

IT Value Management

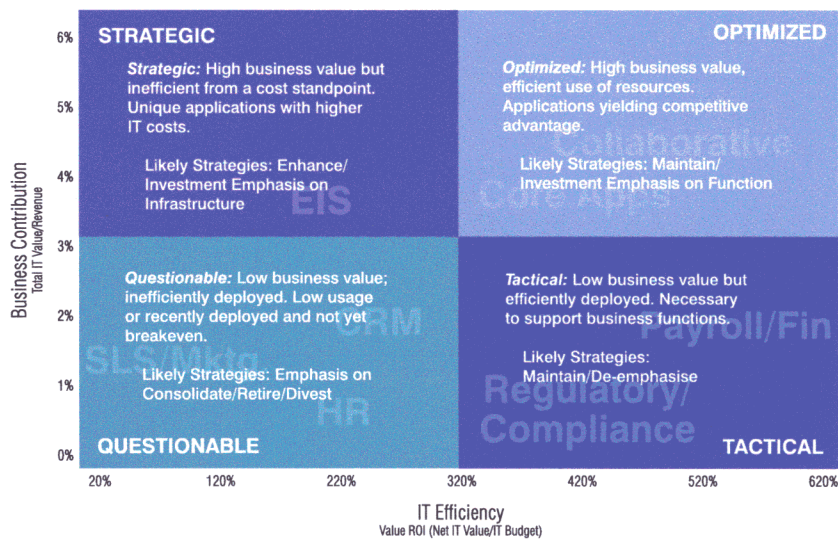


If you were asked to justify every IT decision based on business value, could you do it? Would you know where to start? Could you make value-based decision-making an ongoing part of your governance process?

Now more than ever, CIOs are expected to demonstrate and deliver tangible results from their investments. Intensifying cost pressures, rapidly shifting priorities, and the need to make informed decisions that align with company goals all demand a new way of managing. CIOs now can begin viewing IT investments as a portfolio across the enterprise and direct those investments based on business value.

Ajilon Consulting and ITCentrix have partnered to provide a comprehensive IT Value Management solution that combines the ITCentrix Value Accelerator™ toolset with Ajilon's IT Value Management Life Cycle. This comprehensive solution positions your organization to make business value the driver for IT decisions.

Application Portfolio Quadrant Analysis



www.ajilonconsulting.com
 info@ajilon.com
 800.626.8082

How do you do it? Technology investments should demonstrate measurable returns, just like any other business investment. To take the guesswork out of decision-making, managers need proven, objective methodologies that accurately assess the cost and value IT brings to an organization, before major expenditures are committed.



www.itcentrix.com
 info@itcentrix.com
 508.620.6336

You also need processes that work. The experts at Ajilon Consulting and ITCentrix have the know-how, tools and experience to make value management an integral part of the governance process.

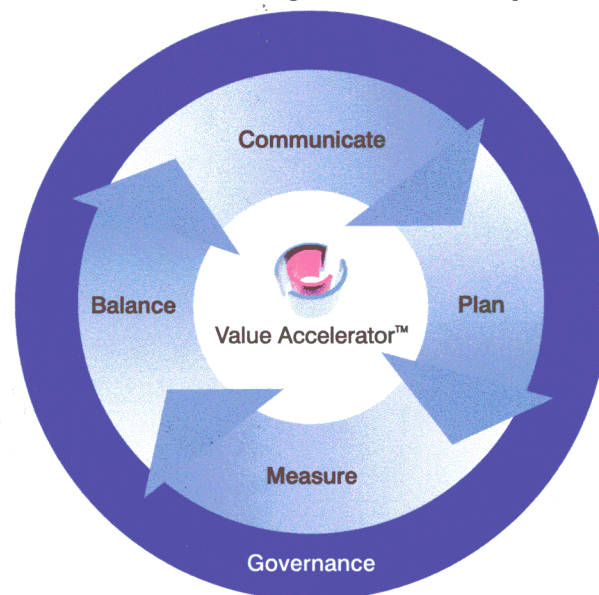
Finally, the process has to be repeatable. Value Management is ongoing—it's a fundamental change in the way you assess, measure, communicate and manage the return that technology investments must deliver.

How do you get started? Taking the first step is easy with Ajilon Consulting and ITCentrix. We help you to identify resources, establish schedules and gather information, so there is no confusion or delay.

We use a four-step process:

- **Step I** - We facilitate the grouping of your business into logical processes that have meaning to business executives. Typically, these are business processes, divisions, departments or other relevant constructs.
- **Step II** - We define and capture the assets that support the business processes (e.g., infrastructure, people, applications, projects) and group these assets by business into easy to digest "suites."
- **Step III** - We analyze the costs required to support assets defined in the portfolio, and ensure consistency with your capital and operational budget figures. How? By spreading the IT Budget (hardware, software, services, staffing) and other costs by each group of assets within each business process suite.
- **Step IV** - We measure and communicate the value associated with those assets. How? By using Web Surveys, scoring techniques and financial facts to identify how IT applications are used and how the assets supporting them contribute to business performance.

IT Value Management Life Cycle



How do you keep it going? Measuring and managing value is not just an annual process...it is ongoing. The value, cost and risk of each investment in the IT portfolio must continuously be balanced against current business objectives and goals, new initiatives, as well as the value, performance and relevancy of existing investments. Ajilon Consulting designed its IT Value Management Life Cycle specifically to establish a life cycle view of IT value. This life cycle ensures continuous alignment of the IT portfolio. At the core of this life cycle is the ITCentrix Value Accelerator™.

The IT Value Management Life Cycle consists of four main stages: Plan, Measure, Balance, and Communicate. A Governance structure and process provide a framework for decision-making authority and accountability throughout the life cycle.

- **Plan** - Business and IT leaders establish the investment portfolio and periodically reevaluate it.
- **Measure** - The portfolio is analyzed for value, risk and performance then benchmarked against peer organizations.
- **Balance** - The portfolio is adjusted to obtain the optimal balance of value and risk based on current investments needs and other influencing factors.
- **Communicate** - The "real time" value contribution of IT is articulated in business terms. Throughout the life cycle, the Value Accelerator™ toolset drives the analysis and benchmarking of the IT portfolio optimizing the value proposition of the IT organization.

Once the IT Value Management Life Cycle is underway, Ajilon Consulting works with business and IT leaders to ensure an understanding and commitment to the value culture and to facilitate the evolution of IT Value Management.

Let Business Value drive your IT decisions. Ajilon Consulting and ITCentrix can help you do it.

THE CASE FOR IT VALUE MANAGEMENT

The following META Group IT industry forecasts suggest that a move towards value-based decision-making is imminent among Global 2000 and forward-thinking organizations.

By 2004, 50% or more of Global 2000 companies will use some form of IT portfolio management. Continuing economic uncertainty and volatility through 2004 will drive IT organizations to focus on improving productivity, quality, and business alignment

By 2005/06, more than 75% of Global 2000 organizations will adopt traditional IT strategic planning as a best practice, while leading-edge organizations will have fully integrated business and technology strategy planning into a seamless, ongoing value optimization process.

By 2005/06, 50% of IT groups will move beyond cost center status to dynamic planning, enterprise architecture development, IT asset management, and business relationship management.