



# IT Governance | The South African Journey



# ISACA Netherlands Chapter | Round Table



 Hotel Breukelen | 01 May 2017



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CIA, CISA, CISM, CRISC, CRMA, CGEIT, COBIT 5 Certified Assessor

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- ◆ The King Report on Corporate Governance – The Journey
- ◆ Governance in South Africa Government
- ◆ Corporate Governance of ICT Policy Framework - COBIT®5
- ◆ The Role of ISACA South Africa Chapter
- ◆ ISACA Purpose, Promise and Values





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## The King Corporate Governance Guide

- ◆ 22 years in existence
- ◆ Launched 29 November 1994
- ◆ Developed by the King Committee on Corporate Governance
- ◆ Chaired by the retired Supreme Court Judge – Mervyn King
- ◆ It followed the UK Cadbury Report developed in 1992
- ◆ Key role players:
  - ◆ Institute of Directors in Southern Africa [IoDSA]
  - ◆ South African Institute of Chartered Accountants [SAICA]
  - ◆ The Johannesburg Stock Exchange [JSE] – A prerequisite to disclose level of compliance for all JSE listed companies
  - ◆ South African Institute of Business Ethics [SABES]
  - ◆ The South African Chamber of Business [SACOB]

1994

King I

- ◆ Makeup and mandate of the board
- ◆ Role of non-executive directors
- ◆ Categories of people who should qualify as non executive directors as well as their appointment to the board
- ◆ Guidance on maximum term of directors, frequency of meetings
- ◆ Determination and disclosure of directors remuneration
- ◆ Requirements for effective auditing of annual report



2002

King II

- ◆ Role of sustainability
- ◆ Role of corporate board
- ◆ Role of risk management
- ◆ Coverage increased to state departments - national, provincial or local government administration.
- ◆ A number of King II aspects were incorporated into the Companies Act 71 of 2008
- ◆ Requirements for effective auditing of annual report

2009

King III

- ◆ Integration of governance, strategy and sustainability in accordance with Global Reporting Initiative's Sustainability Reporting Guidelines
- ◆ Applicable to all entities – Public, Private, and Non-Profit
- ◆ Alternative dispute resolution
- ◆ Risk based internal audit
- ◆ Shareholder approval of non-executive directors' remuneration
- ◆ Evaluation of the board and performance of its directors
- ◆ 09 Chapters – 75 principles
- ◆ Elements of King III adopted in the Public Finance Management Act [PFMA]
- ◆ IT Governance a separate chapter

- ❖ Chapter 5 – IT Governance
- ❖ 7 principles on IT Governance
- ❖ Many concepts driven by ISACA white material on IT Governance such as Board Briefing on IT Governance, The Governance of Information Security, Governance of Risk - Whose Responsibility is it.

2009

King III

## The 7 IT Governance Principles

1. The board should be responsible for information technology (IT) governance
2. IT should be aligned with the performance and sustainability objectives of the company
3. The board should delegate to management the responsibility for the implementation of an IT governance framework
4. The board should monitor and evaluate significant IT investments and expenditure
5. IT should form an integral part of the company's risk management
6. The board should ensure that information assets are managed effectively
7. A risk committee and audit committee should assist the board in carrying out its IT responsibilities

**2009**

**King III**



02 Areas

King III quoted  
as related  
Guidance for the  
05 Governance  
Processes

05 Processes  
in the  
Governance  
Area

Governance &  
Management

2009

King III

- ◆ Launched 01 November 2016. Effective 01 April 2017
- ◆ Outcome based governance
- ◆ Apply and explain
- ◆ 17 principles. 214 recommended practices
- ◆ Principle 12 - **Manage technology and information to achieve strategic objectives**

2012

King IV



The background of the slide is a composite image. It shows a city skyline with several tall skyscrapers under a clear sky. Overlaid on this is a large, semi-transparent silhouette of a person's head and shoulders, facing right. The entire image is framed by a large, flowing, magenta-colored shape that curves from the bottom left towards the right side of the slide.

## Governance in South Africa Government

## Public Finance Management Act 1999

To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith.

## Municipal Finance Management Act 2003

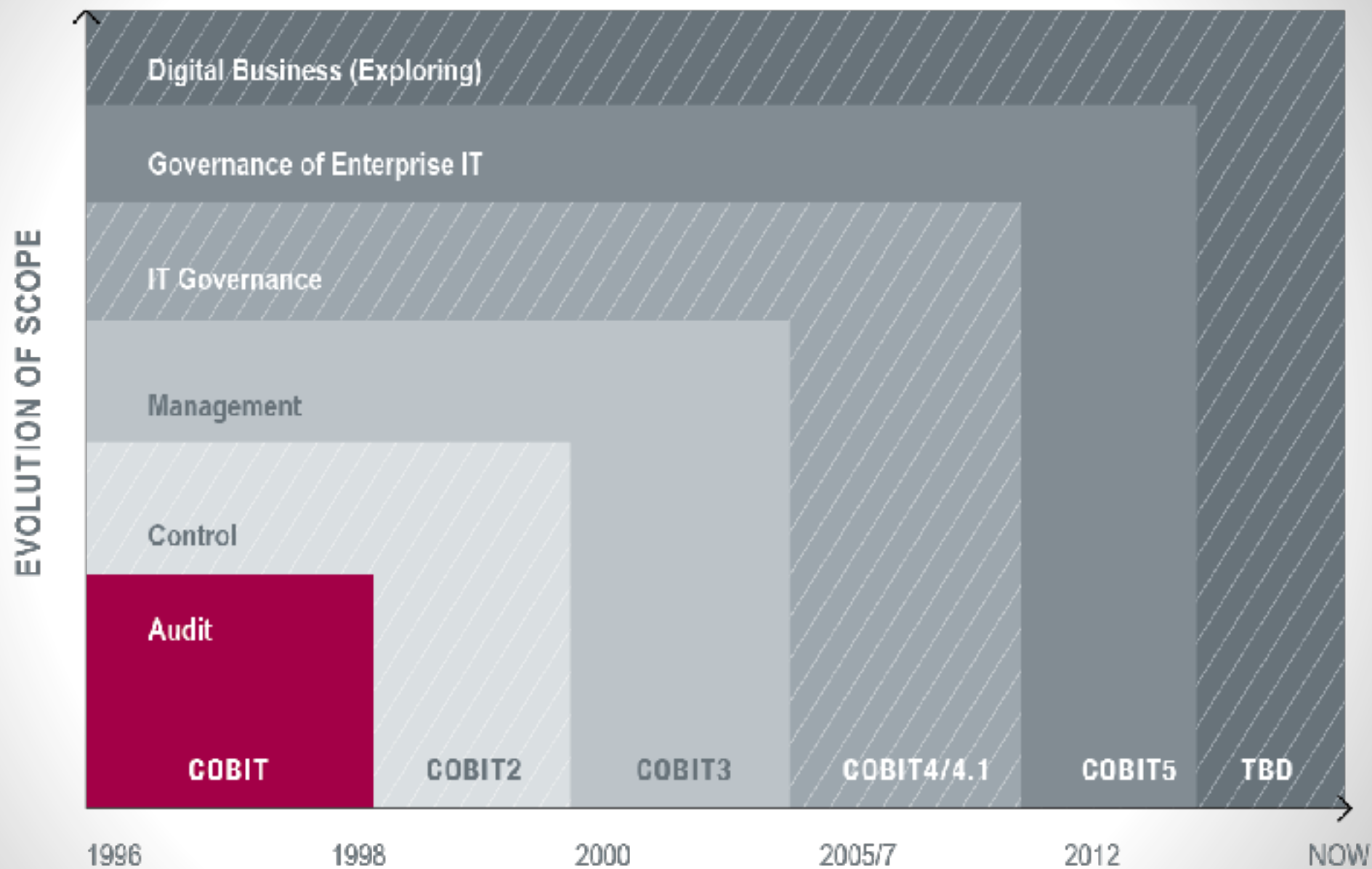
To secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; to establish treasury norms and standards for the local sphere of government; and to provide for matters connected therewith.



# Corporate Governance of ICT Policy Framework - COBIT®5

## Corporate Governance of ICT Policy Framework December 2012

- ❖ The Public Service Act and Regulations places the responsibility for governance and management of electronic government (ICT) in the Public Service with the Minister of Public Service and Administration. The Regulations also require of the Executive Authority to prepare a strategic plan for the department and the Head of Department to be responsible for the information plan as derived from the strategic plan. Based on the information needs of a department, ICT is a fundamental asset of the Public Service.
- ❖ Through practices, principles and implementation approach. the Corporate Governance of ICT Policy Framework seeks to provide the departments with direction to implement Corporate Governance of ICT within their spheres of accountability and responsibility.







COBIT<sup>®</sup> 5  
AN ISACA<sup>®</sup> FRAMEWORK

*Nurture and continue to build COBIT training and usage globally and, where appropriate, leverage other valued frameworks*



+610,000

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publications



+890,000

COBIT Online page views  
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2014 launch



11,677

COBIT 5 exams taken  
in 2015

## 12 COBIT 5 Processes Adopted

- ◆ EDM01: Governance framework setting and maintenance
- ◆ APO01: Manage the ICT management framework
- ◆ APO02: Manage strategy
- ◆ APO03: Manage enterprise architecture
- ◆ APO05: Manage portfolio
- ◆ APO10: Manage Suppliers
- ◆ APO12: Manage Risk
- ◆ APO13: Manage security
- ◆ BAI01: Manage security: Manage programmes and projects
- ◆ DSS01: Manage operations
- ◆ DSS04: Manage continuity
- ◆ MEA01: Monitor, evaluate and assess performance and conformance



## The Role of ISACA South Africa Chapter

- ◆ Engagement with Government
- ◆ Free COBIT packs for Government senior officers involved with DPSA
- ◆ Auditor General of South Africa main sponsor of conference for the last 04 years
- ◆ ISACA HQ executives meeting with Government officials
- ◆ Government Information Technology Officers Forum for free in August 2016 – Presenters – Mark Thomas, Rob Clyde, Ramses Gallego, Tichaona Zororo
- ◆ More forums planned in 2017 and beyond







## ISACA Purpose, Promise and Values



You Plural: People, the individual, the organization, the CIO, the industry

Focusing on the grand possibilities, rather than dangers lurking

Purpose: Help you realize the positive potential of technology.

We play an assistive role; our products enable

Bring to fruition; get the most out of

Speak about our business in the broadest of terms so we don't box ourselves in

Mitigation of risk, establishing credibility, certification of individuals

Technology applied in way that delivers efficacy, innovation and growth

Promise: Inspire confidence that enables innovation through technology.

We're training, growing and nurturing

## WE ARE ONE

We care deeply about people and recognize that employees and members are our extended family who we must support and nurture.

## WE ARE DEDICATED

We are unfailingly passionate about ISACA. We are dedicated to maximizing its influence and impact globally. We are committed to lifelong learning and volunteering as part of our professional growth.

## WE ARE INNOVATIVE

We thrive on being creative and innovative. We are empowered to make decisions and take measured risks at all levels of the organization.

## WE ARE ACCOUNTABLE

We stand behind the work we do and the contributions we make. This is the cornerstone of our success.

## WE ARE AUTHENTIC

We operate with honesty, integrity and the highest level of professionalism in everything we do. Trust and respect is our operational foundation.

**BUSINESS**

**INDIVIDUAL**

Information  
Security  
& Cyber Security

Technology Risk  
Management

Technology  
Governance

Technology  
Assurance  
& Audit

**ENTERPRISE**

**TECHNOLOGY**



**ISACA**

**/** Questions



**ISACA**

 Thank you



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