

T201 TRANSFORM & OPTIMIZE · PRACTITIONER

Application Rationalization: From Evidence to Switch-Off

Deciding what to retire, consolidate, modernize or keep, and carrying those decisions through to switch-off.

FORMAT

Knowledge pack · 13 slides

FOR

Architects and portfolio managers

LEVEL

Practitioner



THE PREMISE

Rationalization delivers value only in execution

Many programs stop at an inventory and a scored portfolio. Value appears only when applications are **switched off**, contracts end and infrastructure is removed.

Decide

On evidence, with named owners and dates.

Execute

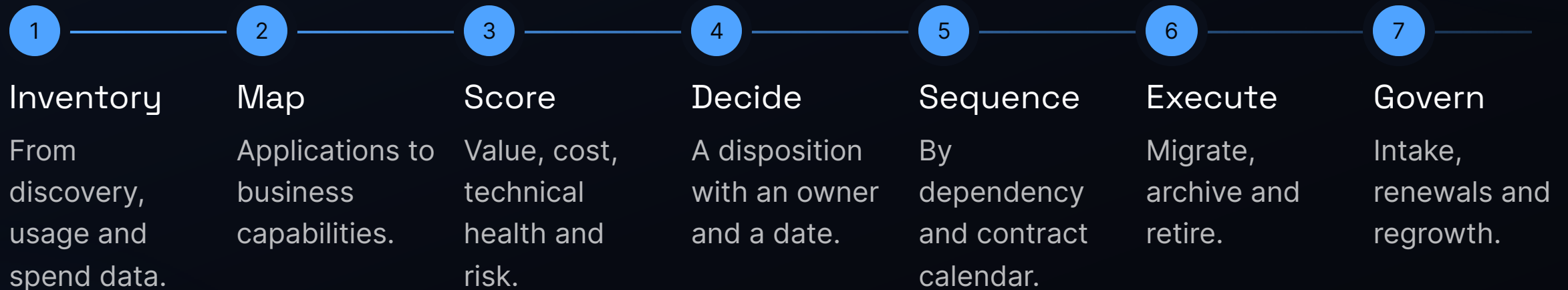
Through one repeatable decommissioning process.

Prove

In invoices stopped and exposure removed.

LIFECYCLE

Seven steps from evidence to switch-off



SCORING

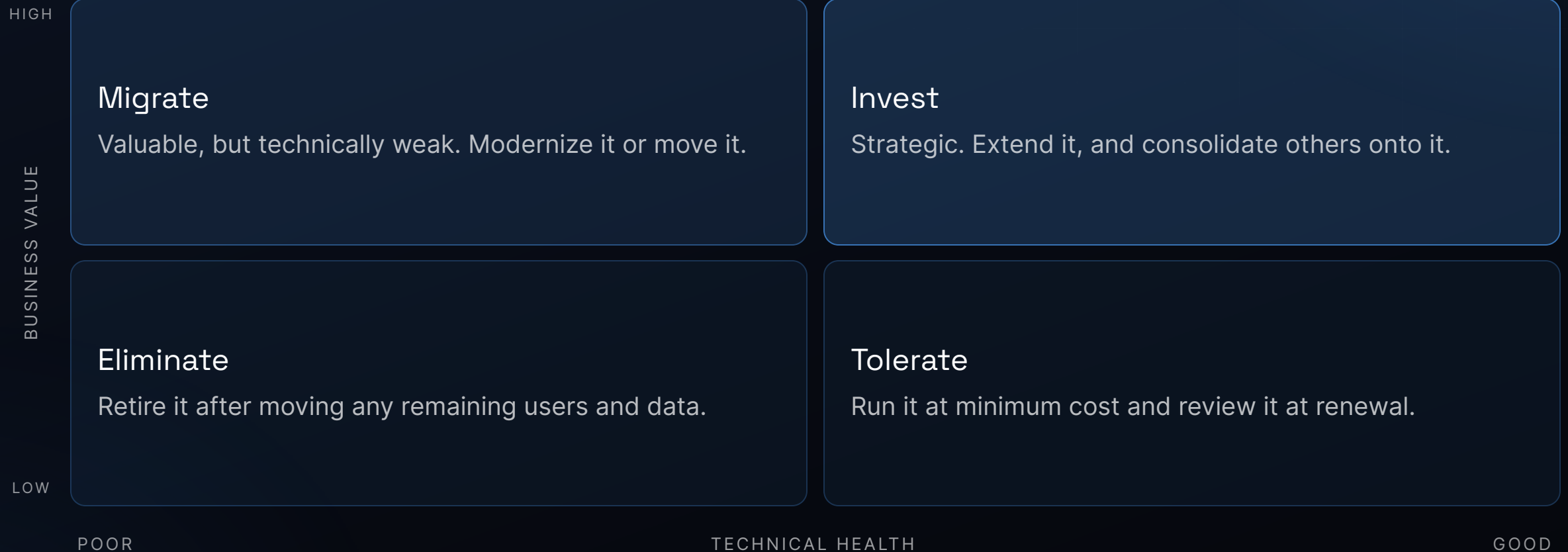
Score on evidence across four lenses

LENS	QUESTIONS	EVIDENCE
Business value	Which capabilities, how critical, and how many users?	Usage logs, process maps, owner confirmation
Cost	What is the fully loaded run cost?	Contracts, cloud bills, support and labor
Technical health	Is it supported, tested and changeable?	Vendor lifecycle data, code analysis
Risk	What is exposed, and what data does it hold?	Scan results, identity data, data classification

DISPOSITION

Turning Gartner's TIME labels into decisions

Each label must become a decision with an owner, a date, a target state and its data obligations.



OVERLAP

Overlap is a capability question, and some of it is deliberate

Applications overlap when they serve the same capability. Unless one of these four reasons applies, the overlap is waste.

Regulatory separation

Jurisdictions or legal entities that require separation.

Resilience

A deliberate alternative for a critical capability.

Integration under way

A temporary duplicate after an acquisition, with an end date.

Real differences

Processes that differ by product or regulation, not by habit.

EXECUTION

The decommissioning factory

Every retirement completes the same eight steps, with evidence for each.



TIMING

The contract calendar decides when savings arrive

A retirement completed one month after an **automatic renewal** leaves the contract fees running until the renewed term ends. Sequence the work backward from notice dates.

Notice periods

The last day on which notice can be given.

Renewals and true-ups

When license counts must have fallen.

Parallel running

The cost of both systems during migration.

Exit terms

Fees, data return or deletion, and exit assistance.

SECURITY

Every retirement also removes exposure

NIST CSF 2.0 Implementation Examples, ID.AM-08 Ex4: “Periodically identify redundant systems, hardware, software, and services that unnecessarily increase the organization’s attack surface.”

Vulnerabilities

Every unpatched component in the application and its stack.

Privileged access

Service accounts and standing connections to other systems.

Interfaces

APIs, file transfers and open ports that remain reachable.

Obligations

Patching, monitoring, access reviews and audit evidence.

MEASUREMENT

Measure completed switch-offs

Run-rate cost removed

Contracts terminated and infrastructure decommissioned, confirmed by finance.

Applications switched off

Infrastructure shut down and access revoked, not merely marked retired.

Exposure removed

Privileged accounts, interfaces and unsupported components eliminated.

Decision-to-switch-off time

Elapsed time from disposition to completed retirement.

Capability overlap

Applications serving each capability, tracked over time.

Regrowth

Applications added versus removed each quarter.

AGENTS

What agents change in rationalization

Decisions stay with accountable owners. Agents keep the evidence current, prepare each retirement and execute its reversible steps.

PERIODIC PROGRAM

Inventory refreshed by periodic surveys

Scores fixed at the time of assessment

Retirement runbooks worked by hand over months

Notice dates tracked by hand in spreadsheets

Regrowth discovered at the next program

WITH AGENTS



Discovery, sign-in, spend and dependency data reconciled continuously



Scores recalculated as the evidence changes



Reversible steps run by agents through change control; people execute deletions



Notice dates and exit terms read from contracts, checked by procurement



New applications and renewals checked against the portfolio at intake

PITFALLS

Six mistakes that undermine rationalization programs

✗ Perfecting the inventory first

✓ Decide on available evidence; refine it in later waves

✗ Leading with application count

✓ Lead with cost and exposure removed

✗ Letting owners score their own systems

✓ Score on evidence; owners confirm

✗ Business cases built on license fees

✓ Fully loaded cost and contract timing

✗ Leaving records retention to the end

✓ Decide retention at disposition

✗ A project with an end date

✓ A standing capability with intake controls

SUMMARY

Key takeaways

- 01 Value is realized at switch-off, so plan execution from the first day.
- 02 Score on evidence across value, cost, technical health and risk.
- 03 Turn each TIME label into a decision with an owner, a date and a target state.
- 04 Run every retirement through the same factory, timed to the contract calendar.
- 05 Report run-rate cost and exposure removed, and watch for regrowth.

NEXT COURSE · T202

Modernizing Legacy Systems with AI

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