Chapter 20

New Directions for IT Governance in the Brazilian Government

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ABSTRACT

This chapter presents an IT Governance Framework and a Competency Model that was developed to identify the intellectual capital and the strategic actions needed to implement an efficient IT Governance programme in Brazilian Government Offices. This work is driven by the premise that the human assets of an organization should adhere to a set of core competencies in order to prioritize and achieve business goals that, when seen from a government perspective are related to public resources management. IT Governance may help the organization to succeed in its business domain; consequently, through effective investment policies and strategic decisions on IT assets, the organization can come up with a business-IT alignment proposal, capable of enabling and achieving highly integrated business services.

INTRODUCTION

Research made in recent years has shown that, to efficiently apply IT resources in a well-designed and responsible fashion it is important to implement an IT Governance programme in a way that it might allow the organization to maximize its actions in its business context, therefore, gaining competitive advantage (CARR, 2004). In many countries, the Government economy share might range from 20% to 50% (Weill, 2004).

The Brazilian economy is not different and also has a significant impact on several sectors of the economy, and, as exemplified by the Brazilian Growth Acceleration Programme (PAC), the need to control huge investment amounts imposes new strategic approaches and requires new support endeavours (PAC, 2007).

What must be understood is that, with massive Government investments in all economic sectors, how does one establish an efficient IT infrastructure that must be pervasive and reach every government sector in order to avoid effort and public resource waste? And mostly, how can
IT become a strategic asset for the Brazilian government (or any Government), helping with the investment process, and consequently improving the quality of its services? To reach a plausible answer, we first need to understand the Government IT Governance scenario and then identify ways in which government organizations might benefit from more efficient IT Governance programmes, therefore, improving the infrastructure needed to support government services.

Many are the factors that influence this goal. Organizations continuously review their IT investments, seeking new integration models and strategic use of IT services in order to come up with better strategies for their business domain problems (Fernandes, 2006). For public organizations such effort directs towards the creation and aggregation of ‘public value’, meaning better use of the ‘Machinery of Government’, always focused on the public well-being. Adding to what is explained by Weill (2004), public organizations should provide services that perform in an effective and efficient way, promote such public well-being. Public services may be perceived as the real assets the governmental apparatus represents to the population. Consequently, the incremental optimization of these services allows a sustained evaluation of these public values.

IT Governance today is a change driver and, as such, must be considered in high levels of power as it will affect every investment policy the organization might come up with, and this is one of many reasons that motivate us to create this chapter. The pursuit of this vision is presented in the following sections as we describe what has been done so far, and what is still under research.

**MOTIVATIONS**

We have reached a new era of competition. Organizations can no longer afford to delegate IT decisions to IT officers. What we see now is an increasing need for business integration and such integration can only be achieved through strategic business alignment with IT services. Also, the objective should be the creation of an organizational strategic ‘thinking’ which would be responsible for driving IT efforts towards the achievement of business goals (Marzullo, 2009).

At the same time, the organization should be aware that IT investments are to be controlled and prioritized as the word of order is to create value while relentlessly reducing costs. In fact, IT elements have become important business assets that not only contribute to achieving business goals but also revolutionize the organization as a whole. IT is an excellent innovation driver and, as such, should be properly used and controlled by the organization (Weill, 1998).

This vision is shared amongst non-profit organizations as well. Considering Government organizations, extreme care should be exercised when using public resources to sponsor public programmes. Challenges faced by Government strategists resemble those of private organizations: costs must be minimal and results maximized. However, it is even more complicated as they are dealing with public resources, and therefore controlling mechanisms should be applied as fiercely as possible.

Business and Government officers ask themselves constantly how resources can be invested without risking failing business goals, or, more specifically, how governments can invest public resources to obtain the best results for the taxpayer. And one of the answers, in today’s ‘Information Age’ is: an efficient Information Technology strategy. It not only contributes to Government actions, but also helps coordinate better ways to attend to the needs of the country, whether by means of new services or through the improvement of old ones. In fact it can be used to reinvent the way in which the Government reaches its citizens, and regarding the Brazilian Government, the so called Electronic Government (e-Government) programmes are at the top of such actions (MP, 2009).