

Solution brief

Application Portfolio Management



Applications are always on

Enterprises today depend on their applications to run smoothly and efficiently, adapt to change, and to help create competitive advantage. From back-end operations to web-based services, applications power your enterprise, but over time, legacy applications have multiplied and the associated data has ballooned in size. In the quest to maintain competitive advantage and keep IT costs low, your organization may not have retired its legacy applications when it introduced new ones; with the result that your application portfolio would likely to have become bloated and overly complex.

Application transformation is defined by HP as a program to streamline and modernize an organization's application portfolio reducing the number of applications required to run the business, delivered in the most cost-effective way. In order to help organizations achieve this, HP offers a leadership portfolio of services, software, technology, and experience that delivers the core elements of an application transformation.

The need for Application Portfolio Management

Many IT organizations fail to maintain an accurate record of all the applications that are being used by the business, which includes what business processes they support, what are the underlying platforms, and who depends upon them. The new Application Portfolio Management (APM) software module from HP begins by documenting business process and application dependencies—through both automated bottoms-up discovery and manual top-down surveys, documentation reviews and interviews—and then records the portfolio into a single repository, enabling comprehensive visibility and control of the application portfolio. HP APM provides the capability to load industry-standard business process frameworks, or client-specific models, to capture the enterprise's organization, business objectives, location, server, and of course, application information. A rich set of analysis tools automates the search for optimization opportunities through relationship and dependency graphing and multi-dimensional visualization.

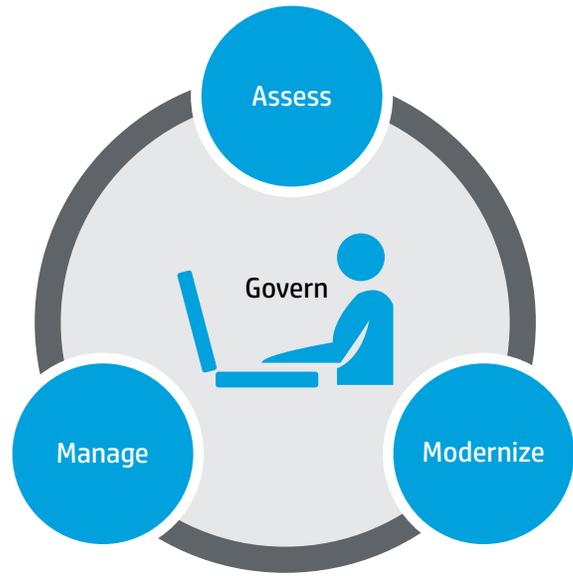
Answers provided by HP APM include:

- How are your applications performing over time?
- Do the application returns justify the investment and risk of ownership?
- Does the application portfolio need to be adapted to new market conditions?
- Are some application assets degrading, while others improve?
- Where should we put new money to maximize returns?

HP's Application Portfolio Management enables IT to assess and prioritize the portfolio for rationalization and modernization opportunities based on both business goals and IT technology decisions; and then we provide ongoing support through business

events such as mergers and acquisitions, divestiture, and IT sourcing strategy changes. APM is not just about optimizing application road maps; it is also about synchronizing "IT priorities" with "business priorities". As a result, APM should be viewed as an extension of the strategic planning of the IT organization, especially given that these applications automate core business operations.

Figure 1. Elements of application transformation



Governance—A key to successful transformations

The application transformation journey is usually undertaken because IT is overcommitted, over budget, and overwhelmed. Once this has been addressed, it is imperative, although not easy, to prevent it from happening again. With multiple operational and strategic activities under evaluation or underway at any given moment, successful delivery and maintenance of your application portfolio is anything but guaranteed.

An answer lies in using HP Project and Portfolio Management (PPM) Center software, in conjunction with HP APM, to manage and enforce governance throughout the application transformation process and beyond. HP PPM is a comprehensive project and portfolio management offering that gives you the information you need to make the right business decisions, lower the total cost of running your business, and reduce risk associated to the build-out or ongoing maintenance of your application portfolio. You can also manage your portfolio with greater financial transparency to meet your requirements to deliver business value efficiently and effectively. This visibility will give executives the information they need to stay the course or make changes as necessary to the investments that are being made. The PPM foundation is also the same foundation upon which the HP APM software is built.

Our unique value to application transformation

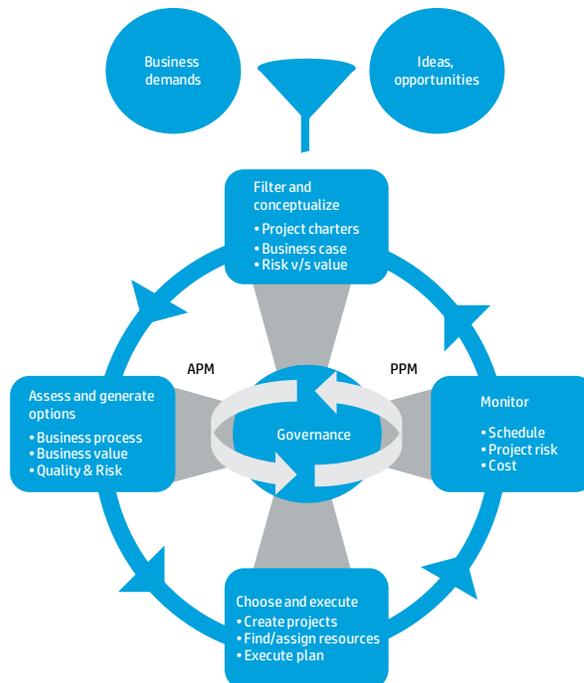
HP has taken many years of IP and learning from delivering rationalization engagements for customers and incorporated much of that knowledge into the software product through standardized models, flexible information capture capabilities, and the ability to analyze the information across multiple dimensions (technical, business, and so on). This experience has taught us that enterprises sometimes need to make the best decision even when the information is not perfect or comprehensive. Hence, the

APM software allows for side-by-side comparisons of multiple alternatives against a variety of criteria and to quickly modify these criteria, thus evaluating the application portfolio across several dimensions prior to arriving at decisions. Furthermore, since enterprise portfolios often become dated due to the difficulty of information capture, the software incorporates key capabilities, such as periodic surveys based on pre-built templates to make sure that ongoing decisions and analysis are based on the most current information.

Figure 2. Synchronizing IT priorities with business priorities



Figure 3. Role of governance and APM together





Next steps in your transformation journey

To get started on your application transformation journey, HP invites you to:

- Check out our Transformation Experience Workshops, which are unique, slide-free workshops that help you clarify your current situation, develop a clear understanding of your enterprise drivers, challenges, and ongoing modernization initiatives; then form a picture of what your application transformation journey should look like.
- Check out our Value Discovery Workshops (VDW), which will help identify specific processes and their automation that should be improved based on their current maturity and expected business benefit. The VDW requires that the customer provide the relevant resources to answer questions about the various process areas being reviewed. Visit, hp.com/go/appsrationalization

To learn more

If you're looking for a way to improve your Application Portfolio Management and Project and Portfolio Management, visit: hp.com/go/appportfoliomgmt and hp.com/go/ppm. Also, visit: hp.com/go/appsrationalization to learn how to leverage HP Enterprise Services Application Rationalization Service to meet your rationalization needs.

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