Governing Energy

IoT Fever

Every IT generation has its Killer App! Today, we appear to have at least two. The Internet of Things (IoT) and Blockchain are leading the pack.

At several conferences this author attended on the subject since November 2017, the refrain has been the same. Against the backdrop of the digital oil and gas company, the role of sensor technology and it value proposition has been extoled by speakers (typically) representing organizations active in this space.

"Organizations cannot afford not to do it," and the "value proposition is huge" are typical statements. What has been missing is the "how" drill down on the "why' organizations should implement IoT.

Its rodeo time in Houston and from this writer's perspective, "this is not my first rodeo." As with other 'you need to's' of the past, a detailed IoT initiative plan must be developed—not to mention properly implemented.

Questions regarding asset priorities, is this an enterprise process, roll out process and a host of other project planning issues must be adequately answered. Besides, not all organizations will answer the questions in the same manner. Hence, guard against merely following a best practice.

Finally, the actual business case must (at least) include the following:

- Strategic alignment with the business model and committed executive sponsorship
- How will the initiative and the resulting transformation be governed given the integration of Information Technology and Operational Technology (IT-OT) is a new model for many?
- Dynamic change management processes
- Cybersecurity and the new exposures to the firm addressed (not just Smart Devices but must include legacy systems and processes)
- Impact on the organization's ecosystem

For those readers who are thinking, "I have seen this all before," you have! The implementation of IoT, Blockchain, or the next new thing are enterprise level projects. Just like the ERP, Y2K and other projects of the past.

We are not making an argument not to implement IoT. Simply, the questions of *why* and *how* must be answered to the satisfaction of all constituents.

How Is Your Organization Addressing the Implementation of New Technologies?

Free [Economic Value Proposition Matrix](#) version 2.0 (realize the value of your investment)
Also, checkout our [YouTube Channel](#)

Additional details are available from the author.

About the Author

Dr. [Scott M. Shemwell](#) has over 30 years technical and executive management experience primarily in the energy sector. He is the author of six books and has written extensively about the field of operations. Shemwell is the Managing Director of The Rapid Response Institute, a firm that focuses on providing its customers with solutions enabling Operational Excellence and regulatory compliance management. He has studied cultural interactions for more than 30 years—his dissertation; *Cross Cultural Negotiations Between Japanese and American Businessmen: A Systems Analysis (Exploratory Study)* is an early peer reviewed manuscript addressing the systemic structure of societal relationships.