Effectively Using CobiT© in IT Service Management
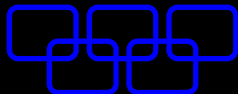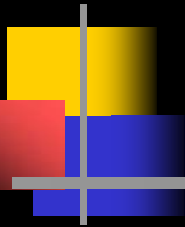
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Overview

- Effective governance of IT services support critical business functions that need to be suitable, usable, reliable, secure and adaptable

- If IT services fail or cannot react quickly enough to changes in the business, the impact can be significant

- Well-managed IT services result in improvements to business performance and creation of value

- Effective governance of IT services require service management to focus on key tasks to support a level of involvement of business customers to define requirements and making key service-related decisions

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Objectives and Purpose

- CobiT $^{©}$ and ITIL$^{®}$ provide comprehensive guidance covering a broad scope of good practices for service management

- Users of these practices may find it difficult to navigate and identify guidance that is relevant to service management

- Difficult to know how CobiT and ITIL can be applied together

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Assumptions

- Senior business and IT management have an appreciation/understanding of service management

- Senior management sponsorship enables higher IT governance and service management maturity levels to increase value to the enterprise and reduces risk

- Requires tailoring to meet specific business requirements

- Based on good practice and the practical experience of industry accepted best practices

- Pragmatic and helpful rather than prescriptive

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Why is Good Governance Needed?

- Enterprises are dependent on IT to:
  - Satisfy their corporate aims
  - Meet their business needs
  - Deliver value to customers

- A manageable, accountable and repeatable way is for business to ensure that IT services are:
  - Based on business needs and user requirements
  - Compliant with internal policies, legal and contractual obligations
  - Effectively and efficiently sourced and delivered
  - Working in concert with other services
  - Continually reviewed and improved

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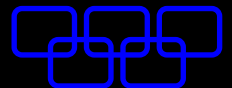
Key Drivers Affecting Service Management

- Design, development and delivery of services should be based on clear strategic objectives and aligned with current and future business plans

- The governance of IT services:
  - Support the enterprise's vision and strategy
  - Support responsiveness of IT to the business
  - Create confidence within top management
  - Create awareness and motivate a climate of commitment to good practices
  - Formalize and standardize IT processes, to create, stable and provide a reliable services environment
  - Make IT processes and services transparent
  - Monitor, continually improve processes, assess them against requirements
  - Support, take action to ensure adherence to policies, standards and controls
  - Bring a higher return on investments for IT-enabled business initiatives

Definition of a Service

- A service is a way of delivering value to customers by facilitating outcomes that customers want to achieve without the ownership of specific costs and risks

- Service management - specialized organizational capabilities for providing value to customers in the form of services

- Trusted partnership between the customer and the service provider exists, they share risk and reward and evolve together:

  - ➤ Service provider what is achieved, the customer what is wanted in a service provider

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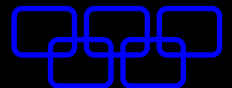
Why Have Good Practices?

- Businesses demand better returns from IT investments - IT needs to deliver on business needs to enhance stakeholder value
- Concerns about the increasing level of IT costs
- Meet regulatory requirements for IT controls
- Selection of service providers and management of service outsource/acquisition
- Increase complex IT-related risks, such as network security
- IT governance initiatives to monitor and improve critical IT activities
- Optimize costs by using standardized instead of specially developed approaches
- The maturity and acceptance of industry accepted standards and frameworks
- Assessing how enterprises perform against industry standards and their peers
- Analysts are recommending the adoption of good practices: (Gartner, ITGI)

"Strong framework tools are essential for ensuring IT resources are aligned with an enterprise's business objectives, and that services and information meet quality, fiduciary and security needs…. CobiT and ITIL are not mutually exclusive and can be combined to provide a powerful IT governance, control and best-practice framework in IT service management. Enterprises that want to put the ITIL program into the context of a wider control and governance framework should use CobiT"

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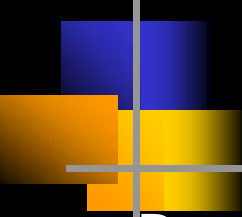Organization • Integration

Relationship Between CobiT and ITIL

- CobiT is an IT governance and control framework that focuses on *what* should be addressed to ensure good governance of all IT-related processes, including service management processes:

  ➢ Provides guidance, a structure and tools for achieving desired levels of conformance and performance of IT processes required to satisfy business needs

  ➢ Leveraging CobiT guidance, an enterprise can ensure that its service management effort is aligned with its overall business, governance and internal control requirements

- ITIL provides best practices describing how to plan, design and implement effective service management capabilities

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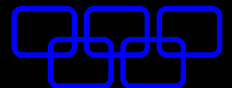
Why Use CobiT and ITIL Together?

- Provides top-to-bottom approach to IT governance and service management:
  - ➢ CobiT guides management priorities and objectives with a holistic, complete approach to all IT activities
  - ➢ Focus of stakeholders on integrated, common approach
- ITIL supports CobiT best practices for service management
- Used together the power of both is combined for:
  - ➢ Better management support and direction
  - ➢ More cost-effective use of implementation resources
- Together, CobiT and ITIL provide an effective way to understand business priorities, requirements and use this to focus on IT services

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The Benefits of Using CobiT and ITIL

- Together CobiT and ITIL:

  - Provide an effective way to understand business priorities and requirements

  - Focus on IT services so management can better understand the significance of IT services and how they support the business

  - Helps operational IT managers to better understand the impact services have on business processes

  - Enhances the business case for service improvements, obtaining the support of stakeholders, and the realization and monitoring of the expected benefits

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Using CobiT and ITIL Together

- The Relationship is Summarized in this top-down flow:
  - ➢ CobiT helps drive what to do, supported by the ITIL V3 service strategy guidance
  - ➢ ITIL guides how to achieve improvement supported by CobiT's control objectives and practices
- Process Flow
  - ➔ Business goals
    - ➔ IT goals
      - ➔ Governance requirements
        - ➔ Critical IT processes
          - ➔ Prioritized control objectives and practices
            - ➔ Maturity gap analysis
              - ➔ Improvement action plan
                - ➔ Implementation of enhanced service management capabilities

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Where to Start?

- Understand the Current Situation and Agree Upon the Need:
  - For necessary changes and to identify any obstacles and issues that may need to be overcome
- Focus on Business Priorities and Set Scope:
  - The current important business and governance drivers and consider the impact they may have on process improvement
- Assess Current Performance:
  - To determine what needs to be addressed - gap analysis is required
    - A 'current state' and 'future or required state' of maturity should be clearly identified and agreed upon with management
    - The items should be ranked according to their contribution to value added and risk mitigation
- Generate an Implementation Action Plan:
  - Ensure action items align IT projects to Business requirements and are in priority order considering cost, risk and impact

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Acknowledgements

CobiT® **Users Guide for Service Managers** by:
IT Governance Institute®
*it*SMF International

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