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**GOT A
QUESTION?**

Watch for corporate failure without board level attention to IT governance

In the [interview](#) that appeared here, Roger Sessions speaks about tighter integration and communication between corporate and IT governance and major failures when this doesn't happen. In fact he is predicting this will happen sooner than later. Roger has an enviable record for accuracy and I hope all executives and board directors are listening.

The most agile firms who have a rock solid lock in their respective markets have board-level IT expertise with an oversight on IT governance. For example, Proctor & Gamble has a board-level technology innovation committee and unless things have changed, Scott Cook, the founder of Intuit is there in an oversight role, asking the hard questions.

Web Services is the another area that Roger speaks about and he talks about major failures due to insufficient insight in this area. In the interview with Dr. Marco Iansiti, David Sarnoff Professor, at Harvard Business School, he also talks about technology as a key strategic enabler where companies become Keystones or Hubs dominating their markets and gives multiple examples. For example, Wal-Mart is the Keystone of a business ecosystem built upon technology. This domination requires board involvement and oversight. I'll provide the two interviews on this Keystone topic from the creators of the model in a future blog post.

As a result, there must be board involvement in IT Governance including bringing in directors specifically for their IT expertise. However is this happening in Canada fast enough? Do Canadian Board Directors realize the importance of this issue? Do we need a changing of the guard before this happens? Shouldn't there be more senior executive-level representation of IT within organizations? Shouldn't we demand credentialing of IT professionals to ensure standards?

There is a movement in the US in this area which will be felt here in 3 years--market leaders have already done this. Warren McFarlan, professor emeritus at Harvard Business School produced a paper which introduces tighter integration between IT and corporate governance at the board level through oversight and he talks about it in an interview. He recommends having IT governance on the radar for board directors to stay competitive and especially when operating in offensive strategic mode. He even goes as far as recommending IT specialists on the board.

This is an area where as IT professionals we must raise the profile on this issue. How can strategic decisions be made without contemplating the IT equation with sufficient expert on the matter? With IT accounting for a significant amount of capital spending in some companies should boards be concerned?

If you have some thoughts share them here or send me an e-mail at sibarak@cip.ca.

Thank you,
Stephen Ibaraki

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