

Consulting

IT Solutions

Managed Services

MEETING THE GERSHON CHALLENGE

RECOMMENDATION 3 – TIGHTEN THE MANAGEMENT OF ICT BUSINESS AS USUAL (BAU) FUNDING

QUICK START SERVICE: APPLICATION VALUE ASSESSMENT

ICT BAU budgets of large agencies need to be reduced by 15% on average over a number of years. Budgets of small agencies need to be reduced by 7.5% over the same timescale.

A large proportion of BAU funds is spent supporting the existing portfolio of applications. Like any investment portfolio, your agency's applications portfolio probably contains winners and losers. You want to maximise your investment in the former, minimise the latter, and balance business risk appropriately across the entire portfolio – all without disrupting day-to-day operations. This is a significant challenge.

QUESTIONS TO ASK YOURSELF:

- Do you have applications that no longer provide sufficient business value to justify their operating cost?
- Are you supporting too many technologies?
- Are there opportunities to rationalise some of your applications, to eliminate duplication or overlap, and reduce costs?
- Are you wasting resources by enhancing applications of low business value?
- Is your application support budget being properly focused to leverage high value, strategic applications?

HOW CAN FUJITSU HELP?

Fujitsu has worked with a number of Commonwealth and State agencies to rationalise their portfolio of applications.

Our Application Value Assessment service can determine:

- How well your existing applications are meeting your business needs
- What has to be done to improve their delivery effectiveness and contribution to the organisation
- Where there are opportunities to rationalise your applications and gain increased effectiveness and/or reduced cost
- Which applications should no longer receive further investment

We adopt a portfolio approach to the evaluation and optimisation of your expenditure, analysing each application in the context of technical alignment and quality, and its contribution to the business objectives it supports. The result is an objective, value-based assessment that gives you guidance on reducing costs while enhancing the business value of your application portfolio. The assessment provides you with strategic information about the value an application portfolio has to your agency's function, outputs and outcomes.

FUJITSU'S APPLICATION VALUE ASSESSMENT (AVA) SERVICES



EXECUTIVE AWARENESS:

We draw on our extensive experience working with Commonwealth and State agencies to provide an AVA awareness session to bring your executives up to date with the key concepts, methods, and leading practices.

- 2 hour session for up to 10 participants

APPLICATION HEALTH CHECK:

Fujitsu consultants will perform an AVA Health Check of an agreed sub-set of your key applications.

It will illustrate for you the benefits of the technique:

- An assessment of how well your application sub-portfolio is serving your business needs
- A sound business case for which applications to invest in and which to decommission
- Focused actions that optimise the business value of the application sub-portfolio

HEALTH CHECK DETAILS:

- **Workshops:** 4/5 workshops x 3/4 participants
- **Deliverables:** A graphical assessment of the sub-set of applications indicating their merit for further investment along with proposals to improve their business value
- **Duration:** 4 weeks
- **Price:** Approximately \$45k (excluding GST)

FULL APPLICATION VALUE ASSESSMENT:

Fujitsu consultants will review all the applications in your portfolio, draw up a graphical assessment, and prepare a set of proposals to improve the business value of the portfolio. The duration and price of this service will depend on the size of your agency's portfolio of applications.

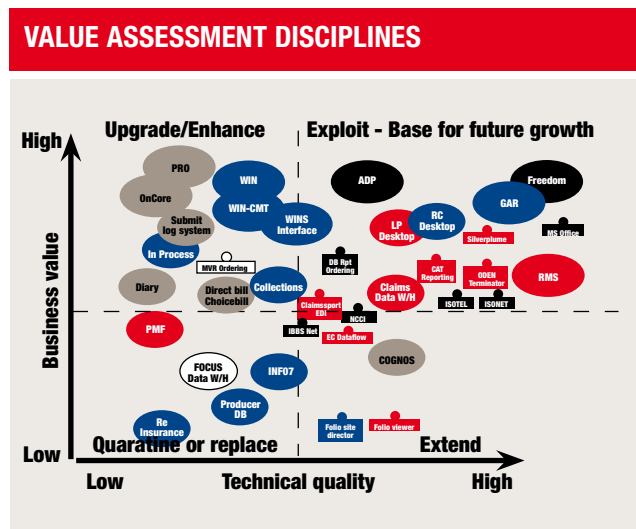
INTEGRATION WITH PLANNING & CONTROL SYSTEMS:

Our Quick Start services can be provided in a standalone manner or use existing portfolio management software to capture and present the outcomes of each service. In addition, if your agency does not have portfolio management software capability, we are able to offer access to this capability through our relationship with Compuware. This relationship brings together Fujitsu's consulting leadership in Portfolio Management and ICT Governance with Compuware's leadership in ICT Planning and Control tools. Compuware are able to underpin Fujitsu's Quick Start services with preconfigured software and default reports to quickly deliver key auditable outcomes to address the Gershon recommendations. The preconfigured software – Changepoint, Compuware's market-leading IT portfolio management solution – can be purchased or inexpensively leased on a fully hosted Software as a Service (SaaS) basis.

AN EXAMPLE OF CLIENT SUCCESS:

Applying value assessment disciplines to a Commonwealth agency's application portfolio identified \$2m of savings.

Fujitsu applied its consulting experience and AVA tool set to provide the agency with a view of its application suite that enabled it to align its expenditure with each applications position in the quadrants presented in the following application portfolio view.



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FUJITSU CAN HELP YOU MEET THE CHALLENGE

ABOUTFUJITSU

Fujitsu Australia and New Zealand is a leading service provider of business, information technology and communications solutions. Throughout Australia and New Zealand we partner with our customers to consult, design, build, operate and support business solutions. From strategic consulting to application and infrastructure solutions and services, Fujitsu Australia and New Zealand have earned a reputation as the single supplier of choice for leading corporate and government organisations. Fujitsu Australia Limited and Fujitsu New Zealand Limited are wholly owned subsidiaries of Fujitsu Limited (TSE: 6702).

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