IT Governance Guide
Agency Modernization

DECEMBER 2024

Contents

Introduction

As technology and business become increasingly intertwined, state agencies of all sizes are adopting advanced information technology solutions to address business challenges. However, technology is inherently complex, and the associated investment risks and potential impact on business reputation can be significant. Several factors contribute to this growing complexity, including:

- Change and/or expansion of business processes through greater automation
- A rise in disparate systems supporting different parts of the organization
- Adoption of modern or emerging technologies to enhance user experience, provide flexibility, scalability, and extend system lifespan
- The need for data sharing with external organizations and the public
- Managing relationships with a diverse group of customers, policymakers, and technology vendors

Such transformations present substantial risks, making the application of well-established best practices critical for mitigating them. Information Technology (IT) governance is a key tool for agencies aiming to modernize and improve the customer experience. IT governance encompasses leadership, organizational structures, and processes designed to ensure that IT investments support and advance the organization's strategy and objectives.

Effective IT governance is a collaborative process grounded in long-range business planning, with the goal of minimizing risks and ensuring that time, labor, and financial resources bring value to the organization. To achieve this, agency leadership must clearly define business goals and objectives, while IT efforts focus on executing strategies to meet these goals. The basic framework of IT governance involves a structured approach to planning and control, characterized by the following attributes:

- Formal executive endorsement through policy that commits to the use of IT governance.
- Clearly defined agency mission, goals, and vision.
- Establishment of a decision-making body, often called a steering committee, accountable for maintaining sustainable governance.
- A method for setting priorities and making decisions that considers strategic alignment, value delivery, risk management, resource management, and performance management.
- A "living" long-range plan, such as an IT technology roadmap, that communicates intent to employees, customers, and policymakers.
- Continuous tracking, monitoring, and improvement of the IT governance process to ensure adaptability to evolving business needs.

IT governance solutions are not one-size-fits-all; they must be tailored to each organization's unique needs. The key to success lies in embracing lessons learned and adhering to industry IT governance standards.

Key Definitions

To establish a common understanding of IT governance, here are key terms and definitions that provide context:

- **Control Artifacts:** Documentation that records actions, tasks, and activities performed to carry out the agency's policies and procedures.

- **Executive Leadership Team:** The highest-level governing body responsible for directing and overseeing the agency's activities and holding senior management accountable.

- **Governance:** The processes and structures implemented by executive leadership to inform, direct, manage, and monitor the organization's activities to achieve its objectives.

- **Investments:** The planned or actual commitment of funds for IT-related expenditures. These include agency IT personnel, contracted labor, products, services, and contracts.

- **Information Technology (IT):** Encompasses all current and future forms of hardware, software, and services related to data processing, office automation, and telecommunications.

- **IT Governance:** The leadership, organizational structures, and processes that ensure information technology supports the organization's strategies and objectives.

- **IT Governance Charter:** A document outlining the governance committee's functions, roles, responsibilities, decision-making, prioritization, and oversight of IT strategy.

- **IT Governance Committee:** A control body, committee, or council tasked with ensuring compliance with IT governance objectives and establishing investment priorities.

- **IT Governance Policy:** A policy or procedure approved by the agency's executive leadership that defines the roles and processes the agency's IT governance body or committee will follow.

- **IT Strategic Plan:** A business-driven, long-term plan (typically 3-5 years) outlining the enabling technologies required to achieve agency goals and objectives.

- **Risk Management:** A continuous process to identify, analyze, evaluate, and address loss exposures, ensuring proper risk control and financial resources to mitigate adverse effects related to technology.

- **Resources:** Includes all equipment, networks, hardware, software, technical expertise, labor, and computer systems owned, used, or managed by an agency.

- **Resource Management:** The effective management of resources to ensure the availability of appropriate assets to meet current and future business needs.

- **Strategic Alignment:** The alignment of IT with the organization's business objectives, ensuring technology effectively supports overall goals.

- **Value Delivery:** The assessment and identification of business value, focusing on maximizing the measurable value of IT investments.

Overarching View of State IT Governance

In the digital transformation era, agencies have the opportunity to reinvent themselves and refocus on their core missions. By adopting a strategic, collaborative approach with other agencies and the enterprise, agencies can reduce the energy and investment spent on technology. Leveraging enterprise pricing for commonly used services and taking advantage of economies of scale allows agencies to focus on the unique services their business requires.

To support this approach, a two-tiered IT governance structure separates responsibilities while keeping the agency and enterprise aligned as a cohesive team. This structure ensures resources are allocated collaboratively, rather than competitively. Alignment across the levels of governance is essential to sustaining business needs and driving clear outcomes. The accompanying graphic illustrates the pathways and collaborative connections that benefit all stakeholders.

Enterprise Governance
- Governor
- Enterprise Leadership Team (ELT)
- State COO, State CFO, State CIO

Agency Governance
- Agency Executive Team
- Agency IT Governance Committee
- Program and Project and Steering Committee

Figure 1: Holistic view of Oregon State IT Governance

- **Enterprise Governance:** The Governor's Agency Expectations on IT Performance sets the long-term vision for the Executive Leadership Team, the State Chief Operating Officer, State Chief Financial Officer and the State Chief Information Officer, focusing on policy planning.

- **Agency IT Governance:** Focuses on strategic planning and prioritizing technology investments that best support the agency's mission.

  a. **Executive Team:** Demonstrates commitment to change, holds accountability for success, acts as a role model for transformation, and is willing to challenge long-standing assumptions and practices.

  b. **IT Governance Committee:** Adopts a strategic planning framework through a charter and implements it as agency policy.

  c. **IT Investment Committee** (optional, often part of the IT Governance Committee): Oversees operational aspects, prioritizing the work assigned to IT during the strategic planning phase.

d. **Program and Project Committee:** Governs projects or programs under EIS oversight, with the EIS Senior IT Portfolio Manager serving as a non-voting member of chartered projects or programs.

Introduction to Strategic Governance

A strategic approach to IT governance empowers agencies to navigate rapid technological advancements, manage the expanding array of IT services, and address the increasing reliance on technology to meet organizational goals. Effective IT governance not only improves efficiency but also ensures that IT investments generate both financial and non-financial benefits. Conversely, deficiencies in control design often arise from weak or ineffective IT governance.

To address this, agencies should employ well-established methods to foster a common understanding and achieve the best outcomes. While the Control Objectives for Information and Related Technologies (COBIT)© framework is widely used, other notable standards include:

- **ISO/IEC 38500:2024:** This international standard for corporate IT governance offers principles and a high-level framework to align IT strategies with organizational goals and manage associated risks. More information is available at [ISO/IEC 38500:2024 - Information technology — Governance of IT for the organization](#).

- **IT Governance Institute (ITGI) Framework:** Developed by the IT Governance Institute, this framework provides a comprehensive approach to IT governance, addressing strategy, risk management, performance measurement, and resource allocation. Resources can be found on the [ISACA website](#).

Selecting the most appropriate framework—or a combination of them—depends on the specific needs of the agency. Successful implementation requires tailoring the framework to the agency's unique environment.

While a solid IT governance framework provides the foundation for effective technology management, true success depends on how well IT aligns with the agency's strategic business goals. IT governance practices facilitate the development and deployment of IT solutions that meet business needs, delivering tangible value and enabling strategic objectives.

This paper serves as a guide to building an IT governance framework that fosters business-IT strategic alignment. It will equip you with practical advice on translating business objectives into IT solutions, ensuring that technology investments contribute directly to achieving organizational goals and maximizing success.
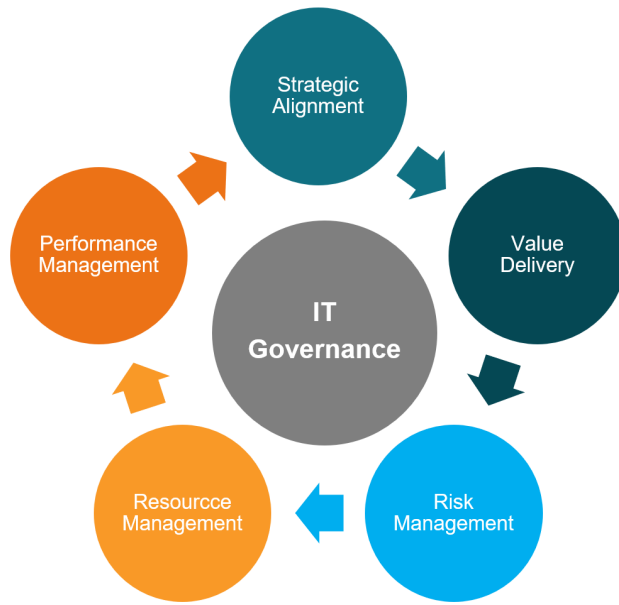
Figure 2: ISACA COBIT© IT Governance Framework

- **Strategic Alignment:** The alignment between an agency's mission, vision, and values directly influences the success of its overall goals. Effective IT strategic alignment ensures that projects and processes are coordinated and contribute to the long-term success of the organization. As accountability and goal setting move down from executive leadership, measuring business-IT alignment can become less clear. Therefore, it is crucial for strategy to be business-led to ensure accurate measurement of outcomes.

- **Value Delivery:** IT should create value for the agency by maintaining and increasing the benefits of existing investments, while eliminating initiatives and assets that do not deliver sufficient value. The core principle of IT value is the delivery of fit-for-purpose services and solutions—on time and within budget—that generate both financial and nonfinancial benefits. IT value should align with the agency's business values and be measured in terms of its impact on the organization's overall value creation process.

- **Risk Management:** This involves addressing the risks associated with the use, ownership, and adoption of information technology within the agency. IT business risks are events related to IT that could potentially impact the agency's operations. While value delivery focuses on creating value, risk management emphasizes preserving it. IT-related risks should be integrated into the agency's overall risk management program, ensuring that IT initiatives and operations are carefully monitored to protect value.

- **Resource Management:** Ensures that the necessary capabilities are in place to execute the strategic plan and that resources are used effectively. This involves maintaining an efficient IT infrastructure, introducing new technologies when needed, and updating or replacing outdated systems. Resource management also emphasizes the importance of people, not just hardware and software, by focusing on training, retention, and competence of IT staff. Additionally, managing data and information to maximize their value is another key aspect of resource management.

- **Performance Management:** This refers to measuring all activities and resources used to achieve strategic outcomes. It evaluates how well governance, management, and IT operations are functioning and identifies areas for improvement. This includes using capability and maturity levels as benchmarks, which serve as the basis for EIS's assignment of an Agency Maturity Score related to IT investment oversight.

Every agency is unique, and many already have some elements of IT governance in place. The following sections aim to unify and clarify key processes, principles, legislative requirements, and enterprise outcomes to support agency modernization efforts.

Initiation

To establish effective IT governance, agencies need to address several key questions:

- What decisions need to be made?
- Who is responsible for making these decisions?
- How will decisions be made?
- What process will be used to monitor the results?

The following sections focus on key processes that directly impact agency IT investments, as outlined in the EIS Maturity Assessment Process. For a comprehensive guide on institutionalizing strong IT governance practices, agencies should consult the EIS Modernization Playbook.

Executive-Driven IT Governance

The direction and success of IT governance start with executive leadership, which sets the organization's mission, vision, and values. Policies play a critical role in strengthening, supporting, and protecting the organization and its people. These policies provide structure, establish boundaries, and serve as guides for decision-making.

IT Governance Policy

Agencies should establish a formal IT governance policy to ensure IT investment decisions are strategic planned, support business objectives, and align with Enterprise Information Services technology strategies. This policy should clearly define the criteria and thresholds for IT investments, ensuring consistency with industry IT governance standards.

Key elements of policy include:

- Agency Executive Accountability: The Agency Director is responsible for creating and adopting the IT governance policy.
- Purpose and Policy Statement: This section should outline the agency's approach to:
    o IT strategy.
    o IT investments.
    o The establishment of a business-led decision-making body.
    o Periodic assessment of the agency's compliance with the policy, as well as performance and success metrics.
    o Specific conditions for exclusions or special exceptions, including the authority to grant them.
    o An annual review of the IT Investment Governance Policy and Procedure.

This structured approach will help ensure IT investments are aligned with broader agency goals and promote effective governance across the organization.

IT Governance Procedure (Committee Charter)

For an IT governance policy to be effective, an accompanying procedure should be developed to outline how the policy will be implemented. This procedure should include:

- The process for initiating IT investment requests.
- The process for reviewing and approving IT investment requests.
- The process for prioritizing IT investments.
- Roles and accountability within each process.
- Alignment with the enterprise IT strategic direction.
- The process for recording and retaining relevant information.
- Guidelines for exceptions.

For assistance in developing and adopting an IT governance policy, agencies can refer to the policy template included with this guide. Assistant State Chief Information Officers (ASCIOs) are also available for consultation.

The IT Governance Committee

A central element of IT governance is establishing a decision-making body, commonly known as the IT Governance Committee (ITGC). The ITGC is composed of business leaders and subject matter experts who are authorized to make decisions, set standards, and mitigate IT risks. Supported by policy and charter, the ITGC is empowered to oversee the governance of IT within the agency. In smaller organizations, this function may be carried out by an existing body, such as the Executive Leadership Team.

Purpose/Value of the IT Governance Committee (ITGC):

The IT Governance Committee (ITGC) provides the agency with the ability to:

Align and Be Responsive: By working closely with IT portfolio management, the ITGC ensures that IT investments are aligned with agency objectives, improving the agency's ability to respond to challenges and effectively manage current and future IT investments. It promotes transparency and ensures resources are allocated in support of the agency's mission.

Facilitate Objective Decision-Making: The ITGC empowers leadership to make informed decisions, enabling a commitment to improving the management and control of IT activities across the agency.

Balance Resources: Through the proper management of critical resources, the ITGC helps in planning and organizing IT initiatives. This ensures adequate IT support for both current and future investments, optimizing resource allocation.

Manage Organizational Risk: Proactive risk management is a key function of the ITGC, ensuring leadership is aware of potential risks associated with IT initiatives and can implement appropriate risk mitigation strategies.

Creating a Charter

- Define the ITGC's Scope and Authority:
  - Start by clearly outlining the IT Governance Committee's (ITGC) authority within the agency, including its decision-making powers and oversight related to IT strategy, prioritization, and governance.
- Clarify Roles and Responsibilities:
  - Specify the roles of committee members, including the recommendation for the senior-most executive to serve as Chair. The committee should include high- to mid-level business executives, the CIO or Technical Lead, and the CFO or Finance Lead. Non-voting members, such as the Assistant State Chief Information Officer (ASCIO) from the EIS Policy Area, should also be included.
  - Ensure there is a designated role responsible for logistics and documenting committee work. Additionally, plan for including business and technical subject matter experts as needed.
- Outline Core Functions:
  - Define the committee's key functions, such as:
  - Meeting frequency
  - Standard meeting procedures
  - Supporting information (e.g., meeting minutes, decision logs, performance reports, IT strategic plans)

Forming a Sustainable Committee

Achieving long-term agency goals requires the ITGC to meet regularly to build trust in the process and realize value. Establishing the committee involves key foundational steps, including:

- IT Strategic Plan:
  - Develop an IT Strategic Plan to guide decision-making, provide direction, and outline measurable goals.
- Prioritized IT Investment Portfolio:
  - Create a prioritized portfolio where IT projects are evaluated collectively, not individually. This ensures a balance between high- and low-risk projects and short- and long-term initiatives.
  - Projects should follow similar principles used in financial portfolio management, meaning managing with a focus on balancing risk, optimizing resource allocation, and aligning with strategic goals.
    - This approach ensures that projects are evaluated and adjusted for performance, much like financial investments, to maximize overall value and minimize risks.
  - Include IT investments that meet the thresholds for governance under EIS Project Portfolio Performance and Integrated Quality Assurance Management policies.
- IT Dashboard and Performance Reports:
  - Implement an IT dashboard to track project performance, key milestones, risks, and issues. Additionally, it should efficiently monitor relevant IT cost details.

It's important to note that forming an ITGC is aligned with statewide modernization goals set forth in the EIS Strategic Framework. Specifically, the goal is to ensure that 80% of agencies implement formal IT Governance procedures and establish functioning IT Governance Committees to support Objective #1 of the "Mature Legacy System Modernization Strategy."

Governance in Action

Effective IT Governance requires a mature, stable governance structure and a well-functioning committee. The focus should be on making strategic decisions that lead to meaningful results, while helping IT investment leaders and stakeholders navigate complex financial and implementation challenges. Maximizing value from the IT portfolio involves making tough decisions about resource allocation and prioritizing approved initiatives. Accountability for delivering value from IT-enabled capabilities is essential.

Decision-Making in IT Governance

There are five key decision domains tied to the strategic role of IT within an agency:

- **IT Principles:**
  - The IT Governance Committee must define the agency's long-term operating model and clarify Information Technology's role. Decision rights, usually assigned to senior management, are based on established IT principles. These principles guide decisions, such as prioritizing simplification, usability, integrated workflows, single sources of data, and Cloud-first policies.

- **Elements of Architecture:**
  - This involves a cohesive set of technical decisions that guide the organization's digital platform design. It also includes defining who is responsible for setting business processes, data, and technology standards, and managing requests for exceptions.

- **IT Infrastructure:**
  - Agencies must balance the need to build, operate, and maintain IT infrastructure versus leveraging cost-effective shared services. The IT Charter defines responsibility for assessing and pricing these shared services.

- **Business Needs and Project Deliverables:**
  - New systems and processes are developed through an extended effort, starting with a business case and ending with a review of outcomes. The IT Project Charter assigns ownership for creating business cases, ensuring successful implementation, and delivering benefits.

- **IT Investment and Prioritization:**
  - Deciding where and how much to invest in IT is a critical aspect of governance. However, investment decisions are just one of five key areas that must be addressed.

These decision areas can be addressed at various levels—enterprise, business unit, or functional. Senior management can hold business unit or IT leadership accountable for outcomes. The IT Governance Charter defines who makes and is responsible for each decision.

- **Decision-Making Processes** - The IT Governance Committee's charter should establish clear decision-making processes to ensure effective member involvement. These processes include:
    - **IT Investment Proposal Process:**
        - Define the steps for presenting, reviewing, and prioritizing IT investments, beginning with a business case and budgetary documentation.
    - **Prioritization Framework:**
        - Use a formalized framework to determine which projects will be funded, including identifying the funding source.
    - **Architecture-Exception Process:**
        - Provide a process for assessing IT project proposals that deviate from enterprise standards, evaluating costs, impacts, and value.
    - **Service-Level Agreements and Contract Evaluation:**
        - Regularly review service agreements, operational costs, and contract performance to ensure alignment with business needs.
    - **Business Value Tracking:**
        - Track the value of IT investments through measures like cost-benefit analysis (CBA), return on investment (ROI), return on equity (ROE), or return on assets (ROA), depending on the business context.
- **Decision Log** - A decision log is essential for tracking choices and demonstrating the maturity of the IT Governance process. To assess maturity, the decision log should include:
    - A description of the decision's focus (e.g., prioritization, risk, performance, strategy).
    - Justification for the decision (e.g., CBA, ROI, business case documentation).
    - The individual or group responsible for the decision.
    - The date the decision was made.
    - This structured approach to decision-making ensures transparency, accountability, and alignment with both business objectives and IT strategy.

Monitoring Performance

For agencies, ensuring value from every dollar invested in technology is critical. This requires a strong focus on performance management and eliminating non-value-adding activities and

processes. Effective IT Governance performance monitoring involves setting clear goals, defining accountability, and consistently tracking, analyzing, and improving IT performance.

Key governance elements that should be regularly reviewed to assess the viability and performance of both the agency's IT Governance structure and the IT Governance Committee (ITGC) include:

- Establishing and maintaining a clear agency IT strategic vision.
- Quality of decision-making processes.
- Responsiveness to the agency's IT needs.
- Effectiveness and adherence to standardized governance procedures.
- Alignment with technology modernization roadmaps.
- Performance and continued operation of the ITGC.
- Active participation in the EIS/P3 annual Agency Governance Maturity Assessment.

By regularly reviewing these elements, agencies can ensure their IT Governance framework remains effective, aligned with business objectives, and capable of driving long-term value.

Change & Communication:

Effective communication ensures that all members of an organization are informed about key decisions, progress towards goals, and how these developments may impact them. Success in implementing a strategic plan depends on the collective efforts of the entire agency, not just the IT Governance committee or planning team.

- **Change:** Change communication is a critical part of a change management strategy that helps stakeholders understand what is changing, why, and how it will affect them. It provides timely, consistent messages aligned with key milestones, ensuring stakeholders are well-informed about the changes that matter to them. It also offers a platform for feedback and questions.

Developing a change management plan for IT Governance begins with understanding the organization, its stakeholders, and the potential impacts of change. The plan should help stakeholders adapt to new IT policies by clarifying what changes they need to make in their daily responsibilities and what is expected of them.

| Awareness | Understanding | Acceptance | Commitment |

Figure 3: Change Management Framework

By maintaining a steady flow of information, engaging stakeholders, and managing feedback, change communication helps ease the transition to modernization and new ways of working.

- **Communications:** A common challenge to effective IT Governance is the lack of clarity around how decisions are made, what processes are being implemented, and the intended

outcomes. To address this, agency leadership must communicate governance processes in a clear and consistent manner.

Best practice begins with drafting and adopting IT policies. From there, a regular cadence of communication, cascading through the organization, ensures that governance updates reach all stakeholders effectively. Using a communication plan helps structure how information is shared to keep everyone informed.

Figure 4: Example Communication Framework

- **Communication Framework:** The communication framework for IT Governance activities varies based on the size and complexity of the agency. The framework includes the following key activities:

  o **Project-level communication:** This occurs frequently, typically weekly or monthly, and is adjusted based on the risk or volatility of a project. The EIS Oversight Analyst and the agency's project management team determine the appropriate reporting period.

  o **Planning and governance communication:** Usually completed on a monthly or quarterly basis, this involves the IT committee reviewing, prioritizing, approving, and monitoring the agency's IT portfolio, as well as resolving any escalated project issues.

  o **Executive engagement meetings:** Conducted at least twice a year, these meetings involve agency leadership and the Assistant State CIO discussing IT strategy and reviewing the roadmap for technology investments. These investments should align with the agency's mission and enterprise strategies.

Communications related to governance processes and outcomes should be shared widely with both business and IT communities, as well as with leadership affected by IT management. Key governance activities, policies, and decisions should be regularly published on the agency's public website and reported to leadership groups such as cabinet meetings, deputies' meetings, and the Legislative Fiscal Office meetings.

The Broader View of IT Governance

Creating effective IT governance requires more than forming committees and drafting strategy documents to meet rigid standards. It involves taking incremental steps to evaluate how people, processes, and technology work together. True governance solutions are custom-tailored to meet specific needs, and a critical step is assessing where an agency's governance processes fall on the maturity curve, while identifying strengths that can be leveraged.

Understanding this enables the design or modification of a governance approach that is not only tailored to the agency's needs but also aligned with its cultural norms. It's important to recognize that IT governance spans all IT functions and can be adapted to suit the unique requirements of any organization. As shown below, a holistic view of governance control points will vary in breadth and scope depending on the size and complexity of an agency, while remaining consistent with established best practices frameworks.

		PEOPLE	PROCESSES			TECHNOLOGY
		Human Capital	Organizational Bodies	Organizational Roles	Organizational Tools	Technologies & Tools
IT Governance	**Strategic Level**	• Agency Culture • Values • Beliefs • Behaviors	• Executive Leadership Team • IT Steering Committee		• IT Strategy • Policies on IT • Data Governance • Information Security Controls	• Organizational Plans • IT Balanced Scorecard • Service Level Oversight
IT Management	**Tactical Level**	• Skill set • Sourcing • Strategies	• Change Control Board	• Chief Information Officer • Program/ Project Managers • Unit Managers	• IT Standards and Policies • Security Baselines • Project Management Methods • Services Level Management	• Multiple Unit IT Balanced Scorecard • Project Metrics • Application Systems Metrics • Service Level Agreements
	Day-to-Day Operations	• Training • Awareness • Compliance • Continuous Improvement	• Other Collective Management Bodies		• IT Projects and Initiatives • IT Procedures and Guidelines • Tasks and Initiatives • Services Level Monitoring	• Operation Dashboards • Network and Infrastructure Monitoring Tools • Project Monitoring • Application Systems Monitoring

Assessing IT Governance

IT governance plays a crucial role in overseeing an organization's IT assets and managing associated risks, making it a shared responsibility between the agency and the enterprise. The effectiveness of IT governance must be regularly evaluated from both perspectives to ensure continuous improvement and alignment with strategic goals.

Agency Perspective

As outlined in the ITGC Charter, the committee is accountable for following established policies, providing investment oversight, managing risks, and monitoring performance. These responsibilities enable the agency to track success and adapt as business needs evolve. Agencies should establish clear criteria to measure intended outcomes and ensure value delivery, while also identifying early warning signs when governance processes need improvement. Tools like SWOT analysis, benchmarking, focus groups, and brainstorming are effective for assessing IT governance performance.

Enterprise Perspective

> *"The State Chief Information Officer shall oversee and coordinate the planning, budgeting, architecture and standardization, consolidation, acquisition and oversight of all information and telecommunications technology by state government and agencies of state government so that statewide and individual state agencies' plans and activities are addressed in the most integrated, economic and efficient manner, in a manner that minimizes duplication, fragmentation, redundancy and cost in state government operations and in a manner that most effectively meets state government and state agency program needs."*
>
> *ORS 276A.206*

At the enterprise level, state statute assigns the State CIO the responsibility to oversee and coordinate technology investments across state agencies to improve efficiency, reduce redundancy, and manage costs. This oversight includes monitoring, controlling, and allocating resources for IT investments.

Part of the State CIO's role is to stay informed about the governance processes and effectiveness of state agencies. This understanding not only helps improve governance across the state but also informs the level of oversight required for individual agency IT investments. To support this, the Enterprise Information Services (EIS) conducts a Maturity Assessment for all agencies subject to IT investment oversight as outlined in the Information Technology Investment Oversight Policy (107-004-130). The assessment evaluates maturity levels related to agency IT governance, project and portfolio management, organizational structure, and oversight experience. The results help determine the appropriate level of oversight for each agency's IT investments.

IT Governance Maturity

In today's organizations, IT is integral to business processes, decision-making, and overall customer experience. Effective IT governance ensures that an organization leverages technology to achieve its objectives, while managing risks and aligning with strategic priorities.

Regularly evaluating and enhancing IT governance maturity is crucial for several reasons:

- **Security and Risk Mitigation:** Effective IT governance helps identify and manage IT-related risks, including cybersecurity threats, data breaches, and compliance failures. By continuously improving governance maturity, organizations can better safeguard sensitive data and ensure robust protection mechanisms are in place.

- **Alignment with Agency Strategy:** IT governance ensures that technology investments and initiatives are aligned with the agency's strategic objectives. Regular evaluation helps ensure IT resources are optimally allocated, supporting key business goals and enabling better decision-making.

- **Regulatory Compliance:** Many organizations must adhere to strict legal and regulatory standards, such as data privacy laws and industry-specific compliance requirements. Mature IT governance structures ensure ongoing compliance with these regulations, reducing the risk of costly penalties or legal consequences.

- **Optimized Resource Management:** IT governance maturity enables more efficient management of financial, technical, and human resources. Continuous evaluation helps prioritize initiatives, avoid resource wastage, and make informed decisions about where to invest in technology.

- **Improved Decision-Making and Accountability:** A mature IT governance framework defines clear decision-making processes and accountability structures. Regular evaluation enhances these processes, ensuring that stakeholders make timely, well-informed decisions that benefit the organization.

- **Continuous Improvement and Innovation:** By assessing IT governance regularly, organizations can identify areas for improvement and innovation, ensuring they remain agile and responsive to technological advancements, market changes, and evolving business needs.

- **Enhanced Performance and Value Delivery:** Evaluating IT governance maturity helps track the performance of IT investments and initiatives, ensuring they deliver measurable value to the organization. It also helps identify gaps where improvements can drive greater efficiency, productivity, and outcomes.

Assessing IT governance maturity should be an annual practice to monitor progress, identify areas for improvement, prioritize initiatives, and ensure the agency continues to derive value from its IT governance processes.

Appendix A. Standards Reference

COBIT 2019

COBIT | Control Objectives for Information Technologies | ISACA

Global Technology Audit Guide

GTAG | Auditing IT Governance | IIA

ISO/IEC 38500:2015

ISO/IEC38500 | International Standard of Governing IT

ITGI Framework

ITGI | IT Governance Institute | ISACA

State of Oregon Agency Maturity Assessment Procedure

EIS - Agency Maturity Assessment

Appendix B. IT Governance Templates

The following templates are designed for convenience, prioritizing simplicity and ease of use while adhering to IT governance best practices and can be downloaded here: IT Governance Resources

IT Governance Policy Template

The following is a standard template outline for an IT Governance Policy. It can be used as-is or customized to align with the agency's standard document format.

IT Governance Charter Template

The following is a standard template outline for an IT Governance Committee Charter. It can be used as-is or customized to align with the agency's standard document format.

IT Governance Self-Assessment

The following user-friendly self-assessment tool is based on COBIT GTAG Auditing best practices and is provided for the convenience of agencies.