# **Governing Energy**

### **Logged Off**

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Recently, in one 24-hour period this author suffered two IT failures. First the cable TV system decided to implement Parental Lock on all channels and all programs. The message was that the user could log in and change this status but since I had never set this up, I could not. Several reboots later the system cleared.

Later, the movie provider logged me out, again without asking. The next day, all was good and I could watch the movie I wanted to view the night before.

Jokes and frustration with cable are legendary. However, one has to ask the question—after almost seventy years of commercial service why can't they get these types of things right?<sup>i</sup>

More egregiously, one of the credit reporting companies 'reportedly' had the software "patch" that would have prevented the hack of personal data for over 140 million people—must have been a low priority not to have updated its software last spring.<sup>ii</sup>

While this writer is not an attorney, one wonders where the level of IT negligence becomes Gross Negligence?<sup>III</sup> One can surmise that the legal system will provide some guidance in this case over the coming years.

One long time slang definition for CIO (Chief Information Officer) is *Career Is Over* given the perceived low value of the job by some. Well for this company's data breach, there is a new definition of *Career Ends* and you're *Out*—CEO.

Governance and Risk mitigation should be core competencies of the Board of Directors and corporate Officers. The implementation of Sarbanes Oxley after certain financial mischief is the bellwether of that requirement with actual jail time for some executives.

In this information society, IT Governance should be a Boardroom issue just like financial transparency. However, is often referred to as an alignment matter whose "teeth" may be dull. Failures in either area destroy shareholder value—up to 100% for one firm and its auditor.

The old folk song, goes "When will they ever learn?" Maybe some never will. Groundhog Day in the board room continues for some.

If the CIO views his or her job as mainly managing technology and its alignment, the opportunity for failure is high. viii That's so 1990s!

If the Board has the same perspective then catastrophic destruction of shareholder value may be inevitable. Cable TV disruptions are minor inconveniences. Identify thief of almost half the population of the United States due to managerial maleficence is not.

## **How Does Your Organization Assure Careers Don't End?**

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Additional details are available from the author.

### **About the Author**

Dr. <u>Scott M. Shemwell</u> 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.

#### **End Notes**

i https://en.wikipedia.org/wiki/Cable television in the United States

https://www.wired.com/story/equifax-breach-no-excuse/

http://legal-dictionary.thefreedictionary.com/gross+negligence

https://federalnewsradio.com/defense/2015/01/does-cio-stand-for-chief-information-officer-or-career-is-over/

<sup>&</sup>lt;sup>v</sup> http://www.npr.org/2017/09/26/553799200/equifax-ceo-richard-smith-resigns-after-backlash-over-massive-data-breach

vi https://www.cio.com/article/2438931/governance/governanceit-governance-definition-and-solutions.html

vii http://www.lyricsfreak.com/p/peter+paul+mary/where+have+all+the+flowers+gone 20107752.html

viii https://enterprisersproject.com/article/2016/11/should-cios-have-technology-background