Enterprise Architecture Principles
03 – Data and Value Based Decision Making

Statement

The business value and total cost of ownership (TCO) for all technology components will be identified and agreed upon between the business stakeholder and Information Technology Services (ITS) prior to deployment or use.

Rationale

- Right fit and higher quality solutions will be identified when balancing the business value and TCO of technology against the actual need.
- Technology life cycle and retirement parameters will be identified to enable decisions regarding technology replacement.
- The budgeting process will take into account one time and re-occurring costs up-front.
- For large scale or complex technology implementations, return on investment calculations and corresponding metrics will be used to enable discussions with the stakeholders regarding the overall value and successful use of technology.

Implications

- Institutional impact statements should clearly describe the business value of any technology changes or improvements and should be aligned to the strategy of the university.
- A systemic view of technology will be taken, information sharing is required.
- Consistent methods of defining costs and value will be ensured.
- The lowest cost solution doesn’t always mean it is the best solution.
- Sufficient time will be allocated to create a meaningful impact statements and TCO.
- TCO will include costs associated with the acquisition, design, construction, implementation, operation, maintenance and retirement of technology.
- TCO will balance development, support, systems integration, implementation, staffing efforts, business continuity/disaster recovery and retirement costs along with the benefits of flexibility, scalability, ease of use and support over the life cycle of the technology.
- TCO will be measured throughout the life cycle of technology component usage.
- Value and success metrics will be defined and evaluated with the business stakeholder prior to the deployment of technology.