

# EFFECTIVENESS OF INFORMATION TECHNOLOGY GOVERNANCE IN BANKING SECTOR BASED ON INFORMATION TECHNOLOGY GOVERNANCE INSTITUTE DETERMINANTS

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## ABSTRACT

*In recent years, the issue of establishing and implementing information technology (IT) governance has become an important matter for modern business. IT is considered important or very important to the delivery of the overall business strategy and vision in order to reach the goals of the companies. Moreover, IT has been playing more important roles for organizations in achieving their goals.*

*This research obtaining the sample data by using questionnaire of 13 banks with 70 respondents, this research examined the influences of six proposed IT governance mechanisms, which are corporate performance appraisal, culture of compliance, involvement of top management in IT, IT risk management, IT steering committee and internal control on the overall effectiveness of IT governance. First, the data are transforms using method of successive interval and test of hypothesis using Multiple Regression techniques.*

*This research found significant influence between effectiveness of IT governance and IT governance mechanisms: corporate performance appraisal, involvement of top management in IT, IT risk management and IT steering committee. Therefore, IT governance mechanisms: culture of compliance and internal control are not significance influence the effectiveness of IT governance.*

**Keyword:** IT Governance, Mechanism, Banking Sector, ITGI