

IT COST MANAGEMENT

IT Cost Management is an ever-present challenge for CIOs. But it's not just about cost reduction. According to the Forrester consulting report, commissioned by KPMG, running IT as a business will also drive business growth and revenue – and facilitate innovation and adoption of new technology.

IT COST MANAGEMENT

IS A SECONDARY ISSUE FOR MOST ORGANISATIONS.

Top 3 **46% of**
priority **respondents**

No 3 **35%**
priority

Higher priority issue for medium-sized enterprises **< 20,000** staff.

WHY IS IT IMPORTANT?

Solving IT cost management issues and better aligning IT delivery with business demands delivers a range of benefits.

30%

Operational Improvement

8%

Customer Service

34%

Business Enablement

28%

Business Growth

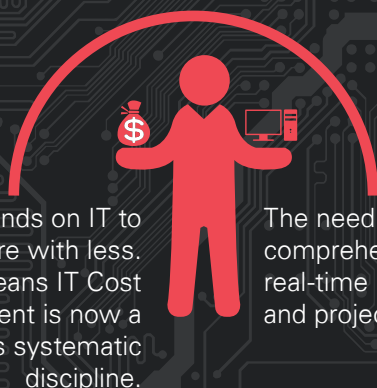
WHAT'S DRIVING IT?

Reducing operating costs and growing company revenue through improved alignment between technology and the business.

WHAT ARE THE CHALLENGES?

IT Cost Management has become a key emerging challenge for most (60%) organisations.

Other key challenges include:



Demands on IT to deliver more with less. This means IT Cost Management is now a continuous systematic discipline.

The need for comprehensive real-time IT chargeback and project cost.

A lack of **IT cost transparency** is a key challenge that also impacts the ability to target redundant IT projects and systems for decommission.

Calculating true IT service costs for chargeback

Identifying redundant IT costs

Tracking IT service consumption

Lack of systematic approach

Connecting IT investment to business outcomes

DOES IT PAY?

60% of CIOs expect resolving their IT Cost Management issues to have the greatest positive impact on IT Cost reduction.



92% expect a moderate beneficial impact on increasing business revenue.

HOW IS IT DELIVERED?



Three out of four organisations leverage external assistance to resolve their IT sourcing issues.

Pure outsource **76%**

Internal & External **5%**

Internal Only **18%**