Preparing the Way for Digital Transformation

Designing Governance to Enable Innovation

Debbie Carraway
Director of Information Technology
College of Sciences, North Carolina State University
debbie.carraway@ncsu.edu

https://go.ncsu.edu/it-governance
What does digital transformation require?

Informed, aligned, and agile decision making.

- Disruptive tech in a changing world means IT cannot be a mere utility
- Digital transformation is about transforming the institution
- Success demands alignment of IT with the institution’s goals
- Alignment depends on governance
- Relevance depends on responsiveness
- Thus, governance processes must be informed, aligned & agile
How is alignment achieved?

Mutual engagement between IT and the institution

- The CIO’s engagement with the executive board is important for effective governance
- IT must understand the context of the institution
- The institution must understand what IT can offer
Realigning IT governance at NC State

Organize IT governance around the mission

- Our CIO is on Chancellor’s executive board, necessary but not sufficient
- IT needs a deeper connection to academic and research missions
- Want IT strategic direction to be driven by the institution’s strategic goals
- Previous structure was organized around technology
- Restructured IT governance to align with the mission and core business
How can governance enable (or stifle) innovation?

When innovation is a goal, clear and agile governance processes enable it.

- 70% of managers need to be able to explain how IT governance works
- Innovation should be an explicit priority
- Otherwise committees tend to be risk-averse
- Mechanics matter: communication plan, scheduling, committee processes
- Bureaucratic processes are slow; digital transformation can’t wait
- Decision-making process must be clear
Designing for innovation at NC State

New vision for IT governance

- Preparing for digital transformation required new vision
- We completely redesigned our IT governance process
- Asked committees to consider trends in both IT and higher education
- Charged committees to facilitate innovation while balancing risks
- Invited members with broad view of institution
Simplified the IT governance structure

Simple structures, clear processes, dedicated effort are needed

Old structure: Complex, 41 committees

New structure: Simple, 4 committees

- Strategic IT Committee
  - Research, Scholarship & Creativity
  - Educational Technology
  - Enterprise Applications
Actively manage IT governance

Communication is facilitated by dedicated staff effort

- Planning to support communication processes is essential
- Dedicated staff effort to support IT governance (0.5 FTE)
  - Assist chairs with agenda development and management
  - Coordinate annual assessment of IT governance success
  - Train chairs in committee processes
  - Publish minutes, schedule meetings
Focused IT governance on strategic issues

- Separated operational management from strategic decisions & advising
- Clearly defined the scope of IT governance vs operations
- IT governance is focused on broader strategic decisions
- IT governance charged to look for emerging opportunities
Ensured operational advising continues

Defined service model for operational decisions

- Operational decisions are made by the service owner (accountable)
- Advisory team made up of key users of the service (consulted)
- Service team made up of IT staff who deliver service (responsible)
- Service owner escalates decisions and ideas to IT governance based on scorecard criteria
Made it easier to understand IT governance

Defined what needs IT governance review

- 1-page scorecard defines whether a decision or idea should be reviewed
- Scorecard assesses potential impact
- Intended for both IT and non-IT management
- Includes financial and business process impact, strategic alignment, reputational and security risks, scale of the change
Why does inclusivity matter?

Novel information flows across weak ties. (Granovetter)
Building inclusivity at NC State

Diverse voices make better decisions

- “When IT is talking to IT, be afraid”
- IT governance redesign team included academic, research, and administration stakeholders
- Non-IT members were more aspirational than IT
- IT members learned about institutional processes and higher ed trends
- Impacted the design, charters and membership plans for IT governance
Does organizational maturity limit IT governance?

Governance design should be both aspirational and realistic.

- IT governance can drive some aspects of institutional maturity
- Requires buy-in from executive leadership
- Maturation is an iterative process: Plan, Do, Check, Adjust
- RACI charts can help (who is Responsible, Accountable, Consulted, or Informed about a decision)
- Socialization must occur throughout the institution
Developing organizational maturity at NC State

IT governance provides a structure for maturation

- Vision for IT governance requires major culture shift
- IT must learn to bring ideas to IT governance before decisions are made
- Non-IT stakeholders must bring ideas before purchases are made
- Full socialization of IT governance will take time
- Shared advising and decision-making model will help institution grow
- Resulting IT/institutional alignment + agile processes prepare the way for Dx
What should we consider as preparing for digital transformation?

- What do we want IT governance to do for us?
- Are we ready to make a change?
- Do we have (or can we get) institutional support for these goals?
- Who should be included in IT governance?

Let’s talk! debbie.carraway@ncsu.edu