**From:** Junjun Huang



**To:** Anita Lotta-Help

**Date:** July 14, 2015

**Subject:** IT governance

**Issue:** Last week we had a meeting about our service agreements and getting the most of our IT budget through governance. The meeting was quite informative and all the attendees gave valuable input. “Information technology is the study and use of systems for storing, retrieving, and sending information.” (Quinonez, 2014) Today’s business world is fiercely competitive. Information technology is important to a company’s success because it enables the business to grow. It is crucial for us to design IT decision rights and accountabilities so that the decisions we make about IT will support the strategic goals of our company.

**Recommendation and justification:** In order to improve operational efficiency. I think TRU should implement the following strategy: Create three strategic teams: A Great Place to work, Best Experience for Customers, and Maximum Efficiency. These three teams will meet once a month to discuss how to implement good IT strategies. Senior management will be present at the meetings, to learn about the needs of every functional area. The three teams will make proposals on IT projects. Senior management will review the progress of each IT project and determine if it has met the objective. People in the IT department are responsible for solving all the technical issues related to the projects. For each IT decision, senior management will allocate one person to be accountable for the decision. This plan is excellent because it has a great accountability hierarchy. By adopting this plan, we hope to generate superior profits from IT.

We talked about two other alternative solutions. The first one is to implement enterprise resource planning software in all of our divisions and use this to standardize all our business processes. “To integrate all aspects of a business' operation into one easy-to-use system, many companies turn to Enterprise Resource Planning (ERP) solutions”. (Brooks, 2013) The CIO of TRU will be accountable for the project implementation. The CIO will have a monthly meeting with the CEO and the CFO. At the meetings, they will review the progress of the project and discuss what they should do to ensure a success outcome. An experienced IT professional will be the leader of this project. He will lead three managers and they will meet regularly to discuss the progress, as well as issues encountered. We rejected this alternative because it is costly. A second alternative is to establish an IT committee. Members of this committee include all the senior executives. This committee will consider the company’s objectives and goals. It will set up an effective IT activity tracking system that could monitor the progress. This alternative was rejected because it does not involve a lot of knowledge sharing.

During the rest of the meeting, we discussed the challenges companies face in today’s world. I took away three items from the meeting. Firstly, everybody must realize how important an effective IT strategy is. Secondly, it will be a good idea to revisit the IT strategy regularly to ensure that the strategy still could serve our company’s needs. Thirdly, I realized that a successful IT professional should have many skills, such as the ability to prioritize tasks, the ability to manage time efficiently and willingness to take risks.

Please let me know if you have any questions.

With warmest regards,

Junjun Huang

**References**

1. Brooks, Chad. “What is ERP?” *Business News Daily.* 28 August 2013. Web. 13 July 2015. <http://www.businessnewsdaily.com/5010-erp-enterprise-resource-planning.html>
2. Quinonez, Natasha. “The Importance of Information Technology and Its Disadvantages.” *Udemy Blog*. 23 May 2014. Web. 13 July 2015. <https://blog.udemy.com/importance-of-information-technology/>