

A photograph of three hikers (two women and one man) walking away from the camera on a dirt trail. They are wearing backpacks and outdoor gear. The background shows a valley with a lake and mountains under a cloudy sky. A semi-transparent geometric wireframe overlay is present in the upper left and bottom right corners.

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Application Portfolio Management | Why You Need IT

Your Guide: Mark Feher, Jen Scarlato

Introductions

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



Agenda

- Introduction To APM
- Open Mic - What Is An Application?
- The Application Inventory
- Open Mic – What Do Stakeholders Expect?
- Who is involved in APM?
- Open Mic - What are the problems that APM is trying to solve?
- APM Value Propositions
- Application Value and Business Capabilities Tools Available
- Impacted Areas Of The Business
- Roadmap For Rolling Out APM
- Tools Available
- Open Mic – Summary APM Values

Goals of this session

- You will leave the session with answers to the following questions:
 - What is the value of implementing APM?
 - What are the key concepts and steps for implementing APM?
 - What APM tools available?
 - How do I build an APM roadmap?

Application Portfolio Management - Introduction

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Let Rego be your guide.

Introduction To Application Portfolio Management (APM)

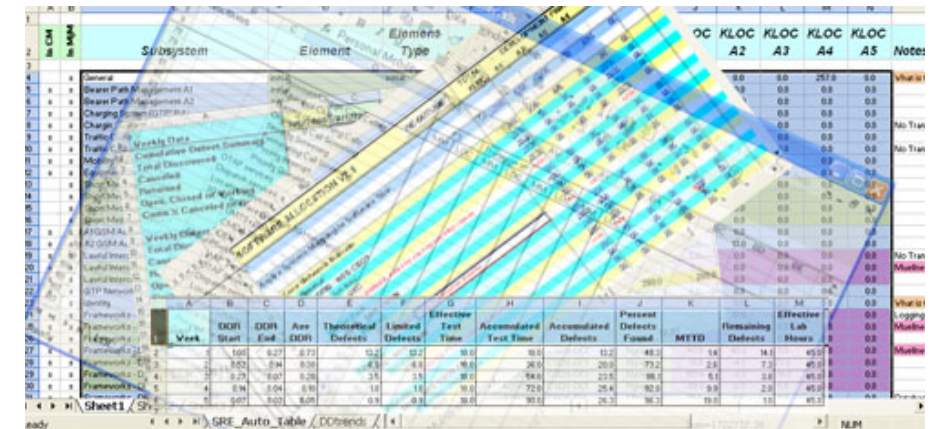
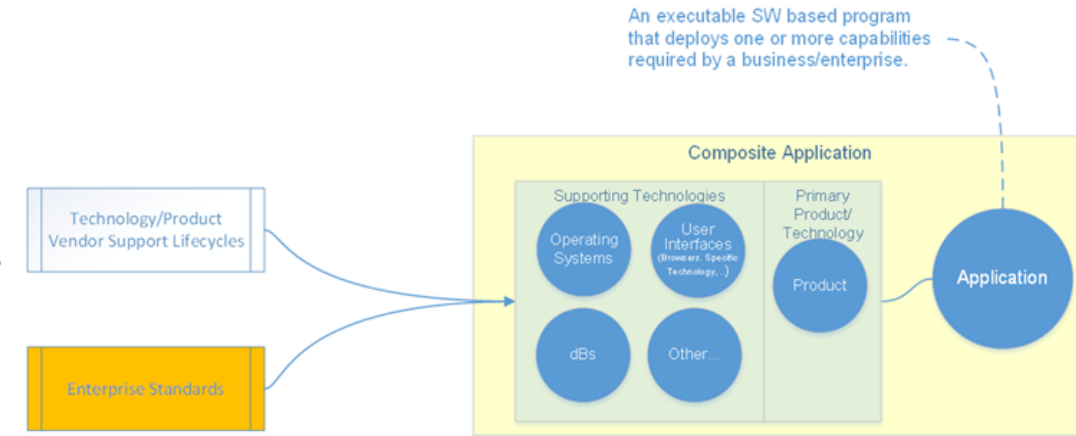
- Application Portfolio Management (APM) is a framework for managing enterprise IT software applications and software-based services. APM provides managers with an inventory of the company's software applications and metrics to illustrate the business benefits of each application.
- The concept of application portfolio management (APM) first emerged in the early 1990s, but its benefits really became apparent during the Y2K buildup.
- When organizations began preparing for Y2K remediation, they often discovered they had accumulated a large number of applications that were redundant, costly to maintain, and of little real business value. Moreover, the majority of applications were not cataloged in any logical, searchable fashion. As companies began to review their application portfolios, the benefits of having an ongoing process of doing so became apparent.
- APM is largely the practice of grouping together applications with similar functions, assessing their financial value, and cataloging them in a way that allows for analysis at multiple levels.

What is an Application?

Simple and Composite Applications

Identifying applications within your organization requires that you define *what* is considered an application.

- Composite Applications
 - Identify supporting technologies, databases, user interfaces, to determine the full application definition
- Simple Applications
- A individual with a spreadsheet
 - It is important to recognize when critical information is dependent on an individual who manages multiple data points and spreadsheets to develop the report that helps leadership to make decisions.



What do stakeholders expect / need from APM?

Who Is Involved In APM?



CIO / Executive Tier

The CIO needs a holistic view of the current application space, including the IT roadmap to manage financial investments.



IT Director

The IT Director wants a single, accurate view of applications driving benefits versus those leaching dollars.



Application Owner

The Application Owner needs to manage the application lifecycle without draining resources, including day-to-day admin and maintenance and developing and/or implementing improvements.



Enterprise Architect

The Enterprise Architect wants to maintain business capability standards and quickly identify redundant or risky applications.



Support Organizations

The Support Organization provides input in the costs to support the application and participates in the Application Lifecycle



Application Clients/ User Organizations

End-customer want to us the capabilities delivered by the applications to perform business functions

What are the problems that APM is trying to solve?

APM Value Propositions



Application Space

- Never Accurate
- Not Up-To-Date

Which Applications

- Drive Benefits ?
- Leach Dollars ?
- Have low adoption, risk and quality?

Managing Application Lifecycle

- Drain On Resource Demand and Investments
- Should we buy or leverage existing

Struggle To Keep Track Of

- Business Application Standards
- Redundant Applications

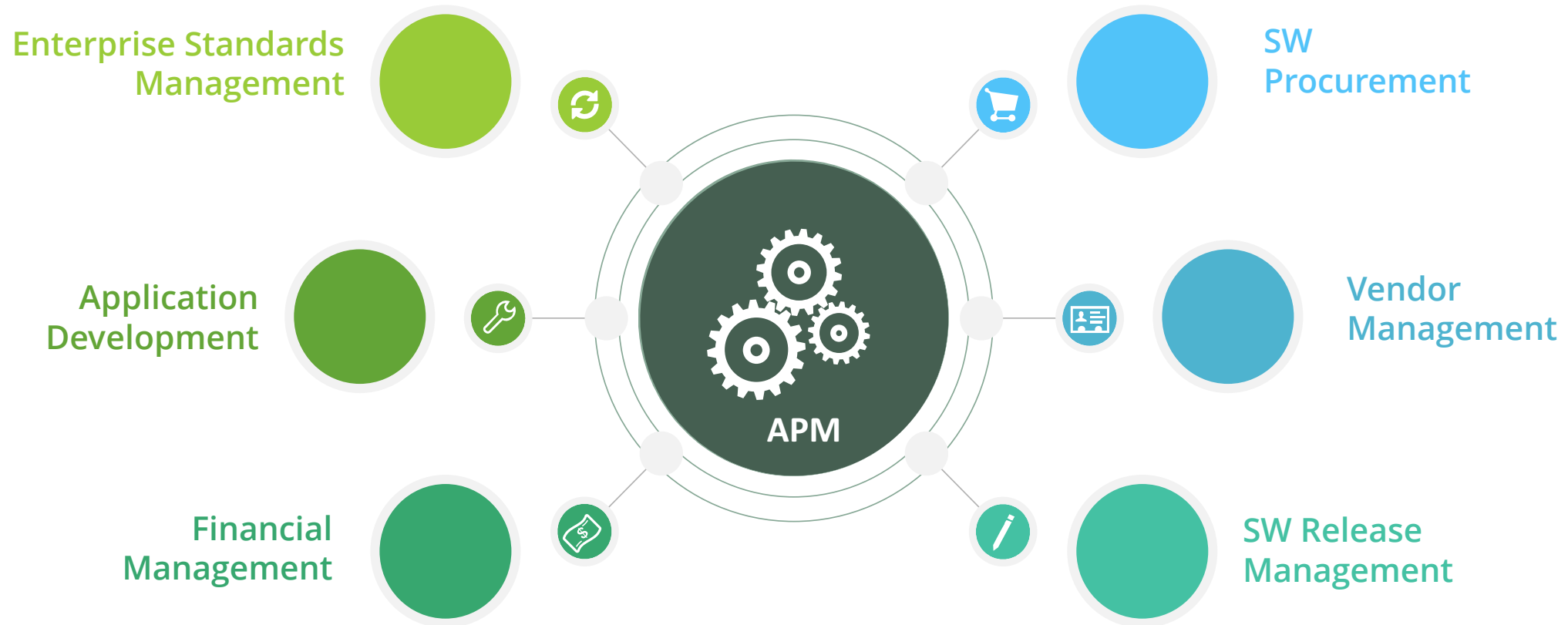
Application Value and Business Capabilities

- To determine an applications value we look at what the applications can do and how well they do it. Measurement is the key.
- Find redundancies in application support
- Identify the metrics that will be used to establish how well an application is performing
 - CSAT (Customer Satisfaction)
 - Technical Fit
 - Business Alignment
 - Financials
 - Application Operational and Cost Assessment
 - Application Lifecycle and Release Process Management
 - Application Portfolio Optimization
 - Application Client/Customer Management
- Calculate Scores
 - Based on the metrics collected, generate a score that helps to Determine what applications in a given area are performing well, as well as what applications might be leaching dollars with little customer satisfaction gain

It is also important to determine where we have gaps in application support.

Impacted Areas Of The Business

Implementing an APM Process impacts other areas of the business, such as:



Roadmap For Rolling Out APM



Collect and Categorize

Collect catalog of applications and categorize them against the organizations business



Measure

Establish metrics that will be used to measure the applications against one another



Analyze

Analyze the application portfolio to determine where to invest, replace or retire



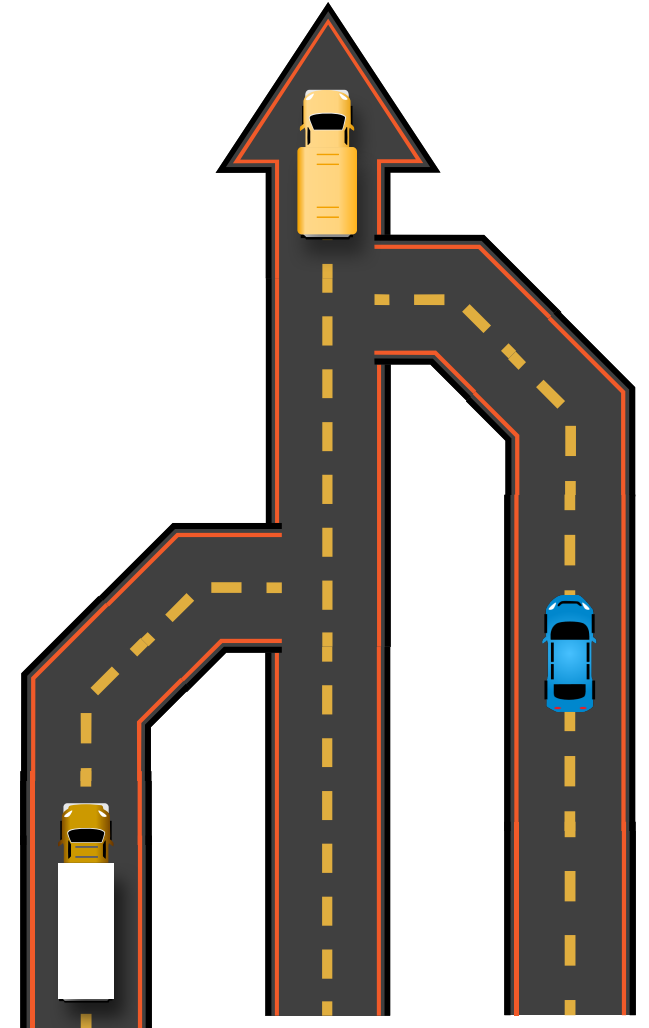
Planning The Roadmap

Establish IT roadmaps for applications.



Getting On The APM Roadmap

- There may be different areas in your organization that implement APM at different times.
- If you are a large organization, you may choose to focus on specific application areas first, such as financial applications, or BI solutions
- APM may target applications that became assets of the organization through acquisition
- It is expected that different areas of the application landscape will join the APM roadmap at different times



Tools Available

Once you decide on building an APM methodology, there are tools that can provide support for implementation:



servicenow



Trous



Innotas

IBM

Rational



Sparx



Avolution



Alfabet

Open Mic – Summary APM Values

What are the APM values brought to your organization?

APM – Why Do You Need It ?

High costs of application maintenance, alignment and redundancy against business capabilities, and the pursuit of efficient application lifecycles drive us to look at Application Portfolio Management so that we can:

- Manage the Cost of IT
- Ensure Business Capability Value
- Quantify an applications value based on stability, quality, and maintainability
- Provide the best solutions for our customers
- Utilize our resources more efficiently
- Determine where we can automate a business capability that is currently a manual process

Questions?



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