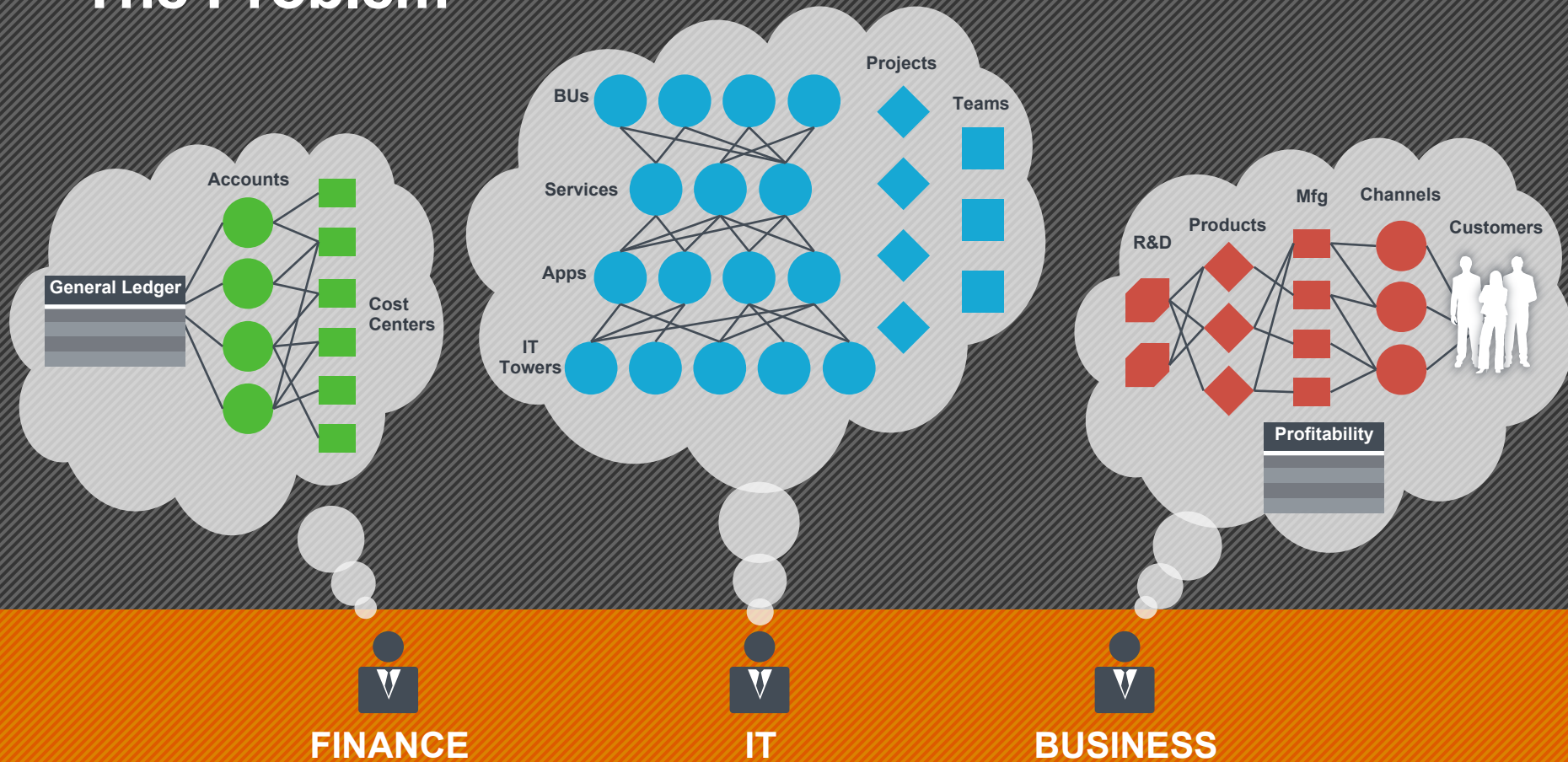


Communicating the Value of IT with a Standard Model

A white rectangular sign with the text "OFFICE OF THE CIO" in dark brown, sans-serif capital letters. The sign is mounted on a light blue wall with two silver-colored circular fasteners. The background of the entire image is a blurred view of a blue sky with white clouds.

OFFICE OF
THE CIO

The Problem



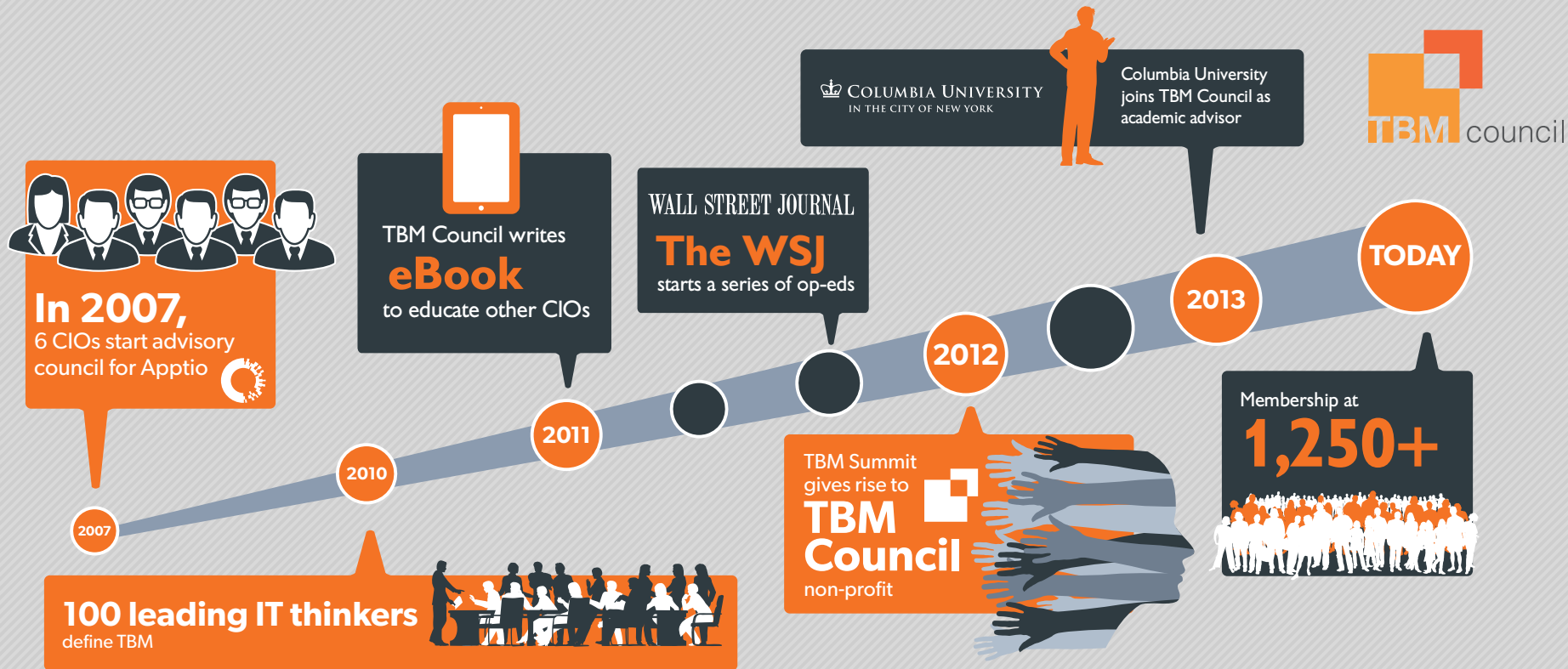
Standards Define A Profession...



No Standard
for
IT's Value?

But They're Difficult to Create

Creating the Industry Standard



The Business Information Model for Technology

What to Measure

Taxonomy



Standard management **categories** for IT



How to Measure

Model



Standard **costing rules** to map and apportion GL costs to IT categories

Data Required

Data



Source data **elements, formats, and relationships** needed by Model



APPTIO

TBM Unified Model™ (ATUM™)

Apptio TBM Unified Model™ (ATUM™) Cost Categories

Business Units

Business Unit 1

Business Unit 2

Business Unit 3

Business Unit 4

Business Unit 5

Comprised of

Applications & Services

Individual Applications by Business Capability

Line of Business	Management & Support
Strategy & Plan	Finance
Design & Build	Human Resources
Market & Sell	Legal
Take Orders	Facilities
Deliver Product	Communications
Service Customer	

End User Services

Client Computing	Connectivity	Communication & Collaboration
Basic Workspace	Network Access	Conferencing
Technical Workspace	Remote Access	Collaborative Workspace
Shared Workspace		Messaging
Traveling Workspace		Email
Copy/Print/Fax/Scan		Phone & Voicemail

Technology Services

Applications & Integration	IT Professional Services	Hosting
App. Design & Dev.	Program & Project Mgmt.	Application Hosting
Application Support	Business Process Mgmt.	Web hosting as a Service
Quality Assurance	Enterprise Architecture	Platform as a Service
	Service Desk	Database as a Service
	Desktop Support	Compute as a Service
		Storage as a Service
		Connectivity as a Service

Comprised of

IT Towers & Sub-Towers

Data Center	Compute		Storage	Network	Communication	Output	End User	Application	Delivery	Security & Compliance	IT Management
Enterprise Data Center	Windows	Database	Tier 1	LAN	Circuits	Central Print	Workspace	App Dev	Ops Center	Security	IT Mgmt. & Strategic Planning
Other Facilities	Linux	Middleware	Tier 2	WAN	Usage	Post Processing	Mobile Devices	App Support & Ops	Project Mgmt.	Compliance	
	Unix	Mainframe Database	Tier 3	Voice			Service Desk	LoB Software	Client Mgmt.	Disaster Recovery	Enterprise Architecture
	Mainframe		Tier 4	Other Network			Field Support	Cloud Apps	Cloud Ops	Cloud DR	IT Finance
	Converged Infrastructure	Mainframe Middleware	Cloud Storage	Cloud Network			Cloud Desktop				IT Vendor Mgmt.
	Cloud Windows	Cloud Platform	Cloud Archive								
	Cloud Linux										

Comprised of

Cost Pools & Sub-Pools

Internal Labor	External Labor	Hardware	Software	Outside Services	Facilities & Power	Telecom	Other
Internal Labor	External Labor	Depreciation	Depreciation	Consulting	Depreciation	Telecom	Other
		Lease	Lease	Managed Service Provider	Lease		
		Expense	Expense	Cloud Service Provider	Expense		
		Maintenance & Support	Maintenance & Support		Maintenance & Support		

- Investment per BU?
- Cost of App per BU?

- What drives app costs?
- Project vs Run Costs?
- App spending levers?

- What drives run costs?
- What are unit costs?
- What do we spend on?

- Where do we spend?
- What drives variances?



BUSINESS



IT



FINANCE

Unified Model™ (ATUM™) Cost Categories

Business Units

Business Unit 3

Business Unit 4

Comprised of

Applications & Services

End User Services

Connectivity	Communication & Collaboration
Network Access	Conferencing
Remote Access	Collaborative Workspace
	Messaging
	Email
	Phone & Voicemail

Technology Services

Applications & Integration	IT Professional Services
App. Design & Dev.	Program & Project Mgmt.
Application Support	Business Process Mgmt.
Quality Assurance	Enterprise Architecture
	Service Desk
	Desktop Support

Comprised of

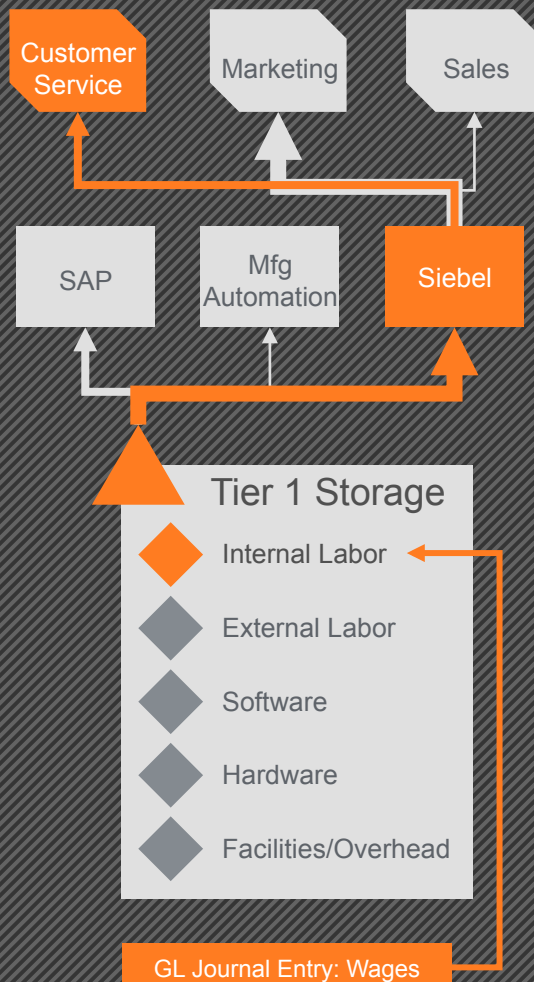
IT Towers & Sub-Towers

Work	Communication	Output	End User	Application	Delivery	Security Compliance
N	Circuits	Central Print	Workspace	App Dev	Ops Center	Security
N	Usage	Post Processing	Mobile Devices	App Support & Ops	Project Mgmt.	Compliance
ce			Service Desk	LoB Software	Client Mgmt.	Disaster Rec.
etwork			Field Support	Cloud Ops	Cloud Ops	Cloud Ops
etwork			Cloud Desktop	Cloud Apps		

Comprised of

Cost Pools & Sub-Pools

Software	Outside Services	Facilities & Power	Telecom
Depreciation	Consulting	Depreciation	Telecom
Lease	Managed Service Provider	Lease	
Expense	Cloud Service Provider	Expense	
Maintenance & Support		Maintenance & Support	



Routed by: BU consumption
Weighted by: Number of logins
Data sources:

- CMDB or Service Catalog
- Log Monitoring Tool

3

Routed by: Storage to App Relationship
Weighted by: Reserved storage size
Data sources:

- CMDB
- Asset DB

2

Routed by: Account Code, Cost Center & Organization Structure
Data sources:

- Chart of Accounts
- List of Cost Centers
- Active Directory

1

Think of ATUM as an **accelerator**, not an inhibitor or constraint.

Optional: Use as much or little as appropriate

Extensible: Adapt it to your unique business requirements

Benefits of ATUM

Business Information Model

Align with the business on cost/consumption tradeoffs and IT value

Defensible

Leverage the experience of 200+ IT orgs and the TBM Council

Accelerated Benchmarking

Benchmark alignment enables easy IT cost comparison with peers

Ecosystem Leverage

Fosters collaboration with a community of like-minded IT leaders

Fast Time to Value

Rapid adoption of TBM via pre-packaged products & methodologies

ATUM in Action: Apptio Suite of TBM Applications

END
USERS



CIO/CTO



BUSINESS



IT OPS/STRATEGY



FINANCE

Apptio SaaS
APPLICATIONS



APPTIO
Cost Transparency®



APPTIO
Business Insights®



APPTIO
IT Benchmarking®



APPTIO
Bill of IT®



APPTIO
IT Planning®



SELF-SERVICE ANALYTICS

Apptio SaaS
PLATFORM

ATUM



TAXONOMY



MODEL



DATA



ADAPTIVE DATA MANAGEMENT

DATA
SOURCES



GL/
FIXED ASSETS



BUDGET



HR

FINANCIAL



ASSET/
CMDB



PPM



SERVICE
DESK



MONITORING



PROVISIONING

OPERATIONAL



VENDORS



CLOUD
SERVICES

BILLING

Plan & Variance

Cost

\$10.98M

Budget: \$11.74M

Cost YTD

\$76.51M

Budget YTD: \$80.96M

Budget Remaining

\$63.23M

Annual Budget: \$139.74M

% Variable

37.65%

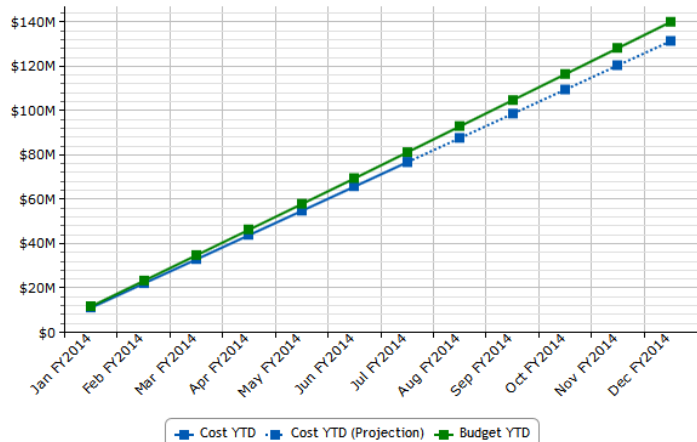
% Variable Cost YTD: 37%

% Capital Spend

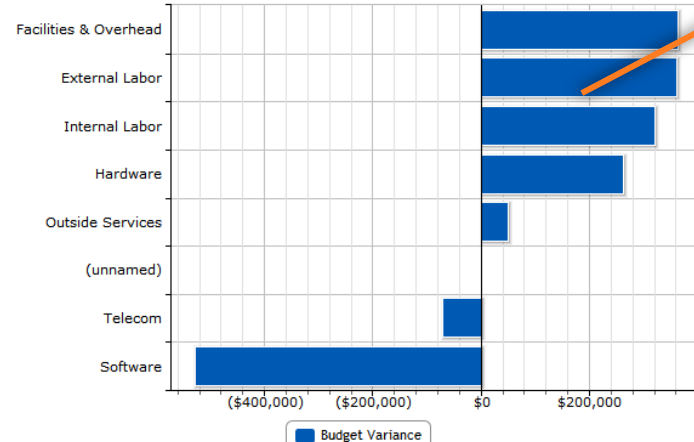
25%

% Capital Spend YTD: 21.5%

Cost With Projection vs Full Year Budget



Budget Variance by Cost Pools

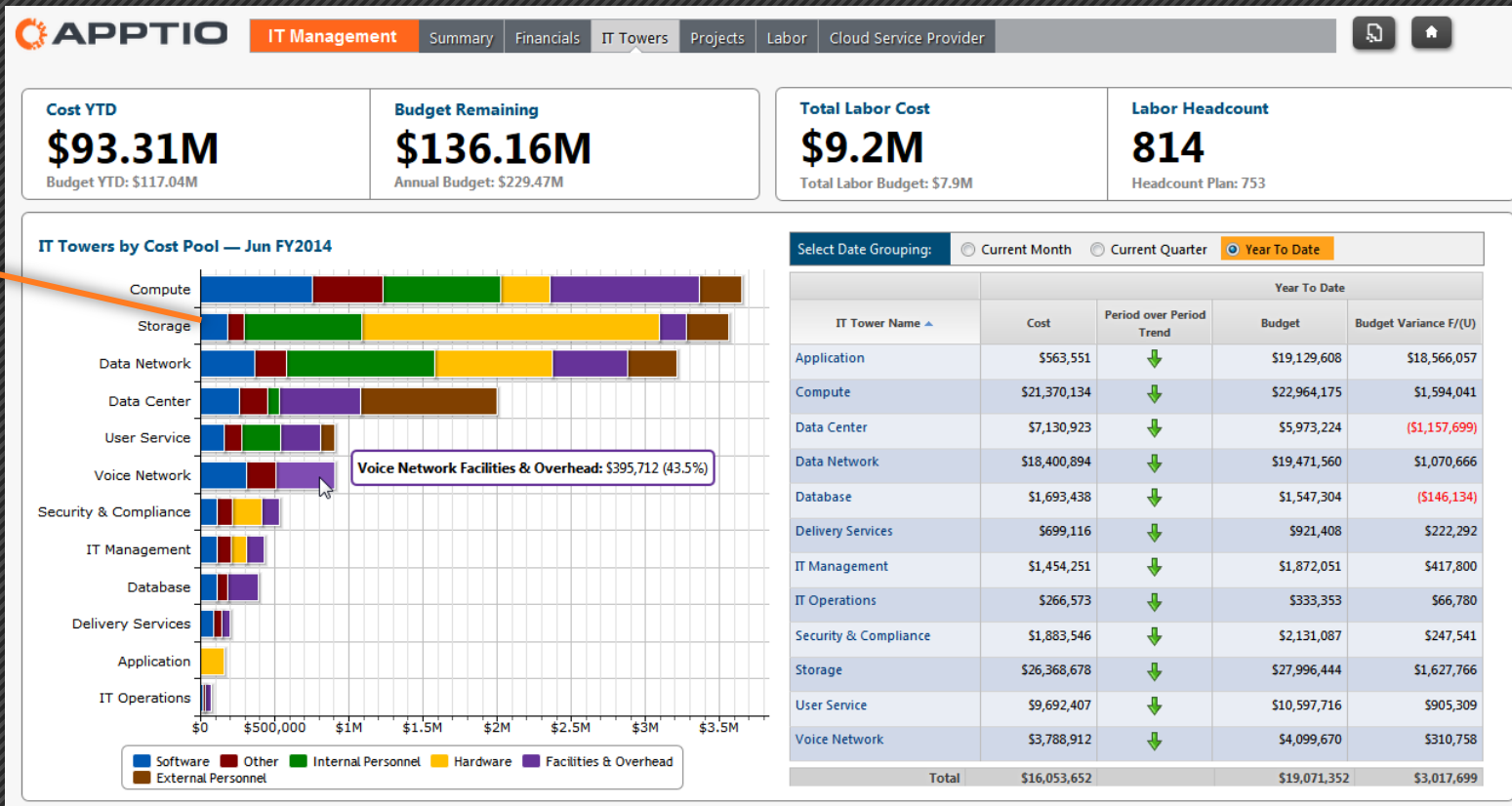


How is our financial agility?

How much are we investing?

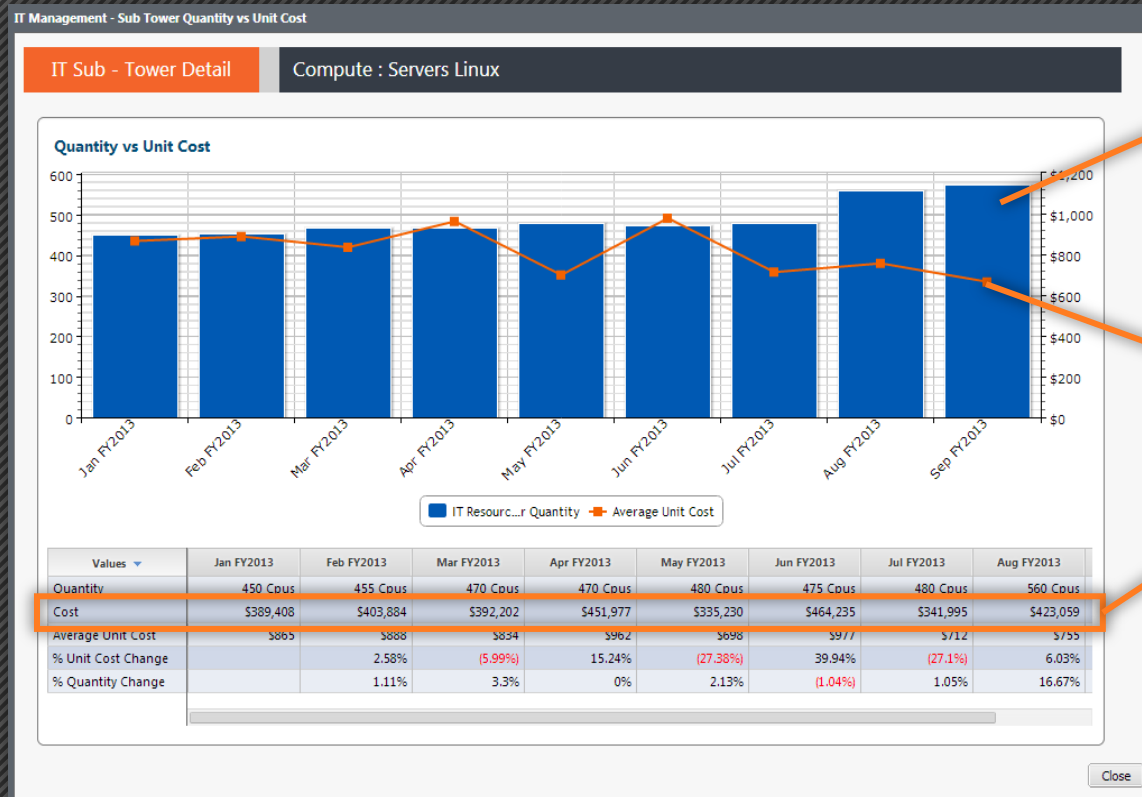
What's driving plan variance?

Costs by Domain & Function (Tower)



Tower cost
by Cost Pool

Server Cost-Efficiency Trends



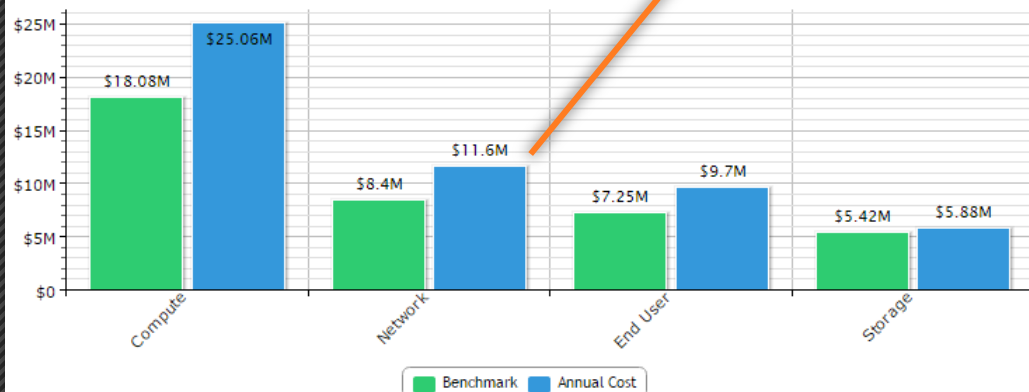
Expenses are rising...

...but cost-efficiency is improving

Benchmark Against Peers

Apples-to-apples
comparisons by Tower

Benchmarking Infrastructure by Towers



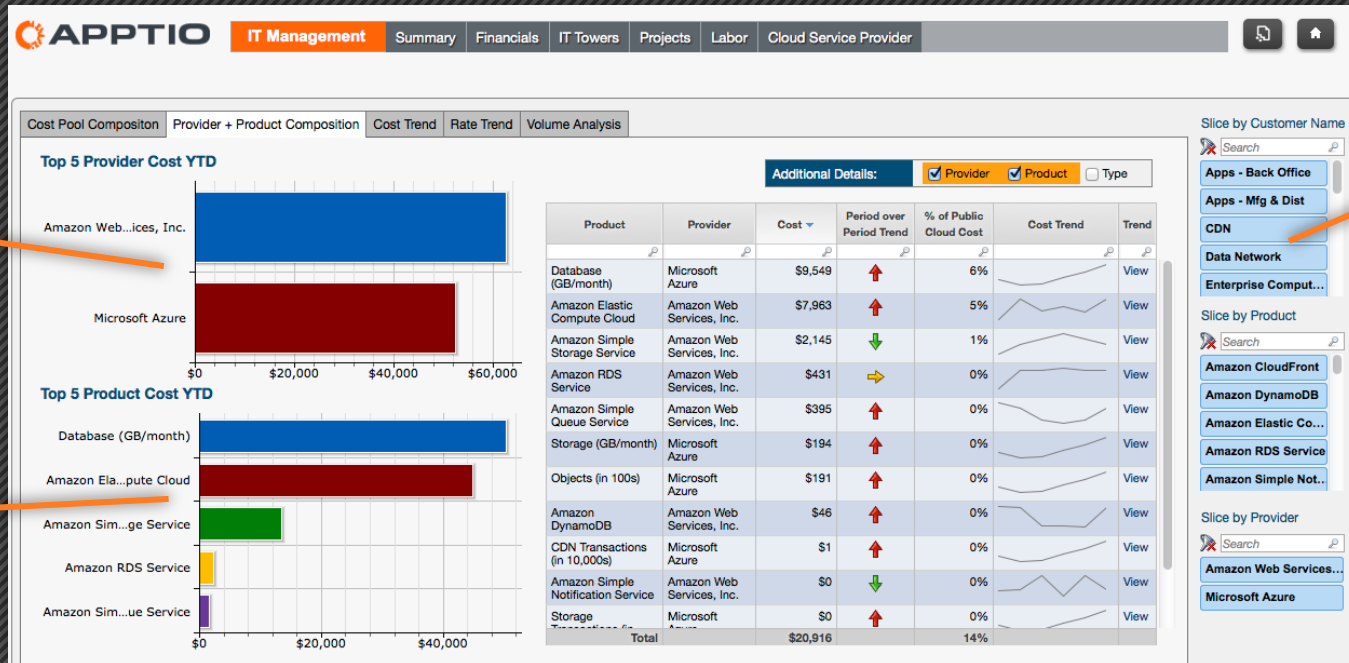
IT Resource Tower	Benchmark	Annual Cost	Impact	Impact %
Compute	\$18,080,106	\$25,064,430	\$6,984,324	39% over
Network	\$8,400,620	\$11,603,803	\$3,203,183	38% over
End User	\$7,254,662	\$9,696,584	\$2,441,922	34% over
Storage	\$5,422,858	\$5,884,243	\$461,385	9% over
Total	\$39,158,246	\$52,249,061	\$13,090,814	33% over



HOW DOES BENCHMARKING INFRASTRUCTURE WORK?

This report shows your actual spend compared to the **estimated Apptio benchmark spend**. The benchmark spend is based on the **benchmark unit rate multiplied by your company's actual volumes**. For more detailed information, click an IT Resource Tower in the bar chart.

Cloud Services We're Consuming

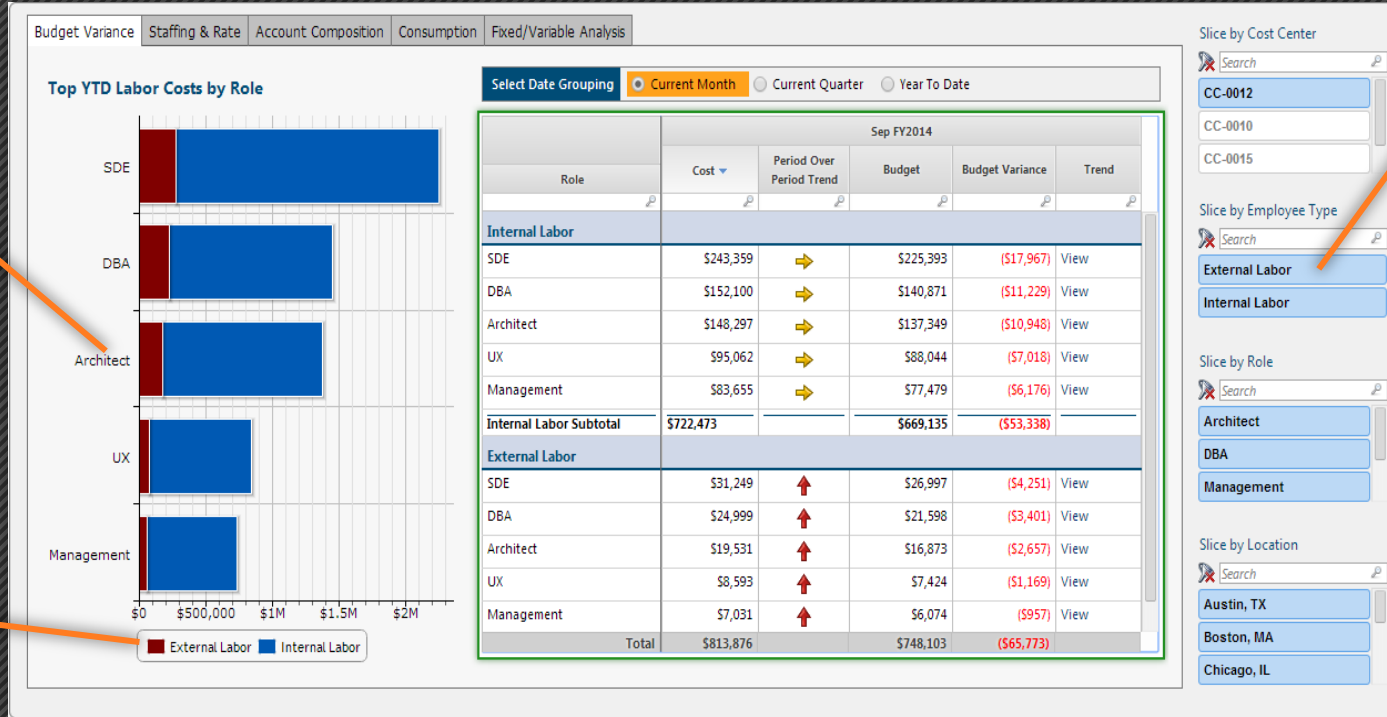


by Customer (AWS linked acct)

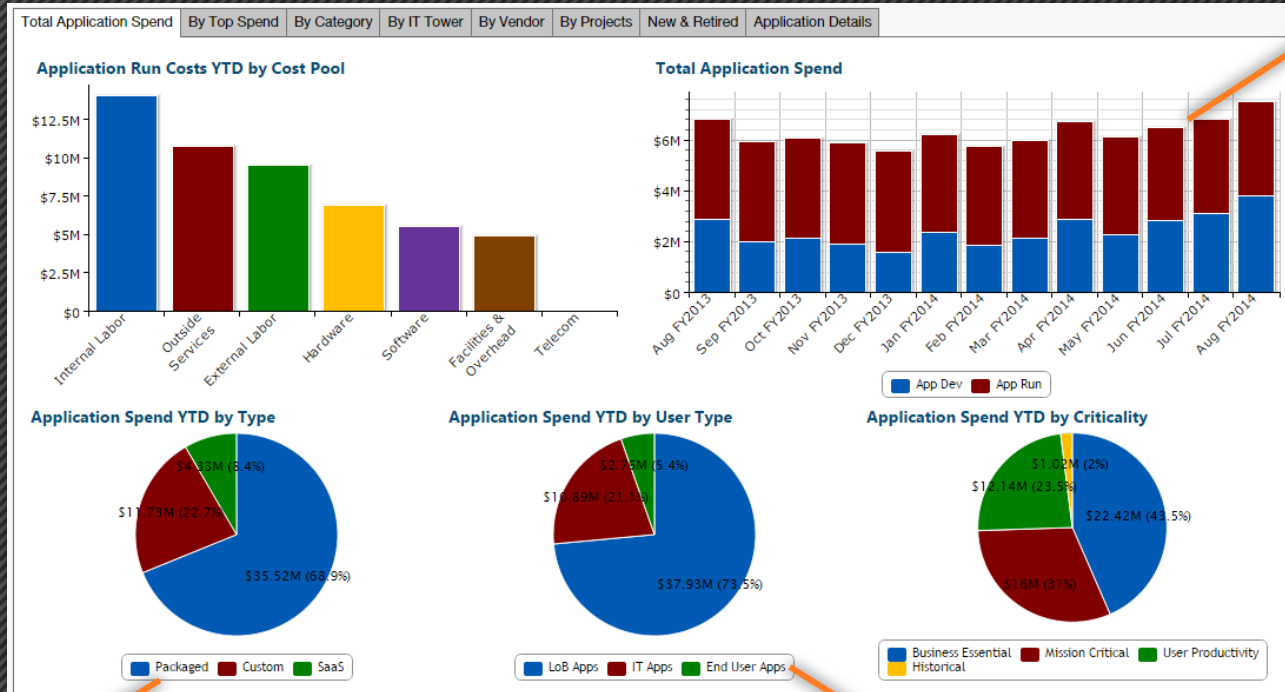
by Provider

by Product

Investments in Skills



Understand Application Spend



Investment
vs KTLO

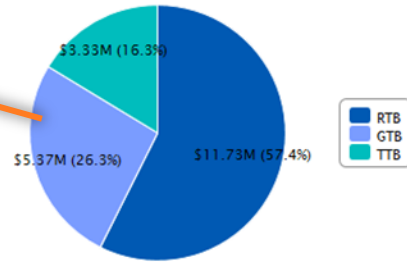
by Sourcing
Strategy

by
Audience

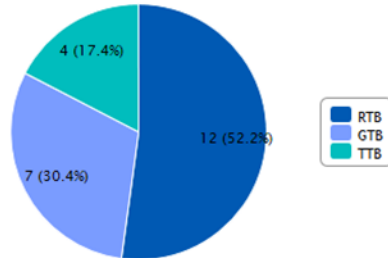
Manage Project Investments

by
Investment
Type

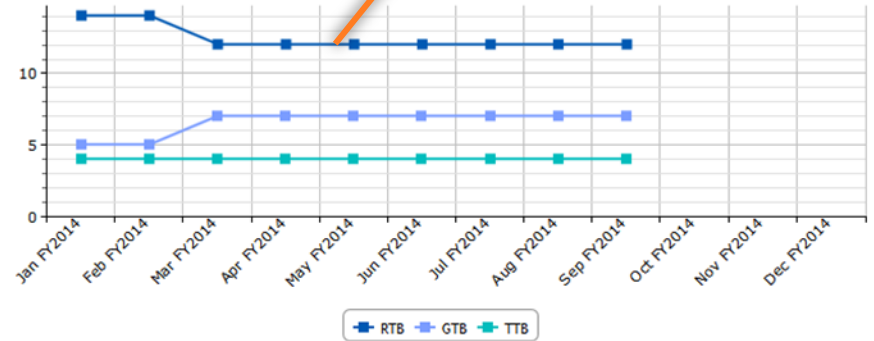
Project Spend YTD by Investment Type



Project Count by Investment Type (Current Period)



Project Count by Investment Type

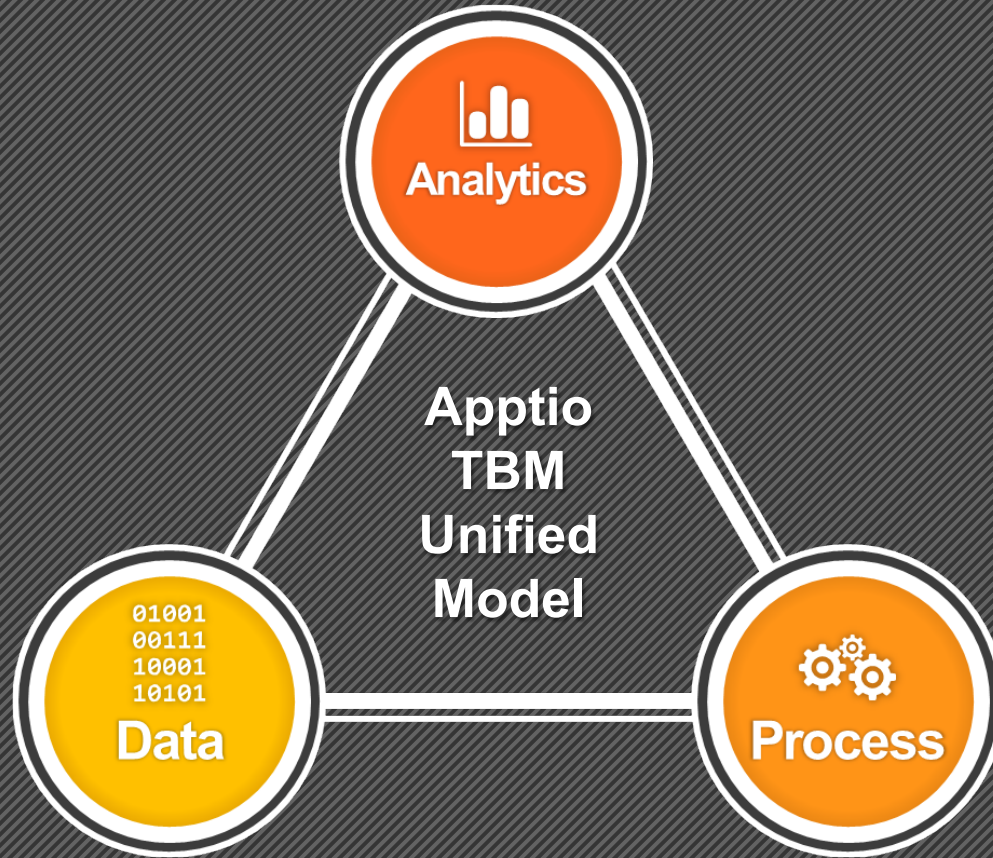


Are we shifting in
the right direction?

Details

Investment Type	CapEx YTD	CapEx Budget YTD	CapEx Budget Variance YTD	CapEx Trend	At Risk Projects	Total Projects
RTB	\$11,726,385	\$10,840,300	(\$886,085)		3	12
GTB	\$5,368,056	\$4,632,200	(\$735,856)		3	7
TTB	\$3,333,813	\$2,807,900	(\$525,913)		2	4

Total	\$25,463,519	\$22,997,700	(\$2,465,819)		8	23
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Where Can You Learn More?

Join us in Glitter at 11am for a deeper dive into the details of ATUM.

Look for a whitepaper on ATUM to be available on our web site in a few weeks.