Week 10
Monitoring, Performance Management and Quality
Monitoring

**Monitoring** = comparing the expected outcomes with the actual outcomes over time

Monitoring shows whether or not an organization’s controls are assuring compliance

Monitoring gives management the data it needs to determine performance management

Monitoring gives the quality management system the data it needs to continually improve IT’s processes
Strategic Performance Measures
aka: Key Performance Indicators

• Metrics calculated from monitoring data
• Tied directly to the IT strategy through objectives
• Objective expectations must be clear
• If the data generates metrics that surpass the expectation, the strategy can be called successful.
IT Balanced Score Card

• A collection of strategic performance measures
• Intended to show performance from a number of perspectives
• Often too operational, not strategic enough

Financial
Operational
Value
System
Implementation
Customer
Satisfaction
Right Things
(Governance)

What is IT’s role in the business?
What is our IT strategy?

What portfolio of projects offer us the best value?

Done Right
(Management)

Where are we technologically and where do we want to be?

What will our control environment be like?
What policies do we need?

Implement IT projects
Run IT’s services
Establish & run the control environment

QMS

KPI’s

IT Balanced Scorecard

IT Performance Optimization

Transparent Stakeholder Communications
In other words ...

- Governance’s goal is to optimize IT performance
- To optimize, you need a transparent view of IT
- Transparency comes from performance management
- To manage performance you need to monitor that performance
- IT does a lot of different things so you need to monitor all of them
- To monitoring you define KPI’s and track
- The quality process helps you define processes & KPI’s
- The balance scorecard should show the KPIs of what the stakeholders think most important.
Total Quality Management

• What is quality?
• Why is it important?
• What are TQM’s principles?
• What does all of this have to do with IT services?
What does COBIT 5 have to say about quality?

1. Establish a quality management system (QMS)
2. Define and manage quality standards, practices, and procedures
3. Focus quality management on customers
4. Perform quality monitoring, control, & review
5. Integrate quality management into solutions for development and service delivery
6. Maintain continuous improvement