

TWENTY FIRST CENTURY IT GOVERNANCE IMPLEMENTATION

BY

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Abstract. Centuries have come and gone yet not without leaving a mark that distinguishes each age. Noticeable is the much effect of technology in recent years. The world has not so much felt the impact of Information and Communication Technologies (ICT) as in this century, 21st. This century otherwise known as Digital Age has brought so many innovative ideas to ease job schedules, increase output with lesser effort and new products to meet the need of mankind. Also, in the business world, the ultimate is to maximize profit whether through manual or automated systems. However, the investment in ICT may take some period before yielding the desired result. Proper implementation of IT Governance (ITG) is meant to address this area in which many business outfits fail to execute well or just ignorantly run. This paper presents an IT Governance model that is easy to implement.

Keywords: Standards, Process, technology, corporate governance and alignment.

I. INTRODUCTION

ICT has continually defined and refined every human endeavor. More pronounced is the efficiency it brings to the business world. Many innovative ideas upon which improvements persistently occur are taken world to another unimaginable level. For instance, ICT on its own has witnessed so many rapid changes to the extent that technology of only ten years ago may be regarded as so obsolete. In the past years, networking of few computer systems to share resources like printers or scanners was seen as a major breakthrough but when the internet came the world has never remained the same. Servers, and by extension servers room, communications room and data centre soon graduated to virtualization. Now, cloud computing

has taken over and to also came to ease the burden of incurring costs on shareable platforms. Organizations can then adopt various concepts of bring your own device (BYOD), mobile computing, and a host of others. The question is: should organizations continue to invest and joining the crowd for aesthetics or mere rhetoric at the expense of the underlying factor of being in business? The answer is obvious. Corporate Governance was instituted to see to the affairs of running business entities. Corporate Governance came in the early 60s to provide necessary guide for running business entities. Continuous review and deployment of ICT led to ITG in the early 90s (Hutton, A. 2012). ITG enables an IT-enabled organization realize the strategic alignment of business objectives with the IT investments. IT is a necessary working tool for businesses. A properly implemented ITG will give room for IT projects that fall along the business direction of the organization. At a time that ITG should be reaching its maturity level, it is still observed that a lot of gaps are left unclosed. Thus, the anticipated value to justify the huge investment in IT is not realized. Lapao (2011) saw ITG as that which stands on three legs that readily answer the questions of who, what and how? The who describes the People. This is the most important aspect since people will run the other two. Processes are designed, run or modified just like the way technologies are deployed, by people (Symons, C., 2005). Thus, man is at the centre stage of ITG. It is practically difficult for a single framework to achieve the purpose of aligning the business objectives with the IT strategies that ITG (Nicho, M. and Muumaar, S., 2016). By implication, a good blend of frameworks would be ideal in implementing ITG.

II. PURPOSES OF ITG IN BUSINESS SETTINGS

The essence of ITG cannot be over-emphasized. Below are main goal of implementing ITG in organizations:

1. Strategic alignment of business focus and IT. A business entity has a focus that drives its business activities. It is expected that the IT projects and innovations should be directed towards achieving that goal. This may be difficult to achieve without the involvement of the top management team member.
2. Reaping the investments in IT. A major plus of ITG lies in its ability to ensure value delivery in IT and improved bottom line. Marrone, M. and Kolbe, L. (2010) analysed the common frameworks and found out that the most implemented are Control Objectives for Information and related Technologies (COBIT), Information Technology and Infrastructures Library (ITIL) and International Organization for standardization (ISO). They further stressed that organizations who implemented ITG did better. IT investments
3. Effective management of risks. Running a business involves so many risks ranging from Government Policy to inherent risks. Risks are to be properly dimensioned to determine necessary treatment to be applied. ITG implementation makes it easier to handle.
4. Improved service delivery. Implementation of ITG ensures a regular review of service management vis-à-vis the IT projects and processes involved. The process may involve IT Balanced Scorecard (BSC). By so doing, services and performances will be enhanced.
5. Efficient security management. Every stage in the process is evaluated and appropriate security measure is put in place when ITG is implemented.

III. WHY DOES ITG FAIL TO MEET THE SET PURPOSES?

Implementation of ITG may fail for so many reasons some of which are highlighted below:

1. Lack of oversight function from the board of directors and management executive. A framework is the duty of the board. Where the board does not see or fully understand the concept of ITG, the organizations suffer it.
2. Improper mix of applicable standards. A single framework may not be able to meet the needs of an organization. Each framework has its own focus. The beauty of it all is that they are complimentary where a proper mix can be achieved.

IV. REVIEW OF COMMON FRAMEWORKS

Various frameworks existed both in literatures and in practice. Some are offshoots of some others. Depending on what an organization sets as a priority, an applicable framework can be adopted. It should also be noted that a single framework may not be able to serve the intent of an organization. Suffice then to say that this is the main reason for having a good mix of more than one. In practical terms, COBIT and ITIL with ISO 17799 (from which ISO 27001 was formed) are mostly used. A brief overview is hereby considered.

1. COBIT. Control Objectives for Information and related Technologies has five guiding principles (Watts, S., 2017). The principles include: Service strategy, Service Design, Service Transition, Service operations and continuous service improvement. Through all these guiding principles, control is accentuated. Being aware of the fact that there are

various risks associated with them, appropriate measures should be built in to manage them.

2. ITIL. Information Technology and Infrastructures Library. According to Giordano, A. (2014), ITIL is mainly focused on effective management of services rendered by rendered by an organization. Services are arguably the key deliverables in all organizations: not just to the services industries like banks. Even production industries where goods are the items offered for sale, services are still involved.
3. ISO 17799. ISO 17799 is in two folds: ISO 7799:1 and ISO 7799:2. The latter later became ISO 27001. In general, ISO 17799 mainly deals with security management. This is implemented in a Plan-Do-Check-Act cycle (Lee, M. and Chang, T., 2007).

V. PROPOSED MODEL FOR ITG IMPLEMENTATION

A 5-stage cycle Model is proposed for ITG implementation in an organization (fig. 1).

1. Establish the business focus and communicate same across the organization. All corporate bodies have their strategic direction on what they stand to achieve. Some may have the largest geographical spread or least cot leader. While this looks good, the purpose may be defeated if it not communicated to every staff.
2. Obtain the top management understanding and support for ITG. ITG implementation should adopt a top-down approach. The Board and top executives should see and embrace ITG for it to stand. Thereafter cascade it down to the entire staff.

3. Identify applicable frameworks. Among the array of frameworks, applicable ones that fit into the business objectives should be selected. A combination of two or more may be desirable.
4. Prioritize IT investments based on value proposition in line with business objectives. It is necessary to have a list of intended IT investments from which selections can be made based on: ability to align with business objectives, value proposition and ease of implementation.
5. Assessment of IT investments. Assessment of investments should be done on the overall impact on the business although review is expected at every stage of the cycle.

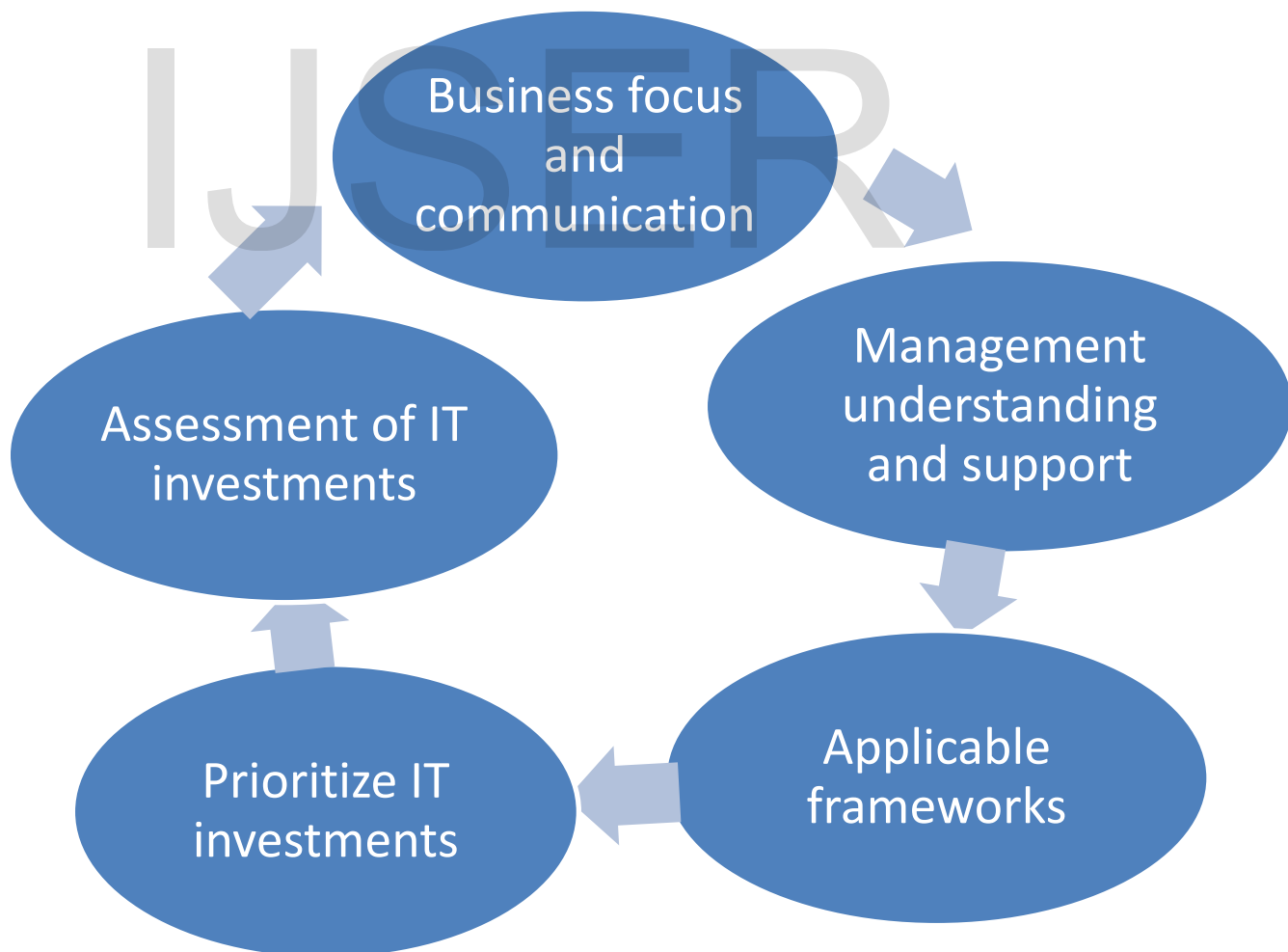


Fig 1: Proposed Model for ITG implementation

VI. CONCLUSION

IT investments are always huge and have to be spread over time in organization's books of account. This paper has shown that lack of proper ITG implementation can spell doom for an organization and a waste of resource. Thus, the 5-stag-cycle of ITG implementation will lead to improved profitability and competitive edge for organizations willing to embrace.

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