Irish software industry has been in existence since the late 1960s, in the last ten years it has become an enormous success story and, by some estimates, is the largest exporter of software in the world. In this study, we derive a conceptual framework with which to investigate the emergence and evolution of the Irish software industry. In this framework endogenous factors – national, enterprise and individual – are examined against a backdrop of exogenous factors to explain Ireland's success in the software industry. Two important themes emerged from the study. One is the shift towards a risk-taking, entrepreneurial spirit in the software sector that had historically been absent in Ireland. The other is the long-standing government policy of intervention in the software sector, which became increasingly more focused throughout the 1990s. The framework and the lessons from the study should prove useful to researching other countries who are seeking to learn lessons from the Irish experience.

**Keywords:** Ireland's software industry, exogenous factors, endogenous factors, national, enterprise and individual.

### About the Authors

**Ciara Heavin**, College Lecturer, University College Cork, Business Information Systems. She holds a BSc and MSc in Information Systems from UCC and is currently doing a PhD in IS. Her research to date includes the development of the ICT industry primarily focusing on Ireland's software industry. E-mail: c.heavin@ucc.ie

**Professor Brian Fitzgerald** holds the Frederick A Krehbiel II Chair in Innovation in Global Business and Technology at the University of Limerick, Ireland. He has a PhD from the University of London and has also held positions as Visiting Professor at Northern Illinois University in the US and the University of Gothenburg in Sweden, and was formerly at University College Cork, Ireland. His publications include six books and more than 60 papers, published in leading international conferences and journals. Having worked in industry prior to taking up an academic position, he has more than 20 years experience in the IS field. E-mail: bf@ul.ie

**Eileen M. Trauth** is Professor of Information Sciences and Technology at Pennsylvania State University, USA and Science Foundation Ireland Walton Visiting Professor at the University of Limerick. She conducts research on the influence of socio-cultural factors on IS, the IS profession, and underrepresented groups. Dr. Trauth has published several books including *The Culture of an Information Economy: Influences and Impacts in the Republic of Ireland*. She has taught and conducted research in Australia, Canada, France, Ireland, The Netherlands, New Zealand and the UK. She has written articles for the leading IS journals and serves on the editorial boards of several of them. Dr. Trauth received her PhD from the University of Pittsburgh. E-mail: [etrauth@ist.psu.edu](mailto:etrauth@ist.psu.edu)