



the performance you keep

Transformation
Service Oriented Architecture
Portfolio Management
Governance Audit
Performance Management Strategy
Risk Management
Change Management
Rationalization
Business Service Management
Measurable Project Management
Regulatory Compliance
Alignment

www.mantagroup.com

TORONTO . CALGARY . NEW YORK . CHICAGO

Marrying COBIT and ITIL for Effective Governance

April 2008
Harpreet Virdee
Partner, The Manta Group
harpreet.virdee@mantagroup.com

Marrying COBIT and ITIL for Effective Governance

Welcome! Objective:

- Provide an appreciation of why and how Governance (COBIT 4.1) initiatives and ITSM (ITIL v2/v3, ISO20000) can make a happy marriage.

Agenda

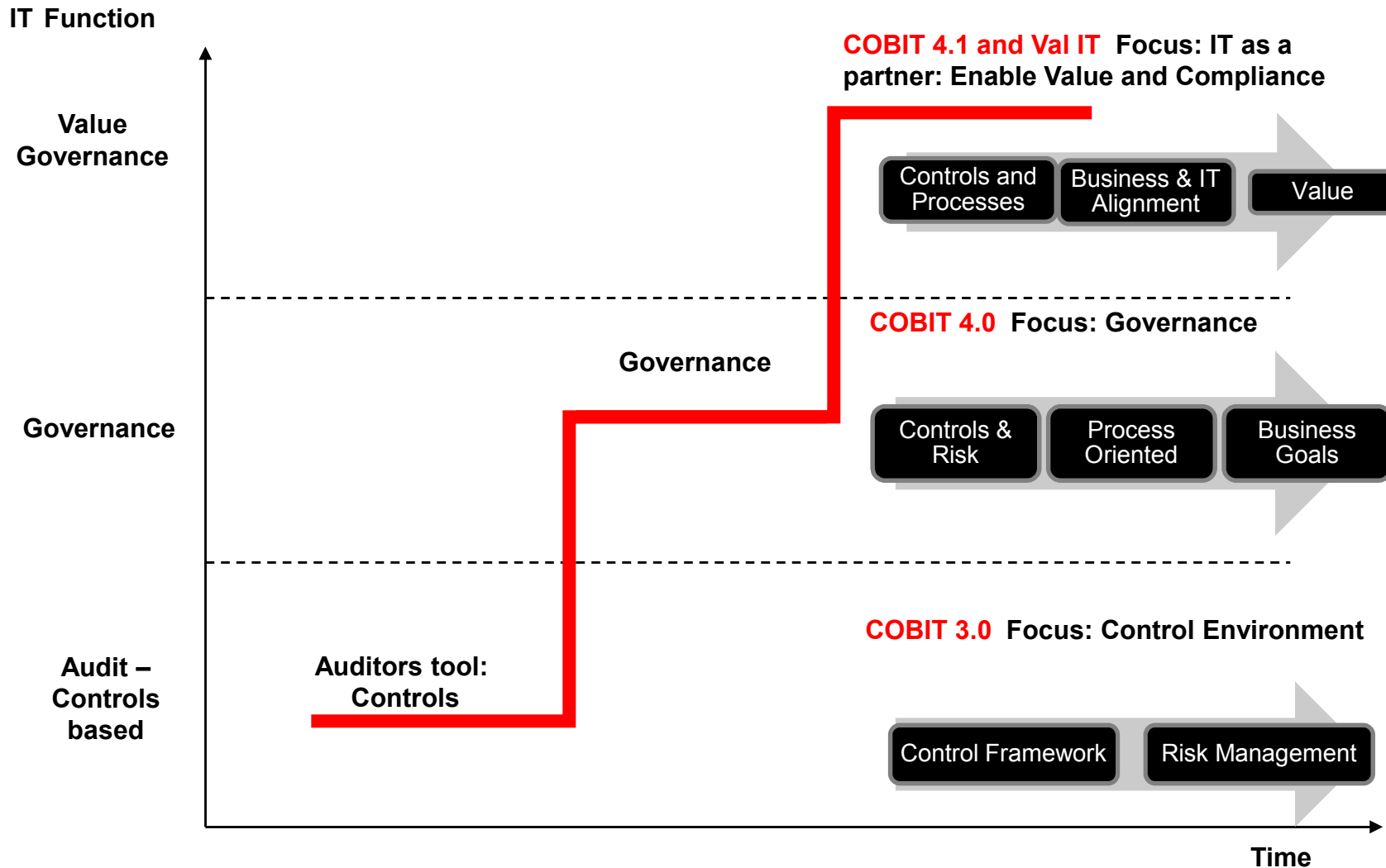
- Context: How do COBIT 4.1 and ITSM (ITIL v2 and ITIL v3) frameworks align?
- Why: Why align Governance and ITSM initiatives?
- How: A practical approach in using COBIT and ITIL together.

Context..How do the frameworks align?

Governance: COBIT 4.1, Val IT

Service Management: ITIL v2, ITIL v3,
ISO20000

Evolution of Governance Practices



Val IT Approach: Enterprise Value, Governance of IT Investments

Val IT = Investment Strategy & Value

Strategic Investment

- Affordable Cost
- Acceptable Risk
- Returns Value

Are we doing the right things?

Are we getting the benefits?

Value Realization

- Accountability
- Processes
- Track Record

Enterprise Architecture

- Integration
- Performance
- Change
- Risk

Are we doing them the right way?

Are we getting them done well?

Delivery Capabilities

- Processes
- People
- Technology

COBIT = Supports Execution

① Planning & Organization

- Are Business and IT strategy aligned?
- Is business achieving optimum use of its IT resources?
- Does everyone in business understand IT objectives?
- Are IT risks understood and being managed?
- Are the quality of IT systems and services appropriate for business needs?



② Acquire & Implement

- Are projects likely to deliver solutions that meet business needs?
- Are projects likely to deliver on time and within budget?
- Will the new or revised systems work properly when implemented?
- Will changes be made without upsetting current business operations?



③ Delivery & Support

- Are IT services being delivered in line with business priorities?
- Are IT costs optimised?
- Is the work force able to use IT systems productively?
- Are adequate performance requirements such as security, integrity and availability in place?

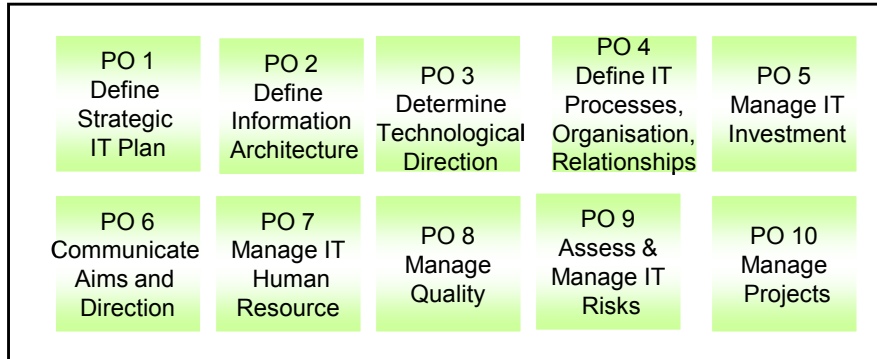


④ Monitor

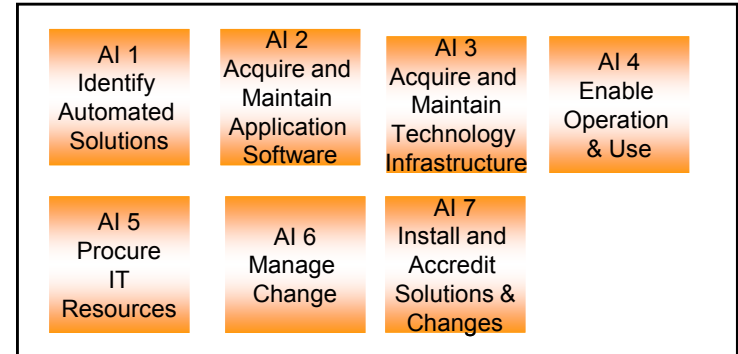
- Can IT performance be measured?
- Can problems be detected before it is too late?
- Is independent assurance needed to ensure critical areas are operating as intended?



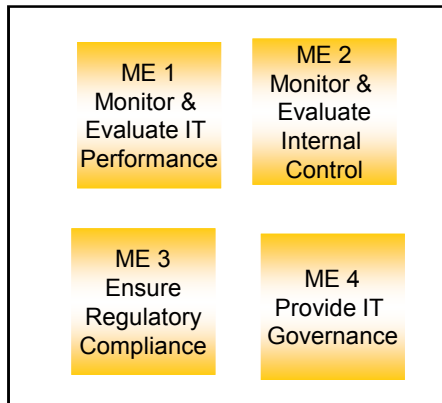
① Plan & Organize



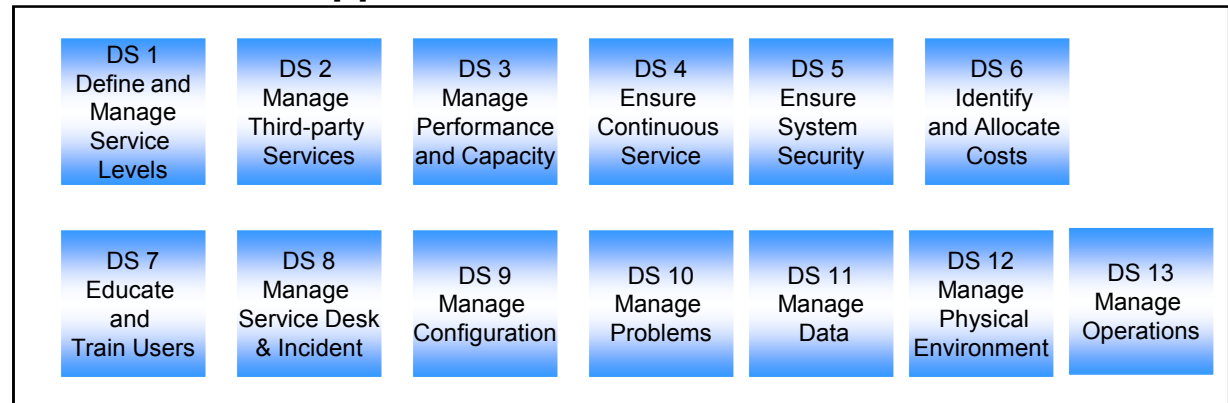
② Acquire & Implement



④ Monitor & Evaluate

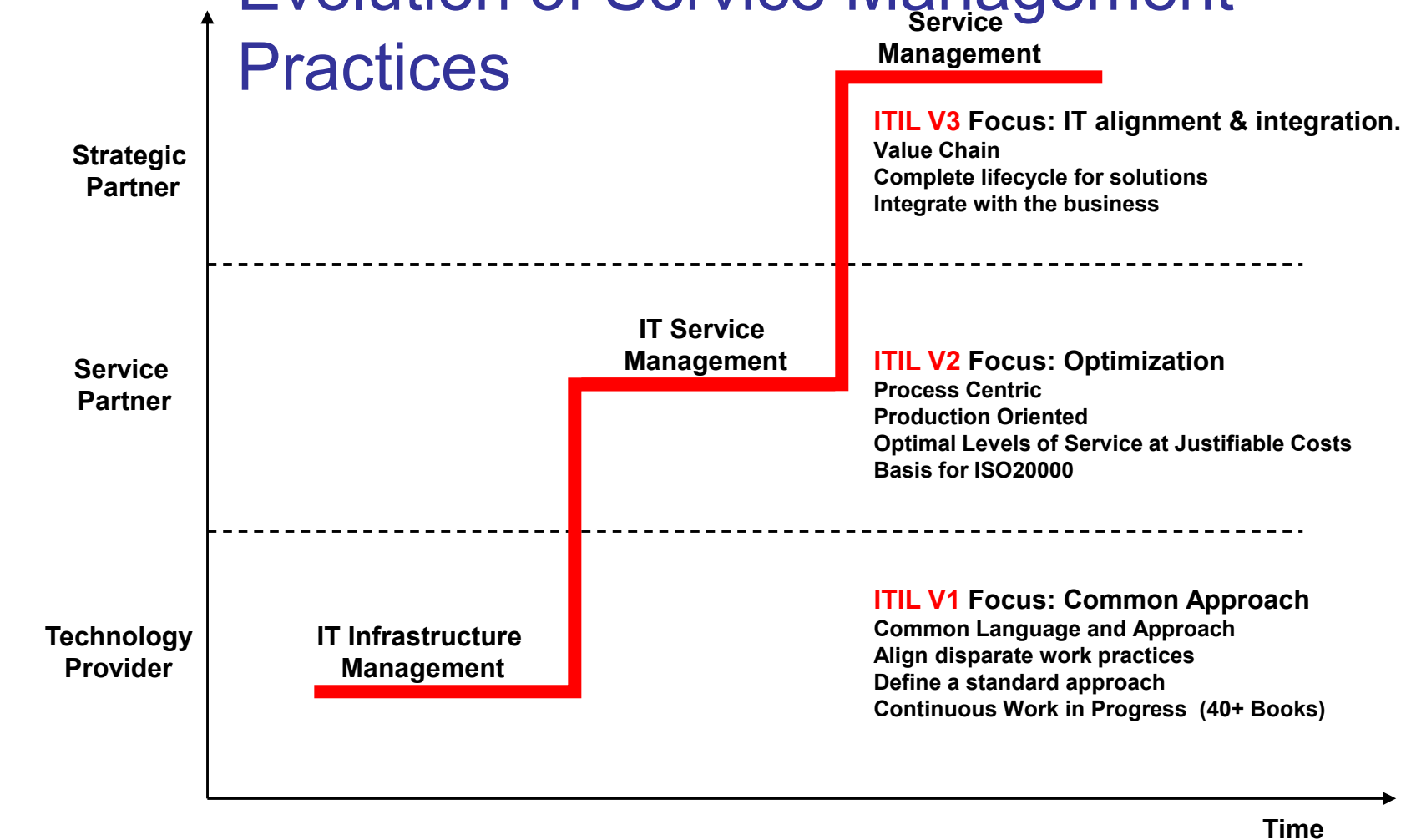


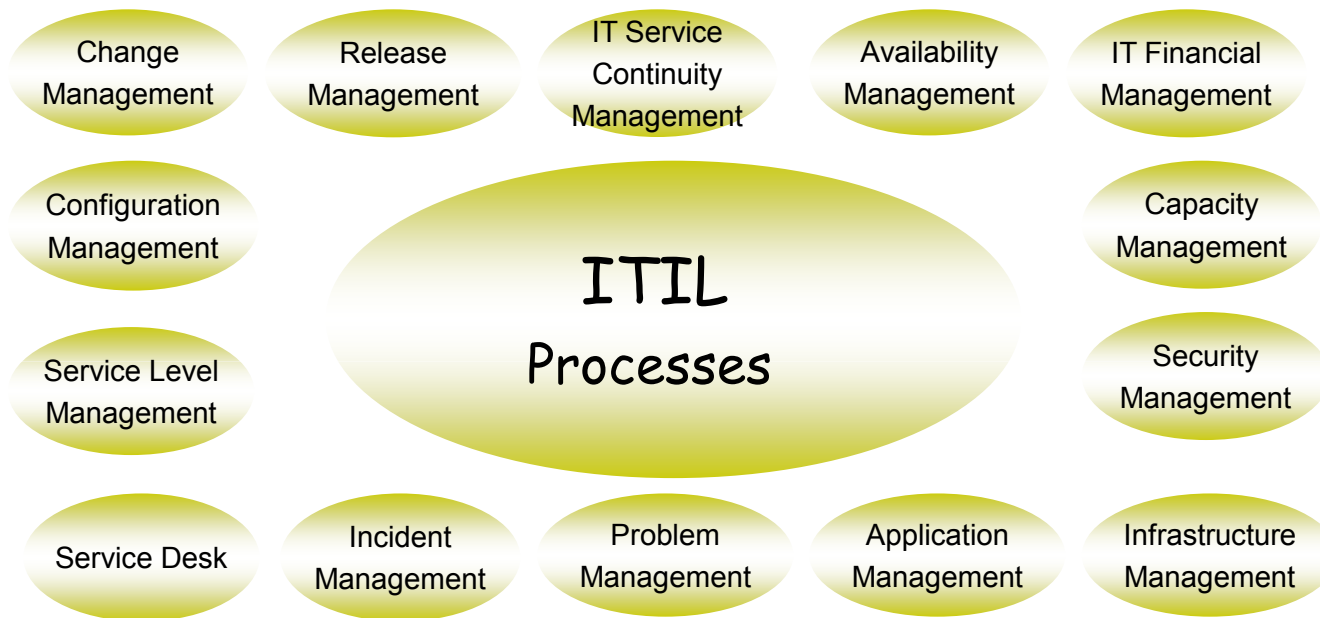
③ Deliver & Support

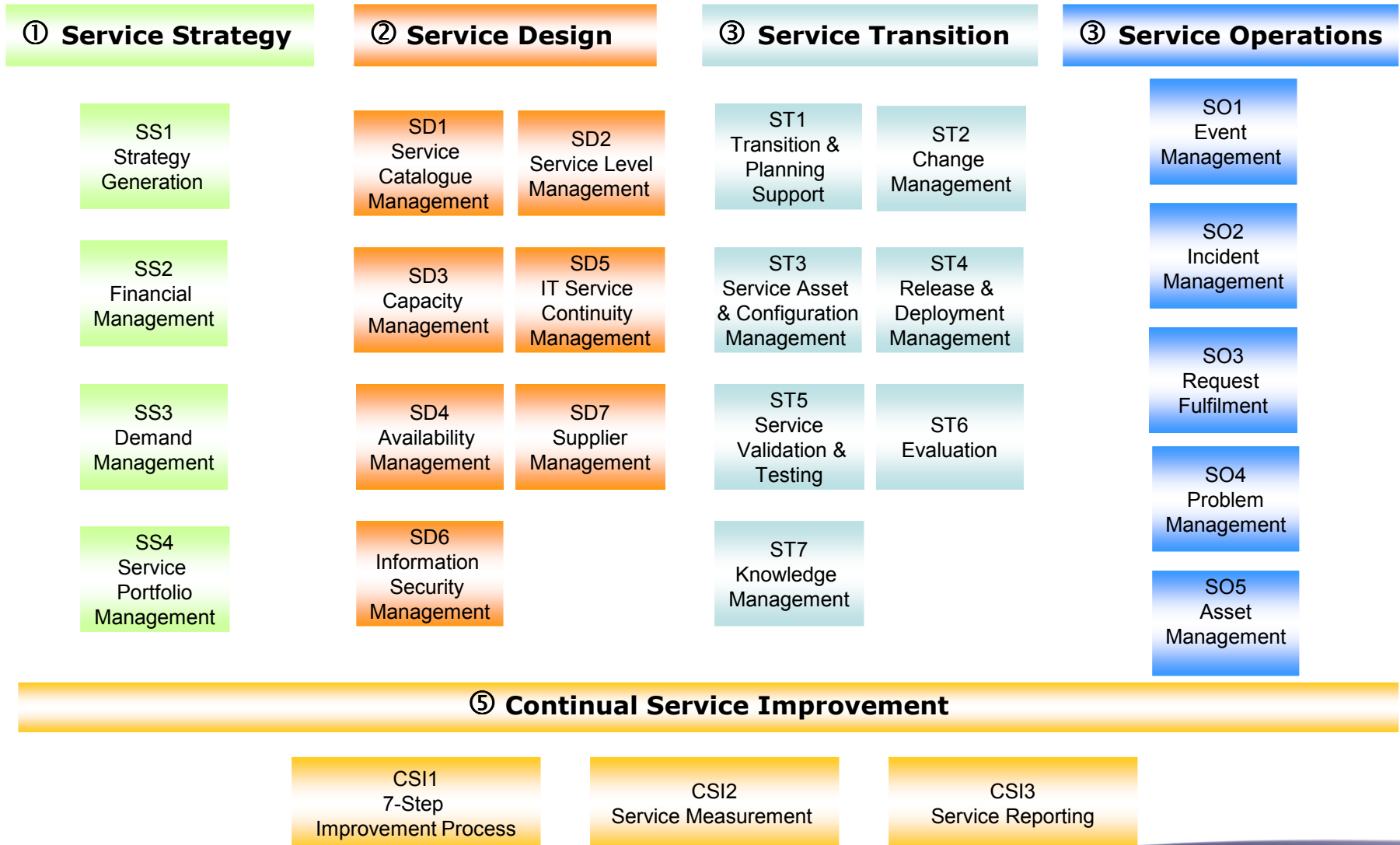


IT Function

Evolution of Service Management Practices

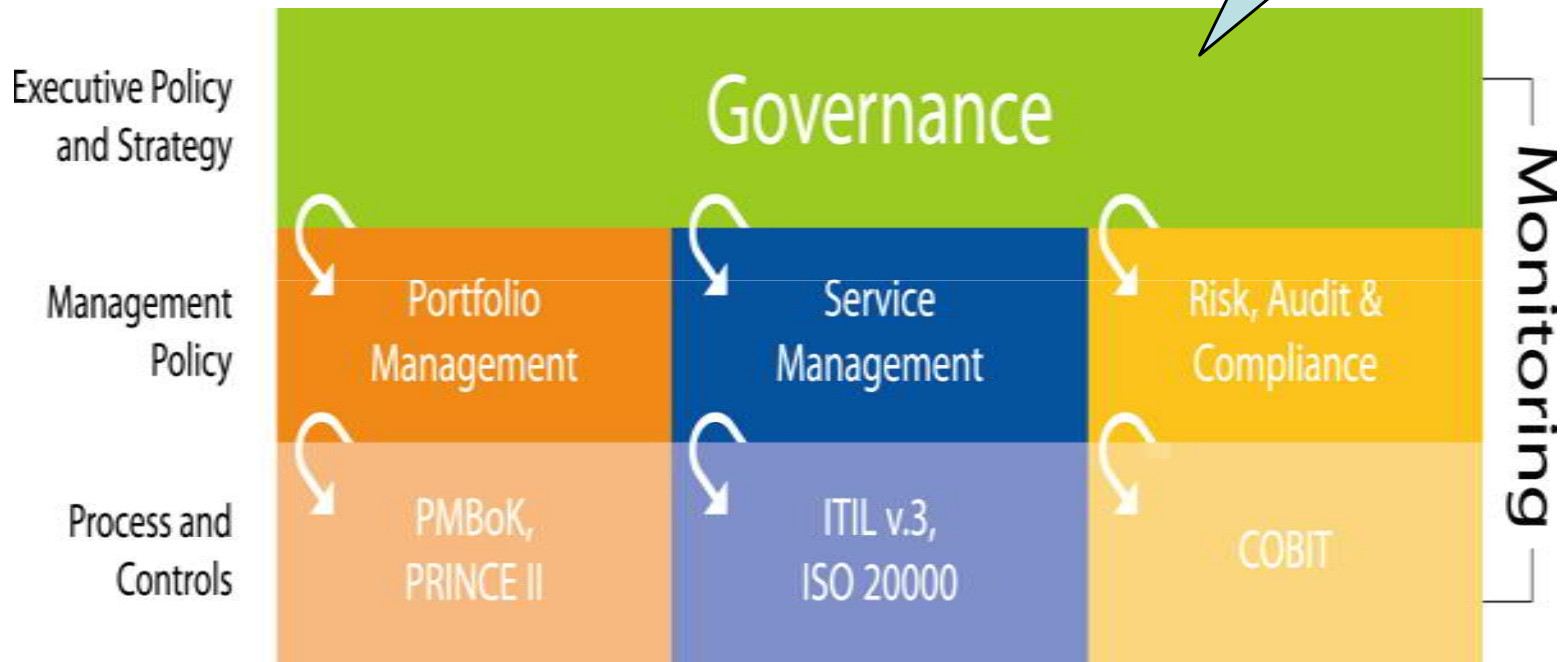




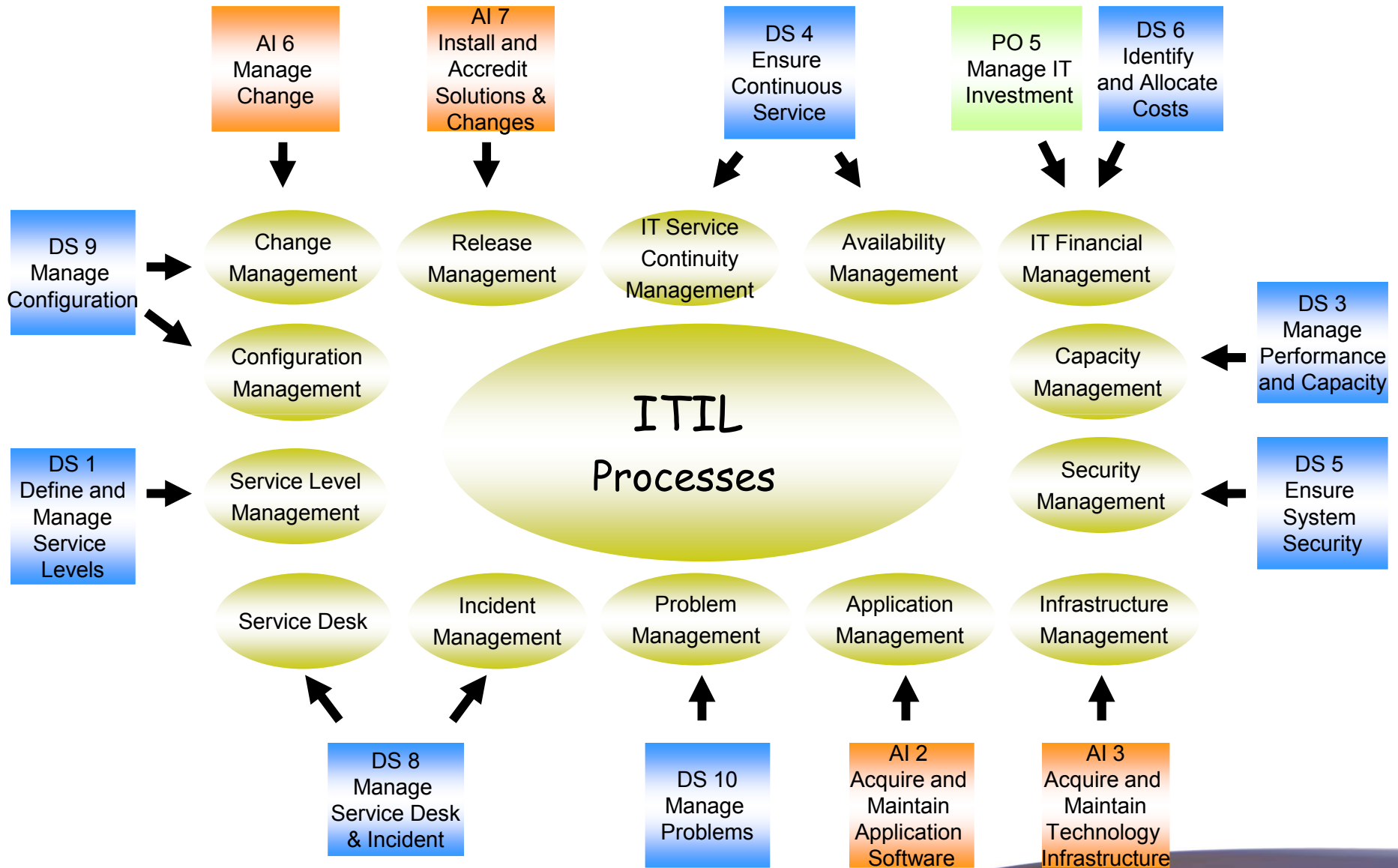


Governance – Big Picture

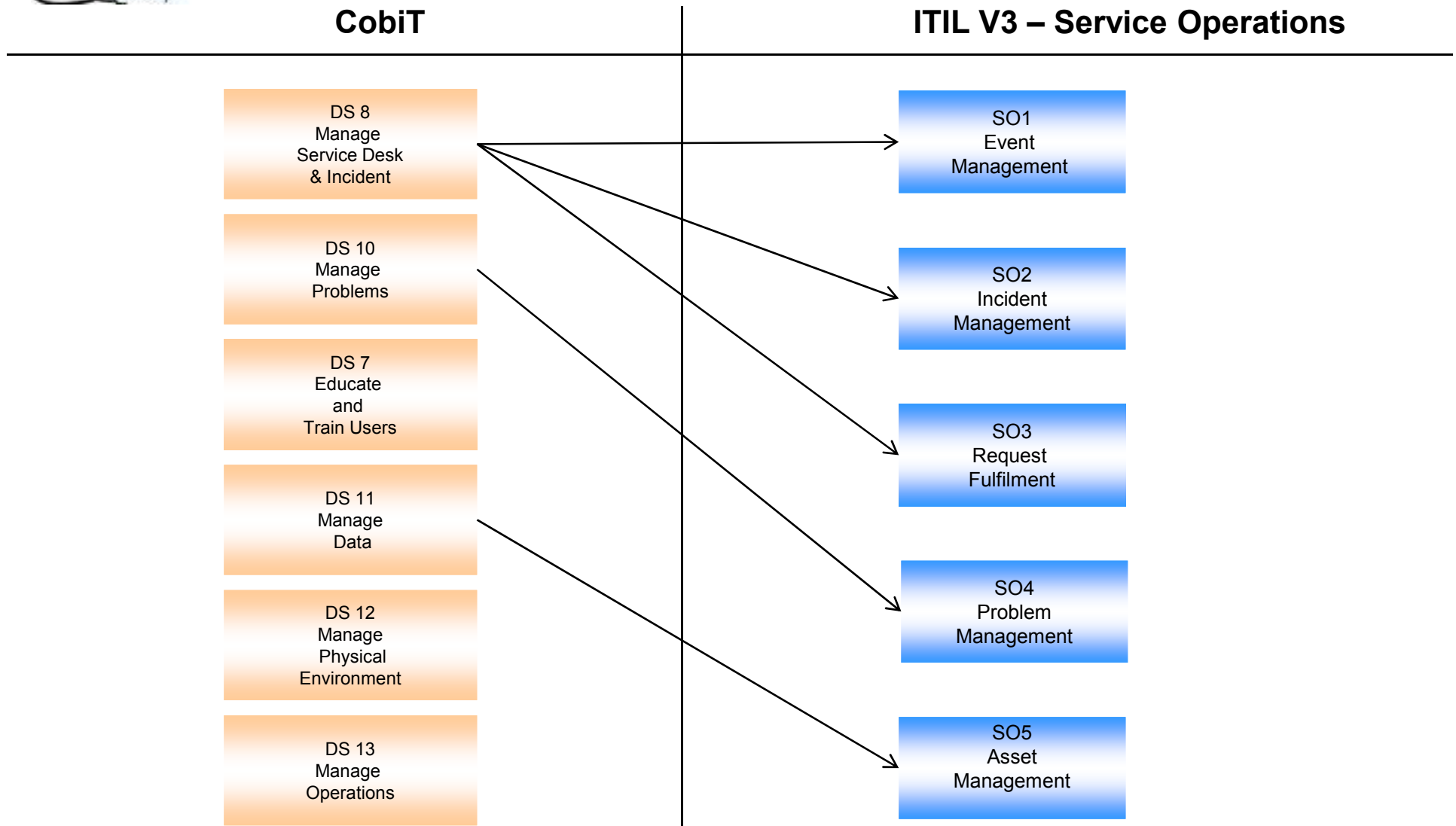
**COBIT 4.1
Governance:
Value, Risk &
Compliance**



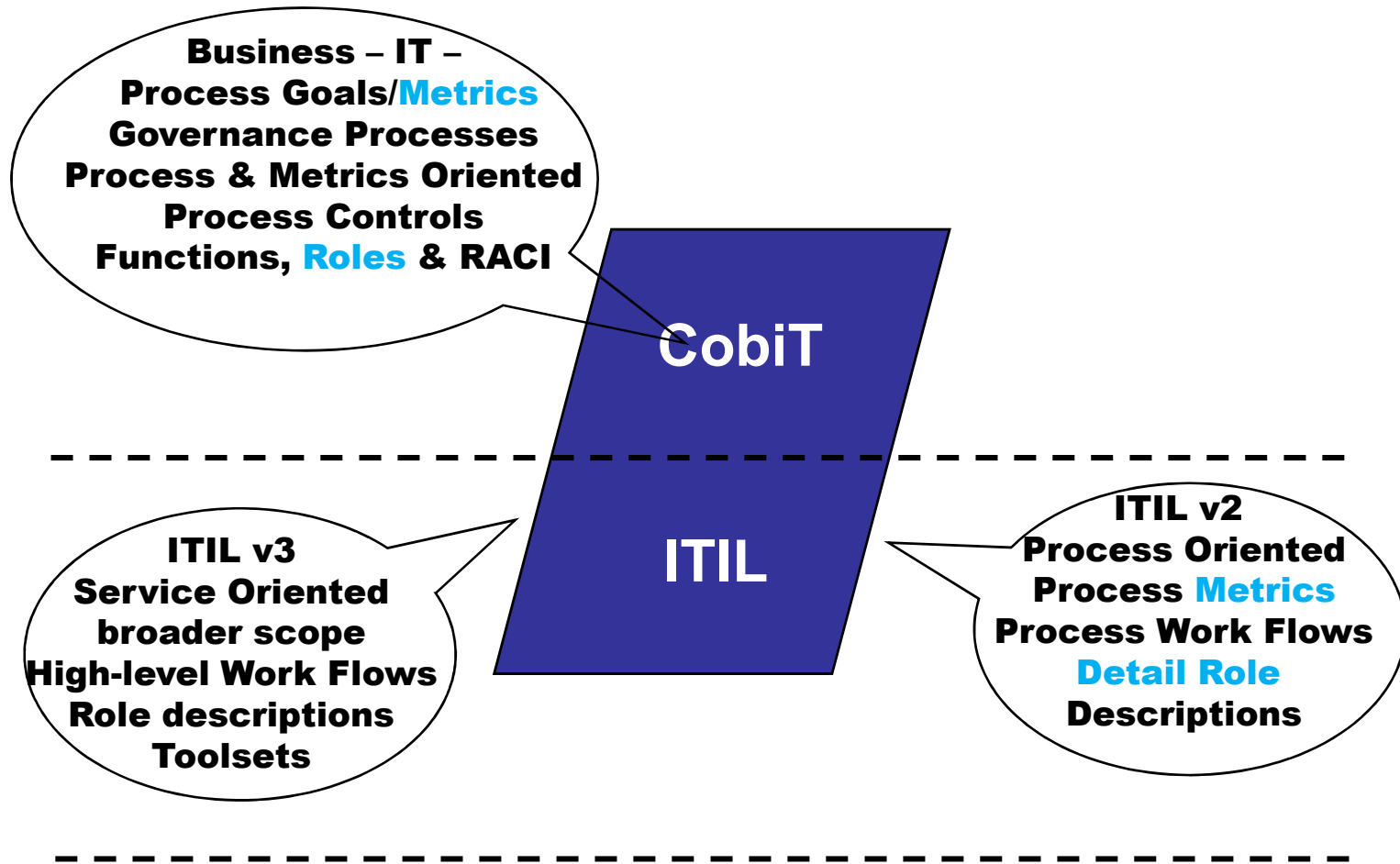
All ITIL v2 Processes are addressed by CobiT 4.1



75% of ITIL V3 processes map to CobiT 4.1



ITIL & CobiT Inter-Operability



Detailed Procedures, Work Instructions, Templates

COBIT : Business Goals for IT

Financial Perspective

1. Expand Market Share
2. Increase Revenue
3. Increase Profit
4. Increase Return on Investment
5. Optimize Asset Utilization
6. Manage Business Risk

Customer Perspective

7. Improve Customer Orientation and Service
8. Offer Competitive Products and Services
9. Assure Service Availability
10. Agility in Responding to Changing Business Environment

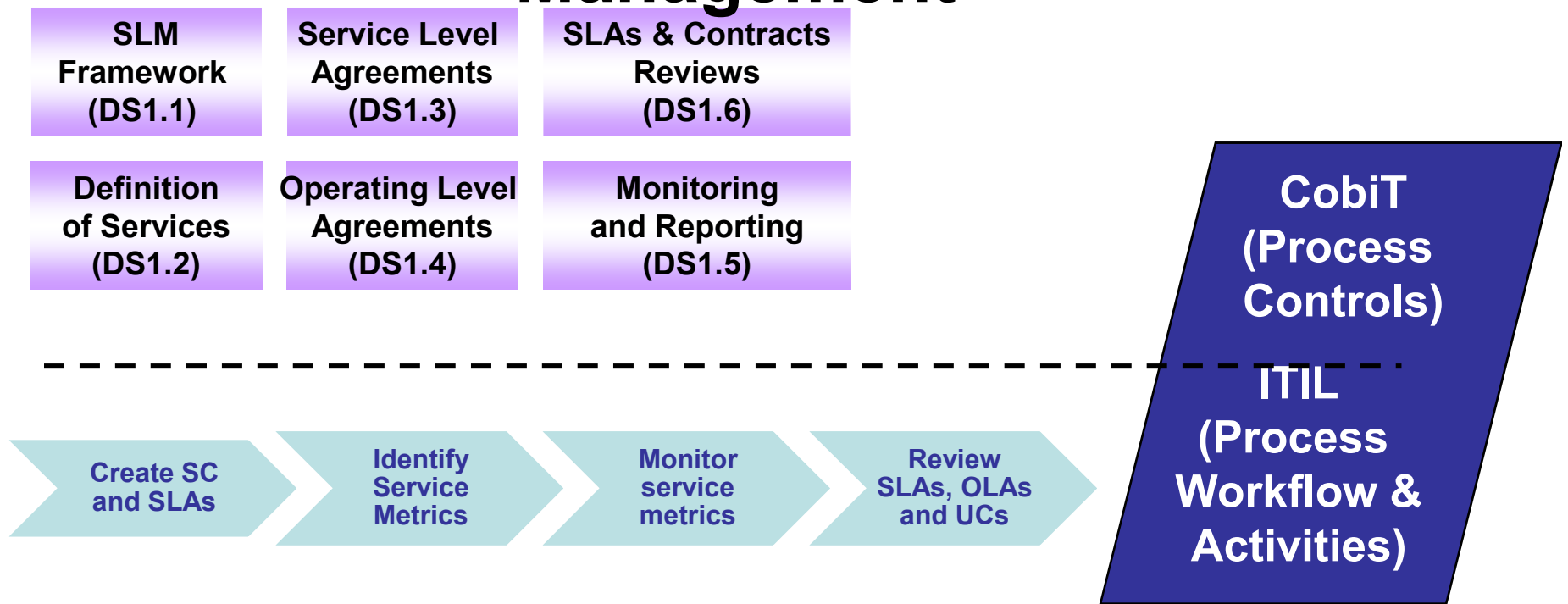
Internal Perspective

11. Compliance with Laws and Regulations
12. Compliance with Internal Policies
13. Transparency for Better Decisions
14. Automate and Integrate the Enterprise value chain
15. Optimize Costs
16. Improve and Maintain Business Processes Functionalities
17. Improve and Maintain Workforce productivity

Learning and Growth Perspective

18. Enable Innovations
19. Enable Expansion outsider of Core Strategy
20. Acquire Talent to Support Innovation and Expansion

ITIL & CobiT Inter-Operability @ Process Level – Service Level Management



ITIL & CobiT Inter-Operability @ Metrics Level - Service Level Management

% of Services not in the catalogue

% of service levels reported

% of service levels reported in automated way

of formal SLA annual review meetings with business

% of service levels review meetings

of business stakeholders satisfied that service delivery meets agreed levels

% of users satisfied that service delivery meets agreed levels.

CobiT
(Metrics aligned to IT & Business Goals)

ITIL
Process metrics

% of services covered by SLAs

% of SLAs with OLAs & underpinning contracts?

or % of Service targets met and # or % severity breaches?

Are SLA's, OLAs and underpinning Contracts current? % that need review or update?

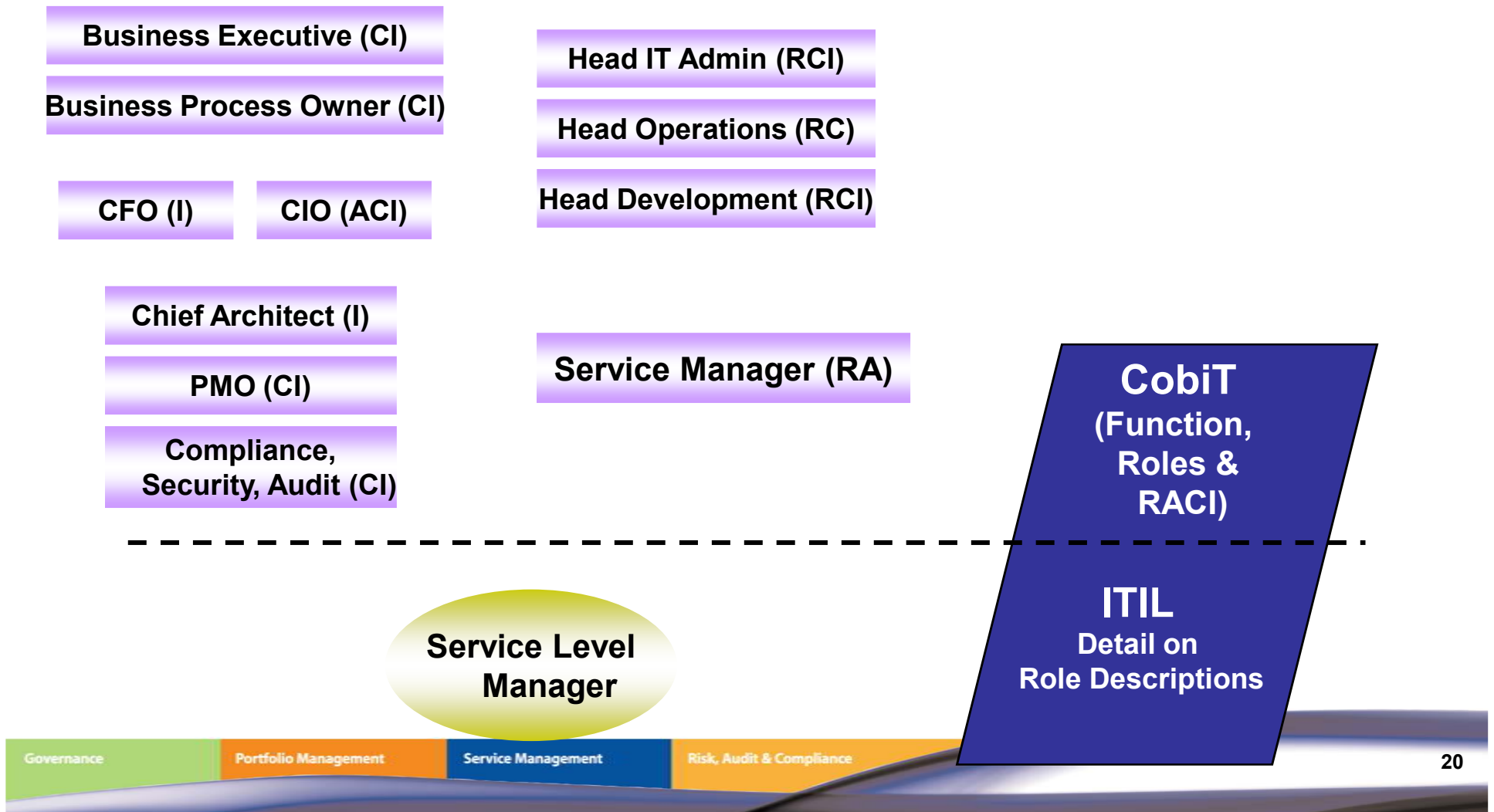
Are review meetings held on time and correctly minuted?

Documentary evidence that issues raised at review are followed-up and resolved?

Are SLAs monitored and regular reports produced?

Are service levels improving?

ITIL & CobiT Inter-Operability @ Roles & Responsibility Level



Why should we align?

Why align Governance and
ITSM initiatives?

Current State versus Desired State

Current State

- IT has too many `standard terminologies`
- Multiple initiatives with common goals are not aligned:
 - Project silos
 - Inefficient use of resources
- Governance initiatives are `compliance` focused versus value oriented.
- ITSM initiatives – lack of governance and value focus

Desired State and Benefits

- A common language
- Program (Governance and ITSM) vision and goals are aligned, use common approach, share knowledge.
- Governance is about value & compliance. ITSM supports governance goals.

Ideal Future State

Business Demands

Business Value

Planning & Organizing

Acquiring & Implementing

Delivering & Supporting

Monitoring & Reporting

Strategy Management Office

Project Management Office

Service Management Office

Performance Management Office

Value Governance

Business Case Management

Project Portfolio Management

Project Management

Service Activation

Service Level Management

Metrics (KGI's & KPI's)

Portfolio Management

Programme Management

Application Portfolio Management

Risk Management

Service Support Processes

Service Delivery Processes

Compliance (Regulatory & Corp.)

Investment Management

Benefits Management

IT Portfolio Management

Development Lifecycle

Application Support

Financial Management

Internal Audit

Enterprise Change Management

Enterprise Risk Management

Enterprise Performance Management

Governance

Function

Discipline

Frameworks

Why align Governance and Service Management?

- We don't know if our IT enabled investments are delivering value?
 - Perception 40% of all IT spending bought no return to the organization

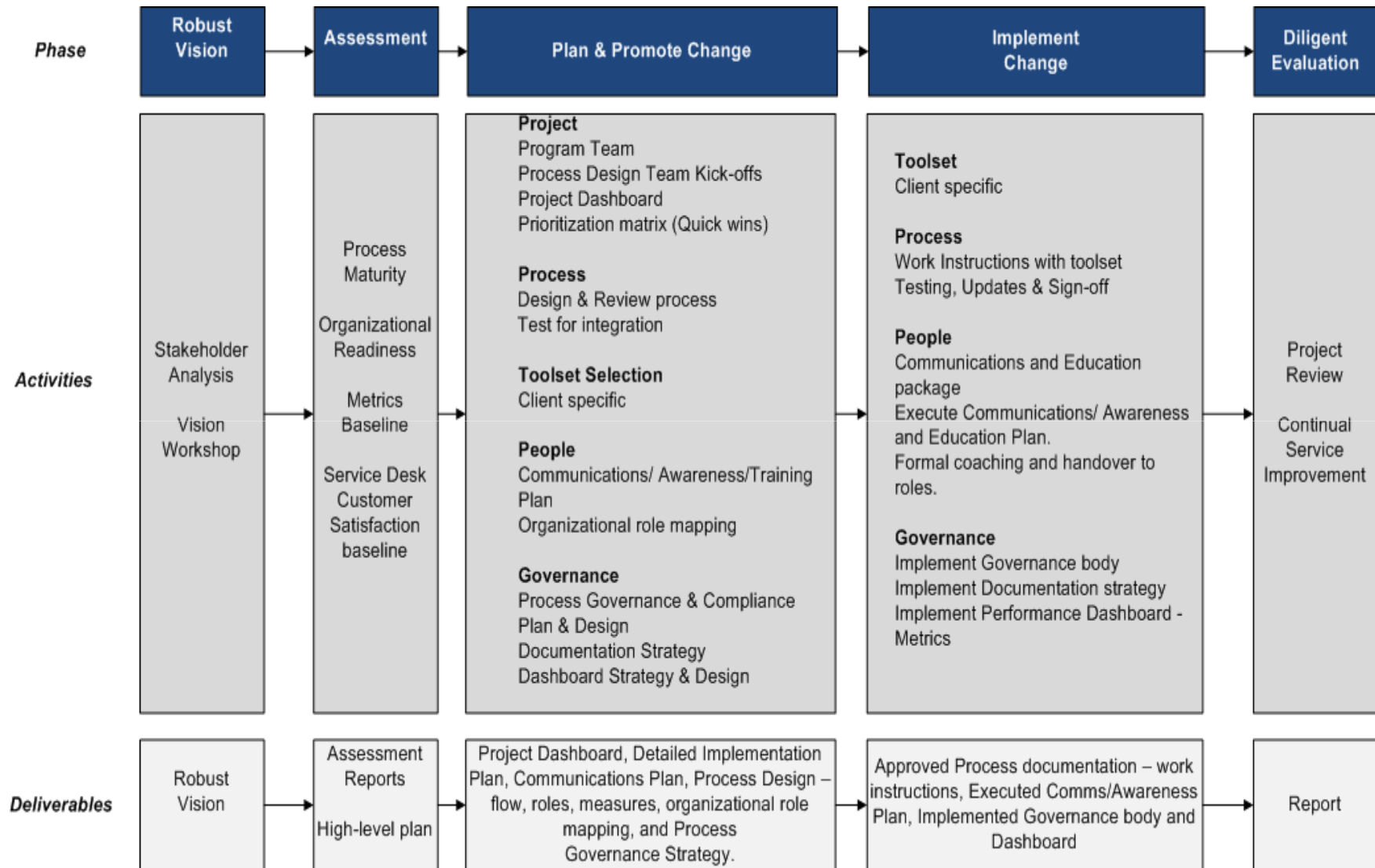
2004 IBM research - 1000 CIOs
(Gartner 2006 & ITGI research on 1600 projects).
- ✓ Service Management is a critical component of overall Governance
- ✓ Bridges the gap between business & IT goals (COBIT) and fulfilling these goals via effective service management (ITIL).
- ✓ The goals are the same: Business Alignment, Value, and Compliance.
- ✓ The frameworks are complementary. (ITIL – more process details, COBIT: Measurement, Goals and Controls).

Why have separate efforts?....

How can we use them together?

A practical approach in using COBIT and ITIL
together

RAPID Approach

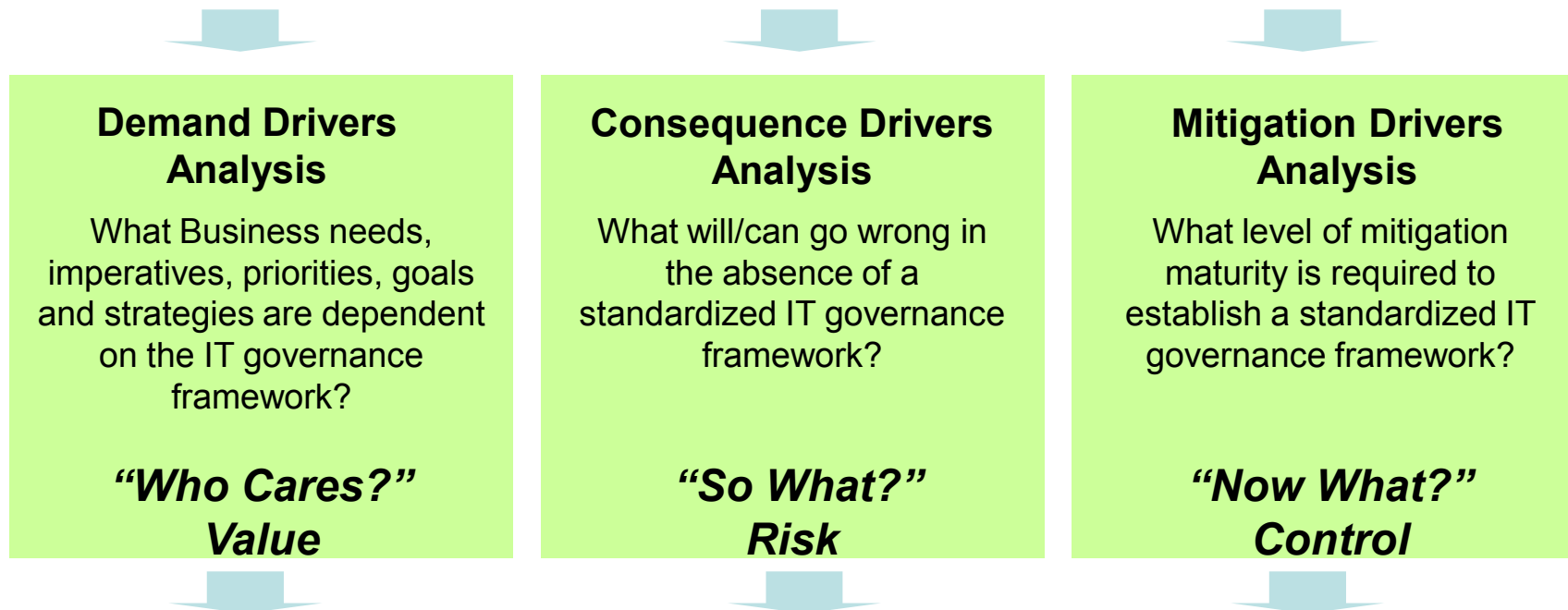


1. Need to have a common Governance Vision and Scope.

Example: Governance Visioning Workshop

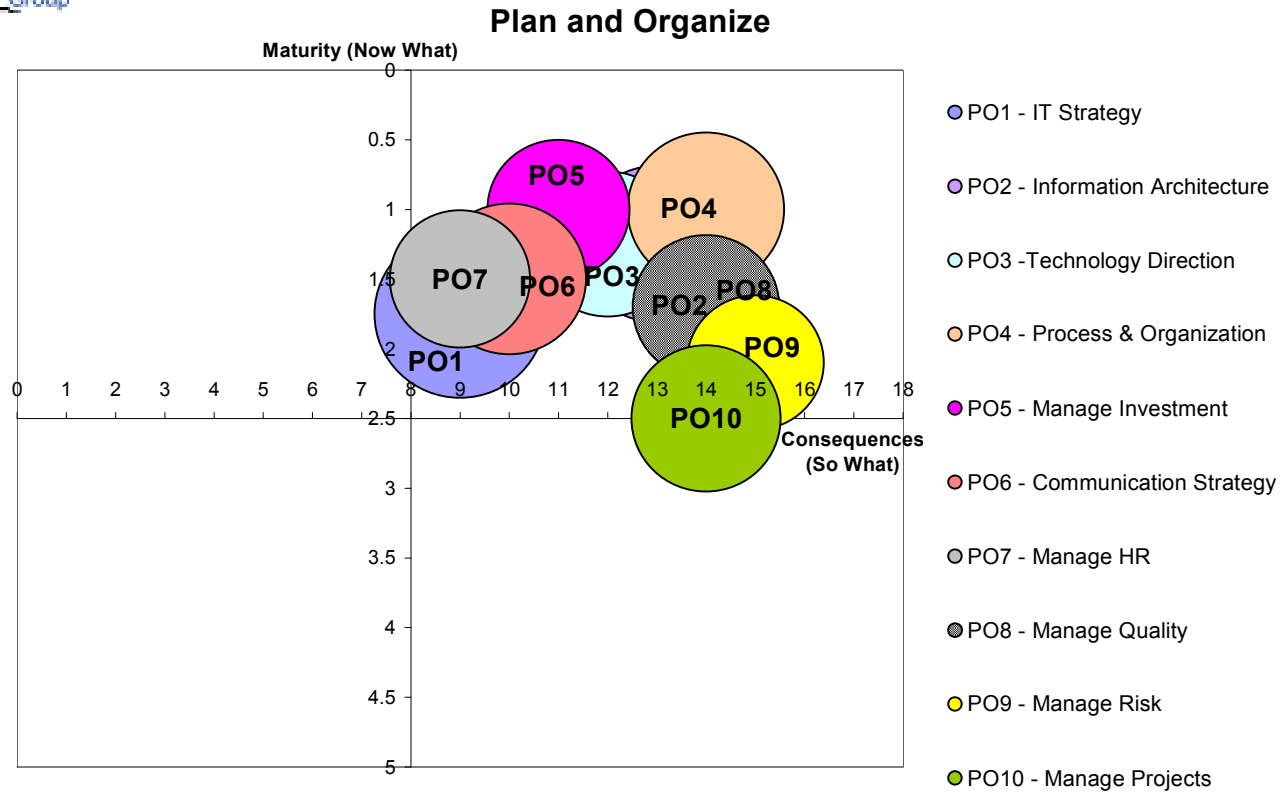
The Manta Group CobiT Governance Visioning Approach

Adopt and Adapt CobiT Governance Framework for Customer Environments

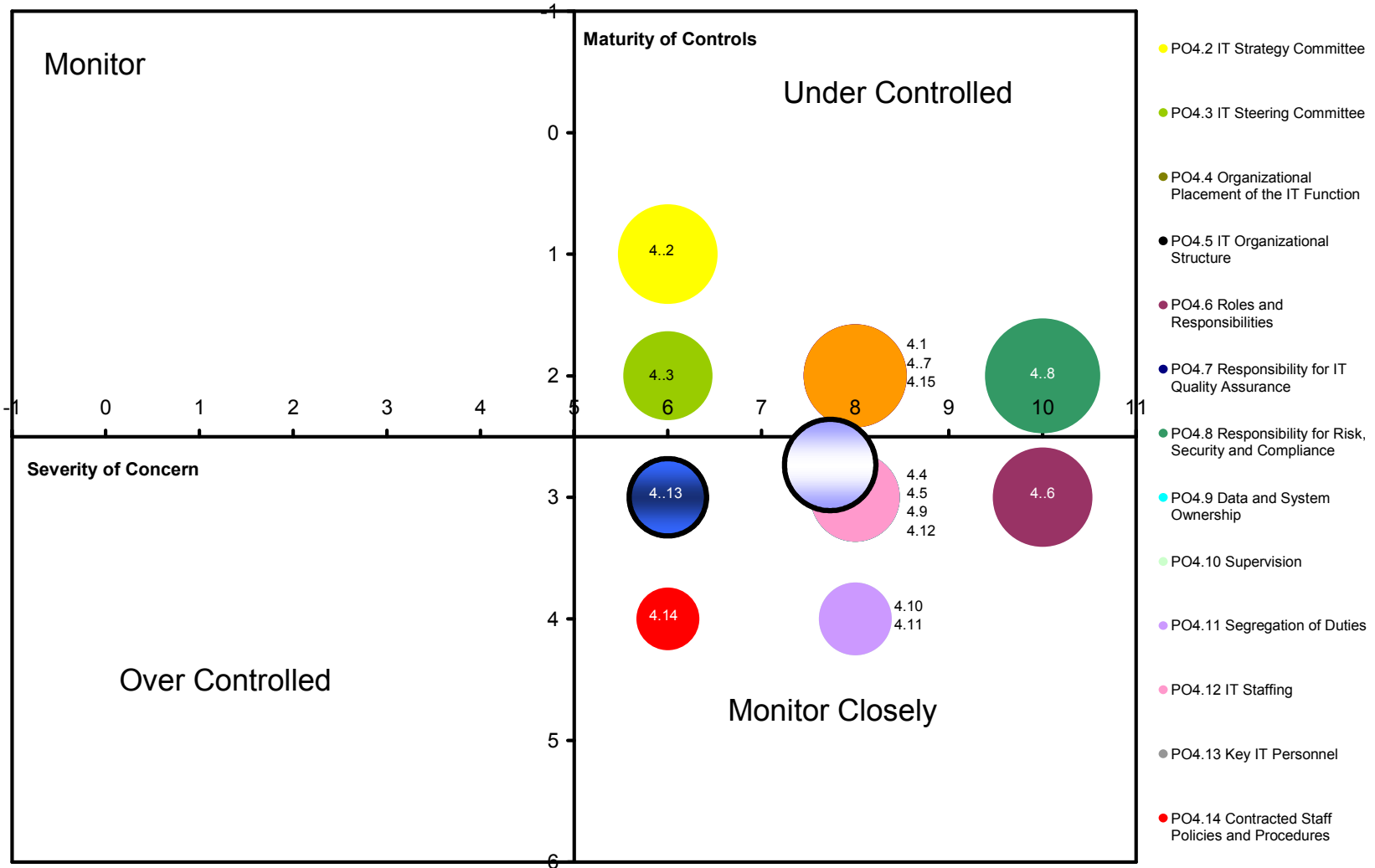


1. Employ high insight to effort ratio.
2. Produce comprehensive & detailed assessment.
3. Results in meaningful priorities for Customer IT Governance Framework.

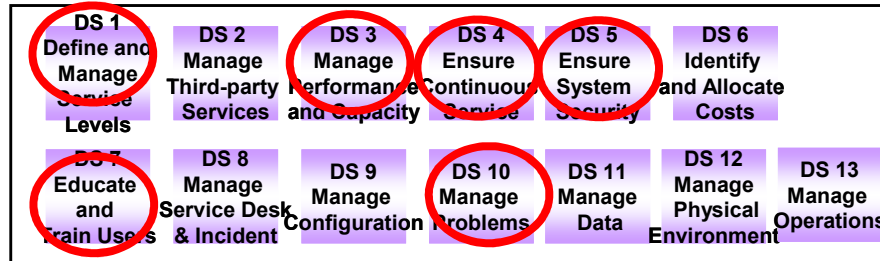
PO: Domain Summary example: Maturity versus Consequence



PO4 Define the IT Processes, Organization & Relationships

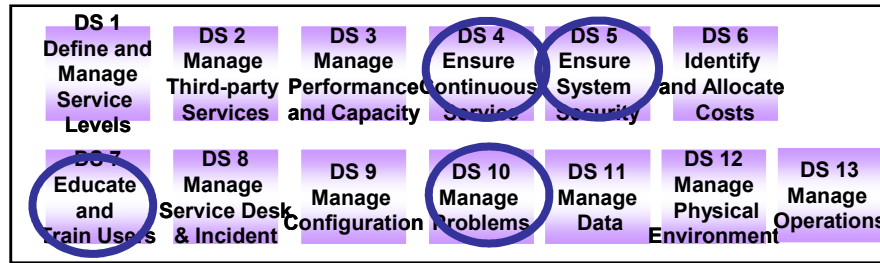


Example: Deliver & Support Gap Assessment

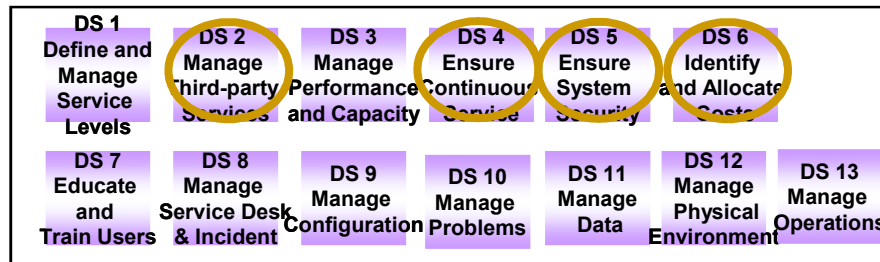


High Risk and Low Maturity

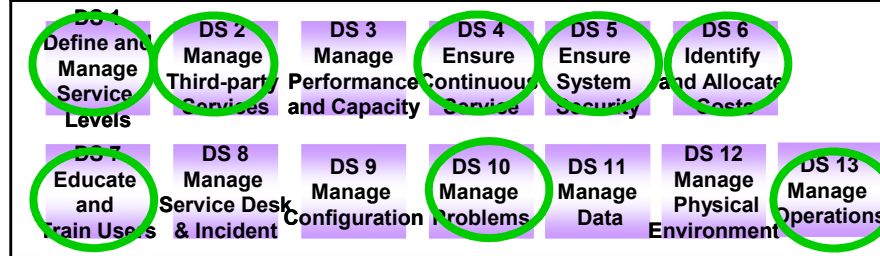
Gap Areas of Focus:
 DS4 – Ensure Continuous Services
 DS5 – Ensure System Security
 DS7 – Enable & Train Users
 DS10 – Manage Problems



High Business Demand



Gap in Responsibility and Accountability



High Relevance

Step 2: Need to have a plan on what you will implement and how.

Manage this as a Portfolio of Projects

Governance Planning

Scope

- Use COBIT to prioritize what governance areas to focus on strategically.
- Decide from scope which are also under the ITIL framework.
- Prioritize focus areas
- Look to create portfolio of projects to cover each focus area – and look to adopt additional frameworks for further detail.
- Embody – people, process and automation as factors.

Deliverables:

- Portfolio of prioritized governance projects
- Implementation plan

Step 3: Implementation & Review

Use COBIT and ITIL content together for process implementation

How to use COBIT & ITIL together

Metrics

- Use COBIT for performance dashboard strategy
- Use COBIT to align business to IT to process goals and metrics
- Validate process metrics with ITIL process KPIs

Process

- Use ITIL to define process activities and workflow
- Use COBIT to validate process controls are in place

Roles

- Use COBIT for Functional Role and RACI role mapping
- Use ITIL to provide a role description

Conclusion

Top 10 Reasons

1. IT becomes the growth engine of the organization
2. Levels the playing field for IT to have a voice in the executive table
3. Moves IT from cost-centre mentality to value-centre mentality
4. Brings risk into the forefront enabling IT to convey concerns constructively
5. Enables for regulatory compliance
6. Provides business oriented measures to monitor IT performance
7. Promotes IT and Business joint responsibility and accountability
8. Aligns IT goals with business goals
9. Links IT processes to business process
10. Clarifies IT activities, output and contributions

Thank You

Question & Answer

April 2008
Harpreet Virdee
Partner, The Manta Group
harpreet.virdee@mantagroup.com