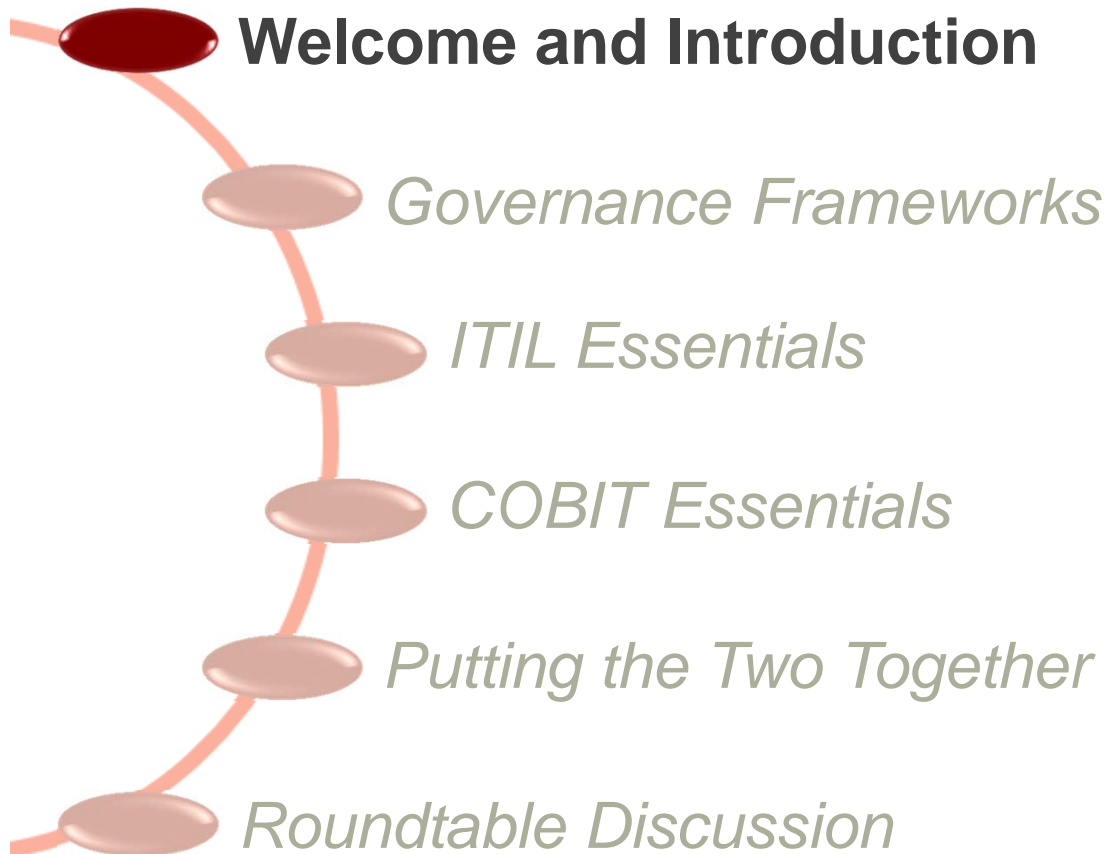


One Part ITIL, One Part COBIT
*The ingredients for repeatable and controlled
processes to support IT services*

Mark Thomas, COBIT SIG President
June 15, 2012



Pittsburgh Local Interest Group



Considering the many challenges faced by organizations today, leveraging frameworks to assist in creating repeatable approaches to managing and controlling IT services is a logical, yet difficult task. With so many best practices in the market today, how can one know which ones are applicable? Consider two basic tenets of every IT service provider: provide value in delivered services, and ensure proper governance and control of the processes that support them. This is where the IT Infrastructure Library (ITIL) and Control Objectives for Information and Related Technology (COBIT) play a valuable role. In this presentation we will explore 1) the essential elements of each framework, 2) their applicability in the growing role of IT in today's organizations, and 3) how to leverage these together in a cohesive approach to delivering, managing and controlling effective IT processes. In this presentation and follow on discussion, participants will gain not only an appreciation of the utility of these frameworks, but will walk away with the knowledge (and perhaps) a plan on how to implement these powerful tools at their companies.

Welcome and Introduction

What you will know when you leave here today

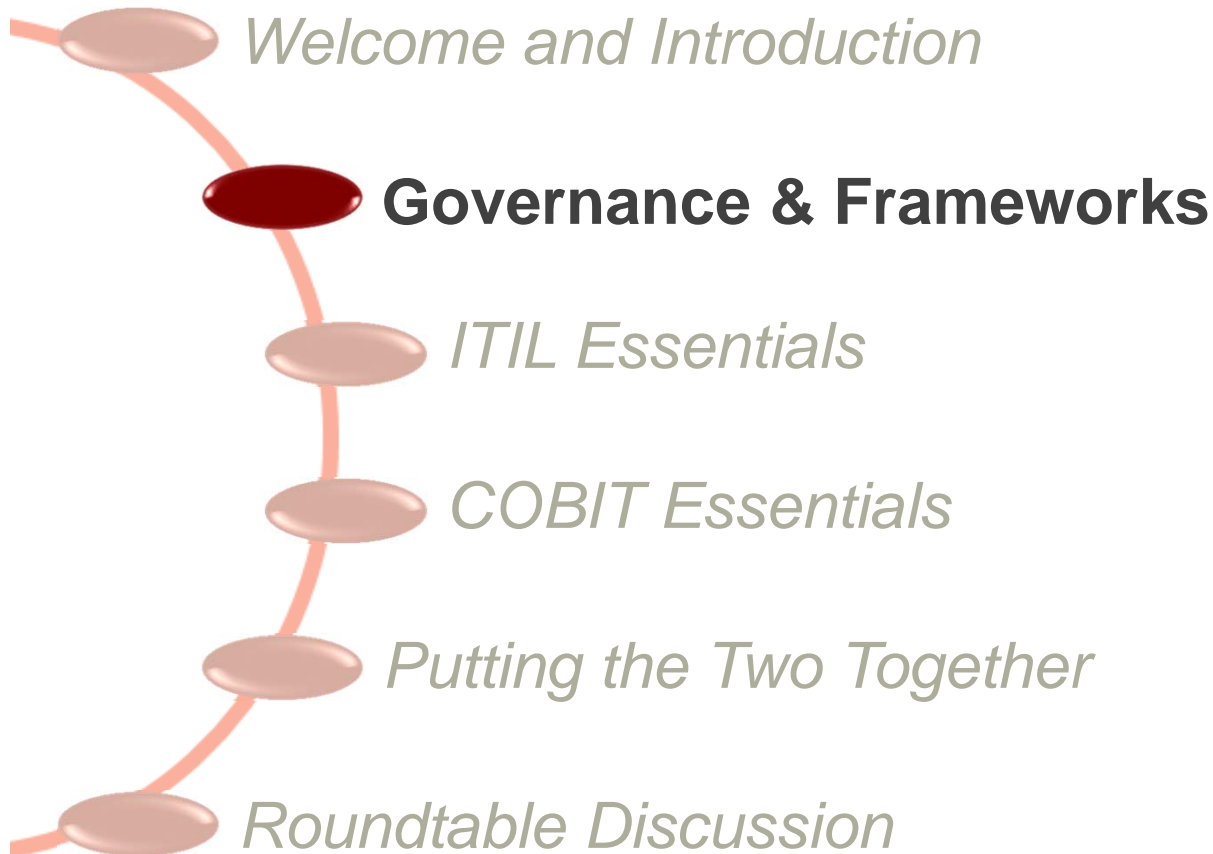
The purpose of today's presentation is to provide an overview of the ITIL and COBIT frameworks and how they can work together. When we leave here today, you should understand:

- The fundamentals of GEIT (Governance of Enterprise IT).
- Current frameworks that are growing in applicability and popularity in the market (ITIL, COBIT).
- Examples of how these frameworks can work together to satisfy two basic tenets of every IT service provider: provide value in delivered services, and ensure proper governance and control of the processes that support them.



The following trends are driving the need for governance frameworks that provide consistent approach to delivering services:

- Rising demand for best practices is driven by requirements to become more competitive while holding costs down.
- Drivers for framework adoption include pressures created by demand for conformance and performance.
- Historically, IT Service Providers were self-directed and considered cost centers – today, best practices help these providers focus on meeting enterprise objectives.
- As IT moves up the list of strategic goals contribution, justifying technology investments grows - therefore the need for best practices.



GEIT

Governance of Enterprise IT

Governance, IT Governance, and GEIT may have different meanings to different enterprises depending on the context.

- Fundamental concern is with IT value delivery to the business and the mitigation of IT related risk.
- Powerful resource to help achieve important objectives.
- Objectives include:
 - *Benefit Realization*
 - *Risk Optimization*
 - *Resource optimization*

COBIT 5 defines governance as:

Governance ensures that stakeholder needs, conditions and options are evaluated to determine balanced, agreed-on enterprise objectives to be achieved; setting direction through prioritization and decision making; and monitoring performance and compliance against agreed-on direction and objectives.

Source: COBIT 5 Implementation. © ITGI. All rights reserved.

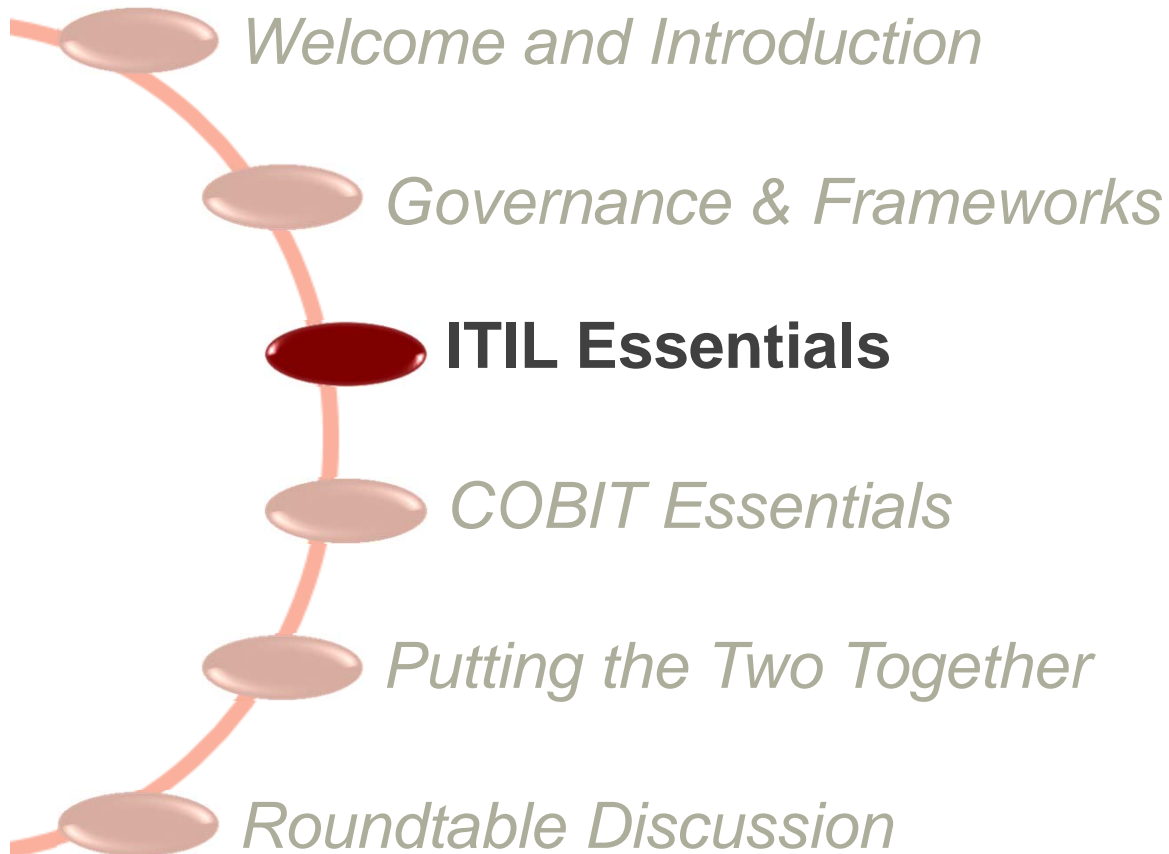
Governance of Enterprise IT (GEIT) is driven by many conditions and circumstances determined by numerous factors in the internal and external environments.

- ◆ Ethics and culture
- ◆ Laws, regulations, policies
- ◆ International standards
- ◆ Industry practices
- ◆ Competitive environment
- ◆ The enterprise:
 - *Mission, vision, goals, values*
 - *Governance policies and practices*
 - *Culture and management style*
 - *Models for roles and responsibilities*
 - *Business plans and strategic intentions*
 - *Operating model and level of maturity*

Source: COBIT 5 Implementation. © ITGI. All rights reserved.

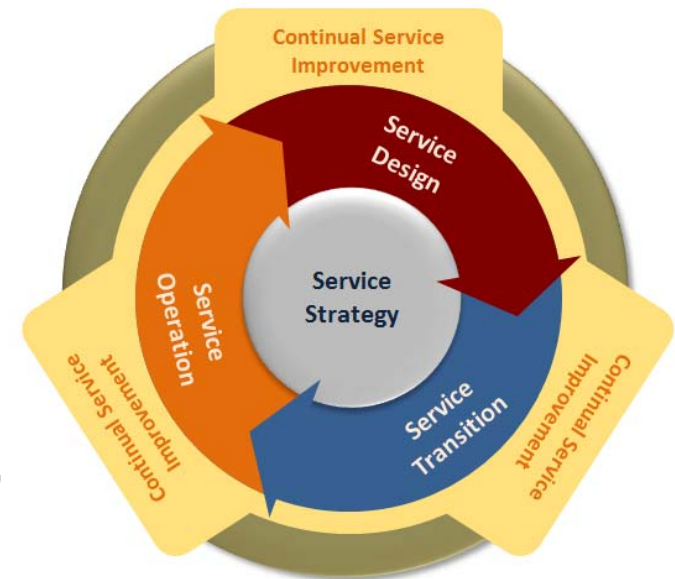
Although there are several methodologies and frameworks competing for the attention of IT leadership, the following are some of the most popular and applicable today.

- Service Management: ITIL, MOF, USMBOK
- IT Governance: COBIT
- Enterprise Architecture: TOGAF
- Project/Portfolio Management: PMBOK, PRINCE2, P3O, BABOK
- International Standards: ISO38500, ISO20000, ISO27000
- Application/Software Development: SWEBOK, SDLC, Agile
- Process & Quality Management: BPM-CBOK, Six Sigma, CMMI



ITIL is the most widely accepted approach to IT service management in the world which provides a cohesive set of best practice guidance drawn from public and private sectors.

- Originally developed by the UK's Office of Government Commerce (OGC) and has become a world-wide de facto standard in Service Management.
- The Guidance, documented in a set of five books, describes an integrated, process based, best practice framework for managing IT services.
- Currently these books are the only comprehensive, non-proprietary, publicly available guidance for IT Service Management.



Based on Cabinet Office ITIL® material.

The ITIL framework identifies all applicable processes, roles, and functions required to effectively deliver services to customers.



Services

A means of delivering value to customers by facilitating outcomes customers want to achieve without the ownership of costs and risks.

Email



Processes

A coordinated set of activities combining and implementing resources and capabilities in order to produce an outcome which creates value.

Incident Management



Roles

A set of connected behaviors or actions that are performed by a person, team or group for a specific outcome.

Incident Manager



Functions

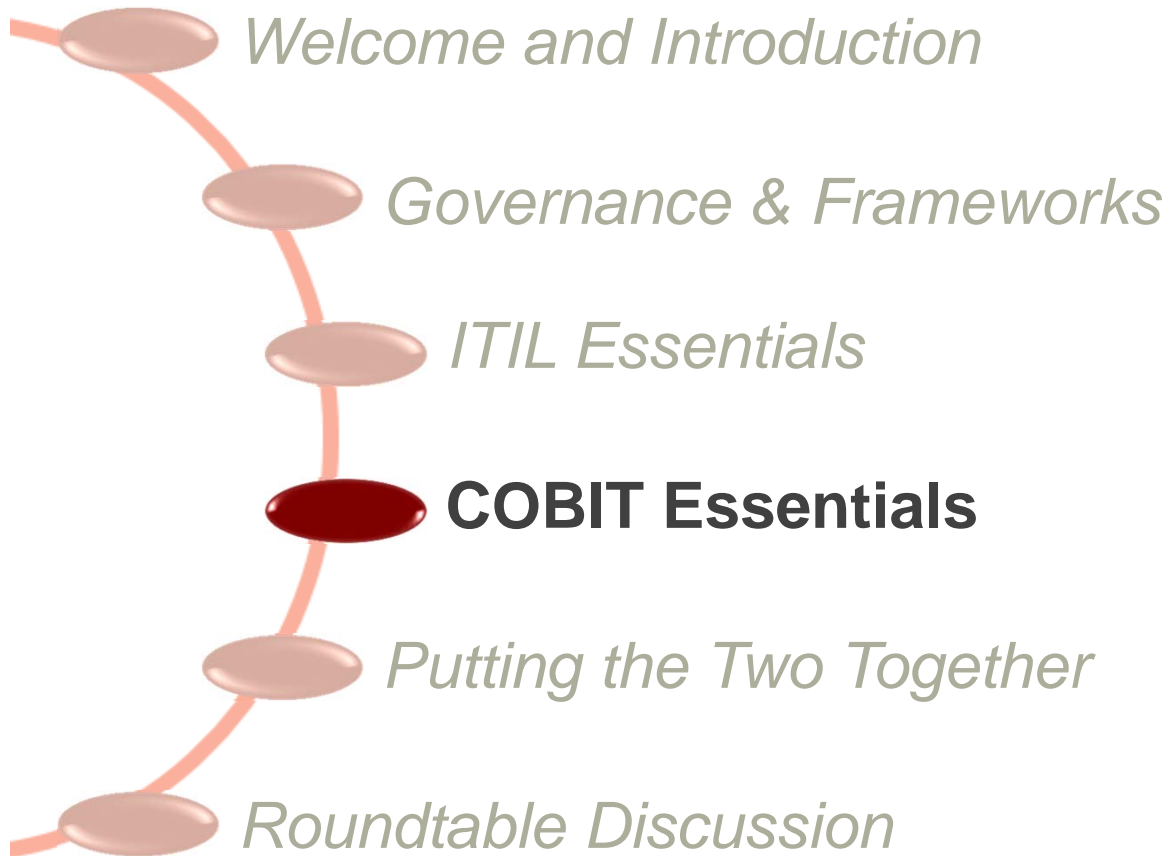
Units of organization specialized to perform certain types of work and are responsible for certain outcomes.

Service Desk

Based on Cabinet Office ITIL® material.

SS Service Strategy	SD Service Design	ST Service Transition	SO Service Operations	CSI Continual Service Improvement
<p>Strategy Management</p> <p>Financial Management</p> <p>Service Portfolio Management</p> <p>Demand Management</p> <p>Business Relationship Management</p>	<p>Design Coordination</p> <p>Service Level Management</p> <p>Service Catalog Management</p> <p>Availability Management</p> <p>Capacity Management</p> <p>Information Security Management</p> <p>Service Continuity Management</p> <p>Supplier Management</p>	<p>Change Management</p> <p>Service Asset and Configuration Management</p> <p>Release and Deployment Management</p> <p>Knowledge Management</p> <p>Transition Planning and Support</p> <p>Service Validation and Testing</p> <p>Change Evaluation</p>	<p>Event Management</p> <p>Incident Management</p> <p>Request Fulfillment</p> <p>Problem Management</p> <p>Access Management</p> <div style="border: 1px solid gray; border-radius: 15px; padding: 10px; margin-top: 10px;"> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Functions</p> <p>Service Desk</p> <p>Technical Management</p> <p>Application Management</p> <p>Operations Management</p> </div>	<p>7-Step Improvement</p>

Based on Cabinet Office ITIL® material.



Earlier this year, ISACA completed the rollout from COBIT 4.1 to COBIT 5. COBIT 5 provides an end-to-end business view of the governance of enterprise IT that reflects the central role of both information and technology in creating value for enterprises.

Enterprises already engaged in implementation activities can transition to COBIT 5 and incorporate this into future iterations of their improvement cycles

- COBIT 5 builds on previous versions of COBIT (including Val IT and Risk IT).
- Some new changes include:
 - Increased focus on enablers
 - New process reference model
 - New and modified processes
 - Management practices (formerly control objectives)
 - New maturity model

COBIT 5

COBIT 5 ENABLER GUIDES

COBIT 5
Enabling Processes

COBIT 5
Enabling Information

Other Enabler Guides

COBIT 5 PROFESSIONAL GUIDES

COBIT 5
Implementation

COBIT 5
for Information
Security

COBIT 5
for Assurance

COBIT 5
for Risk

*Other
Professional
Guides*

COBIT 5 ONLINE COLLABORATIVE ENVIRONMENT

Source: COBIT 5. © ITGI. All rights reserved.

COBIT 5 is based on five key principles for governance and management of enterprise IT:

- Meeting Stakeholder Needs
- Covering the Enterprise End-to-End
- Applying a Single Integrated Framework
- Enabling a Holistic Approach
- Separating Governance From Management



Source: COBIT 5. © ITGI. All rights reserved.

**Meeting
Stakeholder Needs**

*Covering the
Enterprise End-to-
End*

*Applying a Single
Integrated
Framework*

*Enabling a Holistic
Approach*

*Separating
Governance From
Management*

Enterprises exist to create value for their stakeholders. The COBIT 5 Goals Cascade is a mechanism to translate stakeholder needs into specific, practical and customized goals.

Step 1

Stakeholder Drivers Influence Stakeholder Needs

Step 2

Stakeholder Needs Cascade to Enterprise Goals

Step 3

Enterprise Goals Cascade to IT Related Goals

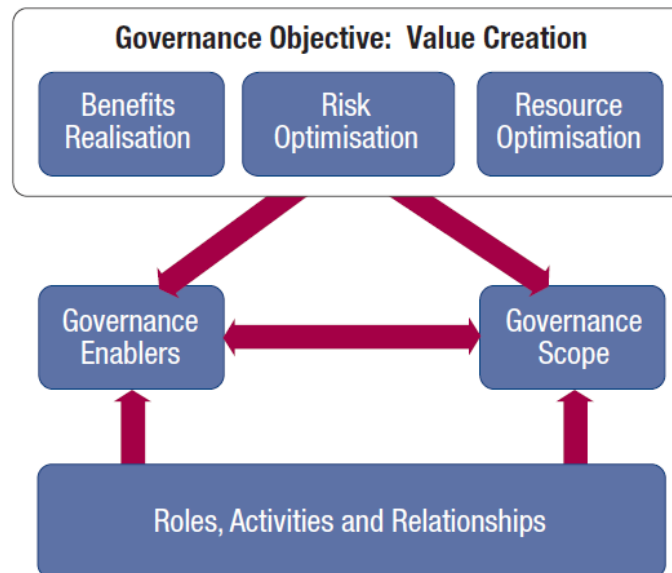
Step 4

IT-related Goals Cascade to Enabler Goals

Source: COBIT 5. © ITGI. All rights reserved.

COBIT 5 addresses the governance and management of information and related technology from an enterprise wide, end-to-end perspective:

- Meeting Stakeholder Needs
- Covering the Enterprise End-to-End**
- Applying a Single Integrated Framework
- Enabling a Holistic Approach
- Separating Governance From Management



Source: COBIT 5. © ITGI. All rights reserved.

*Meeting
Stakeholder Needs*

*Covering the
Enterprise End-to-
End*

**Applying a Single
Integrated
Framework**

*Enabling a Holistic
Approach*

*Separating
Governance From
Management*

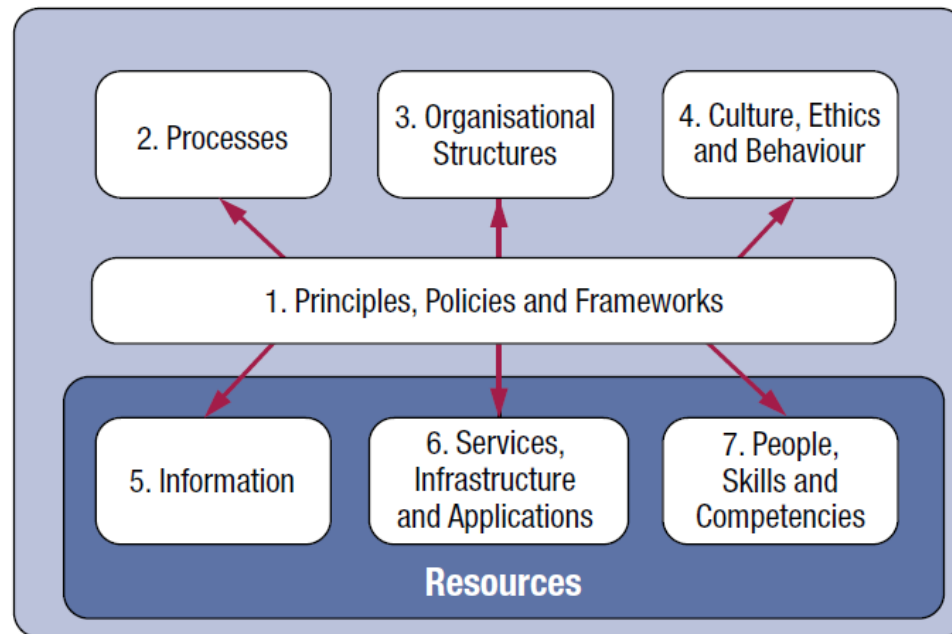
COBIT 5 is a single integrated framework because it:

- aligns with other latest relevant standards and frameworks.
- is a single overarching framework that can serve as a consistent and integrated source of guidance.
- is presented in non-technical, technology-agnostic common language.
- can act as the overarching governance and management framework integrator.

Source: COBIT 5. © ITGI. All rights reserved.

- Meeting Stakeholder Needs
- Covering the Enterprise End-to-End
- Applying a Single Integrated Framework
- Enabling a Holistic Approach**
- Separating Governance From Management

Enablers are driven by the goals cascade. The COBIT 5 framework describes seven categories of enablers:



Source: COBIT 5. © ITGI. All rights reserved.

*Meeting
Stakeholder Needs*

*Covering the
Enterprise End-to-
End*

*Applying a Single
Integrated
Framework*

*Enabling a Holistic
Approach*

**Separating
Governance From
Management**

Governance and Management encompass different types of activities, require different organizational structures and serve different purposes.

Governance

Ensures that stakeholder needs, conditions and options are evaluated to determine balanced, agreed-on enterprise objectives to be achieved; setting direction through prioritization and decision making; and monitoring performance and compliance against agreed-on direction and objectives.

Management

Plans, builds, runs and monitors activities in alignment with the direction set by the governance body to achieve the enterprise objectives.

Source: COBIT 5. © ITGI. All rights reserved.

The COBIT 5 Process Reference Model describes in detail a number of governance and management processes.

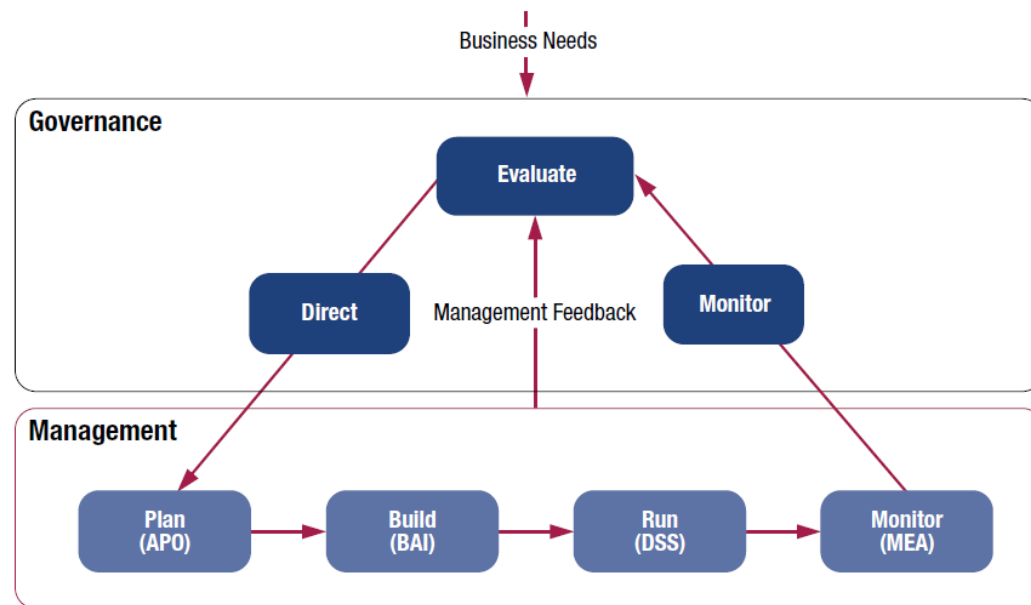
Meeting Stakeholder Needs

Covering the Enterprise End-to-End

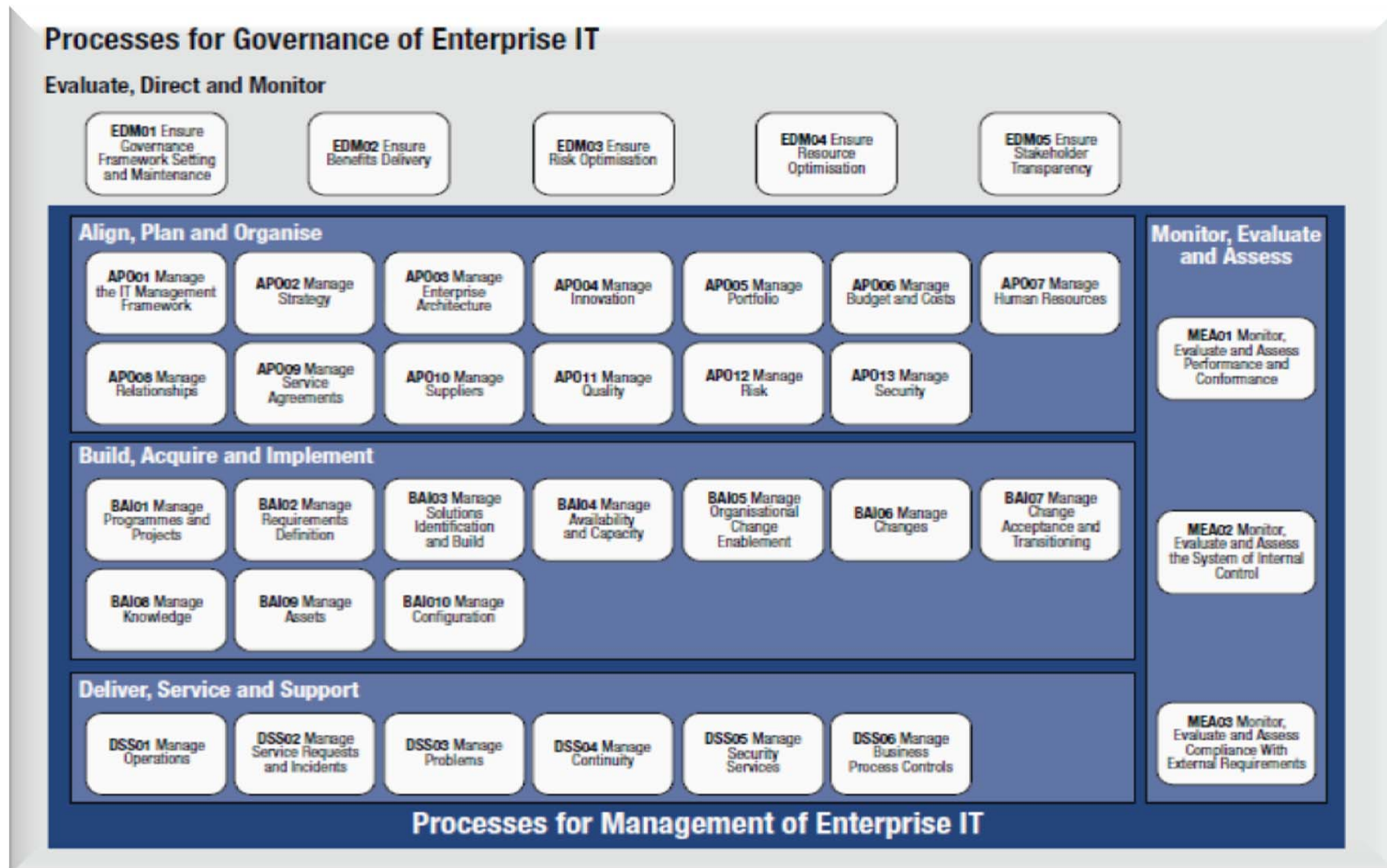
Applying a Single Integrated Framework

Enabling a Holistic Approach

Separating Governance From Management



Source: COBIT 5. © ITGI. All rights reserved.



Source: COBIT 5. © ITGI. All rights reserved.

<i>Processes for Governance of Enterprise IT</i>		<i>Processes for Management of Enterprise IT</i>		
EVALUATE, DIRECT & MONITOR	ALIGN, PLAN & ORGANIZE	BUILD, ACQUIRE & IMPLEMENT	DELIVER, SERVICE & SUPPORT	MONITOR, EVALUATE & ASSESS
EDM1 Ensure Governance Framework Setting and Maintenance	APO1 Manage the IT Framework	BAI1 Manage Programs and Projects	DSS1 Manage Operations	MEA1 Monitor, Evaluate, and Assess Performance and Conformance
EDM2 Benefits Delivery	APO2 Manage Strategy	BAI2 Manage Requirements Definition	DSS2 Manage Service Requests & Incidents	MEA2 Monitor, Evaluate and Assess the System of Internal Control
EDM3 Ensure Risk Optimization	APO3 Manage Enterprise Architecture	BAI3 Manage Solutions Identification and Build	DSS3 Manage Problems	MEA3 Monitor, Evaluate and Assess Compliance with External Requirements
EDM4 Ensure Resource Optimization	APO4 Manage Innovation	BAI4 Manage Availability and Capacity	DSS4 Manage Continuity	
EDM5 Ensure Stakeholder Transparency	APO5 Manage Portfolio	BAI5 Manage Organizational Change Enablement	DSS5 Manage Security Services	
	APO6 Manage Budget & Costs	BAI6 Manage Changes	DSS6 Manage Business Process Controls	
	APO7 Manage Human Resources	BAI7 Manage Change Acceptance and Transitioning		
	APO8 Manage Relationships	BAI8 Manage Knowledge		
	APO9 Manage Service Agreements	BAI9 Manage Assets		
	APO10 Manage Suppliers	BAI10 Manage Configuration		
	APO11 Manage Quality			
	APO12 Manage Risk			
	APO13 Manage Security			

Source: COBIT 5. © ITGI. All rights reserved.

Each of the governance and management processes defined in the Process Reference Model includes detailed process-related content (found in the COBIT 5 Enabling Processes Guide).

Process Identification

Process label (domain prefix) and process number
Domain and Process name
Area of the process (governance or management)

Process Description

Overview of the process
How the process accomplishes its purpose

Process Purpose Statement

Description of the overall purpose of the process

Goals Cascade Information

Reference and description of the IT-related goals that are primarily supported by the process
Metrics to measure the achievement of the IT-related goals

Source: COBIT 5 Enabling Processes. © ITGI. All rights reserved.

Process Reference Guide information continued...

Process Goals & Metrics

Set of process goals
Limited number of example metrics

RACI Chart

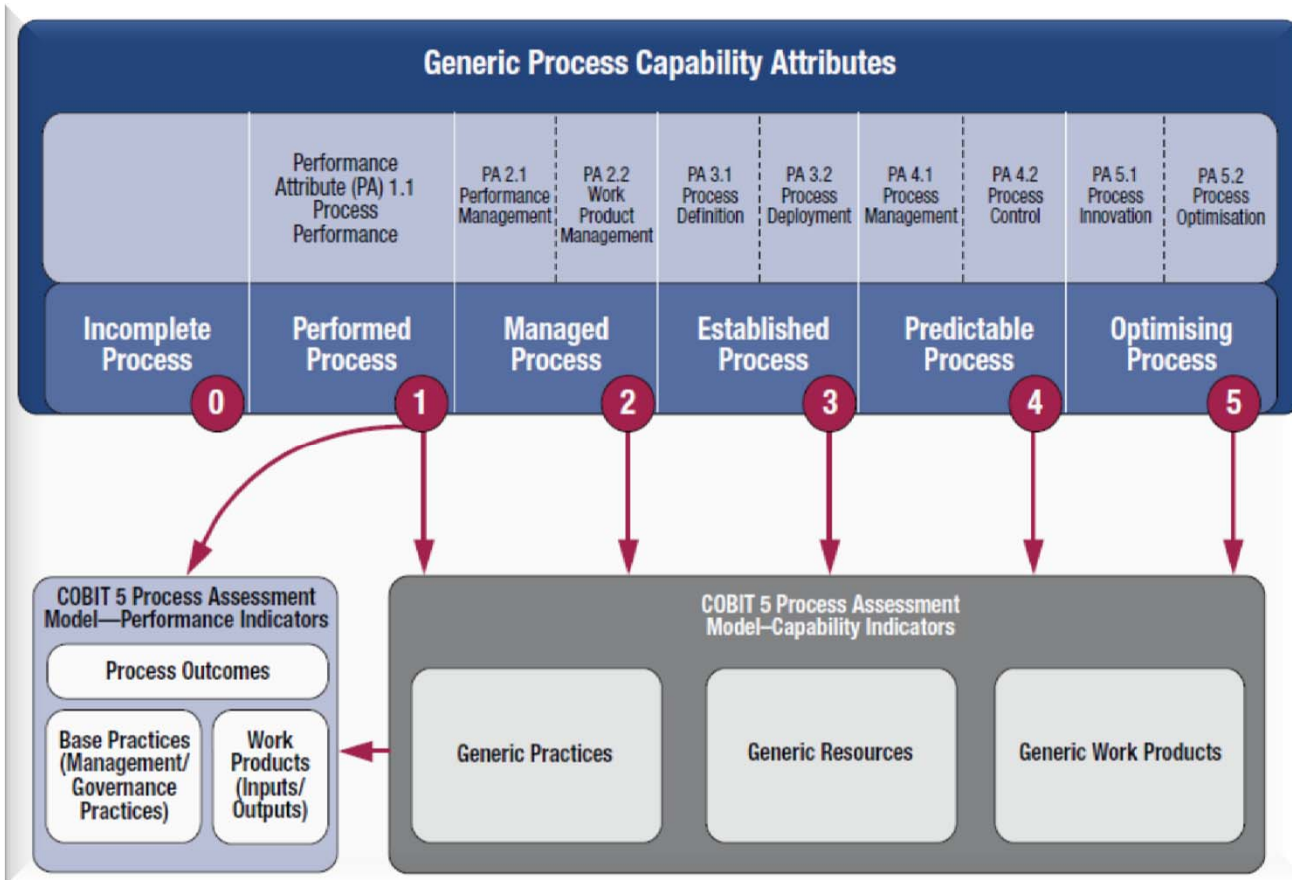
Suggested assignment of levels of responsibilities
Responsible, Accountable, Consulted, Informed

Detailed Practice Descriptions

For each process practice, includes: title and description, inputs and outputs, process activities

Related Guidance

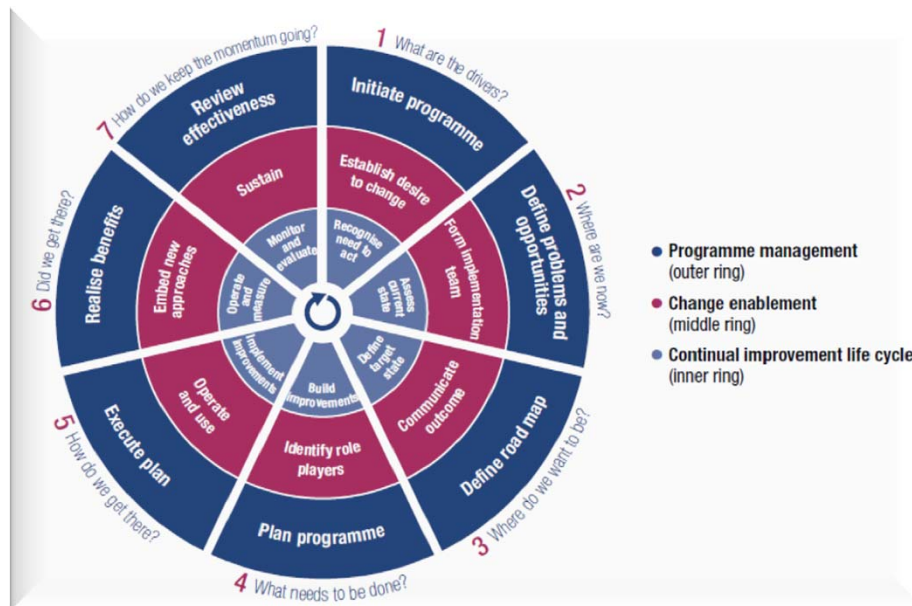
References to other standards



The COBIT 5 Process Capability Model provides a consistent approach to assessing and defining process capability.

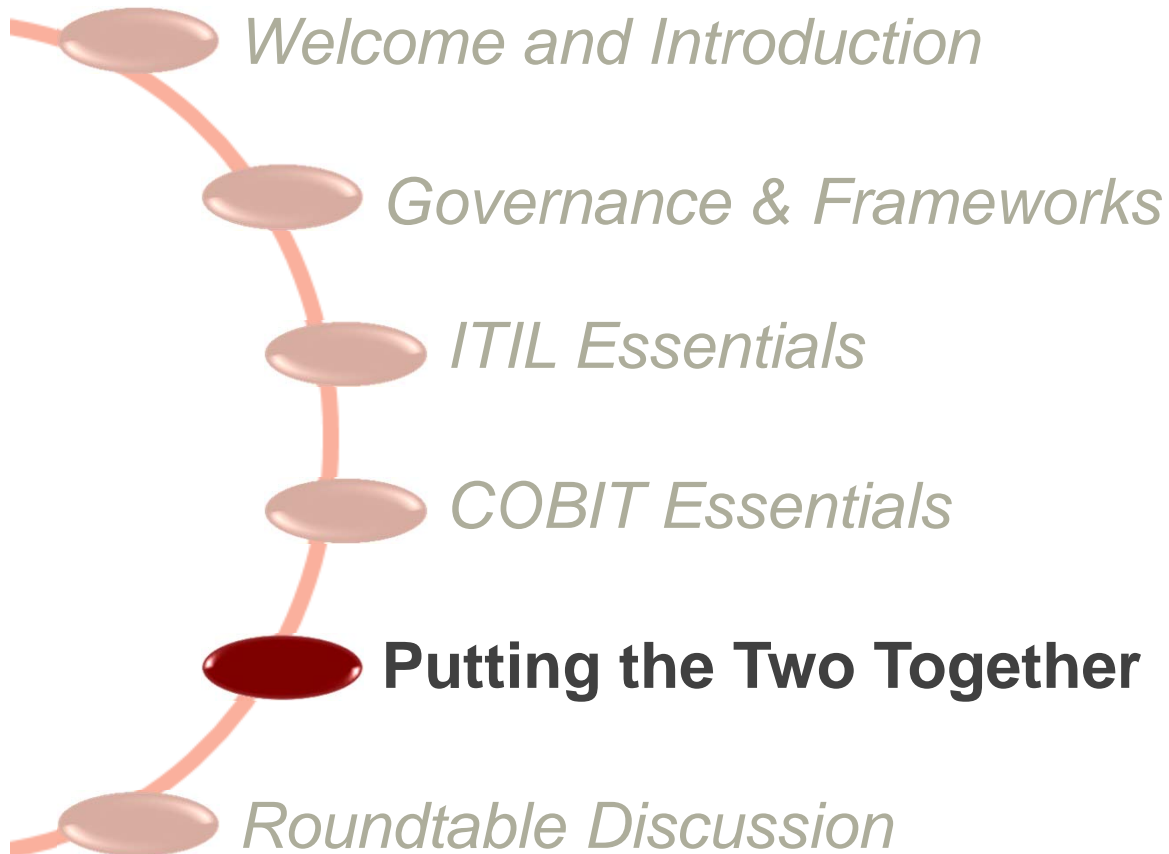
Source: COBIT 5. © ITGI. All rights reserved.

A continual approach provides a method to address the complexities and challenges normally encountered during GEIT implementations. The Seven Phases of the implementation lifecycle are illustrated below.



- ◆ What are the drivers?
- ◆ Where are we now?
- ◆ Where do we want to be?
- ◆ What needs to be done?
- ◆ How do we get there?
- ◆ Did we get there?
- ◆ How do we keep the momentum going?

Source: COBIT 5 Implementation. © ITGI. All rights reserved.



ITIL and COBIT are actually highly complimentary and can help organizations achieve the following key integration objectives.

- ◆ Implement and manage IT Service Management processes to achieve business goals while meeting governance requirements.
- ◆ Enable clear process goals which are driven by business goals coupled with a meaningful measurement scheme.
- ◆ Ensure IT governance and control by providing benefits realization, risk optimization, and resource optimization.

Because of its high level approach, broad coverage, and is based on many existing practices, COBIT can easily be used as the integrator that brings multiple practices under one framework and links those to business objectives.

Organizations wanting to adopt ITIL need effective GEIT for a successful implementation. COBIT provides this broad based framework.

COBIT - “What to do”

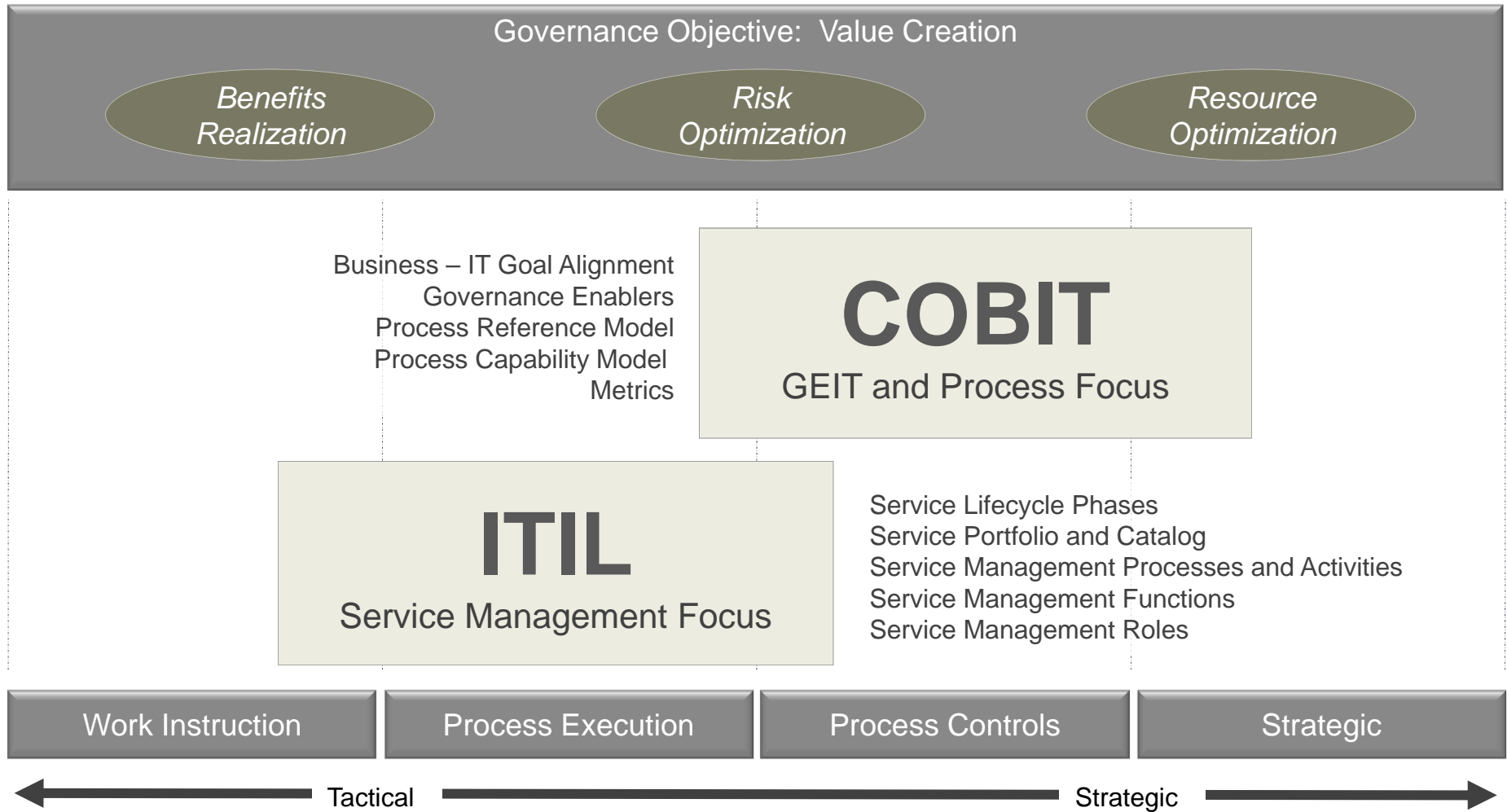
- Assists in goal alignment by cascading.
- Defines processes based on business requirements.
- Separates governance from management.
- Intended to support GEIT and is applicable to most organizations.

ITIL - “How to do it”

- Defines best practice processes for Service Management and includes process activities.
- Processes are more comprehensive and described with activities and flowcharts to assist in implementation.
- Processes can be easily mapped to the COBIT Framework to create effective guidance.

Putting the Two Together

Integration



Putting the Two Together

Consideration Areas

Combining COBIT and ITIL in governance implementations is not a trivial endeavor. It requires organizations to address the following complex areas:

- Define IT goals and objectives that are aligned with the business.
- Create and deliver services that provides value to the customer.
- Provide security, compliance, and risk management for information.
- Ensure continuous improvement.



Putting the Two Together

Representative Case Study

The following case study represents a sample approach to using the ITIL and COBIT frameworks in an improvement scenario.

Description This datacenter provides outsourced IT managed services for the small to mid-sized market nationally. The datacenter was a multi-tenet environment which provided outsourced email, applications, and service desk functions.

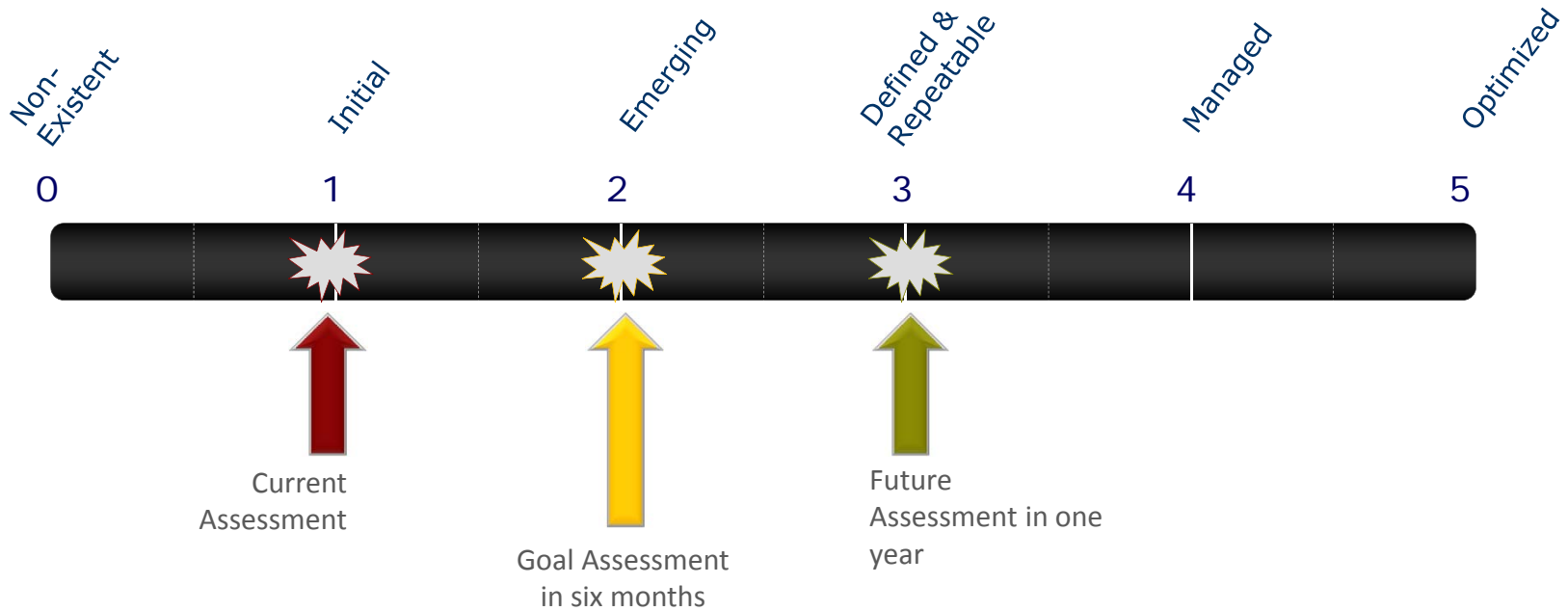
Issues The datacenter had been experiencing decreasing customer service scores and was continually challenged with migration frustrations. Following an independent assessment of their Service Management processes, they decided to focus on ITIL and CobiT frameworks to improve their effectiveness and efficiency in Service Management.

Solution Use ITIL and COBIT 4.1 fundamentals to increase the original assessment score. Conduct a phased one year approach to control the change tempo in order to keep customer disruption to a minimum.

Putting the Two Together

Representative Case Study

Based on the maturity assessment, the datacenter committed to the following improvement targets.

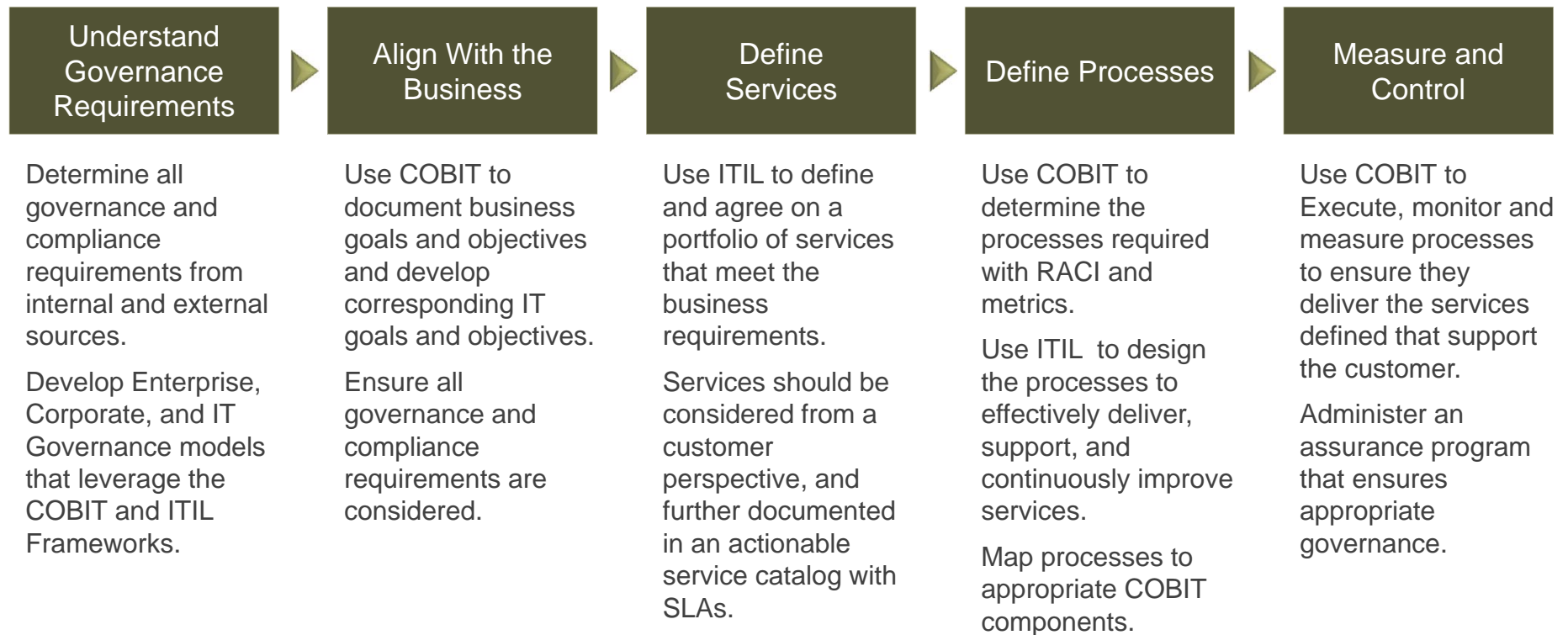


Note – these scores represent the aggregated maturity level for multiple processes. For the assessment, they mapped their current ITIL processes to Cobit 4.1 processes, and used the Cobit 4.1 maturity model (with some slight internal modifications).

Putting the Two Together

Representative Case Study

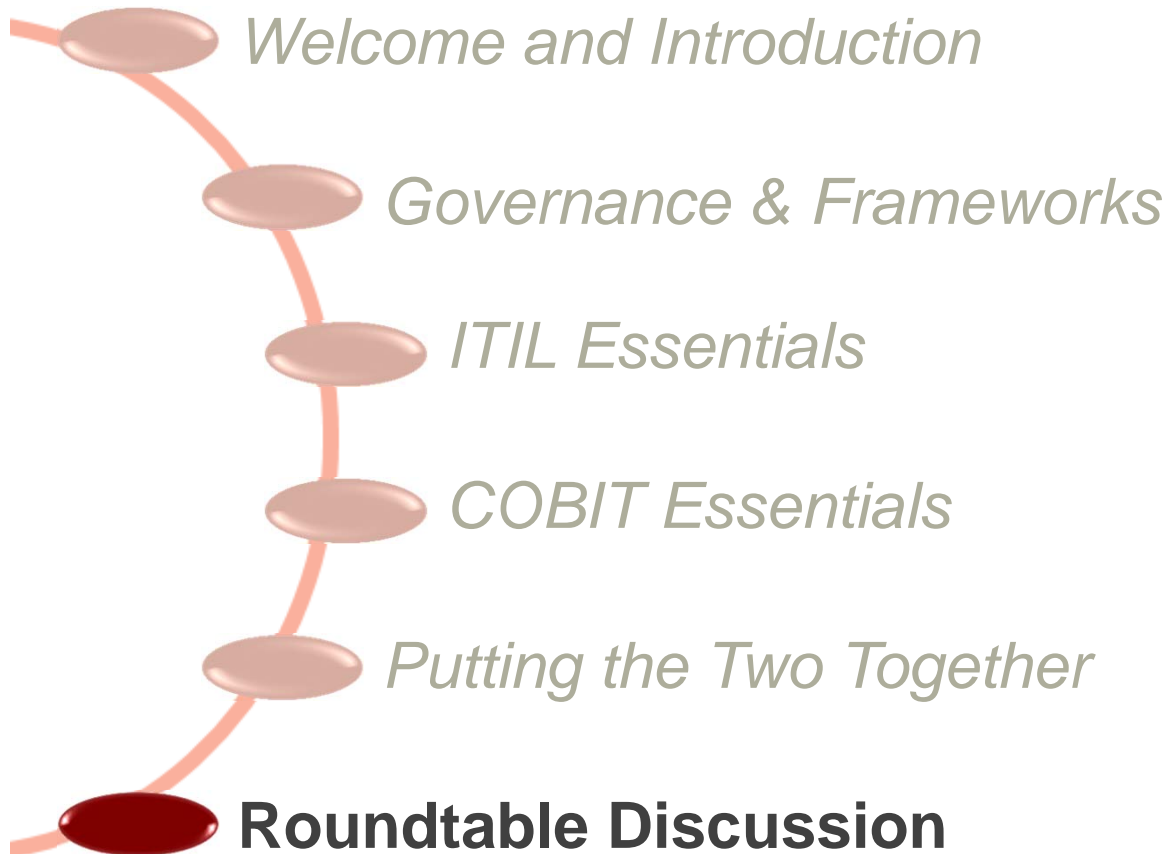
The following methodology was used to guide this improvement effort. ITIL and COBIT were the primary frameworks used.



Whether you go down the ITIL path, COBIT path, or both, there are some key success factors that should always be considered:

- Management commitment.
- Process ownership and accountability.
- Training and communication.
- Embrace processes and procedures into the culture.
- Continual improvement and measurements.





- How have you used ITIL, COBIT, or both effectively in your organization?
- Have you encountered any challenges in your implementation efforts? Do you have suggestions on how to handle those challenges?
- Are there any tricks to ensuring accountability in an organization?
- Besides ITIL and COBIT, what other frameworks or standards have you found to be helpful?
- Management commitment is a critical success factor to the success of GEIT:
 - *What does management commitment really mean?*
 - *What are some ways to achieve this?*