

Transforming IT Management

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Abstract

Weill and Ross (2008) Weill and Ross (2008) describe IT governance as a messy process, "IT governance can be messy, but good governance arrangements enable individuals representing an enterprises conflicting goals to reconcile their views to the enterprise's benefit." (p. 1). This is a process that must involve the CIO or highest ranking IT manager. This is one area where the role of the CIO has changed over time, to share a role in governance with others in upper management. On the issue of true IT governance and best practices, the CIO plays the principle role. The CIO must understand the expectations of the management team and also know the limitations of the IT resources and how best to meet the management teams needs within existing or available limitations or capabilities. I see IT governance as a function of structure or procedure that is related to organizational structure. Following a set of best practices would help Alcon. (Dube, Bernier, Roy, 2009) Best practices is a term that has a wide availability of interpretations. Best practices are usually a set of configuration guidelines from a manufacturer or high level users group. It is also common to find different sets of best practices from different sources. IT governance is a critical factor in establishing the right IT-business alignment and for meeting the needs of high level stakeholders. This has an effect on the performance of an organization and is critical to that organization meeting its mission or goals.

Index terms— enterprises conflicting goals to reconcile, IT-business alignment, modern CIO.

1 Introduction

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is very common in most companies and may govern things like the ability to listen to music at work; this is one that might be a coordinating effort between the CIO and the HR Manager. This policy might be affected by the company's internet connection speed, which if slow might restrict the use of online music. Companies also might not want music stored on hard drives or servers for space or legal reasons. All these things and many more are factors that the modern CIO must evaluate when drafting or contributing to policies and this is an issue that can get very deep. Overall, I think that the position of CIO is one that is far more improved and respected than it once was, to spite the complications that come with the job. I also believe that this trend will continue in the same direction in the future as the CIO role will take on more and more strategic importance in the company and corporation of tomorrow. I am currently at the IT Manager level, but once I am finished with my doctoral degree, the position of CIO is a reasonable goal for my future. I am looking forward to the challenges and opportunities that I may face if fate and determination lead me in that direction.

Informal or undocumented governance is acceptable in an IT organization for many functions that are not directly related to high level project components or management tasks. Such informal governance can include tasks that the CIO or IT Manager may perform as part of the unspoken portions of the job. One role that I think that it important of any CIO or IT Manager is that of leading and inspiring the IT department. This may include providing leadership and direction, or maintaining a high level of moral. One way to keep moral high may be by providing newer equipment; most IT employees like to use and play with the latest toys and have good equipment for everyday use. Another way might be in providing occasional team building activities, like a weekly lunch or monthly activities that the department does together. Communications to the group and keeping everyone in the loop to company changes is also important. Treating everyone with respect and letting them know that they are doing a good job and contributing. Also, the CIO has to function as a buffer between upper management and IT department employees for many things, like programming or support issues, or corporate policies that effect the IT department. Basically, the CIO is in a position to look out, so to speak, for the people in their department, and their interests. (Weill & Ross, 2009) This also includes managing the expectations of the upper management group. I am not necessarily suggesting that the IT department is exempt from IT policies, but there is room for stretching policies within the IT department and the CIO should understand that.

My company has an established a governance format that applies to all sections and departments of the company. The governance format or archetype that we use is a Business Monarchy backed up by the ISO 9001 standard. This standard is defined by Wikipedia quality management systems and designed to help organizations ensure that they meet the needs of customers and other stakeholders while meeting statutory and regulatory requirements related to the product. The standards are published by ISO, the International Organization for Standardization, and available through National standards bodies. ISO 9000 deals with the fundamentals of quality management systems, including the eight management principles on which the family of standards is based. ISO 9001 deals with the requirements that organizations wishing to meet the standard have to fulfill. Third party certification bodies provide independent confirmation that organizations meet the requirements of ISO 9001. Over a million organizations worldwide are independently certified, making ISO 9001 one of the most widely used management tools in the world today." (p. 01). Sandford (2006) details the value of the ISO 9000 family, "ISO 9001 describes a basic, effective quality management system (QMS). Compliance to its requirements is the starting point toward achieving excellence in an organization. ISO 9001 compliant QMS can act as the first steps toward excellence." (p. 01). The ISO 9000 family of standards is the world leader in standardization of processes and value chain management. On the reasons behind the widespread use, Wikipedia (n.d) says, "The global adoption of ISO 9001 may be attributable to a number of factors. A number of major purchasers require their suppliers to hold ISO 9001 certification. In addition to several stakeholders' benefits, a number of studies have identified significant financial benefits for organizations certified to ISO 9001." (p.01). A 2011 survey from the British Assessment Bureau showed that 44% of certified clients had won new business since gaining certification. (ISO 9001 proven to help win new business, 2001) This is used to establish competitive advantage in our industry and the structure of our company is molded around this standard. Organizational structure is definitely influenced by the economy and industry trends. My current company used to have a standard departmental structure, but now we refer to everything at that level as a process and groups have been reorganized along process lines. As such, we have process owners and process champions instead of managers and supervisors; however individuals may be part of multiple processes within the organization. We call the IT department "Managing Information Services" for instance. These choices affected our organizational structure and in turn the global organization because we are a worldwide company. Trends set in the western culture, where most businesses are based effect businesses in those countries and then it ripples around the world. These two structure, what I consider the traditional model and then the process model each have their own pros and cons. The traditional model is more common and can new employees or within a relationship with another company. This is a real concern, because we make a lot of acquisitions and the process based structure has a steep learning curve. The process based model appears more complex to the outsider, but in reality is more streamlined and efficient. Economic challenges are a partial driver for us in adapting to the process based structure initially and the ISO 9001 standard, and they affect virtually all businesses. This is because even in a good economy, every business must seek optimum efficiency and profit. This is even more critical in lean time like the global economy is currently experiencing.

I think that the alignment between business and IT is identified by the performance of the business and the

commitment to IT. I also see the position of CIO or IT Manager as the central figure in measuring this. One reason to measure this is to see where the business is headed and if you will be able to respond to future change and be successful in the future. The role of the CIO has changed dramatically over the last few decades. (Chun & Mooney, 2009) This is something that I have seen first hand over the course of my own career, in fact. I my company, the CIO role actually manages the technology and strategic use of IT for two sister companies. I have seen the business or functional groups grow more and more dependent on the IT department and the CIO for not just technology, but also strategic business direction and process design. The modern IT department seems to be seen as a corporate brain trust. I see that businesses rely on IT and the CIO role far more than they used to, and that is fine as long as proper boundaries are maintained. The IT department and IT resources represent a large part of any modern business and are justified by large savings for the business in money and manpower. I know that this was not always the case. A few decades ago the IT department was seen as not needed at all, then as a necessary evil. I worked in company just a decade ago that still had older executives that saw the IT department as just that, a marginally necessary evil. Today, it is a foregone conclusion for any executive or business student that the IT department will play a large role in any company at least of medium size. So this is progress for sure, that allows the modern IT department and CIO to have a place of honor, purpose, and great responsibility. Also, the CIO has to function as a buffer between upper management and IT department employees for many things, like programming or support issues, or corporate policies that effect the IT department. Basically, the CIO is in a position to look out, so to speak, for the people in their department, and their interests. This also includes managing the expectations of the upper management group. Another major aspect of the CIO role that has changed over time due to legal and cultural changes is the contribution to IT and corporate policies. These policies can cover a burners to the acceptable use of corporate computers. These policies will be different in each company based on their values and circumstances. An acceptable use policy is one that is very common in most companies and may govern things like the ability to listen to music at work; this is one that might be a coordinating effort between the CIO and the HR Manager. This policy might be affected by the company's internet connection speed, which if slow might restrict the use of online music. Companies also might not want music stored on hard drives or servers for space or legal reasons. All these things and many more are factors that the modern CIO must evaluate when drafting or contributing to policies and this is an issue that can get very deep. Overall, I thing that the position of CIO is one that is far more improved and respected than it once was, to spite the complications that come with the job. I also believe that this trend will continue in the same direction in the future as the CIO role will take on more and more strategic importance in the company and corporation of tomorrow. As far as relating to IT portfolio management, this is just another role of the CIO and part of the IT/business alignment.

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