| **IT Risk Scenario: Inability to Recruit or Retain IT Staff** | | | |
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| 1. **Risk Scenario Description** | | | |
| **Risk Scenario Title** | The enterprise is unable to recruit and retain IT staff | | |
| **Risk Type** | 2-Service quality; 6-Product & service cost | | |
| **Risk Scenario Category** | IT expertise, skills and behavior: Inability to recruit and maintain adequate IT staffing levels to support business needs | | |
| **Risk Scenario Reference** | 4C | | |
| **Risk Statement** | The organization chronically fails to recruit sufﬁciently skilled IT workers, leading to a loss of efficiency in overall technology operation and an increased security exposure. | | |
| **Risk Owner** | Head Human Resources, Business Process Owner | **Risk Oversight** | COO/CRO |

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| 1. **Risk Scenario Components** | | | |
| **Actor/Threat Community** | Human resources, hiring managers | | |
| **Intent/ Motivation** | The organization may be unable to attract and retain IT staff due to various internal reasons. Insufficient staff retention can also result in an early departure of trained IT staff. | | |
| **Threat Event** | The most likely threat event is increased costs, mistakes, errors and omissions, and missed deadlines, or taking more time to resolve an issue, because the staffing is not sufficient for the work to be done. | | |
| **Assets/Resources** | Enterprise systems, data, productivity and reputation | | |
| **Consequence** | * Increased hiring costs * Consultant/external staffing expenses * Poor return on investments in staff training * Productivity loss, possible reputation loss and loss of competitive advantage due to system outages * Uptime requirements, SLAs, and contractual and legal obligations may also be affected | | |
| **Impact Dimensions (potential forms of loss)** | * Productivity | If the organization is not able to recruit and retain IT staff, this reduces overall productivity of the organization. |
| * Cost of Response | If the organization is not able to recruit and retain IT staff, the overall cost of operations increases due to hiring of external experts or outsourcing the work. |
| * Replacement Cost | N/A |
| * Competitive Advantage | Insufficient competent IT staff impacts productivity and quality, which, in turn, impact the enterprise competitive advantage. |
| * Reputation | Poor customer service has the most impact on the enterprise reputation. |
| * Fines and Judgements | N/A |

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| **Timing** | * The duration depends on how promptly the hiring issues are addressed. * Early detection minimizes the impact of insufficient IT staff and is key to limit the scope of the services affected. |

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| 1. **Risk Scenario Scope & Extent** | | |
| **Extent of the Scenario** | **Worst Case** | Continued rework and retraining of external temporary help or outsourced workers and consultants due to a lack of internal skilled employees.  Unskilled employees or understaffed departments can increase system vulnerabilities and data exposure through mistakes, errors and omissions. Security incidents caused by errors and insufficient training can lead to reputational damage and loss of business. |
| **Typical or Most Likely Case** | Slight increase in cost and possible risk from poor handling of sensitive data.  The business and HR are working on addressing the staffing issue. |
| **Best Case** | If no new challenge hits the organization, IT teams and systems can operate smoothly even if current personnel are not fully trained or retained.  Data are not exposed. The IT staffing issues are addressed swiftly. |
| **Assumptions** | * Change is being implemented to correct the risk over a shorter time period. * Management is not providing any training to employees, which results in a longer duration of reduced capacity. * Hiring new staff is not improved, and several key staff members leave the organization. | |

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| 1. **Controls to Mitigate the Risk Scenario** | | | | | | |
| **Control Description** | | **Control Type** | **Effect on Impact** | **Effect on Frequency** | **Essential Control** | **Reference** |
| 1 | **EDM04.01 Evaluate resource management.**  Continually examine and evaluate the current and future need for business and I&T resources (financial and human), options for resourcing (including sourcing strategies), and allocation and management principles to meet the needs of the enterprise in the optimal manner. | Preventive | Yes | Yes | Yes | COBIT EDM04.01 |
| 2 | **APO07.01 Acquire and maintain adequate and appropriate staffing.**  Evaluate internal and external staffing requirements on a regular basis or upon major changes to the enterprise or operational or IT environments to ensure that the enterprise has sufficient human resources to support enterprise goals and objectives. | Preventive | Yes | Yes | Yes | COBIT APO07.01 |
| 3 | **APO07.05 Plan and track the usage of IT and business human resources.**  Understand and track the current and future demand for business and IT human resources with responsibilities for enterprise I&T. Identify shortfalls and provide input into sourcing plans, enterprise and IT recruitment processes, and business and IT recruitment processes. | Preventive | Yes | Yes | Yes | COBIT APO07.05 |

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| 1. **Key Risk Indicators** | | | |
|  | **Indicator** | **KRI Description** | **Lead/Lag** |
| 1 | Human resource requirements | Number of deviations from the resource plan | Lead |
| 2 | Human resource requirements | Percent of resource plan and enterprise architecture strategies delivering value and mitigating risk with allocated resources | Lead |
| 3 | Human resource requirements | Average duration of vacancies | Lag |
| 4 | Human resource requirements | Percent of IT posts vacant | Lead |
| 5 | Human resource requirements | Percent of staff turnover | Lag |
| 6 | Human resource requirements | Number of identified shortfalls and missing skills in planning for staffing | Lead |
| 7 | Human resource requirements | Time spent per full-time equivalent (FTE) on assignments and projects | Lag |