

# IT Governance

How does a leader create an affordable, sustainable, resilient and dynamic risk management program with the ability to reliably detect threats and morph rapidly to defeat them?

When there are many organizational components to be served you need a governance program that spans all interests and cables together solutions that meet mission requirements and support business drivers.



*Carson*  
Bridging the IT Security Gap

## Find What Matters . . .

IT Governance must work within the organizations overall risk management framework as it serves as the organizations guide to implementation of a successful information technology operation. When properly integrated significant benefits accrue:

**REDUCE RISKS** - An effective IT governance framework will help safeguard your business information, enable your business to recover faster from a disaster and minimize the disruption caused by mishaps or technical breakdown.

**INTEGRATE IT WITH YOUR OVERALL BUSINESS GOALS** - The point of IT governance is to enable the enterprise

## Control What Counts

to achieve its objectives and to make technological innovations work to your advantage.

**ENSURE THAT PROJECTS SUCCEED** - Project governance is one of the most financially significant areas of IT governance. By managing projects involving IT as business projects rather than just IT projects, you can avoid spiraling costs and disappointing outcomes.

**IMPROVE RETURN ON INVESTMENT** - IT governance means proper costing and control of IT investments. By evaluating the total cost of ownership and keeping track of IT performance, you will be able to improve the return on investment of your IT systems.

With IT at the core of most 21st century enterprises, and with today's focus on compliance and risk management as a result of legislation like Sarbanes Oxley, organizations can no longer afford to have IT governance by default or bad IT governance by design. IT governance at its most basic is the process of making decisions about IT. By this simple definition, every organization has some form of IT governance. Good IT governance ensures that IT investments are optimized, aligned with business strategy, and delivering value within acceptable risk boundaries — taking into account culture, organizational structure, maturity, and strategy.

Implementing good IT governance requires a framework based on four major elements:

**IT Strategy** - An organization cannot escape its current IT environment, and must understand how that environment will grow to meet future business demands.

**Business Strategy** - What is the mission, and what inside/outside influences will affect the future.

**Operations** - how will the organization implement, and what resources will it use.

**Change** - how does the organization assure that the impacts are desirable.

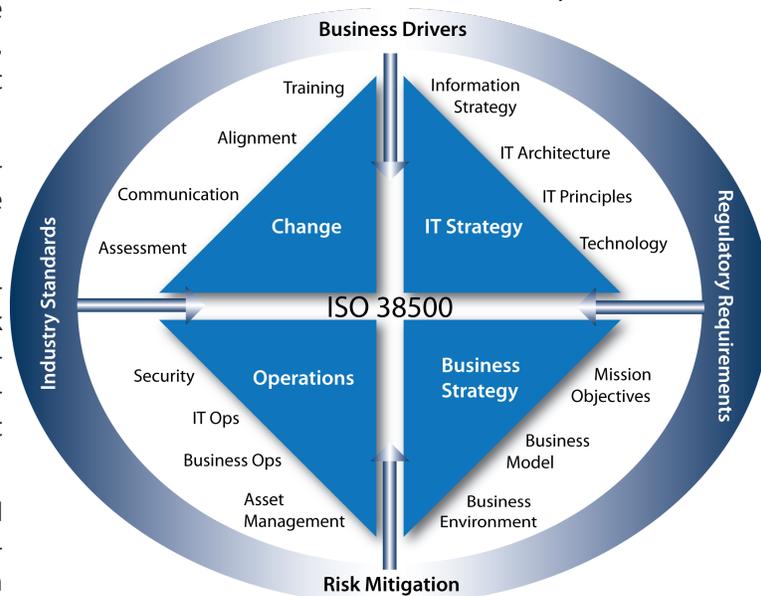
To assure all of the components of the framework come together into a successful governance program, management must focus on three areas:

- **Structure.** What structural organizations will be created, who will take part in these, and what responsibilities will they assume?
- **Process.** What are the decision-making processes for proposing investments, reviewing investments, approving investments, and prioritizing investments?
- **Communication.** How will results and decisions be monitored, measured, and communicated?

These three sets of activities strive to fulfill four objectives: IT value and alignment, accountability, performance measurement, and risk management.

- **IT value and alignment.** One of the primary goals of IT governance is to ensure alignment between the operating units and IT. By creating structures

and processes around IT investments, management can ensure only those IT projects aligned with strategic business objectives are prioritized and funded. Alignment also deals with balance between investments that run the current operations, and have the potential to transform the operations, with the need to manage projects that are on time, on budget and deliver expected results.



- **Risk management.** With more of an organization's value proposition built on IT, managing IT risk has become paramount. IT risks include security risks arising from hackers and denial of service attacks, privacy risks arising from identity thefts, recovery from disasters, resiliency of systems from outages, and the risks associated with project failures.

- **Accountability.** At the end of the day, governance is about accountability. IT governance holds IT management accountable for the return on investment in IT, as well as the credibility of IT's own information and controls.

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- **Performance measurement.** Accountability in IT governance requires that you keep score, typically by implementing a form of balanced scorecard. The IT Balanced Scorecard consists of four perspectives: IT Value, User Perceptions, Operational Excellence and Future Orientation.

At Carson, we bring the pieces together, and make them work for complex, diverse organizations.

For additional information request our IT Governance White Paper or request a consultation with one of our IT Governance experts.

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