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The Technology Business Management Executive Foundation Certificate

The Technology Business Management (TBM) Council is proud to offer the first-ever education program designed for tomorrow’s business-savvy technology leaders. The TBM Executive Foundation course provides IT and finance leaders (managers, directors, VPs, CXOs) the essential knowledge for running a successful TBM program and for driving a business transformation within IT. This course teaches the importance of TBM for changing the conversations between IT leaders and their business partners, the tools and disciplines needed for TBM, the key roles in the TBM office, TBM stakeholders, TBM metrics for managing business value, and how to use TBM to improve business outcomes. Candidates will have the option of taking a certification test, giving them a new credential to demonstrate business acumen.

The Importance of Certification

Getting certified by the TBM Council provides the following benefits:

- Professionals will demonstrate their knowledge of a broad range of business management disciplines for IT and key tools such as the TBM framework and taxonomy.
- Professionals will add a new designation to their resume that will distinguish them in the job market based on business acumen (as opposed to purely technical acumen).
- CIOs will gain confidence in their ability to implement an effective TBM program knowing their senior leaders who are certified have the necessary knowledge.
- CIOs will be able to cost-effectively improve the business acumen of their senior team members who aspire for greater career development.
- The certification program will help ensure the integrity of TBM practices, accelerating global adoption and further legitimizing TBM as a professional discipline.

Learning Outcomes

Upon completion of this course, candidates shall understand:

- The need for Technology Business Management in the modern enterprise
- The role of transparency in driving efficiency and shaping demand
- The essential tools of TBM, including the framework, taxonomy, model, and metrics
- The key TBM disciplines including creating transparency, delivering value for money, shaping demand and planning for value
- The four value conversations of TBM and their associated management metrics
- How to drive continuous improvement with TBM
- How to apply the tools and disciplines of TBM beyond IT
Target Group
The target group of the TBM Executive Foundation certificate is drawn from:

- IT, finance or other business professionals who need a basic understanding of the TBM framework and how it may be used to enhance the business value and outcomes of IT spending, resources and investments.
- IT professionals who work for an organization that has adopted TBM and need to be able to contribute to an ongoing TBM program.

This group may include but is not limited to the following:

- Heads of IT Finance (CFOs of IT, VP/Director of IT finance)
- TBM Program Directors (including aspiring program directors)
- Members of the Office of the CIO (OCIO)
- IT Vice Presidents (tower or silo leaders)
- Senior FP&A professionals supporting IT departments
- IT program and portfolio management (PPM/PMO) leaders
- Service management leaders
- IT strategy and transformation professionals
- Senior IT project managers
- IT governance and risk management professionals
- Independent consultants providing TBM, ITSM, IT4IT, GRC and related offerings

TBM Council Designation
Professionals who complete the certification requirements set forth in this syllabus will be designated “Certified TBM Executive” (CTBME®) by the TBM Council. They are authorized to use the CTBME designation on their resume and in professional communications. They are also authorized to use the following logos in reference to their credentials:
# Certification Prerequisites

To earn certification from the TBM Council, the candidate must meet the following requirements before or after successfully passing the certification exam (see above).

| **Education** | Bachelor’s degree (or equivalent) or greater in business administration, economics, finance, management information systems, computer science or similarly applicable field.

- OR -

In absence of a bachelor’s degree, the candidate must have seven (7) years of applicable Professional Experience as defined below, instead of five (5) years. |
|---|---|
| **Professional Experience** | The candidate must have five (5) years of full-time work experience in technology, accounting, finance, internal audit, marketing, and/or similar departments. The candidate must have at least two years of experience (combined) in any of the following disciplines:

- IT financial management, including IT costing, benchmarking, budgeting, forecasting, and variance management
- Change management
- IT strategy and planning
- IT project portfolio management or service portfolio management
- Enterprise architecture
- IT governance, compliance and/or risk management
- Program management office (PMO)
- Application development or management
- Infrastructure management
- Procurement and vendor management
- Business relationship management
- Systems analysis and design |
| **Referral Letter** | Candidates must obtain and submit an email or letter of referral from either a direct supervisor or another TBM Council certified professional attesting to the fulfillment of the education and professional experience requirements.

Please submit the letter via email (as an attached PDF document or a direct email from the referrer) to certification@tbmcouncil.org.

For an email template and further information, see https://tbmcouncil.jiveon.com/community/tbm-council-home/tbm-ed-and-cert |
Candidates must acquire and submit evidence of completing 40 hours of Continuing Professional Education (CPE) every two years. Relevant subjects of study include:

- Accounting and finance
- IT financial management, including IT costing, benchmarking, budgeting, forecasting, and variance management
- TBM program management
- Organizational change management
- IT strategy and planning
- IT project portfolio management or service portfolio management
- Enterprise architecture
- IT governance, compliance and/or risk management
- Program management office (PMO)
- Application development or management
- Infrastructure management
- Procurement and vendor management
- Business relationship management
- Systems analysis and design

Qualifying curriculum can be obtained via:

- Conferences and events such as the TBM Conference, TBM Summits, ITFM Week, and Gartner IT Finance, Procurement & Asset Management (ITFPAM)
- Undergraduate and graduate college courses from accredited universities, including online programs
- Web based training from qualified educators
- Educational webinars and seminars

The standard course fee includes the certification test and maintenance fees for two years. After this time, candidates must pay the biennial (every two years) certification maintenance fee (not to exceed $300 US) when submitting evidence of CPE completion. The two year renewal date shall be set based upon the date of course completion.

The certification date shall be established as the later of the following two dates: (A) when the exam was passed and (B) when the candidate’s education and experience have been verified by a supervisor, per the instructions above.
Course Providers

The TBM Council will, from time to time, deliver the course to students as part of publicly available courses or private (closed) courses. In addition, the Council will enable and accredit third-party providers to deliver the TBM Executive Foundation Course according to the standards and guidelines set forth by the Council. In this manner, the TBM Council serves as a certification body, meaning the Council sets the standards for the course (i.e., those in this document), trains and certifies education providers, provides white-label content for providers to use at their option (licensing fees apply), verifies certification requirements of candidates, administers the certification exam, and delivers and maintains certification credentials.

Education providers may organize their courseware and delivery any way they feel is most effective as long as they sufficiently cover the topics of this syllabus. They may also include content that expands upon the topics below in order to enrich or improve a candidate’s understanding of those topics. For example, a provider may include case studies in TBM that come from the provider’s own direct experience or that of others. We encourage providers to identify content that is beyond the scope of the syllabus to help candidates understand focus areas.

You can find the list of the TBM Council Accredited Education Providers online at http://www.tbmcouncil.org/learn-tbm/certification.

Course Topics and Content

The training curriculum, materials and delivery are designed to improve a candidate’s knowledge of and competence in Technology Business Management as described in Technology Business Management: The Four Value Conversations CIOs Must Have With Their Businesses (ISBN 978-0-9976127-4-5) and related documents and publications. In order to be awarded TBM Executive Foundation certification, candidates must complete all of the following topics and pass the corresponding exam (see page 10).

The recommended course length is one and one-half (1½) to two (2) days when taught in a classroom environment, which can include the final exam.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Topic and Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>TBMEEXEC01</td>
<td><strong>Technology Business Management Essentials</strong></td>
</tr>
<tr>
<td></td>
<td>This unit teaches the candidate core principles of TBM, including why TBM is needed</td>
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<td></td>
<td>and important concepts such as tradeoffs, transparency, the economics of IT, and</td>
</tr>
<tr>
<td></td>
<td>the components of the TBM framework.</td>
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<tr>
<td></td>
<td>Specifically, candidates must be able to:</td>
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<tr>
<td></td>
<td>▪ Describe why TBM is essential to improving the business value from IT</td>
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<tr>
<td></td>
<td>spending, resources and investments. (TBMB p. 3)</td>
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<tr>
<td></td>
<td>▪ Describe the concept of tradeoffs and why it is fundamental to value. (TBMB</td>
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<td></td>
<td>pp. 9,12,19,26)</td>
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<tr>
<td>Unit</td>
<td>Topic and Content</td>
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<tr>
<td></td>
<td>▪ Describe the concept of transparency, including operational and cost transparency, and how it helps improve customer loyalty and boost demand. (TBMB pp. 14-17)</td>
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<tr>
<td></td>
<td>▪ Explain the forces of IT economics and how they shape both supply of and demand for IT services. (TBMB pp. 17-19)</td>
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<td></td>
<td>▪ Explain how transparency improves decision by leaders distributed throughout the enterprise. (TBMB pp. 19-21)</td>
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<td></td>
<td>▪ Identify three types of initiatives that TBM helps accelerate and explain why. (TBMB pp. 21-23)</td>
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<td></td>
<td>▪ Describe the concept of value conversations and the role of facts and tradeoffs in making them possible. (TBMB pp. 26-27)</td>
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<tr>
<td></td>
<td>▪ Identify the 10 major components of the TBM framework. (TBMB pp. 28-30)</td>
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<td></td>
<td>▪ Describe the TBM taxonomy, its four layers and three views, and its role in creating transparency through the TBM model. (TBMB pp. 30-36)</td>
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<td></td>
<td>▪ Describe the role of the TBM model, how it differs from the TBM taxonomy, and its role in creating transparency. (TBMB pp. 34-36)</td>
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<tr>
<td></td>
<td>▪ Describe the role of TBM metrics and KPIs in improving value and the four types (based on the four value conversations). (TBMB pp. 36-37)</td>
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<td></td>
<td>▪ Explain the purpose of and key requirements for an enterprise TBM system. (TBMB pp. 37-39)</td>
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</tbody>
</table>

**TBMEXEC02 The Foundation of TBM**

This unit teaches the candidate the foundational elements of the TBM framework — positioning for value and creating transparency.

Specifically, candidates must be able to:

▪ Describe the value chain model for a technology-enabled business. (TBMB pp. 45-48 and Figure 3-1)

▪ Identify and describe the four archetypical technology business models and how they relate to the value chain model. (TBMB pp. 48-50 and Figure 3-2)

▪ Describe the main characteristics of the expense center model and why it is not suited for any modern enterprise. (TBMB pp. 50-51)

▪ Describe the main characteristics of the service provider model and the limitations it exhibits in creating value for the business. (TBMB pp. 50-51)

▪ Describe the main characteristics of the value partner model and how IT leaders can shift to this model. (TBMB pp. 53-55)
<table>
<thead>
<tr>
<th>Unit</th>
<th>Topic and Content</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Describe the main characteristics of the business driver model and how IT leaders can shift to this model. (TBMB pp. 56-59)</td>
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<td></td>
<td>- Explain the IT or technology organization roles (e.g., service owner, business relationship manager) that are accountable for the business value of IT services and how they can manage (alter) service value and shape demand. (TBMB pp. 59-66)</td>
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<td></td>
<td>- Describe why a modern general ledger is insufficient for providing the transparency needed by IT leaders and their business partners for optimizing value. (TBMB pp. 73-76)</td>
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<td></td>
<td>- Describe the finance view of the TBM model, including the role of cost pools in modeling and reporting IT costs. (TBMB pp. 76-77), and identify the cost pools in the standard taxonomy (TXMY)</td>
</tr>
<tr>
<td></td>
<td>- Describe the IT view of the TBM model, including the role of IT towers in modeling and reporting IT costs. (TBMB pp. 76-77), and identify the IT towers in the standard taxonomy (TXMY)</td>
</tr>
<tr>
<td></td>
<td>- Describe the business view of the TBM model, including the role of services, applications, business units and business capabilities in modeling and reporting IT costs. (TBMB pp. 76-77), and identify the six types of services in the standard taxonomy (TXMY)</td>
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<tr>
<td></td>
<td>- Describe the concept of allocations in modeling. (TBMB pp. 249) and the role of data in driving good, better and best methods of allocation. (TBMB pp. 79,90-91)</td>
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<tr>
<td></td>
<td>- Describe at least four different best practices for improving trust in your models (TBMB pp. 83-84) and the four steps for improving data quality over time (TBMB pp. 86-87).</td>
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<td></td>
<td>- Describe the five roles for TBM and transparency (TBM system administrator, TBM analyst, TBM program director, executive sponsor and CFO) and why they are essential for success. (TBMB pp. 92-94)</td>
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<tr>
<td></td>
<td>- Describe the four CFO of IT competency model roles. (TBMB Appendix B)</td>
</tr>
</tbody>
</table>

**TBMEXEC03 The Disciplines of TBM**

This unit teaches the candidate the three TBM disciplines that are built on top of transparency: delivering value for money, shaping business demand, and planning for value.

Specifically, candidates must be able to:

- Describe the concept of “value for money” and why demonstrating it is essential for IT to earn credibility and trust with its business partners. (TBMB pp. 97-99)
## Unit | Topic and Content
---|---
| | Identify and describe the four main techniques for managing and demonstrating value for money. (TBMB pp. 99-110)
| | Define the concept of benchmarking and explain its role in improving value. (TBMB pp. 99-103)
| | Define the concept of unit costing and the role of managing input and output unit costs in improving value. (TBMB pp. 103-105)
| | Describe spare capacity and three common sources of excess capacity. (TBMB pp. 106-107)
| | Describe the role of TBM in monitoring and managing the project portfolio. (TBMB pp. 108-110)
| | Describe the role of transparency in shaping (optimizing) business demand and consumption and the savings that can be expected from improving transparency with business partners. (TBMB pp. 115-116)
| | Identify the four criteria that should be considered when creating transparency with business partners. (TBMB pp. 117-118)
| | Define the concept of a bill of IT and the core elements that should be included in one. (TBMB pp. 118-119)
| | Define the process of rates management and why and when rates should be used instead of actual costs. (TBMB pp. 121-123)
| | Explain the concept of demand levers and the role of fixed and variable costs in creating effective levers. (TBMB pp. 123-125)
| | Describe the purpose of an IT budget and why traditional (non-TBM) approaches to IT budgeting and planning lead to defensive budgeting or a lack of business alignment. (TBMB pp. 127-132)
| | Describe the difference between baseline budgeting and zero-based budgeting and how TBM enables a hybrid approach to budgeting. (TBMB pp. 132-134)
| | Explain how TBM augments the budgeting cycle with improved scrutiny of IT spending and better justification of IT4IT investments. (TBMB pp. 134-136)

### TBMEXEC04 The Value Conversations and KPIs of TBM

This unit teaches the candidate the four types of value conversations of TBM and the key performance indicators (KPIs) of each.

Specifically, candidates must be able to:

- Describe the concept of cost for performance and identify four areas of IT — infrastructure, outsourcers, labor and services — where it can be improved using the disciplines of TBM. (TBMB pp. 143-148)
<table>
<thead>
<tr>
<th>Unit</th>
<th>Topic and Content</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Describe the role and benefits of time tracking data in TBM decision making. (TBMB p. 146)</td>
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<tr>
<td></td>
<td>Describe the concept of portfolio alignment and identify four types of portfolios — services and applications, technologies and platforms, vendors and suppliers, and data centers — where it can be improved using the disciplines of TBM. (TBMB pp. 148-158)</td>
</tr>
<tr>
<td></td>
<td>Define the what-if scenario and how it can be used to help drive application rationalization decisions. (TBMB p. 151)</td>
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<td></td>
<td>Describe the TIME model and how it can be paired with other investment dimensions — new, enhance, maintain and replace — to identify misaligned resources. (TBMB pp. 152-154)</td>
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<tr>
<td></td>
<td>Identify and describe the four cost for performance KPIs and the four business-aligned portfolio KPIs. (TBMB pp. 158-162)</td>
</tr>
<tr>
<td></td>
<td>Compare and contrast legacy IT with IT as a business, identifying at least three main differences in the way they operate. (TBMB pp. 166-167)</td>
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<td></td>
<td>Describe why agile methods of software development present problems for traditional financial management techniques and why many IT departments are shifting to a TCO approach for governing both run-the-business and change-the-business spending in IT services. (TBMB pp. 168-173)</td>
</tr>
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<td></td>
<td>Describe the danger of comingling innovation funding with the rest of the IT budget and how TBM can help protect innovation funds from budget cuts. (TBMB pp. 173-176)</td>
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<td></td>
<td>Describe how TBM helps justify and defend shared investments in both IT towers (e.g., infrastructure) and services. (TBMB pp. 176-178)</td>
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<td></td>
<td>Describe the role of fixed and variable costs in enterprise agility and how TBM helps IT leaders improve agility via their cost structure. (TBMB pp. 178-183)</td>
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<td></td>
<td>Define discretionary vs. non-discretionary investments and how discretionary investment levels improve agility. (TBMB pp. 182-183)</td>
</tr>
<tr>
<td></td>
<td>Describe the role of cloud computing in improving enterprise agility and the role of TBM in driving cloud adoption. (TBMB pp. 184-185)</td>
</tr>
<tr>
<td></td>
<td>Describe the role of TBM in enabling a data-driven IT business, improving data quality and accelerating decision making. (TBMB pp. 186-189)</td>
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<tr>
<td></td>
<td>Identify and describe the four investment in innovation KPIs and the five enterprise agility KPIs. (TBMB pp. 189-194)</td>
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</tbody>
</table>
### Unit

<table>
<thead>
<tr>
<th>Unit</th>
<th>Topic and Content</th>
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</thead>
<tbody>
<tr>
<td>TBMEXEC05</td>
<td>Maturing TBM and Going Beyond IT</td>
</tr>
</tbody>
</table>

This unit teaches the candidate the best practices for honing TBM disciplines and continuously improving, including driving a roadmap for TBM that may extend beyond the traditional boundaries of the IT organization.

Specifically, candidates must be able to:

- Describe the importance of having measured business goals based on the key TBM metrics. (TBMB pp. 198-200)
- Define the essential elements of effective program governance, including executive sponsorship, communication, and oversight. (TBMB pp. 200-202)
- Identify and describe the five core processes of TBM and describe three non-core processes that are augmented by TBM. (TBMB pp. 203-205)
- Describe the factors that should shape a TBM roadmap and the three phases of a common roadmap. (TBMB pp. 205-207)
- Describe the importance of establishing shared ownership between IT, finance, and the lines of business for TBM. (TBMB pp. 207-209)
- Describe the importance of evolving data, modeling, and analytics to improving value. (TBMB p. 209)
- Define insight hunting and value tracking and why both are important for the success of the TBM program. (TBMB pp. 210-212)
- Describe how TBM disciplines and tools can be applied to non-IT areas, e.g., shared services, business operations, business techs. (TBMB Chapter 11)

### Reference Materials

The following documents should be used by the candidate to prepare for the TBM Executive Foundation certification course and exam:

- **TBMB** = *Technology Business Management: The Four Value Conversations CIOs Must Have With Their Businesses* by Todd Tucker (ISBN 978-0-9976127-4-5)

- **TXMY** = *TBM Taxonomy Overview (Version 2.0)*

These documents can be found online in the TBM Education & Certification space on TBM Connect ([https://tbmcouncil.jiveon.com/community/tbm-council-home/tbm-ed-and-cert](https://tbmcouncil.jiveon.com/community/tbm-council-home/tbm-ed-and-cert)).
Examination Format
This syllabus has an accompanying examination at which the candidate must achieve a pass score to gain the TBM Executive Foundation Certificate.

<table>
<thead>
<tr>
<th>Type</th>
<th>Multiple choice, 60 questions. The questions are selected from the full Technology Business Management Executive Foundation certification exam question bank.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration</td>
<td>120 minutes</td>
</tr>
<tr>
<td>Prerequisite</td>
<td>Completion of the Technology Business Management Executive Foundation certification course by a TBM Council Accredited Education Provider is required.</td>
</tr>
<tr>
<td>Supervised</td>
<td>No.</td>
</tr>
<tr>
<td>Open Book</td>
<td>No. It is on the student’s honor to take the exam without the student guide, notes or other aids.</td>
</tr>
<tr>
<td>Pass Score</td>
<td>42/60 or 70%</td>
</tr>
<tr>
<td>Delivery</td>
<td>The exam is offered online and administered directly by the TBM Council.</td>
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</tbody>
</table>
About the Technology Business Management Council

The Technology Business Management (TBM) Council is a nonprofit business entity focused on developing a definitive framework for managing the business of IT. It is governed by an independent board of business technology leaders from a diverse group of the world's most innovative companies. The TBM Council established a set of tools and best practices including organizational traits, management disciplines, a common taxonomy, and metrics. Members are encouraged to develop and contribute to their understanding of TBM through the Council’s research, standards, education offerings, and community engagements. Members collaborate with their peers through an annual global conference, regional meetings, and an online community.