IT Key Metrics Data 2023: Applications MeasuresPractitioners 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.
- IT Key Metrics Data Comparison tools are interactive online surveys that allow you to input your organization's data and provide a personalized comparison report in return.
- The all-new End-User Services & Application Portfolio Budget & Efficiency Tool will be available from January 2023

Alternatively, download the guide to End-User Services & Application Portfolio Budget & Efficiency Tool

Applications: Practitioners Guide

Recommendations

Recommendations

Figure 1: Establish your Baseline

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Leverage the IT Key Metrics Data Comparison Tool	Use the Data Collection Toolkit	Review the Framework Definitions Documents	Schedule an inquiry with the experts
Use the Applications Portfolio Comparison Tool to maximize the effectiveness of your Infrastructure 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 Applications 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

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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?

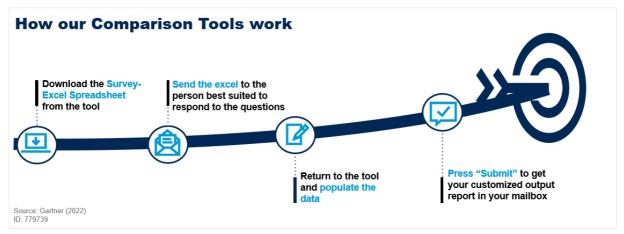
Provides a framework to define exactly what is included in Applications spending from a financial perspective and what is not. The framework also defines asset and operations distributions so you can understand what types of investments you are making. This in turn can pinpoint areas of overinvestment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

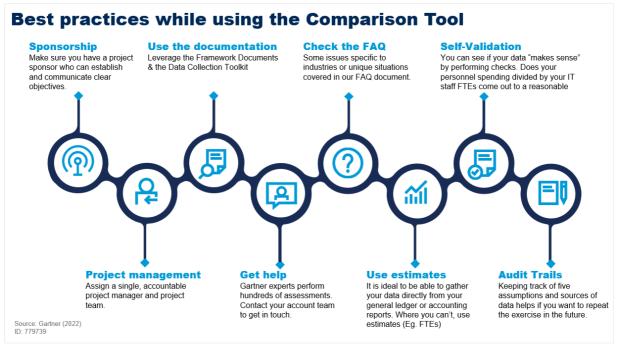


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How Difficult Will it Be?

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



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Check the FAQ: Check our Frequently Asked Questions document.

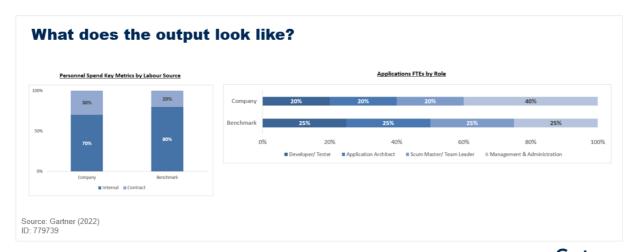
Summary of Results

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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



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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.

Figure 5: Applications Metrics and Distributions

Key Applications M	etrics					
Applications Spendin a Percent of IT Spend		Applications Staffing as a Percent of IT Staffing		Cost per Applications Staff		
Distribution by Ass	et					
Personnel	Hardware	Software		External Services		
Distribution by Skil	I					
Developer/ Tester	Business Analyst	Scrum Master/ Team Leader		Management & Administration		
Distribution by Activity						
New Functionality Delivery	Minor Enhancements	Maintenance	Break/ Fix	Business Unit Support		
Source: Gartner (2022) ID: 779739						

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Additional offerings

Leverage the Gartner IT Budget Tool to generate a comparison report of your IT metrics vs. published industry metrics on an ongoing basis.

Additionally, access your organization in other business towers using:

IT Key Metrics Data Comparison Tool: Data Center & Network

IT Key Metrics Data Comparison Tool: IT Security

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 2023: Applications Measures - Analysis"

"Toolkit: The Application Leader's First 100 Days"

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

"How to Prioritize Application Inventory and Rationalization — By the Numbers"

"IT Score for Applications"

Document Revision History

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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