Application Portfolio Management (APM)

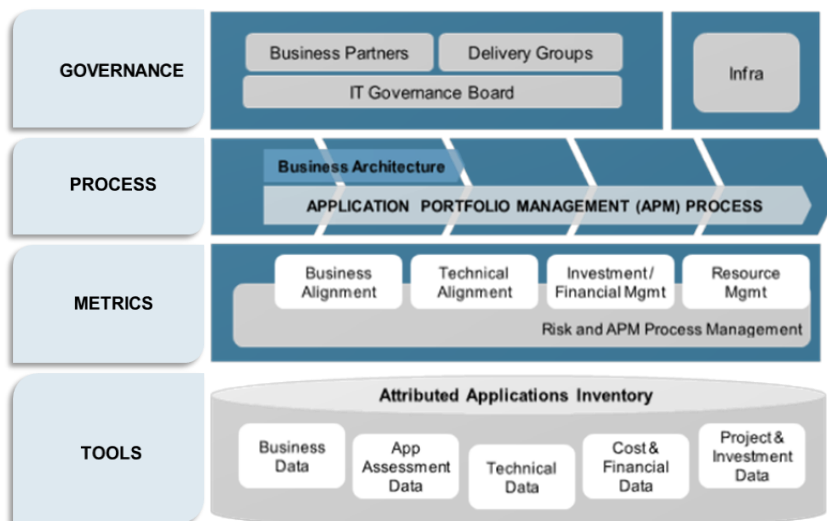*Enabling Business Competitiveness and Efficiency*

A quick scan of application portfolios across organizations and industries reveals a common theme of high IT complexity marked by redundancy, non productive assets and stand alone point solutions. This is often the result of siloed or decentralized operating models, poorly managed mergers & acquisitions and/or the prevalence of business owned IT solutions. This complexity places tremendous strain on the IT organization and diverts valuable IT resources from higher value-add activities that enable new business opportunities to those that provide business-as-usual maintenance and support. Over time, this IT complexity will not only cost more to support but will negatively impact the organization's ability to compete and respond to the market. Application Portfolio Management (APM) has gained considerable prominence over the years as an effective approach for managing and reducing overall IT complexity.

Key Value:

- *APM helps organizations focus on the right things with improved visibility and transparency of IT assets across the enterprise*

- *APM is an ongoing management discipline that over time will result in a more productive, less costly and simpler applications portfolio*

- *Cornerstone's APM offering can be executed in 3 months providing a foundational capability to further build upon or extend as needed*

Helping Organizations Focus on the Right Things

Application Portfolio Management is fast becoming an essential IT discipline for organizations, large and small, across industry sectors. APM takes the principles of investment portfolio management and applies them to IT portfolios, assessing each application on its ability to generate value and return on investment.

Application Portfolio Management (APM) Framework

APM Framework

- *The four key components of governance, process, metrics and tools work collectively to ensure a robust and complete approach to application portfolio management*
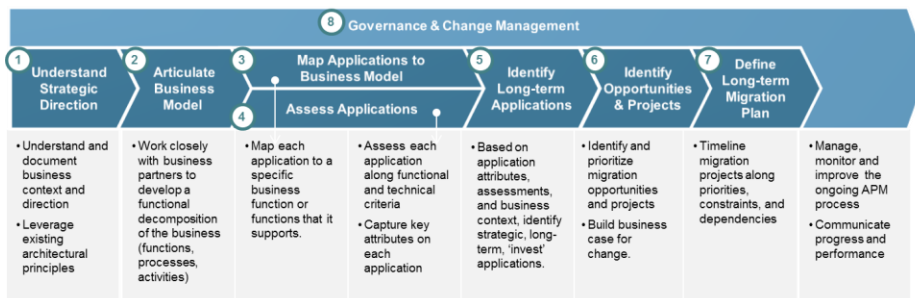
There are a number of different methods, frameworks and approaches for implementing APM, however, they all share a common objective in increasing the visibility and transparency of IT assets to help enable informed IT decision making in both day-to-day operations and strategic planning & investment. The Cornerstone APM Framework involves building a system of people, processes and technology that delivers a sustainable APM capability for our client organizations.

Cornerstone
Data Strategies

APM is not an one time activity, but an ongoing management discipline of assessing an organization's portfolio of applications on a regular basis. The scope could involve the entire portfolio or a subset that is of particular value or cost to the organization. Through the implementation of an APM process, organizations can determine through fact based analyses which applications are the best candidates for enhancement, consolidation, re-architecture or retirement – helping to mitigate the emotional aspect of investment prioritization. The ultimate goal is to streamline the application portfolio in a way that results in

- reduced costs and increased manageability of the portfolio
- improved alignment of IT assets to business priorities
- enhanced return on investment – ensuring that IT dollars are targeting the right applications
- prioritized delivery and resource allocation

Cornerstone has developed a simple yet comprehensive process to help guide portfolio assessments.

APM: Cornerstone's Eight-Step Process

This eight-step process can serve as a strawman or starting point from which a new process can be developed that is tailored to an organization's unique needs and resource constraints.

Leveraging Our Experience for Your Organization

Typically an Application Portfolio Management engagement can be executed in three months

- current assessment of APM capability
- integration of APM process and
- definition of APM governance structure and performance metrics

Contact us today to learn more about Cornerstone's APM offering.

IT Strategy & Transformation Product Offerings

ITST-3-02-201200

IT Diagnostic	IT Strategy & Roadmap	Application Portfolio Management	Adoption & Change Management	CIO Advisory
Assess the existing state of IT across people, process and technology	Identify innovative ways to increase IT productivity for driving business performance	Improve visibility, transparency and management of IT assets across the enterprise	Develop and institutionalize a Change Management capability across culture, people and processes	Providing domain expertise, strategic advisory, team mentoring and interim IT leadership