

MISQ Archivist

IT Consumerization and the Transformation of IT Governance

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Abstract

IT governance describes the decision rights and accountability framework used to ensure the alignment of IT-related activities with the organization's strategy and objectives. Conversely, IT consumerization refers to the process whereby the changing practices and expectations of consumers influence the IT-related activities of workers and managers in organizations. We propose that IT consumerization not only challenges the foundations of IT governance but ultimately also transforms it. To explore this research problem, we utilize the punctuated equilibrium theory and a case study of IT consumerization and the transformation of IT governance in a large global bank. Our findings suggest that the widespread adoption of digital technology in everyday life leads to "everyone's IT," which is a new set of shared beliefs among consumers that highlights democratized access and individualized use of IT. As everyone's IT beliefs begin to alter the IT-related activities of workers, the result is IT governance misalignments that ultimately lead to a punctuated transformation of IT governance that dismantles functional IT governance. The establishment of platform-based governance marks a new equilibrium period. Our mid-range theory contributes to the IS domain with the novel concept of everyone's IT and a grounded explanation of IT governance transformation in the context of IT consumerization. Our theory offers a set of significant research and practical implications.

Keywords: IT consumerization, IT governance transformation, digital transformation, punctuated equilibrium theory, case study, grounded theory method, mid-range theory