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
Welcome and Introduction

- Governance Frameworks
- ITIL Essentials
- COBIT Essentials
- Putting the Two Together
- Roundtable Discussion
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.
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.
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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

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.
Effective IT Governance needs a control framework. The following are requirements for a control framework.

- The need for sharper business focus driven by business needs.
- A common language with a standardized process model, objectives, and tools suitable for any type or size of organization.
- A sound framework for ensuring IT compliance with applicable regulatory and security requirements.
- A reliable and useful source based on best practices which are generally accepted in the industry.

Source: COBIT 4.1. © 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
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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.
The ITIL framework identifies all applicable processes, roles, and functions required to effectively deliver services to customers.

<table>
<thead>
<tr>
<th>Services</th>
<th>Processes</th>
<th>Roles</th>
<th>Functions</th>
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</thead>
<tbody>
<tr>
<td>A means of delivering value to customers by facilitating outcomes customers want to achieve without the ownership of costs and risks.</td>
<td>A coordinated set of activities combining and implementing resources and capabilities in order to produce an outcome which creates value.</td>
<td>A set of connected behaviors or actions that are performed by a person, team or group for a specific outcome.</td>
<td>Units of organization specialized to perform certain types of work and are responsible for certain outcomes.</td>
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</tbody>
</table>

Based on Cabinet Office ITIL® material.
# ITIL Essentials

**Phases, Processes, Functions**

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<thead>
<tr>
<th>SS</th>
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<th>ST</th>
<th>SO</th>
<th>CSI</th>
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<tbody>
<tr>
<td>Service Strategy</td>
<td>Service Design</td>
<td>Service Transition</td>
<td>Service Operations</td>
<td>Continual Service Improvement</td>
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<tr>
<td>Strategy Management</td>
<td>Design Coordination</td>
<td>Change Management</td>
<td>Event Management</td>
<td>7-Step Improvement</td>
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<tr>
<td>Financial Management</td>
<td>Service Level Management</td>
<td>Service Asset and Configuration Management</td>
<td>Incident Management</td>
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<tr>
<td>Service Portfolio Management</td>
<td>Service Catalog Management</td>
<td>Release and Deployment Management</td>
<td>Request Fulfillment</td>
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<tr>
<td>Demand Management</td>
<td>Availability Management</td>
<td>Knowledge Management</td>
<td>Problem Management</td>
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<tr>
<td>Business Relationship Management</td>
<td>Capacity Management</td>
<td>Transition Planning and Support</td>
<td>Access Management</td>
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<td></td>
<td>Information Security Management</td>
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<td>Service Continuity Management</td>
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<td></td>
<td>Supplier Management</td>
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</table>

Based on Cabinet Office ITIL® material.
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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.

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

1. Principles, Policies and Frameworks
2. Processes
3. Organisational Structures
4. Culture, Ethics and Behaviour
5. Information
6. Services, Infrastructure and Applications
7. People, Skills and Competencies

Source: COBIT 5. © ITGI. All rights reserved.
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.
Source: COBIT 5. © ITGI. All rights reserved.
<table>
<thead>
<tr>
<th>Processes for Governance of Enterprise IT</th>
<th>Processes for Management of Enterprise IT</th>
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</thead>
<tbody>
<tr>
<td>EVALUATE, DIRECT &amp; MONITOR</td>
<td>MONITOR, EVALUATE &amp; ASSESS</td>
</tr>
<tr>
<td>EDM1 Ensure Governance Framework Setting and Maintenance</td>
<td>MEA1 Monitor, Evaluate, and Assess Performance and Conformance</td>
</tr>
<tr>
<td>EDM2 Benefits Delivery</td>
<td>MEA2 Monitor, Evaluate and Assess the System of Internal Control</td>
</tr>
<tr>
<td>EDM3 Ensure Risk Optimization</td>
<td>MEA3 Monitor, Evaluate and Assess Compliance with External Requirements</td>
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<tr>
<td>EDM4 Ensure Resource Optimization</td>
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<tr>
<td>EDM5 Ensure Stakeholder Transparency</td>
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<td></td>
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</tr>
<tr>
<td>ALIGN, PLAN &amp; ORGANIZE</td>
<td>BUILD, ACQUIRE &amp; IMPLEMENT</td>
</tr>
<tr>
<td>APO1 Manage the IT Framework</td>
<td>BAI1 Manage Programs and Projects</td>
</tr>
<tr>
<td>APO2 Manage Strategy</td>
<td>BAI2 Manage Requirements Definition</td>
</tr>
<tr>
<td>APO3 Manage Enterprise Architecture</td>
<td>BAI3 Manage Solutions Identification and Build</td>
</tr>
<tr>
<td>APO4 Manage Innovation</td>
<td>BAI4 Manage Availability and Capacity</td>
</tr>
<tr>
<td>APO5 Manage Portfolio</td>
<td>BAI5 Manage Organizational Change Enablement</td>
</tr>
<tr>
<td>APO6 Manage Budget &amp; Costs</td>
<td>BAI6 Manage Changes</td>
</tr>
<tr>
<td>APO7 Manage Human Resources</td>
<td>BAI7 Manage Change Acceptance and Transitioning</td>
</tr>
<tr>
<td>APO8 Manage Relationships</td>
<td>BAI8 Manage Knowledge</td>
</tr>
<tr>
<td>APO9 Manage Service Agreements</td>
<td>BAI9 Manage Assets</td>
</tr>
<tr>
<td>APO10 Manage Suppliers</td>
<td>BAI10 Manage Configuration</td>
</tr>
<tr>
<td>APO11 Manage Quality</td>
<td></td>
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<tr>
<td>APO12 Manage Risk</td>
<td></td>
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<tr>
<td>APO13 Manage Security</td>
<td></td>
</tr>
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<td></td>
<td></td>
</tr>
<tr>
<td>DELIVER, SERVICE &amp; SUPPORT</td>
<td></td>
</tr>
<tr>
<td>DSS1 Manage Operations</td>
<td></td>
</tr>
<tr>
<td>DSS2 Manage Service Requests &amp; Incidents</td>
<td></td>
</tr>
<tr>
<td>DSS3 Manage Problems</td>
<td></td>
</tr>
<tr>
<td>DSS4 Manage Continuity</td>
<td></td>
</tr>
<tr>
<td>DSS5 Manage Security Services</td>
<td></td>
</tr>
<tr>
<td>DSS6 Manage Business Process Controls</td>
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<td></td>
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<tr>
<td>Source: COBIT 5. © ITGI. All rights reserved.</td>
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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).

<table>
<thead>
<tr>
<th>Process Identification</th>
<th>Process Description</th>
<th>Process Purpose Statement</th>
<th>Goals Cascade Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process label (domain prefix) and process number</td>
<td>Overview of the process How the process accomplishes its purpose</td>
<td>Description of the overall purpose of the process</td>
<td>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</td>
</tr>
<tr>
<td>Domain and Process name</td>
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<td></td>
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<tr>
<td>Area of the process (governance or management)</td>
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</tbody>
</table>

Source: COBIT 5 Enabling Processes. © ITGI. All rights reserved.
**Process Reference Guide information continued…**

<table>
<thead>
<tr>
<th>Process Goals &amp; Metrics</th>
<th>RACI Chart</th>
<th>Detailed Practice Descriptions</th>
<th>Related Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Set of process goals</td>
<td>Suggested assignment of levels of responsibilities</td>
<td>For each process practice, includes: title and description, inputs and outputs, process activities</td>
<td>References to other standards</td>
</tr>
<tr>
<td>Limited number of example metrics</td>
<td>Responsible, Accountable, Consulted, Informed</td>
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</table>
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.

<table>
<thead>
<tr>
<th>COBIT - “What to do”</th>
<th>ITIL - “How to do it”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assists in goal alignment by cascading.</td>
<td>Defines best practice processes for Service Management and includes process activities.</td>
</tr>
<tr>
<td>Defines processes based on business requirements.</td>
<td>Processes are more comprehensive and described with activities and flowcharts to assist in implementation.</td>
</tr>
<tr>
<td>Separates governance from management.</td>
<td>Processes can be easily mapped to the COBIT Framework to create effective guidance.</td>
</tr>
<tr>
<td>Intended to support GEIT and is applicable to most organizations.</td>
<td></td>
</tr>
</tbody>
</table>
Putting the Two Together

**Governance Objective: Value Creation**

- **Benefits Realization**
- **Risk Optimization**
- **Resource Optimization**

**Business – IT Goal Alignment**
- Governance Enablers
- Process Reference Model
- Process Capability Model
- Metrics

**COBIT**
GEIT and Process Focus

**ITIL**
Service Management Focus

- Service Lifecycle Phases
- Service Portfolio and Catalog
- Service Management Processes and Activities
- Service Management Functions
- Service Management Roles

**Work Instruction**
**Process Execution**
**Process Controls**
**Strategic**

**Tactical**

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Pittsburgh Local Interest Group
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.
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.
Based on the maturity assessment, the datacenter committed to the following improvement targets.

![Maturity Assessment Diagram]

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

Understand Governance Requirements
Determine all governance and compliance requirements from internal and external sources.
Develop Enterprise, Corporate, and IT Governance models that leverage the COBIT and ITIL Frameworks.

Align With the Business
Use COBIT to document business goals and objectives and develop corresponding IT goals and objectives.
Ensure all governance and compliance requirements are considered.

Define Services
Use ITIL to define and agree on a portfolio of services that meet the business requirements.
Services should be considered from a customer perspective, and further documented in an actionable service catalog with SLAs.

Define Processes
Use COBIT to determine the processes required with RACI and metrics.
Use ITIL to design the processes to effectively deliver, support, and continuously improve services.
Map processes to appropriate COBIT components.

Measure and Control
Use COBIT to Execute, monitor and measure processes to ensure they deliver the services defined that support the customer.
Administer an assurance program that ensures appropriate governance.
Putting the Two Together

Success Factors

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.
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Roundtable Discussion
Roundtable Discussion

Topics

- 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?