Frequently Asked Questions about an IBM IT Economics Study

What is an IT Economics workshop? An IT Economics workshop is a dynamic, exploratory face-to-face meeting with you, an IBM IT Economics Management Consultant and other key participants to define the scope of your IT Economics study.

What will be presented at the workshop? During the workshop your consultant will ask questions about your IT objectives, challenges and environment and will share best practices and benchmarks we have learned from working on hundreds of studies. This is a highly interactive and collaborative discussion - no charts are used. Active participation by all is an essential element of the workshop. As your consultant learns about your IT environment they will whiteboard models and pertinent information for your study.

How long is an IT Economics workshop? An IT Economics workshop usually lasts two hours and is typically organized as follows:

1. Introductions and Explanation of the IBM IT Economics TCO methodology (15 - 30 minutes)
2. Overview of IT Priorities and Key Issues from the Executive Sponsor(15 - 30 minutes)
3. Whiteboard Exploration - current strategy, challenges, and potential outcomes (30 minutes)
4. Scope of Study - definition and scenarios for one or more studies (30 minutes)
    a. Identify sponsor’s point of contact for data collection
    b. Explain study time line and next steps (30 minutes)

How should we prepare for an IT Economics workshop? No prep work is required by the client prior to the workshop. However, it is important that IT personnel attend the entire workshop.

Where is an IT Economics workshop held? The workshop is typically held on-site at your company. If preferred we can arrange to meet at an IBM location.

Who should attend an IT Economics workshop? Here are some key participants:

Executive Sponsor who endorsed doing the study. While very little time is required of this person, they provide essential direction for the study. Their responsibilities include:

- Endorsement of study (prior to the workshop)
- Articulation of strategies and challenges (during the workshop)
- Approval of study’s scope, study time line, and changes to the study time line
- Assignment of a focal point - a contact to provide workload data and financial information
- Approval of final report

Senior IT Enterprise Architects who understand the workloads on the platforms being considered in the study, including typical workload requirements and architecture of HA, DR, Dev/Test, and QA environments. Other topics covered by these people may include platform standards and key software requirements (i.e. management tools and middleware).

IT Financial Analysts are also encouraged to attend the workshop since we will explore financial IT costs such as software and hardware costs, and personnel cost allocations.

What type of data will be needed for an IT Economics study? To understand resource requirements and utilization levels we will look at distributed server and mainframe inventory and workload data. We will also request HW and SW licensing and maintenance costs, ISV charges, labor rates, and energy costs. We will get as much information as possible from the IBM account team but there may be data your assigned point of contact will need to provide. Typically all this data is readily available and does <u>not</u> require use of any data collection tools.

What if we can't provide data for the study? Because the study is designed to be an assessment (in essence a business case) of your IT environment, the more precise information you can provide the more effective the study will be for you. In the event you are unable to provide certain specific costs or types of data, we can utilize mutually agreed upon industry standard ranges based on other studies.

What resources will be needed after the workshop? After the workshop we will want to interact with the IT Architects. This is typically not more than a few hours total. We are very careful to minimize the effort on your part. When possible we will gather information from the IBM team, and only ask you for items we do not have. We estimate a couple of hours for a couple of people, spread out over a few weeks via email and short weekly checkpoint calls.

What happens after the workshop? Your consultant will analyze the data that was collected and will meet on weekly calls with the assigned point of contact to validate preliminary findings and ask questions that might arise. In two to three weeks' time after the workshop a preliminary report is usually ready for review. This allows us to revise any assumptions, if required, with you prior to delivery of the final report.

When can we expect to receive a final study report? By the end of week four after the workshop your study is usually complete. Your consultant will arrange a face to face meeting with you to share our findings and provide you with a detailed study report, along with strategic recommendations based on those findings.

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