



Cox Enterprises takes Apptio beyond Technology

Success with Apptio has spread beyond managing technology services

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LISA STALTER, SENIOR DIRECTOR OF IT PLANNING & GOVERNANCE AT COX ENTERPRISES

At Cox Enterprises, a consolidation of shared services for HR created an Apptio opportunity unrelated to technology. Up until 2014 each of the Cox companies had its own recruiting staff and contractors. At the beginning of 2015, to drive an integrated talent management strategy, Cox Enterprises merged them into a new shared service for recruiting. It was decided from the beginning that, like shared services for technology, Cox Enterprises would charge 100% of all recruiting costs back to the various business units across the Cox companies.

A consultant was brought in to create a chargeback model that the HR staff was left to support on their own. They were soon overwhelmed. “They were attempting to do it all in spreadsheets, and they couldn’t keep up,” Lisa Stalter, senior director of IT planning and governance at Cox Enterprises, recalls. “There are multiple variables that can change how costs are calculated, and the structure of the consumption data itself was changing month after month. It was virtually impossible for them to update the model with the resources they had.”

Both the technical challenge and the business pressure they were under to prove out a shared service model were familiar territory for the TBM Office at Cox Enterprises, so they offered to help. Hollie Potts, TBM manager for Cox Enterprises, helped them build their own financial model to understand their cost drivers and manage their costs overall, as well as a chargeback model to apportion recruiting service costs to the business units consuming them. “With Apptio they have their own HR business office and a business management approach to providing shared services.”

At Cox Automotive Mark Satterfield, vice president of delivery, operations, risk, and security leads a TBM Office that is working with business leaders to

Cox Enterprises

Industry: Communications & Media

Revenue: \$17.1B

Employees: 50,000

Cox Enterprises is a privately-held conglomerate of companies operating under 3 major brands: Cox Automotive (including Autotrader, Manheim, Kelly Blue Book), Cox Communications (including Cox Cable) and Cox Media, (various Newspapers, Radio, TV properties).

connect its technology model with business operations data to understand the relationship between business activity, technology demand and ultimately the total business cost for revenue-generating transactions.

Satterfield explains, “We don't talk about servers and storage so much as we talk about demand that's hitting the website, how many people are coming in, how is that driving cost? What does it cost to place an ad on AutoTrader.com? What is the profitability per car going into an auction at Manheim? So we're talking in business terms and we can drill through the model if we need to in order to gain transparency or gain some specificity.”

Championing Apptio as a Strategic Capability

Stalter and Satterfield have actively championed TBM as a strategic capability for technology organizations both throughout and beyond Cox by advocating how and where it can be applied to drive better strategy, plans and outcomes for the business even outside of technology services.

Apptio has helped Satterfield's TBM Office drive a shift in mindset and culture at Cox Automotive. “We've removed "IT" from existence. We don't use that term anymore. We're technology, which is an integrated part of our service offerings to our customers, which could be dealers or car-buying consumers. There is no IT. To a lot of people IT sounds like the guy that changes toner in the printer. That doesn't resonate here anymore.”

“The impact of Apptio, of TBM overall on Cox Automotive, is a pretty big deal for us. It's an organization. It's a way of life for us. It gives us the credibility to partner across technology and business leadership. Technology people no longer run from “governance” people. We're sought out because we can help. We are at the table, participating in business initiatives for growth and expansion as well as cost-optimization and cost take out. So Apptio gives us data to participate in decisions at a very senior level in this company.”

Apptio is the leading provider of cloud-based Technology Business Management (TBM) software that helps CIOs manage the business of IT. www.apptio.com