In this assignment you will learn about current IT management and governance issues as well as the role of the CIO and the IT/IS department.

The assignment has 4 parts:

Part A: Gathering information from the literature
Part B: Gathering information from the field
Part C: Analysis of HBS cases (Enterprise IT at Cisco and VW: Managing IT priorities)
Part D: “putting it all together”

Part A: Gathering information from the literature
3. Read some publications about IT governance, spending, etc.— see list on pages 5-6 (some references are “classic” publications from Harvard or MIT, others are publications by research/consulting companies such as McKinsey, Forrester, etc. and other references are articles from magazines and journals such as Information Week, ZDNet, WSJ, etc.). The list of references is long. You do NOT need to read all articles. I recommend that you divide the references among team members so that each member reads 3-4 articles. Use your own judgment regarding what and how much to read – remember that you are not required to read everything.
4. Share with your team mates the information you gathered from your readings.

Part B: Gathering information from the field
1. Review Table 13.1 (page 490) as well as online file W2.11 in Wiley’s additional text material for 6th edition: 'The Changing Role of the IS Department'. Create a list of 10-15 items that represent, in your opinion, the most important issues that CIOs and IT departments are facing today.
2. Share your list with your team and generate ‘the team’s list’ of most important IT issues (this list can have more than 15 items but try to have less than 25).
3. Each team member should contact a business and interview an IT manager and a business manager of that company.
   - You can, but do not have to, interview managers in your company.
   - If you choose to contact a non-profit or government organization, interview an IT manager and a functional manager.

The objective of the interview is to have each manager rank the 5 most important issues. You can (but don’t have to) use the issue listed in your team’s list of important issues (item 2 above); if the interview reveals additional issues, they should be ranked as well. In addition, ask the interviewees what they like or dislike about the way IT is governed and managed in the organization.
To obtain the above information you can use email, phone or face to face meeting -- what ever works best for you and the person you interview
4. Try to get additional information about IT in the above organizations. For example:
   - Identify the organizational structure of the company; does the CIO (or CTO) report to the CFO? COO? Directly to CEO? How do they govern IT?
   - What % of revenue is IT spending?
   - Who manages IT budget. If it is separated between IT organization and business units, what are the allocation criteria?
   - Do they outsource IT functions? which ones and what are the pros and cons of outsourcing this function?
o Does the company have applications in the “cloud”? What about SaaS? Virtualization? Do employees use enterprise 2.0 applications such as social networks, social tagging, micro-blogging, etc., if yes, does the company have one platform (e.g. Lotus connections, Social Text, etc.) or is it used by departments and individuals and not as an application for the entire organization.
   Can you share any implementation challenges (e.g. security concerns, adoption, etc.)

o Brief overview about successful IT projects. Any IT projects that failed (did not meet expectations)? if yes, why did they fail (what should have been done differently)?

o What are the IT projects that are planned for the next 2 years. Are these projects implemented out of necessity or to provide strategic advantage?

You will probably not be able to get answers to all the above questions (some managers will not know the answers, others might not want to reveal the information) -- it is ok; gather as much information as you can and share it with your team (in case your interviewees are concerned: you do not have to share names, titles, etc.)

5. Share with your team mates the information you gathered in items 3 and 4 above.

Part C: Analysis of HBS cases

1. Read the HBS cases: "VW of America: Managing IT Priorities" and "Enterprise IT at Cisco".

2. Answer questions for each case
   
   **Enterprise IT at Cisco (2004)**

   a. What was Pete Solvik’s approach to IT decision making at Cisco? Did he think that line managers should get to make all IT decisions? If not, which ones did he want the IT functions to make, and which did he want the business units to make? How well did Solvik’s model of IT governance work?

   b. How did Cisco find itself in such trouble with regard to its internal IT in 2001? Why didn’t the single ERP system help? Why didn’t it ensure more consistency?

   c. Why did Boston pick the three big projects he did?

   d. What is ‘Shadow IT’? Why should a CIO want to control / minimize it? Are there effective ways to do so? Do you think Boston’s amnesty program will work? Does it stand a good chance of uncovering all or most of Cisco’s shadow IT projects?

   e. What is BPOC’s role? How much formal authority does it have?

   f. Would you approve the call center project? Why?

   g. Do you think that Cisco can easily transition to a more horizontal, process-oriented company as described on pages 8-10. Why?

   **Volkswagen of America: Managing IT priorities**

   a. Who controls the budgets from which IT projects are funded at Volkswagen of America?

   b. What is your assessment of the new process for managing priorities at Volkswagen of America? Are the criticisms justified? Is it an improvement over the old process?

   c. On page 8 we see that $16 million of the $60 budget is for SIB projects, under the spending direction of Matulovic; on page 1 we see that some people consider this unfair - is it? Should budget be "set aside" for IT projects? Why?

   d. How should Matulovic respond to his fellow executives who are calling to ask him for special treatment outside the new priority management system? What should Matulovic do about the unfunded Supply Flow project?

   e. In general, what characteristics should a process for deciding about funding of IT projects have?

3. Share your answers and thoughts with your teammates and together write-up for each case a summary that analyzes the case.
**Part D: “Putting it all together”**

Compile and analyze your findings from the readings (part A) as well as your interviews (part B) and case analyses (part C). The following are examples of issues to explore:

- What are the IT management issues and challenges that companies are facing today? (ranking of issues, budget, governance, outsourcing, IT projects, etc.).
- Do business and IT managers have different views?
- Does the IT governing or organizational structure impact the way managers view the role of IS/IT? Does the industry or size of business have any impact?
- What is the role of the CIO in the 21st century? What challenges does he/she face? What is the role of the CEO? other top managers? the board of directors?

**Deliverables:**

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<th>Project Plan</th>
<th>Submit <strong>ONE</strong> short summary of team's decision about channel (and frequency) of communication and project plan (include list of tasks with tentative due dates, team member(s) responsible for completion of each task, etc.). Include also the “team’s list” of most important IT issues (Part B.2) as well as (tentative) plan for company/organization that each member plans to interview (preferably provide name of organization, name and/or title of the 2 managers that each member intends to interview, whether the managers were contacted and tentative date for completion of interviews)</th>
<th>5% of assignment grade</th>
<th>Due Oct 17</th>
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| Team Report | Summary of current issues and challenges of IT governance and management. The team should:  
- Submit **ONE** report (75% of assignment grade; format of report: 4-8 pages mainly for part D. Add appendices with exhibits, charts, tables, references, etc. as needed. For example summaries of team’s work for parts A, B and C can be attached as appendices). You can submit a word or pdf file (single or double space or anything in between; font of 10, 11, or 12 points). Alternatively you can submit a link to a google doc, a wiki or any other way that you want to present your collaborative work.  
- On the discussion board titled: "IT mgt assignment - sharing observations and thoughts" - Post **ONE SHORT** summary of your findings (1-2 paragraphs); this discussion board will open in the beginning of December (5% of assignment grade) | 80% of assignment grade | Due Dec 12 |
| Individual Reflection | Reflection about this assignment - Each team member should submit an individual summary of what he/she learned from this assignment; this may include information and/or conclusions about IT management and government (e.g. IT management in one’s company, in a particular industry, general observations and conclusions from the assignment, etc.) | 15% of assignment grade | Due Dec 15. |
as well as reflections about the process of working on this assignment (e.g. what worked well for me and what didn't? why? what should I do next time I have to work with a team assignment in an online class?, etc.). This summary should be about one page long (either single space or double space or anything in between; font of 10, 11 or 12 pts.). Please submit a word document or a pdf file. Drop box for this assignment will open 2\textsuperscript{nd} week of December and is due by Dec 15.

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<th>Due:</th>
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<tr>
<td>Oct 17: project plan</td>
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<tr>
<td>December 12 submit written report and summary</td>
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<td>Dec 15: submit individual reflection</td>
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List of References (for part A #3)

You do NOT need to read all articles. I recommend that you divide the references among team members so that each member reads 3-4 articles; if you read more articles, especially if it is from the same source you will find a certain level of repetition/overlap (you might want to divide the readings so that each student reads at least one article from each group (“Classic”, Consulting/research companies, recent-shorter publications)).

Use your own judgment regarding what and how much to read – remember that you are not required to read everything:

- **Getting IT Right**, Feld and Stoddard, HBR, Feb 2004
- **Generating premium value from your IT projects**, Weill, SMR, Winter 2006
- **Avoiding the Alignment Trap in IT**, SMR, Fall 2007
- **In search of overhead heroes**, G. Tillmann, Business & Strategy, summer 2005
- **CEO vs. CIO: Can This Marriage Be Saved?** Business and Strategy, Spring 2002.
- **Six IT Decisions Your IT People Shouldn't Make**, HBR, Nov 2002

- Check 'Information Technology' articles that appear in McKinsey Quarterly (http://www.mckinseyquarterly.com). Many of the articles require membership however there are some free articles (you will still need to register with the site even for the free articles). A few recommended (free) articles are:
  - **Five trends that will shape business technology in 2009**, McKinsey Quarterly, Feb 2009

- Check research published at "Forrester Research"; as umass student you can access their research. as umass student you can access their research. See instructions on how to access the database at the umass library "business research guide" page at: http://www.library.umass.edu/forrester-research/ (then follow the directions on how to open an account, etc.). Here are some examples of recent articles:
  - From Information Technology To Business Technology (September 2009)
  - **Five Steps To Transform An IT Organization** (August 2009)
  - **The IT To Business Technology Transformation — Learning From Utilities** (June 2009)
  - **Value-Based Communication Boosts Business’ Perception Of IT** (May 2009)
  - **Redesign IT Roles To Drive IT Cost Reduction** (March 2009)
  - **IT Must "Get" Business Satisfaction** (March 2009)
Recent publications (shorter documents from WSJ, ZDNet, Forbes, Information Week, etc.)

- A Best practices Sample IT strategic Plan (May 2008)
- The state of IT governance in North America (Feb 2008)
- Seven Trends that will shape the CIO role (Dec. 2007)
- Next up: The 21st century CIO (Dec 2007)

- For those who prefer audio. You can find interesting podcasts at Gartner Voice. For example:
  - Optimizing for IT Governance (January 2006)
  - CIO Imperative: Growing IT’s Contribution (May 2006)
  - The Future of IT Leadership (October 2006)
  - New Demands on IT (September 2007)

- Recent articles in magazines such as:
  - Global CIO: Six Lessons CIOs Must Learn From Coke's Dazzling Innovation, Info week, June 16, 09
  - Top CIO Priorities for 2009 - IT Management, CIO insights
  - CIO moving more into business, process optimization, CIOSearch.com, May 21, 2009
  - Businesses Quit Slashing IT Budgets --- Worst Is Over, Corporate Tech Executives Say, But They Want to See Stability Over Several Quarters, WSJ, May 14, 2009
  - Creating unified strategy to cross the IT / business chasm, ZDnet, May 7, 2009
  - Experts: CIO moving more into business, process optimization
  - Forbes.com Video Network | CIO Network: CIO Vs. CFO
  - How to Get IT Projects Approved, HBR Voices, Aug 20, 2008
  - How to Tap IT’s Hidden Potential, WSJ, March 10, 2008
  - Squaring Off: What's Next for IT? Are tech departments withering away -- or evolving to take on an even bigger role? Three experts weigh in, WSJ, July 30, 2007
  - Cisco's CIO Talks about the Challenges and Opportunities for Making IT a Strategic Asset

- http://www.isaca.org/
  You should be able to access the chapter via Umass library "books 24x7" which are books in electronic format (you can try to access the chapter directly via the above link; if it does not work, go to UMash Amherst Libraries Home >> Subject Research Guides Home >> Business & Management then go to Books 24X7 (which is on the left column under "Business Database Desktop"), and then search for "the effective cio" - at some point you will be prompted to enter your OIT umass login and password (also -- there is a good chance that your local library carries the book).