

# Controls and the Control Environment

## Week 5

IT Governance  
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**Controls** are defined as the policies, procedures, practices and organizational structures designed to provide **reasonable assurance** that business objectives will be achieved and undesired events will be prevented.

The **control environment** is the actions, policies, values, and management styles that influence, and set the **tone** of a firm's day-to-day activities.

[BusinessDictionary.com](https://www.businessdictionary.com)

# What Does a Company Want From its IT Systems?

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# What Does a Company Want From its IT Systems?

- Effective
- Efficient
- Confidential
- Integrity
- Available
- Compliant
- Reliable

# Three Types of Controls

- Preventive Controls
- Detective Controls
- Corrective Controls

# General IT vs. Application Controls

**General controls** are part of an **IT service** like identity management.

**Application controls** are part of a **business process**, like order-to-cash.

For example, logonids and passwords are a general IT control to ensure that a person is who he says he is. Checking to see if that person has the authority to enter an order is an application control.

# Controls

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Multiple overlapping controls to mitigate one or a set of risks are known as **layered controls**. In security this concept is known as **defense in depth**.