

White Paper

COBIT 5 – Agnostic by Design

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Over his career he has managed a vast number of Telecoms, IT, Business and Consulting projects and programmes, and the associated global cross functional teams, with a strong track record of results. Mike is a specialist in many aspects of information technology, including infrastructure, architecture, systems development, business processes, service management, policies and standards, leadership, governance and management.

The Information Technology (IT) marketplace has a long history of being dominated by proprietary solutions for business, from only a few renowned organizations. Equally, most long standing businesses around the globe have a past which includes a time when their Enterprises were powered by proprietary information technology from less than a single handful of vendors. In today's highly competitive global economy however, both the former and the latter are arguably extinct.

Where, in the 20th century, adopting a best of breed strategy for information technology was reserved for the well to do business, come the 21st Century and the choice of cost effective best of breed solutions is wall to wall. Such have been the advances in technology and market development that not only has the composition of the information technology manufacturing and supply landscape changed dramatically, but so too has the level of competition. Countless new technology products and service offerings and players have flooded onto the field of information technology, and new offshoots are sprouting in a virtually continuous fashion.

Today's choice of vendor, supplier and technology options for Enterprise IT is staggering. Not only are there so many choices available, but they are available from almost anywhere too. No longer is there a reliance on one's local, state or national supply chains - in a global world we can choose our best of breeds from anyone, anywhere, anytime as our needs dictate.

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The notion of homogeneous Enterprise information technology environments is fast becoming a legacy of yesteryear, rapidly being replaced by heterogeneous blueprints which are service oriented, demand driven and made up of seamlessly integrated sets of product offerings that meet business needs, from whomever and however they can best be provided.

Agnostic Governance and Management

So, before we explore the concepts of best of breed and heterogeneity, let's contextualize our technology situational analysis further with 'simplification'. The word simplification will without doubt resonate with CIOs, IT Executives and Managers around the globe, no matter what type of industry their business is in, or what type of organization theirs is – be it profit or not for profit.



Simplification Definitions:

- To reduce in complexity or extent
- To make easier to understand, use or operate

At one time or another in the past, these IT leaders would more than likely have directed or managed at least one simplification initiative, project or programme in their organization. I would go so far as to say that without question, an objective of one of these simplification exercises was to simplify the management and governance of Enterprise IT. You see, management and governance complexity was considered a factor of, amongst other things, the number of different vendors, different products and different technologies prevalent in the information technology environment of the organization. Many organizations would go through an IT architecture lifecycle from One size fits all to Diversifying to Best of Breed to Simplifying back to One size fits all. And proprietary businesses often provided their own material for how to manage, if not govern, their products and solutions – some like Microsoft, went much farther and defined frameworks, standards and best practices to go hand in hand with their offerings. Of course the neutrality of these was always debatable.

When CIOs, IT Executives and Managers were faced with managing and governing their information technology worlds having chosen a best of breed strategy, and with all of this disparate proprietary material about, it was no surprise that Simplification was commonly on the agenda.

Talk about the cart pulling the horse though... Shouldn't it be the other way round? The answer is yes. Leaders in the 21st century should feel empowered to be able to set strategic direction, select strategies, and define tactical and operational plans for information technology assured

that they have available an effective means to govern and manage their Enterprise IT. The good news is that there is such a means – COBIT 5. COBIT 5 is a single, integrated framework of globally accepted principles, practices, analytical tools and models to not only shape the governance and management of Enterprise IT in your business, but that optimizes your investment in information and technology for the benefit of all stakeholders.

The ISACA Definition of COBIT 5 is – “A Business Framework for the Governance and Management of Enterprise IT.” (ISACA 2012)

Most importantly COBIT 5 is truly agnostic by design, having been designed to help you make the right choices and decisions for managing and governing your Enterprise IT. COBIT 5 does not in any way prescribe vendors, technology, products and services and is completely independent and neutral in this regard. So whether your Enterprise IT function, blueprint and architecture is heterogeneous to the Nth degree or your plan is to go that way, be comfortable in the fact that there is no reason why you are unable to employ what is arguably the most widely used and globally accepted business framework for the management and governance of Enterprise IT – ie. COBIT 5.

Now let's consider the definitions of Best of Breed, Heterogeneous and Homogeneous below -



Best of Breed Definitions:

- A product considered to be superior within a certain category of hardware, software or technology
- Denoting the most successful technology in a particular field

Fast Fact - The term Best of Breed is derived from dog shows, where the highest quality dog for each breed wins an award and is given the “best of breed” title.



Heterogeneous Information Technology Environment Definition:

- Using hardware, software and technologies from a variety of vendors

Contrast this with the definition below –

Homogeneous Information Technology Environment Definition:

- Hardware, software and technology from one vendor; for example, an all-IBM or all-Windows shop

Heterogeneous environments are widely considered to be more costly, and carry more risk due to their intrinsic complexity. After all it would make logical sense to think that managing the products from and relationship with a single vendor would be more cost effective and less risky than a plethora of vendors. And what is deemed to add even further complexity to the Heterogeneous environment is the emergence and modern day prevalence of Cloud and remote services and solutions, adding yet another dimension to Enterprise IT in the organization. Yes, heterogeneous information technology environments are continuing to increase in complexity and impact, bringing unprecedented value opportunities along with significant risk. But there should be no need to sacrifice risk and cost in a heterogeneous environment. COBIT 5, the single integrated business framework for the governance and management of Enterprise IT, focuses on reducing risk, optimizing cost and maximising value and returns from your investments in information technology – no matter how heterogeneous your information technology environment is.

In fact, when it comes specifically to Vendor Management in heterogeneous environments COBIT 5 again is well equipped. As we progress at a pace into the 21st century, the use of cloud computing, outsourcing and diversified services from multiple vendors is increasing exponentially. The scale of this growth and the dependence by organizations on these environments for their information technology raises the importance and necessity of effective vendor management as part of the overall governance and management of Enterprise IT. As a result of this and the clear fundamental role of vendors, it was no surprise that ISACA released COBIT 5 guidance to help enterprises effectively and efficiently manage vendors. And for no environment is this more useful, than for a complex heterogeneous environment where integration of governance and management of Enterprise IT is all the more essential and undoubtedly more challenging.

Such being the criticality, ISACA purposefully released Vendor Management guidance for COBIT 5, which outlines key subject matters like “Life cycle stages and stakeholders, practices to manage threats and risks in vendor management, consequences of ineffective vendor management , practical service level agreement (SLA) templates, checklists and examples, and a high-level mapping of COBIT 5 and ITIL V3 for vendor management”

The COBIT 5 framework provides a truly agnostic, and tried, tested and trusted guidance to help organizations govern and manage their mission critical vendor relationships for Enterprise IT to deliver maximum value with minimum risk

In fact, everything in COBIT 5 is Agnostic. From the five COBIT 5 Principles –

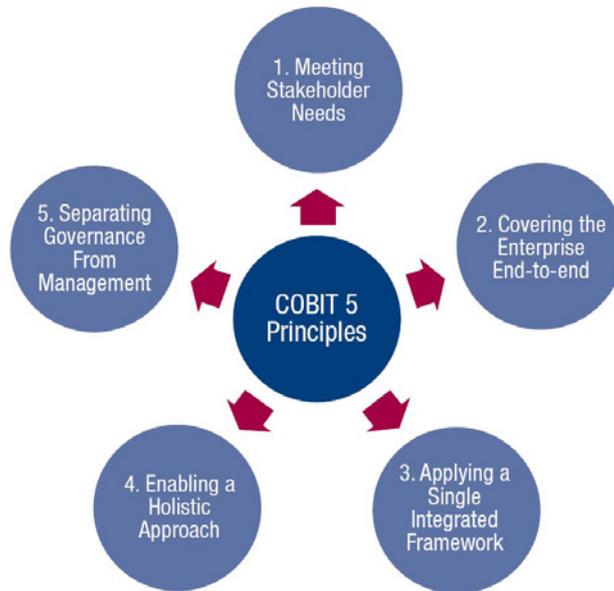


Figure 1 (COBIT® 5, © 2012 ISACA® All rights reserved)

to the seven COBIT 5 Enablers...

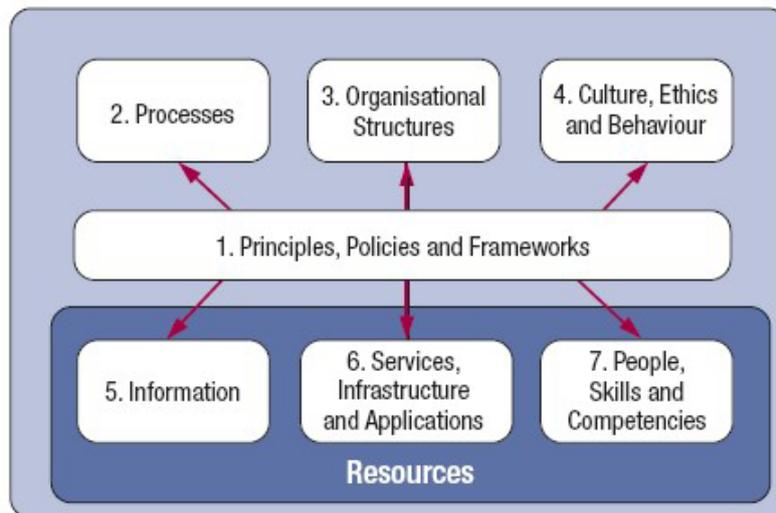


Figure 2 (COBIT® 5, © 2012 ISACA® All rights reserved)

COBIT 5 enables and empowers the capability for governance and management of Enterprise IT in any heterogeneous environment.

And perhaps one of the most important things to remember is that in the COBIT 5 framework the governance and management is in support of the needs of the business. If the stakeholder needs, business goals and objectives can be best supported by a heterogeneous Enterprise IT architecture and infrastructure blueprint, so too can the governance and management needs be met by COBIT 5.

The Governance and Management domains are wholly agnostic and readily applicable in any information technology environment, not least of all a heterogeneous Enterprise IT one.

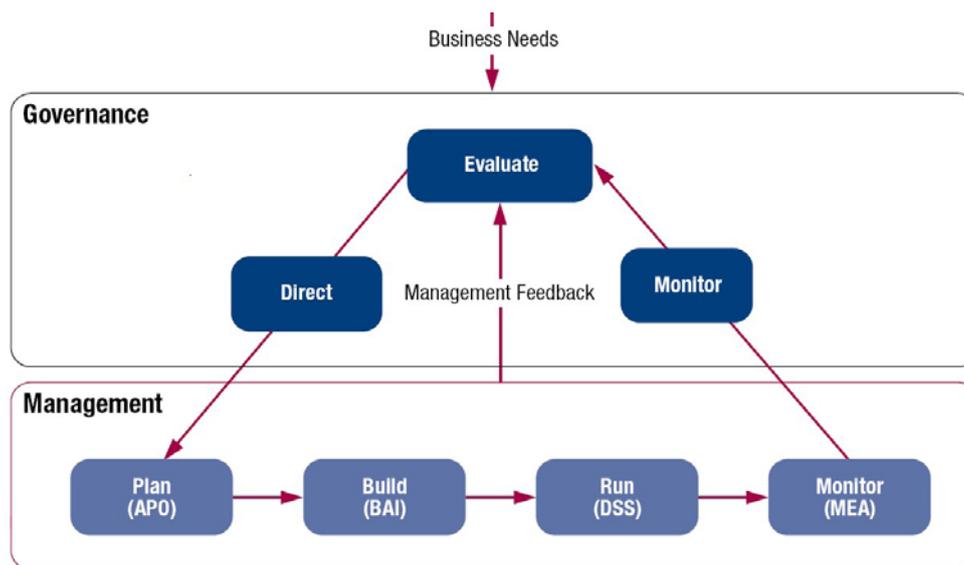


Figure 3 (COBIT® 5, © 2012 ISACA® All rights reserved)

Governance forms an integral part of the overall corporate or organizational governance of the business which essentially ensures the business achieves what it set out to do, in the way that it was meant to do it. The design and operation of the Enterprise IT environment is therefore a critical component, requiring sound governance to ensure that it enables and empowers the organization to realize its objectives. With marketplaces becoming more competitive, Enterprise IT solutions become exponentially important and more and more businesses turn to heterogeneous, best of breed environments to provide them with what they need and give them the edge over their competition.

In COBIT 5, governance ensures that enterprise and information technology objectives are achieved by “**evaluating** stakeholder needs, conditions and options; setting **direction** through prioritization and decision making; and **monitoring** performance, compliance and progress against agreed-on direction and objectives.” (ISACA 2012)

- **Evaluate Direct Monitor (EDM)** - contains five processes, and within each process, evaluate, direct and monitor practices are defined

Integrating Governance, through Evaluating, Directing and Monitoring in the heterogeneous Enterprise IT environment can be easily achieved through the implementation of COBIT 5.

Having sound Governance in place is only part of the challenge and Managing a complex, diverse web of vendors, products and technologies in a heterogeneous Enterprise IT environment requires a practical and structured framework. That is where the COBIT 5 Management domain comes in to effect.

Management forms an integral part of the Strategic Management of the Enterprise which is responsible for setting long term organizational goals and translating these into tactical and short-term goals and objectives. Vendor Management in itself is a significant challenge in the world of heterogeneity, where vendors are geographically dispersed and products are sourced and provided from anywhere around the globe.

In COBIT 5, management **plans, builds, runs** and **monitors** activities in alignment with the direction set by the governance body to achieve the enterprise and information technology objectives. The responsibility areas of plan, build, run and monitor each have their own focus:

- **Align Plan and Organize (APO)** – represents the Plan domain within Plan, Build, Run, Monitor (PBRM) and focuses on the use of information and technology and how best it can be used to achieve a company's goals and objectives. It also highlights the organizational and infrastructural form IT is to take in order to achieve the optimal results and to generate the most benefits from the use of IT.
- **Build Acquire and Implement (BAI)** – represents the Build domain within Plan, Build, Run, Monitor (PBRM) and focuses on identifying IT requirements, acquiring the technology, and implementing it within the company's current business processes.
- **Deliver Service and Support (DSS)** - represents the Run domain within Plan, Build, Run, Monitor (PBRM) and focuses on the delivery aspects of the information technology. It covers areas such as the execution of the applications within the IT system and its results, as well as the support processes that enable the effective and efficient execution of these IT systems.
- **Monitor Evaluate and Assess (MEA)** – represents the Monitor domain within Plan, Build, Run, Monitor (PBRM) and focuses on a company's strategy in assessing the needs of the company and whether or not the current Enterprise IT meets the objectives for which it was designed and the controls necessary to comply with regulatory requirements. Monitoring also covers the issue of an independent assessment of the effectiveness of IT systems in its ability to meet business objectives and the company's control processes by internal and external auditors.

All of the management domains are wholly agnostic, facilitating and supporting the Plan Build Run Monitor of the optimal Enterprise IT environment to meet the needs of the business and create value for the organization. And for managing heterogeneous environments, with COBIT 5 you are provided with a comprehensive, integrated framework to help you manage every step of the way.

COBIT 5 is arguably the most comprehensive, practical, generally accepted and in use framework focused on governance and management of Enterprise IT, helping organizations to realize significant benefits, including the ability to -

- Provide quality information for Effective Enterprise Decision making
- Govern and Manage Information
- Maximize Trust in and Value from Information and Technology systems and investments, for internal and external stakeholders
- Maintain high-quality information to support business decisions
- Achieve strategic goals and realize business benefits through the effective and innovative use of IT
- Achieve operational excellence through reliable, efficient application of technology
- Maintain an acceptable level of IT-related risk
- Optimize the cost of IT services and technology
- Simplify Complex Standards
- Support compliance with relevant laws, regulations, contractual agreements and policies

Simplifying complex standards is particularly relevant to heterogeneous Enterprise IT environments, as is supporting compliance with relevant laws, regulations, contractual agreements and policies.

In fact when we consider the latter, COBIT 5 is extensively aligned with other industry leading standards, frameworks and best practices, further supporting its notion of being an integrated framework designed and suited to the governance and management of Enterprise IT in any heterogeneous environments. *ISO/IEC 38500: 2008 Corporate Governance of information technology, Prince 2, CMMI, TOGAF* to name a few...

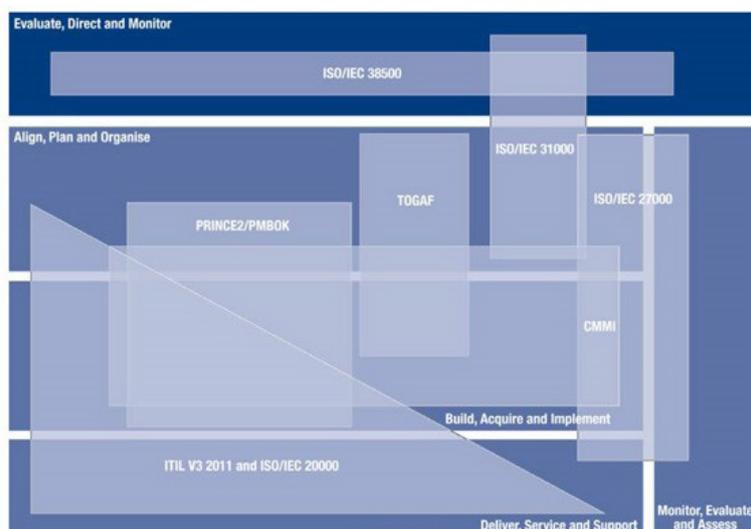


Figure 4 (COBIT® 5, © 2012 ISACA® All rights reserved)

Conclusions

Switches from Cisco Systems, Juniper and Netgear; Servers from Dell, IBM, HP; Personal Computers and Laptops from Acer, Sony and Lenovo; Wireless Networking from Enterasys, Ruckus and Avaya; Software from Oracle, Microsoft, Softline; Services in the local LAN, Cloud and Virtualized... It does not matter what you have or where you want to get to, nor how many vendors or technologies pervade your business, designing your Enterprise IT blueprint and architecture should be based on the needs and strategic direction of your organization. The heterogeneity of your Enterprise IT should never be a liability in terms of the governance and management thereof.

In considering their information technology options, CIOs, IT Executives and Managers face the perennial question of how they will ensure that it is governed and managed to the satisfaction of the Board of Directors and all the stakeholders external to their organization. But their choice of design should not in any way compromise the ability to govern and manage their Enterprise IT effectively, conversely, there should be a framework for governance and management of Enterprise IT that by its very own design agnostic to whatever choice is made and in fact supportive of it.

And by smart design, not by chance, there is exactly such a framework – COBIT 5. The COBIT 5 framework for the governance and management of Enterprise IT should in fact be your 1st choice when you have a complex, heterogeneous information technology environment. Besides the common technology challenges which these heterogeneous environments present like interoperability and integration, governance and management of these landscapes is likely to be one of your most significant challenges of them all.

COBIT 5 was not designed for homogeneous nor heterogeneous Enterprise IT environments per se, it was designed to be universally applicable in any IT environment, no matter what its composition or make up. Some might say it is information technology independent, others that its vendor neutral. I have heard many labels. For me, the most apt and appropriate way to describe COBIT 5, is that it is Agnostic by Design. Whatever you want to call it, there is one thing we can all agree on, COBIT 5 is the smart choice for the governance and management of your Enterprise IT, no matter how heterogeneous the environment!

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