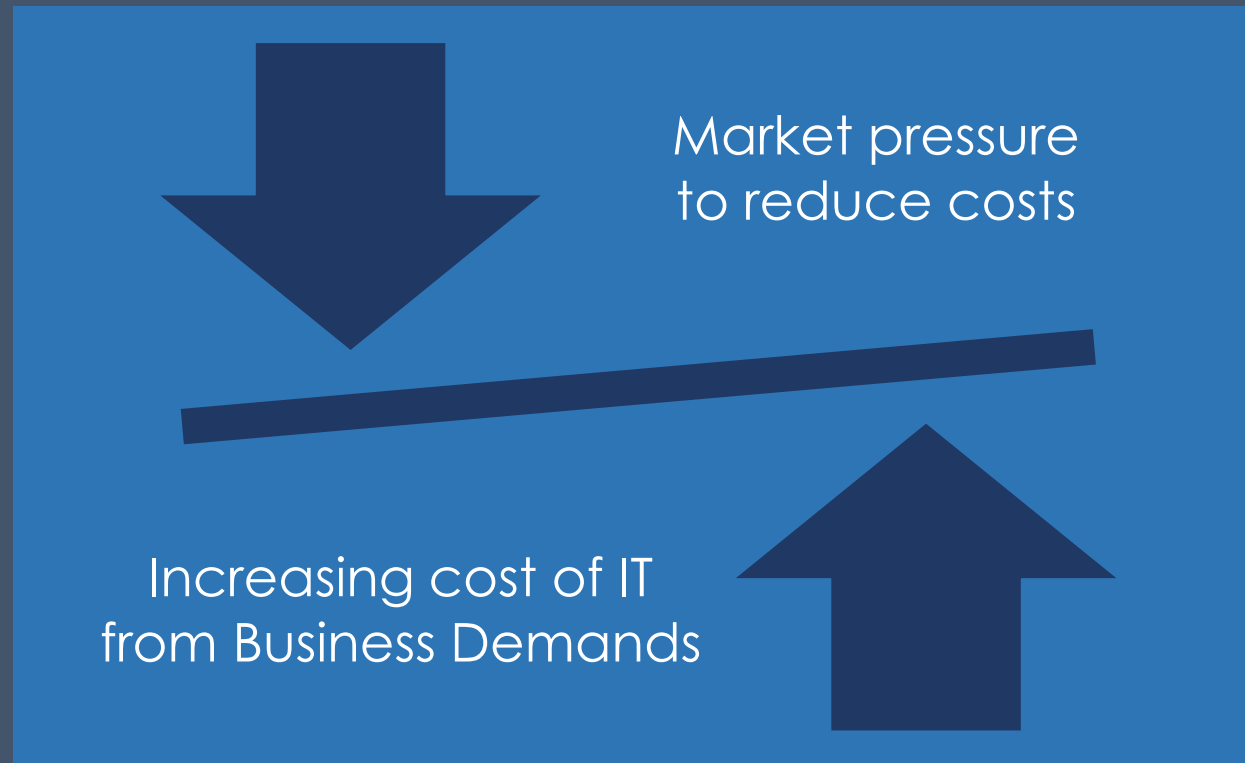


Technology Financial Management *Plus*

Value-add Financial Management for technology
driven companies and IT organizations

Why Technology Financial Management PLUS

The Market demands better efficiency



What business partners see...and don't see about IT

How much am I actually spending on IT?

Why does it cost so much?

Why do my costs keep going up?

What can I do to lower my costs?



Why can't you lower my costs?

Am I subsidizing someone else?

How do I know I'm getting charged fairly?

How IT is perceived

Current State

Lack of perceived value

- IT costs cannot be linked to strategic initiatives and capabilities
- Business partners perceive costs as uncontrollable, unfair, or irrelevant

Lack of clear information to monitor consumption

- Business partners cannot monitor their own consumption of IT
- Funding for innovation and growth get crowded out

Lack of clear information to inform investment choices & tradeoffs

- Difficult to make and defend investment choices and tradeoffs
- Application total cost of ownership (TCO) is elusive, spotty, and untimely when the analysis is completed
- Business partners do not have visibility into ongoing application costs and considerations

Lack of clear information to manage application portfolio

- Application owners do not have information needed to have hard conversations with business partners about cost-performance tradeoffs
- Under-used, redundant, or outdated apps are not retired in a timely manner

What I can do for you.....

What	Approach
Independent Expertise	Bring years of experience with no bias; this gives me clarity and the ability to see the big picture while diving into details
Increase Transparency	Leveraging Technology Business Management (TBM) methods to create transparency for the cost IT services, how they are being consumed by the business, benchmarking services and demonstrating value
Create Financial Discipline	Having an internal facing financial process for Technology decisions and development of technology roadmaps
Drive Accountability	Holding business partners accountable for their demand for IT services and holding technology leaders accountable for the cost and quality of the services they provide
Enhance Collaboration	Getting business partners and CFOs involved in the prioritization and approval of Technology requests and projects through governance/portfolio management
Get Adequate Funding	Combining increased financial transparency, accountability and collaboration with a proven budgeting framework for Technology organizations, have mitigated risk and never missed financial targets
Find Cost Savings	Optimizing IT cost by moving to cloud, vendor consolidation and negotiations, labor location strategies, service centralization, standardization and sourcing, application rationalization and improving utilization
Fund Innovation and Growth	Reducing “Run-the-Business” cost allows for more invest in capabilities that will “Grow-the-Business” or allow for innovation and new revenue streams

What is TBM.....

is becoming the industry
standard approach

Technology Business Management (TBM)

Supply

IT Costs and Unit Rates per
Application and Services

TBM is the practice of measuring,
managing and communicating the
cost, quality and IT value

Demand

Business Unit requirements
for Capabilities and Services

Technology Roadmap

Better alignment of IT
Spend to:

Business Strategies

Transparent

- Drill into the underlying details for every cost driver
- See what's driving app & service cost variance

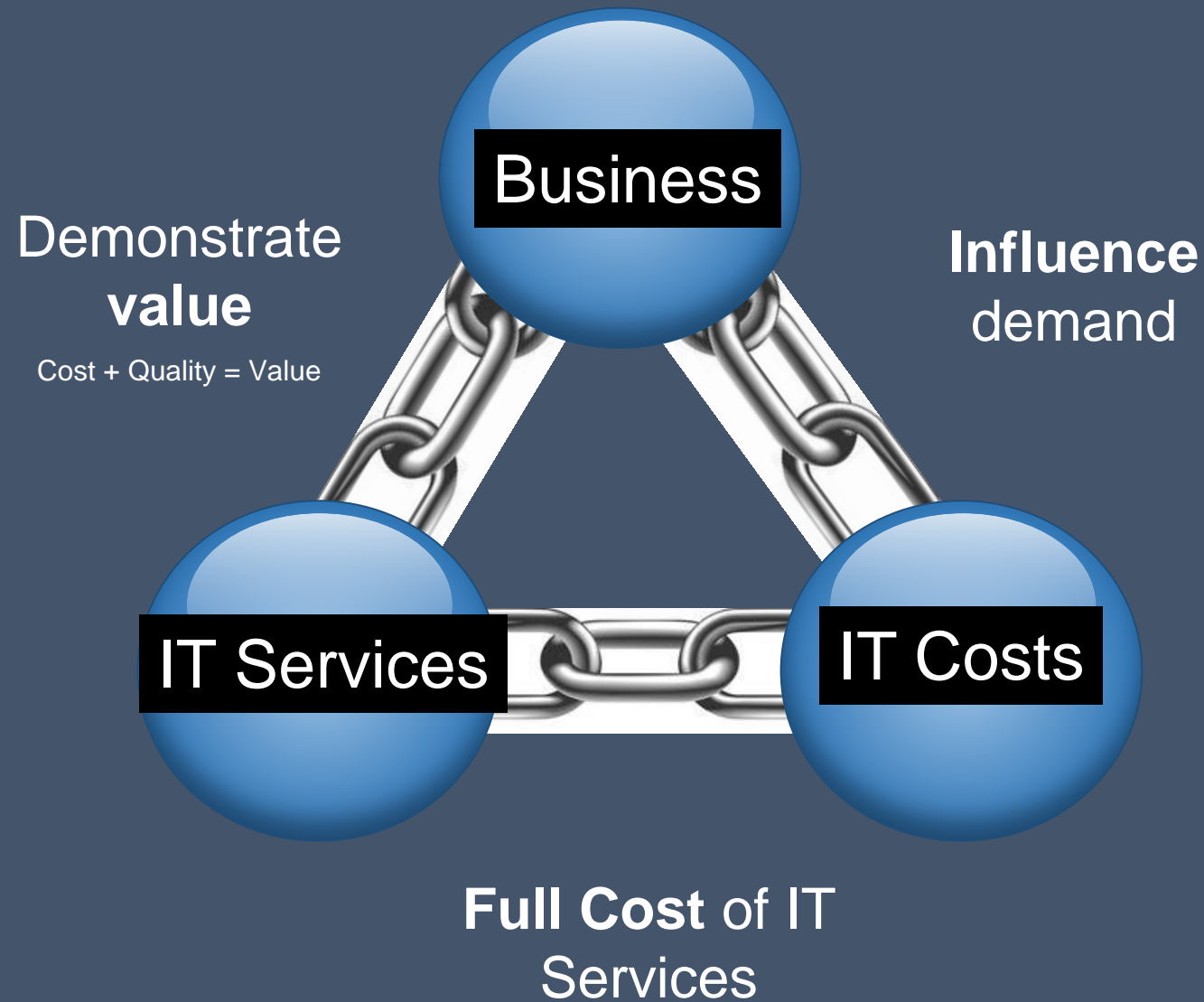
Actionable

- Provide data through role and function lenses to identify actionable insights and accelerate better decisions

Accountable

- Benchmark internally and against industry peers
- Measure & manage supply & demand
- Answer questions with facts

TBM Showing the Full Cost of IT Services



Questions and Answers.....

How do I demonstrate the value of IT?

By delivering quality IT services at a good price ($\text{Quality} + \text{Cost} = \text{Value}$), benchmarking to validate price, holding IT service owner accountable for the price and establishing a business relation management (BRM) function to work with the business.

How do I get my business partners to see that IT cost are not too high?

By demonstrating the cost of the IT services each business is consuming, the impact of business decisions, and holding the business accountable for the demand.

How do I manage business partners demand with limited resources and funding?

By involving the business in the prioritization and decision making through governance or portfolio management process. This will also increase collaboration.

How do I create financial discipline within my team?

By setting an internal financial review process (Decision Support Function) that all technology decisions filter through.

Questions and Answers.....

How can I reduce my "Run-the-Business" Cost?

By combining increased financial transparency, accountability, discipline and collaboration with proven cost saving techniques such as moving to the cloud, I can discuss these techniques at a later time.

How can I improve agility and grow revenue?

By reducing the cost to "Run-the-Business, more funds can be spent on innovation and revenue growth.

What tool do I use?

I'm not tied to any tools; this would depend on several factors such as the size of your organization and funding. I have implemented TBM using Apptio and homegrown tools, and there are several portfolio and project management tools.