



regoUniversity

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Non-Traditional Apptio Use Cases

Your Guide:

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Your Guides



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- Principle Strategic Advisor
- 10 years of TBM/Apptio Experience
- Soccer, Skiing and Camping

Agenda

- Introduction
- Mergers, Acquisitions and Divestitures
 - Initial Cost Estimate Buyer Exploration
 - M&A Onboarding and Integration Cost Analysis
 - Initial Discontinuance Cost Showback and Chargeback
- Revenue and Profitability Models and Use cases
- Leverage Editable Tables
- Hub and Spoke Architecture
- Open Discussion
- Questions

Introductions

- Take 5 Minutes
- Turn to a Person Near You
- Introduce Yourself
- Business Cards



Part I: Mergers, Acquisitions, and Divestitures

Mergers, Acquisitions, and Divestitures

- Initial Cost Estimate Buyer Exploration
- M&A Onboarding Cost Analysis
- Post M&A Integration Analysis
- Initial Discontinuance Cost Showback & Chargeback
- Post Divestiture Exit Cost Removal Analysis



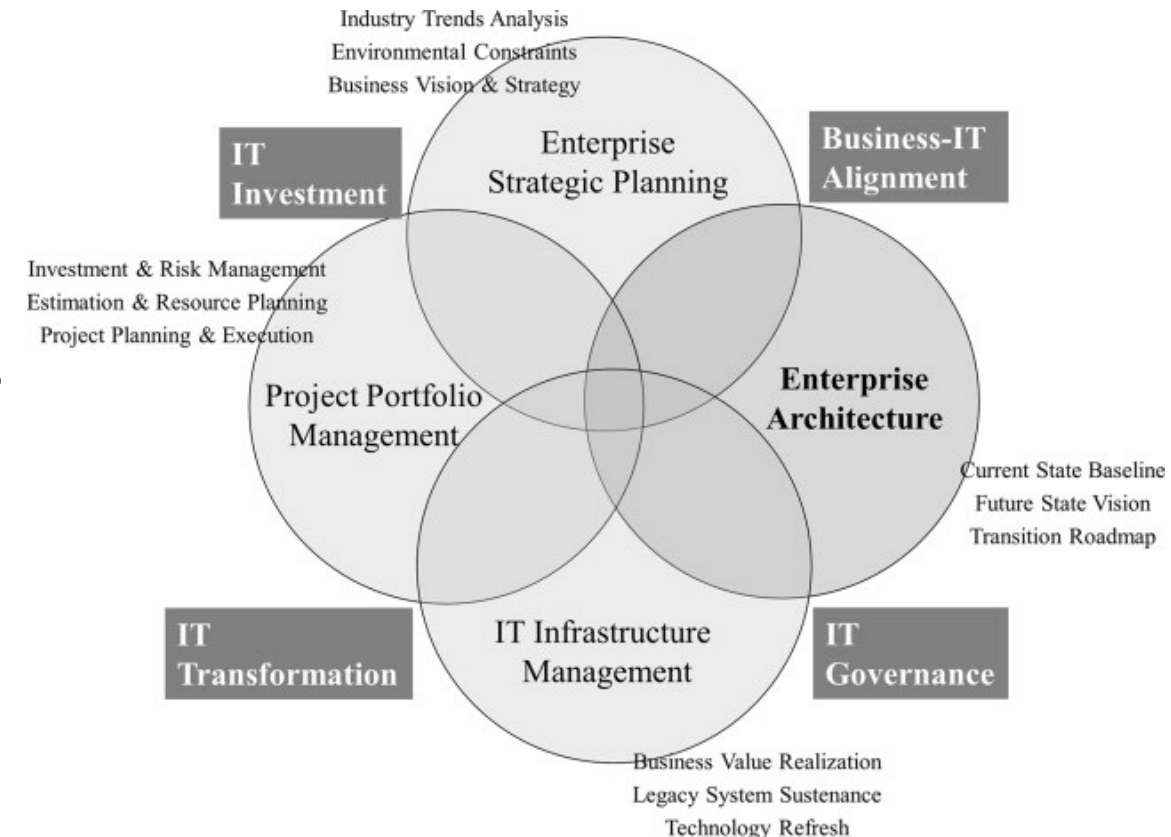
Initial Cost Estimate Buyer Exploration

- One of the first steps once a company identifies a potential prospect for acquisition is to assess the financials of the target company.
- IT spend makes up a significant percentage of expenses for most companies and what better way to get not only a detailed analysis of how much a company is spending on IT, but also what IT spending money and quite often why.
- Additionally, but leveraging the ATUM taxonomy TBM helps to demystify IT spend and categorizes IT expenditures in a way that can be understood by folks outside of the organization.



M&A Onboarding and Integration Cost Analysis

- Once the decision has been made to acquire a company it's then important to see how that company will or will not fit into the company's IT ecosystem.
- By leveraging TBM we understand what the footprint of our IT department is and by leverage TBM methodologies we can quickly peek behind the curtain of the company being onboarded to understand how we are alike and different.
- One of the biggest areas for alignment to start is aligning the application and technology portfolios of both companies. Mergers and acquisitions give companies a great excuse to renegotiation existing enterprise level contracts.



Initial Discontinuance Cost Showback & Chargeback

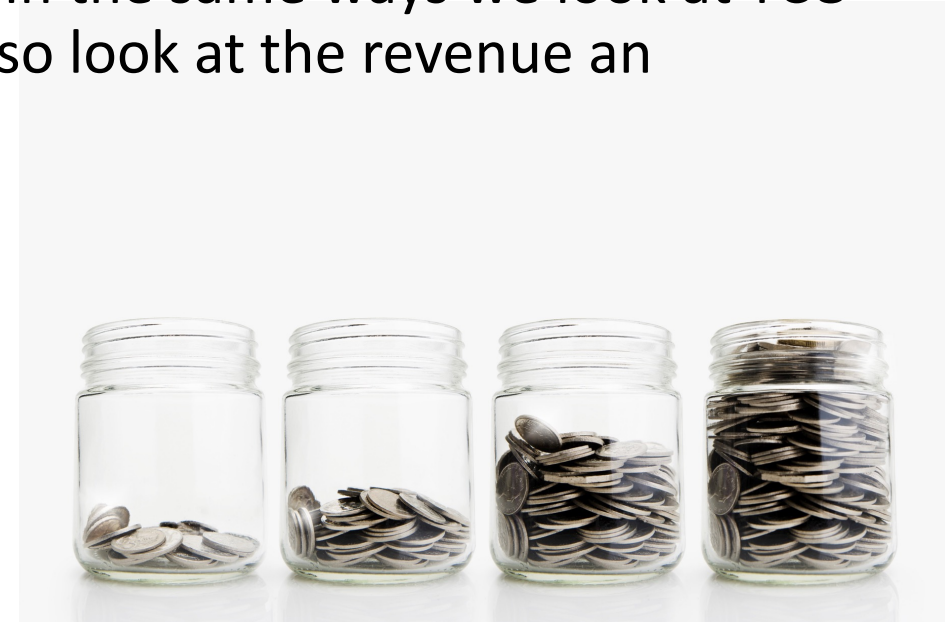


- Similarly, when divesting a part business, it's important to understand what technologies are being conveyed to the purchasing company.
- This can often be done through mapping end users, sites, and applications to the business being acquired.
- By providing the details available through TBM we can take the guess work out of this process, and if costs for services are be recouped from the purchasing company, we can provide a detailed invoice that helps reduce billing cycles by providing transparency and cultivating trust.

Part II: Revenue and Profitability Models

Revenue & Profitability Models

- As you know most TBM engagements start with the Cost Model. Companies want to understand what value they are getting for the money being invested into IT. But, for technology companies we can take this a step further.
- Revenue Models look at sales for technology products. In the same ways we look at TCO for an application being used by the business we can also look at the revenue an application is producing that is sold by the business.
- By using Cost and Revenue Models collectively we can then start to look what the profitability of the products being offered are truly providing the business.

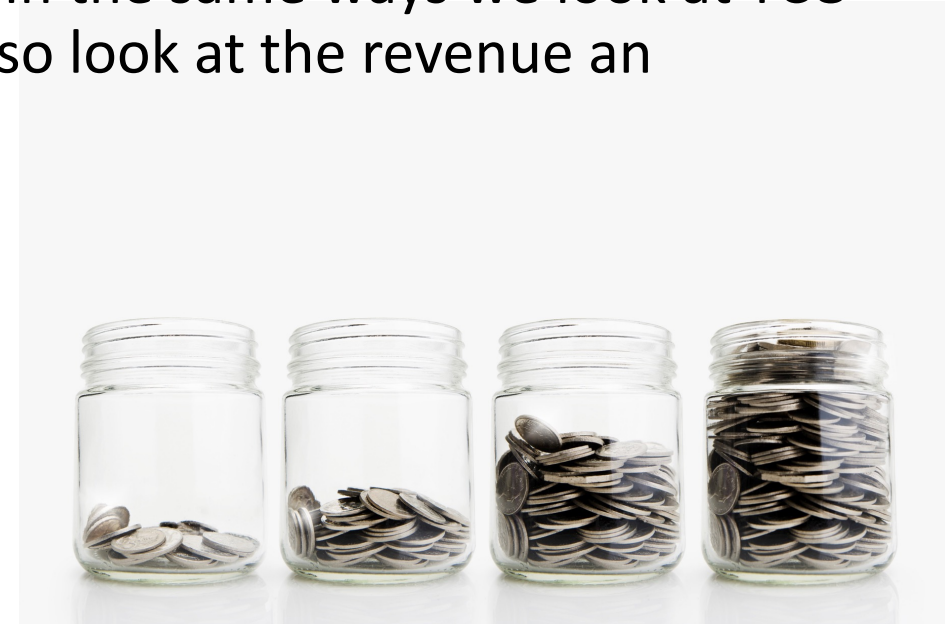


Revenue & Profitability Models – Use Cases

- **Pricing Analysis** – are you charging the right amount for products your company is selling
- **Gross Profit Margin** – are you hitting your gross profit margin targets
- **Break-Even Analysis** – how many widgets do you need to sell each month to cover costs and start generating a profit
- **Sales Mix Analysis** – are you promoting and optimizing production for the right products (are you optimizing for high margin products)
- **Customer Segmentation** – is your company targeting the segments that generate the most profit, are there segments you can start to move away from
- **Investment Decisions** – are you investing in the products that are going to grow the bottom line

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Part III: Leverage Editable Tables

Project Funding Tracker

- Capture demand requests from cost center owners for their projects
- Consolidate data gathering into 1 table thru Editable Tables
- Easily eliminate excel sheet file management
- Build a Review/Approve table
- Build request tracker and approval dashboard
- Download/Upload option for Excel aficionados

Part IV: Hub and Spoke Architecture

Hub and Spoke Architecture

- Multiple independent CT projects roll up to a master project
- Use cases, Federal, State & Local Agencies, Global Enterprises
 - Regional models/projects that operate independently
 - Relevant information is rolled up to Global/Executive level project.
- Pros:
 - Global level instills high level taxonomy, methodology
 - Each region/department can run their model independently
 - Only report up what is necessary on a monthly basis to the global level.
 - Complexity is reduced by spread across multiple projects
 - Data and allocation rules mgmt within each project is easier.
- Cons:
 - Strict environment mgmt rules need to be followed
 - Need experienced team of admins at global and regional level
 - OCIO needs to be vigilant and ensure regional admins follow methodology
- Manage calc times
 - Is your CT project slowing down ITP or Financial Reporting process?

Thinking Outside the Box

Open Discussion

- Can you share a novel and unique way you have used Apptio's data, model or reporting layer for a non-traditional use case?
- Have you leveraged Editable tables to enrich your data for TBM purposes?



Questions?



Surveys

Please take a few moments to fill out the class survey.
Your feedback is extremely important for future events.



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