The Implementation Examination

IX01

Scenario Booklet

This is a 2.5 hour objective test examination. This booklet contains the Scenario upon which this exam paper is based. All questions are contained within the *Question Booklet*.

Additional information is provided within this *Scenario Booklet* for a number of questions. Where reference should be made to additional information, this is clearly stated within the question to which it is relevant. All information provided within a question must only be applied to that question.

Each of the 4 questions is worth 20 marks, giving a maximum of 80 marks in the paper. The pass mark is 50% (40 marks). Within each question the syllabus area to which the question refers is clearly stated. The exam is to be taken with the support of the *COBIT 5 Implementation Guide* only, i.e. no material other than the *Question Booklet,* the *Scenario Booklet*, the *Answer Booklet* and the *COBIT 5 Implementation Guide* is to be used.

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Scenario

The companies and people within the scenario are fictional.

IT Governance Initiative

A major financial services organisation has recently been purchased by a large overseas competitor and is now subject to new overseas compliance regulations.

Following the takeover the local organisation is now known as the 'local office' and the purchaser is known as the 'Overseas Head Office'.

Background and Current Issues:-

- The organisation currently is experiencing issues with change management. As a result of the takeover, further changes are being introduced which the existing processes cannot handle. The problems are being exacerbated by the size and the volume of the required changes.
- Although the takeover from the overseas company is recent, Overseas Regulators are already seeking visibility of compliance.
- Prior to being taken over the current Board had on-going concerns with IT security. These concerns are expected to increase given the demands of passing information overseas to the new Overseas Head Office.
- Also prior to the takeover, relationships between IT and the Enterprise were not good due to previous IT project failures and lack of visibility of project benefits.
- Staff morale has been very low with an above average staff turnover. Due to the recent takeover, there have been senior management changes and a further increase in staff turnover due to the job uncertainty.
- The organisation has a new and inexperienced team in IT Governance.

Current projects in place:-
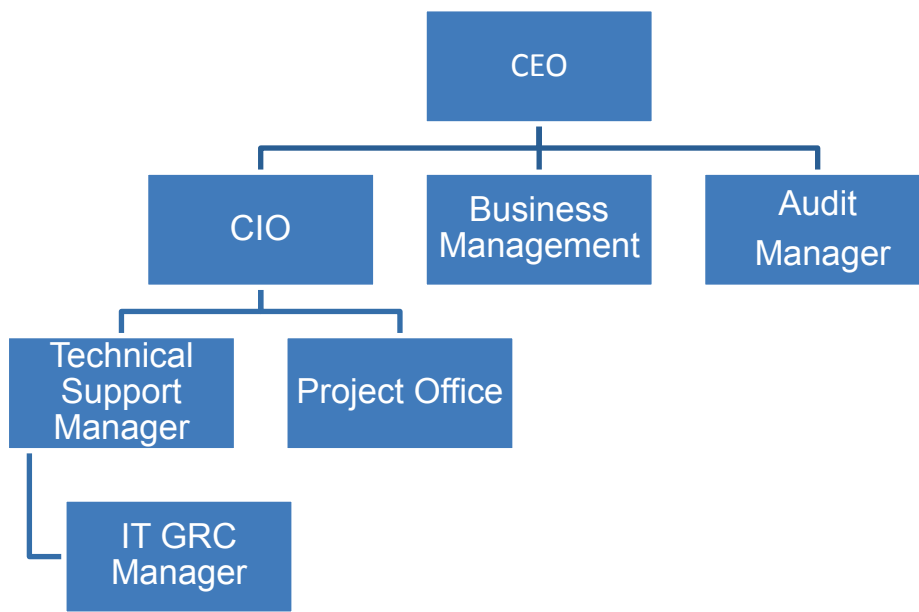
There are two existing projects underway:

- HR Project - There is currently a HR project in progress to address the high level of staff turnover. Its objective is to reduce the current turnover levels.
- IT Security – The local office has recently engaged a team of external security specialists to review the current level of IT security and to recommend appropriate solutions.

Scenario continued

Roles and Responsibilities

An extract of the organisational structure of the Financial Services Organisation (not including the Overseas Head Office) is given below.

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                    ┌─────────┐
                    │   CEO   │
                    └────┬────┘
         ┌───────────────┼───────────────┐
    ┌────┴────┐   ┌───────┴───────┐   ┌───┴─────┐
    │   CIO   │   │   Business    │   │  Audit  │
    │         │   │  Management   │   │ Manager │
    └────┬────┘   └───────────────┘   └─────────┘
  ┌──────┴──────┐
┌─┴─────────┐ ┌─┴──────────────┐
│ Technical │ │ Project Office │
│  Support  │ │                │
│  Manager  │ │                │
└─┬─────────┘ └────────────────┘
  │  ┌──────────┐
  └──┤  IT GRC  │
     │ Manager  │
     └──────────┘
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- IT Management consists of the CIO and his direct reports.

- The Audit Manager is from the Overseas Head Office and is responsible for the local Audit team

- The IT Governance, Risk and Compliance (IT GRC) Manager is newly appointed and has recently attended a COBIT 5 course.

- The Technical Support Manager has been with the enterprise for over 20 years and takes a very 'hands on' approach. This role is responsible for ensuring the ongoing availability of the network infrastructure.

Scenario continued

IT Governance Initiative Start-up

As a result of the overseas compliance regulations the IT Governance, Risk and Compliance (IT GRC) Manager has decided to launch a major IT Governance Initiative.

The initiative will incorporate the compliance requirements mandated by the Overseas Head Office in addition to improvements in governance and change management. The existing projects will be included within the scope.

The Overseas Head Office will sponsor the programme and the IT GRC Manager has been appointed as the Programme Manager. However, some problems have already been experienced:

- Although the IT GRC Manager has launched an initiative it is not clear who is supporting the initiative and which processes are required to be targeted.

- Current attempts by the IT GRC Manager to get the initiative off the ground have currently been unsuccessful.

End of scenario

Question 3: Plan and Execute the programme - Additional Information

Awareness of the business' frustration about the lack of visibility of the compliance programme has reached the Overseas Head Office. As a result of this, the Overseas Head Office has instructed the Financial Services Organisation to quickly solve this issue relating to the poor relationships between IT and the business. The instruction has come down for IT to solve this as part of the Governance Initiative.

The IT GRC Manager is already overloaded with work and hence has asked one of his junior members of his team to take ownership of the task.

He has told the junior member that the solution to this issue will be to include information relating to the compliance programme on the Financial Services Organization's existing Intranet. Access to this Intranet is already available to the business. Due to budget constraints, there will be a limit on the amount of information that can be added to the Intranet. This work must be done in-house.

COBIT® 5

AN ISACA® FRAMEWORK

The Implementation Examination

IX01

Question Booklet

Candidate Number: ....

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Syllabus areas covered:

Question 1 - Initiate the programme

Question 2 - Define Problems and Opportunities

Question 3 - Plan and Execute the programme

Question 4 - Realise Benefits and Review effectiveness

Question Number 1

Syllabus Area   Initiate the programme

Syllabus Area	Question Number	Part	Marks
Initiate the programme	1	A	3

	Answer the following questions about the root causes of the challenges encountered when identifying the Drivers for an improvement initiative in Phase 1.	
1	Which reason is a root cause for a lack of Senior Management buy-in to an improvement initiative according to the COBIT 5 Implementation Guide?	
	A	Lack of dedicated resources.
	B	Poor perception of the credibility of the IT function.
	C	Best practices are copied and are NOT adopted.
	D	Continual improvement is NOT part of the culture.
2	Which reason is a root cause of why IT could have difficulty in getting the required business participation according to the COBIT 5 Implementation Guide?	
	A	Barriers between IT and the business inhibit participation.
	B	IT budget committed to infrastructure.
	C	Priorities incorrectly allocated.
	D	Fear of revealing inadequate practices.
3	Which reason is a root cause for the lack of current enterprise policy and direction within an organization according to the COBIT 5 Implementation Guide?	
	A	IT budget committed to infrastructure.
	B	Best practices are copied and are NOT adopted.
	C	Overly optimistic goals.
	D	Weak enterprise risk management.

Syllabus Area	Question Number	Part	Marks
Initiate the programme	1	B	6

Using the Scenario, answer the following questions about the key roles and responsibilities required to support Phase 1 'What are the Drivers?'

Column 1 contains activities to be performed during Phase 1. For each activity in Column 1, select from Column 2 the role that is responsible for undertaking the activity. Each selection from Column 2 can be used once, more than once or not at all.

	Column 1		Column 2
1	Explain how the new overseas compliance regulations will affect the business strategy of the Financial Services Organization.	A	CEO
2	Ensure the requirements for the new overseas compliance regulations are clearly specified to identify how the Financial Services Organization systems will be impacted.	B	Business Management
3	Provide rigorous scrutiny of how the new overseas compliance regulations are to be supported by the Financial Services Organization.	C	Technical Support Manager
4	Provide an understanding of the impact the new overseas compliance regulations will have the Financial Services Organization.	D	Audit Manager
5	Provide expert advice on the impact the IT Governance Initiative changes will have on the Financial Services Organization's IT systems to support the new overseas compliance regulations.	E	IT GRC Manager
6	Identify the impact of the new overseas compliance regulations on the Financial Services Organization's own country laws.		

Syllabus Area	Question Number	Part	Marks
Initiate the programme	1	C	5

Using the Scenario answer the following questions about inputs, outputs and tasks performed during Phase 1.

Remember to select 2 answers to each question.

1	Which **2** documents are Inputs to Phase 1?
A	Outline Business Case for the Governance Initiative.
B	Reports showing the volume of changes since the takeover.
C	A report from HR on staff turnover.
D	A list of stakeholders at the local office and Overseas Head Office.
E	Documented approval from the CEO to proceed.

2	Which **2** documents are Outputs from Phase 1?
A	A process for engaging local Management about the Governance Initiative.
B	A report showing the local office's capability to cope with the required amount of process change as a result of the Governance Initiative.
C	An agreed list of the local office's Roles and Responsibilities for the Governance Initiative.
D	Reports showing the volume of changes since the takeover.
E	Report on the Security issues.

3	Which **2** activities are Programme Management tasks performed during Phase 1?
A	Understand full impact of the Governance Initiative.
B	Raise awareness of compliance issues with the local office.
C	Obtain buy-in and approval from the CEO to proceed.
D	Produce outline Governance Initiative business case.
E	Identify other project dependencies such as the Security and HR projects.

4	Which **2** activities are Change Enablement tasks performed during Phase 1?
A	Obtain approval from the CEO to proceed.
B	Produce outline Governance Initiative business case.
C	Understand full impact of the Governance Initiative.
D	Raise awareness of compliance issues with the local office.
E	Issue the change plan based on the overseas compliance requirements.

Question continues on the next page

Question continued

5	Which **2** activities are Continual Improvement tasks performed during Phase 1?
A	Ensure the understanding of the Overseas Head Office's compliance requirements for the local office is correct.
B	Understand full impact of the Governance Initiative.
C	Raise awareness of compliance issues with the local office**.**
D	Identify other project dependencies such as the Security and HR projects.
E	Raise local Management's awareness of the importance of the Initiative.

Syllabus Area	Question Number	Part	Marks
Initiate the programme	1	D	6

Using the Scenario answer the following question about change enablement (CE) tasks which should be performed during Phase 1.

During the initial planning phase the IT GRC Manager reviewed the actions which should be undertaken to implement a successful Governance Initiative with the Technical Support Manager.

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

Option	Assertion	Reason	
A	True	True	AND the reason explains the assertion
B	True	True	BUT the reason does not explain the assertion
C	True	False	
D	False	True	
E	False	False	

	Assertion		Reason
1	Quick wins from the Security project that relate to the Governance Initiative should be identified during Phase 1.	BECAUSE	During Phase 1, the concept of an improvement programme will be proven by identifying quick wins and will help to build momentum.
2	Understanding the differences in working practices between the local office and Overseas Head Office should be done during Phase 1 as a CE task.	BECAUSE	During Phase 1, the impact that an initiative will have on each stakeholder group should be determined.
3	There is NO need to obtain an understanding of the Security Project during Phase 1.	BECAUSE	The need to understand any impacts that other enterprise-level programmes may have is done during Phase 2.
4	A road map for the IT Governance Initiative should be produced during Phase 1.	BECAUSE	A CE task in Phase 1 is to understand the breadth and depth of change.
5	Identification of those people from both organizations who will be involved in the Governance Initiative should be performed as a Phase 1 CE task.	BECAUSE	The needs of stakeholders are considered during Phase 1 in order to establish the desire to change.
6	Reviewing the issues due to the level of changes currently underway at the local office should be performed as a Phase 1 CE task.	BECAUSE	Potential improvements need to be identified during Phase 1.

Question Number 2

Syllabus Area   Define Problems and Opportunities

Syllabus Area	Question Number	Part	Marks
Define Problems and Opportunities	2	A	5

Answer the following questions about Phase 2 'Where Are We Now?', in respect of the Governance Initiative.

In trying to understand where the Financial Services Organisation currently stands in respect to Governance, the IT GRC Manager has identified a number of issues:

- **The local office management is confused about what the Initiative is trying to achieve and doesn't appear to be fully engaged**

- **Concerns have also been expressed as to the potential cost of the proposed Initiative for what appears to be very little benefit. Suggestions have even been made that if the Overseas Head Office wants the work completing then it should pay for it**

- **Additionally, the long standing relationship issue between IT and Business Management caused by previous project failures is still very much in existence**

Remember to select 2 answers to each question.

1	Which **2** reasons are root causes of the inability to gain the backing of local business management, according to the COBIT 5 Implementation Guide?	
	A	The recent takeover has left uncertainty and the threat of further changes.
	B	The priorities of the Initiative are NOT in line with the objectives of the local office.
	C	There is poor communication about the expected successes of the Initiative.
	D	More change is being enforced and the current processes are unable to cope with the existing amount of change.
	E	The implementation solution appears to have too many manual workarounds.

2	Which **2** reasons are root causes of why the cost of the IT Governance Initiative appears to exceed any benefit at the local office, according to the COBIT 5 Implementation Guide?	
	A	There is a perception that there is a lack of required compliance skills at the local office.
	B	Structure of the IT Governance Initiative does NOT demonstrate what the benefits will be at this stage of the programme.
	C	The recent takeover has left uncertainty and the threat of further changes.
	D	Budget funds have already been spent on the takeover and this is seen as a further drain on resources.
	E	There is poor communication about the expected successes of the Initiative.

Question continued

3	Which **2** actions are success factors which should help resolve the current lack of trust between the local office IT function and Business Management, according to the COBIT 5 Implementation Guide?	
	A	Produce a RACI matrix for Governance related roles for the local office.
	B	Educate the business by running a COBIT 5 training course.
	C	Produce a plan of expected changes for the year ahead which take account of the compliance requirements.
	D	Only implement improvements that add value to the local office.
	E	Ensure all resources are full time and dedicated to the Governance Initiative.
4	Which **2** actions are success factors should help resolve the inability to gain support from the local office's business management, according to the COBIT 5 Implementation Guide?	
	A	Produce a RACI matrix for Governance related roles for the local office.
	B	Only implement improvements that add value to the local office.
	C	Express the Governance Initiative in terms that are relevant to business management.
	D	Set up a regular Compliance forum which includes members of both local and Overseas Business Management and local IT Management.
	E	Ensure all resources are full time and dedicated to the Governance Initiative
5	Which **2** actions are success factors should help resolve the concerns that the local office has regarding the cost of improvements outweighing any potential benefits, according to the COBIT 5 Implementation Guide?	
	A	Liaise with Business Management to identify initiatives that can be resolved quickly.
	B	Secure secondments of compliance staff from the Overseas office.
	C	Ensure all resources are full time and dedicated to the Governance Initiative.
	D	Only implement improvements that add value to the local office.
	E	Focus on the change process as an area to be tackled by the Initiative.

Syllabus Area	Question Number	Part	Marks
Define Problems and Opportunities	2	B	5

Answer the following questions about the need to identify tasks that would enable change (CE) during Phase 2 of the IT Governance Initiative.

The IT GRC Manager has held a session with key members of local business management to understand the current position in respect of compliance. A number of concerns were captured.

1	There is a current lack of ownership for both the business and IT in respect of who has a role to play in this Governance Initiative.	
	Which CE task is executed to address the concern of lack of ownership for the Governance Initiative at the local office during Phase 2?	
	A	Engage with HR about producing a communications plan about the future benefits of the Initiative.
	B	Develop an escalation process.
	C	Elect key representatives from the local office and the Overseas Head Office.
	D	Create steering committees for relevant parts of the Initiative.
2	There were concerns about IT attempting to secure additional funds over and above what is required for the actual Governance Initiative.	
	Which CE task is executed to create the right of level of trust at the Financial Services Organisation during Phase 2?	
	A	Develop an escalation process.
	B	Create steering committees for relevant parts of the Initiative.
	C	'Sanity check' what can be achieved and be realistic about setting expectations.
	D	Develop an effective approval process to ensure only compliance related initiatives are funded.
3	There is a current lack of harmony and understanding between the business and local IT Management.	
	Which CE task is executed to create effective teamwork between the IT and the Business at the local office during Phase 2?	
	A	Identify the key challenges and concerns in respect of the current state.
	B	Develop a communications plan about the future direction of the Initiative.
	C	Identify an off-site venue to take the nominated team off-site for a team building event.
	D	Identify key governance issues related to this Initiative.

Question continued

4	How to have compliance interests represented across the entire Financial Services Organisation needs to be defined.
	Which CE task is executed to obtain effective (backing) sponsorship to ensure the Governance Initiative is supported during Phase 2?
A	Seek the nomination of compliance champions throughout the local office.
B	Develop a communications plan about the future direction of the initiative.
C	Create steering committees for relevant parts of the Initiative.
D	Identify the key challenges and concerns in respect of the current state.
5	How the business is going to be kept informed in respect of the progress is unclear.
	Which CE task is executed to keep the Financial Services Organisation informed of progress during Phase 2?
A	Create steering committees for relevant parts of the Initiative.
B	Publish the key challenges and concerns in respect of the current state on the intranet.
C	Identify key governance issues related to this Initiative and issue to all IT staff.
D	Identify the benefits of the Governance Initiative and issue a newsletter to the local office.

Syllabus Area	Question Number	Part	Marks
Define Problems and Opportunities	2	C	4

Answer the following questions about the Phase 2 continual improvement tasks.

The project is now at Phase 2 'Where are we now?'

At the start of the Phase, an auditor from the Overseas Head Office was sent to the local office to review their current compliance position. As a result of the visit, the auditor made a number of recommendations.

Decide whether the action taken at the local office to address each recommendation is an appropriate Phase 2 Continual Improvement (CI) task in response to a Phase 2 challenge and select the response that supports your decision.

1	Recommendation 1: Action is required to re-confirm the local office business objectives and related IT goals as a result of the takeover.
	Response: The IT GRC Manager has produced a report confirming the current process capability of key processes that meet business objectives.
	Is this response an appropriate Phase 2 CI task to address recommendation 1?
A	No, because assessing process capability will only measure process performance, NOT goals.
B	No, because IT goals are re-confirmed when an opportunity grid to identify priority actions is produced.
C	Yes, because identifying process capability is required to identify IT goals.
D	Yes, because process capability is needed to calculate ease of implementation.

2	Recommendation 2: Action is required to understand the expected level of ITs contribution in helping to meet the compliance requirements imposed by the Overseas Head Office.
	Response: The local office's IT Management has undertaken workshops with representatives from the Overseas Head Office to understand the requirements on IT.
	Is this response an appropriate Phase 2 CI task to address recommendation 2?
A	No, because representatives from the Overseas Head Office should NOT be involved until they review the required changes.
B	No, because IT requirements workshops should be carried out at Phase 1.
C	Yes, because a Phase 2 CI task is to understand what IT solutions and IT services are needed to support the Overseas Head Office compliance requirements.
D	Yes, because a Phase 2 CI task is to prioritize and select improvements.

Question continues on the next page

3	Recommendation 3: Action is required to reduce the number of problems that are being caused by the volume of changes as a result of the takeover.
	Response: The local office has completed the design of the improvements for the change management process.
	Is this response an appropriate Phase 2 CI task to address recommendation 3?
	A	No, because changes to existing processes at the local office should be designed during Phase 1.
	B	No, because the design of the improvements is done in the same Phase as when the changes to the process are made.
	C	Yes, because the cost of the improvements for the change management process is an output from Phase 2.
	D	Yes, because a Phase 2 task is to perform a gap analysis to identify the improvements needed to the change management process.
4	Recommendation 4: Action is required to overcome the current breakdown in relations between local IT and business management.
	Response: The CIO has undertaken to publish a compliance newsletter focusing on 'good news' and ways in which IT can help achieve compliance.
	Is this an appropriate Phase 2 CI task in response to a Phase 2 challenge to address recommendation 4?
	A	No, because such this newsletter should only show benefits in business impact terms.
	B	No, because this newsletter should focus on the improvements being achieved.
	C	Yes, because this newsletter will help to build on lessons learned during Phase 2.
	D	Yes, because feedback from this newsletter can be used during Phase 2 to identify problems and opportunities.

Syllabus Area	Question Number	Part	Marks
Define Problems and Opportunities	2	D	6

Using the Scenario *answer* the following question about who is responsible for some of the actions that need to be performed during Phase 3 'Where do we want to be?'

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

Option	Assertion	Reason	
A	True	True	AND the reason explains the assertion
B	True	True	BUT the reason does not explain the assertion
C	True	False	
D	False	True	
E	False	False	

	Assertion		Reason
1	The IT GRC Manager is responsible for prioritising the future compliance objectives.	BECAUSE	The risk, compliance and legal role ensures solutions are aligned to enterprise goals.
2	Identifying the future capability level to meet the compliance objectives is a valid task for Overseas Head Office Audit team.	BECAUSE	An audit role responsibility is to review plans to ensure that compliance issues have been addressed.
3	Reviewing that the Overseas Head Office requirements are being met is a valid task for the Audit Manager.	BECAUSE	Internal audit will ensure that the envisaged solution is aligned to the IT-related goals.
4	Ensuring the solution is aligned to business goals is a valid task for the CEO.	BECAUSE	An Executive ensures that expectations regarding future capability from IT are clearly set.
5	Setting the timescales for what can be achieved with the fiscal year and agreeing them with the Overseas Head Office is a task for the CEO.	BECAUSE	A responsibility of an executive is to create a high-level programme plan.
6	Assessing the implications of the proposed changes is a valid task for the IT GRC Manager.	BECAUSE	Programme Management sets the programme direction at a high level.

Question Number 3

Syllabus Area   Plan and Execute the programme

Syllabus Area	Question Number	Part	Marks
Plan and Execute the programme	3	A	2

Answer the following questions about the root causes of the challenges encountered when identifying what needs to be done for an improvement initiative during Phase 4.

Remember to select 2 answers to each question.

1	Which **2** reasons are root causes of the difficulty in understanding COBIT 5 and associated frameworks, procedures and practices?	
	A	Insufficient dedicated resources.
	B	NOT enough consideration of 'how they do things' at the organisation.
	C	Lack of knowledge.
	D	Best practices are copied and NOT tailored.
	E	Lack of business understanding of IT issues.
2	Which **2** reasons are root causes of resistance to change?	
	A	Resistant to acknowledge weaknesses.
	B	IT budget already committed to infrastructure.
	C	Reluctance to reveal inadequate practices.
	D	Priorities NOT allocated appropriately.
	E	Continual improvement NOT part of the working culture.

Syllabus Area	Question Number	Part	Marks
Plan and Execute the programme	3	B	4

Using the additional information provided for this question in the *Scenario Booklet,* answer the following questions about the activities performed during Phase 4 'What needs to be done?'

Column 1 is a list of some of the activities that need to be performed during Phase 4 by the junior member to create the Intranet content. For each entry in Column 1, indicate in which order each activity should be performed according to COBIT 5 continual improvement tasks.

	Column 1	Column 2
1	Document the list of messages to be added to the Intranet for the Overseas Head Office to sign-off.	A First
2	Select which compliance messages should be included on the Intranet.	B Second
3	Discuss with the Overseas Head Office to agree which compliance messages will provide the most benefit.	C Third
4	Identify which messages will provide immediate improvement to visibility of the compliance programme at an acceptable cost.	D Fourth

Syllabus Area	Question Number	Part	Marks
Plan and Execute the programme	3	C	4

Using the Scenario, answer the following questions about change enablement tasks.

The project is now at Phase 4 'What needs to be done?'

The IT GRC Manager called a Project planning meeting and decided on some Change Enablement objectives in order to 'get things moving'.

Decide whether the action taken by the IT GRC Manager to address each objective is an appropriate Phase 4 Change Enablement (CE) task and select the response that supports your decision.

1	Objective 1:- Obtain buy-in from the local office.
	Action: The IT GRC Manager has held a workshop with key members of business and IT to review and confirm the proposed change management process?
	Is this action an appropriate Phase 4 CE task for Objective No 1?

A	No, because any required changes will be enforced through local management or the Overseas Head Office.
B	No, because the commitment to make the change should have been obtained in Phase 3.
C	Yes, because consulting affected stakeholders will help make them responsible to accept results.
D	Yes, because this will ensure the change management process is implemented as a quick win.

2	Objective 2:- Speed up the implementation for a new Change process which will apply to both the business and IT.
	Action: The IT GRC Manager has decided to implement an IT version of the change response plans.
	Is this action an appropriate Phase 4 CE task to address Objective No 2?

A	No, because engagement should have been made with all affected areas prior to the implementation e.g. the business management.
B	No, because the implementation of the change response plan should have been performed at Phase 3.
C	Yes, because a Phase 4 CE task is about understanding what IT solutions will be needed to support the Overseas Head Office compliance requirements.
D	Yes, because a Phase 4 CE task is to prioritize and select improvements.

3	Objective 3:- Build on Phase 2 'Where are we now' and identify tasks that don't take long to implement.
	Action: The IT GRC Manager has decided to go ahead and implement quick wins in as short as time as possible without immediate consultation with the business.
	Is this action an appropriate Phase 4 CE task to address Objective No 3?
A	No, because changes to existing processes at the local office should be designed during Phase 1.
B	No, because visibility of the changes by methods such as a workshop is needed.
C	Yes, because providing the concept of the change has been proven.
D	Yes, because a Phase 4 activity is to perform a gap analysis to identify the improvements needed to the change management process.

4	Objective 4:- Leverage existing processes (from the Overseas Head Office).
	Action: The IT GRC Manager has obtained details of a number of compliance related processes from the Overseas Head Office which are used successfully to manage Compliance. The plan is to adapt these processes for use at the local office.
	Is this action an appropriate Phase 4 CE task to address Objectives No 4?
A	No, because changes to existing processes at the local office should have been designed during Phase 1.
B	No, because the processes should be implemented 'as is' if they have been used successfully at the Overseas Head Office.
C	Yes, because a Phase 4 CE task is to identify existing strengths.
D	Yes, because identifying work already performed in the organisation prevents duplication of effort and encourages re-use.

Syllabus Area	Question Number	Part	Marks
Plan and Execute the programme	3	D	4

Answer the following questions about the Programme Management tasks.

The project is now at Phase 4 'What needs to be done?'

The IT GRC Manager called an additional project planning meeting and decided on some Programme Management objectives.

Decide whether the action taken at the local office to address each objective is an appropriate Phase 4 Programme Management (PM) task, and select the response that supports your decision.

1	Objective 1 – Develop a change plan.
	Action: The IT GRC Manager has decided to produce a change plan which incorporates the required testing and training needed to meet the compliance requirements.
	Is this action an appropriate Phase 4 PM task to address Objective No 1?
A	No, because the change plan is produced when the testing and training is performed in Phase 6.
B	No, because producing the change plan is a Phase 4 CE task.
C	Yes, because the change plan needs to accommodate testing and training as part of the Governance Initiative implementation plan.
D	Yes, because improvements need to be identified and selected to be included in the change plan.

2	Objective 2 – Identify how to demonstrate the success of the Governance Initiative.
	Action: The IT GRC Manager has produced a set of metrics based on the successful outcome of the Change Management process.
	Is this action an appropriate Phase 4 PM task to address Objective No 2?
A	No, because metrics are only required at the programme level.
B	No, because producing a set of metrics should have been performed at Phase 3.
C	Yes, because the metrics should be measured at the process level in terms of the original success factors.
D	Yes, because this is a valid Phase 4 CE task, NOT a Phase 4 PM task.

Question continues on the next page

Question continued

3	Objective 3 – Produce project plans for the Governance Initiative.
	Action: The IT GRC Manager has produced a project plan based on the current understanding of the requirements.
	Is this action an appropriate Phase 4 PM task to address Objective No 3?
A	No, because the project plan should have been produced at the start of the Initiative.
B	No, because if there is a programme plan there is NO requirement for a project plan.
C	Yes, because it is a combination of plan and reporting procedures that will monitor progress.
D	Yes, because this will guarantee the availability of the required business resources.
4	Objective 4 – Identifying the required deliverables of the Governance Initiative.
	Action: The IT GRC Manager has produced the scope of the project and has identified the IT deliverables as the priority tasks to be undertaken first.
	Is this action an appropriate Phase 4 PM task to address Objective No 4?
A	No, because the IT GRC Manager should deliver the non-IT deliverables first to help mend business relationships.
B	No, because the scope should be prioritised to meet the compliance objectives.
C	Yes, because the IT GRC Manager reports into IT and this will ensure buy-in.
D	Yes, because this will help to identify work already performed in IT and prevent duplication of effort.

Answer the following question about continual improvement (CI) tasks performed during Phase 5.

During the planning Phase of how to arrive at the future target state the IT GRC Manager reviewed the plan with the key members of the IT team and Business Managers from both the local office and Overseas Head Office. The following improvement actions were reviewed so that their impact on future planning could be taken into account.

The improvement actions were as follows:-

- **Changes to the Initiative were approved following direction from the Overseas Head Office**
- **The Change control process has been taken from COBIT 5 and implemented almost identical as per the Enabling Processes Guide**
- **A selected pilot for the revised Change process was undertaken to ascertain feedback and suitability of use of the local office**
- **A lessons learned session was held with the IT Network Support team**
- **A copy of the Overseas Head Office compliance business training pack was adjusted to suit the needs to the local office's IT team**
- **The compliance intranet site was rolled out to the local office**

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

Option	Assertion	Reason	
A	True	True	AND the reason explains the assertion
B	True	True	BUT the reason does not explain the assertion
C	True	False	
D	False	True	
E	False	False	

	Assertion		Reason
1	Approving changes to the Initiative is a valid Phase 5 CI task.	BECAUSE	A CI task is to approve major changes to the project plan.
2	Implementing COBIT 5 processes 'as-is' is a valid Phase 5 CI task.	BECAUSE	Best practices should be adapted to suit an enterprise's needs.
3	The pilot project for the Change process is an appropriate Phase 5 CI task.	BECAUSE	Solutions should be tested with the business to determine applicability.
4	The lessons learned session is an appropriate Phase 5 CI task.	BECAUSE	Testing the practicality of the solutions in the working environment is done during Phase 5.

Question continued

	Assertion		Reason
5	Adopting the Overseas Head Office training pack is a valid Phase 5 CI task.	BECAUSE	During Phase 5, for each improvement, consideration should be given to the ease of implementation.
6	Rolling out the updated intranet site is a valid Phase 5 CI task.	BECAUSE	Adopting and adapting best practices is the way to suit enterprise needs.

Syllabus Area	Question Number	Part	Marks
Realise Benefits and Review effectiveness	4	A	6

Using the Scenario, answer the following questions about the key roles and responsibilities required to support Phase 6 'Did We Get There?'

The Overseas Head Office regulator will be sending a team over to the local office for a formal review of the state of compliance following the Initiative work.

In the interim the Overseas Head Office has offered the use of the Overseas Head Office Compliance & Legal team for consultation and advice.

Column 1 contains activities to be performed during Phase 6. For each activity in Column 1, select from Column 2 the role that is responsible to undertake the activity. Each selection from Column 2 can be used once, more than once or not at all.

	Column 1	Column 2
1	Provide feedback on the local office's contribution in meeting the compliance requirements.	A CEO
2	Take the compliance results and use to improve IT activities.	B Business Management
3	Externally assess whether the local office is now in a better position to meet its compliance obligations.	C IT GRC Manager
4	Use the method applied in this Initiative to improve the relationship between IT and Business Management in future compliance initiatives.	D CIO
5	To help in the resolution of future compliance issues.	E Internal Audit
6	Monitor performance of the Governance Initiative to ensure it is meeting its high level requirements.	F Overseas Head Office Compliance & Legal team

Syllabus Area		Question Number	Part	Marks
Realise Benefits and Review effectiveness		4	B	3

Answer the following questions about the root causes of the challenges encountered when identifying whether the implementation has met its objectives.

The IT GRC Manager decided to speak to a number of key members of the local office Management to gauge feedback on the Governance Initiative. The following issues were obtained from various members of local office staff:-

- **The change management process is seen as too hard to understand and has resulted in low usage of the process within the local office. Additionally there was feedback that the solution looked like it was a direct copy of the Overseas Head Office process without consideration of local factors.**

- **The IT staff working on the Initiative is de-motivated as they felt they had been left to manage the project with little or no assistance from the Business Management.**

- **A lot of feedback was asking the question 'what have we achieved?' as there was a belief that very little had changed and concerns were raised as to the overall value of the Initiative.**

Remember to select 2 answers to each question.

1	Which **2** actions are success factors that should help to resolve the lack of take up of the change management process?	
	A	Obtain compliance input from the Overseas Head Office auditors.
	B	Involve the business process owners in the future refinement of the change process.
	C	Ensure all resources are full time and dedicated to the Governance Initiative.
	D	Arrange a training course for users of the change process.
	E	Produce a RACI matrix for Governance related roles for the local office.

2	Which **2** actions are success factors that should help to resolve the de-motivation of the IT staff working on the Governance Initiative?	
	A	Produce a RACI matrix for Governance related roles for the local office.
	B	Seek to second a Compliance resource from the Overseas Head Office.
	C	Organise a road show with the Business Management - Revisiting stakeholders.
	D	Ensure all resources are full time and dedicated to the Governance Initiative.
	E	Arrange a training course for users of the change process.

Question continues on the next page

3	Which **2** actions are success factors that should help to resolve the concern raised over the overall value of the Governance Initiative?
A	Issue a Compliance health check showing progress made.
B	Arrange a training course for users of the change process.
C	Seek to second a compliance resource from the Overseas Head Office.
D	Issue a compliance article on the Intranet site in business terms.
E	Produce a RACI matrix for Governance related roles for the local office.

Syllabus Area	Question Number	Part	Marks
Realise Benefits and Review effectiveness	4	C	3

Answer the following questions about inputs, outputs and tasks performed during Phase 6 'Did We Get There?' relating to the revised Change Management Process.

Remember to select 2 answers to each question.

1	Which **2** documents are Inputs to the Phase 6 review of the Change Management process?
A	Revised process documentation.
B	A signed-off copy of the Change Management Procedure.
C	IT and business measures added into the ongoing monitoring of the change process, (post- project).
D	A copy of the Change Management process before the implementation.
E	A copy of the Benefits of the Change Process.

2	Which **2** documents are Outputs of the Phase 6 review of the Change Management process?
A	A signed off copy of the Business Case.
B	Revised process documentation.
C	Business and IT agreed measures to monitor the change process.
D	A signed off copy of the Change Management Procedure.
E	Identification of the appropriate Change agents within the local office.

3	Which **2** activities are Programme Manager tasks to be performed during the Phase 6 review of the Change Management process?
A	Review if the Change Management process is meeting its original intentions.
B	Understand what went well and what didn't.
C	Develop an escalation procedure to Management.
D	Communicate the results of the Change Management procedure to relevant Business and IT parties.
E	Produce a report of the success factors required to be met for a successful implementation of the Change Management process.

Answer the following questions about the Phase 6 change enablement tasks.

The project is now at Phase 6 'Did we get there?'

The IT GRC Manager called a Programme review meeting decided on some Change Enablement objectives.

Decide whether the action taken by the IT GRC Manager to address each objective is an appropriate Phase 6 Change Enablement (CE) task, and select the response that supports your decision.

1	Objective 1 – Ensure the improvements are embedded in the culture of the Financial Services Organisation.
	Action: The IT GRC Manager has decided to run awareness sessions about the Change Management process and its associated benefits for the Financial Services Organisation.
	Is this action an appropriate Phase 6 CE task to address Objective 1?

A	No, because if the Change Management process is formally implemented then awareness sessions are unnecessary.
B	No, because the running of awareness sessions is a Phase 4 CE task.
C	Yes, because the awareness sessions will help to embed new working practices in the Financial Services Organisation.
D	Yes, because the awareness sessions will ensure all change requirements have been addressed.

2	Objective 2 –Adopt working behaviours to ensure the implementation is successful.
	Action: The IT GRC Manager has held a session with HR and asked them to add standard compliance responsibilities to all job descriptions at the Financial Services Organisation.
	Is this action an appropriate Phase 6 CE task to address Objective 2?

A	No, because only affected job descriptions should be amended to include compliance responsibilities.
B	No, because once the Governance Initiative is complete then there is NO further compliance requirement.
C	Yes, because this will help to reward those involved in compliance initiatives in the Financial Services Organisation.
D	Yes, because updated job descriptions will ensure the local office will be compliant with all future requirements from the Overseas Head Office.

Question continues on the next page

Question continued

3	Objective 3 – The need to keep the Overseas Head Office informed of issues.
	Action: The IT GRC Manager has decided to produce an escalation process that will ensure all issues are raised directly with the Overseas Head Office.
	Is this action an appropriate Phase 6 CE task to address Objective 3?
	A	No, because issues that can NOT be resolved within the local office should be sent to the Overseas Head Office.
	B	No, because issues should be passed to Internal Audit for resolution.
	C	Yes, because this approach will ensure quick resolution of issues.
	D	Yes, because all process changes should be enforced by Overseas Head Office Senior Management to bring the current Governance Initiative to a close.
4	Objective 4 – Identification of any outstanding issues that will bring this Phase to an end.
	Action: To try and bring the embedding of a compliance culture in the local office to a close, the IT GRC Manager has collated the outstanding work that has been delayed due to pockets of resistance to change. The report is to be passed through to the Project review group for action.
	Is this action an appropriate Phase 6 CE task to address Objective 4?
	A	No, because collating work unfinished due to resistance to change is a Phase 4 CE task.
	B	No, because collating work unfinished due to resistance to change is a Phase 5 CE task.
	C	Yes, because changes can be enforced by local Senior Management when necessary.
	D	Yes, because as this will prove the failure of the mentoring performed in a previous Phase.

Answer the following 4 questions about inputs, outputs and programme management (PM) tasks performed during Phase 6 'Did we get there?' of the IT Governance Initiative.

The updated change management process has now been successfully implemented.

The Overseas Head Office was disappointed to learn about the business's lack of visibility of the compliance programme at such a late stage in the programme. Updates to the intranet were quickly made to provide information on the compliance programme. Whilst the Overseas Head Office was satisfied this resolved the visibility problem, they have made it clear that this situation was unacceptable and should not occur again.

It is not clear if the relationship between Business Management and IT has improved as a result of the implementation of the updated change management process and the use of the intranet for improving the visibility of the compliance programme.

Lines 1 to 4 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

Option	Assertion	Reason	
A	True	True	AND the reason explains the assertion
B	True	True	BUT the reason does not explain the assertion
C	True	False	
D	False	True	
E	False	False	

	Assertion		Reason
1	A PM task in Phase 6 is to set the targets that will be used to monitor the IT performance for the change management process.	BECAUSE	During Phase 6, there is a need to monitor that the initiatives remain on track to deliver the desired business benefits.
2	Monitoring the change management capability against the original requirements is NOT a PM task in Phase 6.	BECAUSE	Reviewing the effectiveness of the programme is done during Phase 7.
3	The programme manager should record the problem with the business' lack of visibility as a lessons learned during Phase 6.	BECAUSE	Lessons learned are used to advise the stakeholders of the results of performance measurements.
4	Any improvement in the relationship between Business Management and IT will be known during Phase 6.	BECAUSE	The objective of Phase 6 is to assess the results and experience gained from a programme.