

IT Governance Audit

In today's business environment, IT is the key enabler for sustainable business growth. Organisations need to be risk centric™, change agile and able to rapidly adopt and integrate new technologies. While IT is effective in supporting financial and human capital governance, it plays a much more significant role with respect to organisational information management. Information and technological infrastructure are an organisation's most important assets.



A lack of appropriate governance over information stored, processed, or produced by IT systems can result in negative impacts on an organisation, ranging from fines and penalties to damaged reputation that can take time, energy, and money to rebuild. Simply put, poor IT governance can have a material negative impact the entire organisation.

Taking a strategic approach to implementing information technology (IT) governance helps organisations cope with the speed of technological change, IT services proliferation, and the increasing dependency on IT to meet organisational objectives. Effective IT governance contributes to control efficiency and effectiveness, and an organisation's investment in IT to realise both financial and nonfinancial benefits. Often when controls are poorly designed or deficient, a root cause is weak or ineffective IT governance.

Developing and implementing effective IT governance should be an imperative part of an organisation's strategy focused on ensuring that the investment in the IT infrastructure and capability delivers value to the business in a controlled, effective and measurable manner.

In short, effective IT governance helps to increase an organisation's ability to achieve its overall goals and objectives.

Why Perform an IT Governance Audit?

An IT governance audit should be used to evaluate:

- The effectiveness and maturity of an organisation's IT governance structure, and its ability to deliver results for the organisation.
- The efficiency and effectiveness of the IT function (people, processes, technology), and
- Make recommendations for improvements to meet industry/common best practice.

Greater dependency on systems and information means that organisations have to invest greater resources to improve and maintain their IT environments. These are expected to help manage risk, improve operations, and create value by delivering services that help achieve financial and nonfinancial organisational objectives.

According to the IT Governance Institute, fewer than 40% of enterprises feel they have effective IT governance, this implies that at over 60% of companies fail to realise opportunities for enhanced business success & value. An IT Governance Audit will help:

- Ensure that IT objectives and business objectives are aligned
- Make strategic and operational decisions
- Oversee risk management processes and provide control assurance
- Promote appropriate ethics and values within the organisation
- Ensure effective organisational performance management and accountability
- Communicate risk and control information to appropriate areas of the organisation
- Enhance Coordination of activities and communication among, the board, external and internal auditors, other assurance providers, and management
- Assess whether information technology governance of the organisation sustains and supports the organisation's strategies and objectives.

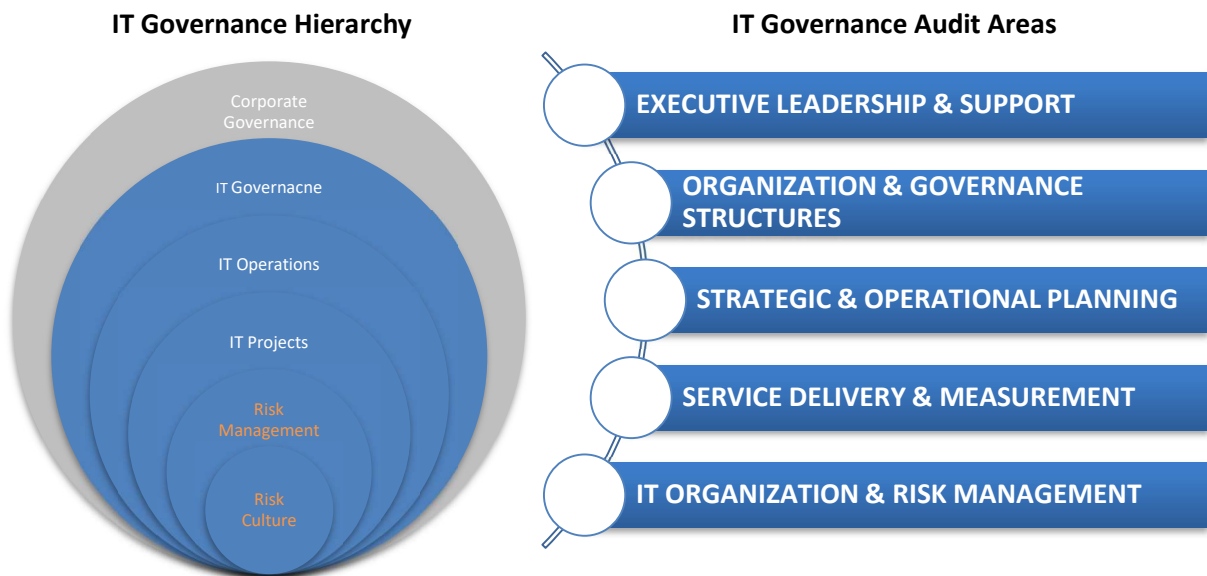
The GRC Approach

Approach Scope

The GRC audit approach is risk centric™ and based on industry approved frameworks (ISACA – COBIT, COSO), methodologies and guidelines (IIA – GTAG 17, ISO/IEC 38500).

The first stage of the approach is to gain a good understanding of the organisation’s business objectives. This then will allow us to design a bespoke delivery methodology and provide a higher level of assurance over the business’ IT strategy and operational management capability (people, processes, technology).

The diagram below illustrates the two key areas the GRC approach addresses:

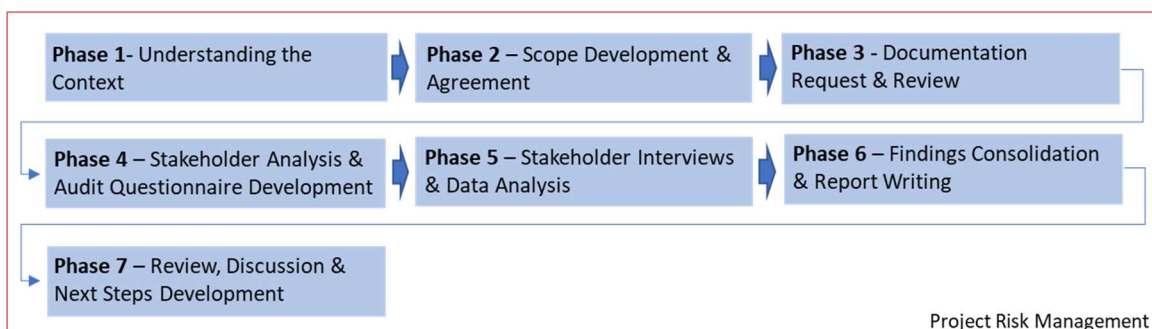


When reviewing an organisation’s IT (and IT Operational) governance structure, the GRC risk centric™ audit methodology aims to identify the true cause of risk exposure (the root cause) and make value-adding recommendations to improve IT controls when weaknesses are identified.

Audit Delivery Approach

GRC utilises a standard/best practice audit consultation process to deliver its audits and adheres to best practice guidelines.

Our delivery approach is controlled/governed using formal project risk management techniques. Below is an illustration of a typical audit project delivery process.



Why GRC?

- All consultants are GRC verified[®] - Highly experienced risk consultants with breadth and depth of risk management experience (e.g. 15 years plus, multiple industries, senior stakeholder interaction experience)
- All consultants have big four/big bank or big company experience
- Our Consultant's experience allows them to quickly the 'join-the-dots[®]', enabling them to deliver a solution quickly, saving time and money
- Our Solution is risk centric[™] ensuring a joined-up risk management-based approach
- Highly competitive to big four consultancy/accountancy firms
- Listen carefully to customers problems/issues/attentive
- Creative/innovative solutions.
- Value for money.

Benefits:

Our clients receive tangible benefits almost immediately, some these include:

- Bespoke innovative solutions
- Seamless integration with your corporate culture
- High levels of stakeholder buy-in
- Increases levels of risk ownership/responsibility
- Better understanding of root causes related to problems leading to continuous process improvement
- Improved IT operational efficiency
- Increased operational performance
- Enhanced levels of Operational Resilience
- Increased levels of IT risk management oversight at CIO levels
- Establish and clarify accountability and decision-making responsibility – clearly defined roles and authorities.
- Align IT investments and priorities with business objectives.
- Increased stakeholder/shareholder confidence in company's IT/OT Governance processes
- Increased shareholder/investor buy in.
- Enhanced market/partner perception
- Reduced reputational risk
- Increased management confidence.

For more information in relation to how to perform a IT Governance Audit and the benefits of doing so, please contact:

Michael Porteous

Managing Director, Group Risk Consulting Ltd.

Email: michael.porteous@groupriskconsulting.com

Tel: +44(0)7710194472