Executive Summary

TCI Total Cost of Impact

A new lifecycle-based model for evaluating the full business impact of technology investment decisions

3stepIT

Technology has become essential business infrastructure

Technology is now a primary driver of business value. Yet most organizations still evaluate technology investments using short-term, ownership-based metrics that fail to capture lifecycle cost, risk, and value.

> Technology investment decisions are now business-critical, but the way they are evaluated has not kept pace.

We surveyed 1,000 senior tech decision-makers across major global markets to understand how they evaluate technology investment decisions.

82% say technology is, alongside people, the leading driver of business value

86% are now measured on the overall business impact of their investment decisions

78% would benefit from a new model that captures lifecycle impact

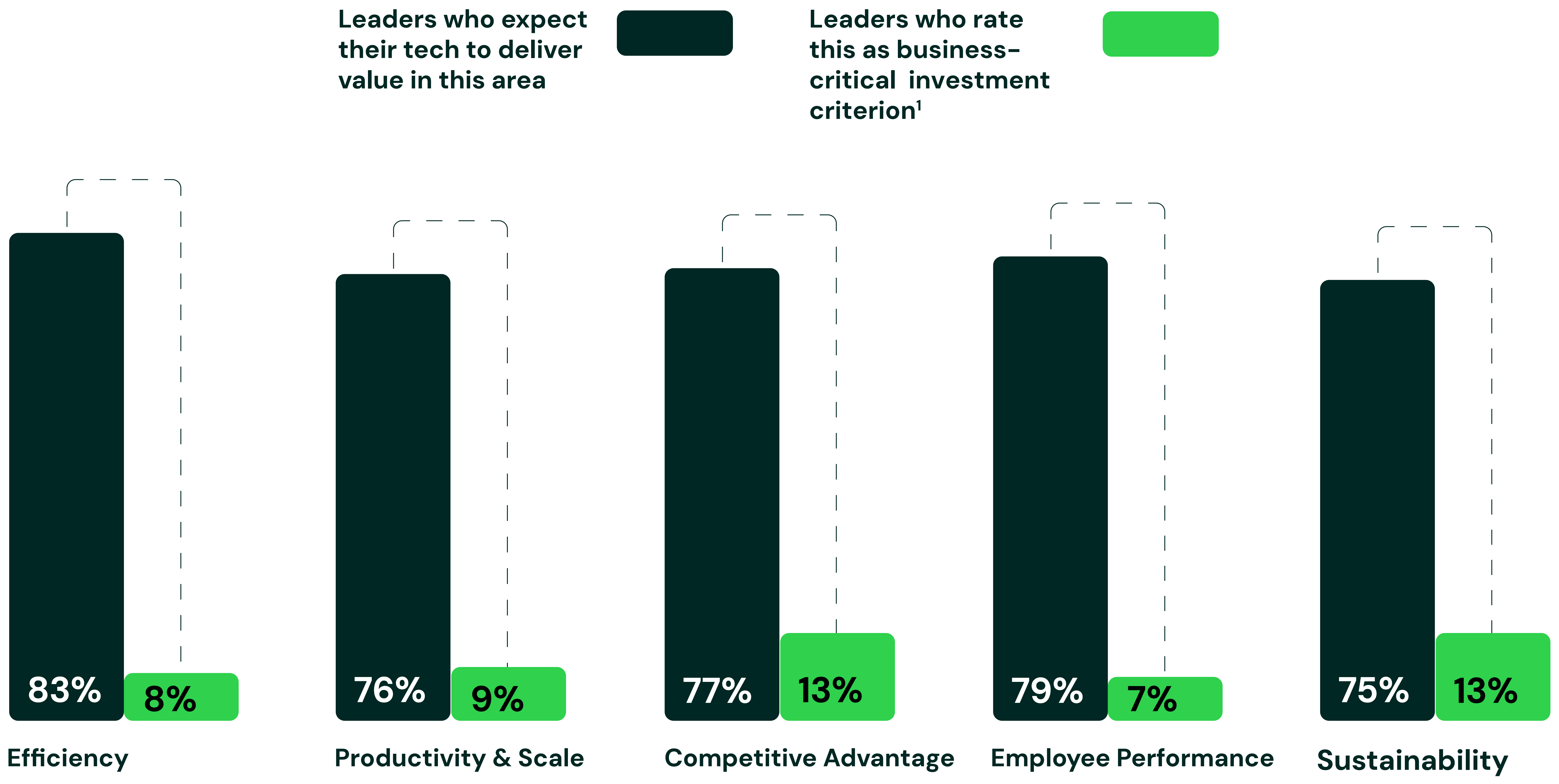
64% have rejected a superior solution because of its upfront price

The impact gap

Our research revealed that the strategic value and risk reduction organizations expect technology to deliver across its lifecycle is not reflected in investment decision-making.

Leaders expect technology to create strategic value and reduce risk, yet their investment decisions often overlook the lifecycle factors that determine whether those outcomes are achievable.

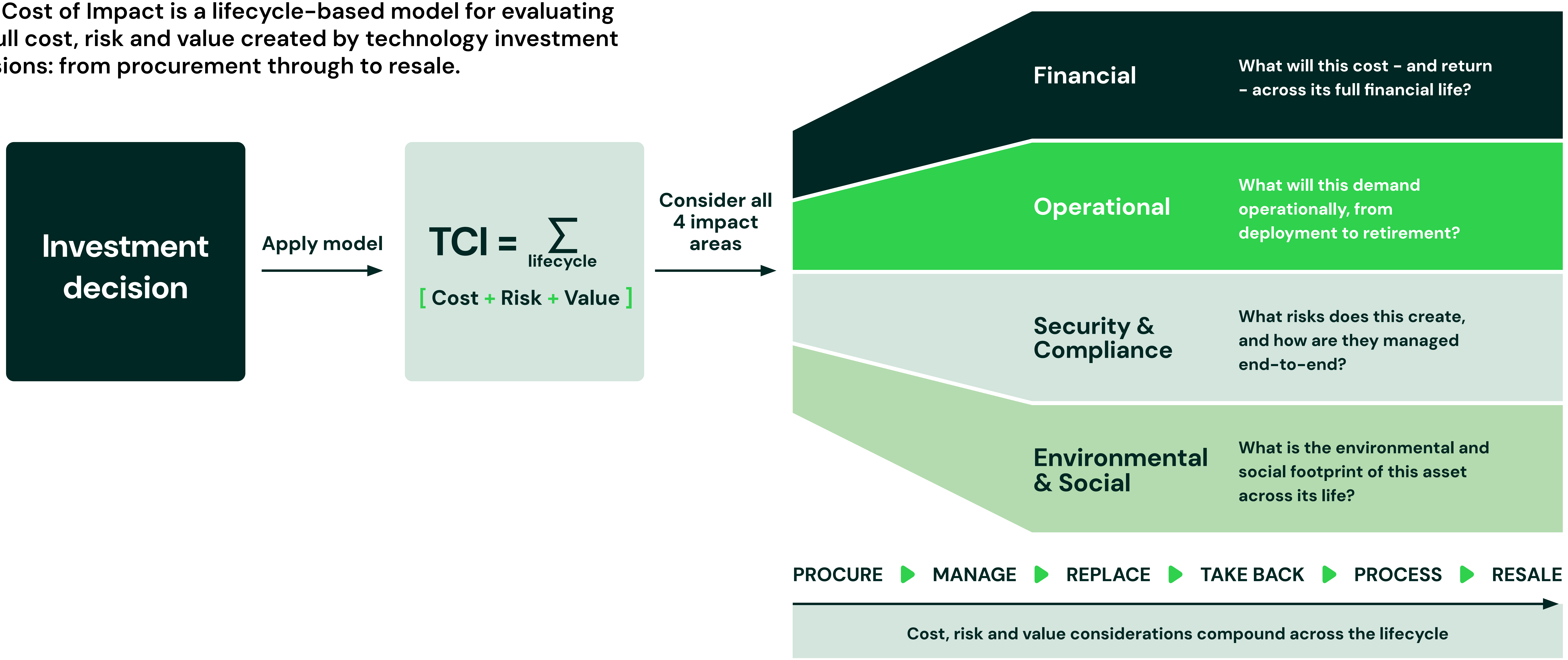
Without a model to evaluate lifecycle implications, decision-makers default to the most visible factor at the point of purchase, typically upfront price.



1. 10/10 rating

Introducing the Total Cost of Impact Model

Total Cost of Impact is a lifecycle-based model for evaluating the full cost, risk and value created by technology investment decisions: from procurement through to resale.



For decades, Total Cost of Ownership (TCO) has been the standard for evaluating technology investments.

Yet today, only half of leaders agree it is an effective and accurate way to capture costs (56%) and risks (51%), and just four in ten believe that it measures broader business value (40%).

Overwhelming support for a new approach to evaluating tech investments

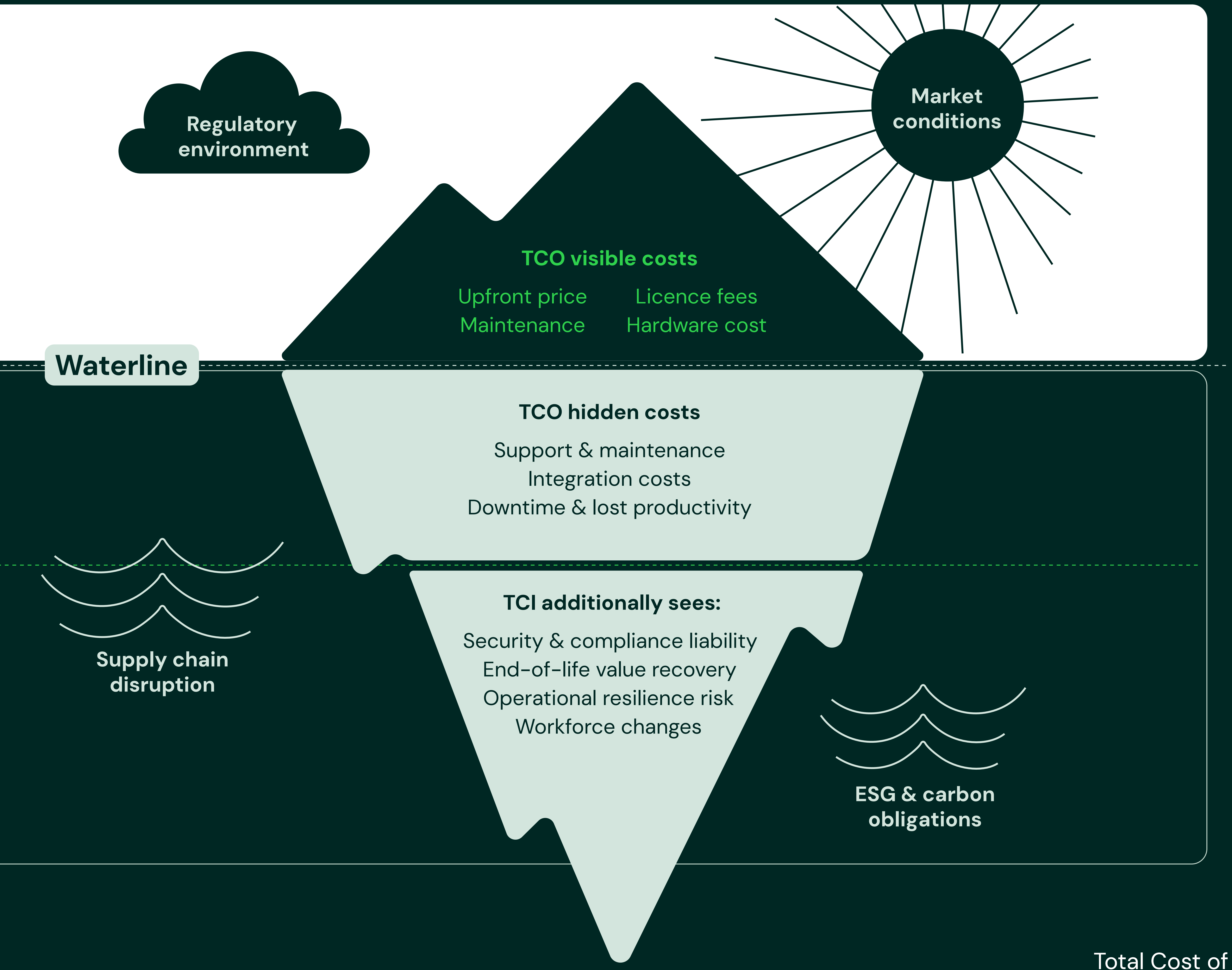
My organization would benefit from a framework that:

TCO shows the iceberg.

TCI shows you the iceberg and everything the iceberg is exposed to.

TCO exposes cost; it does not assess impact.

TCI extends the decision lens across the full technology lifecycle and the external conditions on which value realization depends, including regulation, market conditions, ESG and carbon obligations, and supply chain disruptions.



Resilience starts with a lifecycle view.

Organizations that adopt a lifecycle view of technology now – treating it as critical infrastructure rather than a series of transactional investments – will build compounding advantages over time.

Resilience starts with a lifecycle view.

Download the full report.

For organizations hoping to make the transition to this more strategic impact-led approach, we make the following recommendations:

01. Assess your TCI maturity

Evaluate your organization's approach to making tech investment decisions and compare it to a global benchmark using our digital TCI assessment tool.

02. Collaborate across functions

Apply a cross-organizational approach to technology planning and investment, involving strategy, finance, risk, procurement, and IT teams from the outset.

03. Plan for total lifecycle impact

Prioritize solutions that are designed end-to-end, offering a unified view of the technology portfolio, with secure retirement and value recovery built in from the start.

04. Automate data collection

Collect financial and operational data, monitor usage metrics, and track compliance status without overburdening internal teams.

05. Pilot and scale gradually

Consider piloting the TCI model on key technology categories or projects before rolling it out universally. Lessons learned can inform best practice, build internal expertise, and demonstrate value, making it easier to scale adoption.

Because the true cost of technology is not the price of ownership; it is the price of impact.

Discover TCI Total Cost of Impact

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