

# Enterprise Governance – Scoring the Organisation

through “The Governor” & the “McFetridge Suite”



## Enterprise Governance - Introduction & Overview

“Corporate Governance” is the management capability designed to ensure efficient execution, guidance and oversight for business transformation and for meeting legislative and regulatory compliance obligations. Compliance has become a business imperative with increasing complexity. These ever increasing requirements are typically seen as a burden to organisations - as opposed to an opportunity for improvement.

Regulatory compliance is a highly pervasive intervention, and by virtue of its comprehensive nature creates an ideal opportunity to highlight not just compliance failure but also opportunities for improvement in performance and reduction in risk. This more comprehensive approach is what we term **Enterprise Governance**.

We support organisations in embedding governance and compliance effectively through a series of facilitated workshops that comprise a comprehensive capability assessment – i.e. a current state assessment and a future state requirement. From the analysis and identified gaps we draw together a strategy and plan to ensure that your organisation meets all its governance obligations.

Our aim when conducting such exercises is to additionally highlight opportunities for substantial improvement for a small extra effort. We endeavour to secure performance benefits so that the compliance exercise ensures early returns.

## The Implications of Regulatory Compliance

Organisations must comply with a range of local, international and global:

- *Legislation and regulation* (e.g. Sarbanes-Oxley, Basel II, King II, Turnbull, GAAP, MiFID, Malaysian Code of Corporate Governance [2000], FSA, DDA)
- *Standards* (e.g. codes of conduct, ISO 17799, ISO15001) all of which will be implemented through one or more:
- *Frameworks* (e.g. COSO, GCR, CobiT, TOGAF 9 or internally developed).

## External Regulations do NOT cover all Operational Activities

The primary mechanisms for business delivery are the organisation’s internal operating procedures and processes. These are not necessary driven by external regulations but will certainly be driven by internal requirements and cover other aspects such as marketing, credit risk, legal risk and reputation management.

## Our Approach - The Governor & Principles

Our approach integrates external and internal obligations reduce the cost of operating the processes through a facilitated process with a selected group of senior stakeholders.

With key members of the organisation we articulate your business principles. A comprehensive structure of context, rationale, actions, implications, risks and issues, metrics, owners are developed all of which are linked to tasks and regulatory obligations.

This complexity is managed through our **Governor** tool which provides the necessary linkages between these elements: regulations, standards, organisational units, suppliers and also makes visible the conflicts and priorities between each.



The **Governor** is the support vehicle that has been continuously developed over 12 years by our practitioners in corporate, technology and contract governance. The Governor, once populated to reflect the requirements of your organisation, remains onsite to sustain your further initiatives.

## Organisational Performance - The Meta Signature

Compliance is, by necessity, a rigorous process which automatically highlights risks and shortfalls in performance.

MD Consultancy combines the **Governor** with the Organisation **Meta Signature** to provide a weighing on the performance aspects highlighted by the compliance process.



## Control through Visibility & Scoring

One of the key features of our tooling is measurement or scoring of compliance and effectiveness – shown graphically:



Measurement is necessary to determine and quantify issues. It makes the process of constructive evaluation and control of the compliance and business impact much easier to assimilate and manage. *This is this part of the overall activity where significant savings can be made.*

## Maintenance of Compliance & Continuous Improvement

We are pleased to work with organisations that have already gone through a compliance exercise and retro fit their organisation into the Governor such that there can be ongoing control and continuous improvement on the compliance front.