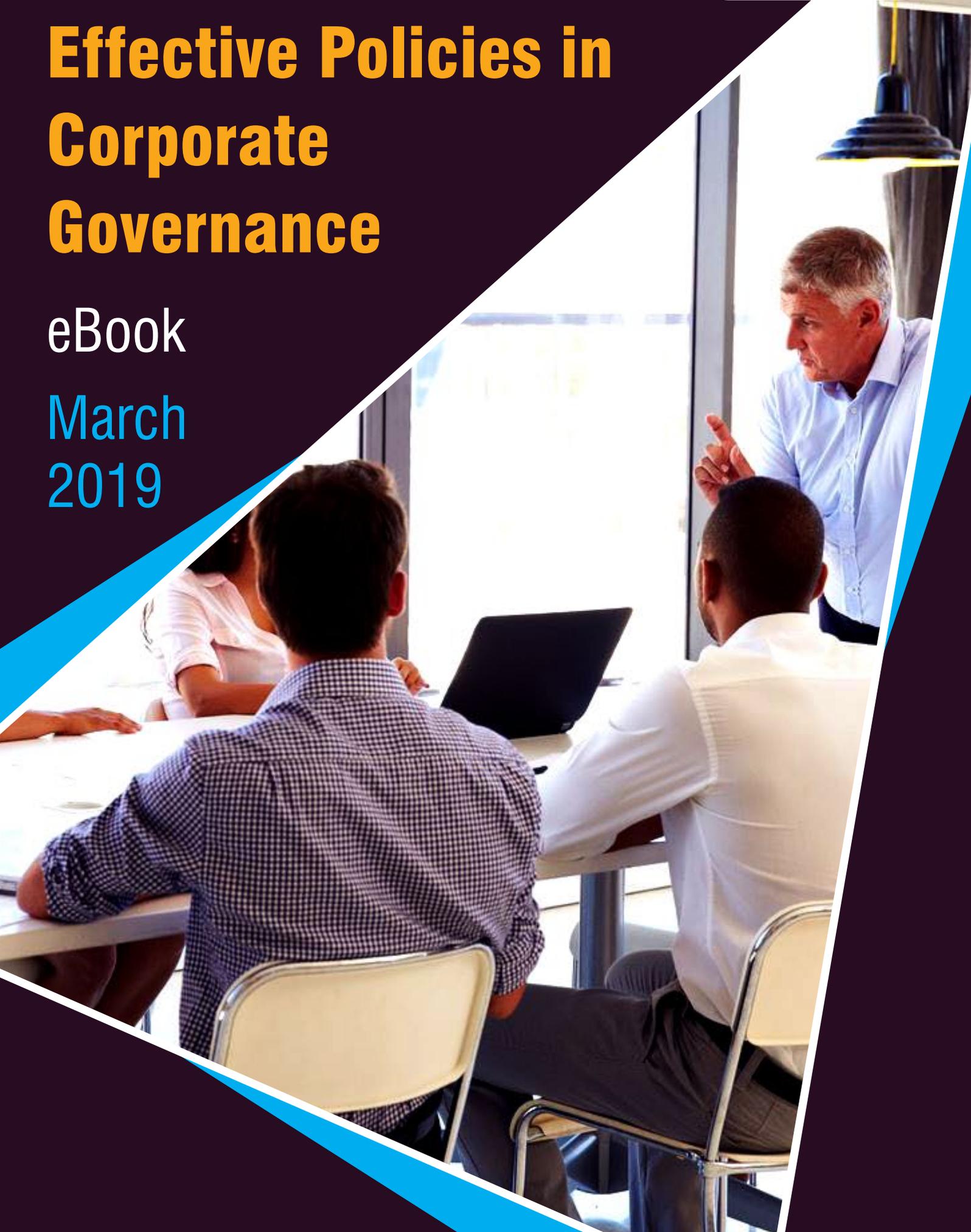


Effective Policies in Corporate Governance

eBook

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The Role of GRC in Corporate Governance

Corporate Governance scandals in every country and the pressure on the board of directors is ever increasing. With the recent changes to many of the regional Corporate Governance Codes, it has become imperative for organizations to strategically embed good governance to ensure sustainability and growth while maintaining business excellence. Managing the various elements of governance, such as financial and IT governance are also the breeding ground of efficient Corporate Governance strategy. The role of assurance on strategy, analysis, operations, and resources to achieve desired outputs and outcomes, developing approaches to proactively identify, prepare for and respond to crises affecting business' ongoing continuity is what defines a coherent Corporate Governance strategy. Governance framework to manage enterprise risk and ensure a culture of best practice, collaboration and integration. This eBook will focus on the role of Governance, Risk and Compliance (GRC) to safeguard the business and the role of IT governance as far as Corporate Governance is concerned.

1 Role of GRC to Safeguard The Business & Use of Software



2 Role of IT Governance



1. Role of GRC to Safeguard The Business & Use of Software



For managing an organization's overall governance, which includes compliance, regulations, and enterprise risk management, GRC (Governance, Risk and Compliance) methodology is used. Elimination of silos, IT investments, and lessen division among departments are a few benefits of GRC strategy.

The three concepts that make up GRC are defined as follows:

1. Governance:

This is related to classifying and assembling IT operations in such a way that they benefit the organization and helps it to achieve its business goals.

2. Risk:

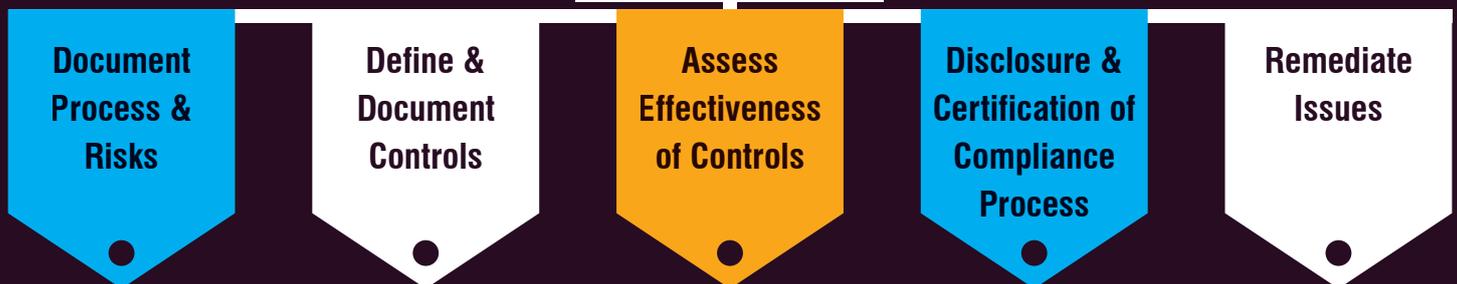
It relates to identifying and addressing a risk or opportunity linked to any of the company's activities in a way that it supports the organization's goals. As far as the realm of IT is concerned, it means to have an all-inclusive IT risk management process whose objectives converge with those of enterprise risk management function.

3. Compliance:

This relates to whether the organization adheres to business rules, policies, guidelines, laws, and regulations impacting those systems. As far as IT is related, it means the data contained in those systems is used in a secured way and is always protected from outside influence.

Governance, Risk & Compliance Process

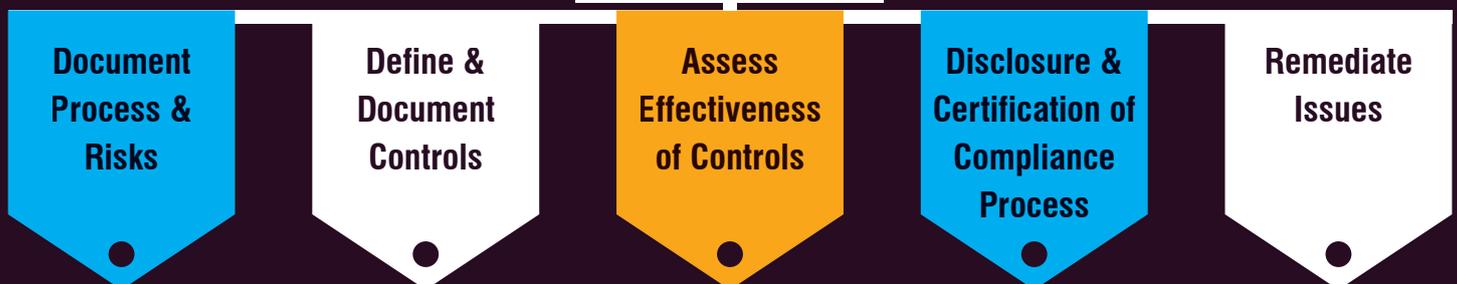
Governance



Risk Management



Compliance



What Role does Technology Play in GRC?

Traditionally, GRC has always dealt with growing regulatory environment, higher business complexity, and accountability. But in contemporary times, where risks are interdependent and controls are shared, this approach holds less value. As the businesses of present era continue to rely heavily on Information Technology (IT), the complexities, risks, and threats surrounding the IT environment also increase. To ensure increased corporate functionality and customer privacy, businesses are readily becoming a part of the large IT environment by effectively planning, designing, and learning how to administrate via IT systems to boost their value and the trust that customers have on them.

Let's look at some of the benefits of IT GRC software solution:

- 1 It provides a complete solution by combining audit management, policy management, risk management, and other areas of IT governance in the same package.
- 2 It helps to form an automatic and systematic approach to manage, communicate, and implement IT policies across the organization.
- 3 It helps to form, measure, compute, and head IT governance programs founded upon leading control frameworks like ISO 27002, NIST, COBIT, and ITIL.
- 4 It makes it easy to conduct and manage IT surveys, self-assessments, courses, and audits in an authentic, well-founded, and reliable manner.
- 5 It gives an amalgamated and adjustable structure for documenting and analysing IT risks, building plans, describing controls, and governing risk assessments.
- 6 It provides a depository of all IT compliance requirements backed with automated information flows and linked controls for evaluation, testing, and audits.
- 7 It provides access to technology connectors to assist the automated computation and description of IT controls via unification with third-party products.
- 8 It provides a flexible issue management system that tracks any IT problems or threats and recommends reparative actions.
- 9 Apart from helping in IT related problems, it also provides IT compliance initiatives to assist in building clean data centre energy management initiatives.
- 10 It helps to break silos and standardizes processes in an organization by integrating IT GRC processes with enterprise GRC programs.



2. IT Governance

IT governance is steadily making its mark. With increasing compliance risk and introduction of mitigation techniques, Businesses must pay attention to IT governance. Failures in IT affect customer relationship and consumer confidence, which organisations cannot afford at any cost. IT governance helps an organisation achieve regulatory compliance by establishing standards and synthesising processes and systems. Let's take a detailed look on the influence of IT in Governance.

1. Value Delivery

- a. Performance Metrics
- b. Process Structures
- c. Control Objectives & Practices
- d. Management Practices

2. Risk Management

- a. Performance Metrics
- b. Process Structures
- c. Control Objectives & Practices
- d. Management Practices

3. Resource Management

- a. Maturity Models
- b. Control Objectives and Practices
- c. Management Practices

4. Performance Measurement

- a. IT Balance Scorecard
- b. COBIT Online Benchmarks
- c. Maturity Models
- d. IT Assurance Guide

5. Strategic Alignment

- a. Business and IT Goals
- b. Outcome & Performance Metrics



A. Helps in Strategic Management:

- i. Business strategy must drive IT strategy to effectively enable and support the achievement of business objectives.
- ii. Methods for accomplishing this alignment are effective implementation of portfolio management, balanced scorecards, and enterprise architecture methodology.

B. Various Benefits:

- i. IT helps businesses realize benefits through the implementation of performance monitoring and response, value management practices and benefits realization planning.
- ii. Establishment of effective portfolio management is the key to benefits realization to govern IT enabled investments and the design and utilization of appropriate performance metrics, which are responded accordingly.

C. Helps to Optimize Risk:

- i. In an interconnected digital world, the integral components of governance activities include recognition, analysis, mitigation, management, communication, and critical monitoring of IT related business risk.
- ii. IT includes features such as business continuity planning, alignment to regulatory and legal requirements, evolution of a risk appetite, and creation of tolerance methodology for risk based decisions.

D. Helps to Optimize Resource:

- i. To meet current and future strategic objectives, IT requires capable resources like to-the-point information, good infrastructure, and competent people.
- ii. This demands identification of monitoring of external suppliers, staff training, and service level and knowledge level management.

E. Frameworks for IT Governance:

- i. For directing the company's strategic planning and accomplishing the goals and objectives, businesses need to implement such IT governance frameworks that are aligned with the enterprise governance.
- ii. Frameworks such as COBOL, ISO, ITIL, etc. which are aligned with industry standards as well as in accordance with requirements of the business, should be implemented.
- iii. IT governance should only be administered by the top level management of the organization with roles and responsibilities correctly mentioned.

Today, there are myriad programmes on Corporate Governance but unfortunately, most of them are devoid of tools that can train Board directors to address and arbitrate unavoidable issues. Board directors are trained to see conflicts as a negative and undesirable feature. This kind of view escalates the conflicts, which negatively impacts the effectiveness of the management team, and ultimately leads to poor performance of the company as a whole. In our 4 day workshop, Robert Ford, will teach you how to sail your way through the nitty-gritties of Corporate Governance, through real life case studies, Role-Play Board Meetings, Conflict escalation models, and interactive presentations to equip you with Board Toolkit for Conflict Management etc. We urge you not to miss this opportunity, and take-home expert corporate governance skills to help you decide when and how to negotiate, mediate and arbitrate disputes.



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