**Executive** **Summary**: Science and technology has changed every aspects of our lives as digital innovation shows real promise with endless possibilities. Consumer demand and expectations are changing every day which makes the business market more competitive than ever. It is now essential for the business leaders to think ahead of time and design their business model with diverse goals. That’s why diversity in workplace has become a powerful tool to accumulate diverse ideas and produce consumer value. Ethical beliefs and values are also changed due to that fact. Diversity in the workplace had been overlooked for centuries whereas now diversity has become one of the most important attributes of IT governance and business modelling by business leaders around the world. In this report, an analysis is presented from the IT governance perspectives, with a few issues and some recommendations as well.

**Introduction**: Due to the significant contribution of science and technology in the current era, our lives has been changed in many aspects. Our ways to communicate, manage work and workplace have been changed, our lifestyles have also been changed. We can digitally connect from any part of the world to another. Communication has become easy and convenient which helps to gather, share and generate new ideas from all over the world. And certainly we are preferring digital communications over traditional way of communication, because it has infinite possibilities and has no national boundaries.

And because of digital innovations and their endless possibilities, business leaders are also changing their views and approaches. Organizations are changing their traditional ways and business models. They don’t have to rely on stereotypical ideas that generates from certain culture or region or part of the world. Every culture is different, people have different kind of thoughts and they work differently from the people who work on the other part of the world. Digital innovations actually eradicates the gaps between the cultures and embarked the possibilities of diverse ideas, knowledge and information. Digital innovation encourages people to share ideas, knowledge and lifestyle, also to embrace the diversity. Digital technologies make people realize that diversity can produce greater innovations.

Diversity has become a powerful tool in the disruptive and competitive market. And because of that, big companies like Dell, are also taking diversity programs seriously. They want the best innovations by gathering and brainstorming the ideas from around the world. They are encouraged to hire diverse people and build diverse work places. Their recruitment processes are also focusing to attract talents from different regions and cultures of the world (Dell Editorial, 2020). Companies has changed their views on how to reach business goals and objectives as well as their governing methodologies. It also changed their ethical views and values. Diversity in the workplace had been overlooked for centuries whereas now diversity has become one of the promoting attributes by business leaders around the world. So, diversity has ethical implication as well.

In this report, an analysis on how the ethical implications of changes that have occurred in the business due to digital innovation, focusing on how diversity has become more common in current ethical and professional practice, is presented along with an assessment of current IT governance processes. A set of recommendations is also presented in the later parts of the report to highlight the mentioned issues of IT governance. Finally a conclusion is made based on the overall discussion.

**Discussion**: In this section, a detailed discussion is made based on a case study to identify the changes in ethical and professional practices due to the emergence of digital innovations from the IT governance perspectives. The discussion mainly focuses on how diversity is embraced in the professional IT sector and their ethical implications. Following that, a few issues are mentioned based on diversity in the current IT governance processes and a set of recommendation to use its best is presented.

The case study considered for the report, focuses on world’s one of the largest tech companies, Dell’s diversity strategies to attract and recruit diverse engineers from around the world. They promote diversity and inclusion as it is core to their business imperative (Dell Editorial, 2020). They operate their diversity recruitment process through digital platforms to promote to the underrepresented ethnicity. This approach indicates a huge ethical implication due to the changes by digital innovation. Business goals and objectives are diversified and ethical practices are also changed. This also shows that main areas of IT governance is also affected by the change.

IT governance is a structure that aligns technical strategies with business strategies by monitoring and controlling key IT decisions with performance and risk managements, also by calculating business impacts. (De, H. S. and Van, G. W., 2004) This framework can produce measurable outcomes towards achieving business goals and objectives. This whole process takes stakeholder’s interests and ideas into account in order to transform them into business strategies. IT governance ensures that the developments and improvements are well adopted and sustained in the business model, also current challenges are identified as business requirements. Making appropriate changes are the key to implement a successful business model. Business leaders should be aware of that in an IT governance framework because digital innovations are taking place in the current business market rapidly. And these changes is not only confined in business strategies or technical supports, it also has implications in ethical and professional practices. IT management is a subset of good governance. IT management refers to managing the resources including stakeholders, departments etc. IT management can outline the strengths and weaknesses of the resources; also a guideline on how to utilize the resource at their best. IT governance is to monitor the overall performance and risks that are involved in developing solutions in order to meet business requirements. IT management can be referred to internal tasks of organizing and managing resources whereas IT governance is external tasks that monitors overall business and technical performance (Shown in Appendix B). IT governance aligns the productivity and business goals (Grembergen, W.V., 2004).

The major areas IT governance focuses on is, value delivery, strategic alignment, resource management, risk management, performance management (Shown in Appendix A). That means this framework covers the whole process of a business scenario. The core of IT governance is strategic alignment and risk management. The strategies should outline the business prospects for the company. Risk management should be embedded with market awareness and business environment evaluation including consumer demands and requirements. These areas are needed to be ensured and this task of IT governance is assigned to a specific employee of an organization, Chief Information Officer (CIO). A CIO role is responsible for ensuring business functions internally by providing resources, strategic plans and decisions based on business intelligence, risk assessments and market awareness. This person is also responsible for embracing diversity into the business in terms of every major areas in IT governance by leadership strategies.

Consumer’s demands and expectations are key to the business goals and objectives. And consumer’s expectations may vary over time and place. To understand and accommodate them as business requirements, the responsible person’s approach should consider diverse perspectives. That’s why diversity is crucial to deliver values or producing the output and aligning it to the business goals with internal actions. Strategic alignment with proper market awareness and business intelligence is needed and this should be done by accumulating diverse knowledge, ideas and information. Because of digitalization, business strategies are now required to be robust and sustainable. Otherwise, it is difficult to compete in the market. The market is so competitive that it comes up with new and advanced ideas every day. To develop ideas from ground up, it is essential to assess the risks associated with it. This risk also varies depending on the time, region and goals of the business. Also strategic decisions and changes can increase to risks. This should also be considered. Finally team building, resource sharing, utilization and performance measurement to deliver the value and fulfil the strategic requirements, are also key processes in the IT governance framework. Teams and resources with diverse knowledge and experiences is likely to produce more viable outcomes because there is more flexibilities and scope to think out of the box. And A CIO should ensure all of these processes in the IT governance life cycle.

Diversity program in Dell’s recruitment process ensures good IT resource management. They are accumulating and building engineering teams with diverse experiences and knowledge, who will design and solve critical real life problems, also enhance the quality of their products in order to meet consumer’s demands and expectations. The recruitment process is beginning to embrace diversity in the company’s internal success roadmap and a crucial step. Because this not only increases the productivity or values but also boosts up the overall knowledge and skill level of the company. Diversity in workplace creates flexibility to innovate and share ideas (Creary, J. S., McDonnell M., Ghai, S. and Scruggs, J., 2019). Also embracing diversity is a way for brand exposure which also serves business purposes. The world is digitally connected and Dell made the perfect use of it to promote their recruitment process to the underrepresented ethnical groups. By doing this, not only they found talents from the underrepresented ethnical groups, but also they have successfully reached to the people with their brand name and their business strategies. Also this promotes their ethical concerns about underrepresented ethnical groups, hence diversity and inclusion.

In this disruptive world where digital transformation is inevitable, business leaders should foresee the outcomes and prepare to adopt the situation by accommodate it in their business. But they should be aware of ethical issues before adopting emerging technologies. Although digital technology eases our lives, the change should embraced by all the stakeholders of the business (Herschel, R. T., and Andrews, P. H., 1997). There are a few ethical issues adopting digital transformation on diversity and inclusion that can affect IT governance processes which are discussed below.

* Policies & procedures: Whenever a digital transformation takes place, business has to move towards new policy making and business process procedures because business model may need to change. And it immediately becomes an issue for the responsible persons of IT governance. Because the policies should be aligned with business goals; also needed to be ethically supported and professionally accepted. IT Governance must ensure the all ethical criteria and practices. Policies should be established by the required elements to justify a decision to support a technical solution. They should be unbiased and fair to all. Policies represent the whole organization structure. So policy making should be considered seriously. Also, business processes determine the business success in the future. Business processes should be designed and developed with responsibility. Diversity and inclusion provides a wide range of ethical and professional practice guidelines and ensure the fact that the company’s policies and procedures are aligning with the ethical rights of all resources. Diversity can produce unbiased and fair policies as well as strong and well-defined business processes.
* Transparency: The policies, procedures, decisions, business goals and processes, functional and operational processes should be transparent among the stakeholders. And this is one of main issues for IT governance because they want to align everything in order to serve the business purpose. And stakeholders are the key drivers of a business, they should be aware of the whole business environment. Diverse people work and contribute in different ways and with different mindset. It is more likely that diverse and flexible environment can maintain transparency in terms of information or ideas and knowledge. Transparency also helps to solve any kind of ethical issues by discussing and sharing ideas. It brings new solutions to the critical ethical questions that also ensures transparency.
* Mission & values statement: The business mission and producing values are more important IT governance issues as this is one of the main focusing area. Understanding consumer demands and expectations helps to set the criteria that can be defined as the missions and values for the business. Mission essentially sets the benchmark and defines the ultimate success line. With diverse people from different culture can provide accountable and responsible work place which is essential to set missions, visions and values statement as well as to meet them. This establishes a culture of accountability and responsibility for one’s actions. That means, each of the stakeholders become responsible to their own work. They are accountable to accomplish their own mission. And all the individual efforts can lead to success as a whole. It is essential for a business to be successful.
* Organizational structure changes: Digital transformation changes organizational structure because the business model and requirements also change due to disruption. It is very important to restructure the organization with ethical and professional people who have diverse experience and knowledge. IT governance personals are responsible to hire and utilize these employees in order to meet the criteria. Organizational structure changes include all kind of changes, from policy making to set the missions and visions. All the key issues need to be assured.

*Recommendations*: A set of recommendations are given below on how to embrace diversity and inclusion in IT governance practice.

* Diverse rules and regulation should be considered in policy making. Policies should not be biased at any cost. Diverse people with diverse mindset can ensure that. Diverse opinions and idea sharing can play a vital role in that. Also policies should be evaluated and criticized by diverse people.
* Business processes should be designed and developed by people with diverse knowledge and skills. People from different domains of expertise and different regions should design the business process according to their findings and preferences. By doing this, unbiased outcomes can be derived from different ideas. They will understand and focus on different perspectives of business requirements and this will help to produce better business process.
* Diverse work environment will enforce ideas and knowledge sharing which will accelerate the performance as a team Fine, (M. G., Johnson, F. L., and Ryan, M. S., 1990). Also produces good team work.
* Diverse opinions can help to establish sustainable and reliable business concepts.
* Diversity can promote brand value. It can act as a marketing tool.
* The missions must be set considering ethical and professional practices that are common in different domains or fields. By accumulating ideas and vision, these business goals and objectives should be set.
* For governing and managing IT resources, a committee should be assigned with diverse people, so that they understand and encourage different ideas and knowledge.

**Conclusion**: In this era of digital disruption and transformation, business leaders always need to think ahead of time with out of the box ideas and business models. Because consumer demands are now very diverse as they can taste different kind of technology and services very easily due to digitalization and easy communication. Business leaders should grab that taste even before them in order to come up with a successful business in the market. Otherwise, it is so difficult to survive in the competition. To come up with ideas, they need diverse thoughts and ideas. And that’s why diversity and inclusion has become very important in business. To embrace diversity in the current business model, they should start from the beginning, from policy and business process design to managing resources, every aspects of IT governance. And if they can assure that it will be very easy to survive in the competitive market. Diversity and inclusion also ensures robust ethical and professional practices which is also very important to reach business goals.

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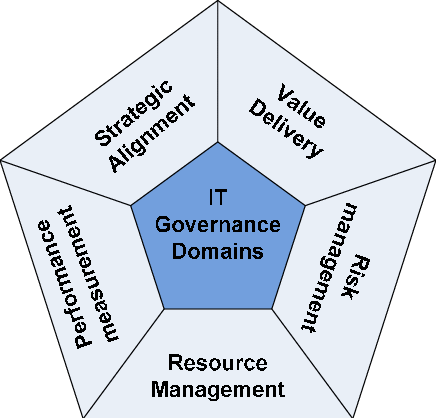
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**Appendices**:

Appendix A: IT governance main key focuses



Appendix B: Differences between IT Management and IT Governance

