ORSYS formation

Seminar , 3 day(s)
Ref : GOU

Participants

This seminar is aimed at IT managers, IS managers, and, more generally, at the decision-makers in charge of information systems and the way the company organization.

Pre-requisites

Knowledge about DSI's role. Experience required in Information System management.

Next sessions

Brussels

mar. 26 2012, jun. 11 2012

IT governance

strategies, resources, dashboards, best practices

OBJECTIVES

The Information Systems Department is often seen as a world apart, in which the rules of governance common to the other departments in the company do not apply. This seminar explains the best organizational practices to have in order for the Information Systems Department to fully demonstrate its contribution to the company's strategy, justify operating costs and investments and demonstrate how well it performs. In short, this helps the Information Systems department finally become a unit "like the others" within the company.

1) Introduction

- IT governance: an integrated part of company governance. Review of practices in French companies.
- The bases of governance. The basic law. The key principles for good IT governance.
- The debate on IS "cost" and "value". Measuring the value of the company. IT expenditure: a necessary evil or an investment? The Solow paradox. IS as a source of value creation.
- How governance is practiced.

2) The IS Department's place in the company

- Modelling the ISD's activity. The IT value chain. The IS Department's main processes. The general activity models: ITIL, COBIT, CMM.
- Perception of the CIO within the company. The dynamics of relationships between General Management, the IS Department and operating departments. Cost center or profit center. Service provider or partner.
- The link between governance and organization. The breakdown of power between IS Departments and operating departments. Mechanisms and bodies for making decisions and assuming control.
- The IS Department's internal organization. A centralized, decentralized or federated model. The advantages and disadvantages of the different models. Finding the right balance: the functions to be centralized and those to be distributed. Standard organization-chart types for an IS Department: based on in-house clients, based on the business value chain, or based on the IS value chain. Close-up look at the engineering and design unit.
- Governance and IT risks.

3) Implementing governance

The technology strategy

- The innovation cycle. Classification of technologies according to their life curves. Entropy within the IS. Defining a technology strategy. Identifying and taking advantage of opportunities.
- IT urbanism. The origins of the concept: the metaphor of the city. Urbanism's key ideas and vocabulary. "Top-down" approaches based on mapping. "Bottom-up" approaches provided by technology. A proposal for an original, integrated approach combining the two previous approaches.
- Free software. Overview of the current offering related to the different IS layers. "Free" versus "free of charge." The real level of savings. The issues and the risks. Free-software-service companies. A strategy for free software.
- Integrating systems. UML. Principles of integration by HMI, by processes, by data. Overview of the available solutions. Limits of the EAI concept. Special features of the EAI project. SOA architectures: principles and limitations. SAN architectures.

The portfolio of projects

- Managing a portfolio of projects. Project inventory. Presentation of the process. Metrics for analyzing and qualifying projects. Process for the "decision to go ahead" and prioritization.
- The standard plan of a pre-project file.
- The project's business case. Types of costs and benefits. Project costs and recurrent costs. Ten rules for properly constructing your business case.
- Evaluating Return On Investment (ROI). Traditional financial methods (VAN, TRI, payback-period, EVA). Tangible and intangible benefits. Financial impact of immaterial gains. Examples and counter-examples.
- Estimating project workloads. The usual methods: COCOMO, Delphes method, function points. Advantages and disadvantages. Field of application of these methods. An example utilizing the function-points method. The relationship between total workload, time scale and resources. Key ratios.
- Managing the project trajectory. The problem. Parceling out according to added value. Avoiding the "tunnel effect." Allowing for an early end to the project. The scalability curve: theory and practice. Identifying the warning signs of drift.

Human capital management

- The IT staff. Measuring the efficiency of teams: productivity metrics. Monitoring staff workload. Optimizing the assignment of people to projects.
- Skills management. Defining a skills repository and job sheets. Carrying out forward-looking skills management. The probable changing nature of IT Department jobs: rising, falling, transforming.

- Purchasing intellectual services. Creating and sustaining a panel of suppliers. Choosing the most suitable service provider for each situation: general-computing-services company, packaged-software supplier, temporary staff, freelance. Drawing up a reference list of tariffs. Controlling the purchase process. Using the "time-and-material," "fixed-price" concepts and their variants advisedly.
- Outsourcing. Good and not so good reasons for outsourcing. Selecting functions that are candidates for outsourcing. Risks and problems with outsourcing. Models of co-operation between the customer and the service provider: TMA, ASP, outsourcing, and joint venture. Conducting the outsourcing process. The key success factors.
- Offshore. The type of services proposed. The issues and risks of the concept. The real degree of savings. The contractual aspect. Application case studies.

Controlling costs

- IS cost dynamics. The principal sources of IT costs. The underlying trends that govern cost changes. The standard IS Department budget structure and its evolution over time. The company's total IT expenditure.
- IS-cost measurement. Collecting data about costs. Breakdown by activity according to an ABC (Activity Based Costing) approach. Itemizing the costs in order to better reduce them.
- TCO: a key indicator. The concept's origin, evolution and derivation. Proposal of a realistic definition and a calculation method.
- Drawing up a cost-control strategy. One-off and long-lasting savings. The behaviors to be improved. Creating initiatives within the IS Department. Implementing IT-management control.
- Concrete approaches to reducing costs. Optimizing technical infrastructures. Standardizing work-stations. The thin client. Managing assets. The cost of software licenses. Sourcing policy.
- The budget process. Constructing the IT budget and "selling" it to General Management. Operating expenses versus investments. Budget monitoring and analyzing differences. Redefinition during the financial year. Towards the end of the yearly budget cycle?
- In-house billing for the IS Department's services. Constructing the IS Department's catalogue of products and services. Cost mechanisms and standard costs. Billing and price mechanisms. Advantages and disadvantages of in-house billing.

4) Demonstrating IS performance

- IT dashboards. General rules for constructing relevant dashboards. The properties of a good indicator. Dashboards internal to the ISD: Design dashboards, operations dashboards, help-desk dashboards, and financial dashboards. Dashboards for operating departments: Project dashboards, service-quality dashboards. General dashboards: example of the IT Balanced Scorecard.
- Measuring user satisfaction. Perceived quality. Satisfaction surveys.
- Service Contracts or SLAs (Service Level Agreements). Fixing the level of service required. Measuring and improving performance: example of the "6 Sigma" method. Relevant indicators per SLA family (application, help-desk, network, server hosting, and work-station).
- Benchmarking. Good use of the contract's benchmarks. Relevance of current indicators. Internal or external benchmarking procedure. Application case study.