

# Use Case: Achieved Transparency into Technology Spend with Cost Modeling

## Starting Position

The company was spending nearly £4bn on IT yearly and wanted to establish transparency into technology spend to better understand how IT supports business goals. Additionally, they wanted to produce data-driven insights on digital portfolio rationalization opportunities.

Approach	Work Done	Business Outcome Delivered
<ul style="list-style-type: none"><li>Creation of Technology Business Management (TBM) office to drive IT spend management and stakeholder engagement</li><li>Automate business application and business service cost calculation and reporting in line with TBM and ATUM taxonomy</li><li>Solution used: Apptio</li></ul>	<ul style="list-style-type: none"><li><b>Teams involved: Finance, IT and Business</b></li><li>Data quality analysis: financial, operational, cost allocation</li><li>TBM Office Roles &amp; Responsibilities</li><li>Trained the team in ITFM/Apptio</li><li>Architecture and development of IT Cost Model, Reporting and Metrics in line with TBM, ATUM Taxonomy and best practice</li><li>Automated insights into service &amp; application Total Cost of Ownership (TCO)</li><li>Aligned tech investments with business goals and objectives</li><li>Provided managed services</li></ul>	<ul style="list-style-type: none"><li>Use data as strategic asset to drive rationalization insights</li><li>Created common language that normalizes tech-speak and business-speak to connect IT and the business</li><li>Strengthen IT as the Business Value creator role</li><li>Promote conscious service consumption by explaining the business what drives the cost of the services they use</li><li>Deliver end user friendly reporting to understand the service unit cost</li></ul>

## Financial Services

Country: United Kingdom

Revenue: £35.4 billion

Area Served: United Kingdom

Number of Employees: 63,000

10% Reduction in 3<sup>rd</sup> party spend identified

40% Reduction in MoM data processing time

10 Performance metrics & KPIs to manage IT spend effectively