Do You Have a **Standard Model** for IT Costs?

The Challenge: Getting IT, Finance & Business Units on the Same Page About Technology Cost, Value & Decisions

**Does this sound familiar?**

For most organizations, there’s a mismatch of terminology and context that makes it hard to get alignment around technology decisions.

**Business Units:** I can use my credit card to buy a better service for less money from a cloud provider, so why should I bother with IT?

**IT:** BU's make wasteful, reckless technology decisions and then question my budget. How can I be expected to do more with less?

**Finance:** IT is one of our largest costs and BU's don't see enough value. When can you get me a plan to reduce the IT budget?

**IT’s Value?**

We get the problem: you have no shortage of corporate finance data, but it’s Greek to IT.

You’re struggling to relate financial information to IT budget owners so they can make better decisions about servers, storage, networks, and projects. You’re more focused on wrestling data than extracting meaningful analysis. Worse yet, virtually no one has the patience to decode the complicated formulas required for calculating even basic IT costs.

If only there was a simple, fast, proven, way of translating corporate costs into standard categories useful to IT decision makers. An automated ongoing process that provides repeatable, trended, and shared cost visibility...

Introducing **ATUM:** The Standard Model for IT Costs

The Apptio TBM Unified Model™ (ATUM™) specifies how to marry cost data from corporate finance with IT operational data to produce granular, actionable IT cost analytics. This information empowers IT leaders to manage IT as a business. Apptio developed ATUM through our experience with 350+ customers and our role as the Technology Advisor to the Technology Business Management (TBM) Council.

**ATUM provides the following benefits:**

- Better alignment between IT, Finance, and BU's via common language and information about IT costs
- Confidence to manage the business of IT with the backing of peer-derived best practices
- Faster adoption of TBM disciplines via pre-packaged software built to the standard
- Easier, more frequent IT cost comparisons with peers via ATUM-aligned benchmarking

Visit [Apptio.com](http://Apptio.com) to learn how Apptio's suite of TBM applications leverages ATUM to deliver these benefits and many more.

**How can you use this poster?**

Shape conversations with your IT, Finance, and Business Unit partners. Put it up in your workspace, take it to meetings, even order more posters for your colleagues at [Apptio.com/ATUM](http://Apptio.com/ATUM)!
**1. What Data Is Needed?**
- ATUM: Data

**2. How Should Costs Be Categorized?**
- ATUM: Taxonomy

**3. How Should Costs Be Calculated?**
- ATUM: Model

**4. What Metrics Should You Track?**
- ATUM: Metrics

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**Business Units & Capabilities**

**Services**
- Business Unit 1
- Business Unit 2
- Business Unit 3
- Business Unit 4
- Business Unit 5

**Business Application Services**
- Enterprise Application Management
- IT Management
- Performance Management
- Service Delivery
- Technology Management

**Delivery Services**
- Application Delivery
- Business Services
- IT Service Management
- Technology Services

**Platform Services**
- Access & Integration
- Collaboration & Communication
- Content Management
- Security & Compliance

**Infrastructure Services**
- Application Hosting
- Business Software
- Data Center
- Data Services

**Emerging**
- Cloud Computing
- Cybersecurity
- Internet of Things
- Machine Learning
- Mobile Devices

**IT Towers & Sub-Towers**
- Business Units
- Cost Pools
- Service Centers
- Sub-Pools

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**Cost Pools & Sub-Pools**
- Internal Labor
- External Labor
- Outside Services
- Hardware
- Software
- Facilities & Power
- Telecommunications
- Other

**Actual & Planned Costs**
- Capital
- Capital
- Capital
- Capital

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**Questions it answers**
- How is IT perceived by internal customers?
- Is IT serving business units well enough?
- What is the relative IT cost of each BU?
- How does BU consumption impact IT costs?

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**How to use it**
- Detect & curtail internal-facing “science projects”
- Identify & correct quality slippage before it gets out of hand
- Prioritize and drive investments to change or transform business outcomes
- Drive technology investments to impact business outcomes

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**Finance**
- General Ledger
- Chart of Accounts
- Budget
- Fixed Assets
- Equipment
- Lease
- Accounts Payable

**Technology**
- Server
- Storage
- Network
- Cloud Services
- Mainframe
- Middleware
- Virtualization

**Portfolios**
- Applications
- Projects
- Business Units
- IT Towers
- Sub-Pools

**Services**
- Business Units
- IT Towers
- Sub-Pools
- Applications
- Projects

**Formats**
- Spreadsheet
- Databases
- Flat Files
- XML & Web Services

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**Standardized IT Cost Transparency**

- Service Catalog
- Tickets
- Budget
- Fixed Asset Register
- General Ledger
- Cloud Provider

- 3-5 data sources

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**Examples**
- ATUM: Data
- ATUM: Model

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**Innovation & Agility**
- Product & Service Innovation
- IT Spend by Business Unit
- % of Projects On-Time, On-Budget, On-Spec

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**Business Value**
- IT Spend by Business Unit
- % of IT Investment in Run, Grow, Transform

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**What Metrics Should You Track?**
- ATUM: Metrics