



TBM CONFERENCE 2017

**Funding** Innovation

Standards for Managing the Business of IT



TBM COUNCIL



# Sub-committee Updates

**Metrics: IT & Business Value**  
**White Paper in Review**

**Cloud Standards**  
**IaaS/PaaS Tagging Proposal**  
**SaaS Models Proposal**

**Taxonomy Evolution**  
**Taxonomy 2.1 for RFC Input**

**TBM Adoption**  
**TBM Connect page**  
**Communication Guide**  
**Sample files for data collection**

# TBM Adoption Best Practices

The screenshot displays the TBM CONNECT website interface. At the top left is the TBM CONNECT logo. To the right are social media icons for LinkedIn, Twitter, and a general '@' symbol. Below the logo is a navigation bar with links for Home, About, TBM Council, and Apptio Community. On the right side of the navigation bar are a notification bell with '18', a user profile picture, a pencil icon, and a search icon. The main header area features a blue background with a white TBM logo on the left, the text 'All Places > TBM Adoption Resource Center' in the center, and three buttons on the right: 'Following', 'Actions', and an information icon. Below the header is a dark navigation bar with tabs for Overview, Content, Images, People, and Events. The main content area is divided into three columns. The left column contains an 'ASK TBM ADOPTION RESOURCE CENTER' section with a text input field labeled 'Type your question' and an 'Ask it' button. Below this is an 'ANSWERED QUESTIONS' section with a green checkmark icon and the text 'What advice would you give someone who is just starting?'. The middle column features a large blue banner with the text 'Master TBM Adoption' over a background image of people. Below the banner is the section title 'TBM Adoption 101' and a paragraph: 'Utilize the following resources and tools to strengthen your TBM knowledge and become the TBM subject matter expert within your organization.' The right column is titled 'ACTIONS' and lists several options with icons: 'Ask a question', 'Start a discussion', 'Write a document', 'Upload a file', 'Write a blog post', 'Create a poll', 'Create a status update', and 'Create by email'.



All Places >  
TBM Adoption Resource Center

Following Actions [Info]

Overview Content Images People Events

ASK TBM ADOPTION RESOURCE CENTER

Type your question

Ask it

ANSWERED QUESTIONS

What advice would you give someone who is just starting?



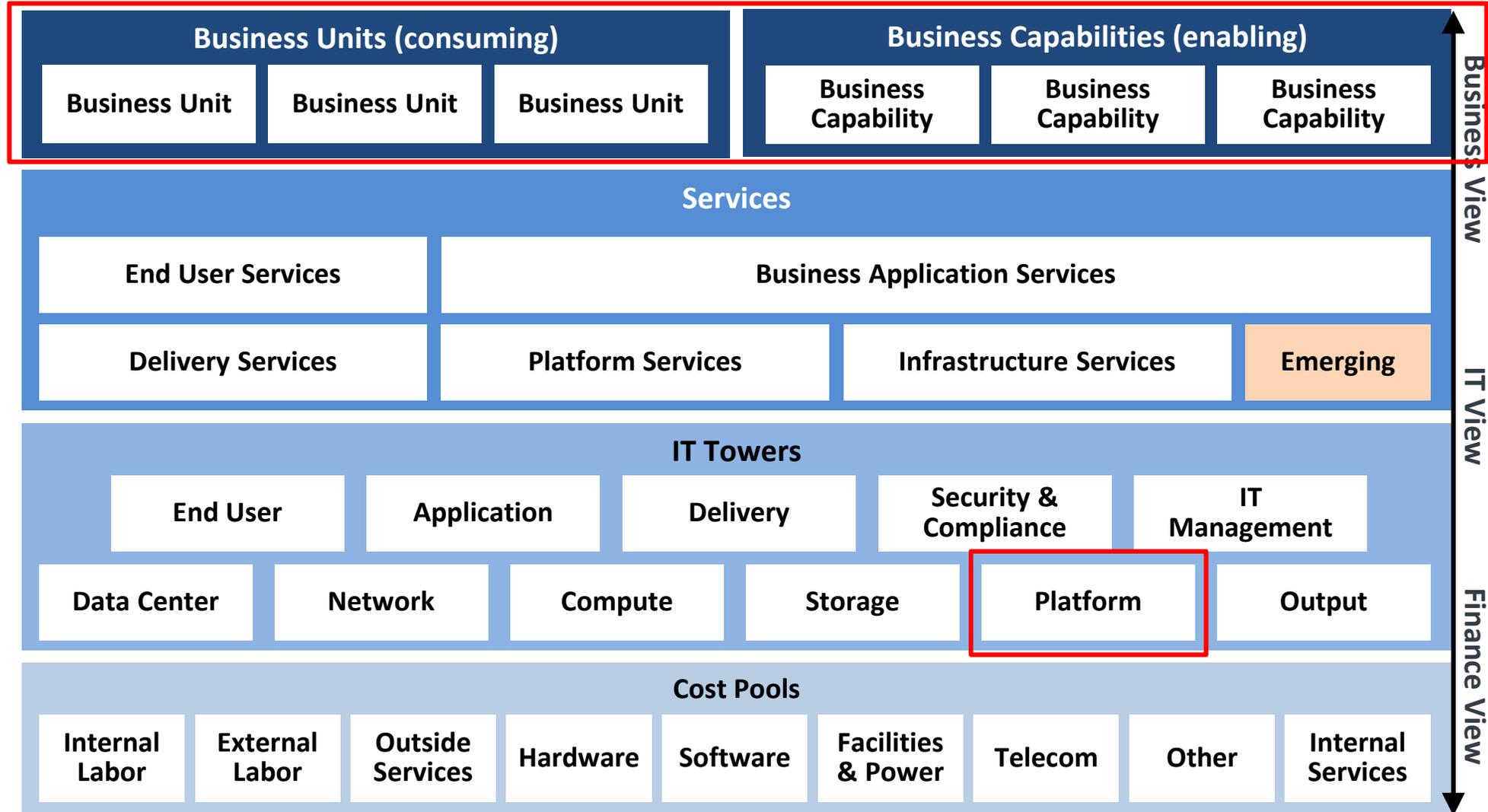
## TBM Adoption 101

Utilize the following resources and tools to strengthen your TBM knowledge and become the TBM subject matter expert within your organization.

ACTIONS

- Ask a question
- Start a discussion
- Write a document
- Upload a file
- Write a blog post
- Create a poll
- Create a status update
- Create by email

# TBM Taxonomy V2.1 (High Level View)



# Value Metrics

- Draft position paper
- Incorporates background research from numerous sources, including Mitra/Westerman, Weinzimer, Gartner, HBR, TBMC...
- Incorporates several models
  - Taxonomy > Services > BCs > BUs
  - Combined W/M and Taxonomy
- Defines simplistic methodology

## Introduction

As more companies progress on their TBM framework a common question often comes up: Business Value of IT and what metrics to use. The Committee decided to create a working group to provide additional guidance to its members on how to measure it. As part of this project, the group has reviewed additional materials about the topic. This white paper should approach the business value

## Why companies need to measure

Research shows that more than 50% of companies are frustrated with the investment in IT services and don't know what they want. The fact that IT for the last few decades has been focusing on IT services and not on business outcomes or "necessary evil" to business is one of the biggest reasons why companies are not making the leap in terms of IT metrics.

But why this topic is so important with their customers in a world where efficiencies should be real and important, worth, or at least investments the business performance to be able to prioritize is not efficient.

One good example is how to improve customer management. A more granular and better IT focus and strategy to implement it was one of the reasons to represent the value of IT support the Management

<sup>1</sup> From google search

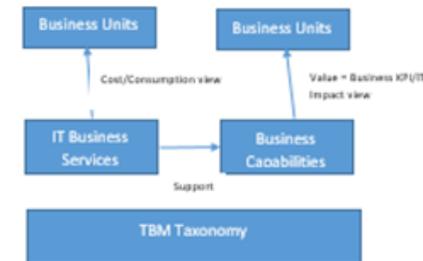
associated costs, and value derived by the business units in performing their activities, across the enterprise value chain.

Due to the complexities described in the previous section, trying to establish business value metrics on a service by service basis will fail in most cases. A better approach is to develop a parallel approach that can fulfill the corporate need to understand IT's cost, while at the same time helping the business better understand the value associated with these services.

As Jason Byrd, KPMG Managing Director - CIO Advisory, described in our interview<sup>19</sup> KPMG recommends that companies look at the TBM taxonomy with this parallel perspective. At the top of their model they have business services (end user or application services) that are consumed by business units. This model addresses the need to provide the corporation with a charge back view recovering IT costs from the business units consuming them.

In parallel with that model there is a business capabilities construct that will reflect the business process for that specific industry. These business capabilities will be supported by several different business services and will be associated with business KPIs associated with the capability

<Add model picture> based on TBM Taxonomy chart (draft idea below)



For example: orders delivered for a logistic business capability or products manufactured with no defects for a manufacturing one. In both examples the IT cost associated with these business capabilities in total can be gathered and then associated with the business KPIs.

In these examples measurements like:

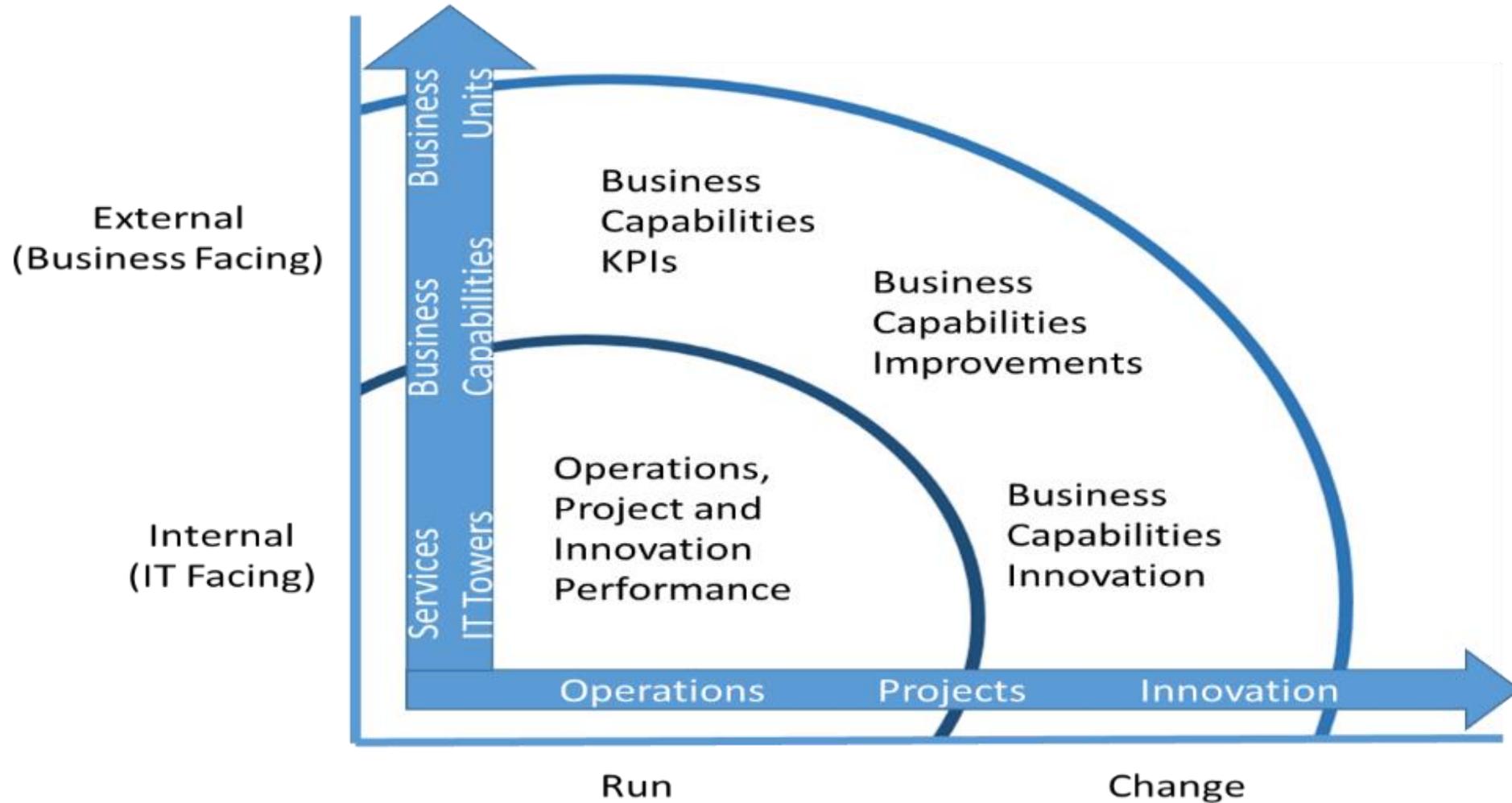
- 1) IT contribution to orders delivery improvement or quality. Examples: IT cost per order trend; IT cost per order quality trend
- 2) IT contribution to defect reduction or manufacturing efficiency. Examples: IT cost per product manufactured trend; IT cost per defect trend

can then be collected driving the conversation on a business deliverable level

The challenge to implement this approach are usually:

<sup>19</sup> Reference KPMG interview

# Value Metrics Conceptual Model (working draft)



# Calls to Action

- TBM Taxonomy 2.1 (pre-board approval) will be posted to TBM Connect next week
- Visit Adoption Resource Center on TBM Connect  
<https://tbmcouncil.jiveon.com/groups/tbm-adoption-resource-center>
- TBM Value Metrics position paper to be released in January
- Email to [ttucker@tbmcouncil.org](mailto:ttucker@tbmcouncil.org) to:
  - Raise your hand to participate in subcommittees or other work
  - Suggest content development (e.g., standards, best practices)
- Keep eye out on TBM Council events page for workgroup formation/meetings