# IT Key Metrics Data 2024: Applications Measures — Practitioners Guide

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> This document outlines the process along with best practices and resources available to support organizations undergoing benchmarking exercises using the Gartner self-service Applications tool.

## Key Findings

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- Organizations often want to assess the level and structure of their applications spending relative to competitors competitive in applications but they struggle to do that.

- By understanding the investment in applications spending and staffing from an asset, function, role perspective relative to peers, organizations can detect where optimization opportunities may lie. This always must be done relative to an organization's unique business requirements and objectives.

- End-User Services & Application Portfolio Budget & Efficiency Tool is an interactive online survey that allows you to input your organization's data and provide a personalized comparison report in return.
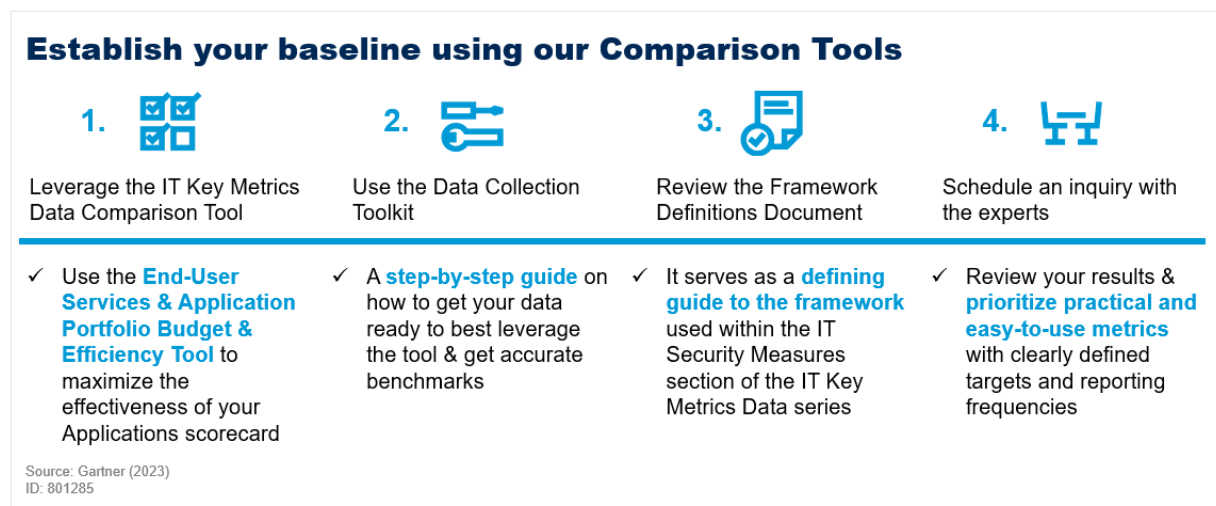
Alternatively, download the guide to  End-User Services & Application Portfolio Budget & Efficiency Tool

Applications: Practitioners Guide

## Recommendations

Recommendations

## Figure 1: Establish your Baseline

**Establish your baseline using our Comparison Tools**

| 1. | 2. | 3. | 4. |
|---|---|---|---|
| Leverage the IT Key Metrics Data Comparison Tool | Use the Data Collection Toolkit | Review the Framework Definitions Document | Schedule an inquiry with the experts |
| ✓ Use the **End-User Services & Application Portfolio Budget & Efficiency Tool** to maximize the effectiveness of your Applications scorecard | ✓ A **step-by-step guide** on how to get your data ready to best leverage the tool & get accurate benchmarks | ✓ It serves as a **defining guide to the framework** used within the IT Security Measures section of the IT Key Metrics Data series | ✓ Review your results & **prioritize practical and easy-to-use metrics** with clearly defined targets and reporting frequencies |

Source: Gartner (2023)
ID: 801285

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1. Leverage the  End-User Services & Application Portfolio Budget & Efficiency Tool

2. Use the attached Data collection toolkit

3. Review the Applications Framework Definitions

4. Schedule an  inquiry to review your results or address alignment questions

## Applications Toolkit

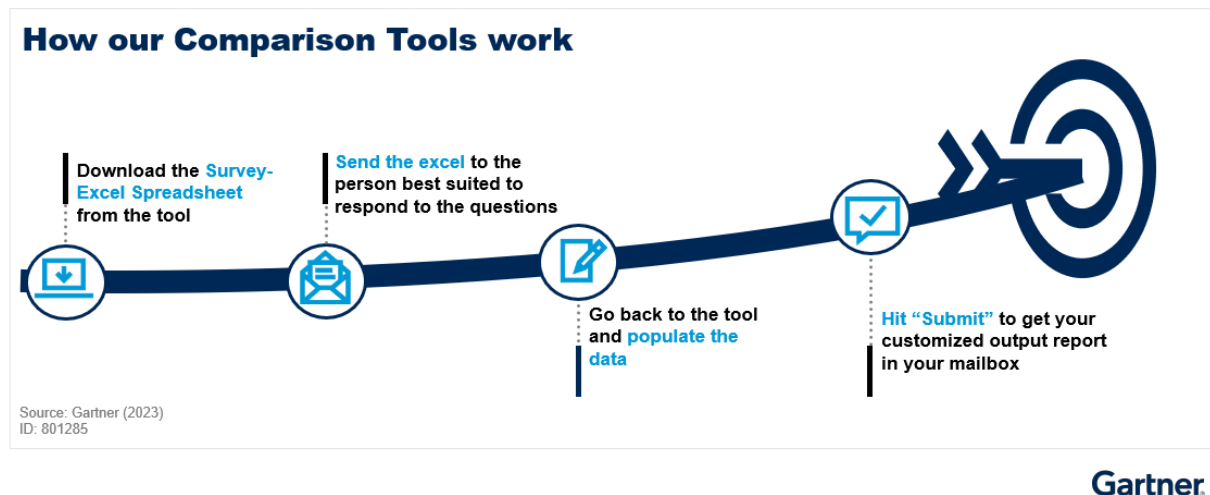**How Does the Comparison Tool Help?**

Provides a framework to define exactly what is included in Applications spending from a financial perspective and what is not. The framework also defines asset and operations distributions so you can understand what types of investments you are making. This in turn can pinpoint areas of overinvestment and underinvestment.

Provides peer reference data relative to total IT spending, employees, and revenue.

Sets a baseline for Applications spending and allows the conversation to focus on facts rather than opinions.
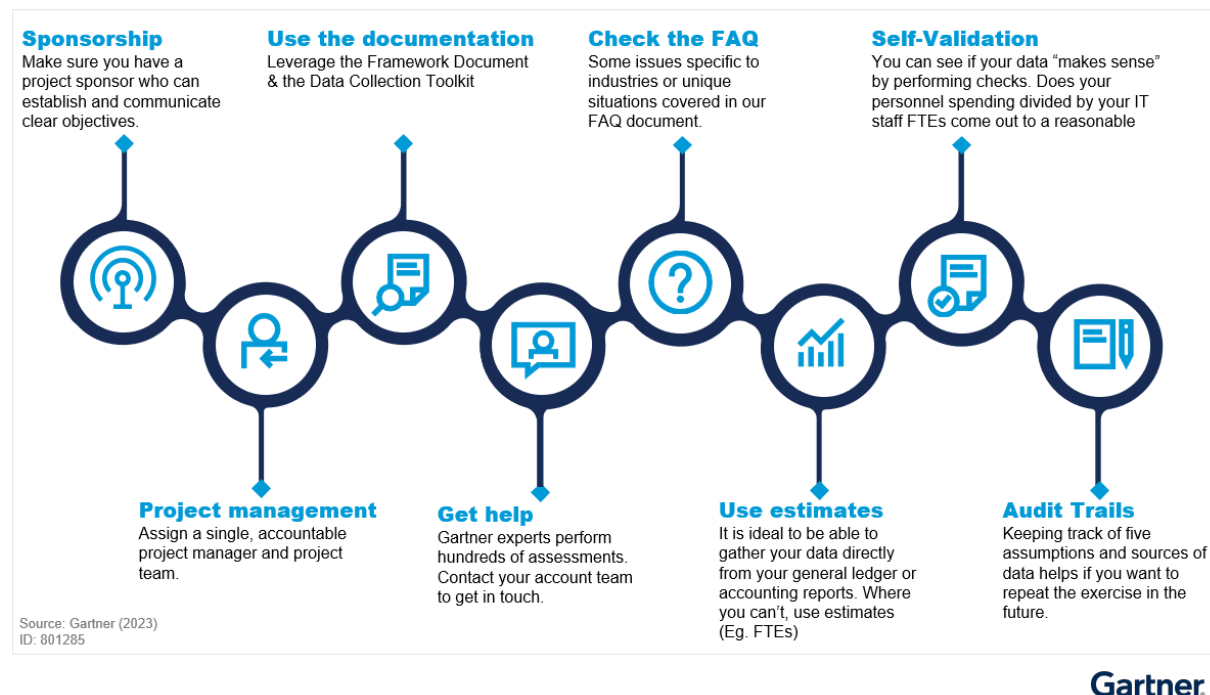
**How Does it Work?**

## Figure 2: How our Comparison Tools work



**How our Comparison Tools work**

Download the **Survey-Excel Spreadsheet** from the tool

**Send the excel** to the person best suited to respond to the questions

Go back to the tool and **populate the data**

**Hit "Submit"** to get your customized output report in your mailbox

Source: Gartner (2023)
ID: 801285

Gartner

### How Difficult Will it Be?

The level of difficulty depends on your ability to gather data and the size of your organization, but there are some best practices.

## Figure 3: Best practices while using the Comparison Tool



**Sponsorship**
Make sure you have a project sponsor who can establish and communicate clear objectives.

**Use the documentation**
Leverage the Framework Document & the Data Collection Toolkit

**Check the FAQ**
Some issues specific to industries or unique situations covered in our FAQ document.

**Self-Validation**
You can see if your data "makes sense" by performing checks. Does your personnel spending divided by your IT staff FTEs come out to a reasonable

**Project management**
Assign a single, accountable project manager and project team.

**Get help**
Gartner experts perform hundreds of assessments. Contact your account team to get in touch.

**Use estimates**
It is ideal to be able to gather your data directly from your general ledger or accounting reports. Where you can't, use estimates (Eg. FTEs)

**Audit Trails**
Keeping track of five assumptions and sources of data helps if you want to repeat the exercise in the future.

Source: Gartner (2023)
ID: 801285

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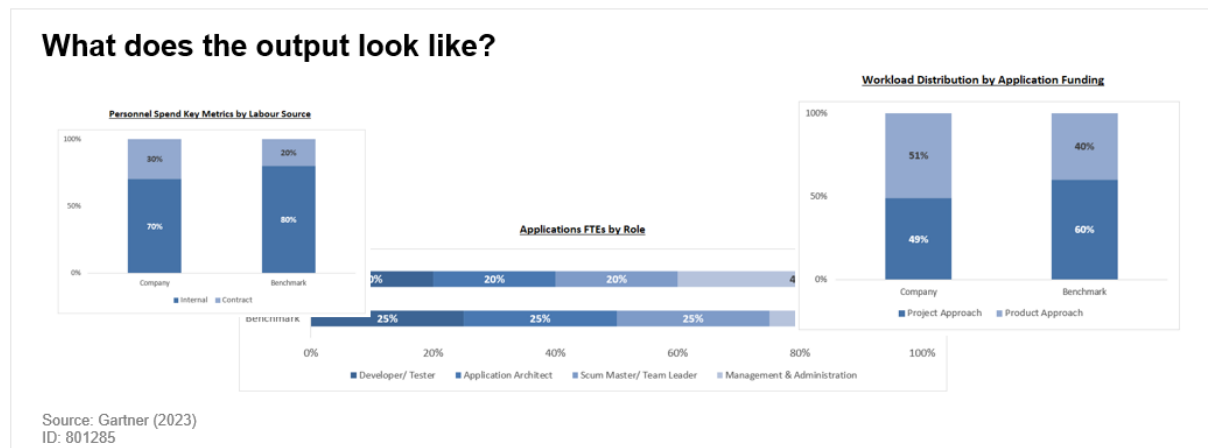**Check the FAQ:** Check our Frequently Asked Questions document.

## Summary of Results

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The output of the report contains top level metrics and distributions.

Each of these metrics shows Applications spending and staff, contextualized by more granular distributions. It is not unusual for an organization to be higher than the average on one and lower on another. It is important to understand that the published averages are not targets, and decisions of "good" or "bad" performance should not be based on these metrics.
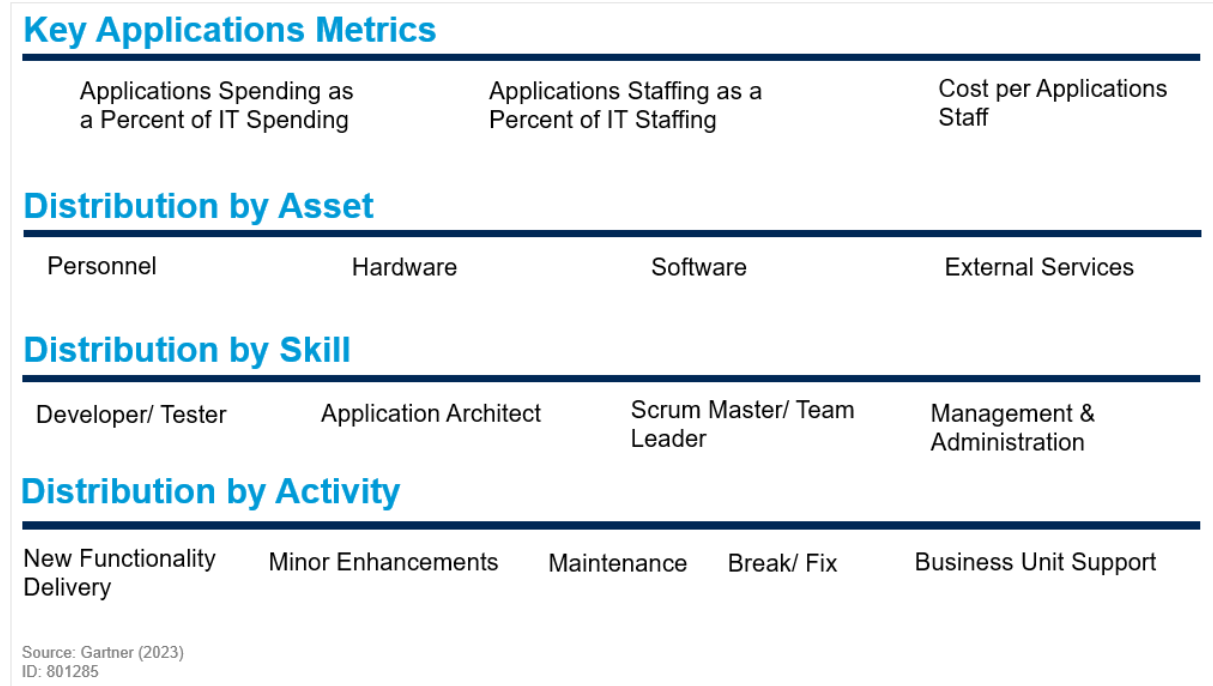
**Figure 4: Sample Output**



**What does the output look like?**

Personnel Spend Key Metrics by Labour Source

Applications FTEs by Role

Workload Distribution by Application Funding

Source: Gartner (2023)
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The top-level metrics are a good place to start your analysis, but it's important to go beyond them to understand what drives cost. That is where the distribution metrics come in and understanding them can help guide discussions around trade-offs among traditional measures.

**Key Applications Metrics**

| Applications Spending as a Percent of IT Spending | Applications Staffing as a Percent of IT Staffing | Cost per Applications Staff |

**Distribution by Asset**

| Personnel | Hardware | Software | External Services |

**Distribution by Skill**

| Developer/ Tester | Application Architect | Scrum Master/ Team Leader | Management & Administration |

**Distribution by Activity**

| New Functionality Delivery | Minor Enhancements | Maintenance | Break/ Fix | Business Unit Support |

Source: Gartner (2023)
ID: 801285

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**Additional offerings**

Besides Applications, you can access the following tools to generate a comparison report of your IT metrics vs. published industry metrics on an ongoing basis.

Gartner IT Budget Tool

IT Key Metrics Data Comparison Tool: Data Center & Network

**Connect with Us**

To learn more about Gartner IT Key Metrics Data comparison tools contact your account executive or  email us.

# Recommended Readings by Author

*Some documents may not be available as part of your current Gartner subscription.*

"IT Key Metrics Data 2024: Applications Measures — Analysis"

"9 Evidence-Based Practices Enterprise Application Leaders Must Adopt to Navigate Economic Headwinds"

"5 Governance Steps to Accelerate Your Project to Product Transition"

"Prioritize Business Domains for Application Rationalization"

"IT Score for Applications"

## Document Revision History

IT Key Metrics Data 2023: Applications Measures — Practitioners Guide - 8 December 2022

IT Key Metrics Data 2022: Applications Measures — Practitioners Guide - 16 December 2021

IT Key Metrics Data 2021: Applications Measures — Practitioners Guide - 18 December 2020

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## Recommended by the Authors

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IT Score for Enterprise Applications

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