# IT portfolio management by the numbers

How IT portfolio management delivers quantifiable value









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This eBook demonstrates the quantifiable value of IT portfolio management with Software AG's Alfabet. Icons in each section indicate this along with additional qualitative benefits. Here is the legend to those icons.



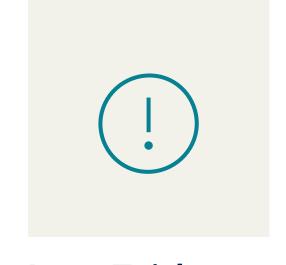
Better business/
IT alignment



**Reduced IT OpEx** 



Faster business innovation



Less IT risk



Easier regulatory compliance



**Optimized CapEx** 



Increased staff productivity



**Greater IT agility** 

>>> Bust the application bloat by 50%\*

## Eliminate redundant assets

#### What it is:

- Understand the functional redundancies among different applications
- Know how many deployments you have of the same system
- Standardize on fewer systems

#### **Issues addressed:**

- "Baggage" from M&A activities
- Rogue IT purchasing across the company
- Ungoverned business "wish list" fulfillment











#### What's in IT for me?



Right now, we have 10 or more marketing automation applications that fulfill very similar business requirements. We are going to consolidate that down to just 2 or 3. This will happen over a 3-year roadmap, during which costs will temporarily go up as we migrate, train, and integrate. **But our costs will get reduced by 50% ultimately.** And that's just one application type."

Global telecommunications company

<sup>\*</sup> Customer sample

>>> Prevent the pointless spending up to US\$ 5 million\* annually

# Avoid unnecessary asset purchases

#### What it is:

- Know what applications you have and what business functions they cover
- Use business capabilities to decide where to target investment
- Establish a demand-to-budget process

#### Issues addressed:

- No transparency into a bloated and unnecessarily complex IT landscape
- Siloed purchasing of redundant or non-strategic software
- Ungoverned demand propagation and non-strategic fulfillment

















We avoid costly technology sprawl all the time with Alfabet. It's part of our processes. If you want to adopt a new technology, you must go through a formal request that is examined within Alfabet. If we already have a requested capability, you won't get approval to spend money on something redundant. And these cost avoidances are commonplace, occurring about once every 2 weeks, for avoided expenditures of between \$100k to \$300k. We probably pay for Alfabet on this alone.

Global medical device manufacturer

>>> Shorten the dull data admin duty by up to 80%\*

# Increase staff productivity

#### What it is:

- Maintain a central architecture repository to find needed answers quickly
- Capture interrelationships between the business and IT architectures to understand dependencies
- Build a data-driven IT portfolio management practice that is fed by daily IT change decisions

#### **Issues addressed:**

- Information on the IT landscape distributed across the organization
- Use of spreadsheets and rudimentary modeling tools
- Time-consuming data gathering, aggregation and synthesis to answer even simple questions





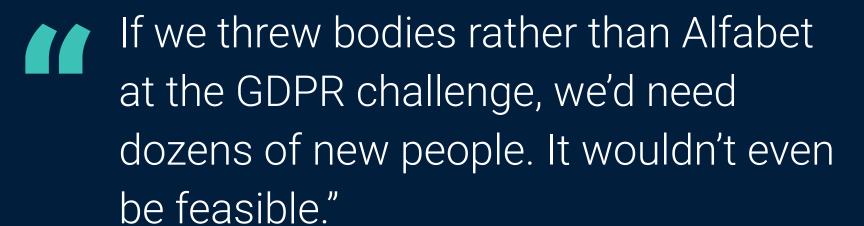








#### What's in IT for me?



Large Australian bank

<sup>\*</sup> Customer sample



At the last telco for which I managed infrastructure IT, we had two people just tracking asset inventory for two product families. Here, Alfabet is used to track asset inventory on 45 product families, and the application has enabled us to avoid hiring a small army of administrators focused just on asset tracking.

US telecommunications company

>>> Make a purchasing power grab and reduce vendor costs by 30%\*

# Improve technology purchasing power

#### What it is:

- Know all the IT products and services suppliers
- Tie the architecture to purchasing and contracts
- Establish portfolio-driven vendor and contract management

#### **Issues addressed:**

- Inability to accurately assess which contracts are relevant for a planned change in the architecture
- Contracts not aligned to IT planning—missed deadlines for extension, renewal and cancellation
- Contracts potentially limiting the consolidation efforts the enterprise is pursuing









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US telecommunications company

<sup>\*</sup> Customer sample

>>> Minimize the cost of catastrophe to untold amounts

# Ensure profitability continuity

#### What it is:

- Know the interdependencies of all parts of the architecture
- Understand what is critical to maintaining the business' revenue streams
- Effective risk mitigation and protection against cyber-attacks

#### **Issues addressed:**

- Not understanding the upstream and downstream effects of a system failure
- Mislaid focus on non-business-critical systems, processes and capabilities
- Inability to react quickly, decisively, and flexibly to business disruption











#### What's in IT for me?



When a car accident took out a transformer on which we relied for power, we were able to determine what operations would be impacted and what backup resources were required to resume operations. As a result, we determined that billing would be impacted and we brought them back up immediately instead of losing 5 days of billing."

US hydroelectric utility



# Meet our IT portfolio management products

### Alfabet

Alfabet helps IT decision-makers make better investment decisions and reduce transformational risks by understanding when, where, how and why to make changes in the IT portfolio. It links the interdependent perspectives of IT, business, finance and risk for "whole view" analysis of how IT can support business change.

## Alfabet FastLane

Get started today with IT portfolio management in the cloud. You'll get answers fast about your IT investments for better cost management, improved agility and faster delivery of IT innovations for the business.

Find out in this eBook how customers use these products to get the most out of their IT. This eBook is based on the findings from Aité Research over a period of ten years of interviews with companies using the Alfabet product.

## Take the next step

Share your data, API-enable the business logic and modernize the user experience with Software AG Mainframe Integration.

**Learn more** 



The digital transformation is changing enterprise IT landscapes from inflexible application silos to modern software platform-driven IT architectures which deliver the openness, speed and agility needed to enable the digital real-time enterprise. Software AG offers the first end-to-end Digital Business Platform, based on open standards, with integration, process management, in-memory data, adaptive application development, real-time analytics and enterprise architecture management as core building blocks. The modular platform allows users to develop the next generation of application systems to build their digital future, today. With over 45 years of customer-centric innovation, Software AG is ranked as a leader in many innovative and digital technology categories.

#### Learn more at SoftwareAG.com.

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