

IT portfolio management by the numbers

How IT portfolio management delivers quantifiable value

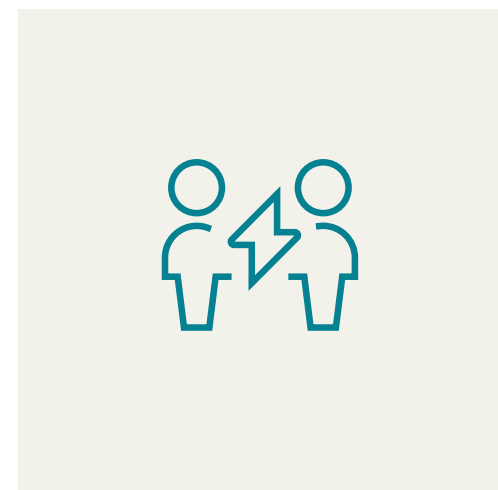




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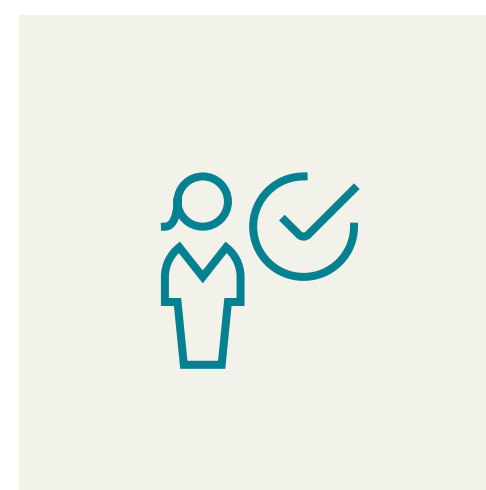
This eBook demonstrates the quantifiable value of IT portfolio management with Software AG's Alfabet. Icons in each section indicate this along with additional qualitative benefits. Here is the legend to those icons.



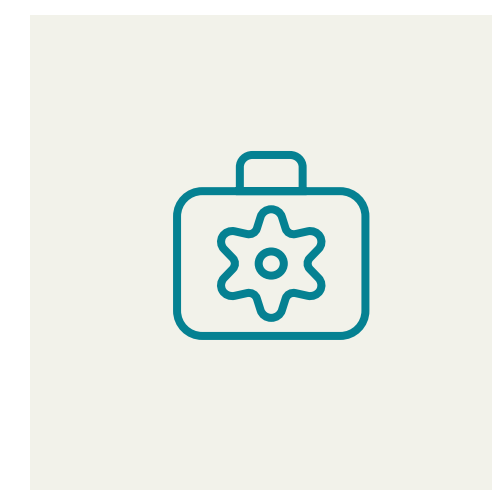
**Better business/
IT alignment**



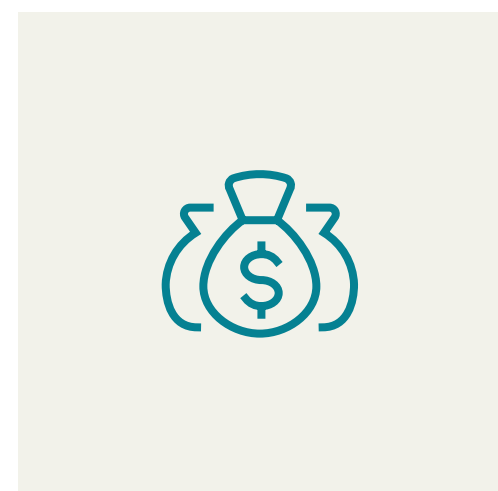
**Faster business
innovation**



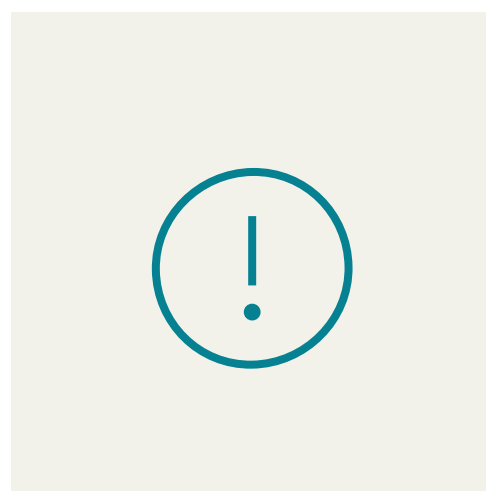
**Easier regulatory
compliance**



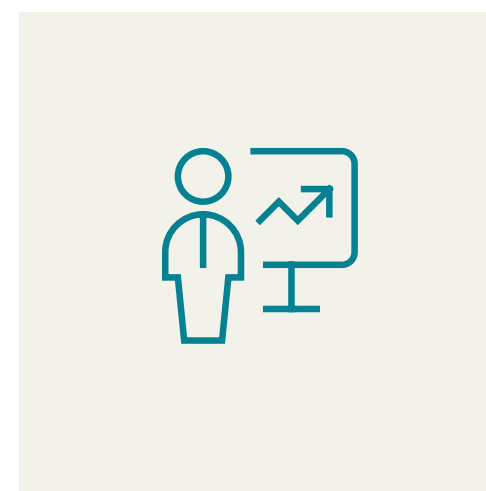
**Increased staff
productivity**



Reduced IT OpEx



Less IT risk



Optimized CapEx



Greater IT agility

>>> Bust the application bloat by **50%***

Eliminate redundant assets

What it is:

- Understand the functional redundancies among different applications
- Know how many deployments you have of the same system
- Standardize on fewer systems

Issues addressed:

- “Baggage” from M&A activities
- Rogue IT purchasing across the company
- Ungoverned business “wish list” fulfillment



* Customer sample



What's in IT for me?



Right now, we have 10 or more marketing automation applications that fulfill very similar business requirements. We are going to consolidate that down to just 2 or 3. This will happen over a 3-year roadmap, during which costs will temporarily go up as we migrate, train, and integrate. **But our costs will get reduced by 50% ultimately.** And that's just one application type.”

Global telecommunications company

>>> Prevent the pointless spending up to **US\$ 5 million*** annually

Avoid unnecessary asset purchases

What it is:

- Know what applications you have and what business functions they cover
- Use business capabilities to decide where to target investment
- Establish a demand-to-budget process

Issues addressed:

- No transparency into a bloated and unnecessarily complex IT landscape
- Siloed purchasing of redundant or non-strategic software
- Ungoverned demand propagation and non-strategic fulfillment



* Customer sample



“ We avoid costly technology sprawl all the time with Alfabet. It’s part of our processes. If you want to adopt a new technology, you must go through a formal request that is examined within Alfabet. If we already have a requested capability, you won’t get approval to spend money on something redundant. And these cost avoidances are commonplace, occurring about once every 2 weeks, **for avoided expenditures of between \$100k to \$300k.** We probably pay for Alfabet on this alone.

Global medical device manufacturer

>>> Shorten the dull data admin duty by up to 80%*

Increase staff productivity

What it is:

- Maintain a central architecture repository to find needed answers quickly
- Capture interrelationships between the business and IT architectures to understand dependencies
- Build a data-driven IT portfolio management practice that is fed by daily IT change decisions

Issues addressed:

- Information on the IT landscape distributed across the organization
- Use of spreadsheets and rudimentary modeling tools
- Time-consuming data gathering, aggregation and synthesis to answer even simple questions



* Customer sample



What's in IT for me?

“If we threw bodies rather than Alfabet at the GDPR challenge, **we'd need dozens** of new people. It wouldn't even be feasible.”

Large Australian bank



At the last telco for which I managed infrastructure IT, we had two people just tracking asset inventory for two product families. Here, Alfabet is used to track asset inventory on 45 product families, and the application has enabled us to **avoid hiring a small army of administrators focused just on asset tracking.**

US telecommunications company

>>> Make a purchasing power grab and reduce vendor costs by **30%***

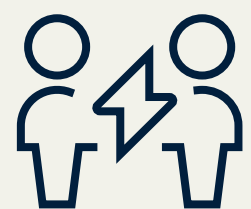
Improve technology purchasing power

What it is:

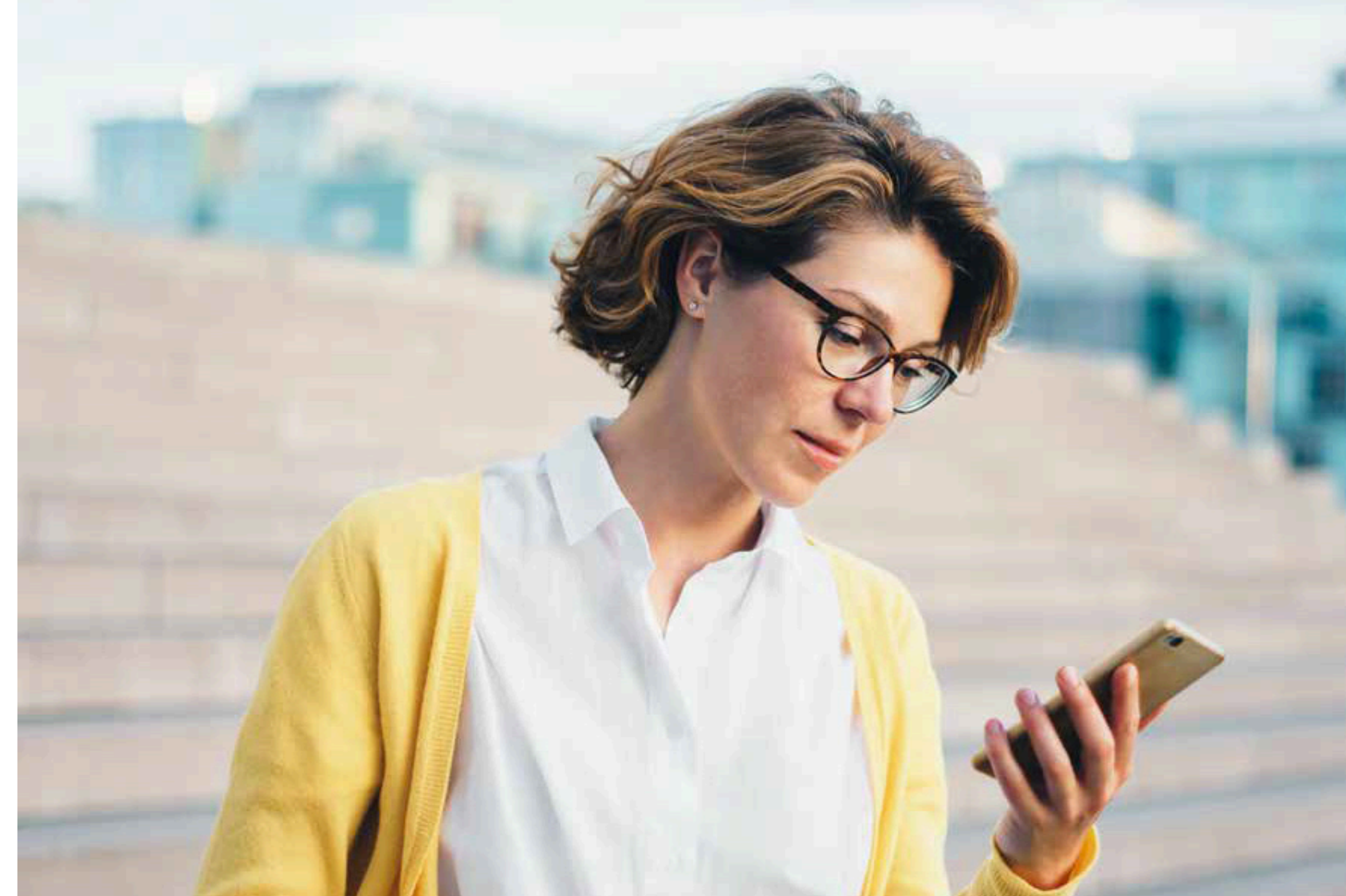
- Know all the IT products and services suppliers
- Tie the architecture to purchasing and contracts
- Establish portfolio-driven vendor and contract management

Issues addressed:

- Inability to accurately assess which contracts are relevant for a planned change in the architecture
- Contracts not aligned to IT planning—missed deadlines for extension, renewal and cancellation
- Contracts potentially limiting the consolidation efforts the enterprise is pursuing



* Customer sample



What's in IT for me?



Our consolidated buying power will also be a huge cost reduction. We will **migrate from being 30 small separate customers** to each of our major vendors to **1 mammoth buyer**. It's hard to say how much lower the costs will be, but if we are paying a SaaS vendor \$15 per user per month at one company and \$10 at another, we know the cost will go down to at least \$10 across the board."

Multi-national systems integrator

>>> Minimize the cost of catastrophe to **untold amounts**

Ensure profitability continuity

What it is:

- Know the interdependencies of all parts of the architecture
- Understand what is critical to maintaining the business' revenue streams
- Effective risk mitigation and protection against cyber-attacks

Issues addressed:

- Not understanding the upstream and downstream effects of a system failure
- Mislaid focus on non-business-critical systems, processes and capabilities
- Inability to react quickly, decisively, and flexibly to business disruption

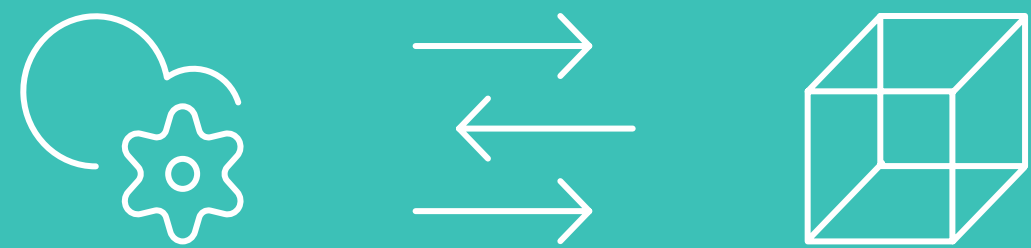


What's in IT for me?



When a car accident took out a transformer on which we relied for power, we were able to determine what operations would be impacted and what backup resources were required to resume operations. As a result, we determined that billing would be impacted and **we brought them back up immediately instead of losing 5 days of billing.**

US hydroelectric utility



Meet our IT portfolio management products

Alfabet

Alfabet helps IT decision-makers make better investment decisions and reduce transformational risks by understanding when, where, how and why to make changes in the IT portfolio. It links the interdependent perspectives of IT, business, finance and risk for “whole view” analysis of how IT can support business change.

Alfabet FastLane

Get started today with IT portfolio management in the cloud. You’ll get answers fast about your IT investments for better cost management, improved agility and faster delivery of IT innovations for the business.

Take the next step

Get the most out of your IT investments by using Alfabet to manage your current IT portfolio and collaboratively plan for a future of innovation.

Contact our experts today: [www.SoftwareAG.com/contact-alfabet](https://www.softwareag.com/contact-alfabet)

ABOUT SOFTWARE AG

Software AG simplifies the connected world. Founded in 1969, it helps deliver the experiences that employees, partners and customers now expect. Its technology creates the digital backbone that integrates applications, devices, data and clouds; empowers streamlined processes; and connects “things” like sensors, devices and machines. It helps 10,000+ organizations to become a truly connected enterprise and make smarter decisions, faster. The company has more than 5,000 employees across more than 70 countries and annual revenue of over €950 million.

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