



# HOW TO OPTIMIZE YOUR IT COST ?

According to Capgemini's World Quality Report 2015-16, IT departments are spending more on QA and testing than ever before. Companies are now spending an average of **35%** of their IT budget on QA and testing — a **9%** year-over-year increase.



Global IT spending is projected to reach **\$3.5 trillion** in 2017, up **2.9%** from 2016 estimated spending of **\$3.4 trillion**.

To reduce IT costs while maximizing business value, IT departments need to explore more-radical cost-cutting measures, such as moving off Tier 1 systems, retiring (rather than replacing) systems and sourcings support of key systems to third parties.



## 10 IT COST OPTIMIZATION IDEAS



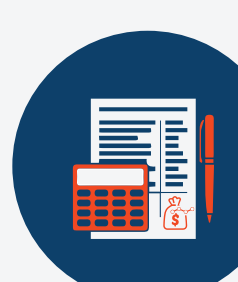
**1**  
Create a shared-service organization for some or all IT services.

**2**  
Centralize, consolidate, modernize, integrate and standardize technologies.



**3**  
Leverage cloud services.

**4**  
Increase IT financial transparency to better manage both supply and demand.



**5**  
Utilize zero-based budgeting on the right cost categories

**6**  
Rationalize and standardize applications before cost-saving initiatives.



**7**  
Optimize software licensing management and IT asset management capabilities.

**8**  
Improve procurement and sourcing capabilities.



**9**  
Invest in Mode 2 capabilities such as agile and DevOps.

**10**  
Re-examine how end-user computing is delivered.



The IT cost optimization ideas included are from *The Gartner Top 10 Recommended IT Cost Optimization Ideas, 2016*



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### Sources:

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