Technology Business Management (TBM) Overview

Kevin Coyne
Director of Technology and Services
Bureau of Industry and Security
U.S. Department of Commerce
Agenda

• What is TBM?
• Who is TBM for?
• How we got here...
• TBM adoption
• TBM Stakeholder Support and Process Integration
• What are example TBM processes?
• Tools of TBM
• TBM Data Requirements
• TBM and OMB eCPIC reporting requirements
What is TBM?

• TBM defines a business model and decision-making framework which enables IT to run as a business.

• TBM provides IT organizations with the solutions—strategies, methodologies, and tools—to manage the cost, quality, and value of their IT services.

• TBM was instituted by CIOs, CTOs, CFOs, and other technology leaders. Founded on transparency of costs, consumption, and performance, TBM gives technology leaders and their business partners the facts they need to collaborate on business-aligned decisions.

TBM Benefits

• Optimize: Continuously improve the unit cost of technologies and services while keeping cost and quality in proper balance

• Rationalize: Better focus of time and resources on the services, applications, technologies and vendors that drive the most value

• Innovate: Mission/business and IT partnership that ensures maximum value from technology investments

• Transform: Provide mission/business partners with agility to “pivot” more quickly to exploit innovation and capitalize on new opportunities
How we got here…

February
Federal IT Acquisition Reform Act (FITARA) Proposed

May
Digital Accountability and Transparency Act (DATA) enacted

October
TBM Council Conference - (1) Federal CIO TBM Panel, (2) ITCC breakout and planning session

December
Federal Information Technology Acquisition Reform Act (FITARA) enacted

January
Federal-wide ITCC meeting

Federal CIO Tony Scott begins socializing TBM discipline with select government executives

November
ITCC’s 21 TBM adoption recommendations published, presented to OMB

October
Federal TBM Executive Steering Committee launched by the CIO Council

March
GSA begins formulating a government-wide TBM acquisition vehicle

Proposed:
OMB begins receiving IT spend data by IT Tower and Cost Pools

May-June
OMB releases policy requiring IT spend data to be reported by IT Tower and Cost Pools

Winter 2015-16
ITCC Interviews and US Federal Community Engagement: CIO, DCIO, CFO, CAOs, COOs, CPIC Directors, Budget Directors, IT Portfolio Managers, OMB leaders

Winter 2015-16
ITCC meeting and CIO planning session

November
ITCC chartered by the TBM Council

June
ITCC meeting and CIO planning session

March
Federal-wide ITCC meeting

Fall
GSA is first Federal agency to fully adopt the TBM Taxonomy

Fall
TBM Council’s 1st TBM Certification course for US Federal leaders

October
TBM Council Conference – OMB shares TBM Adoption roadmap

September
ITCC meeting and CIO planning session

September
Proposed:
OMB begins receiving IT spend data by IT Tower and Cost Pools

2013
2014
2015
2016
2017

ITCC = US Federal IT Cost, Opportunity, Strategy, and Transparency Commission

2017 Financial Management Conference
TBM Taxonomy – Adopted by over 300 organizations
Who is TBM for?

TBM addresses the needs of several stakeholder personas

<table>
<thead>
<tr>
<th>DevOps (Application Owner)</th>
<th>Service Owners (Infrastructure Platforms)</th>
<th>CIO &amp; IT Leaders</th>
<th>Business Relationship Managers</th>
<th>IT Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manage Application Portfolio for Value</td>
<td>Show Efficiency and Justify IT Spend</td>
<td>Make Fact-Based Decisions to Shift O&amp;M to DME</td>
<td>Align Resources to Business Priorities</td>
<td>Establish Governance &amp; Accountability</td>
</tr>
<tr>
<td>Understand application cost, quality, and value • Rationalize application portfolio • Right size application infrastructure</td>
<td>Right size infrastructure capacity to usage • Rationalize and optimize platforms</td>
<td>Understand the operating cost of IT services and resources</td>
<td>Communicate the value of IT • Align IT spend to mission need • Influence mission demand</td>
<td>Drive awareness of the cost of tech services • Provide defensible cost allocations • Manage the IT financial plan</td>
</tr>
<tr>
<td>- Total cost on applications? • DME versus O&amp;M spend? • Impact if applications is decommissioned? • Application spending levers? • Release failure rate?</td>
<td>- Infra cost by category? • Unit cost compared to peers, benchmarking? • What drives O&amp;M cost? • Applications using non-standard infrastructure? • EOL at-risk infrastructure?</td>
<td>- IT spend on O&amp;M/run vs DME/change? • Project spend on initiatives? • Cost reduction progress? • Spend by mission or BU capability?</td>
<td>- Application, infrastructure, and labor breakdown/ • ID levers to control spend? • Align demand with consumption? • Application or service investment / Business Unit and consumption / Business Unit?</td>
<td>- Where do we spend? • What's fixed vs variable? • ID short-term cost reduction opportunities • What drives variances? • Under-over spend recovery? • Adjust service rates?</td>
</tr>
</tbody>
</table>

**IT Governance**

Support data-driven, fact-based, defensible decision-making
TBM Stakeholder Support and Process Integration

**TBM Stakeholder Support**

**CIO**
- Understand unit cost
- Identify duplicative spend
- Total Department IT spend
- Forward/strategic planning
- Benchmark spend vs. internal/external
- Spend by mission/business function
- Current state vs. future for transition plan
- Business case/ROI analysis
- Shared resources/personnel across modes

**Application Owner**
- Application Total Cost of Ownership (TCO), TCO by cost center/mission area
- Service and capability management, EA alignment
- Application strategic alignment
- Application portfolio prioritization
- Demand management, cost of service(s)

**Infrastructure & Operations**
- Cost scaling (capacity and growth, demand) identification
- Cost element identification
- Buy vs. build vs. outsource decision-making
- Cost performance
- Updated cost/operating models
- Defensible pricing (1st on vs. last off)

**CFO**
- IT budget justification
- IT investment justification
- Alignment with federal-wide priorities/initiatives
- Predictable recurring and non-recurring costs
- Validity of obligations vs expenditures
- Accuracy of cost projections
- Baseline costs vs. variable for budgeting/planning in out years

**Process Integration**

**Mission/Business Outcomes**
- **Strategic Alignment** through service and project portfolio management
- **Value Delivery** through portfolio, financial, and asset tracking
- **Performance Measurement** through metrics and reporting
- **Resource Management** through labor, software, and hardware tracking
- **Risk and Compliance Management** through policies, procedures, and contracts tracking
What are example TBM processes?

TBM processes are not new—they are processes DOC does, wants to do, or wants to do better, faster, and more effectively and efficiently.

<table>
<thead>
<tr>
<th>Communicate Cost &amp; Value</th>
<th>Automate Mandated Reporting Metrics</th>
<th>Govern Through Periodic Reviews</th>
<th>Measure and Prove FITARA Compliance</th>
<th>Set Service Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission Show-back or Charge-back</td>
<td>Understand TCO &amp; Cost Drivers</td>
<td>Track and Compare Cloud Spend</td>
<td>Review Apps &amp; Services</td>
<td>Align spend plan to Demand</td>
</tr>
<tr>
<td>Recommend Levers for Choice</td>
<td>Track Variance to Plan</td>
<td>Data-based Decisioning</td>
<td>Review Agency Consumption</td>
<td>Plan Project Financials Based on Resources</td>
</tr>
<tr>
<td>Recover Cost</td>
<td>Review Vendors</td>
<td>Review Projects</td>
<td>Improve Data Quality</td>
<td>Track KPIs &amp; Project Actuals</td>
</tr>
<tr>
<td>Review Project Costs</td>
<td>Review IT Infrastructure</td>
<td>Review Labor</td>
<td>Build O&amp;M Spend Plan</td>
<td>Benchmark Performance</td>
</tr>
<tr>
<td>Build DME / Investment Plan</td>
<td>Align Resource plan to Financial plan</td>
<td>Forecast Service TCO based on Biz Demand</td>
<td>Adjust Forecast</td>
<td>Measure Customer Satisfaction</td>
</tr>
</tbody>
</table>
Tools of TBM – TBM Framework

• Value conversations depend on facts about:
  • Costs and spending
  • Performance and Risk
  • Portfolio Investments (Ratios)
  • Return on Investments (ROI)
  • Cost Structure
  • Data Quality

• These can be instrumented and measured with TBM

• Key Performance Indicators, should be employed by CIOs

• Goals can be set and communicated using KPIs

TBM provides metrics that support each of the value conversations (e.g. Unit Cost Actuals vs Targets = Cost for Performance)
• The TBM taxonomy:
  • defines the 3 perspectives (languages) of finance, IT, and business
  • does NOT translate between the three perspectives

• The TBM model:
  • translates between the three perspectives
  • allocates (apportions) costs from lower layers to the upper layers
  • Is usually a software tool
**Tools of TBM – TBM Taxonomy**

**Mission/Business Domains**
Describes the capabilities (and consumers) of the technology supported by IT spend and resources

<table>
<thead>
<tr>
<th>Mission/Business Domains</th>
<th>IT Towers &amp; Sub-towers</th>
<th>IT Applications &amp; Services</th>
<th>Cost Pools &amp; Sub-pools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Policy Development</td>
<td>Data Center</td>
<td>Hardware</td>
<td></td>
</tr>
<tr>
<td>Trade Policy Enforcement</td>
<td>Compute</td>
<td>Software</td>
<td></td>
</tr>
<tr>
<td>National Weather Service</td>
<td>Storage</td>
<td>Facilities &amp; Power</td>
<td></td>
</tr>
<tr>
<td>Census 2020</td>
<td>Network</td>
<td>Telecom</td>
<td></td>
</tr>
</tbody>
</table>

**IT Towers & Sub-towers**
Describes the technology functions supported by IT spend in terms and groupings relevant to the owners and consumers of those functions

**IT Applications & Services**
Describes the products or output delivered by IT and consumed by business units and programs

**Cost Pools & Sub-pools**
Describes the type of assets or services purchased using terms and groupings relevant to both IT and finance

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*The TBM Taxonomy has been validated by the non-profit Technology Business Management Council consisting of 3,500 members from leading IT organizations, and adopted by over 300 US and global companies.*
## Business Application Services

### Finance
- Financial Planning
- Revenue Accounting
- General Accounting
- Fixed Assets
- Payroll
- Procurement
- Accounts Payable
- Treasury
- Tax
- Internal Controls
- Consolidation

### Human Resources
- Recruiting
- Talent Management
- Workforce Management
- Employee Communications

### Facilities & Assets
- Acquisition
- Construction
- Maintenance
- Disposal

### Cross-Function Capabilities
- Enterprise Knowledge Management
- Corporate Communications
- Legal
### BUSINESS CAPABILITIES

#### SERVICES

#### IT TOWERS (v2)

<table>
<thead>
<tr>
<th>DATA CENTER</th>
<th>COMPUTE</th>
<th>STORAGE</th>
<th>NETWORK</th>
<th>OUTPUT</th>
<th>END USER</th>
<th>APPLICATION</th>
<th>DELIVERY</th>
<th>SECURITY &amp; COMPLIANCE</th>
<th>IT MANAGEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enterprise Data Center</td>
<td>Servers (Windows/Linux)</td>
<td>Online Storage</td>
<td>LAN/WAN</td>
<td>Central Print</td>
<td>Workspace</td>
<td>Application Development</td>
<td>IT Service Management</td>
<td>Security</td>
<td>IT Management &amp; Strategic Planning</td>
</tr>
<tr>
<td>Other Facilities</td>
<td>Unix</td>
<td>Offline Storage</td>
<td>Voice</td>
<td>Mobile Devices</td>
<td>Application Support &amp; Operations</td>
<td>Operations Center</td>
<td>Compliance</td>
<td>Enterprise Architecture</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Midrange</td>
<td>Mainframe Online Storage</td>
<td>Transport</td>
<td>End User Software</td>
<td>Business Software</td>
<td>Project Management</td>
<td>Disaster Recovery</td>
<td>IT Finance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Converged Infrastructure</td>
<td>Mainframe Offline Storage</td>
<td></td>
<td>Network Printers</td>
<td>Database</td>
<td>Client Management</td>
<td></td>
<td>IT Vendor Management</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mainframe</td>
<td></td>
<td></td>
<td>Conferencing &amp; AV</td>
<td>Middleware</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IT Help Desk</td>
<td>Mainframe Database</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Deskside Support</td>
<td>Mainframe Middleware</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

### COST POOLS

**Key:**
- Decision, no further feedback
- Proposal, needs vote

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## BUSINESS CAPABILITIES

### SERVICES

### IT TOWERS

## COST POOLS (v2)

<table>
<thead>
<tr>
<th>INTERNAL LABOR</th>
<th>EXTERNAL LABOR</th>
<th>OUTSIDE SERVICES</th>
<th>HARDWARE</th>
<th>SOFTWARE</th>
<th>FACILITIES &amp; POWER</th>
<th>TELECOM</th>
<th>OTHER</th>
<th>INTERNAL SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expense</td>
<td>Expense</td>
<td>Consulting</td>
<td>Expense</td>
<td>Expense</td>
<td>Expense</td>
<td>Expense</td>
<td>Other</td>
<td>Other</td>
</tr>
<tr>
<td>Managed Service Provider</td>
<td>Lease</td>
<td>Subscription</td>
<td>Lease</td>
<td>Lease</td>
<td>Lease</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cloud Service Provider</td>
<td>Maintenance &amp; Support</td>
<td>Maintenance &amp; Support</td>
<td>Maintenance &amp; Support</td>
<td>Maintenance &amp; Support</td>
<td>Maintenance &amp; Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>Depreciation &amp; Amortization</td>
<td>Depreciation &amp; Amortization</td>
<td>Depreciation &amp; Amortization</td>
<td>Depreciation &amp; Amortization</td>
<td>Depreciation &amp; Amortization</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Operating Expenditures

| Capital | Capital | Capital | Capital | Capital | Capital | Capital | Capital | Capital |

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Tools of TBM – TBM Value Score Card

Driving accountability

Objective: “Make Cloud a critical enabler for transformation”

Target: “Move 30% of existing workload to cloud infrastructure end of FY”

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Owner</th>
<th>Target</th>
<th>Timeline</th>
<th>Area</th>
<th>Personas</th>
<th>Processes</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud Migration</td>
<td>Director of Mission Solutions</td>
<td>Move 30% of App workload to the Cloud</td>
<td>Q4 FY18</td>
<td>• Applications • Infrastructure</td>
<td>Apps Mgrs. I/O Mgrs.</td>
<td>Monthly Tech Business Review</td>
<td></td>
</tr>
</tbody>
</table>

What data would we need show this outcome?
# TBM Data Requirements

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>DESCRIPTION</th>
<th>WHY IS IT NEEDED?</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Ledger (CBS)</td>
<td>Chart of accounts and actual costs</td>
<td>Most reporting and metrics</td>
</tr>
<tr>
<td>Fixed Assets (Sunflower System)</td>
<td>Usually a sub-ledger to the general ledger, provides a list of assets and their depreciation schedules</td>
<td>Reporting and metrics that involve IT assets, such as hardware and software</td>
</tr>
<tr>
<td>HR Data (webTA, CBS, Project Tools)</td>
<td>IT employees listed by role plus cost centers and unique identifiers</td>
<td>Reporting and metrics that involve personnel costs, such as admins, development, and maintenance</td>
</tr>
<tr>
<td>Projects</td>
<td>List of projects by name and codes along with spending and headcount</td>
<td>Reporting and metrics on project delivery such as planned vs. actual</td>
</tr>
<tr>
<td>IT Assets</td>
<td>Lists of hardware and software assets as tracked by IT for delivering services and projects</td>
<td>Calculating accurate TCO of applications and granular decision-making regarding asset utilization and efficiency</td>
</tr>
<tr>
<td>Cloud</td>
<td>Billing data from IaaS, PaaS, SaaS vendors</td>
<td>Calculating more accurate TCO of applications and reporting cloud costs back to consumers (e.g. application owners and business partners)</td>
</tr>
</tbody>
</table>
## TBM Data Requirements

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>DESCRIPTION</th>
<th>WHY IS IT NEEDED?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>Service catalog or list of services and their definitions</td>
<td>Costing of services and reporting of service consumption and costs to service owners and their business partners</td>
</tr>
<tr>
<td>Application &amp; Service Mapping</td>
<td>List of applications and or services and, if available, mappings to the infrastructure</td>
<td>More accurate and complete costing of services, including support resources and costs used for each one</td>
</tr>
<tr>
<td>Service Desk</td>
<td>Incidents and requests by user, priority, and impact along with support time by asset or service</td>
<td>More accurate and complete costing of assets and services, including support resources and costs used for each one</td>
</tr>
<tr>
<td>Monitoring</td>
<td>Storage consumption (allocated, used) by application, server utilization metrics, and data center utilization (racks, power)</td>
<td>More accurate and complete costing of assets and services, including shared resources, such as virtual servers and storage area networks</td>
</tr>
<tr>
<td>Vendor</td>
<td>Vendor lists along with selected billing data for major vendors and cloud providers</td>
<td>Transparency of vendor spending and a more accurate allocation of vendors to assets and services</td>
</tr>
</tbody>
</table>
Federal TBM adoption

• OMB and Federal CIO Council are driving TBM adoption

• OMB preparing to publish TBM & CPIC guidance

• OMB TBM lead, Kelly Morrison, is scheduled to discuss TBM & CPIC guidance at DOC CIO Council
### Translating the TBM Taxonomy

#### Applying the TBM Taxonomy to CPIC investments

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Sub-Pool</th>
<th>Pool</th>
<th>Sub-Tower</th>
<th>Tower</th>
<th>CPIC Investment</th>
<th>O&amp;M</th>
</tr>
</thead>
<tbody>
<tr>
<td>GS-15 Program Manager</td>
<td>$150,000</td>
<td>Expense</td>
<td>Internal Labor</td>
<td>Operations Management</td>
<td>Delivery</td>
<td>IT Infrastructure</td>
<td>Yes</td>
</tr>
<tr>
<td>Network Support Contract</td>
<td>$1,000,000</td>
<td>Maintenance &amp; Support</td>
<td>External Labor</td>
<td>Operations Management</td>
<td>Delivery</td>
<td>IT Infrastructure</td>
<td>Yes</td>
</tr>
<tr>
<td>Network Equipment Refresh</td>
<td>$400,000</td>
<td>Capital</td>
<td>Hardware</td>
<td>Converged Infrastructure</td>
<td>Network</td>
<td>IT Infrastructure</td>
<td>Yes</td>
</tr>
<tr>
<td>O365 Licenses</td>
<td>$300,000</td>
<td>Subscription</td>
<td>Software</td>
<td>End User</td>
<td>End User</td>
<td>IT Infrastructure</td>
<td>Yes</td>
</tr>
<tr>
<td>Telephone</td>
<td>$200,000</td>
<td>Managed Service</td>
<td>Telecom</td>
<td>Voice</td>
<td>Network</td>
<td>IT Infrastructure</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Current OMB TBM reporting timeline via Capital Planning & Investment Controls process tool eCPIC

<table>
<thead>
<tr>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Pools</strong></td>
<td><strong>IT Towers</strong></td>
<td><strong>Cost Pools</strong></td>
</tr>
<tr>
<td><em>External Labor</em></td>
<td>Data Center</td>
<td>Internal Labor</td>
</tr>
<tr>
<td><em>External Labor</em></td>
<td>Compute</td>
<td><strong>IT Towers</strong></td>
</tr>
<tr>
<td>Hardware</td>
<td>Storage</td>
<td>Data Center</td>
</tr>
<tr>
<td>Software</td>
<td>Network</td>
<td>Compute</td>
</tr>
<tr>
<td><em>Outside Services</em></td>
<td>Output</td>
<td>Storage</td>
</tr>
<tr>
<td>Facilities &amp; Power</td>
<td>End User</td>
<td>Network</td>
</tr>
<tr>
<td>Telecom</td>
<td>Application</td>
<td><strong>Outside Services</strong></td>
</tr>
<tr>
<td>Other</td>
<td>Delivery</td>
<td>Facilities &amp; Power</td>
</tr>
<tr>
<td><em>Internal Services</em></td>
<td>IT Security &amp; Compliance</td>
<td><em>External Labor</em></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hardware</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Software</td>
</tr>
<tr>
<td></td>
<td></td>
<td><em>Outside Services</em></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Facilities &amp; Power</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telecom</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td><em>Internal Services</em></td>
</tr>
</tbody>
</table>

*These cost pools should be prioritized

This is the current plan and could be impacted by efforts to that could make this easier to implement

September Request Submission: Optional
By President’s Budget Submission (est. Jan. 2018): Mandatory

Mandatory Reporting
Optional/Phased Roll Out Reporting

2017 Financial Management Conference
TBM Enterprise System Automated Tool

**COST TRANSPARENCY**
Total Cost of Projects, Apps, Infrastructure, and Services

**IT BENCHMARKING**
Up-to-date KPIs benchmarked by Peer Industry

**BUSINESS INSIGHTS**
Detailed Utilization and Cost Analytics for Optimization

**BILL OF IT**
Automated Show-back or Charge-back

**IT PLANNING**
Streamlined Budget and Resource Forecast Process

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Reports, Dashboards, Real-time Analytics

Store Data → Cleanse → Enrich → Relate to Model → Allocate Costs

**FINANCIAL**
- GL/FIXED ASSETS
- BUDGET
- HR
- ASSET/CMDB
- PPM
- SERVICE DESK
- MONITORING
- PROVISIONING

**OPERATIONAL**

**BILLING**
- VENDORS
- CLOUD SERVICES

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2017 Financial Management Conference
Questions
Federal IT Cost Commission Recommendations

TBM Taxonomy and Metrics

Recommendation 1 – Supported by the OMB, agency CIOs should adopt the standard TBM taxonomy for budgeting (planning) and reporting IT expenditures and for driving consistency across stakeholder groups.

Recommendation 2 – Agency CIOs should employ a standard set of TBM KPIs to allow comparability of cost, performance, and value.

Recommendation 3 – Agency CIOs should benchmark significant IT tower and sub-tower costs on an annual basis.

Financial Accounting and Reporting

Recommendation 4 - The GSA’s Financial Systems Integration Office (FSIO) should establish a common coding scheme for TBM taxonomy IT tower information.

Recommendation 5 - When implementing TBM, Federal agencies should use an accrual-based calculation of costs, not a cash-based methodology.

Recommendation 6 - Federal agencies should code financial transactions with the corresponding TBM taxonomy IT tower.

Recommendation 7 - Federal agencies should adjust the financial reporting process to ensure IT spend can be identified from other spend.

Recommendation 8 - The OMB should ensure each agency has a budget bureau code dedicated to the Office of the CIO.

Governance Standards

Recommendation 9 - The OMB should establish a government-wide TBM governance board and designate a center of excellence for cross-agency TBM implementations.

Recommendation 10 - Cabinet-level agency CIOs should establish policies and processes to ensure consistent application of TBM taxonomy and reporting across subordinate agencies.

Recommendation 11 - Agency CIOs should develop a multi-year roadmap both for reporting and data maturity and for driving continuous improvement in cost efficiency and value.

Organizational Capabilities

Recommendation 12 - Agency CIOs should take specific steps to ensure better alignment of reporting between their offices, their Offices of the Chief Financial Officer, and the OMB.

Recommendation 13 - Agency CIOs should establish a TBM office comprised of a program director and any TBM analysts and administrator resources needed for modeling, reporting, and metrics.

Recommendation 14 - Agency CIOs should clarify which IT personnel are accountable for TBM metrics, and ensure those personnel are trained on how to use and improve them.

Recommendation 15 - Agency CIOs should develop and implement a stakeholder rollout and end-user training program.

Recommendation 16 - Agency CIOs should implement and monitor key business processes that occur on a regular basis including month-end close, data quality reporting, monthly operating reviews, and quarterly business reviews.

Recommendation 17 - Agency CIOs should remain active sponsors of the TBM program to ensure continuous improvement and that program leaders have their support to overcome roadblocks.

Recommendation 18 - Agency CIOs should take measures to ensure trust in their TBM model and financial reporting.

Functional Capabilities

Recommendation 19 - Agency CIOs should implement a TBM system that is capable of serving the requirements for data integration, scalability, cost and resource modeling, reporting and analytics, and security.

Recommendation 20 - Agency CIOs should implement a TBM model that allows for the costing of both commodity IT products and the more mission-specific IT products and services.

Recommendation 21 - Agency CIOs should implement regular data quality reporting and use the data to continuously mature and enhance the data used for modeling, reporting, and decision making.

OMB’s ITCC Recommendation Adoption Time Horizon

Near Term (Define)  Medium Term (Implement/Operate) Longer Term (Integrate/Optimize)