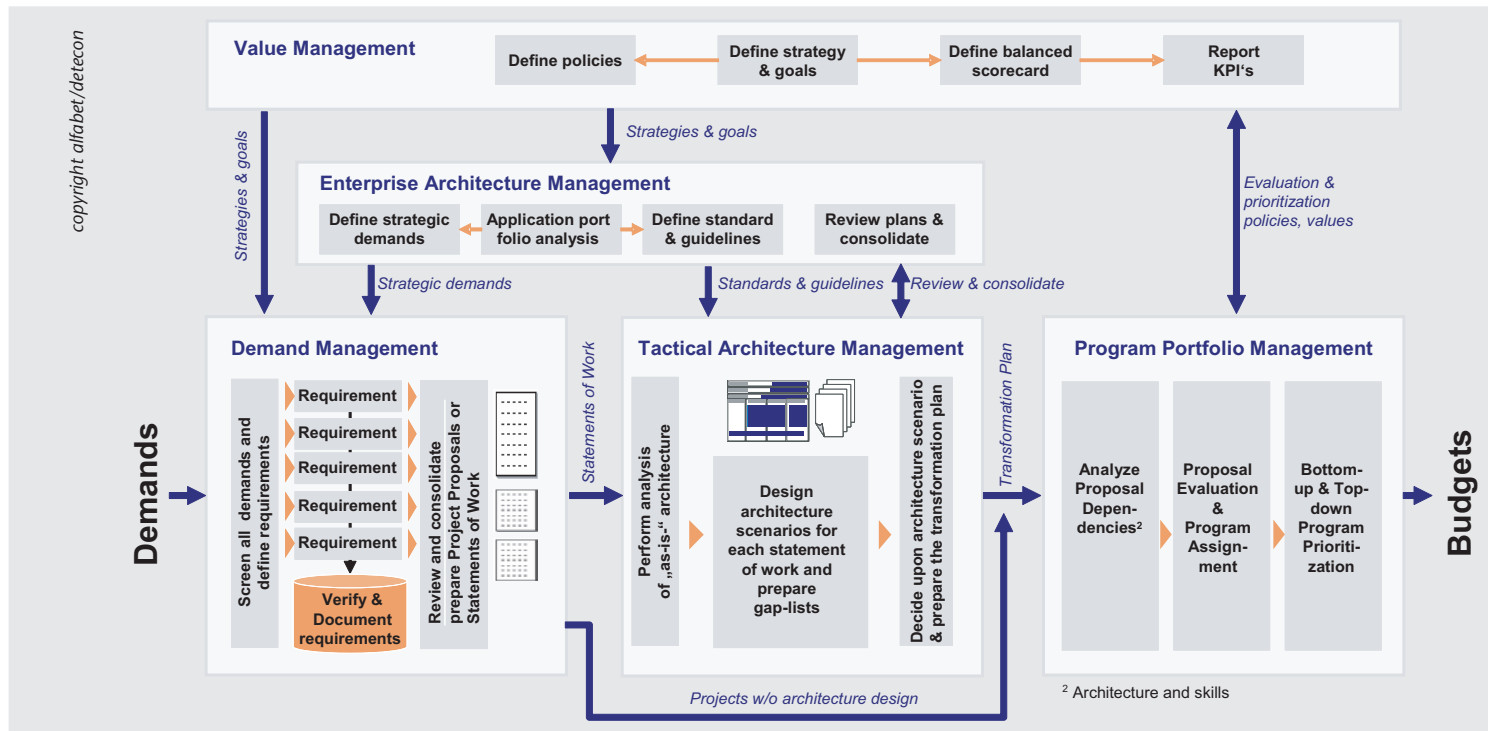


· · **T** · · Systems · **Strategic IT-Planning from Demand to Budget**

Client	T-Systems International
Industry	Information and Communication Technologies (ICT)
Project Period	June 2004 - October 2004
Customer Benefits at a Glance	Reveal the value of the IT organization for the business. Focus new IT investments on business priorities. Efficiently develop an adaptive IT infrastructure to build competitive advantage and quickly respond to changing business conditions.
The Challenge	<p>When industry recession necessitated widespread cost reductions in 2001, the various IT Organizations cut their budgets by canceling investments in innovation. As a result, the operation costs needed to maintain (silo) infrastructures swallowed up over 80% of the global IT budget, thereby constraining the potential to leverage IT infrastructure for competitive advantage.</p> <p>As a vital components of the new “one company strategy” of T-Systems, which was launched in 2004, a strategic CIO office was established to develop an adaptive IT infrastructure, focus new IT investments on business priorities and align IT with the business. In this context, the challenge was to introduce a transparent, business focused culture to transform the infrastructure and achieve a 40:60 ratio for investments in innovation against operating expenses.</p>
The Task	Detecon was contracted to empower the strategic CIO Office in the areas of governance, budgeting, architecture management and IT transparency and to recommend an integrated software system to support IT planning from demand to budget.
The Solution	<p>The Detecon team worked closely with the CIO office to specify an integrated process and recommend commercial software. The team initially reviewed conventional portfolio management tools (which can quickly eliminate 20% of the investment budget) and enterprise architecture tools (which are used by architects to enable standardization of the infrastructure).</p> <p>A TOGAF (The Open Group Architecture Framework) compliant software solution from alfabet AG was selected to support “boundary-less asset development” in the planning process from demand to budget. The solution, Planning IT 1.0, comprises a Logical Inventory for complete IT transparency and focused modules for Business Demand Management, Application Architecture Management, Enterprise Architecture Management, Program Portfolio Management and Value Management that align IT investments with business objectives.</p>
The Approach	The approach is to bring the technical know-how from the architecture management arena into portfolio management to streamline the infrastructure and focus innovation. This involves the deployment of a fully integrated planning process to deliver full visibility of the dependencies in skills, resources and the architecture.

Strategic IT-Planning from Demand to Budget

Detecon's Architecture Process is an integrated, easy to manage and complete approach to transform business needs into IT-solutions.



The Approach

Key components in the integrated planning process:

- Value Management to define and assign policies, strategies, and goals, and to formulate and measure the Balanced Scorecard and Key Performance Indicators (KPI's).
- Enterprise Architecture Management to formulate strategic demands; analyze the application portfolio; define standards; and consolidate architecture and migration plans across projects.
- Business Demand Management to document demands from the business lines and the enterprise architecture, and their consolidation as defined project proposals with associated business benefits.
- Application Architecture Management, to thoroughly analyze the as-is architecture, by referencing a current, consistent and complete IT inventory. Target architectures and alternative scenarios for each defined proposal can then be devised in gap analysis to inform architecture decisions and transformation planning.
- Integrated Program Portfolio Management, to consolidate proposal dependencies (skills, resources and architecture); project evaluation and program assignment; bottom up prioritization of projects inside each program, and top down prioritization of programs; to release budgets.

Customer Benefit

The IT planning solution tightly integrates demand, architecture and portfolio management techniques and resources through the planning process to:

- Quickly focus the IT investment portfolio on business priorities
- Achieve longer term business benefits through transformation of multiple legacy infrastructures to an adaptive architecture
- Clearly reveal the value of the IT organization for the business.