Case Study | 2022 TBM Council Award: TBM Pacesetter

How Transport for NSW Completed the Largest Merger of TBM Practices & Tools Within 6 Months

A Transport for NSW Case Study

Executive Summary

Transport adopted TBM practices and tools within two separate agencies: Roads and Maritime Services (RMS) and Transport for New South Wales (Transport), between 2018 and 2020. Each was managed and governed by different teams and with varying completion timelines.

After the merger between RMS and Transport was announced in 2019, a strategic decision was taken to consolidate the TBM data, reports, and models into a single TBM practice. Transport started by bringing together talented team members to manage the TBM Taxonomy and the tools that drive automation, the new processes, and increased efficiencies in their show-back and recharge process. Remarkably, Transport for NSW's TBM team completed the implementation within six months and has since been recognized as the largest merger of TBM practices and tools in the Asia-Pacific region.

Transport for NSW Overview

Transport is an innovative state government agency in New South Wales (NSW), Australia, with a vision that puts people, places, and economic prosperity at the center of its decision-making.

Transport provides services to approximately eight million residents of NSW, enables 800,000 businesses, and supports the annual movement of over 500 million tons of freight. Across the state, Transport employs more than 29,000 talented people who contribute to the agency's net revenue of over AU$4 billion. Technology is vital in shaping NSW's cities, centers, and communities for future generations as Transport invests AU$76 billion in Australia's largest transportation infrastructure program.

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Poonam Kataria
Senior Manager of TBM

The Challenge

Between 2018 and 2020, Transport for NSW implemented and adopted TBM practices and tools across two separate agencies: RMS and Transport. Since the implementation was across two independent agencies, each adoption was governed and managed by different teams and timelines. Following the announcement of the merger of RMS and Transport, a strategic decision was made to consolidate the TBM capability across both agencies and centralize all TBM data, reports, and models into a single platform. With disparate allocation methodologies, data structures, and business processes, the team faced the challenges of merging two cultures and ways of working into a unified strategy.

Establishing the Solution

To manage the vast and complex IT services, Transport remained steadfast in running technology like a business through TBM's practices, principles, and tools.

Starting with the TBM Taxonomy, Transport aligned its service catalog to the taxonomy's service layer, providing transparency into consumption and unit prices. As trust grew, the team became a one-stop shop for their customers to gain insights into their consumption and strategic decisions, such as vendor selection. The rapid TBM maturity at Transport was achieved by bringing together talented team members, implementing tools that drive automation, and establishing processes that increase efficiency in their show-back and recharge process.

The Result

After conducting the initial analysis of both TBM models, the team discovered they needed to start over. None of the previous implementations could be used as a starting point due to the vast differences in how the two agencies operated.

Benefits:

- Merged two separate agencies and their respective TBM practices and tools within six months.
- Fully integrated 27 IT services into the recharge process within six months.
- Replaced 64% of legacy hosting sites with more cost-effective sites.
- Reduced non-standard and unused devices by 16%.
- Increased Trust in IT as Customers appreciate the transparency of their consumption and charge against their services.
- Provide on-demand information to customers via self-service reports.

Completing the Largest Asia-Pacific Merger of TBM Practices & Tools Within 6 Months

Transport's TBM team completed the ApptioOne Plus implementation within six months — the largest merger of TBM practices and tools in the Asia-Pacific region.

The team delivered finance layer reporting for both divisions and produced an application total cost of ownership (TCO) for RMS within the six-month implementation. The team defined unified rules for the combined Transport IT users by conducting workshops to understand business rules and requirements. The group hosted a series of collaborative discussions with system and data owners to work through more than 300 user-uploaded data sets between the merging agencies.

Transport attributes its accelerated TBM success to several internal and external factors.

Internally, the support from the senior leadership teams was crucial for the implementation. With the help of Transport executives, the TBM team and partnering stakeholders were given the flexibility and focus on expediting the merging of the systems and agencies.

The experience of the respective TBM teams was another major contributor to Transport's rapid success. The members of the merged TBM team brought a breadth of TBM experience and quickly understood the business rules for both agencies. This allowed them to generate innovative approaches to resolving conflicting business rules or competing model priorities while leveraging the TBM Taxonomy. Additionally, working with a TBM Advisor provided the needed support to answer critical questions throughout the implementation and, more importantly, held the TBM team accountable for making progress between each advisory session.

Identifying Opportunities & Driving Behavioral Change with the TBM Taxonomy

Adopting the TBM Taxonomy made it easier for Transport to classify and understand IT cost. The common language provided by the Taxonomy helped to associate spend with operational metrics and business objectives. With this visibility, the TBM team can identify duplicate, unused, or retired services. For example, by adopting the merged TBM practice, they delivered a 25 percent reduction of orphaned and duplicate devices within their Telco services. With TBM, they view all IT services in one unified view.

Leveraging the transparency created by TBM, Transport is now spending more time having data-driven conversations with consumers based on automated insights to drive meaningful outcomes through data and partnerships. For example, the TBM team now partners with their centralized cloud team and individual cloud account owners and has caused two fundamental changes that will be fully operationalized in FY24. First, the TBM team aligned with FinOps practices to mandate cloud application tagging for better traceability. Secondly, they uplifted the cloud budget management process by adopting a recharge model that better aligns with consumption. Now, consuming businesses are required to seek additional funding when their material overspends. Before TBM, teams worked in silos, but this collaboration allowed them to achieve significant annual run rate savings.

Furthermore, using the TBM Taxonomy helped connect each IT service to Transport's three key strategic outcomes: connecting a customer's whole life, successful places for communities, and enabling economic activity. The TBM practice has helped conversations between technology, finance, and business partners by underpinning these outcomes with the services provided by IT and the supporting critical technology systems. As a result, there have been several behavior changes that have come post-TBM implementation. Stakeholders now understand the significance of TBM and are taking action to support the practice by prioritizing data cleanup and alignment to the agreed-upon taxonomy.

Conclusion

As the 2022 TBM Council's TBM Pacesetter Award winner, Transport provided recommendations for achieving accelerated TBM success.

The team emphasized the importance of executive sponsorship, which significantly impacted Transport's TBM success. Poonam Kataria, Senior Manager of TBM, shared, "The foremost requirement is to get the right level of support from your leadership team from the start. We strongly believe that success in TBM space comes by [leadership] setting the right culture in the organization."

Transport's story highlights the impact collaboration and culture have on TBM maturity. Utilizing the TBM Taxonomy to align the merging IT estates and senior leadership's commitment to driving cultural change, Transport's TBM team has delivered more broadly a vital capability for technology and the agency.

TBM COUNCIL

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Founded in 2012, the Technology Business Management (TBM) Council is a nonprofit business entity dedicated to advancing the discipline of TBM through education, standards, and collaboration. Governed by an independent board of both global and regional business technology leaders, this diverse group represents some of the world's most innovative companies, including Mastercard, Wells Fargo, State Farm Insurance, Nike, Stanley Black & Decker, Equifax, ANZ Group, Commonwealth Bank of Australia, Adidas, Bank of Ireland, and more. The TBM Council provides best practices for leaders to leverage so they can react quickly to changing market dynamics and optimize cloud and agile strategies to deliver on business objectives.

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