Apptio Announces Next-Generation IT Service Costing Based on Insights from Leading IT Organizations

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Fall 2012 Release Introduces Capabilities to Accelerate Technology Business Management Initiatives and Deliver Rapid Time to Value

London – November 13, 2012 – Apptio (http://www.apptio.com), the leading provider of on-demand Technology Business Management (http://www.apptio.com/tbm/index.php) (TBM (http://www.apptio.com/tbm/what-is-tbm.php)) solutions, today announced the next version of its industry-leading IT Service Costing (http://www.apptio.com/products/service-costing.php) application, with new capabilities to accelerate the initiation, adoption and operationalization of IT cost transparency initiatives. New capabilities including self-service analytics, services library, and allocation strategy reports enable customers to focus on a few common data sets to launch TBM in their company and drive immediate transparency into IT service costs. These capabilities have helped customers such as Con-way and Novae Group PLC accelerate TBM initiatives and deliver rapid time to value for their organizations.

"As a leader in the transportation and logistics industry, Con-way's focus is on running efficiently and providing the highest value service possible to our customers. Our IT organization is no different; we need to run lean and efficient, focusing on practical innovation that delivers rapid value," said Christopher Levitt, CFO of IT at Con-way. "With Apptio's Service Costing application, we were able to get our TBM initiative started quickly and provide quality data to support accurate cost-saving decisions. We use the application as well for ongoing operational reviews and analytics to ensure we are continually improving and delivering value as a team."

Today, over 90 percent of organizations start their TBM initiatives with service costing; however, business technology leaders often struggle to understand what data from their various financial and operations management systems to use and how to begin the process. From its work with numerous Fortune 1000 companies, Apptio found that virtually all companies have the data ready and available to start their IT cost transparency initiative. A logical starting point for many is to begin with baseline data sets to understand average unit costs. Over time, organizations can build upon their service costing foundation to optimize infrastructure utilization, benchmark cost and performance metrics, and understand how costs will change based on deep 'what-if' analyses.

"IT financial and operational performance is under tight scrutiny as most business executives do not understand IT operating expenses and, as a result, cap IT spending levels arbitrarily," said Michael Smith, VP distinguished analyst at Gartner, Inc. "To avoid arbitrarily capped spending levels, CIOs must explicitly define, validate and communicate the value of IT business services that impact business outcomes."

Based on these customer-proven insights and best practices, Apptio is introducing several new capabilities that enable companies to establish service costing transparency through three key phases:

Starting a TBM Initiative: Apptio's IT Service Costing application enables customers to overcome these

challenges using:

• Services Library: Lets customers create and define services in a central location and share standardized definitions across all TBM processes.
• Recommended Source Data Sets: Best practices guidance on the exact data sets that an organization must collect from its IT and Finance management systems, including data from the General Ledger.

Establish Trust and Alignment with the Business: Socialize specific allocation strategies with key business and IT stakeholders to build trust and alignment. Apptio enables this through:

• Allocation Strategy Reports: Auto-generated reports provide a consolidated view of how costs were allocated to services to increase trust in the accuracy of the data and effectively communicate IT's value across the organization.

Operationalize the Implementation: Turn insights into decisions, and decisions into action, via role-based and self-service analytics:

• Self-Service Analytics: Users can ask questions of their data in real-time and save the results as published reports and dashboards. Apptio provides an intuitive, guided approach that uses on-the-fly filtering so users can not only quickly find the data they are looking for, but also expose key insights and trends they may not have been searching for at the time.
• Role-based Interactive Dashboards, Reports and Metrics: Out-of-the-box analysis reports and interactive dashboards deliver insights to IT executives based on their role.

"When starting TBM initiatives, companies typically try to tackle too much at once, or they don't think they have enough of the right data to begin," said Bob Kimball, executive vice president of operations and business development at Apptio. "Based on our work with numerous Fortune 1000 enterprises, we've seen that companies have more than enough information to get started. Our new service costing capabilities provide companies with a highly targeted approach to TBM so they can accelerate time to value for their organizations."

About Apptio
Apptio is the leading independent provider of on-demand Technology Business Management (TBM) solutions for managing the business of IT. Apptio enables IT leaders to manage the cost, quality and value of IT Services by providing deep visibility into the total cost of IT services, communicating the value of IT to the business through an interactive Bill of IT™, and strategically aligning the planning, budgeting and forecasting processes. Apptio's TBM solutions play a critical role in helping companies understand and drive chargeback, virtualization, cloud and other key technology initiatives. Global enterprise customers such as Bank of America, Boeing, JPMorgan Chase, Microsoft, St. Luke's Health System, and Swiss Re rely on Apptio® products and services to reduce costs and align IT with business priorities. For more information, visit the Apptio website or the Apptio blog.

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