IT GOVERNANCE SURVEY 2014

IT governance comprises the set of mechanisms to ensure that the use of IT adds value to businesses and organizations, with acceptable risks. They are organizational structures, processes, controls and other components that aim to avoid or mitigate weaknesses in the management of an organization, such as lack of staff training, inadequacy of the planning process, recurrence of unsuccessful projects and contracts that do not meet business needs.

IT governance became a specific focus of the TCU in 2007, with the completion of the first survey in order to assess the state of IT governance in the Federal Public Administration (Administração Pública Federal - APF) (Judgment 1.603/2008-TCU-Plenary). Due to the concerning scenario identified, this Court determined to carry out further surveys for this purpose. Given the Judgment 2.308/2010-TCU-Plenary, which assessed the second survey, conducted in 2010, the Sefti established a work process for evaluating IT governance in two-year cycles. Thus, the third survey was conducted in 2012 (Judgment 2.585/2012-TCU-Plenary) and this audit, carried out in 2014, consisted of the fourth work of this kind.

Objective of the survey

The objective of this survey was to collect information on the state of IT governance in the APF, updating the panorama outlined in 2012 (Judgment 2.585/2012-TCU-Plenary). The information obtained in this study allows the TCU to identify the most vulnerable points of IT governance in the APF, guiding the action of the Court as a driver of the IT governance improvement process and, at the same time, help identify good examples and models to be disseminated.

The IT Governance Index (iGovTI), created in the framework of the 2010 survey, aims to reflect the general situation of each organization evaluated and, thereby, encourage the establishment and enhancement of IT governance in the APF.

The individual report submitted in compliance with Judgment 3.117/2014-TCU-Plenary allows each organization to assess its IT governance in relation to good practice and to other organizations of the APF. This instrument, if properly used, can be a valuable input in the definition of objectives, in the planning and in the maturation of IT in the organization.

In the period between February and September of 2014, 372 organizations were assessed by an electronic questionnaire, whose items were based, mainly, on established legal practices, on the precedents of the TCU and on models of good international practices.

Main findings of the TCU

The scenario presented by the IT Governance Survey 2014 confirms the trend of the developments identified in previous research. Nevertheless, the level of adoption of practices, in general, is still far from a satisfactory setting for the Federal Public Administration.

Among the positive aspects identified, the following are included:

- evolution in the adoption of practices related to the fundamental mechanisms of corporate governance and IT structure, as, for example, the increase of the number of organizations which have an IT committee, indicating the recognition of the importance of this collegiate as a supporting structure in the decision-making process;
- significant results obtained regarding of planning and management practices for IT service contracts, which contribute to better meet business needs.

Regarding negative aspects raised, the following cause concern:

- lack of recognition of the importance of IT risk management for the success of organizational actions, despite the high values managed, and of the history of problems related to unsuccessful projects and activities;
- levels of adoption found for the practice of people management, taking into consideration that the success of IT policies and plans are intrinsically related to the ability of the managers and technicians responsible for driving and implementing them;

- the high percentage of organizations that do not execute the process of IT management, a situation that increases the risk of failure of their projects, mainly by the complexity that, in general, involves the development and implementation of IT solutions.

Depending on the value obtained in the IT Governance Index (iGovTI2014), organizations were classified into stages that represent the ability to govern IT. In this cycle, a (basic) stage was added to the three used until the 2012 survey. It is worth noting that 22% of the organizations have initial capacity, which indicates a low level of adherence to the IT governance and management practices established in the questionnaire. In this group, IT hardly contributes, in an effective way, to deliver value to the business. On the other extreme, 8% of the organizations presented enhanced capacity, that is, the chances are good that IT will optimize its contribution to the achievement of organizational results. This is a potential group for the identification of good practices to be shared with other federal public organizations. The following figure illustrates this situation:

iGovTI2014 – Frequency Distribution in the APF

Enhanced (0.70 to 1.00)
Intermediate (0.50 to 0.69)
Basic (0.30 to 0.49)
Initial (0.00 to 0.29)

The TCU's Deliberations

The situations identified in this work deal mostly with issues already addressed by the TCU, through determinations and recommendations to superior governing bodies (Judgments 1.603/2008, 2.308/2010, 1.233/2012 and 2.585/2012, all in the Plenary). Considering that many of the deliberations will still be monitored and that the data collected will undergo validation, with on-the-spot audits of a sample of those evaluated, which will give a better understanding of real situations, there was no specific resolution issued aimed at correcting the weaknesses found.

Yet, it is worth highlighting the determination for the Sefti to provide the data collected in this survey without the individual identification of the respondents, allowing for the society and other interested parties to explore and present additional conclusions about IT governance in the APF.

Expected Benefits

The greatest benefit of this audit is to foster continuos improvement of IT governance and management in the APF, which tends to result in better performance of the organizations in the provision of public services to society.

Also, considering the increasingly intrinsic relationship between IT and business, the infomation collected enables the estimation of the level of risk of the agencies and entities assessed in terms of performance in the conduct of public policies and the execution of programs and other institutional actions, allowing the TCU to improve the planning of its control meausres.

Judgment

Judgment: 3.117/2014-TCU-Plenary
Date of session: 12/11/2014
Rapporteur: Substitute Minister- Augusto Sherman Cavalcanti
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Technical Unit responsible: Department of External Control of Information Technology (Secretaria de Fiscalização de Tecnologia da Informação - Sefti)