



UNESCO Visit

Academia Meets Practice *Paris*

*An Overview of PhD Research Work on
A Holistic Approach for **IT Governance** in Public
Organizations in a Developing Country
A Case Study of Tanzania*

*“Stop thinking about IT as an isolated
function - and developing it as an
organizational competency, (Peter
Weill & Jeanne W. Ross, 2004)”*

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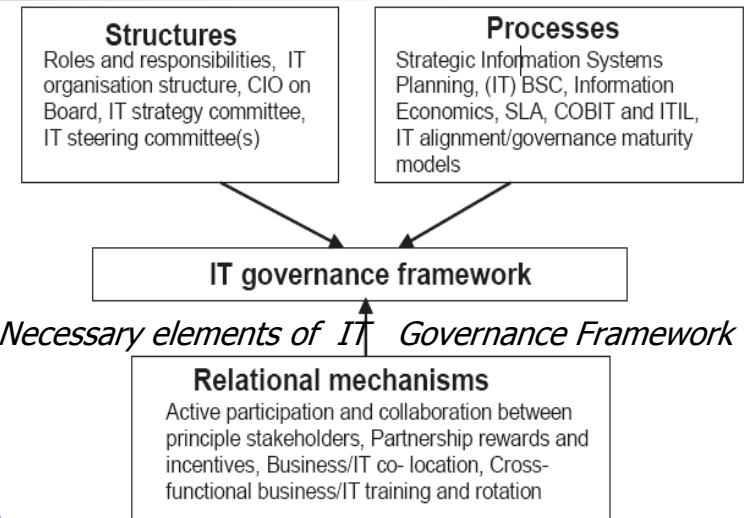
Presentation Outline

- Working Definition & Understanding of IT Governance (ITG)
- Motivation for ITG
- Proposed Research, its Setup and the Environment
- Conclusion

Working Defining & Understanding of IT Governance (ITG)

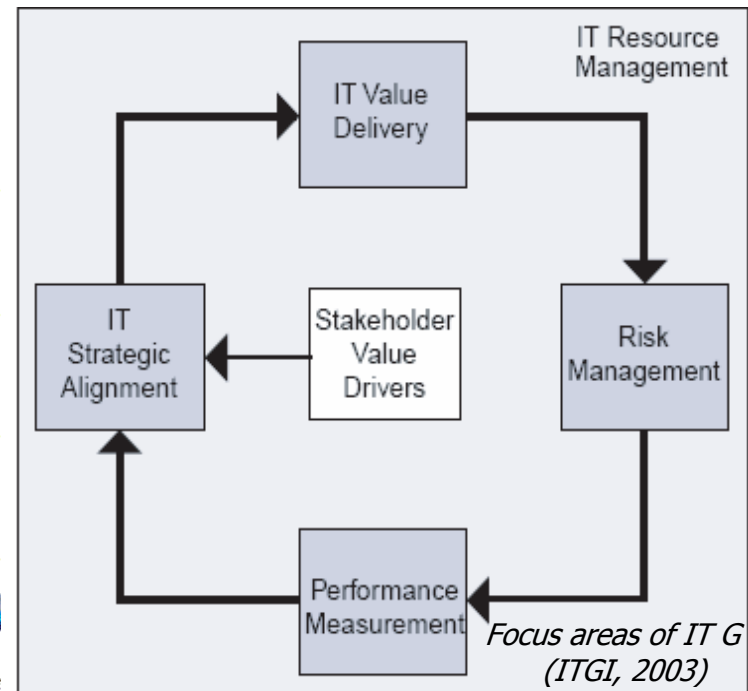
Also called **Enterprise governance of IT**

- Is an integral part of enterprise governance and consists of the **leadership** and organizational **structures & processes** that ensure that the enterprise's IT **sustains & extends** organization's strategy and objectives. (ITGI, 2005)
- Is about **specifying the decision rights and accountability framework** to encourage **desirable behavior** in the use of IT in and among organizations. (Weill & Ross, 2004)

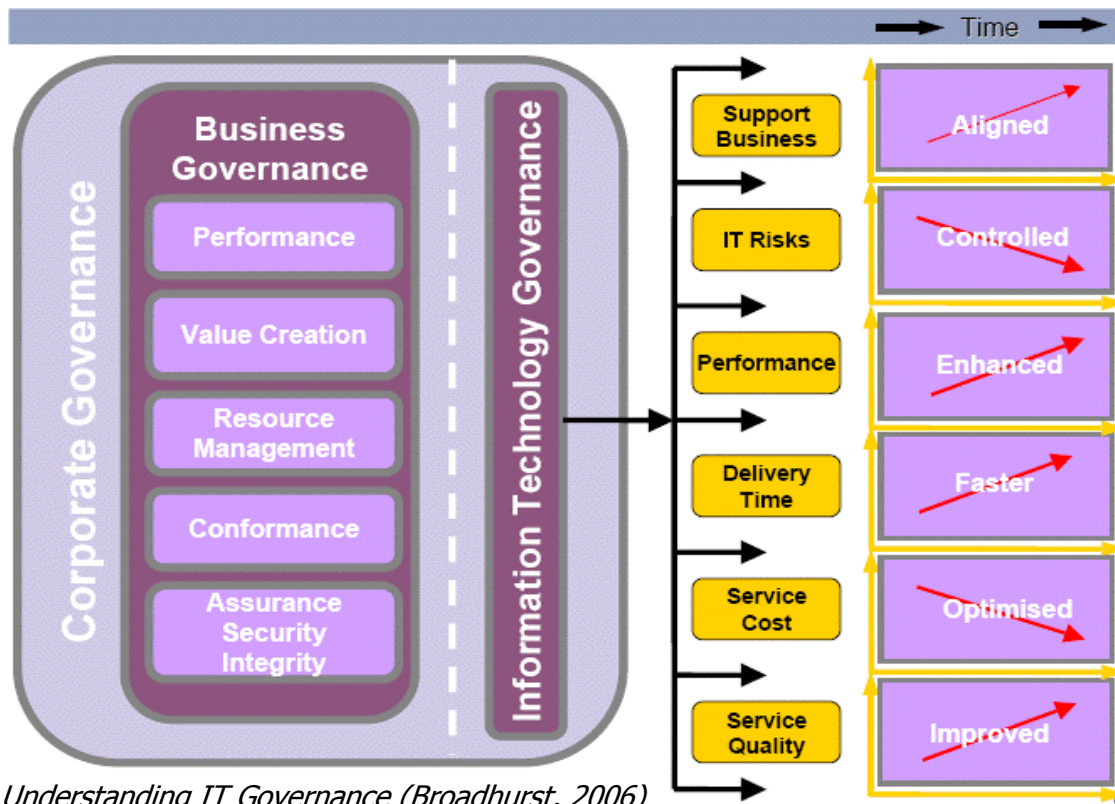


Necessary elements of IT Governance Framework

(in Van Grembergen, De Haes, 2007)



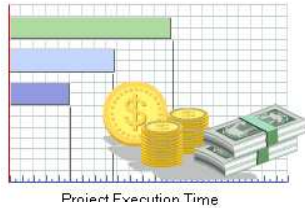
Focus areas of IT G (ITGI, 2003)



Understanding IT Governance (Broadhurst, 2006)

Why have IT Governance

The need for IT Governance (ITGI, 2007)



Value/Cost



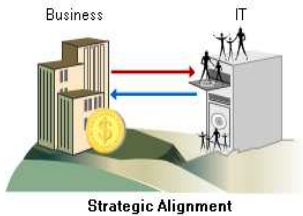
Security



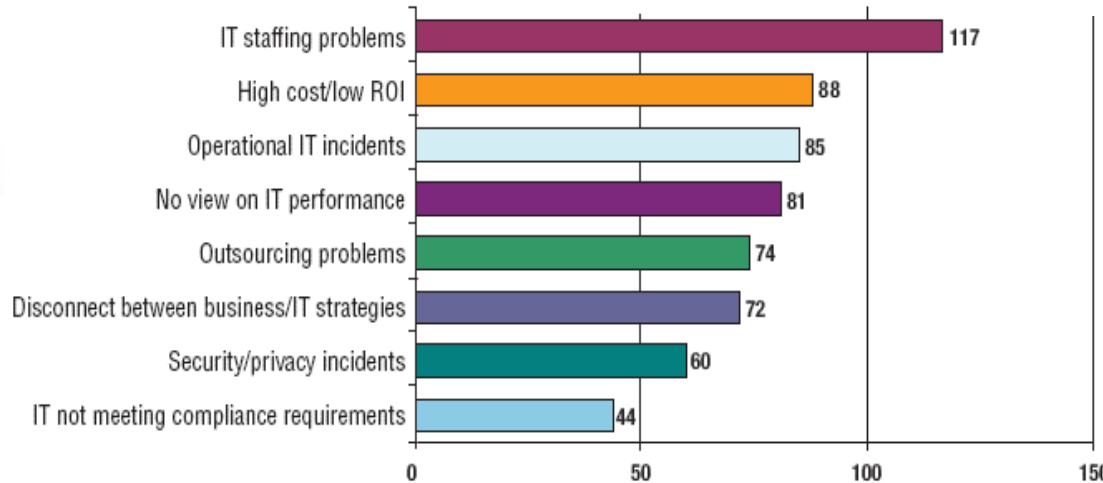
Managing Complexity



Regulatory Compliance



Aligning IT with Business



(Based on 695 respondents of the overall sample)

IT Governance Global Status Report : Major IT related problems (ITGI/PWC 2006)

Others are:

- Potential for working on wrong things
- Business functions move in own IT direction to satisfy own requirements
- Poor communications and relationships with IT/Business

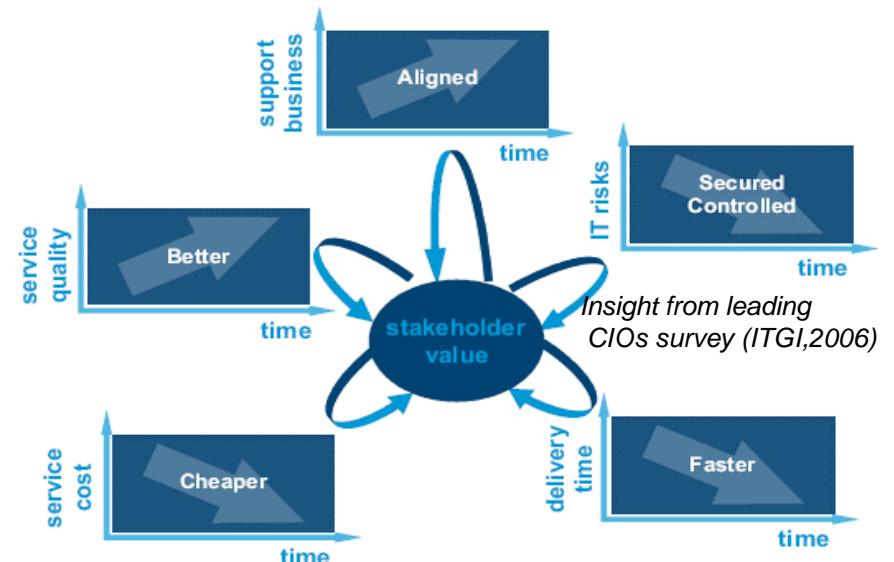
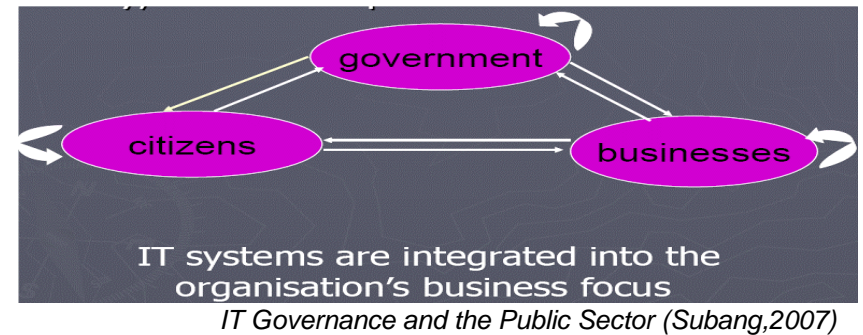
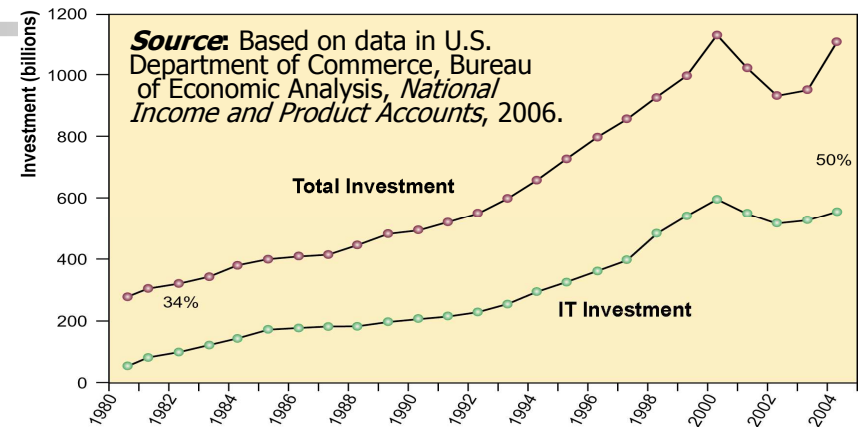
IT Governance chapter (Luftman et al., 2004)

- Chaotic/nonstandard infrastructure
- Insufficient resources to meet commitments
- Unreliable delivery schedules
- Lack of focus on daily operations
- Reduced quality of delivered projects

Motivation for IT Governance in PS in a Developing Country (TZ)

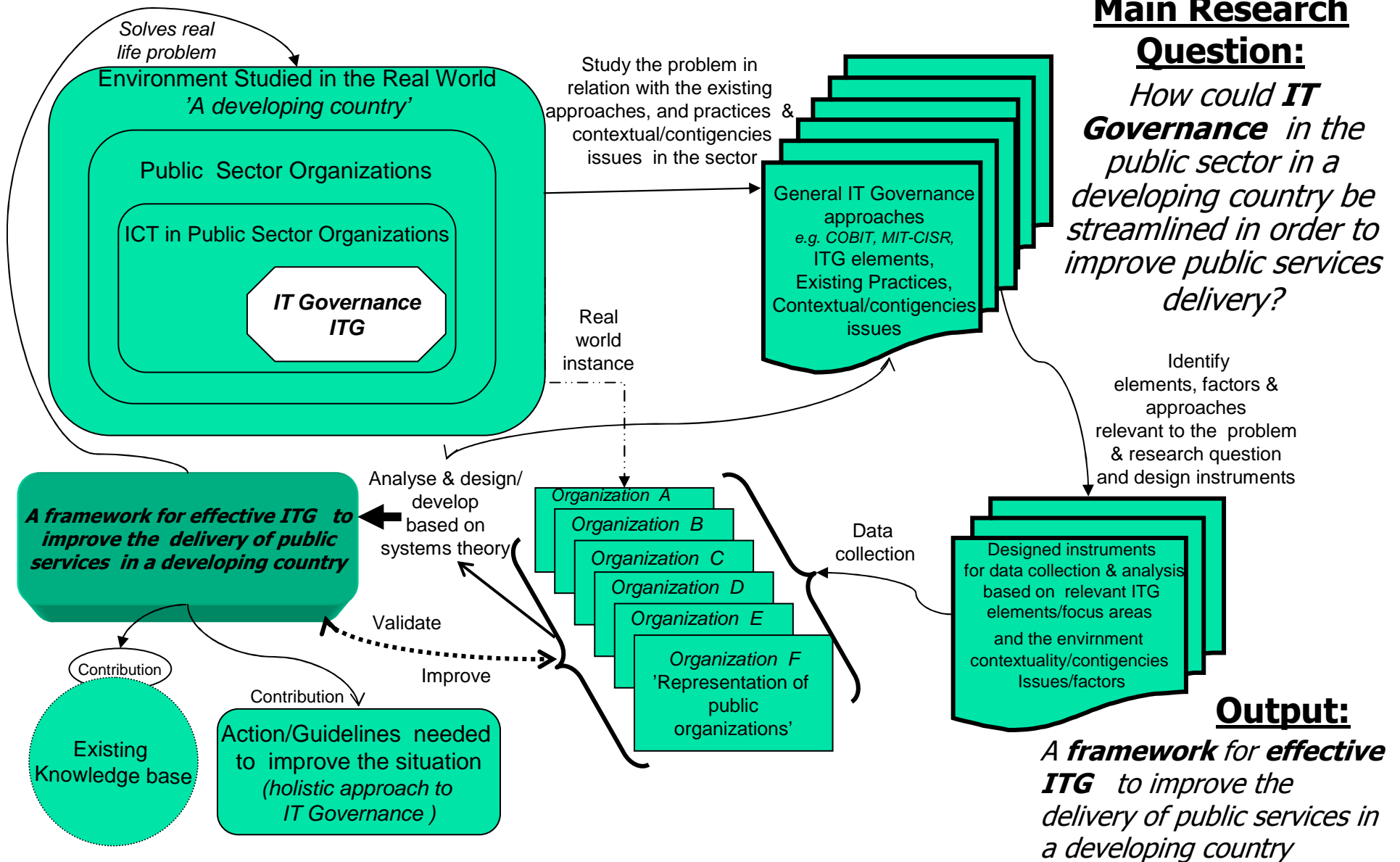
PS: Public Sector; TZ: Tanzania

- Today, use of IT is pervasive and its investment & use has increased substantially
- This is also happening in a developing country like Tanzania & public sector in specific, one of the drive being increased need of quality and faster services delivery to public
- However its optimal contribution require
 - a *guide/leadership* for *strategic integration of ICT* into *Tanzania's poverty reduction & development framework* under which all development efforts are currently coordinated
 - *effective mechanisms* for *coordination of IT activities* and *optimal use of IT resources* in a changing IT environment & citizen/business needs
 - *IT investment* to be reasonable & optimally used, the *operation to be excellent*, the *cost to be controlled & risk mitigated* in order to deliver *stakeholder value*.
- The effective application of **IT Governance** can provide the mechanisms to increase such ICT optimal contribution



Proposed Research and its Setup

A Holistic Approach for IT Governance in Public Sector Organizations in a Developing Country A Case Study of Tanzania

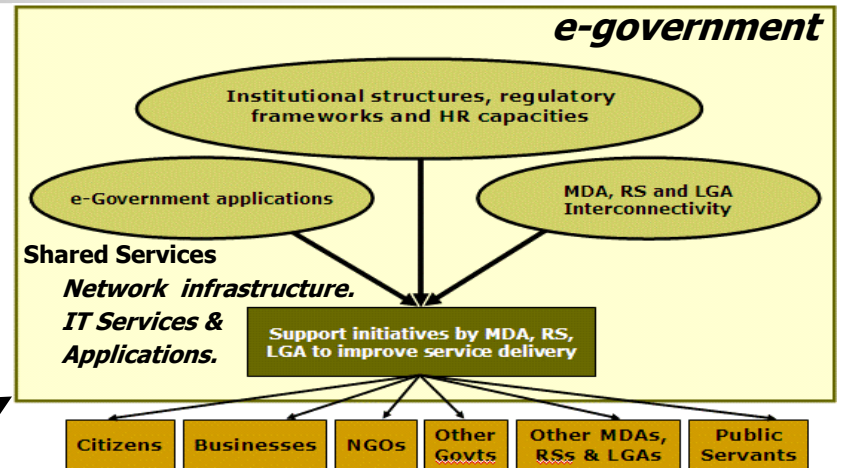
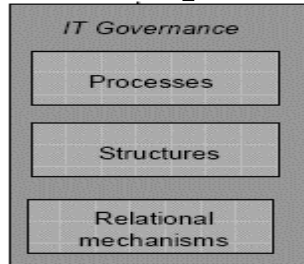


The Research Questions, Environment & Selected Organizations

Q1. How is **IT Governance** implemented in the Public Sector organizations in a developing country?

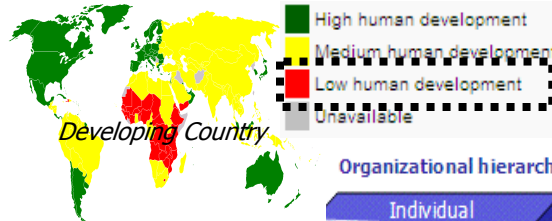
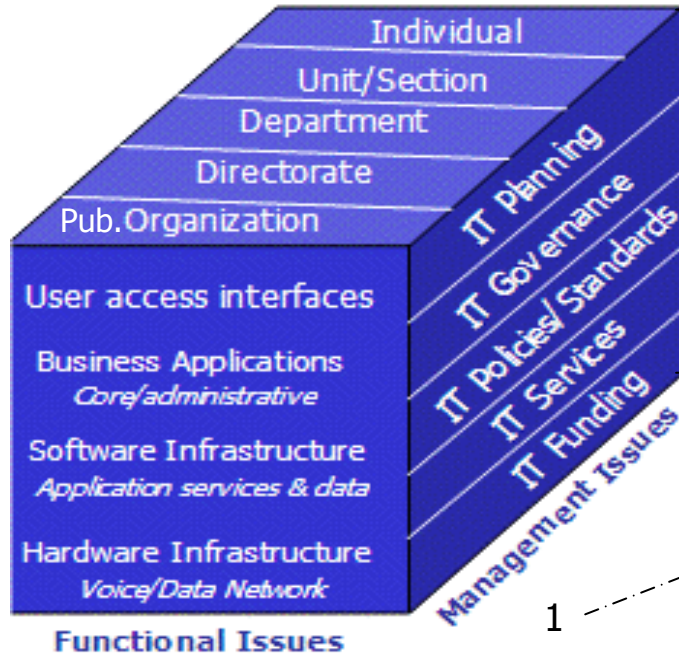
improve delivery of public services

Q2. How could **IT Governance** in the public sector organizations in a developing country be streamlined in order to improve public services delivery?

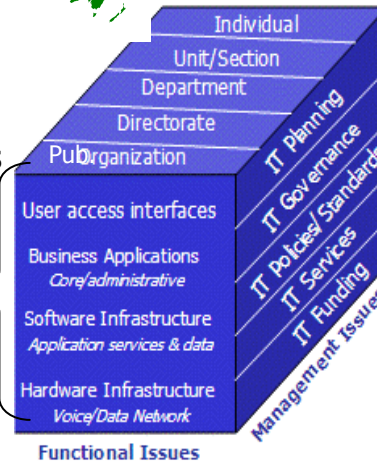


Foundation to e-gov.

Organizational hierarchy



Organizational hierarchy



Public Services Delivery (G-G, G-B, G-C)

1 to n

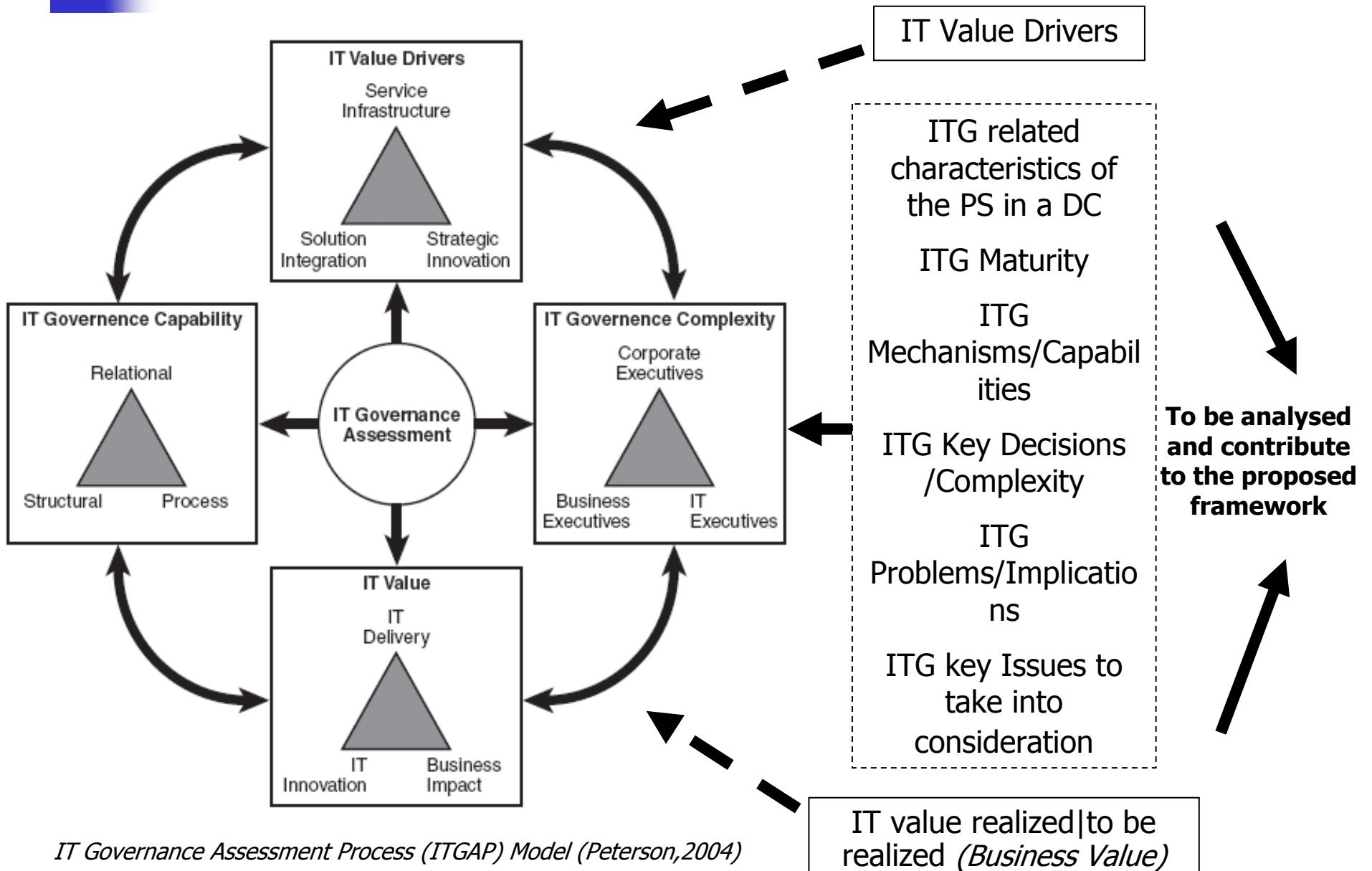
Multi-Case Study Research

Public Sector

Case Study Organizations:

- TZ Revenue Authority**
 - Collects Government Revenues www.tra.go.tz
- Ministry of Finance-** manages revenue, expend. and financing of the Gov. & provides advice on the broad financial affairs www.mof.go.tz
- President Office - Public Service Management**
 - manages public service www.estabs.go.tz
- Bank of Tanzania-** Regulates & supervises banks, www.bot-tz.org
- Medical Store Department**
 - Furnishes drugs and medical equipment, www.msd.or.tz
- Ministry of Home Affairs**
 - Maintain Laws & protect life/property, www.moha.go.tz
- PMO-RALG-** Handles Regional Admin. & LGAs www.pmoralg.go.tz

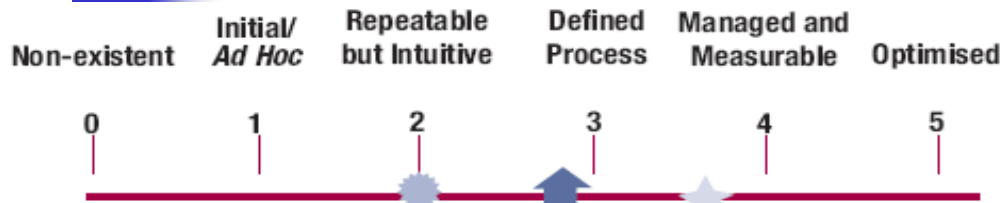
Research Work in Progress - ITG Status Related Data Collection



IT Governance Assessment Process (ITGAP) Model (Peterson, 2004)

Research Work in Progress - ITG Status Related Data Collection

To be analyzed and get current ITG performance/maturity level



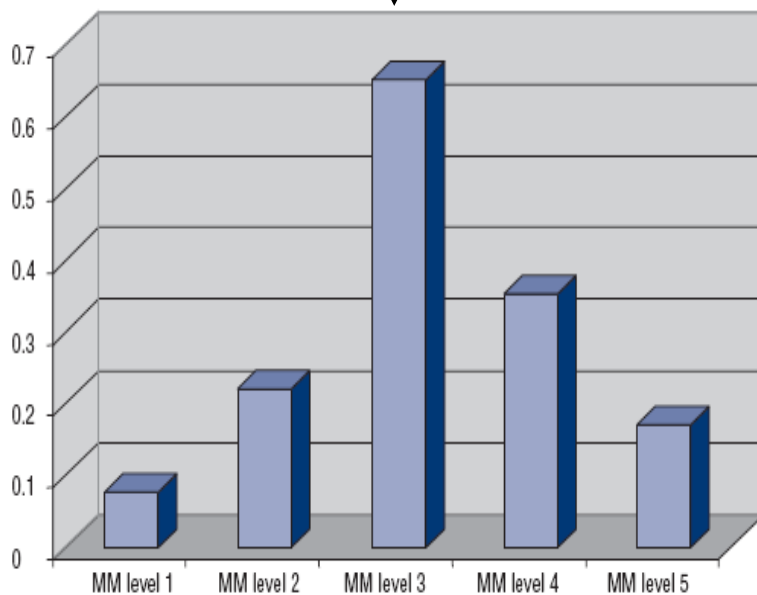
LEGEND FOR SYMBOLS USED

- Enterprise current status
- Industry average
- Enterprise target

LEGEND FOR RANKINGS USED

- 0—Management processes are not applied at all.
- 1—Processes are *ad hoc* and disorganised.
- 2—Processes follow a regular pattern.
- 3—Processes are documented and communicated.
- 4—Processes are monitored and measured.
- 5—Good practices are followed and automated.

Generic Maturity Model (ITGI, 2000)



Possible maturity level of an IT process: The example illustrates a process that is largely at level 3 but still has some compliance issues with lower level requirements whilst already investing in performance measurement (level 4) and optimisation (level 5)

COBIT 4.1 (ITGI, 2007)

Figure 1: Assess Your IT Governance Performance

1. Question:
How important are the following outcomes of your IT governance on a scale from 1 (not important) to 5 (very important)?

2. Question:
What is the influence of the IT governance in your business on the following measures of success on a scale from 1 (not successful) to 5 (very successful)?

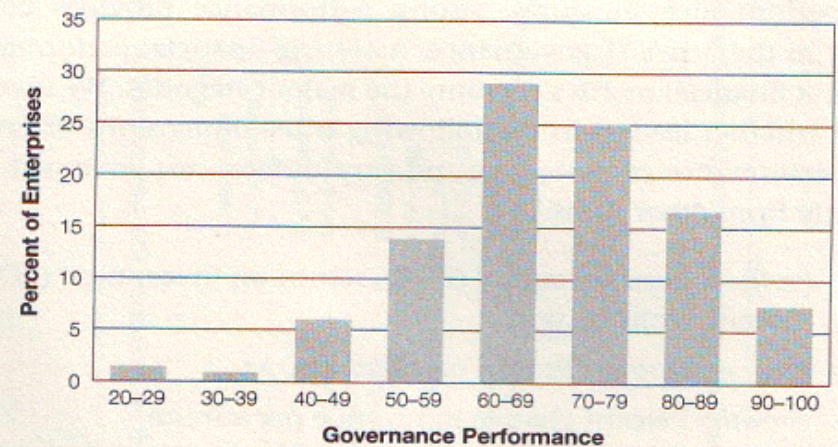
a. Cost effective use of IT	1	2	3	4	5	=	1	2	3	4	5
b. Effective use of IT for growth	1	2	3	4	5	=	1	2	3	4	5
c. Effective use of IT for asset utilization	1	2	3	4	5	=	1	2	3	4	5
d. Effective use of IT for business flexibility	1	2	3	4	5	=	1	2	3	4	5
Importance Total =						1					
Total =											

3. Calculate governance performance: $(\text{Total} \times 100) \div (5 \times \text{Importance Total}) =$

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ITG (Weill and Ross, 2004)

Wide Variance in Governance Performance



Research conducted at 256 enterprises in twenty-three countries.



Conclusion

- The presentation briefly described IT Governance as Issue in the organizations and Understanding of IT Governance today.
- It indicated that an effective IT governance framework is paramount for alignment of IT and business and eventually an optimization of the IT value/Contribution to the business while mitigating the risks.
- It is expected that the research will contribute to the *knowledge base* and *be useful in a developing country* where demand and use of ICT in provision of public services is rapidly increasing and its effective management/governance becoming critical.