ALCOR
ENABLING CLOUD

The CIO's Changing Role While Managing GRC

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Governance, enterprise risk management and corporate compliance (GRC) is a system of people, processes, and technology that enables an organization to accelerate risk-intelligent decisions, improve organizational agility, and reduce system costs.

The key enabler, leader and visionary to synchronously manage this system of people, processes and technology is the Chief Information Officer of the enterprise. He plays a valuable role to steer the enterprise towards revenue generation in sync with defined business goals

Know your GRC 101

Governance is the overall management approach by senior managers led by the CIO who direct and control the whole organization by a combination of management information and hierarchical management control structures. Activities carried out under governance ensure that vital management information given to the executives is complete, accurate and timely. This in turn enables correct management decisions and effective control mechanisms.

Risk management is the process of identification, analysis and responding appropriately to the risk that could adversely affect insight of the organization's business objectives. Wide ranges of risks that generally organizations manage are technological risks, commercial/financial risks, information and security risks. External legal and regulatory compliance risks are key in GRC systems.

Corporate compliance is conforming to a rule, for instance a specification, policy, standard or law. Compliance at an organizational level is achieved through management processes. At the management level appropriate requirements can be categorized (laws, regulations, contracts, strategies and policies), one can assess the state of compliance, assess the risks and potential costs of non-compliance against the projected expenses to achieve compliance, and hence prioritize, fund and initiate any corrective actions deemed necessary.

GRC can thus give organizations a standardized view of information. They can align risk management with objectives, reduce complexity, increase operational transparency and diminish inconsistencies while harnessing technology for the enterprise's best performance.

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Benefits of GRC to the Enterprise

A good GRC environment led by the CIO at its helm is seen as a benefit to the business. As organizations grow and evolve the old procedures are often layered upon by the new processes to ensure optimal functionality and efficiency.

Organizations may have one system and strategy for risk management, another for compliance, one for data governance and yet another for security but without any integration or visibility across all of the areas. GRC however takes into consideration a much broader, integrated and more proactive approach so that the complete advantage of opportunities and resources can be taken by the enterprise.

When a GRC system is effectively deployed it ensures that controls are appropriate, they function effectively, possible risks are proactively addressed, and resources are used efficiently.

Another important aspect of GRC is that it provides assurance to the board and senior management by letting them know that the entire system of governance, risk, and compliance is effective and high-performing. GRC solutions provide a way of sharing and formalizing relevant information by bridging the information gaps in the organization.

The changing role of the CIO down the years

The term CIO dates back from the era of the mainframe computer- the senior most executive in IT whose main task was to deliver reliable IT operations on time and within allotted budget.

By 1970's the CIO's job further involved managing the integration and maintenance of relatively unsophisticated but complex and expensive hardware, software and telecommunication equipment. During this period operations could recover if an IT service failed or deliveries could be negotiable. Another role of the CIO during this decade was to find and pay very skilled people to use complex, inflexible and imperfect software development languages and tools often with fairly ad-hoc methods and standards, in order to build, test, and run the application software for a whole range of business transactions.

Moving ahead to the digital millennium, IT is now embedded in the enterprise across every department from marketing to manufacturing. If the IT service fails or fall short of high performance service, the operations suffers at the extreme and may stop. CIOs today are in the middle of constant changes that are taking place across technology, IT solutions and the way business is done. CIOs thus, need to simultaneously manage the technology backbone of the business, plan for future growth and constantly adjust to warp speed changes in technology.

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CIO's changing role while managing GRC

The role of the CIO is evolving in today's GRC led enterprise;

- The CIO provides strategic vision and leadership for developing and implementing information technology initiatives which align with the goals of an organisation.
- He/ She directs the planning and implementation of enterprise IT systems in support of business operations in order to improve cost effectiveness, service quality, and development of business.
- The CIO is responsible for all aspects of information technology and systems within the organisation.
- The CIO is a peoples' person now. He/ She, along with driving technology processes in an organization needs to govern and be compliant with the human element of their work force. Gone are the days when a CIO only thought about algorithms, logic and numbers.
- The CIO is a doer now while attaining excellence from his team and implementing effective GRC modules.
- The CIO is more of an innovator today than an information technologist.

Today's CIO needs to multitask as a visionary, doer, leader and guide to spear head the enterprise forward with effective governance, risk and compliance solutions.

GRC is vital for a CIO to build and enable a successful business strategy for the digital organization. The organizational business value propositions and revenue flow are increasingly technology driven. The role of the CIO in digitized business is to ensure the reliability, scalability and availability of the technology 24x7.

As more consumers, processes, informational data are getting connected to the internet and thereby businesses are increasingly getting digitized, a strong Information Technology in any organization plays a key role to communicate and work efficiently and effectively with their customers, suppliers, vendors and other key stakeholders. With the increased complexity of IT, and value it brings to the business, the scope of work and responsibilities of a CIO will continue to evolve.

As the IT landscape continues to evolve, the CIO must become more progressive and pro-active in understanding and lessening the technology risks, as well as ensuring compliance with related policies, laws, and regulations.

The CIO in the organization best understands GRC and how it operates, as all transactions pass through his/ her system. He/ She knows where technology is heading to and how it can be used to develop new processes for generating existing value, and to old processes to generate new value.

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Alcor is a technology implementation company focusing on Enterprise and Government technology needs in ITSM, systems integration, web development and mobility space. We provide a strategic ITSM implementation approach to our clients and focus on solving business problems by leveraging an integrated business process design and technology implementation capability.

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