

# Application Retirement Process

May 2011

An **Objectstream** White Paper  
by Shubhashree Thekahally



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EXCELLENCE IN EVERYTHING WE DO

7725 W Reno Ave. Suite# 307,  
Oklahoma City OK 73127  
Tel: 405.942.4477  
Email: [info@objectstream.com](mailto:info@objectstream.com)

## Applications and Business

Applications are IT implementations of business. They could be customer facing, perform core business functions, and provide increased productivity and collaboration. Applications therefore are enablers of business as they implement some aspect of business and aid directly or indirectly in revenue generation, customer retention and increasing business presence. Businesses, therefore, consider applications as IT software assets and invest in them readily. An application is an IT investment in operation and hence part of the larger IT portfolio, or more specifically, the application portfolio. All IT assets, due to various reasons are decommissioned, after a period of time. This paper, however discusses only the application decommission process.

## Application Lifecycle



An application varies from any other IT asset as an application lifecycle is very different from other IT assets. An application lifecycle is comprised of idea generation, which is normally triggered by the business's needs or strategic initiatives (discovery phase), procurement which may be either purchasing or developing the software (procurement), deploying the application (deploy) leading to the application becoming operational (operational) until it is retired (decommission). From idea generation until the application is retired, businesses continuously invest in the application, initially on development and then on the maintenance of the application.

Investments are made in the form of funds, personnel, infrastructure, security, support and training. Each stage of the application lifecycle has its own demands on these resources. Either all or most of the resources are required for the successful completion of the stage.



The Total Cost of Operation (TCO) for an application includes expenses incurred towards the resources utilized in discovery phase, procurement, deployment and operational costs up until the time the application is decommissioned. Retiring an application, results in financial and investment gains to a business. These gains can be tangible and hence measurable or translate into investments with a higher ROI and are more cost-effective.

When an application is retired or decommissioned, all the associated resources are released. As applications are software assets, and part of the business's IT portfolio, application decommissioning is similar to any IT asset decommissioning. This paper focuses on the specifics of application decommissioning only. From an investment perspective, a business views the cost savings from an application decommissioning as opportunity cost to reinvest in applications that are better aligned strategically to the business, utilize state-of-the-art technology that may be more cost-effective, secure and productive.

### **Drivers for Application Decommissioning**

The decision to retire or decommission an application is not determined by the age of the application but by the needs of the business. As applications are IT investments, businesses are sensitive to the ROI from the application. Business, Technology and Strategic Initiatives are major drivers that cause applications to be rewritten or replaced. This results in existing applications being retired. Some of the major factors that lead to application retirement are:

- ✧ Advanced technology, leaner and automated business processes and strategic initiatives of a business depreciate software assets or drive application decommissioning.

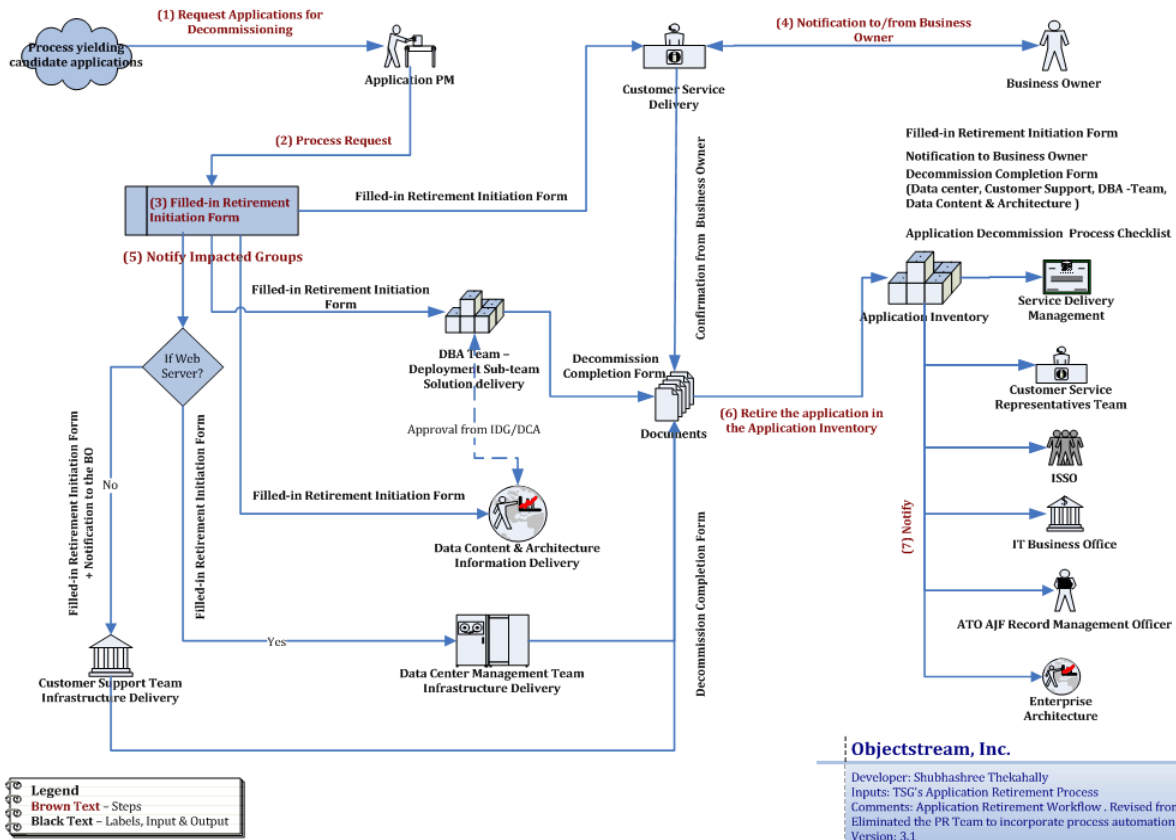
- ✧ Technological developments that provide better features, improved security, and portability to personal devices with reduced support further expedite the need to replace the existing applications.
- ✧ Business needs may trigger a rewrite of applications so as to ensure the applications are scalable, interoperable and support geographically distributed businesses.
- ✧ Business continuity plans and IT risk mitigation strategies could include recommendations to replace or rewrite an existing application.

## **Application Retirement Process**

Retiring an application is a process that demands preplanning, actual decommissioning of the asset and then updating the application portfolio. Decommissioning an application is a structured process, and the sequence of events ensures application removal at all levels.

Objectstream's capabilities portfolio includes business process engineering in addition to their strengths in IT Governance, Enterprise Architecture and IT Risk Management. Objectstream believes re-engineering processes should yield financial gains while conforming to organizational needs and meeting user requirements. Process governance ensures authorizations, and approvals are sought at appropriate levels and allow for installing stage gates. The Application Retirement Process is the outcome of the culmination of Objectstream's experience in IT Governance and business process re-engineering. The process design supports process measurement, data capture for meeting operational and organizational goals, and process governance. Built-in metrics ensure process measurement, so that continuous improvement activities continue to ensure a lean process. Metrics gathered from the impacted groups enable measuring financial and operational benefits of retiring an application. These metrics also serve as KPIs for meeting organizational goals. Objectstream's Application Retirement Process captures operational metrics such as servers and personnel released, the total number of technicians and time taken to uninstall the retiring application. Investment metrics in terms of cost savings, serve as yardsticks to measure the gains from retiring an application. A high level representation of the Application Retirement Process is included in this paper. However, readers will have to contact Objectstream to learn about the mechanism employed for capturing metrics and the analysis thereof.

## Application Retirement Workflow Diagram



Objectstream reserves the rights to this diagram and may not be used without explicit permission from Objectstream and the process engineer.

The above diagram is Objectstream’s implementation of the Application Retirement Process (ARP) for the ATO IT, a line of business of the FAA.

A business process, the retirement process impacts several groups of the ATO IT. Additionally, FAA being a federal agency, has to comply with policies and orders related to data retention, privacy and security. While data retention procedures and privacy compliance were built into the process design, security policies were implemented as post-retirement procedure as per FAA’s policies. The post-retirement procedures also include updating enterprise architecture repositories, closing associated SLAs and terminating helpdesk support for the retiring application.

Objectstream's many years of experience supporting the FAA, recognizes the critical service that FAA renders to the civil aviation industry. While the retirement process is a non-NAS business process, the outcome of the Application Retirement Process can be critical to ATO IT's decision making processes. Therefore, as part of business continuity plans, Objectstream proposed contingency plans for the ARP (in situations, when the ARP may not be executed) and tools for handling process exceptions.

## **Conclusion**

Application retirement is the end of life cycle for applications. Most of the times, this stage is executed in the simplest manner by shutting down a server. However, this results in loss of data that could otherwise demonstrate cost savings and operational gains. Further, investment metrics such as chargeback and show back will yield investment gains that could be reused for IT investments that yield higher returns. Business processes such as the Application Retirement Process, demonstrate how business processes aid in contributing to the organization's goals and strategic initiatives. They are also the medium that helps capture and generate data that allows senior management to make informed decisions. Objectstream's strength lies in leveraging its knowledge of the client's pain points and proactively addressing these pain points through the solution. Therefore, Objectstream's unique capability of sensing the customer's needs, thinking holistically for the customer and devising solutions that transform those pain points to strengths, guarantees the right solutions to the customers.

## **About the Author**

Shubhashree Thekahally, has process engineered the ARP and is currently working on similar enterprise-wide processes for the ATO IT. She works with the client in an advisory role. She designs roadmaps and processes, and identifies metrics and strategies so that the client can achieve their organizational goals.

She is a certified Six Sigma Black Belt and a trained user of TQM.

At Objectstream, Shubhashree contributes on various business and strategic initiatives. She is also actively involved in business development activities and leads internal projects for Objectstream. Outside of Objectstream, she is serving on the 1175.5 Standards Working Group for IEEE Computer Society/Software and Systems Engineering Standards Committee and a serving steering committee member of the Oklahoma City Share point User group.

## **About Objectstream**

Objectstream offers a broad range of services across the IT landscape, including, among other things, training and staff augmentation. Objectstream's winning combination of skilled teams, innovative methods, and established, well-articulated processes, guarantees your business with the tools necessary to effectively confront and manage risk, define requirements with clarity and precision, and successfully manage assets throughout the product lifecycle.

The Objectstream mantra for success has been collaboration with the client and adopting the client's goals as their own.

Objectstream's talented teams of consultants bring rich and varied backgrounds to the IT and business table, all of which add up to a holistic, balanced perspective that reliably and consistently delivers tangible business value to the customer.

Objectstream's presence is growing as fast as their reputation for excellence and innovation. From Oklahoma, Maryland, Tennessee, and Cochin, India, Objectstream is excited at the prospect of continuous business growth and earning recognition as the IT and business consulting firm par excellence.

## **Locations**

## **USA**

Oklahoma  
7725 W. Reno Ave., Suite 307  
Oklahoma City, OK 73127

Tennessee  
203 River bend Lane  
Nashville, TN 37221

Maryland  
1320 Fenwick Lane  
Silver Springs, MD 20910

## **India**

MIG -370 Panampilly Nagar  
Cochin, Kerala 682 036

## **Contact Us**

Ph: 405-942-4477

Fax: 866-814-0174

email: [info@objectstream.com](mailto:info@objectstream.com)

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