Introduction to COBIT

Presentation for the ISACA Kansas City Chapter

Agenda

- Introduction
- IT Challenges
- Governance Overview
- The COBIT Framework
- COBIT Mappings to Various Frameworks
- Closing

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Introduction
Purpose of Presentation

This presentation was developed for the ISACA Kansas City chapter for educational and discussion purposes only. It is our intent today to:

- Provide a high level overview of the COBIT framework for the ISACA Kansas City chapter
- Provide an overview of basic principles of governance that support the framework
- Describe the high level Val IT framework
- Illustrate how COBIT maps to other popular frameworks

Introduction
Today's Speakers

Mark Thomas

With over 18 years of professional experience, Mark's background spans leadership roles from IT Director to Management and IT Consulting. Mark has led large teams in outsourced IT arrangements, conducted PMO, Service Management and governance activities for major project teams, managed enterprise applications implementations, and implemented governance processes across multiple industries.

Mark has a wide array of industry experience with 'Big Five' type consulting in the health care, manufacturing and distribution, services, high technology, and government verticals. As the president of Escoute Consulting, Mark has forged a reputable competency as a consultative trainer and speaker in the governance space including ITIL and COBIT.

David Upsdell

David Upsdell's career in the IT Services industry is rich and varied. He has developed application software, managed the IS function at various companies, consulted in information systems to client companies and managed a portfolio of IT projects.

His industry experience includes high technology, dotcom startups, publishing, telecommunications and financial services. In the past year, David designed and implemented an Information Security Program for a financial services company in metropolitan Kansas City.

David earned his BS in Information Systems and post-graduate Diploma in Business and has since been certified CGEIT, CISM and PMP. He has traveled to 49 of the 50 states of the USA, Europe, UK, Australia, New Zealand and Asia – and has actually lived in several of them.

- Introduction
- IT Challenges
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- COBIT Mappings to Various Frameworks
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IT Challenges
Classic IT Challenges

1. Keeping IT Running
2. Costs
3. Value
4. Mastering Complexity
5. Aligning IT with Business
6. Regulatory Compliance
7. Security
8. Staffing (HR, Skills, Retention)
9. Resources

From itgi.org

IT Challenges
1. Keeping IT Running

Risks:

- Mission critical processes can be adversely impacted
- Productivity loss
- Lost business, customers, revenue, profits
- Reputational risk

Control Objective:

- Assure Continuity and Quality of IT services

From itgi.org

IT Challenges
2. Costs

Risks:

- Excessive spend on IT

  Gartner Group estimates that organizations waste US $600 billion a year on ill-conceived IT projects—and that includes only "sunk" cost, not unrealized value.

  Gartner, “The Elusive Business Value of IT,” August 2002

- Lack of understanding of IT costs
- Increasing complexity of IT assets/services
- Mismatch of IT spending by IT Dept & Business units
- Resource skills lacking or non-aligned

Control Objective:

- Manage costs and vendors as carefully as possible

IT Challenges
3. Value

Risks:

- Cost of IT investments outweigh the benefits
- Expected outcomes of IT investments
- Users expectations not met
- Impaired business performance

Control Objective:

- Identify “right” IT investments, execute with excellence

From itgi.org

IT Challenges
4. Mastering Complexity

Risks:

- Not maintaining technical competencies
- Integration of new systems/business units
- Lack of standardization
- Not adaptable to change
- Not taking advantage of technology improvements
- Not managing vendors & service providers

Control Objective:

- Organize & manage IT to be adaptable & flexible

From itgi.org

IT Challenges
5. Aligning IT With Business

Risks:

- Poorly defined business requirements and/or business drivers
- Prioritization mismatch between IT & business
- Increasing complexity – beyond ability to manage
- Lack of Business Unit sponsorship
- Communication gaps between business & IT

Control Objective:

- Ensure IT links with the business to deliver value

From itgi.org

IT Challenges
6. Regulatory Compliance

Risks:

- Ability to do business – at all! Cease & desist!
- Penalty Costs
- Reputational risk

Control Objective:

- Ensure compliance with all relevant regulations and contracts

From itgi.org

IT Challenges
7. Security

Risks:

- Exposure/corruption of information
- Take down systems and applications
- Loss of IP and business intelligence
- Abuse/misuse of information
- Ability to do business

Control Objective:

- Ensure IT security is sufficient to reduce risk to an acceptable level

From itgi.org

IT Challenges
8. Staffing

Risks:

- Insufficient coverage can expose the business to poor performance in all other areas
- Not adaptable to change
- Attracting, retaining and maintaining required skills
- Skills not adequate to grow new business demands
- Ability to do business

Control Objective:

- Ensure IT staffing is skilled and adequate in cover

From itgi.org

IT Challenges
9. Resources

Risks:

- Adverse performance in all previous challenges
- Ability to do business

Objective:

- Ensure IT resources are sufficient

From itgi.org

IT Challenges
Best Practices for IS

Key component processes performed by all IS organizations (Dr Colin Boswell, DECUS conference 1993)

From Dr. Colin Boswell

IT Challenges
Provision of User Services

- Service Level monitoring
- User satisfaction surveys
- Training
- Documentation
- Help Desk

From Dr. Colin Boswell

IT Challenges
Strategy and Planning

- Management commitment
- IS Strategic Plan
- Audit and review
- International standards
- Reporting procedures

From Dr. Colin Boswell

IT Challenges
Service Level Management

- Service level agreements
- Agreeing service levels
- Performance monitoring and reporting
- External service providers

From Dr. Colin Boswell

IT Challenges
Service Availability and Security

- Computer operations
- Network operations
- Capacity planning and management
- Software availability
- Hardware availability and maintenance
- Environmental services
- Risk management and disaster recovery planning
- Security

From Dr. Colin Boswell

IT Challenges
Cost Management

- The cost of service provision
- Cost reporting
- Cost justification
- Procurement
- Third party service providers

From Dr. Colin Boswell

IT Challenges
Human Resources

- Human resources issues
- Contract vs. permanent staff

From Dr. Colin Boswell

IT Challenges
Systems Development and Acquisitions

- The project approach to systems development or acquisitions
- Systems development
- System acquisition
- User control
- Audit requirements and security
- Cost justification
- Quality and standards
- User developed PC systems

From Dr. Colin Boswell

IT Challenges
Testing and Implementation

- Testing
- Implementation
- Documentation
- Training
- User acceptance and sign off
- Post implementation review

From Dr. Colin Boswell

IT Challenges
Project Management

- Project ownership
- Project scope
- Project planning
- Project monitoring, control and reporting
- User involvement

From Dr. Colin Boswell

IT Challenges
Problem Management

- Problem management procedures
- Help Desk

From Dr. Colin Boswell

IT Challenges
Change Management

- Co-ordination
- Priority and urgency
- Span of authority

From Dr. Colin Boswell

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Governance Overview
Enterprise Governance

Enterprise Governance is a set of responsibilities and practices exercised by the board and the executive management.

- Strategic direction to the organization
- Achieving objectives
- Managing risks
- Responsible use of resources
- Balancing performance and conformance

Investors, too, realize the importance of governance because they are willing to pay more than 20 percent premium for enterprises shown to have good governance practices in place.

(McKinsey Investors Opinion Survey, June 2000)

Reference: IT Governance Institute, COBIT 4.1

Governance Overview
IT Governance

"IT Governance is the responsibility of executives and the board of directors, and consists of the leadership, organizational structures and processes that ensure that enterprise IT sustains the organization's strategies and objectives."

- Integrate and institutionalize good practices
- Take full advantage of information
- Satisfy quality, fiduciary and security requirements
- Optimize resources
- Balance risk versus return

Only 38% of executives/senior management can describe their organizations IT Governance process. In most cases, IT Governance has not been designed – it has just developed "piecemeal" in response to specific issues

Peter Weill and Jeannie W. Ross, IT Governance

Reference: IT Governance Institute, COBIT 4.1

Governance Overview
Why IT Governance

"Effective IT Governance is the single most important predictor of the value an organization generates from IT"

"Firms with focused strategies and above average IT Governance had more than 20% higher profits than other firms following the same strategies"

Peter Weill and Jeannie W. Ross, IT Governance

Governance Overview
Why IT Governance

85% of organizations demand business cases for change projects

Only 40% of approved projects have valid (realistic) benefit statements

Less than 10% of organizations ensure benefits are realized post-project

Less than 5% of organizations hold project stakeholders responsible for benefit attainment

Meta Group July 2004

Governance Overview

IT management vs governance

IT Management	IT Governance
Doing IT right	Doing the right IT
Sponsored by IT	Needs CIO and executive sponsorship

Governance Overview

IT Governance Global Status Report 2008

In 2007, PricewaterhouseCoopers (PwC) was commissioned by the IT Governance Institute (ITGI) to conduct the third global survey on IT governance. Results published at itgi.org. The following pages communicate the 13 key findings.

IT Governance Global Status Report—2008

Governance Overview
13 Key Findings

1. Although championship for IT governance within the enterprise comes from the C-level, in daily practice IT governance is still very much a CIO/IT director issue. The few non-IT people in the sample have a much more positive view of IT than do the IT professionals themselves.
2. The importance of IT continues to increase.
3. Self-assessment regarding IT governance has increased and is quite positive.

Governance Overview
13 Key Findings

4. Communication between IT and users is improving, but slowly.

5. There is still substantial room for improvement in alignment between IT governance and corporate governance—as well as for IT strategy and business strategy.

6. IT-related problems persist. While security/compliance is an issue, people are the most critical problem.

7. Good IT governance practices are known and applied, but not universally.

Governance Overview
13 Key Findings

8. Organizations know who can help them implement IT governance, but appreciation for the available expertise and delivery capability is only average.

9. Action is being taken or plans are underway to implement IT governance activities. A large increase is evident when compared to the 2006 report.

Governance Overview
13 Key Findings

10. Organizations use the well-known frameworks and solutions.
11. COBIT awareness has exceeded 50 percent, and adoption and use remain around 30 percent.
    a) a. 25 to 35 percent of respondents apply COBIT to the letter or are very strict.
    b) b. 50% of respondents indicate that COBIT is ‘one of the reference sources’.
    c) c. In general, there is high appreciation of COBIT, as has been seen in prior reports.

Governance Overview
13 Key Findings

12. More than half of the respondents apply or plan to apply Val IT principles, but are not familiar with the Val IT brand itself.
13. Major obstacles to adoption and use of Val IT principles include uncertainty regarding the return on investment (ROI) and lack of knowledge/expertise.

Governance Overview
Principles of IT Governance

IT Governance involves structures and processes that direct organizations towards achieving objectives. There are four essential principles:

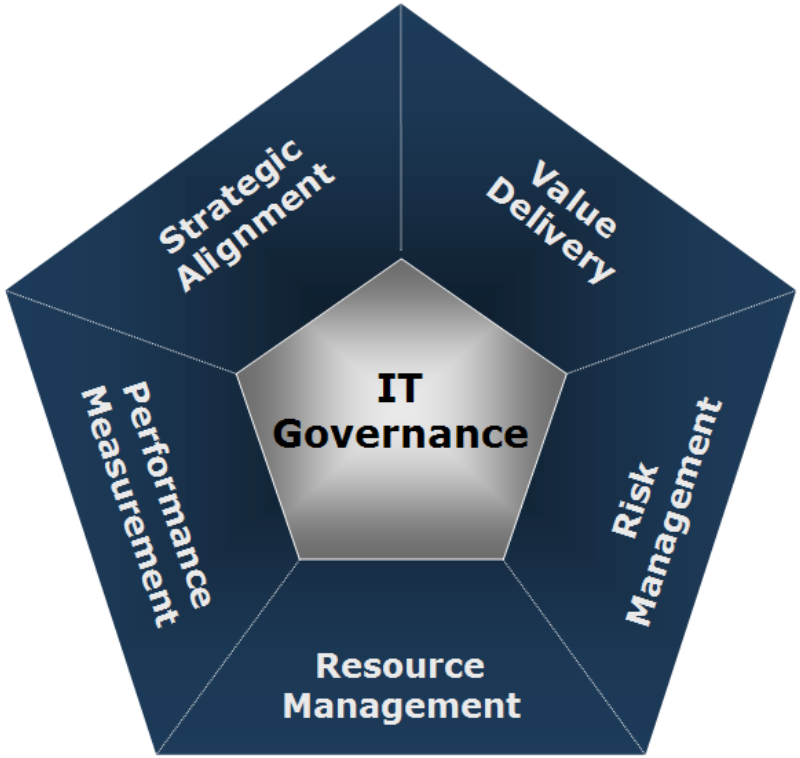
- Direct and Control
- Responsibility
- Accountability
- Activities

Reference: IT Governance Institute, COBIT 4.1

Governance Overview

IT Governance Focus Areas

IT Governance are grouped into the following five focus areas: Strategic Alignment, Value Delivery, Risk Management, Resource Management, and Performance Measurement.



- Linking business and IT Plans
- Executing the value proposition
- Optimal investment and proper management
- Risk awareness and appetite
- Track and monitor

Reference: IT Governance Institute, COBIT 4.1

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The COBIT Framework

The Need for a Control Framework

"A control framework for IT Governance defines the reasons IT Governance is needed, the stakeholders and what it needs to accomplish."

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
Definition and Mission

COBIT stands for "Control Objectives for Information and Related Technology."

- Developed by the IT Governance Institute (ITGI)
- ISACA, is a standard setting body in the areas of inform
  control, and security for professionals.
- COBIT Mission: To research, develop, publicize and promote an authoritative, up-to-date, internationally accepted IT governance control framework for adoption by enterprises and day-to-day use by business managers, IT professionals and assurance professionals
- COBIT's success as an increasingly internationally accepted set of guidance materials for IT governance has resulted in the creation of a growing family of publications and products designed to assist in the implementation of effective IT governance throughout an enterprise.

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
Characteristics of a Control Framework

Sharper Business Focus — COBIT is driven by business needs

Common Language — A standardized process model, objectives, and tools

Regulatory Requirements — A sound framework for ensuring IT compliance

Generally Accepted — A reliable and useful source based on best practices

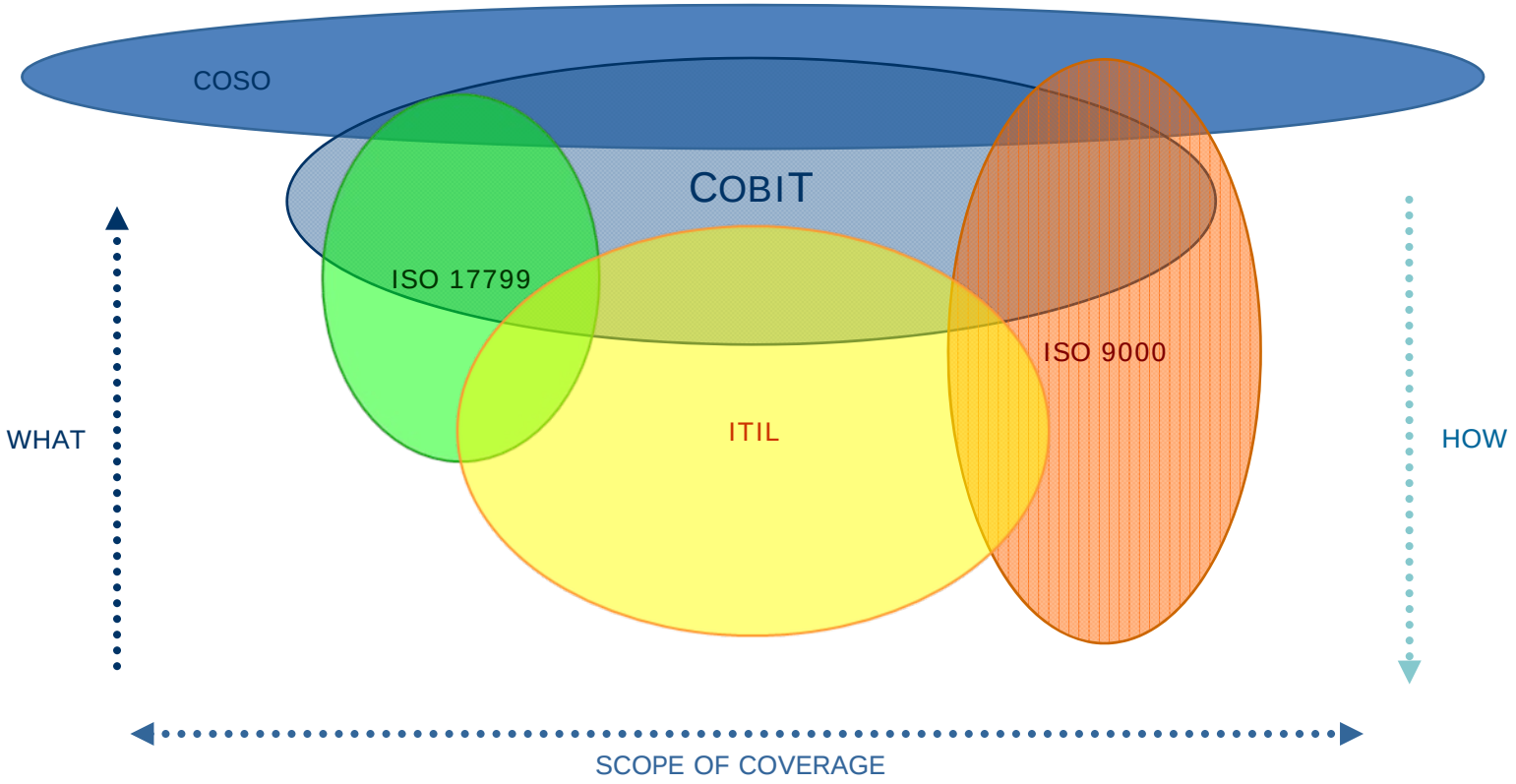
Process Orientation — A generic model suitable for any size organization

COBIT focuses on improving IT governance in organizations and provides a framework to manage and control IT activities and supports five requirements for a control framework.

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
Relationships

Organizations will consider and use a variety of IT models, standards and best practices. These must be understood in order to consider how they can be used together, with COBIT acting as the consolidator ('umbrella').



The COBIT Framework
Introduction

Control Objectives for Information and Related Technology (COBIT) helps organizations bridge critical gaps that are often assumed satisfied within an enterprise framework.

- **Originates from business requirements**
- **Process oriented**
- **Identifies IT resources**
- **Defines management control objectives**
- **Incorporates major international standards**
- **De Facto standard for control over IT**

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
General Acceptability

To achieve alignment, it can be used as a starting point for tailoring specific procedures. COBIT appeals to different users:

Executive Management

Obtain value from IT investments and balance risk and control investment

Business Management

Obtain assurance on the management and control of IT services

IT Management

Provide the IT services that the business requires to support strategy in a controlled manner

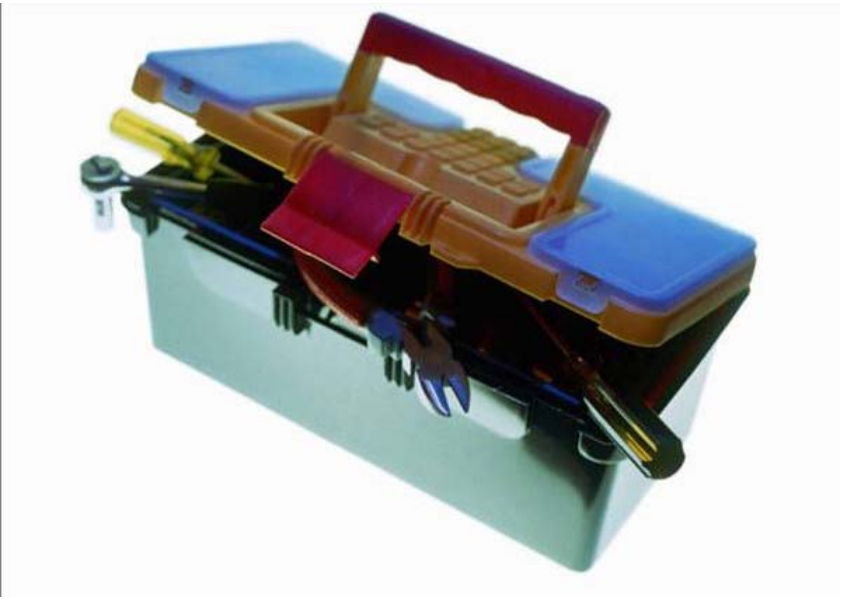
Auditors

Substantiate opinions and provide advice to management on internal controls

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
Additional Standards

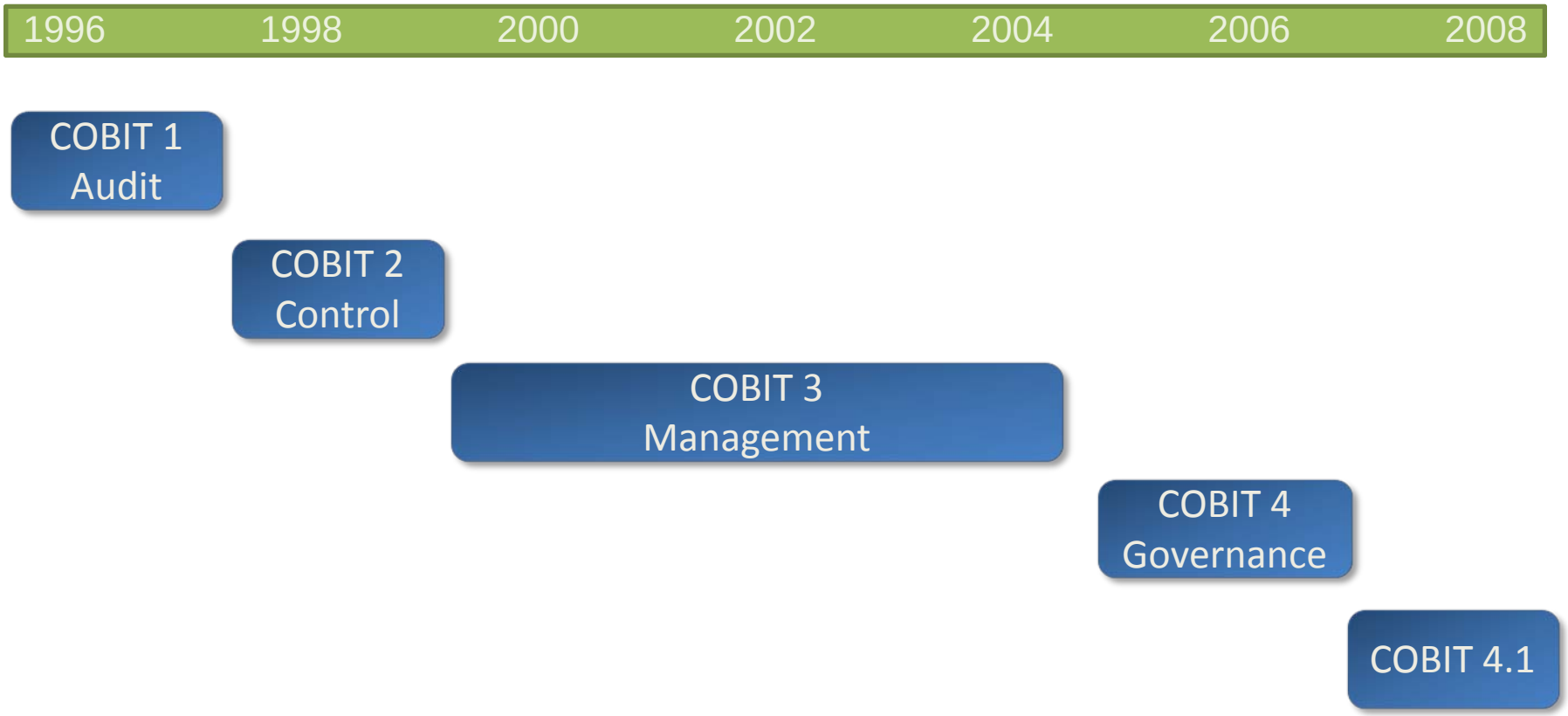
Potential users of the COBIT content can leverage the framework in coordination with other standards to include:



- COSO
- ITIL for service delivery
- CMM for solution delivery
- ISO for information security
- PMBOK or PRINCE2 for project management

Reference: IT Governance Institute, COBIT 4.1

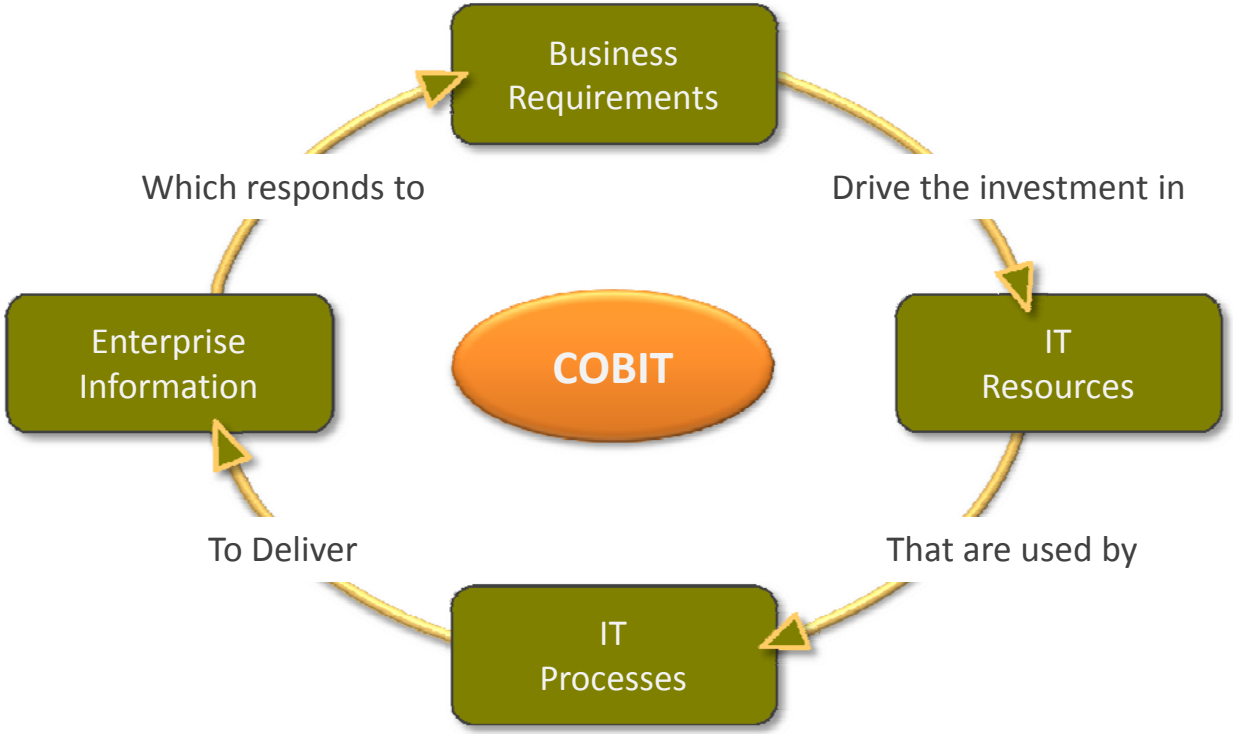
The COBIT Framework
Evolution



Reference: IT Governance Institute, COBIT 4.1

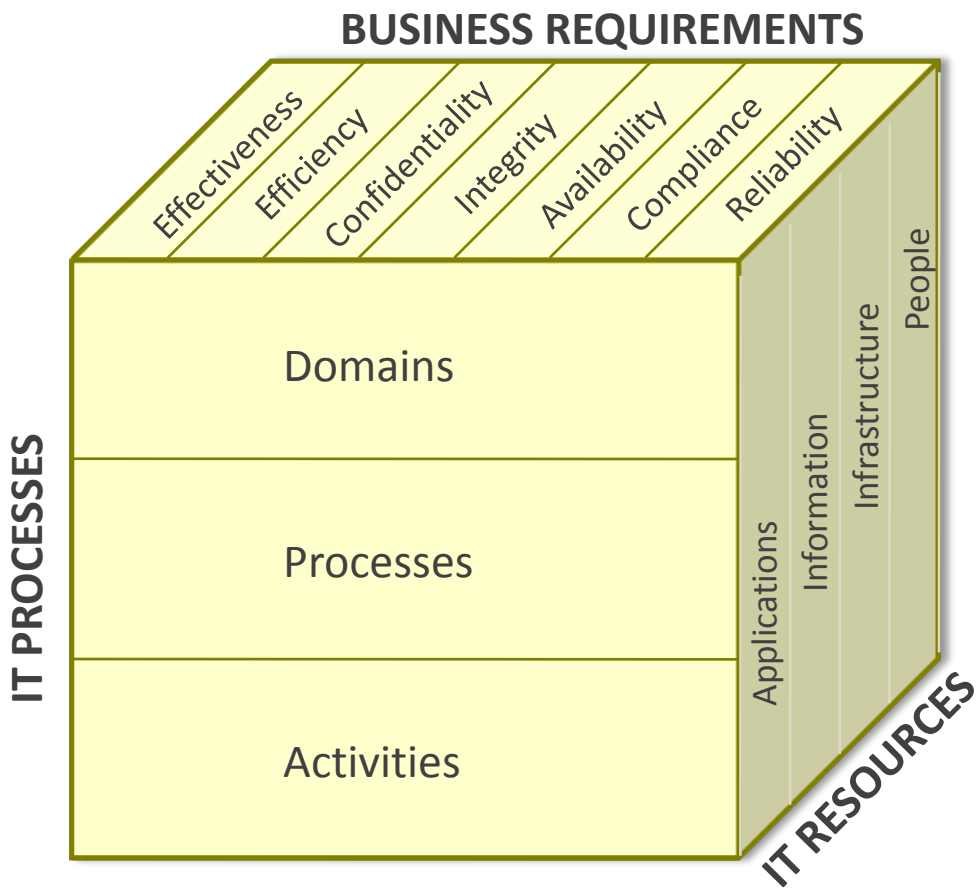
The COBIT Framework
Aligning with the Business

COBIT framework helps IT deliver the information that an enterprise requires by helping align IT with the business.



Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
The COBIT Cube



The COBIT framework has three key components that assist organizations organize processes and deliver the information that the business needs to achieve its objectives. This is illustrated in the following "COBIT Cube."

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Mapping Goals and Processes

Business Goals

Business Requirements

Governance Requirements

Information Services

Information Criteria

IT Goals

IT Goals mapped directly to business goals

Use the Balanced Scorecard as a guide

Leverage information criteria

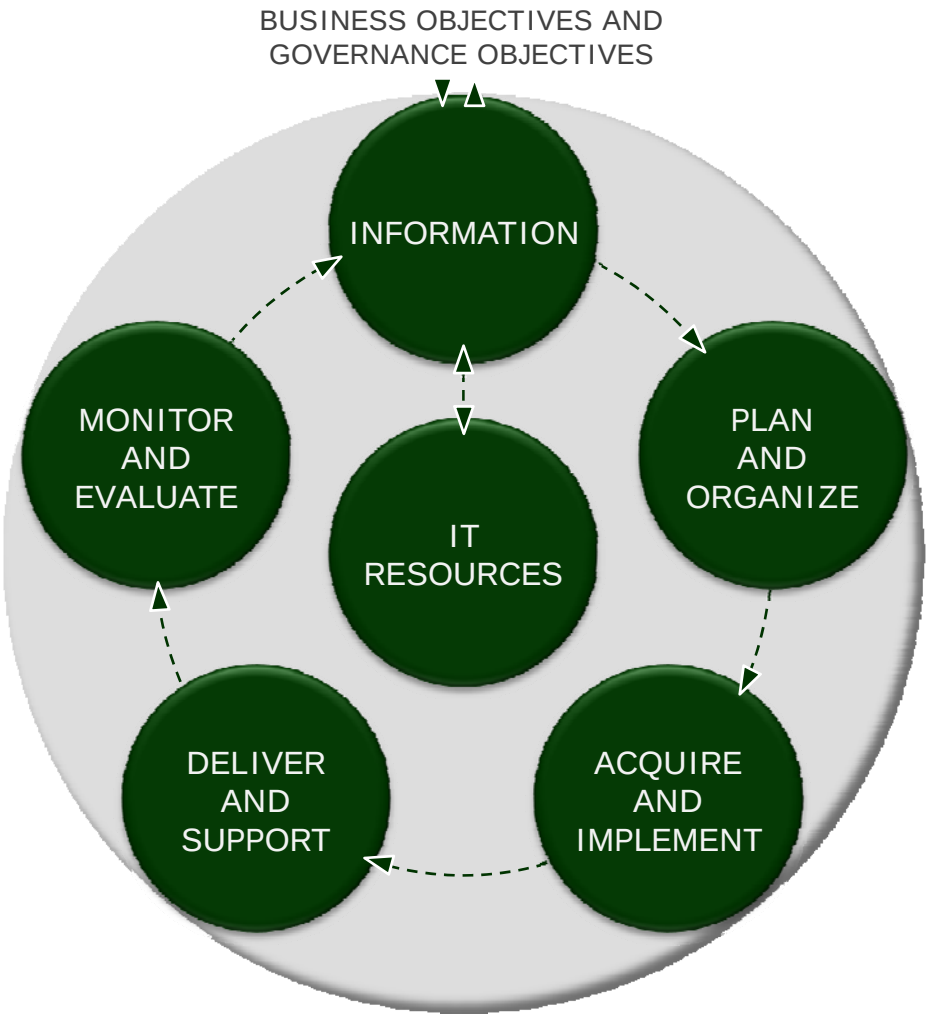
IT Processes

34 processes in the COBIT Framework

These processes deliver and run information and applications, and need infrastructure and people

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
Essentials

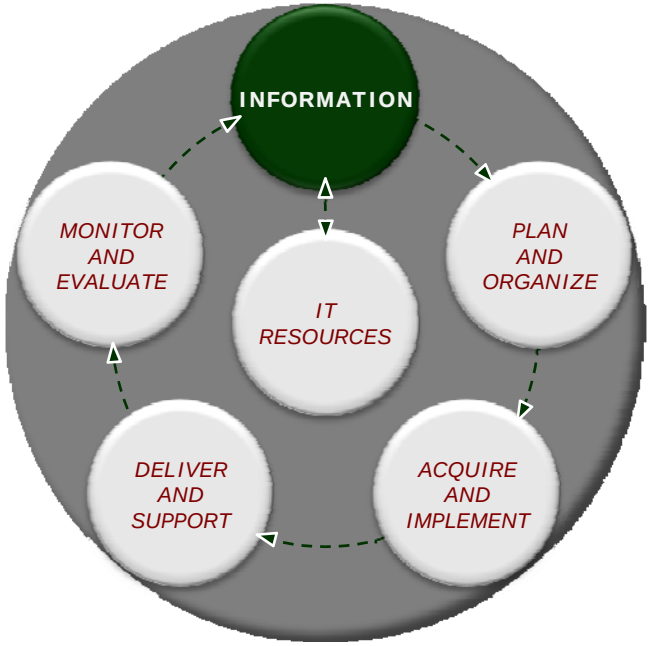


- This is the classic model of the COBIT framework, showing the domain model supported by IT resources, driven by business and governance objectives, and based on information criteria.
- 4 Domains, 34 processes
- 7 information criteria
- 4 IT resources

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
Information

Information needs to conform to certain control criteria. Information Criteria, also referred to as business requirements for information are identified to help satisfy the broader quality, fiduciary, and security requirements.

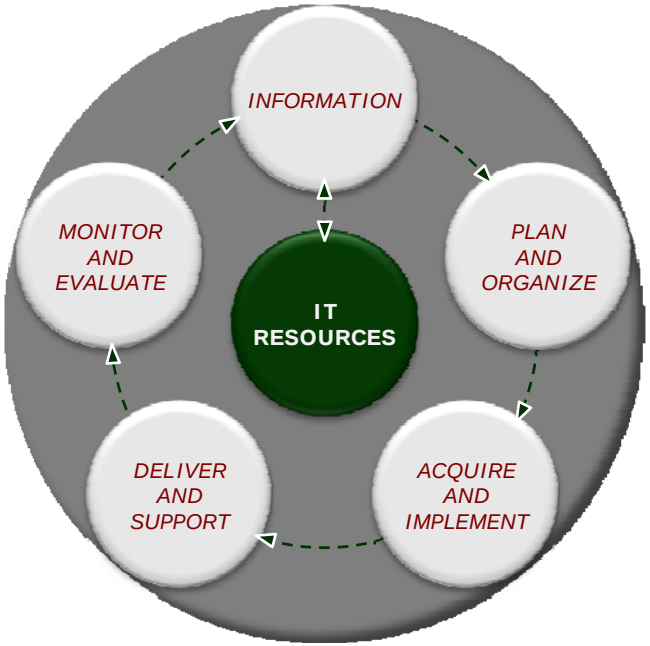


- Efficiency
- Effectiveness
- Compliance
- Integrity
- Availability
- Confidentiality
- Reliability

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
IT Resources

IT Resources are managed by IT processes to provide the information that the organization needs to achieve its objectives. There are four elements of IT Resources:



- Applications
- Information
- Infrastructure
- People

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Domains - PO

The Plan and Organize Domain (PO) covers strategy and tactics associated with the way IT contributes to business goal objectives. It provides direction to the AI and DS domains with ten processes.

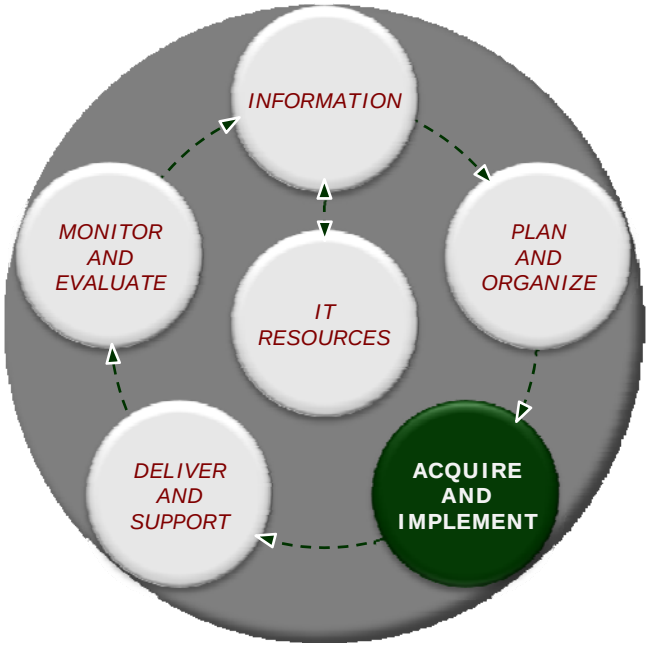
- PO 1 Define a strategic IT plan.
- PO 2 Define the Information architecture.
- PO 3 Determine technological direction.
- PO 4 Define the IT Processes, organization, and relationships.
- PO 5 Manage the IT investment.
- PO 6 Communicate management aims and direction.
- PO 7 Manage IT human resources.
- PO 8 Manage quality.
- PO 9 Assess and manage IT risks.
- PO 10 Manage projects.

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Domains - AI

Acquire and Implement Domain (AI) realizes the IT strategy and solutions and integrates them. It provides the solutions and transitions passes them to be turned into services using seven processes.



AI 1 Identify automated solutions.

AI 2 Acquire and maintain application software.

AI 3 Acquire and maintain technology infrastructure.

AI 4 Enable operation and use.

AI 5 Procure IT resources.

AI 6 Manage Changes.

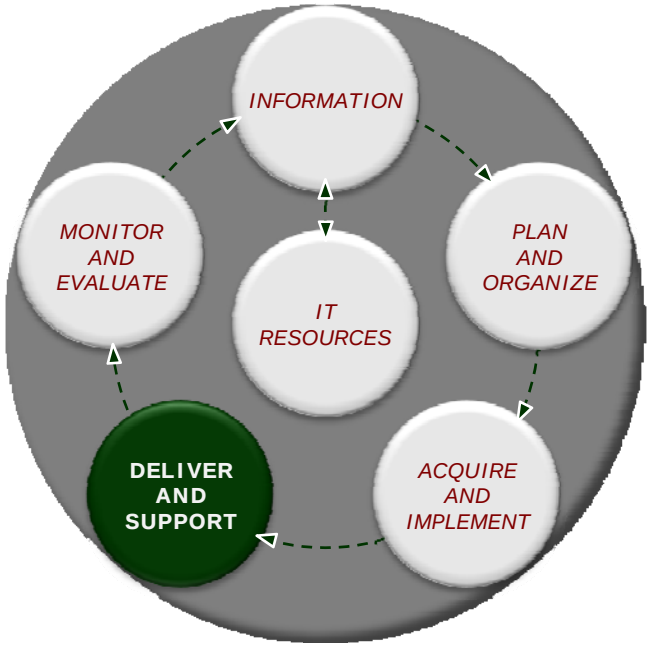
AI 7 Install and accredit solutions and change.

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Domains - DS

Deliver and Support (DS) is concerned with the actual delivery of services, as well as the management of security, continuity, data, service support, and operational facilities.



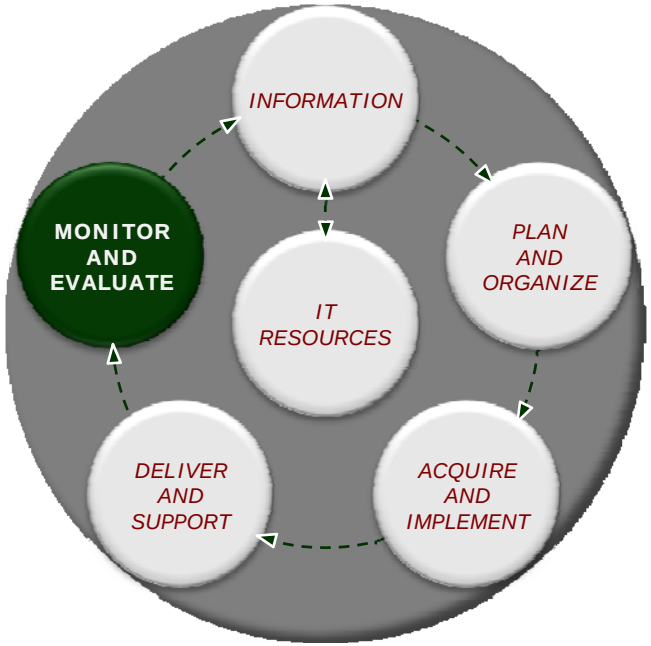
DS 1 Define and manage service levels.
DS 2 Manage 3rd party services.
DS 3 Manage performance and capacity.
DS 4 Ensure continuous service.
DS 5 Ensure systems security.
DS 6 Identify and allocate costs.
DS 7 Educate and train users.
DS 8 Manage the service desk and incidents.
DS 9 Manage the configuration.
DS 10 Manage problems.
DS 11 Manage data.
DS 12 Manage the physical environment.
DS 13 Manage operations.

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Domains - ME

Monitor and evaluate (ME) combines performance management, monitoring of internal control, regulatory compliance and governance.



ME 1 Monitor and evaluate IT performance.

ME 2 Monitor and evaluate internal control.

ME 3 Ensure regulatory compliance.

ME 4 Provide IT governance.

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Domains and Processes

PLAN AND ORGANIZE

PO 1	Define a strategic IT plan.
PO 2	Define the Information architecture.
PO 3	Determine technological direction.
PO 4	Define the IT Processes, organization, and relationships.
PO 5	Manage the IT investment.
PO 6	Communicate management aims and direction.
PO 7	Manage IT human resources.
PO 8	Manage quality.
PO 9	Assess and manage IT risks.
PO 10	Manage projects.

ACQUIRE AND IMPLEMENT

AI 1	Identify automated solutions.
AI 2	Acquire and maintain application software.
AI 3	Acquire and maintain technology infrastructure.
AI 4	Enable operation and use.
AI 5	Procure IT resources.
AI 6	Manage Changes.
AI 7	Install and accredit solutions and change.

DELIVER AND SUPPORT

DS 1	Define and manage service levels.
DS 2	Manage 3rd party services.
DS 3	Manage performance and capacity.
DS 4	Ensure continuous service.
DS 5	Ensure systems security.
DS 6	Identify and allocate costs.
DS 7	Educate and train users.
DS 8	Manage the service desk and incidents.
DS 9	Manage the configuration.
DS 10	Manage problems.
DS 11	Manage data.
DS 12	Manage the physical environment.
DS 13	Manage operations.

MONITOR AND EVALUATE

ME 1	Monitor and evaluate IT performance.
ME 2	Monitor and evaluate internal control.
ME 3	Ensure regulatory compliance.
ME 4	Provide IT governance.

Reference: IT Governance Institute, COBIT 4.1

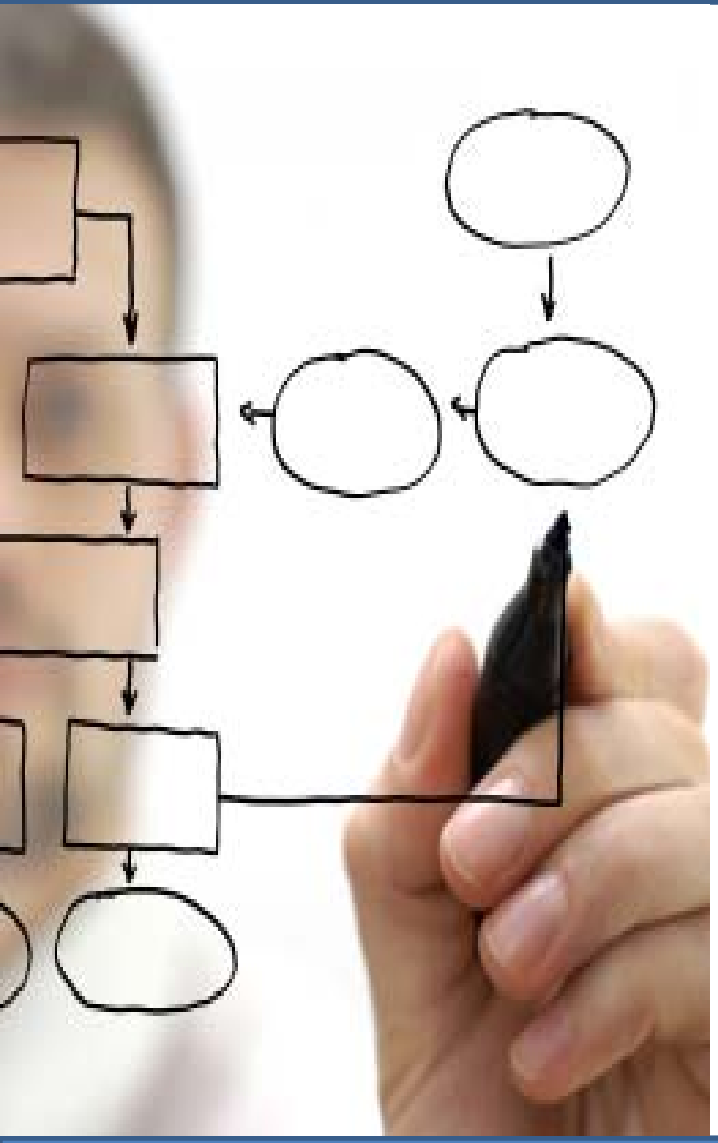
The COBIT Framework
Control Requirements

In addition to the detailed control objectives, each process in the COBIT Framework has six generic control requirements.

PC 1 *Process Owner*	**PC 2** *Repeatability*	**PC 3** *Goals & Objectives*	**PC 4** *Roles & Responsibilities*	**PC 5** *Process Performance*	**PC 6** *Policy, Plans & Procedures*
Owner assigned for each process. Clear responsibility.	Each process defined so that it is repeatable.	Each process has clear goals and objectives to ensure repeatability.	No ambiguous roles, activities and responsibilities to ensure efficient execution.	Each process is measured against its goals.	Document, review, update, and approve all communications to involved parties.

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
Management Guidelines



For each process in COBIT, Management guidelines provide tools to measure and compare capabilities.

- Toolkits and techniques
  - Dashboards, scorecards, benchmarking
- Goals and metrics
  - Outcome measures and performance indicators
  - Balanced Scorecard (Financial, Customer, Internal, Learning/Innovation)
- Resources
  - Inputs and outputs
  - RACI

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Management Guidelines – Balance Scorecard

COBIT suggests using the balanced scorecard approach for providing metrics on IT goal achievement. There are four dimensions to the scorecard that map to goal and performance indicators.

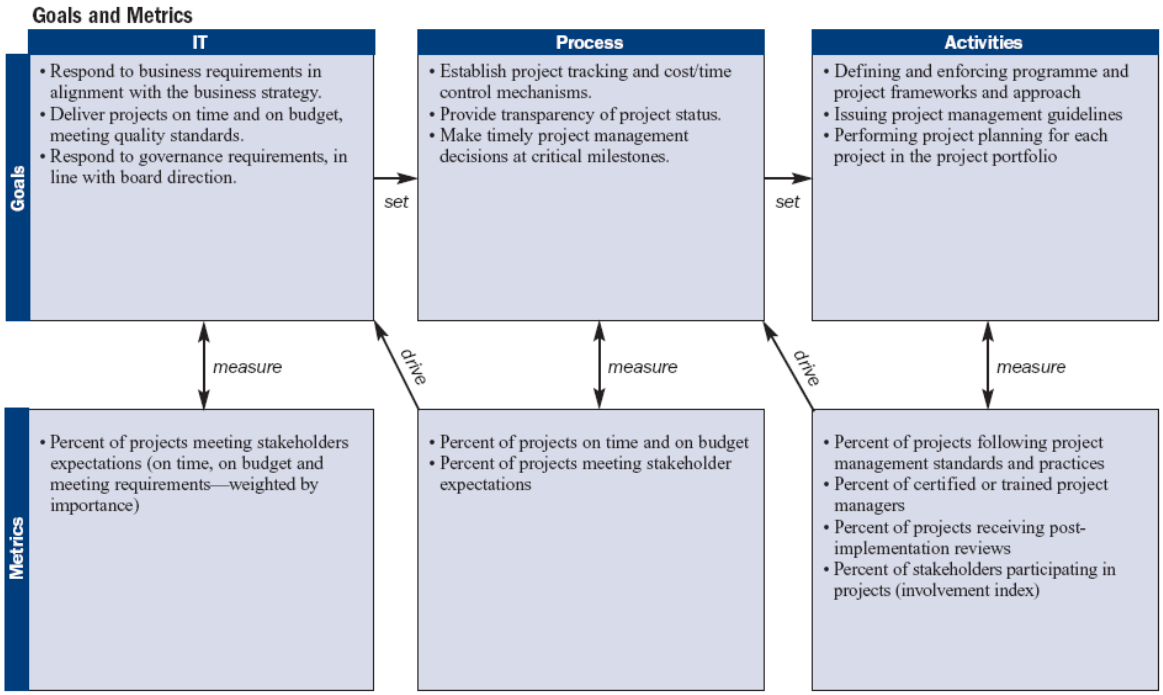
Financial	**Customer**
Internal Process	**Learning & Innovation**

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Management Guidelines - Goals and Metrics

The business and IT goals used in the goals and metrics section of COBIT, including their relationship, are provided in appendix I of COBIT 4.1. For each IT process in COBIT, the goals and metrics are presented, as noted in the figure below.



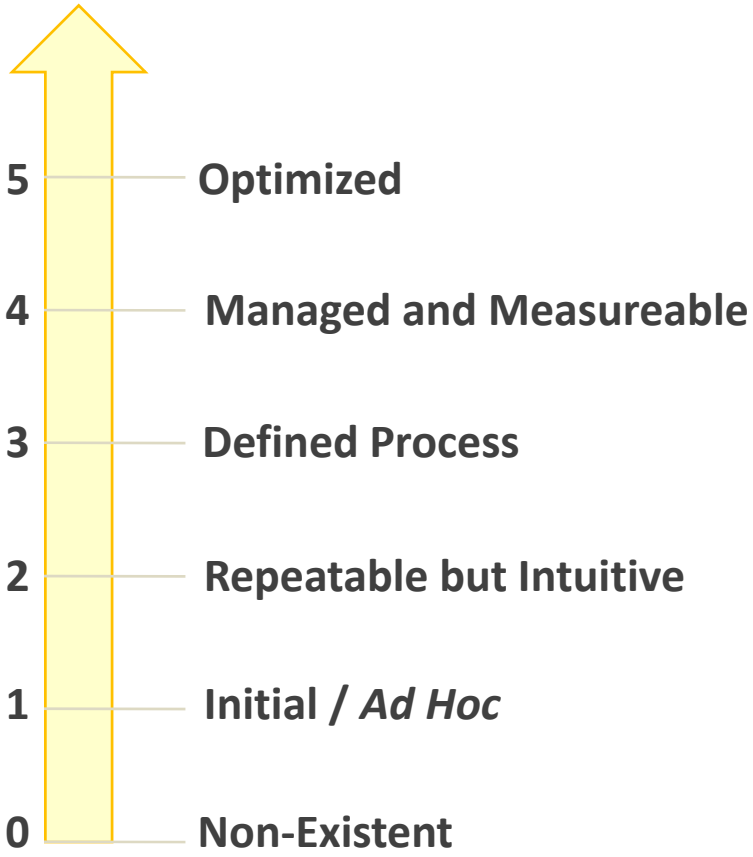
Sample Goals and Metrics for PO10, Manage Projects

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Management Guidelines- Maturity Model

The Maturity Model can help measure management processes. In the COBIT framework, each process has detailed descriptions of each classification.



Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework

Management Guidelines- RACI

Sample RACI Chart for PO1, Define a Strategic IT Plan

RACI Chart

Activities \ Functions	CEO	CFO	Business Executive	CIO	Business Process Owner	Head Operations	Chief Architect	Head Development	Head IT Administration	PMO	Compliance, Audit, Risk and Security
Link business goals to IT goals.	C	I	A/R	R	C						
Identify critical dependencies and current performance.	C	C	R	A/R	C	C	C	C	C		C
Build an IT strategic plan.	A	C	C	R	I	C	C	C	C	I	C
Build IT tactical plans.	C	I		A	C	C	C	C	C	R	I
Analyse programme portfolios and manage project and service portfolios.	C	I	I	A	R	R	C	R	C	C	I

A **RACI** chart identifies who is **R**esponsible, **A**ccountable, **C**onsulted and/or **I**nformed.

Reference: IT Governance Institute, COBIT 4.1

The COBIT Framework
Control Practices

IT Control Practices extend the COBIT Framework by providing an additional level of help when addressing control objectives. The 34 IT processes and control objectives define "what" needs to be done. The control practices provide the detailed "how" and "why" that may be needed.

Reference: IT Governance Institute, COBIT 4.1

Val IT
Introduction

"The goal of the Val IT initiative, which includes research, publications and supporting services, is to help management ensure that organizations realize optimal value from IT-enabled business investments at an affordable cost with a known and acceptable level of risk. Val IT provides guidelines, processes and supporting practices to assist the board and executive management in understanding and carrying out their roles related to such investments."

Reference: IT Governance Institute, Val IT Business Case

Val IT
Introduction

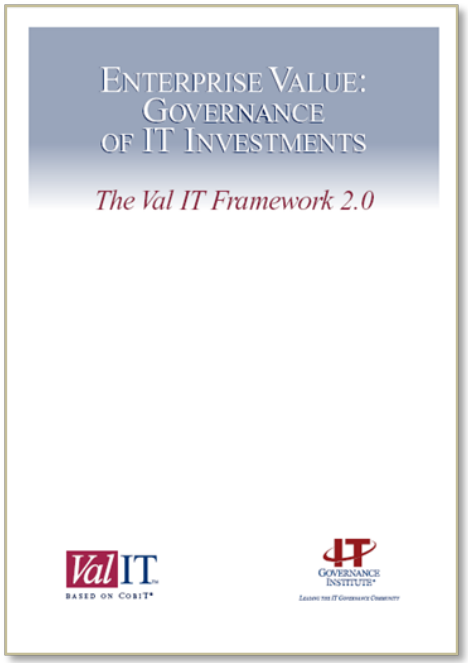
Val IT is based on COBIT, focusing on the value delivery dimension that supports processes related to the evaluation and selection of investments and realized benefits of the delivery of those investments.

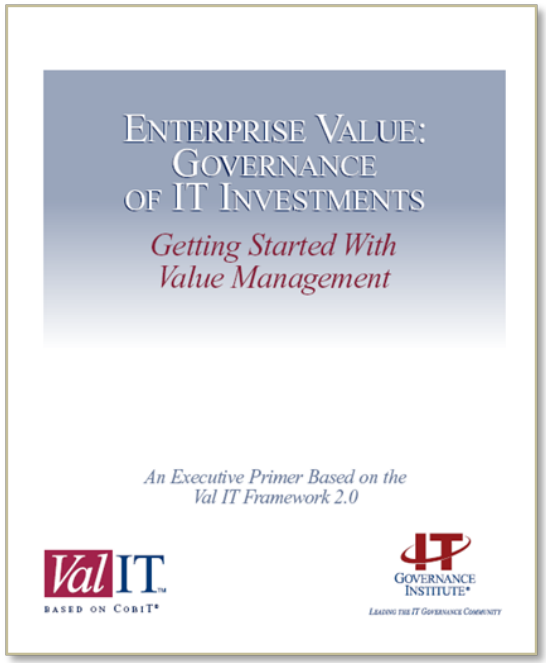
- **The Val IT framework is based on the COBIT framework**
- **For ROI, the Val IT principles are applied to management processes including value governance, portfolio management, and investment management.**
- **Manage an organization's portfolio of IT-enabled business investments; and**
- **Maximize the quality of business cases for IT-enabled business investments with emphasis on key financial indicators, the quantification of "soft" benefits and appraisal of the downside risk**

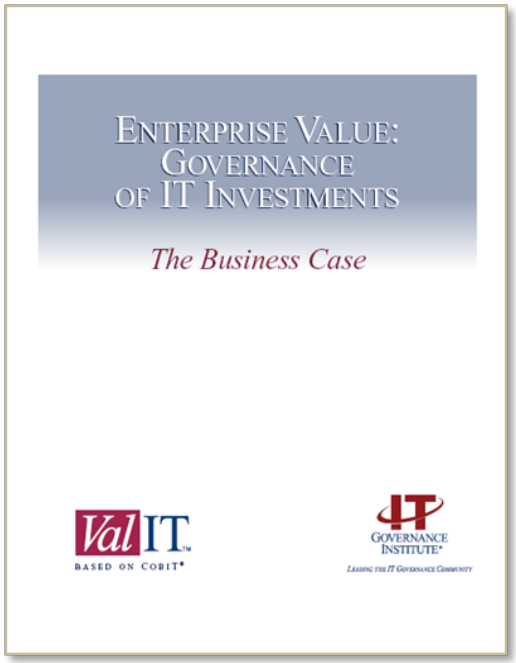
Reference: IT Governance Institute, Val IT 2.0

Val IT
Publications

Val IT addresses assumptions, costs, risks and outcomes related to a balanced portfolio of IT-enabled business investments. The series "Enterprise Value: Governance of IT Investments," contains three publications:







Reference: www.isaca.org

Val IT
Questions

The ***strategic question. Is the investment:***

- In line with our vision and consistent with our business principles?
- Contributing to our strategic objectives and providing optimal value, at affordable cost, at an acceptable level of risk?

The ***architecture question. Is the investment:***

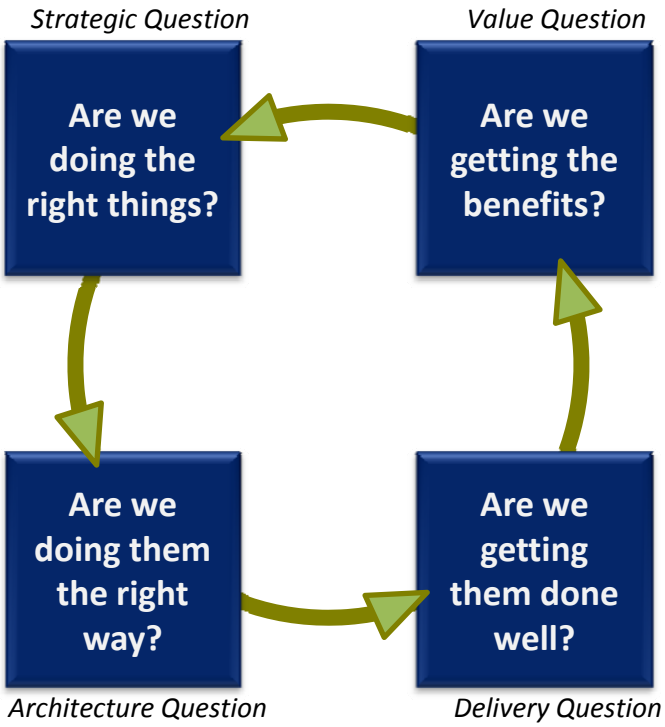
- In line with our architecture architectural principles?
- In line with other initiatives?

The ***value question. Do we have:***

- A clear and shared understanding of the expected benefits?
- Clear accountability for realizing the benefits?

The ***delivery question. Do we have:***

- Effective and disciplined management, delivery and change management processes?
- Competent and available resources to deliver the required capabilities?



Reference: IT Governance Institute, Val IT Business Case

Val IT
Process Framework

Value Governance (VG)

- Establish informed and committed leadership
- Define and implement processes
- Define portfolio characteristics
- Align and integrate value management with enterprise financial planning
- Establish effective governance monitoring
- Continuously improve value management practices

Portfolio Management (PM)

- Establish strategic direction and target investment mix
- Determine the availability and sources of funds
- Manage the availability of human resources
- Evaluate and select programs to fund
- Monitor and report on investment portfolio performance
- Optimize investment portfolio performance

Investment Management (IM)

- Develop and evaluate the initial program business case
- Understand the candidate program and implementation options
- Develop the program plan
- Develop full life-cycle costs and benefits
- Develop the detailed candidate program business case
- Launch and manage the program
- Update operational IT portfolios
- Update the business case
- Monitor and report on the program
- Retire the program

Reference: IT Governance Institute, Val IT 2.0

- Introduction
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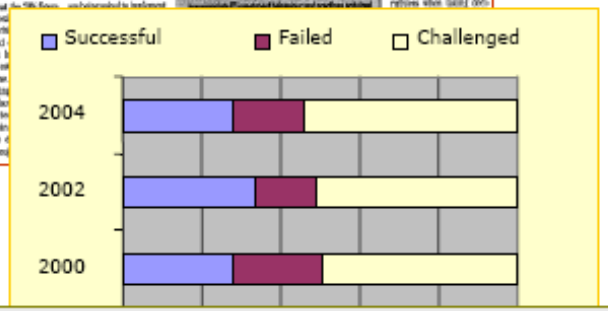
- Closing

Governance Overview

Execution of IT projects

The Reality

Gartner: firms waste £351bn each year on ill-conceived IT projects



- Low return from high-cost IT investments, and transparency of IT's performance are two of the top issues
- More than 30% claim negative return from IT investments targeting efficiency gains
- 40% do not have good alignment between IT plans and business strategy
- Interest in and use of active management of the return on IT investment has doubled in 2 years (28 to 58%)

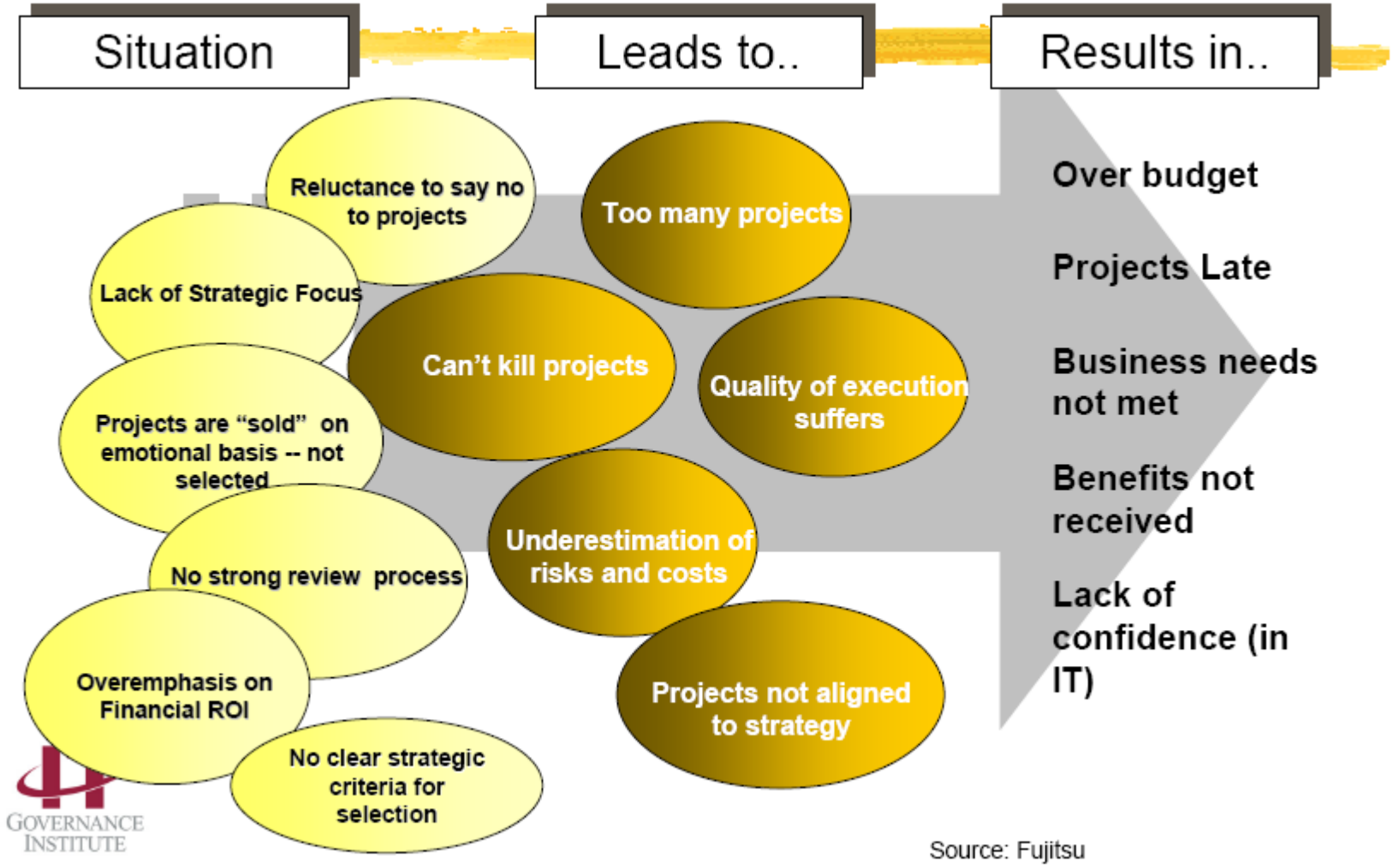
- Gartner – more than 600 billion $ thrown away annually on ill conceived or ill executed IT projects
- Standish Group – about 20% of projects fail outright, 50% are challenged and only 30% are successful
- ITGI 2005 Survey early findings confirm concerns

GOVERNANCE INSTITUTE

From itgi.org

Governance Overview

Execution of IT projects



From itgi.org

COBIT Mappings to Various Frameworks

PMBOK processes cycle

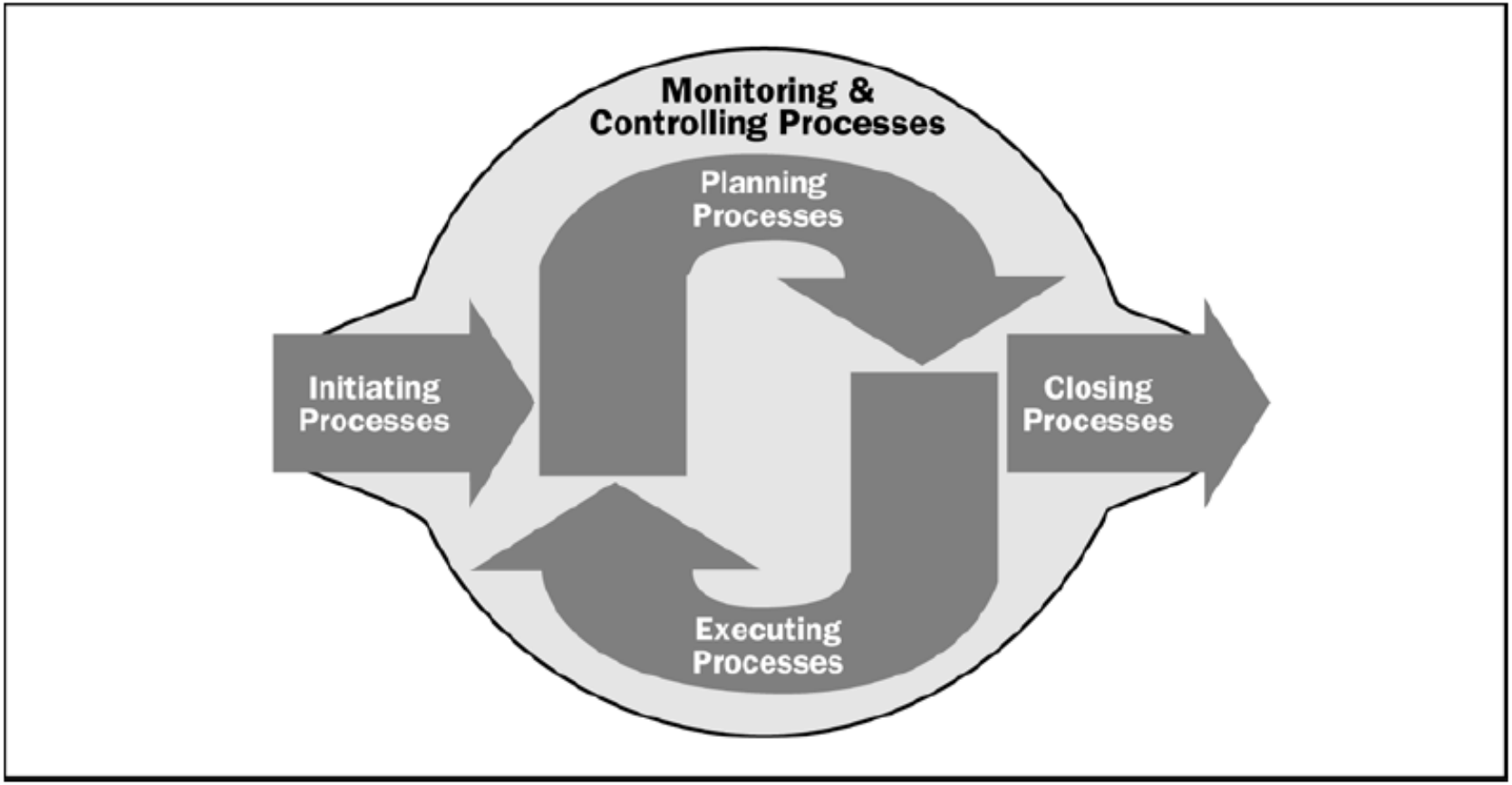


Figure 3-2. Project Management Process Groups Mapped to the Plan-Do-Check-Act Cycle

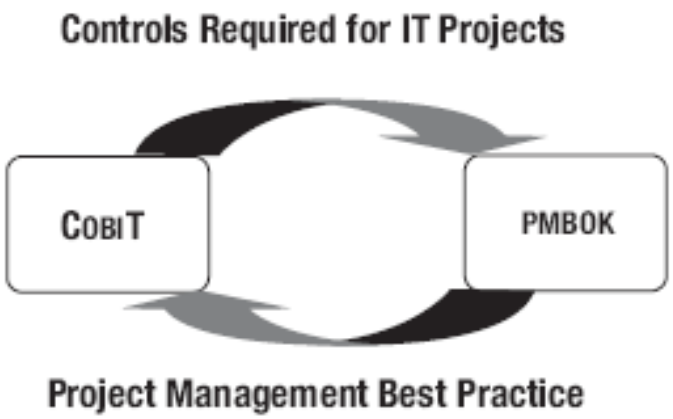
From pmi.org

COBIT Mappings to Various Frameworks

PMBOK

Figure 1—Overlap of CobiT and PMBOK

CobiT identifies project management as a process of IT but does not deal with project management in the same detail as PMBOK. Thus, when implementing process improvements using CobiT, IT process owners can make use of PMBOK as a source of best practice.

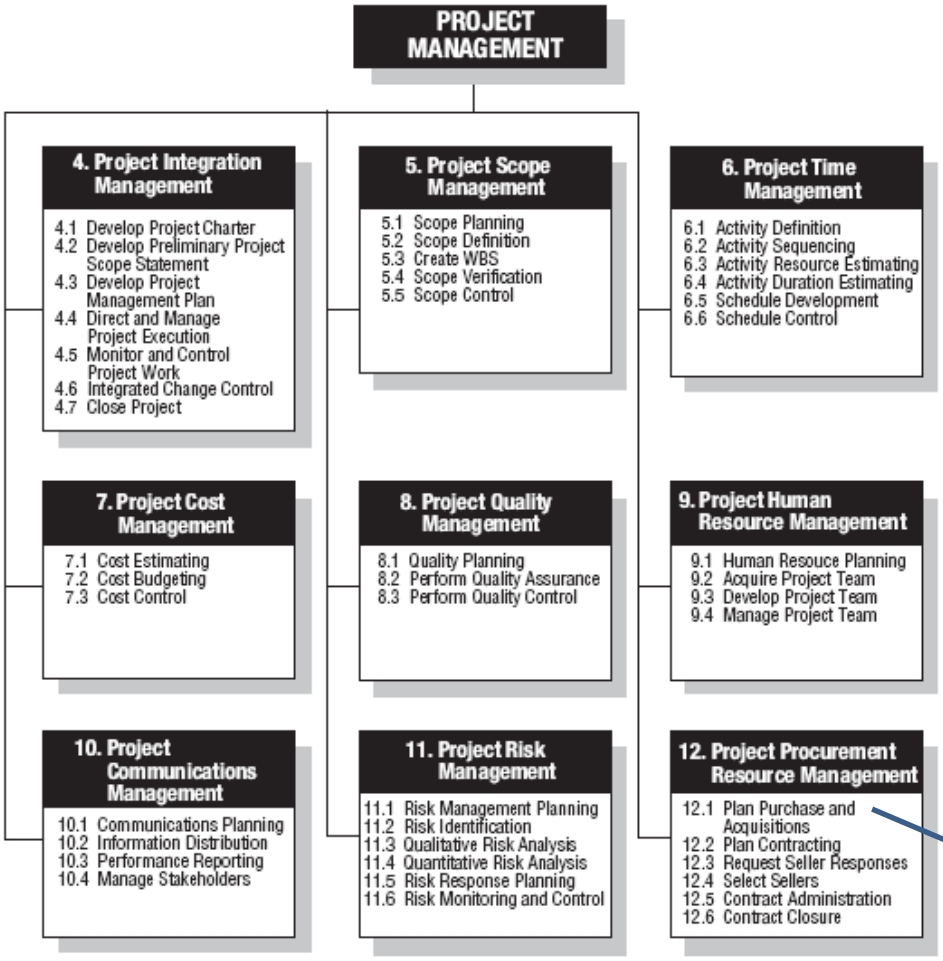


CobiT highlights specific IT practices that should be considered when applying PMBOK to projects involving IT.

From itgi.org

COBIT Mappings to Various Frameworks

Project Management Processes

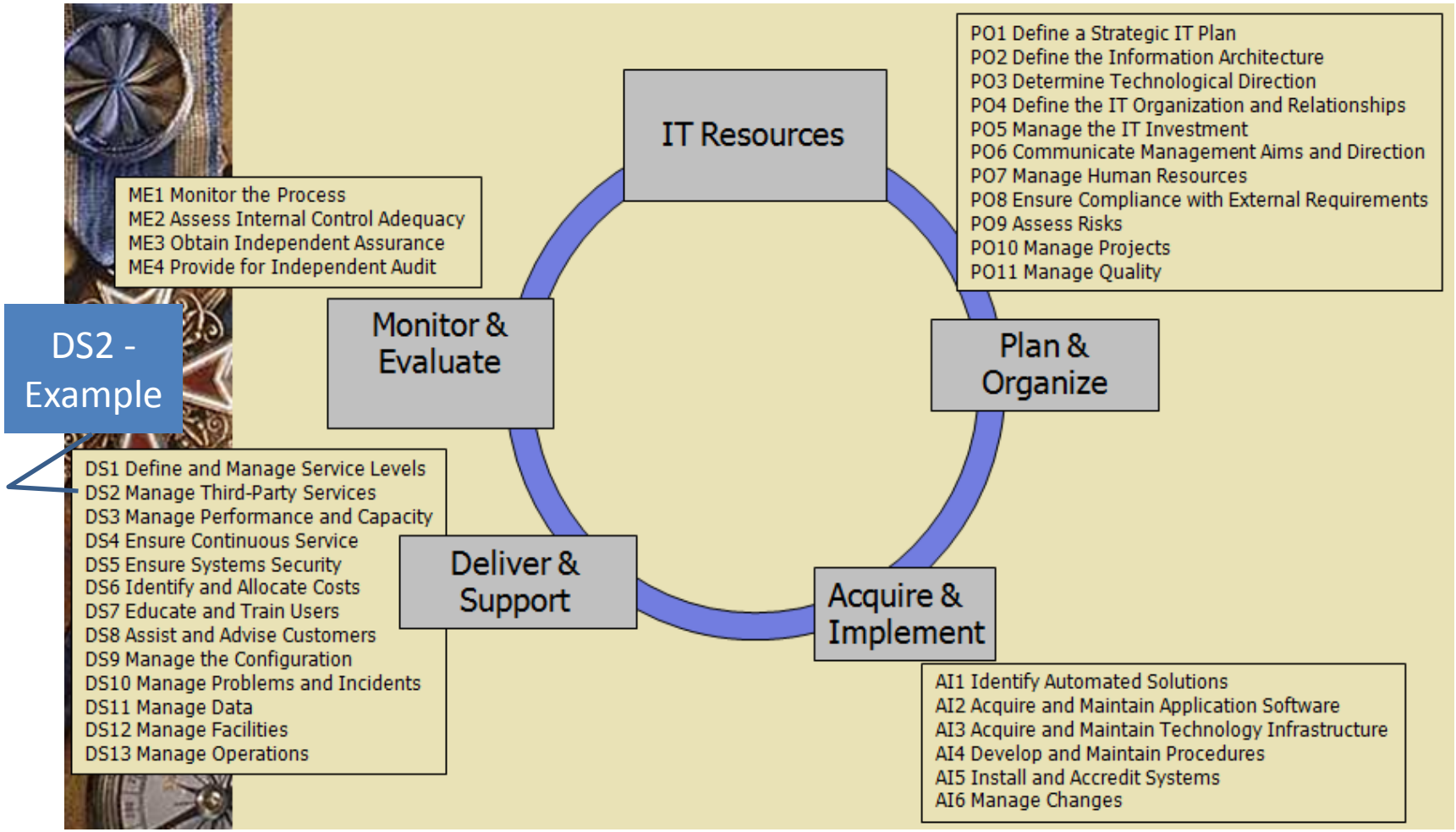


Example 12.1

Source: PMI, *A Guide to the Project Management Body of Knowledge (PMBOK Guide), Third Edition*, 2004. All rights reserved.

From pmi.org

CobiT Processes



From itgi.org

COBIT Mappings to Various Frameworks

Mapping Example

Note DS2 of CobiT here

And the PMBOK Procurement Management 12.1 here

DS2	Manage third-party services.		
2.1	Identification of all supplier relationships	A	Project Procurement Management identifies which project needs can be met by 'purchasing or acquiring products, goods and services'. This includes consideration of contract types. (12.1)
2.2	Supplier relationship management	A	Project Procurement Management specifies, at a generic level, inputs, outputs and techniques that can be used for supplier relationship management. (12.2, 12.5, 12.6)
2.3	Supplier risk management	A	Project Procurement Management specifies, at a generic level, techniques that can be used for supplier risk management, including risk registers and risk-related contracts as well as change management, inspection, audit and payment systems. (12.2, 12.5)
2.4	Supplier performance monitoring	A	The Project Procurement Management process specifies, at a generic level, techniques that can be used for supplier performance monitoring, including contract statements of work and work performance reviews. (12.2, 12.5)

From itgi.org

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Closing

Thank you for the opportunity to provide this information for you today. We hope you enjoyed the presentation and it met your expectations.