Corporate Governance of ICT Policy Framework
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Peter has been involved in IT Governance since 1993. He participated in Parliamentary discussions and made six submissions to the Technical Committee that developed the Protection of Personal Information Act.
What is ICT Governance about?
Why is the Corporate Governance of ICT necessary?

- Information and Communication Technology (ICT) is playing an ever-increasing role as a strategic enabler of public service delivery.

- The regulatory compliance landscape is changing rapidly (e.g. Protection of Personal Information)

- To enable Political and Strategic leadership to embrace ICT as an enabler of business, the DPSA developed the Corporate Governance of ICT Policy Framework (called the “Framework”).
  - An Implementation Guideline was developed to support departments with the implementation of the “Framework”.
  - The DPSA collaborated with the Government Information Technology Officer Council (GITOC) on the development of the Framework and the “Implementation Guideline”.


The functioning of the governance system within a model.
Corporate governance consists of a governance system that depicts the way departments are managed and controlled. It defines the relationships between stakeholders, the strategic goals of the Public Service as a whole and those of departments individually.

Corporate governance is concerned with individual accountability and responsibilities within a department and is a vehicle through which value is created.

- Within the governance system the Political and Strategic leadership, which is accountable, provides the strategic direction of the department.
- Within the departmental external and internal context, strategic goals are determined and cascaded within the department for implementation and monitoring.
The corporate governance of ICT is a subset of the Corporate Governance system, whilst the governance of ICT is a subset of the corporate governance of ICT.

In this context the Political and Strategic leadership and Executive management is accountable/responsible for the corporate governance of ICT, whilst the GITO is responsible for the governance of ICT.
Governance Champion Function

- The successful implementation of the Corporate Governance of ICT is reliant on the designation of a Governance Champion function.
- The Governance Champion will be responsible to drive the:
  - development,
  - implementation,
  - change management, and
  - maintenance
  of Corporate Governance of and Governance of ICT in the department.
Implementation Time-line

i. **Phase 1:** to be completed by March 2014
   i. Corporate Governance of ICT Policy Framework and Governance of ICT Framework approved and implemented;
   ii. Governance of ICT Charter approved and implemented;
   iii. The following capabilities created in the department:
       - Governance Champion designated and responsibilities allocated;
       - Capacity created to fulfil the role of the Enterprise Architect;
       - A proficient Government Information Technology Officer (GITO) appointed and functioning at strategic level; and
       - A proficient ICT Manager appointed.
   iv. Approved and implemented Risk Management Policy that includes the management of business-related ICT risks.
Implementation Time-line

i. Phase 1: to be completed by March 2014
   v. Approved and implemented **Internal Audit Plan** that includes ICT audits
   vi. Approved and implemented **ICT Management Framework**
   vii. Approved and implemented departmental **Portfolio Management Framework** that includes ICT portfolio/programme and project management
   viii. Approved and implemented **ICT Security Policy**, and
   ix. Approved **ICT Continuity Plan** informed by Departmental Business Continuity Plan and Strategy.
CGICT Policy

- The CGICT is about accountability and responsibility for decision making namely:
  - how decisions are made,
  - by whom,
  - who should contribute to the decisions.

- In a departmental context this accountability is captured in a CGICT Policy and Charter.

- The Policy contains “what” departments should do to implement the Framework within the departmental context and governance culture. *This is achieved through allocating accountability to achieve governance objectives and principles and implementing its related practices within a governance model.*
Phase 1 Key Deliverables

CGICT Principles and Practices

- The departmental CGICT Policy adopts principles, related accountability structures and practices of the Framework:

<table>
<thead>
<tr>
<th>Structure</th>
<th>Principles</th>
<th>Practice</th>
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<tbody>
<tr>
<td>Executive Authority</td>
<td>• Must ensure that Corporate Governance of ICT achieves the political mandate</td>
<td>• Provide political leadership and strategic direction, determine policy and provide oversight;</td>
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<td>• Ensure that ICT service delivery enables the attainment of the strategic plan;</td>
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<td>• Ensure that the department’s organisational structure makes provision for the Corporate Governance of ICT</td>
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<td>• Where applicable ensure CGICT arrangements are in place for cross sector responsibility</td>
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| Head of Department   | • Must ensure that CGICT supports the department to achieve its strategic plan  
• Must create enabling environment for CGICT within prescriptive and secure context                                                                                                         | • Provide strategic leadership and ensure alignment  
• Place CGICT on strategic agenda  
• Ensure CGICT Policy is developed and implemented  
• Ensure roles and responsibilities are defined and delegate authority, responsibility and accountability  
• Ensure realisation of value through use of ICT  
• Ensure CGICT and ICT capacity and capability is provided  
• Ensure monitoring of CGICT and alignment effectiveness                                                                                       |
Phase 1 Key Deliverables

ICT Charter

The responsibility to execute the required functions should be assigned to the different roles and structures and depicted in a RACI Chart and should as a minimum depict accountability and responsibility.

The Chart should at least address the following roles and structures:

- Executive Authority
- Head of Department
- Executive Management
- Business owners (on an executive / senior management level)
- Chief Financial Officer
- Governance Champion
- GITO
- ICT Manager
- ICT Strategic Committee
- ICT Steering Committee
- ICT Operational Committee.
Phase 1 Key Deliverables

Governance and Management of ICT Framework

The G&M Framework should also address the following:

- Service delivery structure of the ICT unit with its related functions, responsibilities, delegations and authorities
- Stakeholders and role-players
- Supplier Management
- ICT Plan implementation
- ICT Strategy management
- ICT risk management
- ICT function audit
- Adhere to applicable ICT prescriptive (legal) requirements
- ICT program and project (portfolio) management
- ICT continuity management
- ICT security management
- Conformance and performance management of ICT unit operations and ICT service management
Corporate Governance of ICT incorporates two layers of decision-making, authority and accountability to satisfy the expectations of all stakeholders by:

- facilitating the achievement of a department’s strategic goals (Corporate Governance of ICT layer); and

- the efficient and effective management of ICT service delivery (Governance of ICT layer).
The Corporate Governance of ICT Layer

- Each department has a unique internal and external contextual environment, which means a common but flexible approach to the Corporate Governance of ICT is required.

- This Policy Framework adopts principles and practices in support of a flexible and sustainable approach to the Corporate Governance of ICT system within a department.
COBIT, as the process framework, is used to implement the Governance of ICT within the context of this Policy Framework.

To enable a department to implement both this Policy Framework and COBIT, a three-phase approach will be followed.
PHASE 1: Establish the Corporate Governance of and Governance of ICT environments

These environments are established through the development and implementation of:

- strategies,
- architectures,
- plans,
- frameworks,
- policies,
- structures,
- procedures,
- processes,
- mechanisms and controls, and
- ethical culture.
PHASE 1: The Minimum Enabling Environment

(a) Corporate Governance of ICT Policy Framework
   - The principles and practices of this Policy Framework must be complied with but the system of Corporate Governance of ICT should be adapted for the unique enabling environment (external and internal) of each department.

(b) Governance of ICT framework
   - The Implementation Guidelines provide guidance on the implementation of COBIT as the process framework for the Governance of ICT in the department.

(c) Departmental Corporate Governance of ICT Charter
   - Each department should analyse and articulate its requirements for the Corporate Governance of and Governance of ICT and develop, implement and maintain a related charter.
   - This should enable the creation and maintenance of effective enabling governance structures, processes and practices.
   - It should also clarify the governance of ICT-related roles and responsibilities towards achieving the department’s strategic goals.
The ICT charter should be approved at a strategic level in the department and should contain the following:

I. How the ICT strategic goals and their related service delivery will be aligned with departmental strategic goals, monitored and reported on to the relevant stakeholders;

II. How ICT service delivery will be *guided at a strategic level* to create business and ICT value;

III. How business and ICT-related risks will be managed;
IV. Which structures will be created to effect the Corporate Governance of and Governance of ICT, and the management of ICT functions, the members of these structures and the roles, responsibilities and delegations of each.

The proposed structures are as follows:

- **ICT Strategic Committee** (Executive Committee, Governance Champion and GITO);
- **ICT Steering Committee** (Executive Management, GC, Programme Management and GITO);
- **Architecture Committee** (Business, GC and ICT);
- **Risk Committee** (Business and ICT); and
- **Audit Committee** (Business and ICT);
V. How the necessary capacity and capability (resources/skills) to deliver an enabling ICT service to the department will be established.

VI. The strategic and operational functioning of the following:
   - Governance Champion - senior manager at least on the level of a Chief Director
   - Enterprise Architect - knowledgeable in the business of the department
   - Government Information Technology Officer – executive management
   - ICT Manager – responsible for operational management of ICT

VII. The Corporate Governance of and Governance of ICT implementation and maintenance plan; and

VIII. How the governance frameworks (i.e.COBIT5 processes) will be maintained.
Enabling policies, frameworks and plans

Implementation is to be supported by:

- Departmental Enterprise Architecture
- ICT Architecture
- Departmental Risk Management Policy
- Departmental Internal Audit Plan
- ICT Management Framework
- ICT Portfolio Management Framework
- Departmental Information Security Strategy
- Information Security Plan
- ICT Security Policy
- Departmental Business Continuity Plan, including:
  - Business Continuity Strategy;
  - Business Continuity Policy;
  - ICT Continuity Plan.
ii. **Phase 2:** to be completed by March 2015

i. Approved **ICT Strategic Plan**

ii. Approved first iteration of the **Enterprise Architecture** informing the ICT Architecture

iii. Approved **ICT Migration Plan** with annual milestones linked to an enabling budget

iv. Approved **ICT Procurement Strategy** for adhering to the ICT House of Value, taking into consideration the SITA Regulations of 2005, and

v. Approved **ICT Annual Performance Plan** for 2015 to 2016 with a description of how it will be monitored.
PHASE 2: Business and ICT Strategic Alignment

a) The **alignment of business and ICT strategies** is to be done in line with **approved South African Government planning frameworks** such as the
   i. National Treasury “Framework for Strategic Plans and Annual Performance Plans”,
   ii. Service Delivery Framework and Methodology of the DPSA and

b) The **architectural planning process** articulates the business strategic goals that ICT service delivery must respond to in order to support the business in value creation, benefits realisation, and resource and risk optimisation.
The cascading of the departmental strategic plan and its related ICT alignment

**External/Internal Context**

**ICT**
- Driver: House of ICT Value
  - ICT Strategic Plan (≥ 5 Year):
    - To enable business Strategic Goals

**Business**
- Driver: 12 Strategic Outcomes
  - Business Strategic Plan (≥ 5 Year):
    - Strategic Goals with 5-year targets and Projects

**Enterprise Architecture Plan**
- Service Delivery Framework and Methodology

**ICT Architectural Plan**

**ICT Migration Plan**: How Architectural Plan will be implemented: annual milestones

**ICT Annual Performance Plan**: Performance indicators and targets to effect migration plan

**Quarterly ICT reporting against performance indicators and targets**

**Business Annual Performance Plan**: Performance indicators and targets to achieve objectives

**Quarterly business reporting against performance indicators and targets**
iii. Phase 3: Beyond March 2015

i. All aspects of the Corporate Governance of and Governance of ICT demonstrate measurable improvement from the initial implementation phase in 2012–14.
PHASE 3: Continuous improvement of Corporate Governance of and Governance of ICT

- The **successful implementation** of a Corporate Governance of ICT system leads to continuous improvement in the creation of business value.

- ICT service delivery must be **assessed** to identify gaps between expected and realised service delivery.

- **Assessments must be performed on two levels:**
  a) Corporate Governance of ICT (ICT contribution to realisation of business value); and
  b) Governance of ICT (continuous improvement of the management of ICT – COBIT processes).
Summary: Implementation Time-line

- Establish enabling environment: Phase 1
  - Completed by March 2014

- Business aligned ICT Strategic Planning: Phase 2
  - Completed by March 2015

- Achieve continuous improvement: Phase 3
  - April 2015 onwards
Solutions and Training Opportunities
DISCUSSION

Leaders in IT Governance training, software solutions and consulting services