

ITGC 03

Roll No. :

Total no. of Questions : 3 Sections (See Note)

Total no. Printed Pages : 5

Duration (Hours) : 3

Maximum Marks : 60

Notes :

1. There are 3 sections. All Sections are compulsory.
2. Section 1 carries 36 marks. In Section 1, solve any 10 of the 13 questions. Each question has sub parts a & b. Solve any one of the sub parts. Each sub parts carries equal marks.
3. Section 2 is a case study & carries 18 marks.
4. Section 3 carries 6 marks.

Section I

Q1a) Portray what should ideally be the purpose of Governance. What is Corporate Governance?

"Corporate Governance is a barometer of the likely success of the enterprise". Comment.

b) Write a detailed exposition on why IT Governance is beneficial to the enterprise. Include at least eight major issues.

Q2a) Name all the IT Decisions and the IT Decision Archetypes. Explain at length, any one IT Decision & any one decision Archetypes

b) "*The significant problems we face cannot be solved by the same level of thinking that created them*" – Albert Einstein

Explain in detail how the above statement applies aptly to the philosophy of IT Governance.

Q3a) What are the qualities of an ideal IT Governance Mechanism? Clarify in depth.

b) Name the IT decision Archetypes & elucidate the specific decision making structure typifying each of them.

Q4a) What are 'Standards' in IT? What is their need? Elucidate in detail with examples.

b) Name with acronym (where applicable) & full form, any eight IT standards. Describe any one in detail.

Q5a) For J2EE, expound the objective of the Standard in detail. What is the current status of development?.

b) What is meant by Standards Management? Explain the significance of Standards by giving day to day examples to make your point.

- Q6a) Write notes on: 1) ISO 17799 Objectives 2) COBIT latest developments
 b) Write notes on: 1) Six Sigma Application rationale 2) CMMI latest developments & trends
- Q7a) What are the five basic ways of classifying Standards? Explain each classification head.
 b) Draw an indicative classification table for IT Standards & complete it with appropriately classified IT Standards (at least two frameworks per classification).
- Q8a) *'To assist enterprise leaders in their responsibility to ensure that IT is aligned with the business & delivers value, its performance is measured, its resources properly allocated & its risks mitigated'*
- ITGI*
- Which IT Governance Framework is ITGI referring to? Explain in detail how this statement about its Objectives is justified by the Framework.
- b) What is the ITIL Standard & what are the various benefits that accrue to its users? Elaborate & enlighten.
- Q9a) Depict & briefly express the COBIT structure using neat labeled diagrams.
 b) Name the COBIT Domains & explain the salient features of each in detail.
- Q10a) Draw a neatly & accurately labeled, detailed figure, indicating the COBIT domains, process flow and number of activities in each domain. The position of Business Goals & IT Governance must be shown appropriately.
 b) COBIT is more demanding than CMMI. Present a detailed argument for or against this statement.
- Q11a) "COBIT is a powerful platform for Auditing IT Initiatives". Do you agree? Present a convincing argument.
 b) List out the strengths & drawbacks of COBIT. Explain any two benefits & two drawbacks in depth.
- Q12a) What is the rationale behind introducing the Sarbanes Oxley Act? Clearly bring forth the IT connection in the Sarbanes Oxley Act.
 b) What is the logic behind the Basel Accords? Explain in depth. In India, who has adopted the Basel II norms?

Q13a) Write short notes on:

- 1) IT Act 2000 2) Data Protection Act 3) Graham Leach Act

b) How is IT concerned with RBI & other Banking Regulations?

Section II Case Study

Read the following passage, & answer the questions that follow.

The Enron episode brought home many lessons – amongst them, the fact that a star-studded board with eminent, high-profile members cannot, in itself, be a guarantee against corporate failure. Before the firm's collapse, several corporate surveys had placed Enron's board among the top – ranking and performing boards in America, for several consecutive years. By any standard, the composition of the Board was 'ideal': its audit & assurance committee, in fact exceeded the norms laid down by the Blue Ribbon Committee in Improving the Effectiveness of Corporate Audit Committees. At least four of the six members had expertise that was particularly relevant to Enron's activities. Dean of Stanford Business School, Robert Jaedicke headed the Audit Committee. Lord John Wakenham was the British Secretary of State for Energy, and Leader of the House of Lords. Paulo Pereira was the President of the State Bank of Brazil, and John Mendelson was the President of the University of Texas. Others on the Board also had resumes to be envied.

Yet, when Enron collapsed under allegations of fraud, the light from the exclusive club went out.

'CFOConnect', August-September 2007, p 48

1. *What according to you are the important lessons to be learnt about Board effectiveness from the above passage?*
2. *Analyze the situation mentioned above, along with your knowledge of the Enron fiasco, & suggest Governance measures that can prevent similar disasters in the future.*
3. *Suggest a detailed plan of how you would harness IT to prevent or at least control episodes similar to that at Enron. Mention any specific Regulations/IT Governance Frameworks that could help in the endeavor.*

Notes:

- a) *State any assumptions made.*
- b) *Illustrative figures will fetch extra marks.*

Section III

Select the most appropriate alternative for the following 10 questions.

Q1 IT is a significant contributor to Corporate Governance because

- a IT is so pervasive
- b IT is changing so rapidly
- c IT is so efficient & effective
- d All of the above
- e None of the above

Q2 IT Governance design & analysis requires one to

- a Take rational, thoughtful IT decisions
- b Plan IT decisions & decision archetypes
- c Be well aware of Regulations & compliances
- d Think through the 'What', 'Who' and 'How' of IT decisions'
- e None of the above

Q3 The key IT decisions can be addressed at the level of

- a The Function
- b The Corporate
- c The Business Unit
- d All of the above
- e Any combination of the above

Q4 In the IT Standards, one can discover

- a Reference Models
- b Best Practices
- c Frameworks
- d All of the above
- e None of the above

Q5 Let the growth rates of ISO 17799 adoption in Asia, Europe, & the rest of the world be r_A , r_E & r_R respectively. Then

- a $r_A > r_E > r_R$
- b $r_A < r_E > r_R$
- c $r_A > r_E < r_R$
- d $r_A < r_E < r_R$
- e None of the above

Q6 Let A = Advisory Function & R = Regulatory Function, then

- a SoX is A & COBIT is R
- b SoX is R & COBIT is A
- c SoX is R & COBIT is R
- d SoX is A & COBIT is A
- e None of the above

Q7 COBIT is considered to give undue emphasis to

- a People
- b Processes
- c Technology
- d All of these equally
- e None of these

Q8 Pick the correct statement

- a IT activities are effective when IT Governance is effective
- b IT Governance and IT activities are not related
- c IT Governance is effective when IT activities are effective
- d All of the above
- e None of the above

Q9 The Indian Data Protection Bill will be based on the equivalent regulation in

- a UK
- b USA
- c The EU
- d Australia
- e None of the above

Q10 The pivotal point of the IT Act 2000 is

- a E-Governance
- b e-Transactions
- c e-Contracts
- d Digital Signatures
- e Anti Piracy