



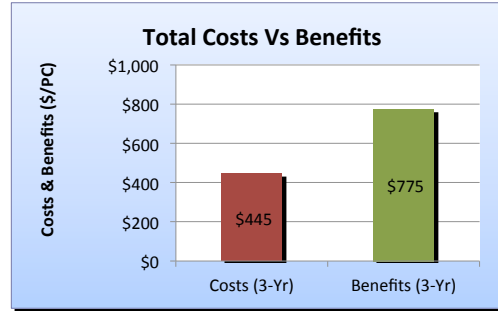
# Financial Analysis

This model simulates the costs and benefits of the initiative. The tables and charts below summarize the tool results.

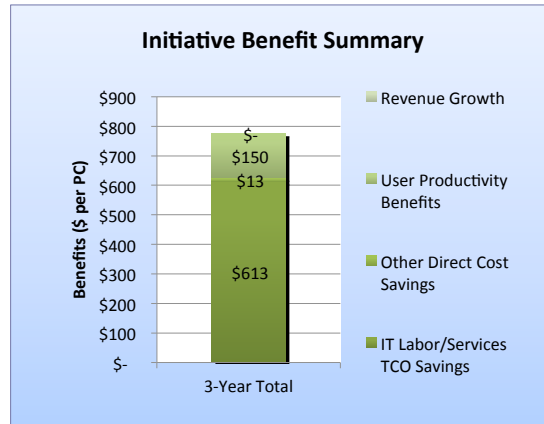
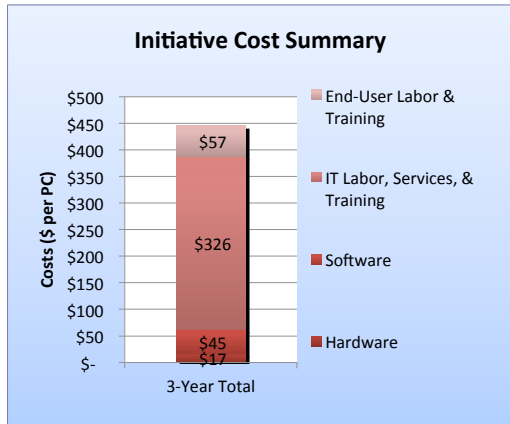
## Summary of Results

The tables and graphs summarize the costs and benefits and calculates ROI, NPV, IRR, and payback period. The results are shown average per PC and the total for the organization.

	Per User	Organization Total (\$000)
Costs (3-Yr)	\$ 445	\$ 89
Benefits (3-Yr)	\$ 775	\$ 155
Net Benefits	\$ 330	\$ 66
NPV (Net Present Value)	\$ 217	\$ 43
ROI (Return on Investment) - [Total Net Benefits / Total Costs]	74%	
IRR (Internal Rate of Return)	45%	
Payback Period	18 Months	
Number of Users	200	



	Costs & Benefits (\$ per User)			Costs & Benefits (\$000)		
	One-Time	Annual On-Going	3-Year Total	One-Time	Annual On-Going	3-Year Total
Costs	\$ 338	\$ 36	\$ 445	\$ 68	\$ 7	\$ 89
Benefits	\$ 8	\$ 256	\$ 775	\$ 2	\$ 51	\$ 155



## Cost Summary

Below are the initial design/development/deployment and added annual on-going costs required to fully deploy, adopt and support the initiative. Additional details can be found below and on the "Cost" worksheet.

	Costs (\$ per User)			Costs (\$000)		
	One-Time	Annual On-Going	3-Year Total	One-Time	Annual On-Going	3-Year Total
Hardware	\$ 12	\$ 2	\$ 17	\$ 2	\$ 0	\$ 3
Software	\$ 27	\$ 6	\$ 45	\$ 5	\$ 1	\$ 9
IT Labor, Services, & Training	\$ 255	\$ 24	\$ 326	\$ 51	\$ 5	\$ 65



## Financial Analysis

End-User Labor & Training	\$ 44	\$ 4	\$ 57	\$ 9	\$ 1	\$ 11
<b>Total</b>	<b>\$ 338</b>	<b>\$ 36</b>	<b>\$ 445</b>	<b>\$ 68</b>	<b>\$ 7</b>	<b>\$ 89</b>



# Financial Analysis

## Benefits Summary

Below are the benefits enabled by the initiative. The detailed calculations are below and on the green benefit tabs.

Benefit Summary	Benefits (\$ per User)			Benefits (\$000)		
	One-Time	Annual On-Going	3-Year Total	One-Time	Annual On-Going	3-Year Total
IT Labor/Services TCO Savings	\$ -	\$ 204	\$ 613	\$ -	\$ 41	\$ 123
Other Direct Cost Savings	\$ 8	\$ 2	\$ 13	\$ 2	\$ 0	\$ 3
User Productivity Benefits	\$ -	\$ 50	\$ 150	\$ -	\$ 10	\$ 30
Revenue Growth	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 8</b>	<b>\$ 256</b>	<b>\$ 775</b>	<b>\$ 2</b>	<b>\$ 51</b>	<b>\$ 155</b>

### Benefit Sub-Categories

<b>IT Labor/Services TCO Savings</b>	\$ -	\$ 204	\$ 613	\$ -	\$ 41	\$ 123
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### Other Direct Cost Savings

IT Savings	\$ 8	\$ 2	\$ 13	\$ 2	\$ 0	\$ 3
Business Savings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 8</b>	<b>\$ 2</b>	<b>\$ 13</b>	<b>\$ 2</b>	<b>\$ 0</b>	<b>\$ 3</b>

### User Productivity Benefits

Individual Computing	\$ -	\$ 24	\$ 73	\$ -	\$ 5	\$ 15
Collaborative Computing	\$ -	\$ 15	\$ 45	\$ -	\$ 3	\$ 9
PC Systems Management	\$ -	\$ 11	\$ 32	\$ -	\$ 2	\$ 6
<b>Total</b>	<b>\$ -</b>	<b>\$ 50</b>	<b>\$ 150</b>	<b>\$ -</b>	<b>\$ 10</b>	<b>\$ 30</b>

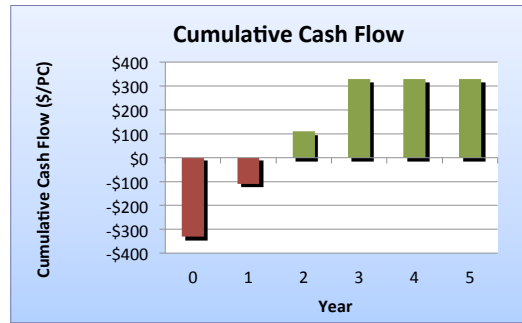
### Revenue Growth

<b>Total</b>	<b>\$ 8</b>	<b>\$ 256</b>	<b>\$ 775</b>	<b>\$ 2</b>	<b>\$ 51</b>	<b>\$ 155</b>
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## Cash Flow

Shown below are the costs and benefits by year, the net benefits (benefits-costs), and the cumulative cash flow. This is used to calculate payback period, IRR, and NPV.

	Initial	Year 1	Year 2	Year 3	Year 4	Year 5	Total	NPV
Costs	\$ 338	\$ 36	\$ 36	\$ 36	\$ -	\$ -	\$ 445	\$ 427
Benefits	\$ 8	\$ 256	\$ 256	\$ 256	\$ -	\$ -	\$ 775	\$ 644
<b>Net Benefits</b>	<b>\$ (330)</b>	<b>\$ 220</b>	<b>\$ 220</b>	<b>\$ 220</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 330</b>	<b>\$ 217</b>
Cumulative Cash Flow	\$ (330)	\$ (110)	\$ 110	\$ 330	\$ 330	\$ 330		
Payback Period (Months)	18							



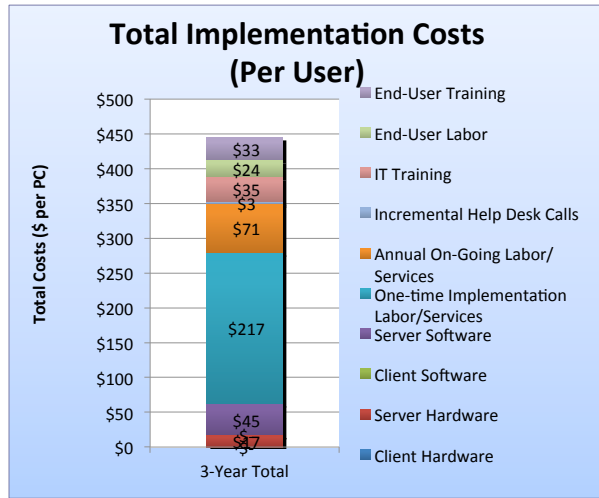


# Financial Analysis

## Cost Details

The table/chart below provide additional cost details.

Cost / Benefit Category	Costs (\$ per User)			Costs (\$000)		
	One-Time	Annual On-Going	3-Year Total	One-Time	Annual On-Going	3-Year Total
<b>Hardware</b>						
Client Hardware	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Server Hardware	\$ 12	\$ 2	\$ 17	\$ 2	\$ 0	\$ 3
<b>Total</b>	<b>\$ 12</b>	<b>\$ 2</b>	<b>\$ 17</b>	<b>\$ 2</b>	<b>\$ 0</b>	<b>\$ 3</b>
<b>Software</b>						
Client Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Server Software	\$ 27	\$ 6	\$ 45	\$ 5	\$ 1	\$ 9
<b>Total</b>	<b>\$ 27</b>	<b>\$ 6</b>	<b>\$ 45</b>	<b>\$ 5</b>	<b>\$ 1</b>	<b>\$ 9</b>
<b>IT Labor, Services, &amp; Training</b>						
One-time Implementation Labor/Services	\$ 217	\$ -	\$ 217	\$ 43	\$ -	\$ 43
Annual On-Going Labor/Services	\$ -	\$ 24	\$ 71	\$ -	\$ 5	\$ 14
Incremental Help Desk Calls	\$ 3	\$ -	\$ 3	\$ 1	\$ -	\$ 1
IT Training	\$ 35	\$ -	\$ 35	\$ 7	\$ -	\$ 7
<b>Total</b>	<b>\$ 255</b>	<b>\$ 24</b>	<b>\$ 326</b>	<b>\$ 51</b>	<b>\$ 5</b>	<b>\$ 65</b>
<b>End-User Labor &amp; Training</b>						
End-User Labor	\$ 11	\$ 4	\$ 24	\$ 2	\$ 1	\$ 5
End-User Training	\$ 33	\$ -	\$ 33	\$ 7	\$ -	\$ 7
<b>Total</b>	<b>\$ 44</b>	<b>\$ 4</b>	<b>\$ 57</b>	<b>\$ 9</b>	<b>\$ 1</b>	<b>\$ 11</b>
<b>Total Costs</b>	<b>\$ 338</b>	<b>\$ 36</b>	<b>\$ 445</b>	<b>\$ 68</b>	<b>\$ 7</b>	<b>\$ 89</b>





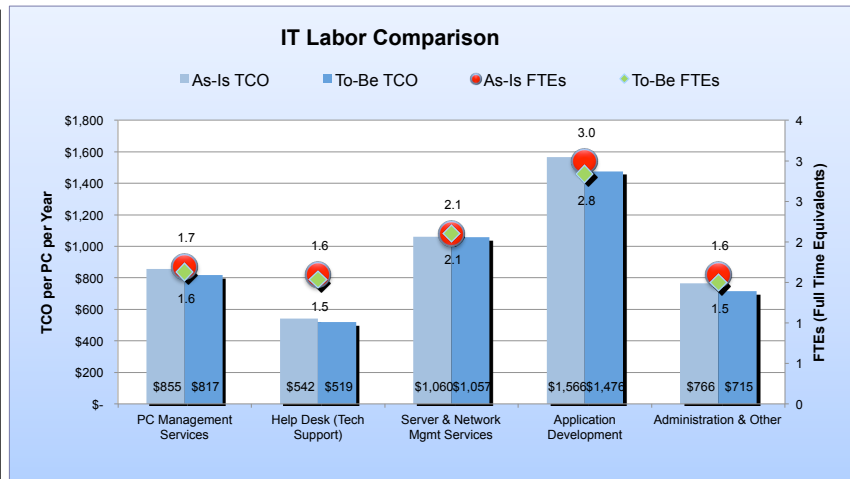
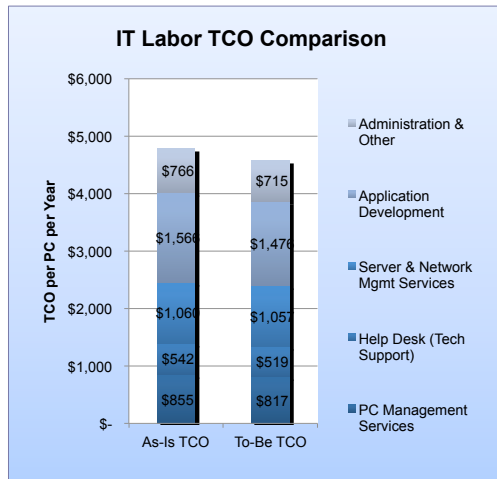
# Financial Analysis

## Benefit Details

The tables/charts below provide additional details regarding each of the four quantified benefit types.

### IT Labor/Services TCO Savings

	Benefits (\$ per User)			Benefits (\$000)		
	One-Time	Annual On-Going	3-Year Total	One-Time	Annual On-Going	3-Year Total
PC Management Services	\$ -	\$ 38	\$ 115	\$ -	\$ 8	\$ 23
Help Desk (Tech Support)	\$ -	\$ 24	\$ 71	\$ -	\$ 5	\$ 14
Server & Network Mgmt Services	\$ -	\$ 2	\$ 7	\$ -	\$ 0	\$ 1
Application Development	\$ -	\$ 90	\$ 269	\$ -	\$ 18	\$ 54
Administration & Other	\$ -	\$ 50	\$ 151	\$ -	\$ 10	\$ 30
<b>Total</b>	<b>\$ -</b>	<b>\$ 204</b>	<b>\$ 613</b>	<b>\$ -</b>	<b>\$ 41</b>	<b>\$ 123</b>



### Other Direct Cost Savings

	Benefits (\$ per User)			Benefits (\$000)		
	One-Time	Annual On-Going	3-Year Total	One-Time	Annual On-Going	3-Year Total

#### IT Savings

Software - Clients	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software - Servers	\$ 4	\$ 1	\$ 6	\$ 1	\$ 0	\$ 1
Hardware	\$ 4	\$ 1	\$ 5	\$ 1	\$ 0	\$ 1
IT Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power/Electricity Usage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other IT Costs	\$ -	\$ 1	\$ 2	\$ -	\$ 0	\$ 0
<b>Total</b>	<b>\$ 8</b>	<b>\$ 2</b>	<b>\$ 13</b>	<b>\$ 2</b>	<b>\$ 0</b>	<b>\$ 3</b>

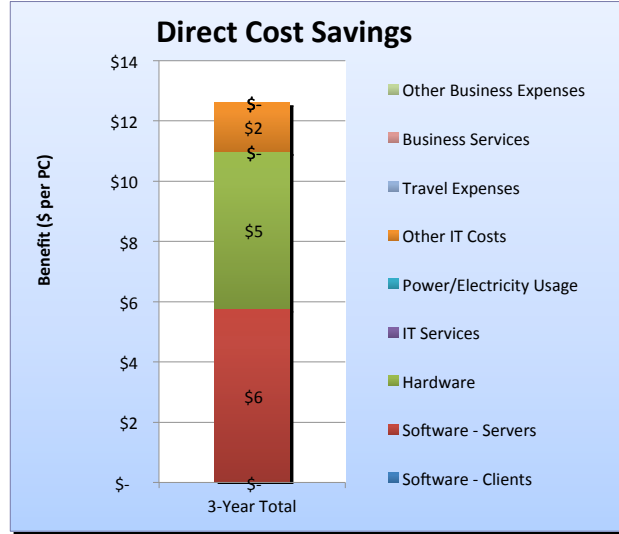
#### Business Savings

Travel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Business Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Total Other Direct Cost Savings</b>	<b>\$ 8</b>	<b>\$ 2</b>	<b>\$ 13</b>	<b>\$ 2</b>	<b>\$ 0</b>	<b>\$ 3</b>
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## Financial Analysis



### User Productivity Benefits

	Benefits (\$ per User)			Benefits (\$000)		
	One-Time	Annual On-Going	3-Year Total	One-Time	Annual On-Going	3-Year Total

#### Individual Computing

Document Creation		\$ -	\$ -	\$ -	\$ -	\$ -
Data & Information Access/Analysis		\$ 7	\$ 22	\$ -	\$ 1	\$ 4
Email, Calendar, Contact, & Task Mgmt		\$ -	\$ -	\$ -	\$ -	\$ -
LOB Application-Related Activities		\$ 17	\$ 51	\$ -	\$ 3	\$ 10
Other		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ 24</b>	<b>\$ 73</b>	<b>\$ -</b>	<b>\$ 5</b>	<b>\$ 15</b>

#### Collaborative Computing

Document Collaboration		\$ -	\$ -	\$ -	\$ -	\$ -
Workflow (routing)		\$ 15	\$ 45	\$ -	\$ 3	\$ 9
Coordination / Project Mgmt		\$ -	\$ -	\$ -	\$ -	\$ -
Other		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ 15</b>	<b>\$ 45</b>	<b>\$ -</b>	<b>\$ 3</b>	<b>\$ 9</b>

#### PC Systems Management

Support, Self-Help, & Learning		\$ 2	\$ 7	\$ -	\$ 0	\$ 1
Performance		\$ 4	\$ 13	\$ -	\$ 1	\$ 3
Mobility & Remote Connectivity		\$ 1	\$ 4	\$ -	\$ 0	\$ 1
Security & Privacy		\$ 2	\$ 5	\$ -	\$ 0	\$ 1
System UI Navigation		\$ 1	\$ 2	\$ -	\$ 0	\$ 0
Availability & Reliability		\$ 0	\$ 1	\$ -	\$ 0	\$ 0
<b>Total</b>	<b>\$ -</b>	<b>\$ 11</b>	<b>\$ 32</b>	<b>\$ -</b>	<b>\$ 2</b>	<b>\$ 6</b>

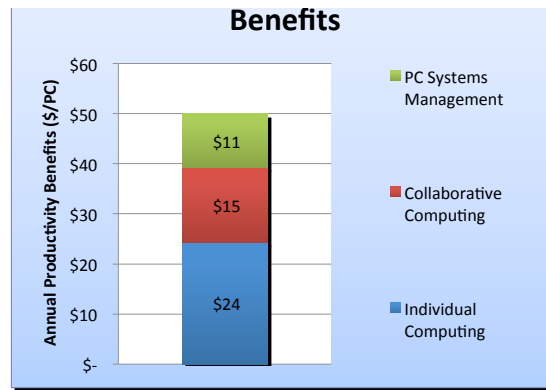
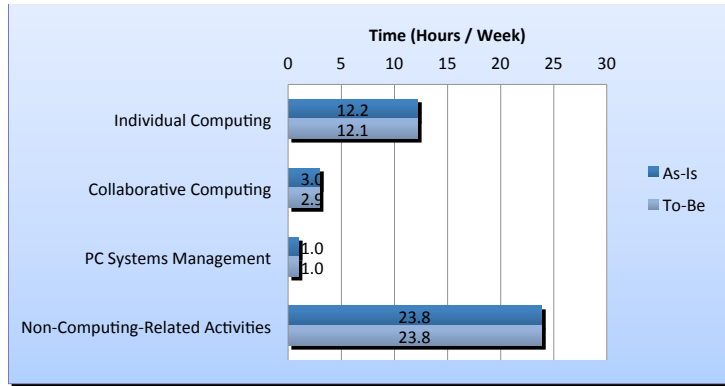
<b>Total User Productivity Benefits</b>	<b>\$ -</b>	<b>\$ 15</b>	<b>\$ 45</b>	<b>\$ -</b>	<b>\$ 3</b>	<b>\$ 9</b>
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Time per Activity

Business Value of Productivity



## Financial Analysis

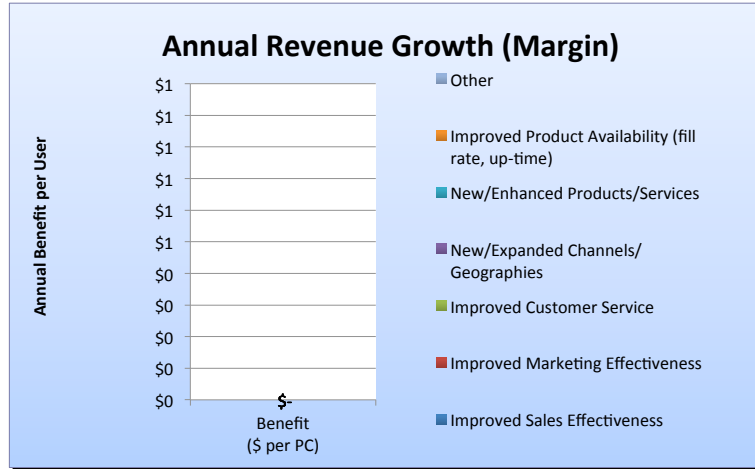




# Financial Analysis

## Revenue Growth

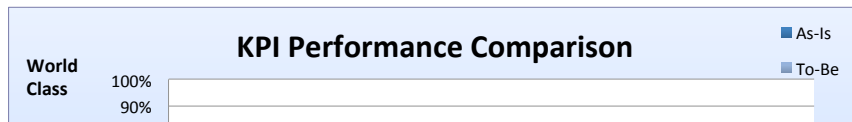
	Benefits (\$ per User)			Benefits (\$000)		
	One-Time	Annual On-Going	3-Year Total	One-Time	Annual On-Going	3-Year Total
Improved Sales Effectiveness	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Improved Marketing Effectiveness	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Improved Customer Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New/Expanded Channels/Geographies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New/Enhanced Products/Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Improved Product Availability (fill rate, up-time)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



## Summary of Non-Financial Key Performance Indicator Changes

The table/chart below provides a summary of the 4 categories of non-financial KPIs. There are 4 to 10 specific KPIs in each category. The percentiles shown are how the organization compares to others in the industry. 0% represents worst performance in the industry (laggard); 50% is average performance; 100% is best in the industry (world class performance). The "Improvement" indicates how much the organization is expected to improve KPI performance due to the solution. Additional details can be found in the "KPIs" worksheet.

	Percentile		
	As-Is	To-Be	Improve-ment
Sales/Marketing Performance	32.5%	32.5%	0.0%
Business Management Effectiveness	32.9%	39.4%	6.6%
Supply/Operations Performance	33.3%	39.1%	5.8%
Technology Effectiveness	41.4%	57.7%	16.3%
<b>Average</b>	<b>35.0%</b>	<b>42.2%</b>	<b>7.2%</b>







## Financial Analysis

