

# IBM Apptio Costing Standard

Elevate your IT investment strategy

## Overview

Applications and services are pivotal to achieving business outcomes. However, many organizations struggle to directly link the strategic objectives of their business units with specific tech investments. This disconnect often leads to application bloat and overlooks opportunities to allocate funds towards growth initiatives.

Organizations without dedicated Technology Business Management (TBM) practices face common challenges:

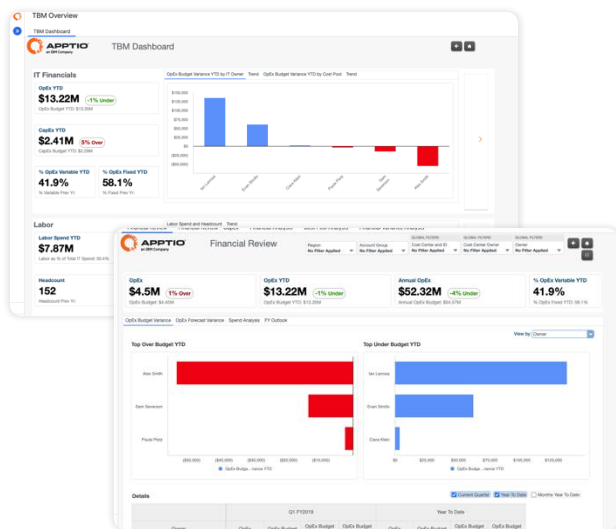
- Optimizing addressable spend is difficult without understanding the total cost of ownership (TCO) of applications.
- Redundant and underutilized applications contribute to portfolio bloat and block funding for new investments.
- Business units do not understand the value of IT, leading to budget and resource constraints.

## The Solution: IBM Apptio Costing Standard

Apptio Costing Standard builds on the foundation set by IBM Apptio Costing Essentials and elevates it to new heights. By incorporating additional data and advanced functionalities, this solution empowers organizations to drive automated, granular, and consumption-based allocations. From application rationalization to infrastructure spend analysis, Apptio Costing Standard revolutionizes TBM practices. It offers stakeholders a transparent view of the costs and value of their products and services, thereby facilitating informed decision-making and strategic investments.

## Highlights

- Reduce the total cost of ownership associated with the largest applications in an organization
- Provide a business-centric view of technology with insights that helps IT organizations unlock and shift resources
- Understand the 'root-cause' for any business unit expense from the app/product/service down to the general ledger
- Allocate costs based on consumption metrics, enabling precise resource allocation and budget optimization

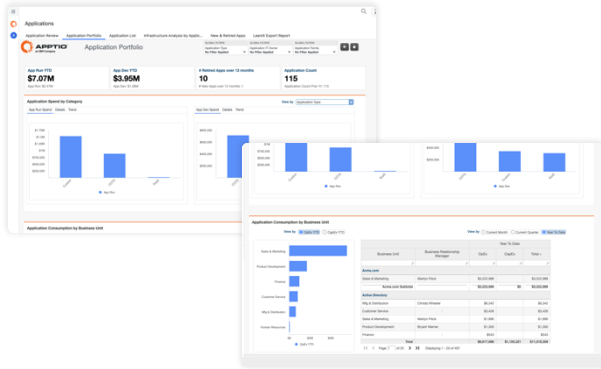
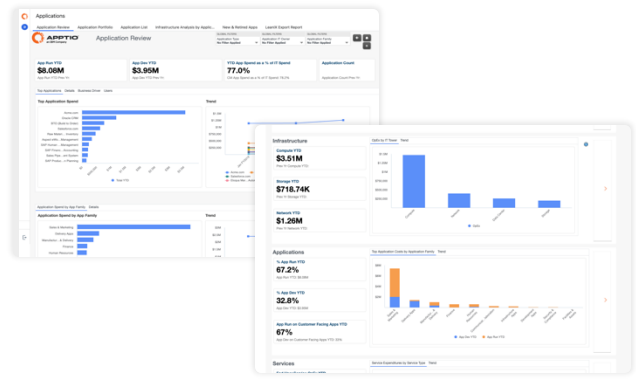


## Apptio Costing Standard

- **Optimize Application TCO**  
Lower the cost of specific applications by understanding the associated fully-burdened cost structure.
- **Rationalize Your Application and Service Portfolio**  
Lower the cost of your application and service portfolio by identifying and eliminating duplications and underutilized applications.
- **Manage Business Unit Consumption**  
Partner with business unit leaders to achieve their business objectives with the most cost-effective IT solution.

## Optimize application TCO

Reduce the total cost of ownership associated with the largest applications in an organization. This can include identifying underutilized hardware or software licensing. It can also be associated with inefficient vendor contracts or unoptimized labor appropriations.

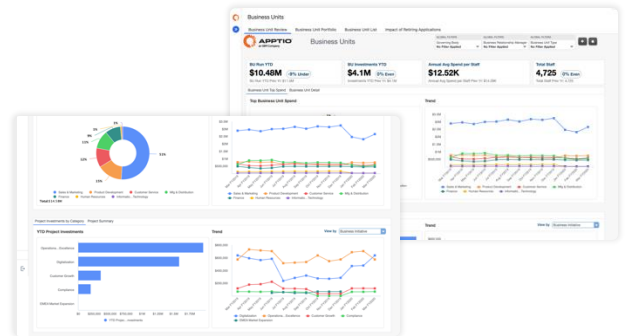


## Rationalize your application and service portfolio

Over or underutilized applications are becoming a growing issue in enterprise organizations, creating inefficiencies that can be redirected to higher value investments. Identify fully burdened application costs with visibility into specific use cases and addressable spend, create visualizations and guidance to identify business value alongside redundant applications for elimination.

## Manage business unit consumption

Unlock the “black box of IT” for the business units to help them understand the actual cost structure associated with supporting them. Turn IT from a cost center to a strategic partner by working with business units to design a technology strategy designed to meet their business objectives.



Identified over 70 apps to retire, taking out \$7M of annual maintenance costs. Based on a 1% margin, this is equivalent of \$700M of new revenue.



Reduced IT spend by 50% by rationalizing 650 portfolio projects to 33 and rationalized the service catalog from 4,000 services to 2,000.



Launched 130 cost optimization initiatives resulting in a \$106M savings program over 3 years

## Get Started

Apptio, an IBM company, is the leading technology spend and value management software provider. Apptio's AI-powered data insights empower leaders to make smarter financial and operational decisions across Information Technology (IT), multi-cloud FinOps, and digital product development. Apptio's mission is to deliver business value with every technology investment and team. Powered by Apptio's cloud platform, Apptio's SaaS applications translate technology spend into clear business outcomes and financial ROI. As a pioneer and category leader in Technology Business Management (TBM), FinOps, and Agile Portfolio Management, Apptio works with thousands of customers, partners, and community members worldwide.

For more information, please visit

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