



Mastering Effective Governance in Organizations: A roadmap to Success

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Hello, I am ... Koen De Maere



- PhD in Applied Economics
- Research interests lie at the intersection between the Business and IT, the role of IT leadership, Innovation and strategic management, and the ethical use of Advanced Information Technologies:
 - Visiting researcher in Information Technology Governance at the department of Management Information Systems of the Faculty of Business and Economics at the University of Antwerp
 - Visiting researcher at the competence center 'Digital Innovation' at Antwerp Management School
 - Member of the board of directors at ISACA



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Learning objectives

- 1 Gain understanding of the **common reasons why organizations struggle to implement their digital strategies and develop effective governance practices.**
- 2 The ability to **identify issues, spot risks, and navigate around common causes of organizational failure.**
- 3 Practical **insights and actionable practices** to foster organizational development in IT governance.

Why do organizations struggle to implement IT Governance?

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IT Governance in a nutshell

- The goal of IT governance is to **establish appropriate control over an organization's current and future use of IT**
- IT governance requires the implementation of practices which enable the creation of **IT business value** and **appropriate management of IT related business risks**

An example...



“Digital is who we are and
how we do business”

Richard Fairbank



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“She wanted data, she wanted money, and she wanted to brag”

Andrew Friedman, assistant U.S. attorney,
talking about Paige Thompson



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US regulator imposes
\$80m fine over data
breach that affected
106 million Capital
One customers in the
US and Canada

Although the Capital One breach was ultimately blamed on a “misconfigured firewall,” many of the policies and decisions taken by senior leadership, years before, created the conditions necessary for the breach

A Systematic Analysis of the Capital One Data Breach: Critical Lessons Learned



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Mr. Fairbank
You are not alone...

Context

The academic literature on IT Governance reflects that **the implementation of IT governance in practice varies significantly across organizations** (Ko & Fink, 2010)

How well is the process implemented in your organization?

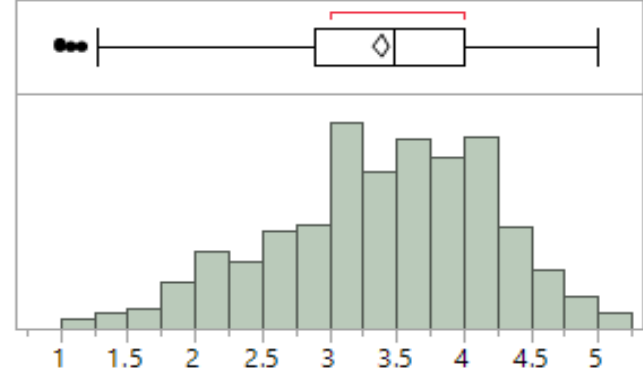


Figure 1: Distribution of the average degree of implementation of IT governance processes
(1 = not implemented, 2 = somewhat implemented, 3 = partly implemented, 4 = mainly implemented, 5 = fully implemented; Mean = 3,38; N=681)

Source: (De Haes et al., 2015)

So what?



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Context

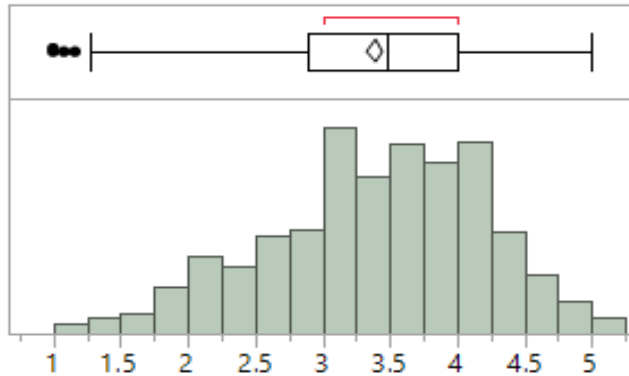
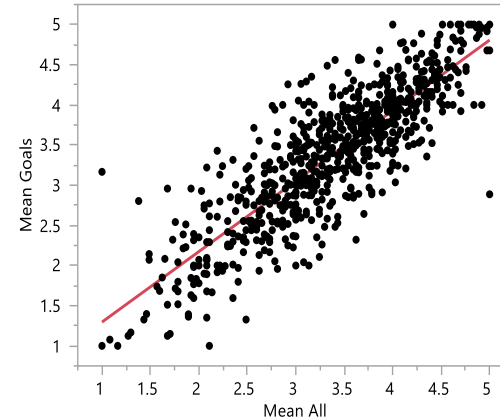


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How?



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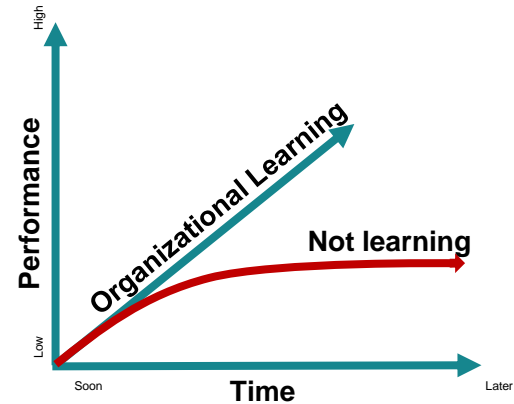
Theoretical Lens

“Theories are formulated to explain, predict, and understand phenomena and, in many cases, to challenge and extend existing knowledge within the limits of critical bounding assumptions”

(Abend, 2008)

Organizational Learning

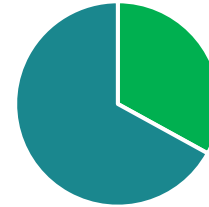
- [...] studies models and theories about the way an organization learns and adapts (Vasenska, 2013)
- [...] describe how organizations achieve higher performance through their ability to learn from past experiences (Senge, 1990)



Theory-practice gap

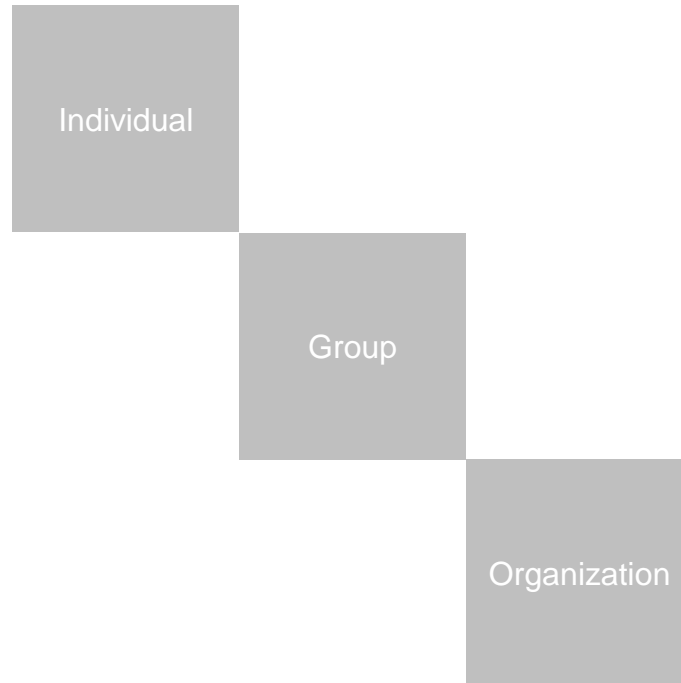
- **Leaders implement few changes in their organizations**, despite that they often report being enlightened though leadership development and training (Blume et al., 2010; Pfeffer & Sutton, 2000)
- **Theory-Practice gap** = The degree to which organizations systematically practice theory acquired through learning

IT Innovation management

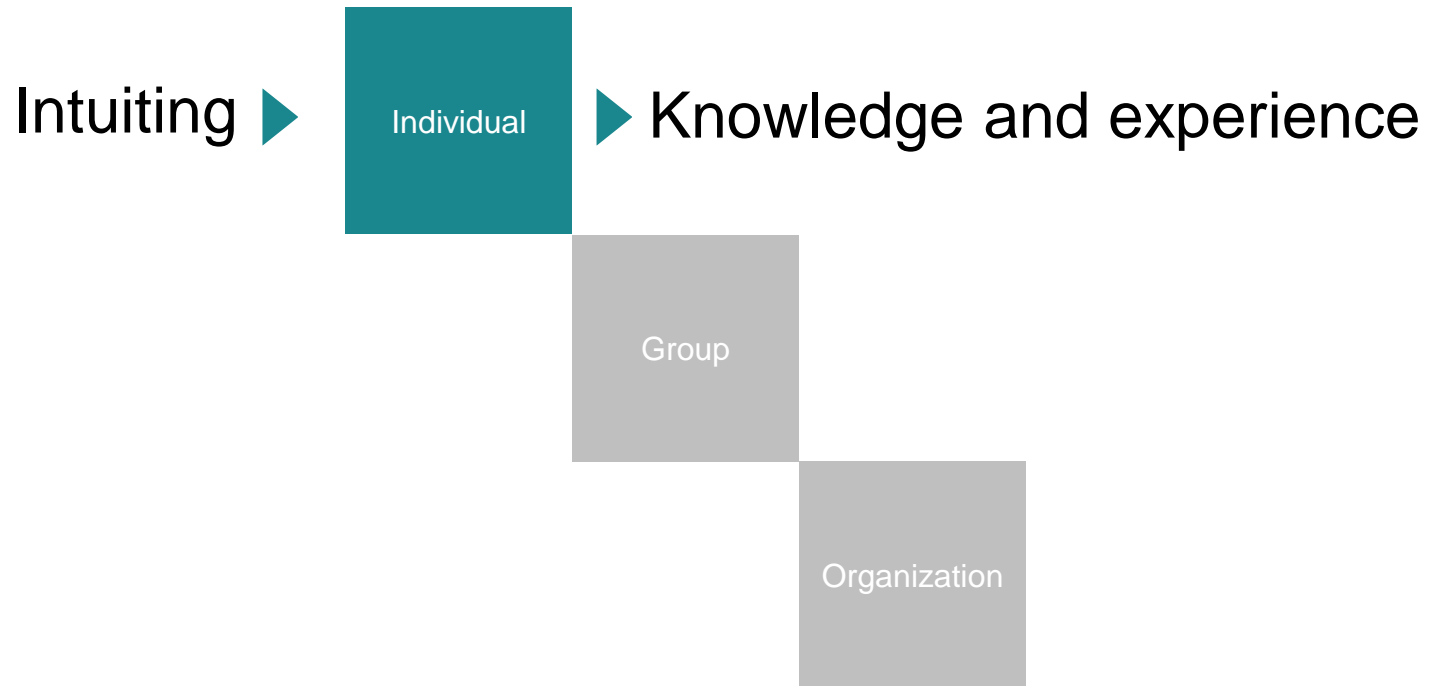


67% of trainees, mentors, and spectators found that trainees' skills to modernize and transform the organization had only been utilized 'a little, or not at all' in transforming and modernizing the organization's IT activities
(Mathiassen et al., 1999)

4i Framework (Crossan et al., 1999)

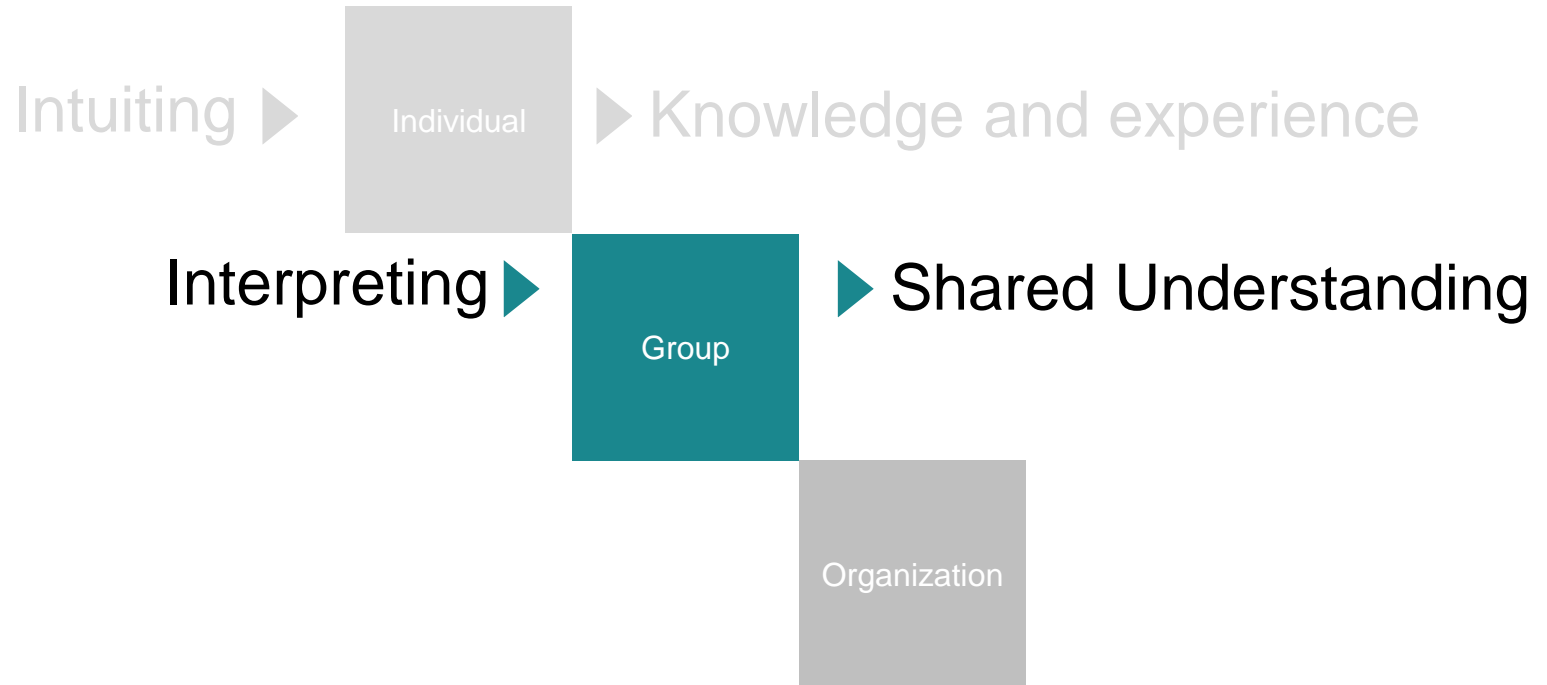


4i Framework (Crossan et al., 1999)



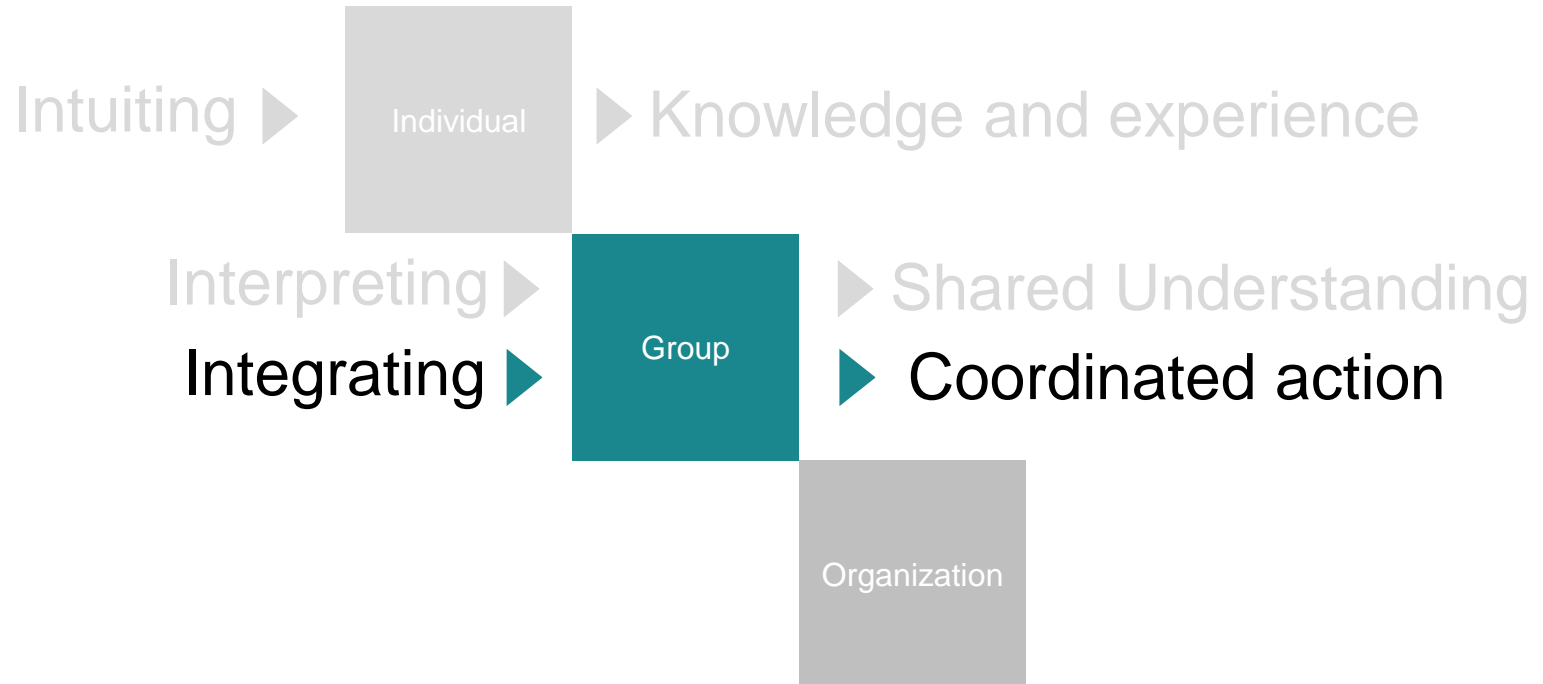


4i Framework (Crossan et al., 1999)



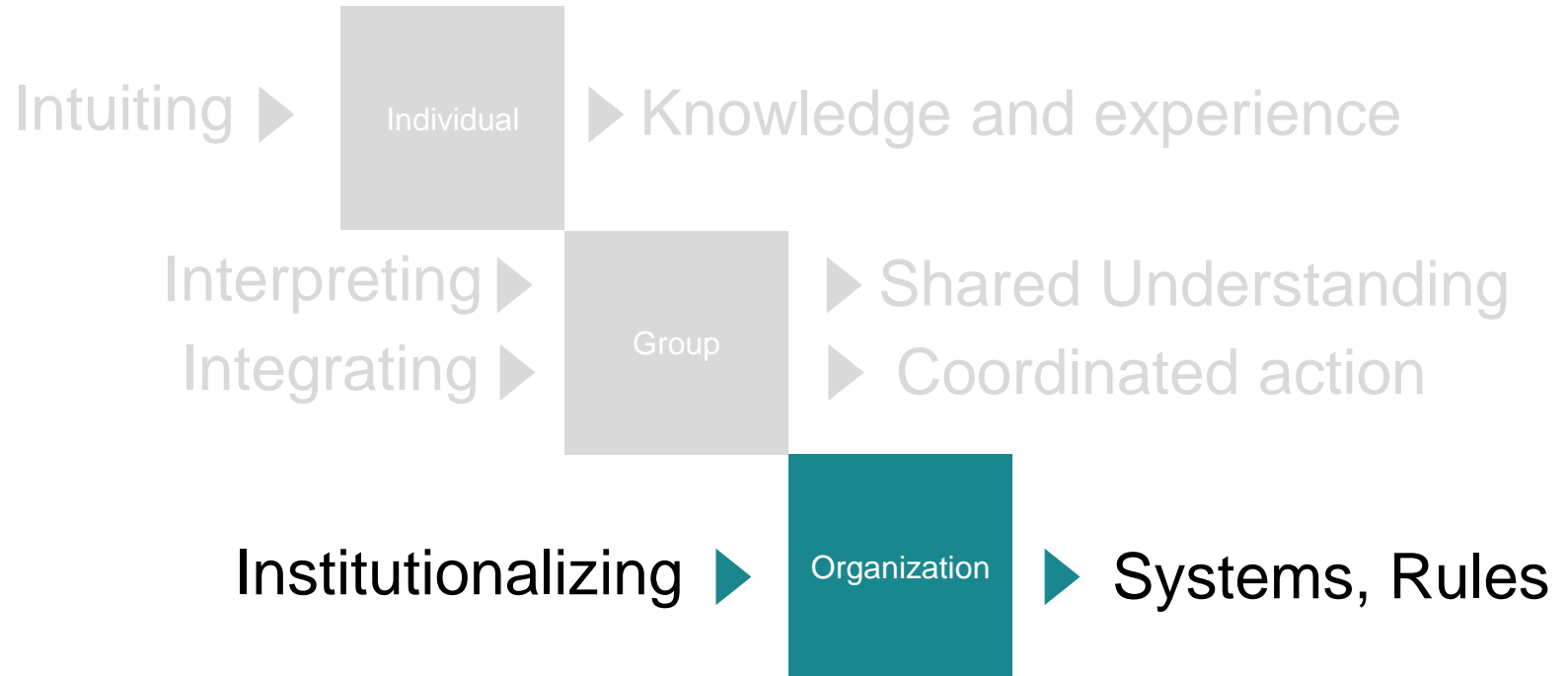


4i Framework (Crossan et al., 1999)





4i Framework (Crossan et al., 1999)

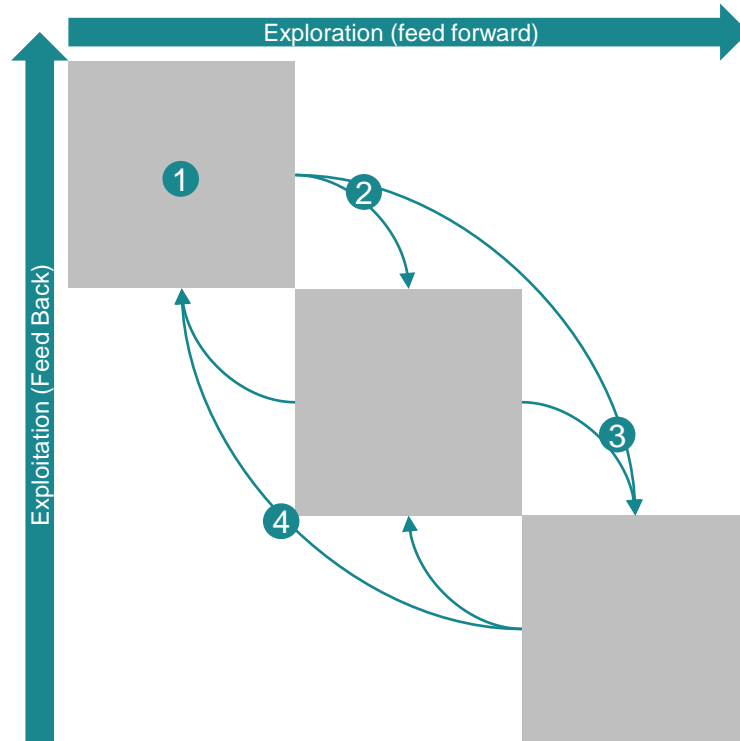




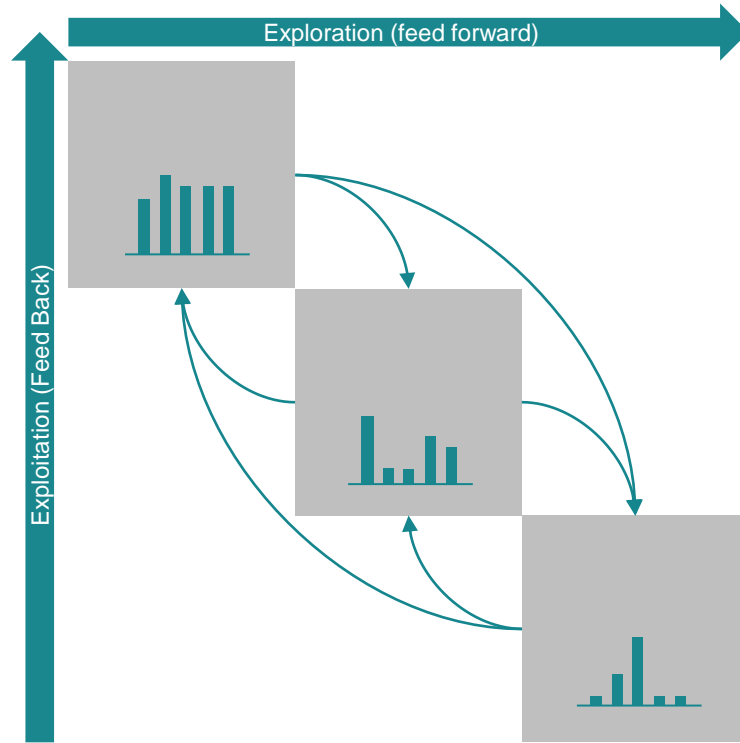


Don't worry
You are not alone...

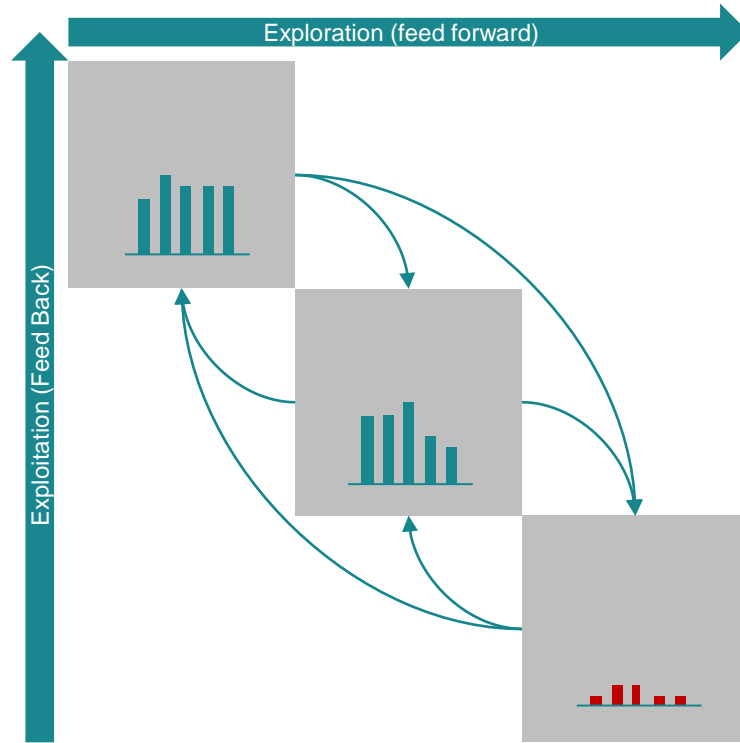
4i Framework (Crossan et al., 1999)



Stocks and Flows (Bontis et al., 2002)

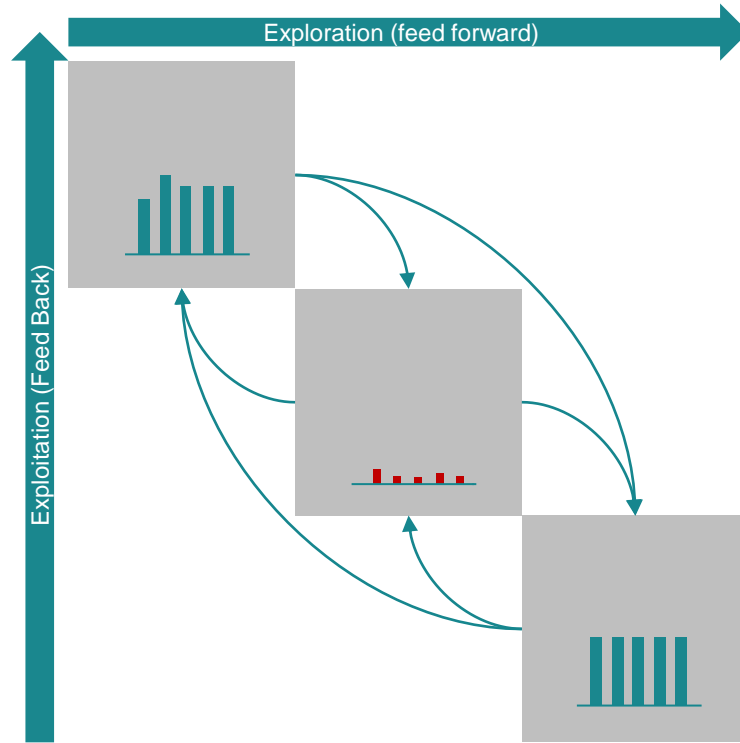


Stocks and Flows (Bontis et al., 2002)





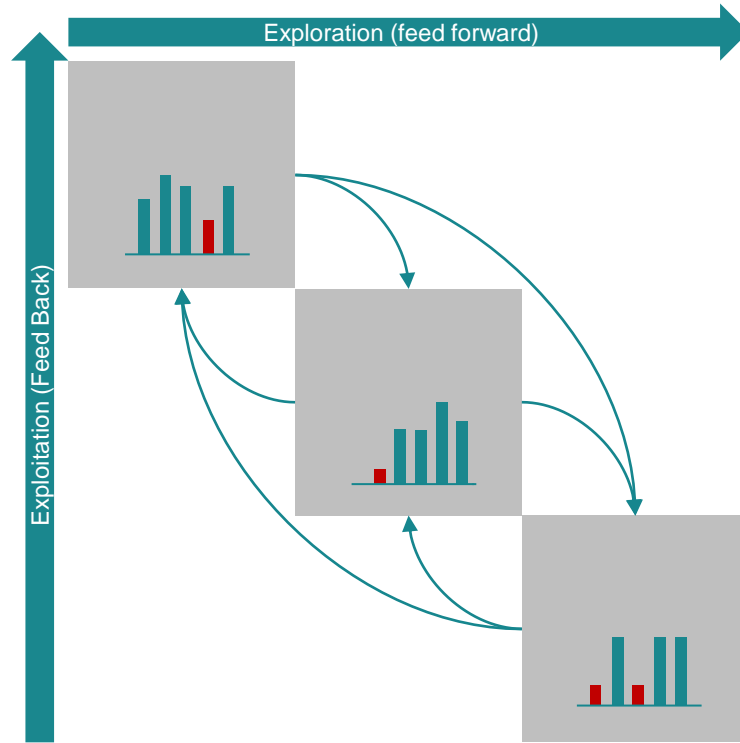
Stocks and Flows (Bontis et al., 2002)



Consultancy



Stocks and Flows (Bontis et al., 2002)





**Zuck: Yeah so if you ever
need info about anyone at
Harvard**

Zuck: Just ask.

**Zuck: I have over 4,000
emails, pictures, addresses,
SNS**

**[Redacted Friend's Name]:
What? How'd you manage
that one?**

**Zuck: People just submitted
it.**

Zuck: I don't know why.

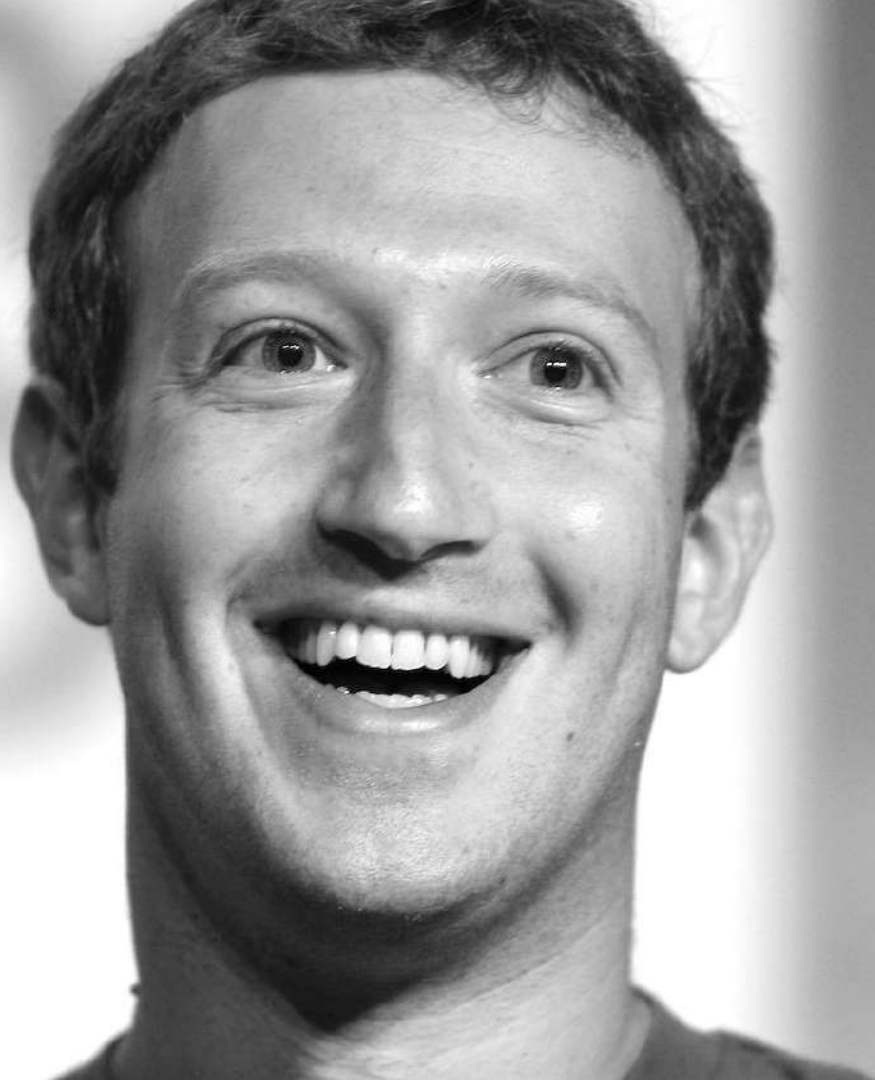
Zuck: They "trust me"

Zuck: Dumb f—ks

(2004)

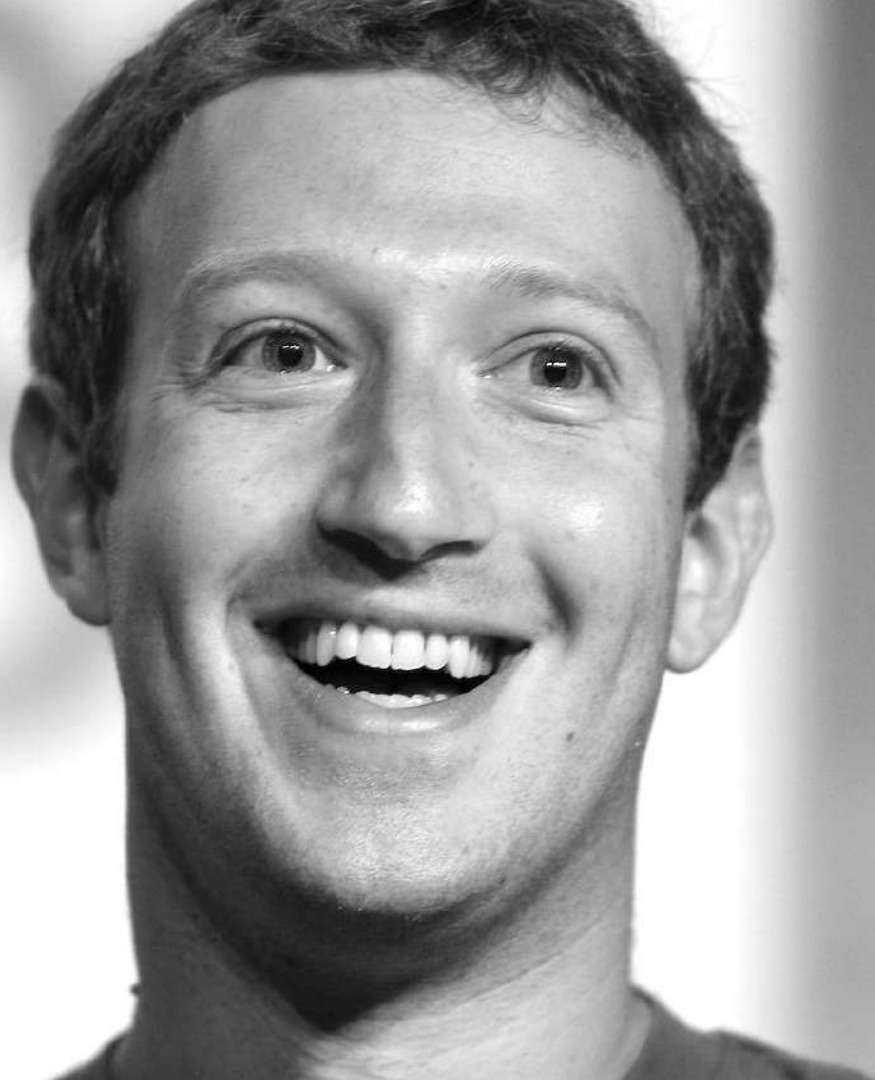


**We will continue
fighting
aggressively to
keep your
information safe
and secure'
Facebook blog
post (2013)**



**We have a
responsibility to
protect your data,
and if we can't
then we don't
deserve to serve
you'**

**Facebook post
after Cambridge
Analytica scandal
(March 2018)**



**“You can be
unethical and still
be legal”**

**“That’s the way I
live my life” (2019)**



Facebook can't repair its reputation until Zuckerberg steps down, which he seems to have no intention of doing.

(the dark side of 7 popular CEOs, 2023)



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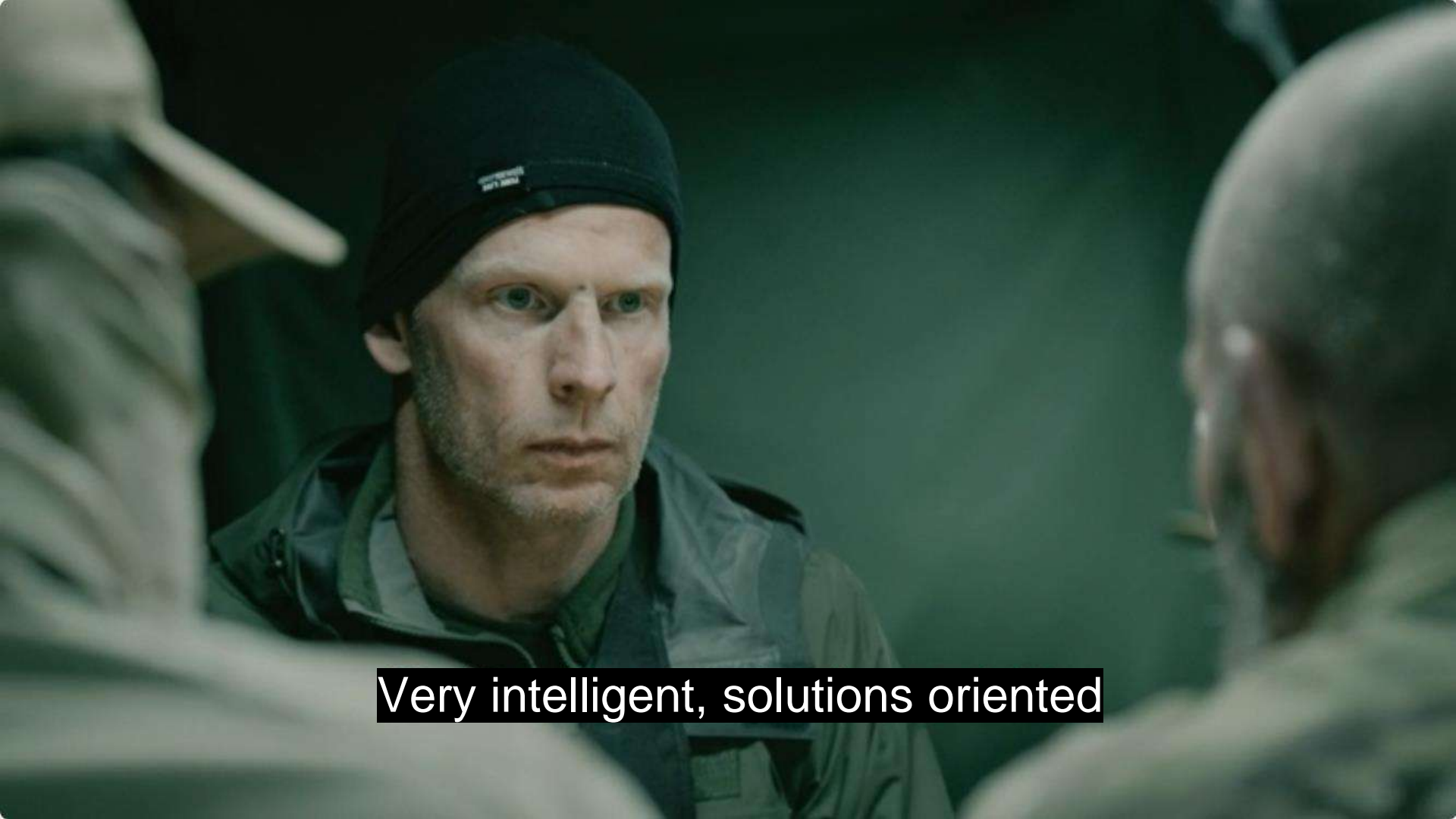
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Don't worry mr. Zuckerberg
You are not alone...

A man with light skin and blue eyes, wearing a black beanie and a green jacket, is looking intently at two other people. The person on the left is wearing a grey jacket and a cap, and the person on the right is wearing a green jacket. The background is dark and out of focus.

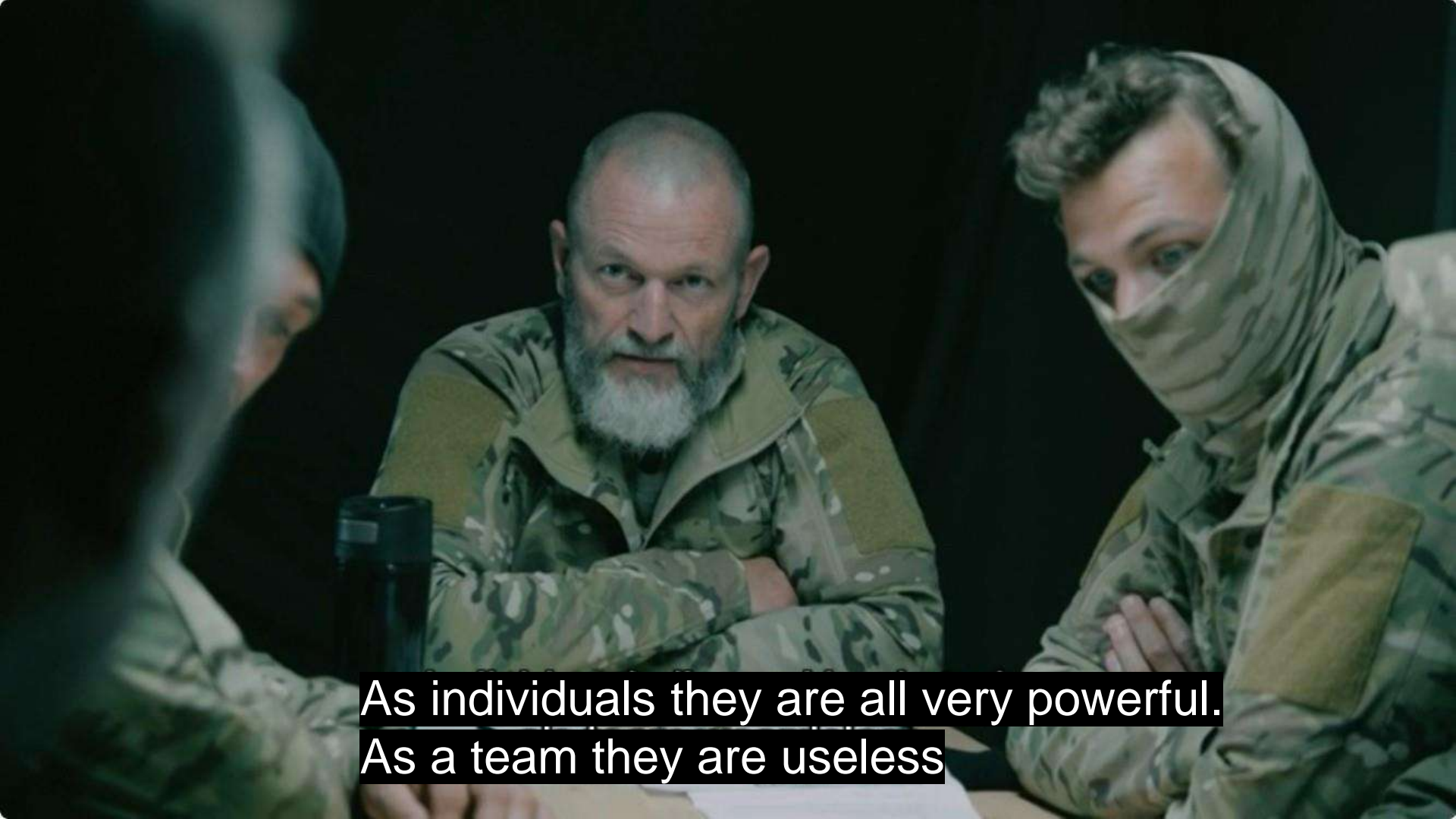
You are an exceptional candidate




Very intelligent, solutions oriented



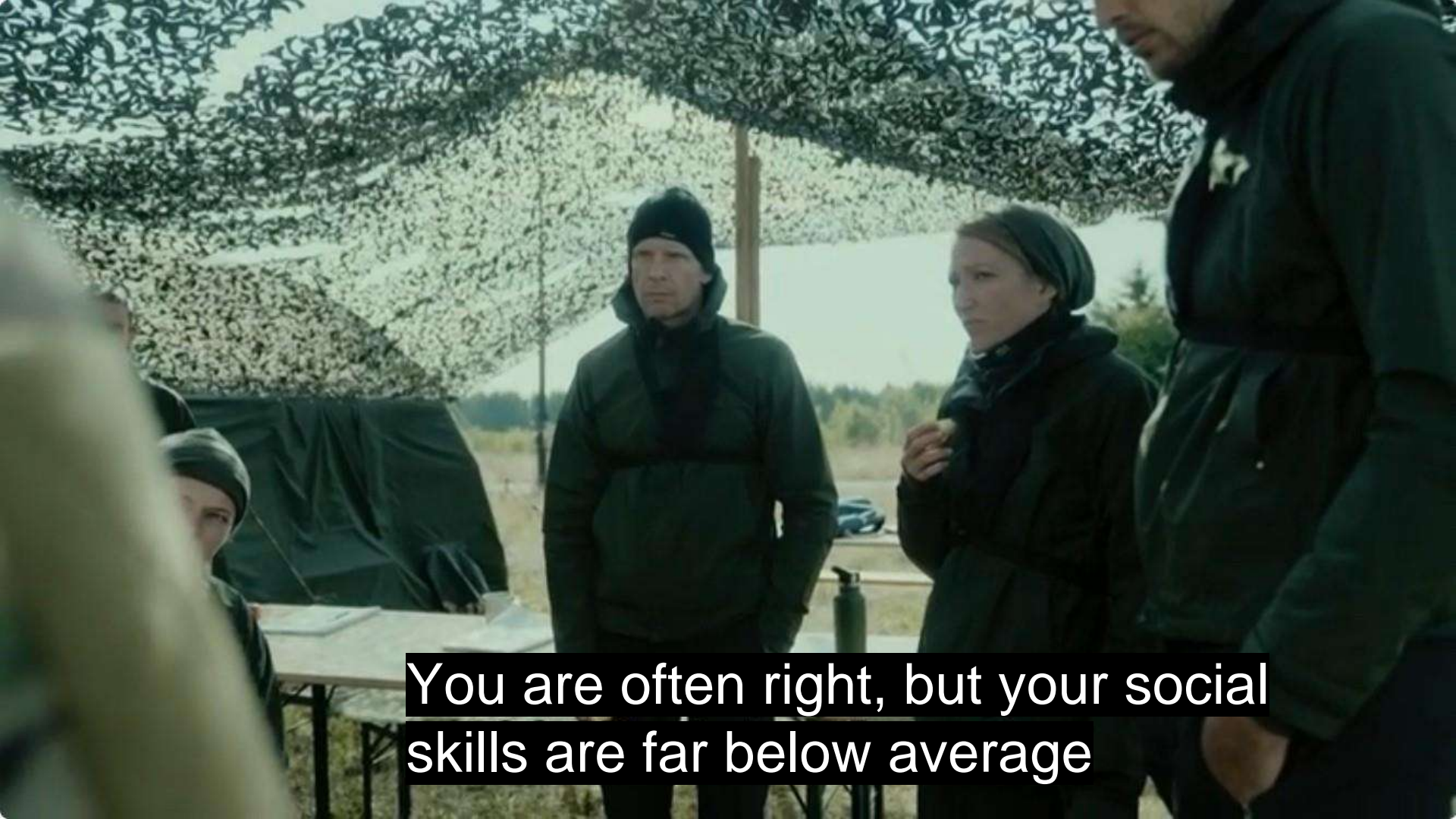
I am a natural leader




As individuals they are all very powerful.
As a team they are useless

A photograph of two men in military camouflage uniforms sitting at a table. The man on the left is older, with a grey beard and mustache, looking directly at the camera with a serious expression. The man on the right is younger, wearing a balaclava that covers his face except for his eyes, looking down at the table. They are both wearing olive green and brown patterned camouflage jackets. On the table in front of them are some papers and a black travel mug. The background is dark and out of focus.

We wanted to see cooperation

A group of people are outdoors in a wooded area, wearing winter clothing like jackets and beanies. One man in the center is looking towards the camera. A woman to his right is looking down. Another person is partially visible on the far right. In the background, there are trees and a tent-like structure covered with a dark tarp. A table with some papers and a water bottle is in the foreground.

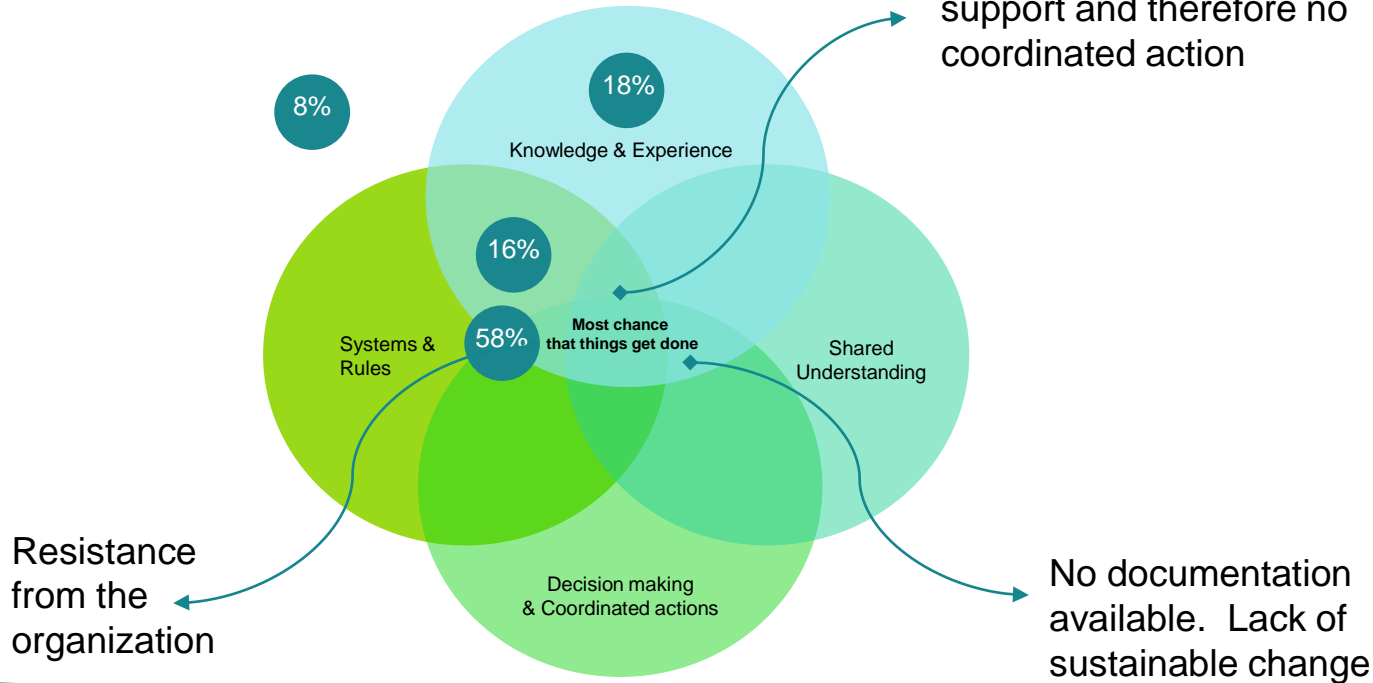
You are often right, but your social skills are far below average

A cinematic shot of two men in military uniforms standing in a field. The man on the left is older, with a grey beard and a shaved head, wearing a camouflage uniform. The man on the right is younger, with a beard and short grey hair, also in a camouflage uniform. They are both looking off-camera to the right. The background shows a field of tall grass and a line of trees under a cloudy sky.

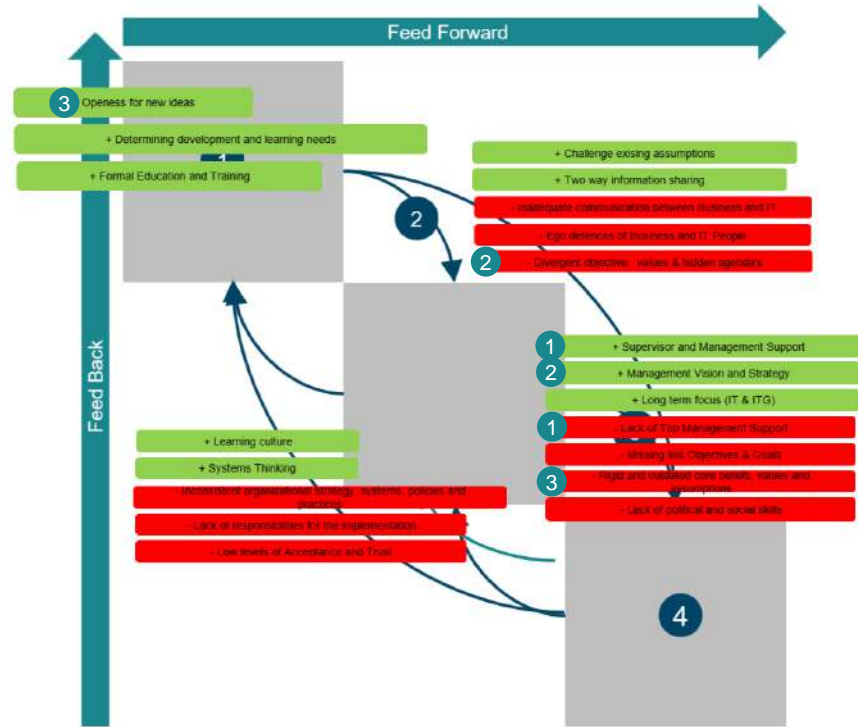
There is one element which
Is not compatible according to us...

**Don't worry Jan
You are not alone...**

Most common issues ...



Enablers and Inhibitors (De Maere et al., 2021)



(Lack of) Supervisor and Management Support

Alignment with organizational goals

Ensure that your proposal or initiative is directly aligned with the organization's strategic objectives. Show how it will contribute to key metrics, address challenges, or capitalize on opportunities that are important for the organization

Business Case

Present a well-researched and data-driven business case that outlines the benefits, potential return on investment, and anticipated outcomes of your proposal. Use concrete evidence and examples to support your arguments and demonstrate the value it will bring to the organization.

Effective communication

Tailor your message to the management team, using language and terminology that they understand. Clearly and concisely articulate the problem you are addressing, the proposed solution, and the potential impact. Use visuals, storytelling, and persuasive techniques to engage and captivate your audience.

Stakeholder Engagement

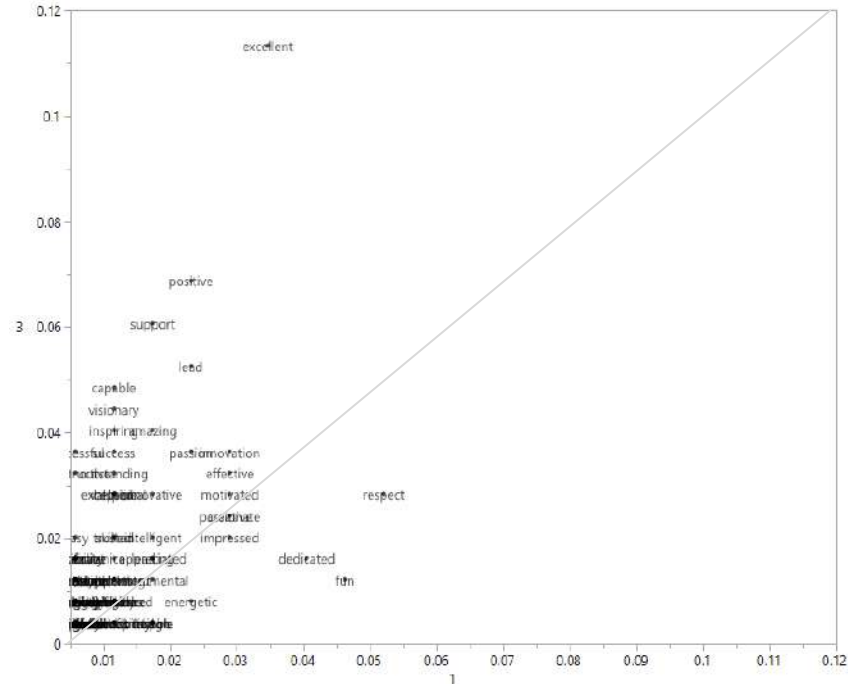
Identify key stakeholders and decision-makers who have the power to influence the outcome. Build relationships with them by understanding their perspectives, concerns, and priorities. Seek their input, involve them in the decision-making process, and address any objections or doubts they may have.

Expertise and Credibility

Demonstrated Expertise and Credibility:
Establish yourself as a trusted and credible resource in your area of expertise. Showcase your knowledge, experience, and track record of delivering results. Provide examples of successful projects or initiatives you have been involved in and highlight the positive outcomes achieved.

Management vision and strategy

Differences between high-skilled and low-skilled CIO's



Example: “being visionary”

- “[...] is an outstanding CIO who provides excellent visionary/strategic direction while maintaining focus on delivering results for customers on a day to day basis”
- “[...] makes a great leader as he possesses those critical skills of being visionary, is hugely passionate, can make decisions and has the ability to build up loyal and driven teams of people around him. [...] is a ‘doer’, so will make a plan, get things done and deliver”
- “[...] is a brilliant visionary. He always has a positive outlook and he is great at establishing a vision and more important organizing and bringing people together to achieve the vision”
- “[...] is an inspirational leader who was able to get consensus on the most complex topics. He is a great thought leader and a great visionary”

Openess for new ideas

Mastery of creative tension brings
out the capacity for perseverance
and patience. Time is an ally.

Peter Senge



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Power, divergent objectives and hidden agenda's

Legitimate Power	Expert Power	Referent Power	Reward Power	Coercive Power	Information Power
Formal position or authority within the organization	Knowledge, skills, or expertise in a specific area	Personal characteristics, charisma, and the respect or admiration from others	Ability to provide rewards or incentives to others	Ability to punish or impose negative consequences on others	Access to valuable or critical information

Conclusion

- 1 **Gain understanding of the common reasons why organizations struggle to implement their digital strategies and develop effective governance practices.**
 - Group Level ; Organizational Level ; Individual Level
- 2 **The ability to identify issues, spot risks, and navigate around common causes of organizational failure.**
 - Top Management Support ; Politics ; hidden agenda's ; lack of shared understanding ; ...
- 3 **Practical insights and actionable practices to foster organizational development in IT governance.**
 - Power ; Articulate vision/strategy ; Creative Tension



GRC *be connected*

Thank you!

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