

Harmonizing IT Governance Frameworks for Enhanced Return on Investment A Comprehensive Study in Motor Dealerships in Nueva Ecija

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Abstract:- This study comprehensively explores the intricate dimensions of IT governance and its pivotal role in steering motor dealerships towards success. Specifically focusing on the COBIT, ITIL, and ISO/IEC 38500 frameworks—recognized for their robust guidelines and practices in IT governance—this research employs a mixed-method approach encompassing interviews and surveys. The study delves into the experiences and insights of IT professionals within motor dealerships in Cabanatuan, Nueva Ecija, aiming to unveil patterns and themes through content analysis.

At the core of this exploration is the identification of a key research problem: How does each framework, in terms of responsibility, strategy, acquisition, performance, conformance, and human behavior, affect the Return on Investment (ROI) of motor dealerships? The study seeks to understand the impact of these frameworks on the ROI, providing insights into their effectiveness in aligning IT investments with strategic business objectives while minimizing risks. Notably, the COBIT, ITIL, and ISO/IEC 38500 frameworks emerge as guiding lights, illuminating comprehensive guidelines and practices that orchestrate effective IT governance.

An important implication of this research is the resounding significance of comprehensive training initiatives. Nurturing a proficient IT knowledge and skills workforce emerges as a strategic imperative, equipping organizations with the capability to make informed decisions that optimize ROI. Furthermore, a clarion call is sounded for fostering a culture characterized by responsible decision-making and harmonious collaboration among stakeholders engaged in IT service management.

Keywords:- Cobit Framework; Iso/Iec 38500 Framework; It Governance; It Service Management; Itil Framework

I. INTRODUCTION

The evolving landscape of the business world underscores the paramount role of information technology (IT) in achieving strategic goals. Effective IT governance acts as a critical conduit, ensuring that IT investments harmonize with business objectives while mitigating risks (Grembergen, 2014). This paper endeavours to unveil the multi-faceted aspects of IT governance and its indispensable role in steering motor dealerships towards success.

IT governance is concerned with using and regulating influence to direct and control the actions and affairs of management and others (IT Chronicles, 2022). The person or group with responsibility for governance is accountable for the performance and conformance of the organization. The IT governance team roles and responsibilities in any organization should include the design, implementation, and ongoing compliance with IT governance principles, policies, and processes (IT Chronicles, 2022).

While the importance of IT governance is acknowledged, implementing a comprehensive IT governance program remains a complex undertaking, demanding substantial time and resources (Grembergen, 2014). Moreover, the scarcity of proficient IT governance professionals often leads to misconceptions regarding its purpose and value (IT Chronicles, 2022). This research addresses the challenge of efficiently managing IT governance to ensure that IT investments seamlessly support business objectives while reducing risks. The specific research problem addressed in this study is how the Return on Investment (ROI) of motor dealerships is affected by each framework, particularly in terms of responsibility, strategy, acquisition, performance, conformance, and human behavior.

➤ *The Research Study Hopes to Fulfill the following Objectives:*

- To evaluate the significance of a formal framework as an architectural cornerstone for robust IT governance.
- To assess the role of information technology (IT) governance emerges as a pivotal factor in steering organizations towards their success.

II. METHODOLOGY

The This research employs a mixed-method approach to comprehensively explore the intricate dimensions of IT governance and its influence on Return on Investment (ROI) within motor dealerships. The methodological framework draws from the COBIT, ITIL, and ISO/IEC 38500 frameworks, which provide robust guidelines and practices for managing IT governance. These frameworks encompass various aspects, including human behavior management, legal and regulatory compliance, and performance evaluation of IT services and products.

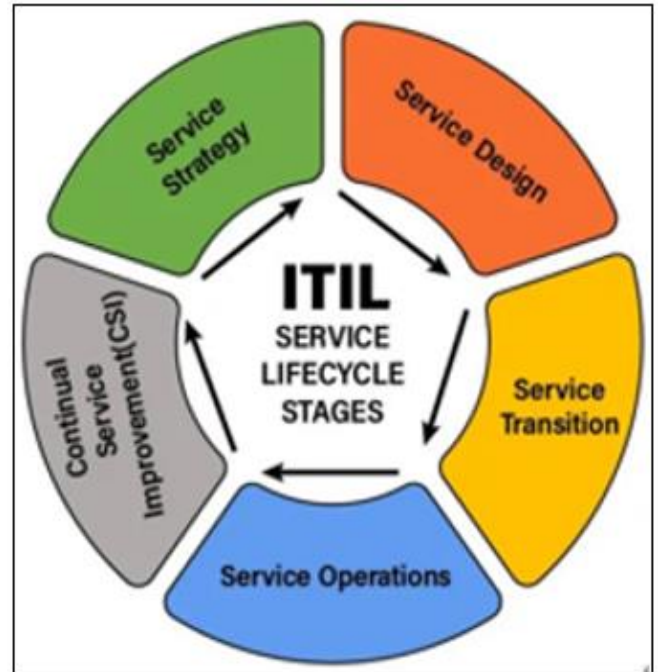


Fig 2 ITIL framework b

Source: Nandini (2023), retrieved from <https://www.sprintzeal.com/blog/itil-processes>

Likewise, as illustrated in Figure 2, the ITIL framework operates in harmonious resonance, orchestrating a symphony of collaboration and communication. This harmonious composition seamlessly integrates interactions and fluidly manages changes. Its synchronized orchestration involving stakeholders shines a spotlight on change management, service reporting, and extensive training. This symphony resonates melodiously, aligning IT services harmoniously with an organization's overarching goals, serving as a harmonious ode to strategic alignment (InvGate, 2023).

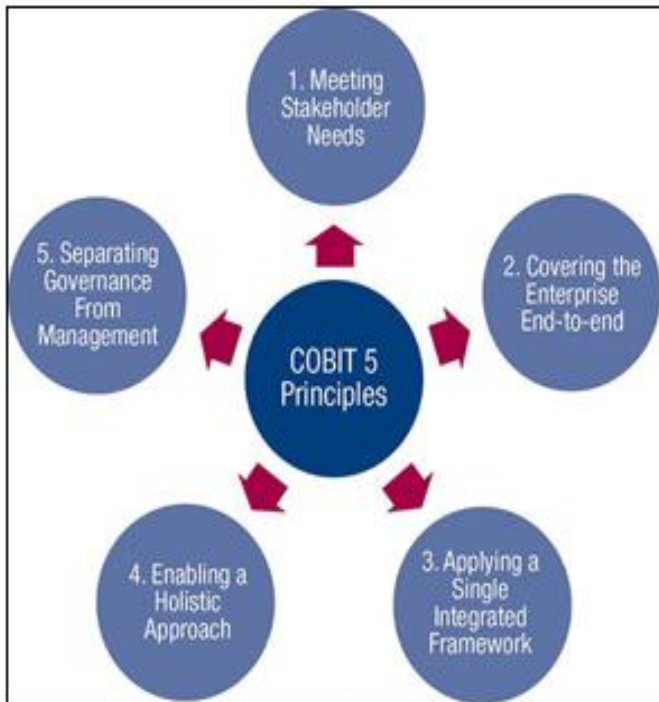


Fig 1 COBIT framework a

Source: Marshal (2022), retrieved from <https://www.thecybersecuritytimes.com/what-is-cobit-framework/>

As depicted in Figure 1, the COBIT framework emerges as a beacon of clarity, harmonizing the symphony of well-defined roles, responsibilities, and ethical foundations. Its crescendo lies in the orchestration of training initiatives and the resonance of a code of conduct, fostering an environment resounding with ethical and responsible IT practices. Through meticulous delineation, the COBIT framework erects a steadfast foundation, weaving a tapestry of effective governance (IT Chronicles, 2022).

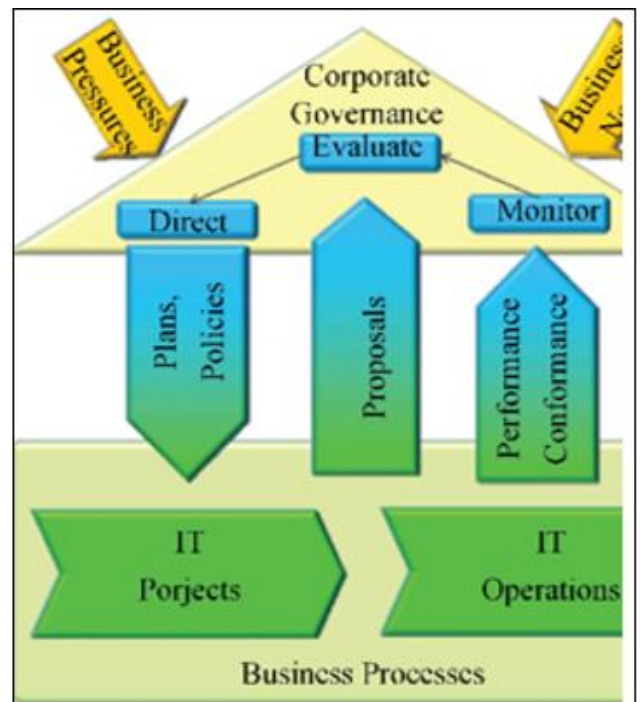


Fig 3 ISO/IEC 38500 framework c

III. RESULTS AND DISCUSSION

Meanwhile, the ISO/IEC 38500 framework, as illustrated in Figure 3, emerges as an opulent tapestry of executive stewardship. It underscores the pivotal role of executive management, cultivating a culture woven with sagacious and ethically informed decision-making. Transparency and accountability dance center stage, a ballet showcasing the executive's responsibility in ensuring steadfast legal and regulatory compliance. In this meticulously choreographed ballet, the ISO/IEC 38500 framework adorns the stage with principled and compliant governance (CSUSB ScholarWorks, 2016).

A. Qualitative Phase

The qualitative phase of this study involves in-depth interviews and surveys conducted among IT professionals within motor dealerships. Specifically, the research targets motor dealerships situated in Cabanatuan, Nueva Ecija, with a focus on notable entities such as BMD Isuzu Motors, K SERVICIO, and Wheeltek. These participants are chosen for their expertise and experience in IT governance. The qualitative data collected through interviews and surveys will be subjected to content analysis, a methodological approach aimed at identifying recurring themes and patterns in the responses.

B. Scoping Review

To establish a comprehensive understanding of methodological frameworks, a scoping review was conducted. This review delineates a methodological framework as a structured guide that directs the completion of processes or procedures. In the context of this research, a methodological framework serves as a tool guiding the researcher through a sequence of steps to execute a procedure. It complements the theoretical framework, which acts as the foundational blueprint for the entire research inquiry. The methodological framework provides crucial guidance for designing the research and achieving its overarching theoretical goals, thus contributing to the interdisciplinary vocabulary and evaluation criteria of the study.

C. Scope and Limitations

The scope of this study is delimited to the context of IT governance within motor dealerships, with a specific focus on the COBIT, ITIL, and ISO/IEC 38500 frameworks. The geographical scope encompasses motor dealerships in Cabanatuan, Nueva Ecija, comprising notable entities such as BMD Isuzu Motors, K SERVICIO, and Wheeltek. It is important to note that the findings derived from this study may have limitations in terms of generalizability due to the confined geographic and organizational scope.

While the mixed-method approach ensures a comprehensive exploration of the research problem, the reliance on qualitative data collection methods may limit the quantitative precision of the results. Nevertheless, the insights garnered from this study hold valuable implications for understanding the interplay between IT governance frameworks and ROI within motor dealerships. These insights offer a foundational base for future investigations and strategic decision-making in the realm of IT governance and business performance.

The journey into the realm of IT governance within the vibrant landscape of motor dealerships has unveiled a rich tapestry of insights and implications. Delving into the intricacies of IT governance's interplay with Return on Investment (ROI) through the lenses of the COBIT, ITIL, and ISO/IEC 38500 frameworks, this study has journeyed through a myriad of perspectives, weaving a narrative that intertwines responsibility, strategy, acquisition, performance, conformance, and human behavior. The confluence of these dimensions has unearthed a treasure trove of findings that resonate with profound significance and practical implications.

A. Research Ethics: Data Confidentiality and Privacy

The research findings resonate with profound implications, illuminating the essential elements that intricately shape the trajectory of IT governance within motor dealerships. A formal framework stands as a cornerstone, an indispensable architectural structure for robust IT governance. This scaffolding offers a deliberate path, a strategic conduit aligning IT investments with the heartbeat of business objectives while diligently mitigating risks. As the stage is set, the COBIT, ITIL, and ISO/IEC 38500 frameworks ascend, becoming guiding luminaries, casting a luminous glow upon a complex landscape of comprehensive guidelines and pragmatic practices that choreograph the symphony of effective IT governance.

B. Research Ethics: Data Confidentiality and Privacy

Maintaining research ethics related to data privacy and confidentiality is crucial in the setting of a motor dealership business. The researcher must abide by strict guidelines to protect the sensitive information it gathers as it conducts research to improve consumer experiences and optimize corporate operations. Customers' informed consent should be obtained prior to data collection by the business, which should explicitly explain the research's goal, the kinds of data that will be gathered, and the strict security measures in place to protect the confidentiality and privacy of their information.

Utilizing anonymization or de-identification methods whenever possible, data collection and storage within the motor dealership should prioritize minimizing the amount of personally identifiable information. To safeguard the stored data from unwanted access or security breaches, effective security measures must be put in place, including data encryption and restricted access. The business should pledge to only keep data as long as is necessary and to safely dispose of it after its purpose has been achieved.

When exchanging data is required, the motor dealership must adhere to tight rules to de-identify or anonymize the data, eliminating any chance of re-identifying specific consumers. Similar confidentiality and privacy requirements should apply to any collaboration with outside partners or researchers. Building trust and ensuring customers' informed participation need open communication with customers regarding data management practices, hazards, and mitigation solutions.

The motor dealership should conduct routine privacy effect analyses throughout the research process to recognize and resolve possible threats to organization and consumer privacy. The safeguarding of participant names should be given top priority in any research findings or publications, either through aggregation or anonymous reporting. Mechanisms for ongoing monitoring and assessment should be set up, and any breaches or modifications to data handling procedures should be submitted to review by an internal ethical committee. The motor dealership company exhibits its dedication to

responsible research procedures that respect individual rights and contribute to ethical developments in the automotive sector by rigidly upholding these values

The table 1 below compares the COBIT, ITIL, and ISO/IEC 38500 frameworks in terms of their impact on the Return on Investment (ROI) of motor dealerships. The comparison is based on the six variables identified in the research problem statement: responsibility, strategy, acquisition, performance, conformance, and human behavior.

D. Training Initiatives and Collaborative Culture

Beyond the grandeur of these frameworks, the research resounds with the clarion call for investments in comprehensive training initiatives. Nurturing a workforce enriched with IT knowledge and skills emerges as an irrevocable strategic imperative. With this armamentarium, organizations traverse the complex terrain of IT governance with acumen, making informed decisions that optimize the ROI spectrum. Moreover, the research harmoniously resonates, advocating a culture marked by judicious decision-making and synchronous collaboration, orchestrating IT service management's symphony (CSUSB ScholarWorks, 2016; IT Chronicles, 2022; InvGate, 2023).

In its entirety, the research findings not only offer a lens to the intricate tapestry of IT governance but also sow seeds for an enhanced governance paradigm within motor dealerships. By peeling back the layers and unraveling the multi-faceted dimensions of IT governance's intricate weave, this study's resonant chords offer more than insight; they provide a compass and a compelling roadmap. With these insights as their guiding stars, organizations can set sail, navigating their IT investments toward a crescendo of success while adroitly minimizing risks and championing ethical conduct at every juncture.

Table 1 Framework Comparison

Frameworks	Responsibility	Strategy	Acquisition	Performance	Conformance	Human Behavior
COBIT	Provides a framework for governance and management of enterprise IT across the organization.	Helps navigate the complexities of IT compliance, regulation, and governance.	Provides guidelines, tools, and techniques that can be used to help organizations effectively govern their IT.	Provides an acceptable assurance level that business goals will be met.	Provides a comprehensive set of guidelines, tools, and techniques that can be used to help organizations effectively govern their IT.	Provides a holistic approach to governance, taking into account the organization's entire ecosystem when making decisions about how to best manage risks and optimize resources.
ITIL	Provides a framework for IT service management that focuses on aligning IT services with the needs of the business.	Helps organizations to design, deliver, and improve IT services that meet the needs of the business.	Provides a set of best practices for managing the acquisition of IT services and products.	Provides a set of metrics for measuring the performance of IT services.	Provides a set of best practices for ensuring that IT services conform to the needs of the business.	Provides a set of best practices for managing human behavior in the context of IT service management.
ISO/IEC 38500	Provides a framework for the effective governance of IT that is aligned with the needs of the business.	Helps organizations to ensure that their IT investments are aligned with the needs of the business.	Provides a set of best practices for managing the acquisition of IT services and products.	Provides a set of metrics for measuring the performance of IT services.	Provides a set of best practices for ensuring that IT services conform to the needs of the business.	Provides a set of best practices for managing human behavior in the context of IT governance.

IV. CONCLUSIONS

In the dynamic landscape of contemporary business, the role of information technology (IT) governance emerges as a pivotal factor in steering organizations towards success. This study has navigated the intricate dimensions of IT governance within the context of motor dealerships, with a specific focus on the COBIT, ITIL, and ISO/IEC 38500 frameworks. Through a mixed-method approach involving interviews, surveys, and scoping review, the study has illuminated the interplay between these frameworks and their impact on Return on Investment (ROI).

The research findings resonate with profound implications, underlining the significance of a formal framework as an architectural cornerstone for robust IT governance. This framework serves as a strategic conduit, aligning IT investments with the rhythmic pulse of business objectives while meticulously managing risks. The COBIT, ITIL, and ISO/IEC 38500 frameworks have emerged as guiding luminaries, casting light upon a complex landscape of comprehensive guidelines and pragmatic practices that choreograph the symphony of effective IT governance.

RECOMMENDATIONS

➤ *Based on the Research Findings, Several Recommendations Emerge to Enhance the Effectiveness Of IT Governance with in Motor Dealerships:*

- **Framework Alignment for ROI Optimization:** Organizations should critically assess their existing IT governance frameworks in alignment with ROI optimization. The COBIT, ITIL, and ISO/IEC 38500 frameworks provide valuable guidance for achieving this alignment and ensuring that IT investments directly contribute to business success.
- **Investment in Comprehensive Training:** The research underscores the pivotal role of nurturing a proficient IT knowledge and skills workforce. Organizations should invest in comprehensive training initiatives to empower their employees with the expertise needed to navigate the complexities of IT governance effectively.
- **Cultivating Responsible Decision-Making:** Fostering a culture of responsible decision-making is paramount. Organizations should leverage the ethical underpinnings of the COBIT framework, harmonious orchestration highlighted by ITIL, and principled executive stewardship emphasized by ISO/IEC 38500 to cultivate a climate where ethical and informed decisions are the norm.
- **Holistic Approach to Conformance:** To ensure conformance with legal and regulatory requirements, organizations should adopt a holistic approach as advocated by the ISO/IEC 38500 framework. Transparency, accountability, and adherence to compliance measures should be integrated into the fabric of IT governance practices.
- **Collaborative Human Behavior Management:** The COBIT, ITIL, and ISO/IEC 38500 frameworks collectively stress the significance of managing human behavior. Organizations should adopt best practices from

these frameworks to create a collaborative environment that supports effective IT governance and service management.

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