

IT Economic Cost and Value Assessment



What is an IT Economics assessment?

An IT Economics cost and value assessment is a no-charge assessment to help you identify IT efficiencies, increase business value for your company and reduce IT costs. Each assessment is unique to your IT objectives and environment since it is based on your data, costs, and requirements.

What is an IT Economics workshop?

An IT Economics workshop is a face-to-face meeting with you, an IBM IT Economics Consultant and other key participants to define the scope of your IT Economics assessment.

Where is the workshop held?

The workshop is typically held on-site at your company. If preferred, we can arrange to meet at an IBM location.

What is discussed in the workshop?

During the workshop your consultant will ask questions about your IT environment, challenges and objectives, and will share best practices we have gathered working with clients in hundreds of enterprises. This is an interactive and collaborative discussion and participation by all is an essential element of the workshop. As your consultant learns about your IT environment, they will whiteboard models and pertinent information for your assessment.

How long is an IT Economics workshop?

An IT Economics workshop usually lasts about two hours and is typically organized as follows:

1. Introductions and explanation of IBM IT Economics methodology (20 minutes)
2. Overview of key business objectives, IT priorities and issues from the Executive Sponsor (20 minutes)
3. Whiteboard Exploration - current strategy, challenges, and potential outcomes (30 minutes)
4. Scope of Assessment - definition and scenarios for one or more assessments (40 minutes)
5. Determine time line for assessment, sponsor's point of contact for data collection and next steps (10 minutes)

How should we prepare for an IT Economics workshop?

No prep work is required by you prior to the workshop. However, it is important that the key IT personnel attend the entire workshop.

Who should attend the workshop?

Here are some key participants:

Executive Sponsor who endorsed doing the assessment. While very little time is required of this person, he/she provides essential direction for the assessment. His/her responsibilities include:

- Endorsement of assessment (prior to the workshop)
- Articulation of strategies and challenges (during the workshop)
- Approval of assessment's scope, assessment time line, and changes to the assessment time line
- Assignment of a focal point - a contact to provide workload data and financial information
- Approval of final report

Lines of Business Focals who can speak about their solution objectives and pain points and can describe what metrics they use to measure the state of the business.

Senior IT Enterprise Architects who understand the workloads on the platforms being considered in the assessment, including typical workload requirements and architecture of HA, DR, Dev/Test, and QA environments. Other topics covered by these people may include platform standards and key software requirements (i.e. management tools and middleware).

IT Financial Analysts are also encouraged to attend the workshop since we will explore financial IT costs such as software and hardware costs, and personnel cost allocations.

Not everyone has to be present for ALL parts of the workshop.

What type of data will be needed for an IT Economics assessment?

To understand resource requirements and utilization levels we will look at distributed server and mainframe inventory and workload data. We will also request HW and SW licensing and maintenance costs, ISV charges, labor rates, and energy costs. We will get as much information as possible from the IBM account team but there may be data your assigned point of contact will need to provide. Typically, all this data is readily available and does not require use of any data collection tools.

What if we can't provide data for the assessment?

Because the assessment is designed to be an analysis and business case of your IT environment, the more precise information you can provide the more effective the assessment will be for you. In the event you are unable to provide certain costs or types of data, we can utilize mutually agreed upon industry standard ranges based on other assessments.

What resources will be needed after the workshop?

After the workshop, we will want to interact with the IT Architects. This is typically not more than a few hours total. We are very careful to minimize the effort on your part. When possible we will gather information from the IBM team, and only ask you for items we do not have. We estimate a couple of hours for a couple of people, spread out over a few weeks via email and short weekly checkpoint calls.

What happens after the workshop?

Your consultant will analyze the data that was collected and will meet on weekly calls with the assigned point of contact to validate preliminary findings and ask questions that might arise. In two to three weeks' time after the workshop a preliminary report is usually ready for review. This allows us to revise any assumptions, if required, with you prior to delivery of the final report.

When can we expect to receive a final assessment report?

By the end of week four after the workshop your assessment is usually complete. Your consultant will arrange a face to face meeting with you to share our findings and provide you with a detailed assessment report, along with strategic recommendations based on those findings.

For additional information, contact the IBM IT Economics Team at IT.Economics@us.ibm.com

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