How IT Governance Maturity and Strategic Alignment Influence Organizational Performance: Insights from Senior Manager Dyads

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The Theoretical Domain

Alignment – Performance Link: Well studied

IT Governance Maturity + Strategic Alignment + Organizational Performance
Research Questions

- RQ#1: Can key mechanisms contributing to the IT governance maturity be identified and empirically validated?

- RQ#2a: Theoretically, what are the causal mechanisms through which IT governance maturity influences performance via strategic alignment?

- RQ#2b: Statistically, are the causal linkages between IT governance maturity and organizational performance mediated by strategic alignment?
Methodology

- Field study using interviews and questionnaires for data collection
- Interviews with matched CIOs and CEOs for content validity purposes
- Pre-tested questionnaire with 36 Executive MBA students with business and IT backgrounds
- Sampling frame: senior managers or high level executives from both business and IT departments in medium-to-large-sized organizations
- Matched responses from 136 organizations in Taiwan
Results of Path Analysis

Significance level: ***p < 0.001; **p < 0.01; *p < 0.05; ṭp < 0.10.
Contributions

- Empirical validation of IT governance maturity mechanisms
- Causal linking - IT governance, strategic alignment and organizational performance.
- Full mediation of strategic alignment.
- Implications for practice: structure maturity (e.g., SIS planning steering committee composed of business and IT people; formal process (e.g., for portfolio management); and communication approaches (e.g., agenda to report and discuss IT issues).