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Let Rego Be Your Guide

Overcoming Challenges to Obtain Value Faster from Your Cost Transparency Investment

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Introductions

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Who is Rego?

- Rego provides **strategic consulting services** to **650 customers**, including 50% of the Fortune 100.
- Our **200+ guides** guide customers on strategic IT governance — connecting Technology Business Management with Project Portfolio Management to accelerate digital transformations.
- We bring industry **best-practices** to assist our clients in developing a **strategy** for deploying capabilities as well as helping them **realize that value** of best-in-class tools for better visibility into your business.

200+	650+	50%	70%	2000+	600K	1000+	1200+	98%	13
Expert Guides	Happy Customers	Fortune 100 Companies	Fortune 20 Companies	Attended Free Classes	Received End User Training	Integrations	RegoXchange Items	Customer Retention	Years in Business

Some Customers Who Trust Rego

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What Makes Rego Consulting Unique?

We Only Hire Experienced Practitioners

- Our expert guides are just that. Guides. We guide you down the correct path
- Rego consultants have 5-10 years of experience before joining -- no junior resources
- We understand how Apptio achieves business objectives

Global Services Leader

- 50% of the Fortune 100 and 70% of the Fortune 20 rely on us for our expertise
- New Apptio module implementation
- Full service Apptio managed suport
- Robust training practice & OCM support

Proven, Flexible Methodology

- With our Agile approach, we deliver real results, real quickly.
- Rego understands that TBM maturity, industry, processes, governance, & user acceptance impact an engagement

Competitive Pricing

- Rego’s lean organization allows us to offer discounted consulting, training, and support at rates that are typically 20% to 30% less than competitors
- Rego consultants work faster, more efficiently, with more value delivered

What You'll Learn Today

Stumbling Blocks

Common cost transparency stumbling blocks and how to overcome them

Time-to-Value

How to accelerate your time to value

What's Good Enough?

When is your model and data "good enough?"

Socialization

Socialization of Cost Transparency

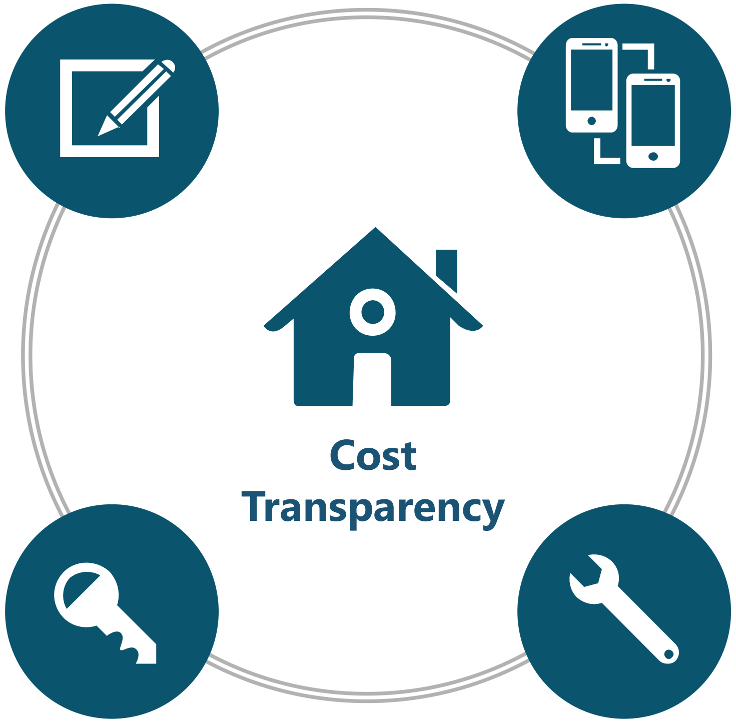
Revitalization

Dealing with a model that is outdated or heavily customized

Common Cost Transparency Stumbling Blocks

Not seeing "quick wins" from Cost Transparency

Stakeholders are no longer excited about Apptio (and no longer engaged)



Long-running Implementation with nothing deployed yet

Time-consuming maintenance

Quick Wins

Most organizations that implement Apptio are looking for Application TCO (among other things), and expect some TCO-based quick wins. A realistic look at your data and current configuration needs to occur:

Data

What data is required to build Application TCO? (Apptio's Data Advisor is key here)

What data do you currently have?

When can the data be provided?

Configuration

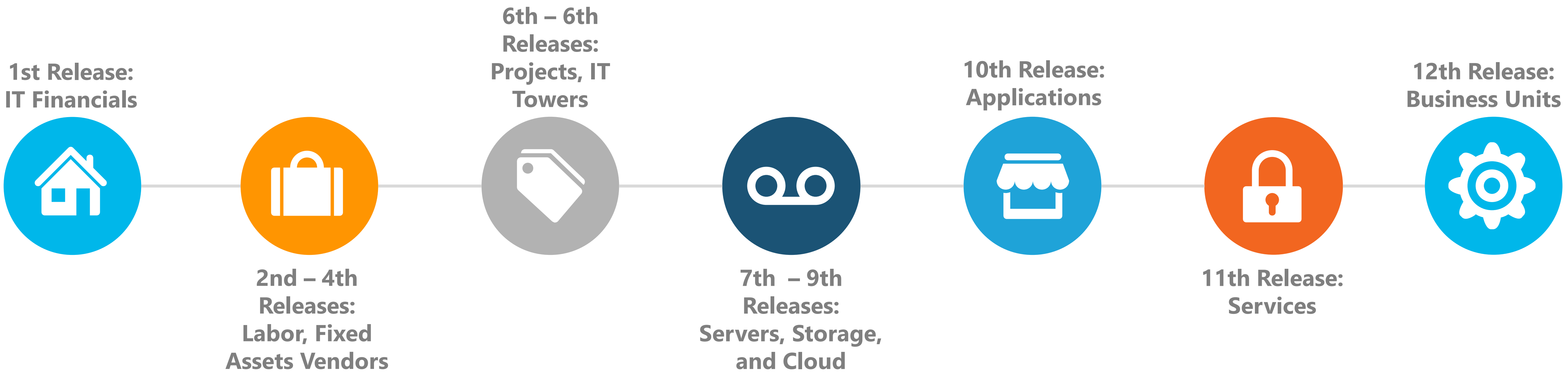
What is the level of effort required for the build?

When will it be delivered?

While Application TCO is being built, discuss with your stakeholders what additional value they are looking for and align it to the CT configuration. Apptio's Value Explorer will assist with aligning a "quick win" to an object or tower. The same questions that you ask in Application TCO will be applied here as well.

Long-Running Implementation Without Results

Look at a Cost Transparency Implementation as a build of Lego blocks; all components are built on top of other components. Applications are near the top of the blocks, but there are multiple reports on the other "Legos" to get to Applications. Our recommendation is a staggered release of reports:



Suppose there is concern that end-users will access partially built tower/reports. In that case, you can generate each object/report out in branch, validate, then copy the configuration into the project to ensure that builds that aren't complete aren't released. By continually releasing reports, you'll provide value and re-engage stakeholders.

Engaging Stakeholders

If you see usage decreasing or lack of stakeholder engagement, we recommend a two ways to increase usage:

Monthly/Quarterly Newsletter

Statistics

Monthly Users, Monthly Logins and Reports viewed during the month with usage increase/decrease identified, i.e. Monthly Users: 40, increase over last month by 5%

Suggestions/Questions

The newsletter can have a link for an email for questions or suggestions

What's New in Apptio

- New OOTB reports available
- New data being consumed by Apptio and what does it impact
- Future releases
- A section on "how to" in Apptio
    - This should change each month
    - Link to a deck with instructions for an end user to utilize specific reports
- Any new updates, such as new custom reports based on end-user request

Changing Monthly Contest

Usage

Suggestions

Data Sources

New data sources for Apptio

Prizes

Gift cards, bonus points, or whatever system your company rewards over and above performance

Winner(s)

Announce the winner(s) in the newsletter

Time-consuming Maintenance

Since Apptio uses data from multiple sources, the monthly data loads can be time-consuming and problematic to monthly reporting if data uploads are missed. Automation is your best friend. To address this issue, you can:

- Implement Datalink quickly for all SaaS applications
- For On-Prem applications, determine where Datalink should be placed:
  - Before the Firewall – Data is pulled on a scheduled basis from the on-prem application into Apptio
  - After the Firewall – A tool would need to utilize to push the on-prem application data to Datalink into Apptio
- You can also use additional tools like Python to automate the data into Apptio.
- Automation will ensure that your data columns stay static, eliminating the need to review and edit your monthly raw data

For data that cannot be automated, create a data tracker identifying:

- System of Record (SOR)
- Table in Apptio where the data is utilized
- How does the data get to the TBM team?
  - Do you request it each month?
  - Is there an automated email?
- Who owns the date – resource name and email
- Cadence that the data is automated in Apptio (Monthly, Quarterly, Yearly)

How to Accelerate Time to Value

HINT: It has nothing to do with good data

Designate Resources

Designate resource(s) to work with you that have knowledge of SORs for the CT Implementation (financial, infrastructure, tickets, applications). The bandwidth of your internal TBM team can materially impact time to value – even if you have an external implementation team.

SOR Owners

Get to know who the owners of SORs are.

"Paving the Way"

Sponsor "paving the way" so that there aren't delays in obtaining raw data from SORs.

Politics, territorial issues and SOR owner's questioning "what will you do with my data" can materially delay a CT implementation.

Direct Relationship

Create a culture where you or your implementation team can meet directly with SOR Owners instead of designated resources who only confer requirements.

Data relevance can become "lost in translation" or, due to the introduction of TBM concepts, create an inability to describe the purpose of data, resulting in mistrust and delays.

When is “Good Enough”, Good Enough?

Good

Assumption Based: Costs allocated based on arbitrary means or an educated approximation

Better

Relationship Based: Costs allocated based on association between items
OR
Attribute Based: Cost allocations weighted by a static attribute of an item

Best

Consumption Based: Cost allocated by measured consumption

When is “Good Enough”, Good Enough?

Upon reviewing the data you have available, you (or an external consultant) will be able to recommend an allocation strategy for each object in the OOTB CT model:

- ❖Cost Source Master (raw financial data)
- ❖Cost Source Object (Vendors, Fixed Assets, Projects, Labor, Other)
- ❖Towers (Infrastructure, Tickets, Delivery, IT Management)
- ❖Applications
- ❖Business Services

You (or an external consultant) cannot determine the allocation strategy until you review the data; you always want to use the best allocation strategy possible that can be easily implemented from the beginning of the build. This will assist with buy-in from the end-user.

When is “Good Enough”, Good Enough?

- At the beginning of your Apptio journey, many allocation strategies may be Good or Better, which is just fine for a new build. Ensure that stakeholders receive education and communication about allocation strategies to understand what is supporting the strategy and the impact on the model.

- You can then further scrub and refine your data, incorporate new sources for data, include monitoring tools, etc. as you go**.** **But get the reports lit up**. **Demo each report, describe the data source, outline the allocation strategy, and ask for feedback from your stakeholders**; they may know a better source that can be implemented later.

- Always look at the value that the data/reporting can provide**; if the spend is minimal, don’t spend hours on the allocation** as the value add is minimal.

Don’t let “Perfect” be the enemy of “Good.”

Socialization

Let’s say your stakeholders want application rationalization and to know what IT services cost. Others in IT have a different perspective:

- They’ve either never had to “care” about what it costs, or
- They understand that once it’s known what an application or service costs, then it can be subject to questions on why an item costs what it does or how can the cost be decreased.

These mindsets cause roadblocks to Apptio usage and create a need for top-down support of Apptio

Socialization

To combat this, stakeholders can:

- Require all analysis be done in Apptio by either reporting or data exports; individual spreadsheets are no longer accepted for decisions.
- Require all Application owners to validate Application spend by a specific date, communicating that decisions on applications will be made based on Apptio data going forward.
- Incorporate Apptio data into future compensation plans.

None of these are easy to implement, but they do drive socialization and acceptance of Apptio data. **When implementing, ensure plenty of time for application owners to understand and challenge their application TCO**. Their insights can generate allocation improvements.

What if You Have an Outdated or Heavily Customized Model?

Many companies that were first adopters of Apptio have heavily customized models. This can lead to:

1. Inability to Benchmark
2. Limited Reporting for Stakeholders
3. Questionable Allocations
4. Knowledge Transfer Issues

   A resource that has an RTBMA will materially spend more time to understand a customized model compared to a model that follows the OOTB methodologies and reporting.

5. Taxonomy Issues

   Part of the TBM method is to have all stakeholders utilizing the same vocabulary, ensuring that IT, Financial, and Business resources understand what is identified in OOTB reporting. Customizing can lead to confusion of terms.

What if You Have an Outdated or Heavily Customized Model?

Move to OOTB 01

Our recommendation is to move from a customized model to an OOTB model.

Branch Usage 02

If there is minimal usage on the tool, you can bring it offline or if you don't want to bring it offline you can build an OOTB model in a Branch. This will allow the current environment to continue while you build the OOTB mode.

Model Analysis 03

An analysis of the current environment will need to be done to review / validate the current allocation methodologies and SORs to assist in the OOTB build.

Parallel Data Upload 04

All monthly data uploads in the current environment should be uploaded into the branch as well.

Building in a Branch – Pros & Cons

PROs – Branch

The current environment is still available for end-users.

If new SORs or allocation methodologies are determined, depending on the change they could be implemented in the current environment as well as the Branch. This route provides additional value to the current environment while you build.

Comparisons can be made between the current environment and the Branch to understand the impact of methodology changes; you will also have an original baseline.

CONs – Branch

The build in the Branch will need to be copied into the main current environment after the entire model is built. Validation between branch and current environment is crucial.

The build in the Branch will impact the speed in the current environment.

When you copy the new configuration into the current build, you will be unable to check in any configuration work; you cannot choose what data/work in STG is promoted to the PROD environment.

Current Environment – Pros & Cons

PROs – Current Environment

Since all configuration work is done in the environment, copying of the configuration is not required at the end of the build.

Model metrics do not need to update; allocations will just need to be deleted between custom objects.

You can validate the new build in DEV and STG against PROD and have the original baseline.

CONs – Current Environment

Apptio will be offline for end users

When data is updated monthly and checked in, it is automatically promoted to STG. If any configuration work is checked, it will automatically be promoted to STG, then PROD when the monthly data uploads are promoted. You cannot pick and choose what is promoted from STG to PROD.

Because you cannot check in your work if something breaks in Apptio in a current configuration, it can be more difficult to understand where the issue is. You will be unable to baseline between DEV and STG.

Which Model Revitalization Method is Right for You?

Both options are viable. Companies should determine the method based on how Apptio is utilized and usage. End-user training should then take place highlighting ATUM Taxonomy and Apptio Value Explorer; this will provide use cases by role.

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