Draft Australian Standard Comment Form

Section 1 - Draft Details

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DR No.: DR/AS/NZS 8016	Subject Title: Governance of IT-Enabled Projects.	Date of Comment: 18 October 2012

Section 2 - Comments

Name (for office use only)	Page Number	Cls. Subcls.	Para./Fig./ Table	Comment	Proposed Change	Action on Submitted Comment (for office use only)
	4	1.1	2	Governance is not fully or adequately described ny the term "process"	Refer to "governance arrangements".	
	4	1.1	2	"It applies to the entire business lifecycle of the projects, from conception to confirmation, to ensure, as far as practicable, intended business outcomes, benefits and value have been realized." – what does "confirmation" mean?	"It applies to the entire business lifecycle of the projects, from conception to the point where, as far as practicable, intended business outcomes, benefits and value have been realized".	
	4	1.3	Point (a)	This standard should also be used by executive management.	Insert "and executive management" after "governing body"	
	4	1.3	Point (b)	Missing important members from the list	Insert another sub-item: "Steering Committees, Project Boards, Project Sponsors, Project Owners and similar entities"	
	5	1		There is nothing in the document that tells its intended users what to do with it. What should a director or a top line executive do having read the standard?	Insert a new Subclause: 1.3 USAGE Directors and executive managers should use this standard to guide them in: • defining policy regarding responsibility for, and initiation, conduct and oversight of projects that involve investment in information technology; • evaluating proposals for new projects that involve	

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					investment in information technology; • monitoring the performance and assuring the success of projects that involve investment in information technology; • establishing and maintaining within the organization the behaviours, protocols and controls that are necessary for ensuring that the most appropriate projects are selected for investment and that each project has an appropriate probability of success. Most, and especially medium and larger organizations should use this standard as a benchmark for assessing and, where necessary, upgrading their formal systems for governance of projects. Organizations that do not have a formal system for governance of projects should use this standard as a guide to establishment of such a system. This standard focuses on the overarching roles of governance and on the desirable behaviour of the organization. It does not prescribe, or even suggest, a process or implementation model. Organizations are free to implement whatever process model they think suitable, but in implementing a chosen process model, they should give specific attention to ensuring that the behaviours recommended in this standard are encouraged.	
	5	1.4.2	Item (a)	Value is not the only crtiterion for project selection – indeed over-emphasising value may result in crucial compliance projects not being undertaken.	Replace "have the greatest value to" with "are most important for" Remove the second sentence beginning with "such value…"	
	5	1.4.2	Item (b)	Merely "requiring" is insufficient – there must be a greater focus on manifestation. Requirement can be ignored.	Replace "Requiring" with Ensuring"	
	5	1.4.2	All numbered items	Sequence of items is not optimal.	Resequence in this order: a, f, b, c,I,d,e,g,h,j,k and renumber accordingly.	
	7	1.5		ISO 21500 is not referenced	Delete reference	
	7	1.6.5		Clarify the impact of delegation in terms of responsibility and accountability.	Add text: "Delegation of responsibility creates a corresponding accountability on the part of the delegate, but does not relieve the accountability of the delegator.	
	7	1.6.6		Phrase "of the organisation" may be misused to limit the scope of the concept.	Use a more open and generic term – of an entity, activity, situation or matter.	
	7	1.6.7		Phrase "of the organisation" may be misused to limit the scope of the concept.	Use a more open and generic term – of an entity, activity, situation or matter.	
	8	1.6.11		Note 1 uses the undefined term "organization governance"	Replace with "corporate governance".	

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	8	1.6.15		Incorrectly brings focus to the IT aspect.	Replace with: "A project to introduce changed or new business capability, or achieve defined business outcomes which are enabled by new or changed IT capability.	
	8	1.6.16		Definition differs from that in ISO 38500, but is quite effective.	No change proposed.	
	9	1.6.19		Phrase "of the organisation" may be misused to limit the scope of the concept.	Use a more open and generic term – of an entity, activity, situation or matter.	
	10	2.1	Para 2	"The governing body should ensure governance responsibilities and authorities are defined" is too narrow – it is not just "governance" responsibilities, but all responsibilities.	Remove the word "governance" and for grammatical correctness, insert "that".	
	10	2.1	Para 3	It is not just governance responsibilities that may be delegated	Remove "governance of".	
	10	2.2	1	This paragraph is difficult to follow, and misses an important opportunity to clarify that business managers have responsibility for IT, just as business managers have responsibility for human and financial resources, even when there are separate HR and Finance functions.	In many organizations, the responsibility for IT enabled projects is an implicit and integral aspect of the delegated authority to run the organization in pursuit of its business objectives. The governing body should establish policy and other relevant guidance for managers regarding their responsibility for IT Projects, and regarding which decisions should be referred to the governing body rather than being taken independently by managers. Such policy and guidance should also make clear the distinct responsibility of business managers who run the business and therefore use the IT resources and IT managers who deal with the technical aspects of IT.	
	10	2.3	1	Inappropriate word "function"	Replace with "nature"	
	11	2.3	Paragraph 2 and Table 1	The terms Portfolio, Program and Project" are not adequately defined. However, it is questionable that they should be referenced as they could be regarded as aspects of management practice.	Delete the references and the table.	
	11	2.4.1		Add a new paragraph at the end of this clause:	In the majority of cases, it is not expected that the governing body will directly carry out the tasks of evaluating, directing and monitoring individual projects. Rather, the governing body should satisfy itself that these tasks are actively and appropriately conducted by managers with clearly delegated responsibility, at appropriate levels in the organisation. The governing body should maintain appropriate awareness and engagement in the more significant projects, and should retain visibility of all projects.	
	11	2.4.2	Para 1	Contemporary thinking is that there should not be a separate "IT strategy" as IT is now a factor in business strategy.	Replace :business strategies and IT strategies" with "business and IT goals, objectives, constraints and needs".	

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	12	2.4.2	Figure 1	Contemporary thinking is that there should not be a separate "IT strategy" as IT is now a factor in business strategy.	Replace :business strategies and IT strategies" with "business and IT goals, objectives, constraints and needs".	
	12	2.4.2	Figure 1	The arrow between evaluate and monitor is pointed in the wrong direction (ref diagram in ISO 38500)	Reverse arrow.	
	12	2.4.2	Figure 1	Middle chevron has a missing comma after "process"	Insert comma	
	12	2.4.2	Figure 1	This diagram introduces three vital concepts as the fundamental elements of a project – changes to business capability, changes to IT capability and realisation of value or benefits. However, there is insufficient explanation of these terms.	Add either a section to 2.4, or an informative appendix, containing explanation as follows: This model of the Governance of Projects defined in this standard defines that most projects have three major elements: • Changes to business capability (people, process, structure) • Changes to IT capability • Realisation of value, or benefits While some exceptions may occur, projects that do not contain these three elements are generally at risk of failing to deliver the intended outcomes. This appendix provides further description of the elements, in the interests of effective communication about the scope and status of projects.	
				Continued from previous page	**Changes to Business Capability** This element deals with the aspects of change that are not focused on implementing technology, although the changes that are made are frequently enabled by, and sometimes constrained by the technology. It includes the development of business processes and rules, policies, guides and controls, the design and implementation of organisational structures and systems, and the establishment of non-IT infrastructure. It also includes the acquisition and development as required of people. For some projects, the people dimension now includes non-employees, such as supplier and partner personnel, customers and other stakeholders. Through effective corporate governance of projects, organizations should ensure that there is appropriate attention to all relevant aspects of Business Capability as an integral part of all Projects. **Changes to IT capability** This element deals with the planning, acquisition, development, testing, deployment and support of the IT systems and infrastructure that are required to enable the	

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					organisation's people, processes and structures to operate as intended. Through effective corporate governance of projects, organizations should ensure that changes to IT capability are properly aligned to, and integrated with changes to business capability within the project, so that the changes work in harmony to deliver the intended outcomes. **Realisation of value, or benefits** This element deals with understanding the precise outcomes that are to be achieved, identifying the ways in which they will be quantified and measured, taking measurements and making adjustments to the overall business system in order to maximise the attainment of the intended outcomes. Through effective corporate governance of projects, organizations should ensure should ensure that, for every project, there is a clear understanding of the value, or benefits to be realised, an effective means of monitoring performance, and ongoing management intervention to ensure that benefits are realised.	
	12	2.4.3	Para 1	The text after the first sentence is redundant if the comment above regarding 2.4.1 is accepted	Delete	
	13	2.4.4	Para 1	Incorrectly imposes an obligation on directors to perform a management task.	Modify first sentence to read: "The governing body should, directly or through executive managers…"	
	13	2.4.4		Scope of monitoring is inadequate.	Add after "business cases": "and evolving circumstances".	
	13	2.4.4		Awkward sentence: "They should decide when independent scrutiny of project outcomes and project management systems is required, and implement such scrutiny accordingly".	Replace with: "The governing body should obtain independent assurance of project outcomes and project management arrangements whenever appropriate."	
	13	2.5	Note	ISO 38500 does not "apply" principles – it presents them.	Change "applied" to "presented"	
	14	2.5	Principle 1	This does not articulate the full spectrum of what is intended in the ISO 38500 principle. Appears to give excessive profile to responsibility for value.	Replace first sentence with: "There is clearly defined, understood and accepted responsibility for governance and management of projects from inception through to completion. Add to second sentence, after "business change": "achievement of intended outcomes".	
	14	2.5	Principle 2.	This does not articulate the full spectrum of what is intended in the ISO 38500 principle. Could be read as requiring business strategy to be driven by the needs of IT.	Replace with" The organization's strategy and plans drive its selection of projects, and ensures that the organization has the requisite capacity to deliver its selected projects. Projects are focused on realisation of the organisation's plans.	
	14	2.5	Principle	This does not articulate the full spectrum of what is intended	The organization's capability to initiate, conduct and complete projects is fit for purpose and consistently delivers	

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			4.	in the ISO 38500 principle.	expected outcomes. Individual projects have clear and achievable objectives and consistently deliver on their respective objectives. Threats to the performance of IT projects are identified and resolved promptly before adverse impact occurs.	
	14	2.5	Principle 5.	This does not articulate the full spectrum of what is intended in the ISO 38500 principle.	IT projects are conducted with appropriate conformance to external obligations (including legal, regulatory, contractual, industry, ethical and professional), the policies and practices of the organization, and, where appropriate, policies and practices of the project.	
	14	2.5	Principle 6.	Inappropriately limits respect for human behaviour by linking deliverables to change in business process. Business change should be regarded as not just process change.	IT projects demonstrate respect for human behaviour in all aspects of project planning, management and delivery, including delivery of business change aspects.	
	14	2.6		Inappropriate word "Implementation"	Replace with "Adoption" or "Application"	
	14	2.6.1	Para 1	Needlessly duplicates text from clause 2.5.	Delete and replace with: To conform to this principle, organisations should ensure that: • There is clear and appropriate responsibility for every aspect of projects, from their earliest initiation through to approval, delivery and realisation of intended outcomes. • Those with responsibility for governance and management of projects have clearly defined and appropriate roles, and the necessary capability to do the job. • Senior business executives are fully aware of and properly perform their roles with regard to assuring the success of all projects, through to and including realisation of benefits.	
	15	2.6.2	Para 1	Needlessly duplicates text from clause 2.5.	Delete and replace with: To conform to this principle, organisations should ensure that: • The organisation's plans and planning systems provide the necessary capability for the organisation to successfully identify and complete all projects required to achieve its intended business performance. • The business strategy provides the foundation against which all projects are planned, and all projects are clearly and appropriately aligned to the strategic plan. • Long term IT plans provide the core resources (including people, systems and infrastructure) that are required to enable successful projects that deliver the	

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					outcomes required by the business strategy.	
	15	2.6.3	Para 1	Needlessly duplicates text from clause 2.5.	Delete and replace with: To conform to this principle, organisations should ensure that: • Decisions regarding investment in projects are made for valid reasons, on the basis of appropriate and ongoing analysis, with clear and transparent decision making. • Decisions to continue, to suspend or to terminate projects are similarly made on the basis of further appropriate analysis taking into account experience to date and changing circumstances, ensuring that there continues to be appropriate balance between cost to complete, anticipated value and risk. • The outcomes to be delivered by the project are relevant, the success criteria are clear and measureable, and the project is feasible with regard to the organisation's circumstances.	
	15	2.6.3	Bullet (a)	Over-emphasises value – in some cases success will not be maximising of value but a different outcome (including, perversely, in some cases, a reduction in value). What is more appropriate here is to have absolute clarity of, and to focus on realisation of the intended project OUTCOME.	Rewrite as follows: *Outcome* Project success is defined and measured in terms of achieving clearly defined, achievable and appropriate outcomes. Outcomes may include, for example, increase in business capability, capacity or performance, introduction of new channels, products and services, conformance to a regulatory, legal or contractual obligation, or treatment of an identified business risk.	
	15	2.6.3	Bullet (c)	While risk is an important consideration in decisions to invest, risk must also be an ongoing consideration. Risk is a major determinant of performance and should be discussed further in the next sub clause – performance.	Relocate to the following subclause 2.6.4	
	15	2.6.3	Bullet (c)	Single word behaviour tags are preferable.	Rename the behaviour "Risk"	
	15	2.6.3	Bullet (d)	Single word behaviour tags are preferable.	Rename the behaviour "Benefits"	
	15	2.6.3	Bullet (f)	Single word behaviour tags are preferable.	Rename the behaviour "Termination"	
	15	2.6.3	Para 1	Needlessly duplicates text from clause 2.5.	Replace with : "To conform to this principle, organisations should ensure that: • The organisation has the capability to undertake each and all of its active projects, and will have the capability to undertake new projects as and when required. • Each project has the resources required to assure its successful completion and realisation of intended	

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					benefits. • Each project is achievable with an acceptable level of risk that is within the organisation's defined risk appetite. • The plans for each project match the organisation's requirements for timeliness, cost, risk and quality. • Appropriate measurement and reporting processes provide adequate visibility of all projects and where necessary, corrective action is timely, appropriate and effective".	
	15	2.6.4	Bullet (a)	Some stakeholders do not have to be committed to the project, nor do they have to be capable of delivering the outcomes.	Replace with "The organization is committed to and capable of achieving the required business outcomes from each project.	
	15	2,6,4	Bullet (b)	Typographical	Change "delivery" to deliver. Change "organizations" to the singular form.	
	16	2.6.4	Bullet (c)	Single word behaviour tags are preferable.	Rename the behaviour "Resources"	
	16	2.6.4	Bullet (c)	"commitment to" is superfluous	Remove superfluous words	
	16	2.6.4	Bullet (c)	Additional emphasis recommended	Add a sentence: "This specifically includes those resources required to plan and implement business change enabled by the use of IT, and resources required to backfill personnel seconded from their normal roles to participate in the project."	
	16	2.6.4	Bullet (d)	Single word behaviour tags are preferable.	Rename the behaviour "Management"	
	16	2.6.4	Bullet (e)	Superfluous words "Mechanisms exist to ensure that"	Remove superfluous words.	
	16	2.6.4	Bullet (f)	Should emphasise that management processes must be appropriate and effective, and that suppliers should have clear objectives.	Reword to: "There are clearly understood, appropriate and effective processes in place for management of suppliers, management processes including definition of supplier objectives, requirements, selection criteria, roles, responsibilities, communication, performance measures and review mechanisms that ensure that supplier capability and agreed deliverables meet project requirements".	
	16	2.6.4	Bullet (h)	Superfluous words "Mechanisms exist to provide"	Replace with "There is"	
	16	2.6.4	At end of subclause	Add additional desirable behaviours:	Add new bullet items I, j and k "Outcomes: There is a continued focus on delivering the intended outcome throughout the project, and change control to manage any variation to the intended outcomes." Value: The projected value of the project, and the project's likelihood of delivering that value, is subject to continuing	

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					review and appropriate action is taken in the event that expectations of value change significantly. Risk: An effective risk management regime, aligned to and appropriately integrated with the organisation's overall risk management framework, provides for timely identification, review and management of all risk associated with the project and its intended outcomes. The risk management regime should conform to the recommendations in AS 4360, or ISO 31000."	
	16	2.6.5		Needlessly duplicates text from clause 2.5.	Replace with: To conform to this principle, organisations should ensure that: • Clear policies and procedures are in place, and are observed to an acceptable degree, to guide the establishment, conduct and completion of projects. • Clear policies, procedures, standards, guides and similar resources are in place and are observed to an acceptable level to guide the project management, solution design and implementation decisions made within each project, in respect of business processes and controls, organisation and structure, technology, people and other matters as relevant. • There is an appropriate, current register of internal and external rules for projects. There are effective processes for maintaining the register and ensuring that each project maintains an acceptable level of conformance. • Project reports, management reports and independent reviews confirm that there is acceptable engagement between the project and relevant internal and external agents responsible for standards and conformance.	
	16	2.6.5	Bullet (a)	Awkward many-word identifier	Replace with "Observance".	
	16	2.6.5	Bullet (b)	Superfluous guidance – this is intrinsic to the governance task of "Monitor".	Restate as "Enforcement: action is taken to ensure that deviations from required policies and practices are identified and resolved.	
	16	2.6.5	After Bullet (b)	The clause as presented fails to recognise the importance of projects also establishing and enforcing "local" policies and practices.	Add new text: "Extension: Additional policies and practices required to assure success of the project are created, promulgated and enforced in an appropriate manner".	
	16	2.6.5		The discussion of conformance behaviours fails to provide sufficient guidance on matters where conformance may be important. The behaviour topics list should include: • Compliance (with regulation, legislation etc)	Delete the existing two points 5.1 and 5.2. Develop additional behaviour guidance in respect of these topics and other topics that may be subsequently identified.	

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				• Architecture (define and conform with architecture frameworks and rules)		
				• Standards (identify and conform with relevant international, national and industry standards as applicable to functionality and technology)		
				• Testing (establish rules and controls to ensure that adequate testing is undertaken, including regression testing where applicable)		
				• Documentation (maintain adequate and useable documentation to support future maintenance, fault finding and modification)		
				• Escrow (maintain a workable escrow of all documentation source code and development tools to assure continuity in the event of supplier failure)		
				• Training (ensure that people working on the project have the relevant skills and training).		
				• Configuration (maintain accurate configuration records and change histories for systems from initial development and throughout their life)		
				• Changes (establish effective rules for requesting and approving changes to projects, and for delivery of project releases into production)		
				• Problems (establish effective rules for recording and tracking problems through all stages of project activity)		
				• Faults (establish fault registers to accurately record faults and provide guidance on their resolution)		
				• Releases (establish rules and procedures for the approval of project releases – transitioning of new capability into business operation).		
	16	2.6.6		Needlessly duplicates text from clause 2.5.	Replace with: To conform to this principle, organisations should ensure that: • Planning and conduct of all projects takes into account and makes appropriate provision for the characteristics of all the people in the process, including project personnel, organisation staff affected directly or indirectly by the project's impact on the organisation, its processes, systems, structures and controls, customers, suppliers and others external to the organisation. • Project management practices ensure that all projects are allocated personnel who have the skills, experience	

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					and work capacity to deliver the project as intended. • Projects that are intended to deliver new or changed business capability are planned and organised from the outset to provide balanced attention to the technology and non-technology aspects of change, including business process design, organisational design, communication, recruiting, training, coaching and support.	
	16	2.6.6		The discussion of Human Behaviours fails to provide sufficient guidance on matters where conformance may be important. The behaviour topics list could include: • Communities (Identify and understand the behaviour of the human communities involved in or affected by the project) • Workload (of people involved in delivering the project and those affected by the project) • Engagement (Ensure that stakeholders are engaged in understanding the objectives and, as far as practical, assuring the success of the project). • Recognition (Understand the motivators for each human community and individuals and ensure that there is corresponding recognition of performance and contribution) • Reward (Understand the motivators for each human community and individuals, and ensure that rewards for performance and contribution are aligned ot the motivators.) • Support (understand that people subject to stress may require support that enables them to deal with that stress, and that the support requirements of different human communities will vary greatly). • Information (Understand the nature, extent and timeliness of the information requirement for each human community and ensure that this information is communicated effectively) • Consultation (Provide relevant stakeholders meaningful and timely opportunities to ask questions and to provide input to the project) • Empowerment (Ensure that individuals and communities are aware of and have the means to act independently within their clearly identified and communicated scope of authority). • Objection (Hear, respond to and manage objections to the project and its conduct, in an appropriately	Develop additional behaviour guidance in respect of these topics and other topics that may be subsequently identified.	

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				constructive manner.) • Resistance (Understand the potential resistance behaviours of communities and take specific action to manage any resistance that may occur). • Expertise (Ensure that all skills required for the project success are identified and managed across all relevant human communities. This includes communities that are external to, and perhaps peripheral to the project, and includes the requirement for training and coaching as appropriate.		