



IT FINANCIAL MANAGEMENT – DETAILED TOC (5 DAYS)

Duration: 5 Days | ~8 Hours per Day (40 Hours)

Approach: Conceptual + Practical + Case-based + Tools-oriented

Alignment: ITIL, COBIT, Digital Transformation, Cloud & AI Cost Governance

DAY 1 – Foundations of IT Financial Management

Module 1: Introduction to IT Financial Management

- Meaning and scope of IT Financial Management
- Evolution of ITFM in the digital economy
- Role of ITFM in value creation and cost optimization
- IT as a cost center vs IT as a value enabler
- Key stakeholders: CIO, CFO, IT Managers, Business Heads
- Relationship between IT strategy and financial strategy

Outcome:

Participants understand why IT Financial Management is critical for business sustainability.

Module 2: IT Financial Management Frameworks & Governance

- Overview of ITFM frameworks
 - ITIL Financial Management for IT Services
 - COBIT perspective on IT value and cost governance
- Financial governance in IT organizations
- Roles & responsibilities (RACI) in IT financial decision-making
- Policies, controls, and compliance in IT spending
- Linking ITFM with Enterprise Risk Management (ERM)

Practical Discussion:

- Governance gaps in IT cost overruns
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DAY 2 – IT Budgeting, Costing & Funding Models

Module 3: IT Budgeting Techniques

- Types of IT budgets
 - Capital Expenditure (CAPEX)
 - Operating Expenditure (OPEX)
- Traditional vs rolling budgets
- Zero-based budgeting for IT
- Activity-based budgeting (ABB) in IT
- Budget approval workflows and controls
- Managing budget variances

Hands-on Exercise:

- Create a sample IT budget for a mid-sized organization
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Module 4: IT Costing & Chargeback Models

- Understanding IT cost components
 - Hardware, software, licenses
 - Cloud services
 - People and support costs
- Cost allocation methods
 - Direct vs indirect costing
 - Activity-based costing (ABC)
- Chargeback vs showback models
- Designing transparent cost recovery mechanisms
- Common challenges in IT cost allocation

Case Study:

- Chargeback implementation failure and lessons learned
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DAY 3 – IT Investment, Business Cases & Value Management

Module 5: IT Investment Management

- Identifying IT investment opportunities
 - IT project portfolio management
 - Prioritization of IT investments
 - Risk-adjusted IT investment decisions
 - Managing innovation vs operational IT spend
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Module 6: Business Case & Financial Evaluation of IT Projects

- Preparing IT business cases
- Cost-benefit analysis for IT initiatives
- Financial evaluation techniques:
 - ROI (Return on Investment)
 - NPV (Net Present Value)
 - IRR (Internal Rate of Return)
 - Payback period
- Tangible vs intangible benefits of IT
- Common mistakes in IT business cases

Practical Exercise:

- Evaluate an ERP / Cloud migration project using ROI & NPV
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DAY 4 – IT Service Financial Management, Cloud & Digital Costs

Module 7: Financial Management of IT Services

- Financial lifecycle of IT services
 - Costing IT services vs IT assets
 - Service pricing strategies
 - Managing vendor contracts and SLAs
 - Financial impact of downtime and service failures
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Module 8: Cloud, Digital & Emerging Technology Financial Management

- Financial implications of cloud computing
- Cloud cost models: IaaS, PaaS, SaaS
- FinOps principles and practices
- Managing AI, automation, and digital platform costs
- Hidden costs in cloud and subscription models
- Cost optimization techniques for cloud and digital services

Case Study:

- Cloud cost explosion and corrective controls
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DAY 5 – Performance Measurement, Controls & Strategic Integration

Module 9: IT Financial Performance Measurement

- Key IT Financial KPIs
 - Cost per user
 - Cost per service
 - IT spend as % of revenue
 - Budget variance
- Dashboards and reporting for IT financial performance
- Linking IT financial metrics with business outcomes

Tool Demo:

- Excel / Power BI dashboard for IT financial reporting
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Module 10: Controls, Audit & Strategic Alignment

- Internal controls over IT financial management
 - Audit considerations in IT budgets and spending
 - Preventing cost leakage and financial fraud in IT
 - Aligning ITFM with digital transformation strategy
 - Role of ITFM in ESG and sustainability initiatives
 - Future trends in IT Financial Management
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Capstone / Assessment (Optional)

- Analyze IT spending data
 - Identify inefficiencies and risks
 - Recommend cost optimization strategies
 - Present IT financial strategy to management
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Learning Outcomes

By the end of this program, participants will be able to:

- Plan and control IT budgets effectively
- Evaluate IT investments financially
- Manage cloud and digital technology costs
- Implement strong IT financial governance
- Align IT spending with business strategy