

This Implementation Cost Report Document for SC Testing, Inc. (Sample Company Testing Inc.), was created as a template to help companies model their own business overviews.

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If you want some perspective on how you or your company needs to enhance their Sales/Client Management Capabilities, please email me at shubhanjan.saha@gmail.com

Please Note that the Names, locations and numbers in this Report are all fictional

Deal Support Guy

New Implementation Cost Report Sample Analysis

March 12, 2013

**Prepared for :
Sample Company Testing**

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This report estimates all costs needed to implement the initiative, including hardware, software, IT labor/services, and user labor costs

Implementation Costs Summary

	One Time	Annual Recurring	3-Year Total	One Time (per PC)	Annual Recurring (per PC)	3-Year Total (per PC)
Hardware	\$5,060,100	\$759,015	\$7,337,145	\$606	\$91	\$879
Software	\$1,249,717	\$287,435	\$2,112,021	\$150	\$34	\$253
IT Labor , Services ,& Training	\$1,875,929	\$149,298	\$2,323,822	\$225	\$18	\$278
End User Labor & Training	\$2,956,186	\$260,390	\$3,737,355	\$354	\$31	\$448
Total	\$11,141,932	\$1,456,137	\$15,510,343	\$1,334	\$174	\$1,858

Organization Total			Per PC		
One Time	Annual Recurring	3-Year Total	One Time	Annual Recurring	3-Year Total

Hardware

Client Hardware	\$5,010,000	\$751,500	\$7,264,500	\$600	\$90	\$ 870
Server Hardware	\$50,100	\$7,515	\$72,645	\$ 6	\$1	\$9
Sub-Total	\$5,060,100	\$759,015	\$ 7,337,145	\$ 606	\$91	\$ 879

Software

Client Software	\$1,194,050	\$274,632	\$2,017,945	\$143	\$33	\$242
Server Software	\$55,667	\$12,803	\$94,077	\$7	\$2	\$11
Sub-Total	\$1,249,717	\$287,435	\$2,112,021	\$150	\$34	\$253

IT Labor , Services , & Training

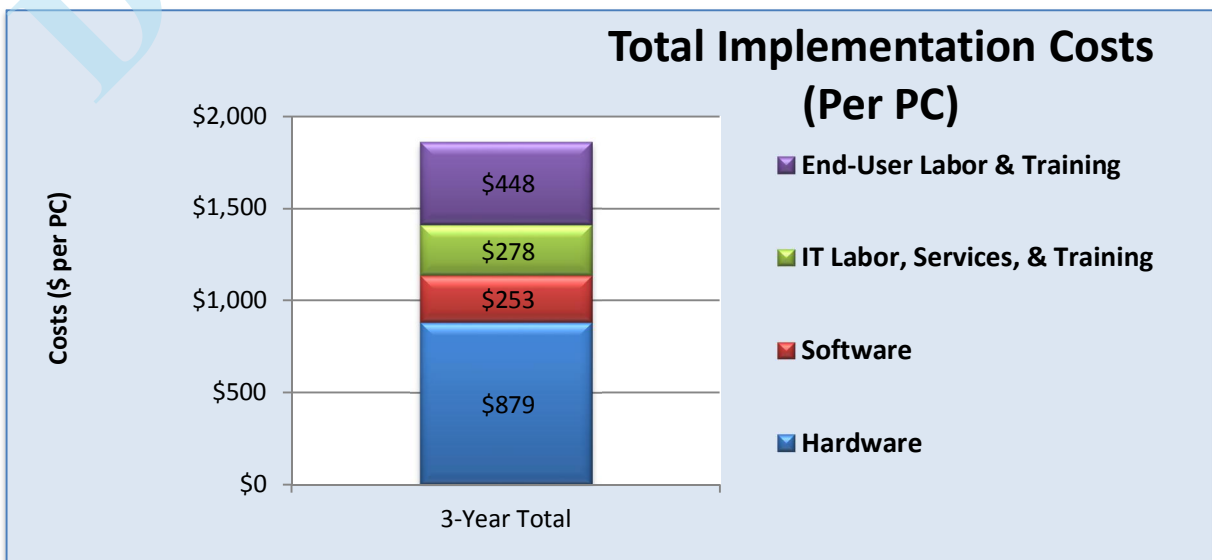
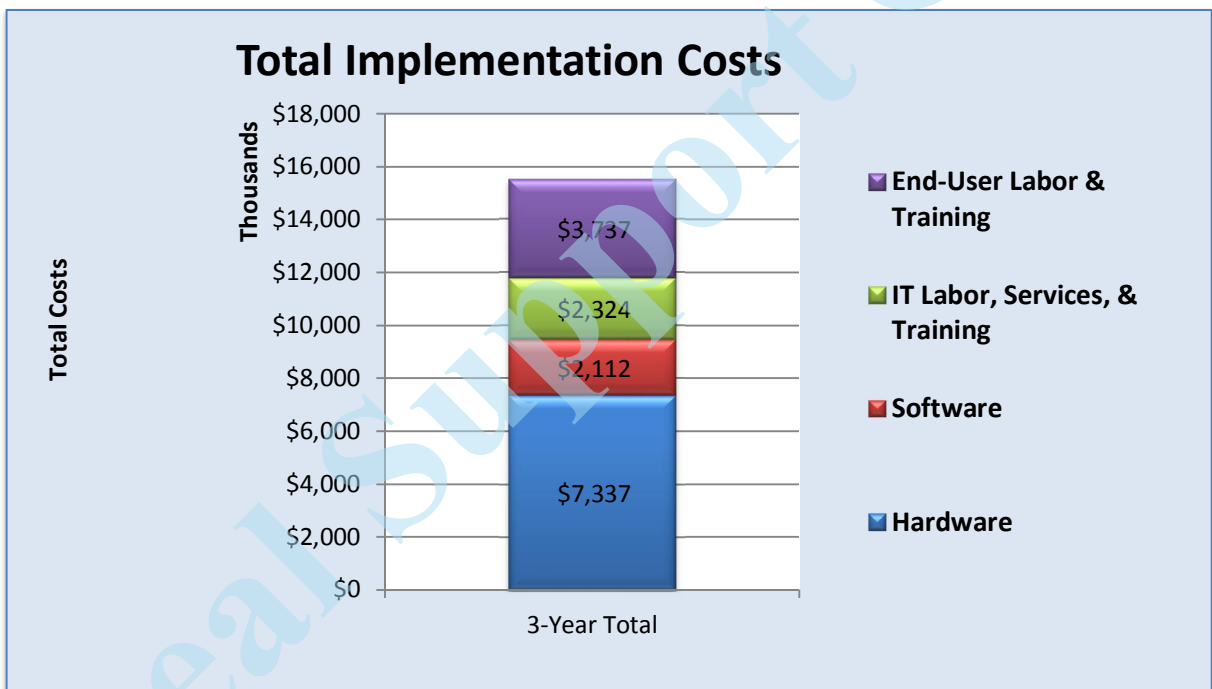
One-time Implementation Labor / Services	\$1,236,786		\$1,236,786	\$148		\$148
Annual On-Going Labor / Services		\$149,298	\$447,893		\$18	\$54
Incremental Help Desk Calls	\$111,858		\$111,858	\$13		\$13
IT Training	\$527,285		\$527,285	\$63		\$63

Sub-Total	\$1,875,929	\$149,298	\$2,323,822	\$225	\$18	\$278
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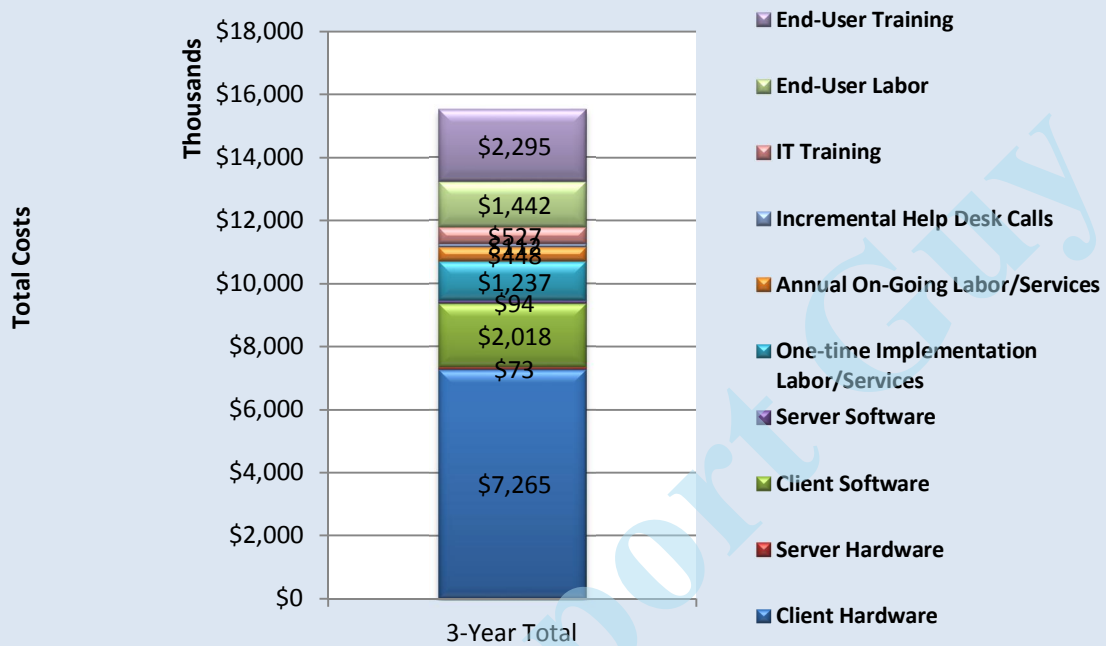
End - User Labor & Training

End-User Labor	\$660,989	\$260,390	\$1,442,158	\$79	\$31	\$173
End-User Training	\$2,295,197		\$2,295,197	\$275	\$	\$275
Sub-Total	\$2,956,186	\$260,390	\$3,737,355	\$354	\$31	\$448
Total	\$11,141,932	\$1,456,137	\$15,510,343	\$1,334	\$174	\$1,858

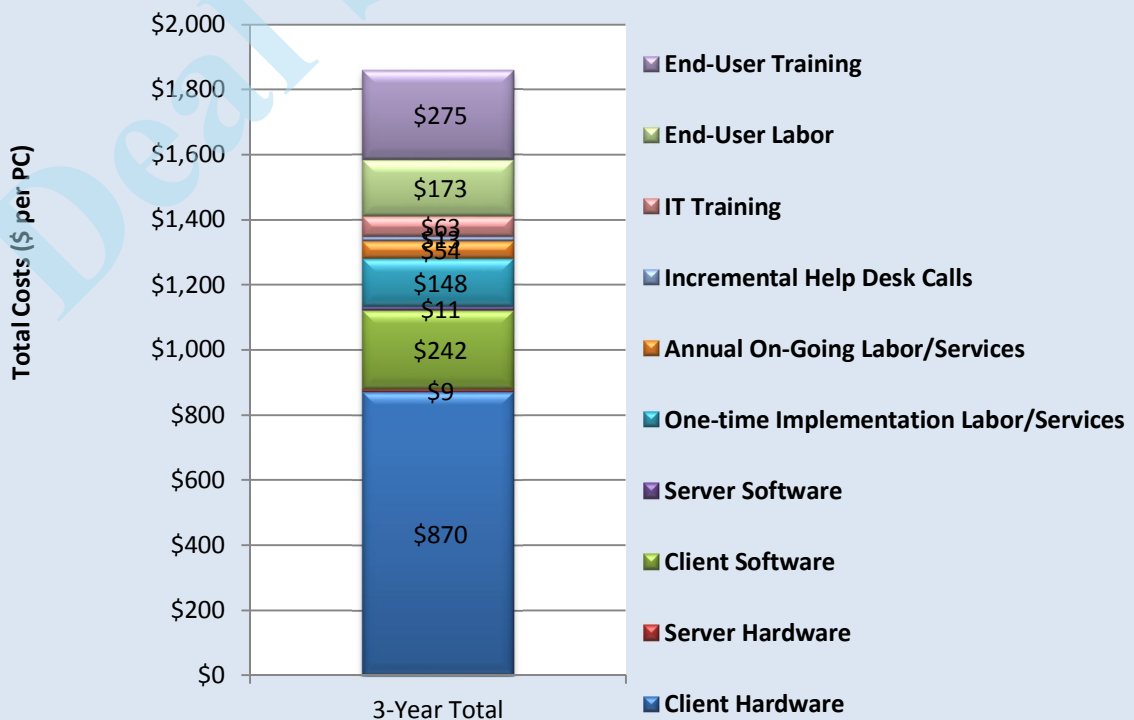
Charts



Total Implementation Costs



Total Implementation Costs (Per PC)



1. Hardware

Unit Label	Unit Quantity	Cost per Unit		3-Year Total
		One-Time*	Annual Recurring*	

Client Hardware

PCs	PCs	4,175	\$1,000	\$150	\$6,053,750
PC Upgrades	PCs	4,175	\$200	\$30	\$1,210,750
Mobile Devices		-	\$200	\$30	
Other		-	\$200	\$30	
Sub Total			\$5,010,000	\$751,500	\$7,264,500

Server Hardware

Servers	Servers	2.8	\$15,000	\$2,250	\$60,538
Storage (including backups, redundancy, power supplies, etc.)	Terabytes	0.8	\$10,000	\$1,500	\$12,108
Network Equipment					
Other					
Sub Total			\$ 50,100	\$7,515	\$72,645
Total			\$5,060,100	\$759,015	\$7,337,145

* One-Time costs are typically incurred at the beginning of the project. Annual Recurring costs are on-going costs necessary throughout the life of the project.

2. Software

The software license is typically a one-time cost. Software maintenance (Software Assurance) is an optional annual recurring cost

License Quantity	One-Time (License)	Annual Recurring (Maintenance)	3-Year Total
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Client Software

Application A	2,505	\$300	\$69	\$1,270,035
Application B	-	\$100	\$23	
Desktop Operating System	4,175	\$100	\$23	\$705,575
Client Access Licenses (CALs)	2,505	\$10	\$2	\$42,335
Other				
Sub Total		\$ 1,194,050	\$ 274,632	\$2,017,945

Server Software

Server Operating System	2.8	\$2,000	\$460	\$9,408
Database	3	\$8,000	\$1,840	\$37,631
Server Application	3	\$10,000	\$2,300	\$47,038
Utilities	-			
Other				-
Sub Total		\$55,667	\$12,803	\$94,077
Total		\$1,249,717	\$287,435	\$2,112,021

3. IT Labor Services and Training

One-time Implementation Labor / Services

	Time Unit	Time		Cost per Time Unit	3-Year Total
		One-Time	Annual Recurring		
Planning, Evaluation and Project Management	Person-weeks	50.1		\$2,204	\$110,427
Engineering	Person-weeks	30.1		\$2,204	\$66,256
Development	Person-weeks	56.1		\$2,204	\$123,679
Lab Testing	Person-weeks	12.0		\$2,204	\$26,503
Pilot Testing	Person-weeks	20.0		\$2,204	\$44,171
Rollout	Person-weeks	60.1		\$2,204	\$132,513
Performance Tuning	Person-weeks	8.0		\$2,204	\$17,668
Documentation	Person-weeks	8.0		\$2,204	\$17,668
Implementation User Support	Person-weeks	8.0		\$2,204	\$17,668
Consultants	Person-weeks	80.2		\$6,612	\$530,051
External Services	Person-weeks	16.0		\$6,612	\$106,010
Other	Person-weeks	20.0		\$2,204	\$44,171
Total		\$1,236,786			1,236,786

*1 Person-week is equivalent to 2 employees each dedicating 50% of a week to the task or 1 person dedicating 8 hrs per week over 5 weeks.

Annual On-Going Labor/Services

	Unit*	Unit Quantity		Cost per Unit	3-Year Total
		One-Time	Annual Recurring		
Maintenance	Full Time		0.33	\$114,615	\$114,844

	Equivalents				
Support	FTEs		0.33	\$114,615	\$114,844
Customization	FTEs		0.17	\$114,615	\$57,422
Development	FTEs		0.33	\$114,615	\$114,844
Upgrades	FTEs		0.07	\$114,615	\$22,969
Performance Tuning	FTEs		0.07	\$114,615	\$22,969
External Services	FTEs			\$171,923	
Bandwidth					
Other					
Total			\$149,298		447,893

**FTE (Full Time Equivalent): 1 full time employee is equivalent to 2 employees each dedicating 50% of their work time to the task*

Incremental Help Desk Calls

Percentage of users who contact the service desk due to issues/questions related to the solution implementation	40%
Number of contacts per user (who contact the help desk)	1.5
Average service desk resolution time per call (in minutes)	25
Additional service desk time (hours)	2087.5
Total	\$ 111,858

IT Training

	Formal (Classroom) Training	Internal Training	Independent Learning (Self-Study)	3-Year Total
Staff trained with this type of training	18.7	93.5	93.5	
Hours of training per staff member	32	16	40	
Labor Cost per Hour	\$80	\$80	\$80	
Training time (labor cost)	\$2,545	\$1,273	\$3,182	
Class and Additional Fee Cost per trainee	\$1,500	\$300	\$75	
Cost per Employee Trained	\$4,045	\$1,573	\$3,257	
Total Cost	\$75,662	\$147,071	\$304,552	\$527,285

4. End User Labor and Training

End - User Labor

	% of Users Impacted	# Of Users	Hours per User Impacted		3-Year Total
			One-Time	Annual On-Going	
Solution planning & testing	2%	167	10		\$100,150
Downtime (Unable to be productive); e.g. during implementation of the solution	2%	167	1		\$10,015
Resolution of issues related to the new solution	6%	501	5	2	\$330,495
System configuration	20%	1670	4	0	\$400,599
Data entry (not previously required)	4%	334	0	10	\$600,899
Other	0%	0	0	0	
Other	0%	0	0	0	
Total			\$660,989	\$260,390	\$1,442,158

End - User Training

	External Classroom Training	Internal Training	Independent Learning (Self-Study)	Total
% of Employees trained	10%	20%	40%	
Employees trained	835	1,670	3,340	
Hours of training per employee	4	3	8	
Labor Cost per Hour	\$60	\$60	\$60	
Training time (labor cost)	\$240	\$180	\$480	
Class and Additional Fee Cost per trainee	\$100	\$60	\$3	
Cost per Employee Trained	\$340	\$240	\$482	
Total Cost	\$283,800	\$400,650	\$1,610,748	\$2,295,197