



Precision IQ

Why do most business investments

...fall short of revenue projections?

...miss cost-savings forecasts?

How can I take the guesswork out of Cost Benefit Analysis?

Finance personnel and other executives regularly green-light and kill project investments based on spreadsheets and slide shows presented by department heads competing for budgets. Yet despite today's relentless pursuit for ROI, most Cost Benefit Analysis (CBA) proposals fail to substantiate their claims. In fact, according to research published recently in Computer Weekly, the failure to back up "good numbers" with an audit trail is the most common problem associated with typical CBA solutions.

Objective CBA data is lacking to the point that 85% of the respondents in a recent survey believe that investments are influenced by personal or political aspirations, rather than straightforward achievement of business goals.

Something's wrong with this picture: why should huge, risky business initiatives be launched based on subjective, homegrown spreadsheets and sales pitches? Why aren't CBA tools held up to the same standards as other mission-critical solutions?

Back up Your CBA With Real Financials

ITCentrix eliminates the guesswork of CBA by providing a user-driven software solution that methodically streamlines the selection of projects based on expected performance against 20+ financial KPIs closely monitored by CFOs. Senior business management and IT can collaboratively green-light and kill projects on an ongoing basis by viewing dynamically updated dashboards that slice-and-dice objective CBA data.

KPIs Monitored by Precision IQ

Project Benefit

- Revenue Gain
- Cost Savings – for IT & Business

Project Cost

- IT Costs (HW, SW, NW, Consulting, Staff)
- Business Costs

Project financials – for individual and aggregate portfolios

- ROI, IRR, NPV, Breakeven period

Project sensitivity analysis

- Risk scenarios (%): Missed revenue forecast, Missed cost savings forecasts, project cost overruns
- Impact on project financials (ROI, IRR, NPV, Breakeven)

Quarterly Cash Flows

- Infrastructure Costs
- Staff Costs
- Revenue Gain
- Cost Savings

Project/portfolio Impact on corporate financials

- Revenue
- Headcount
- Productivity
- Budgets
- Revenue per employee

Executives can construct corporate financial forecasts and blend them with project forecasts to perform a series of what-if analyses and study the effect that different projects' funding would have on income statements, headcount and productivity.

You can view projects one by one, or in side-by-side comparisons, portfolio by portfolio.

Keep Your CBAs Up-To-Date

Unlike the static nature of snapshots provided by typical CBA applications, Precision IQ's project evaluations are perpetually updated to reflect the latest corporate forecast revisions. This means the impact of new projections in revenue, competitive forces, headcount, IT expenditures and salary budgets can immediately be viewed in Precision IQ's dashboards. Changing market conditions are dynamically reflected in the numbers, allowing users to respond nimbly to emerging market opportunities and threats.



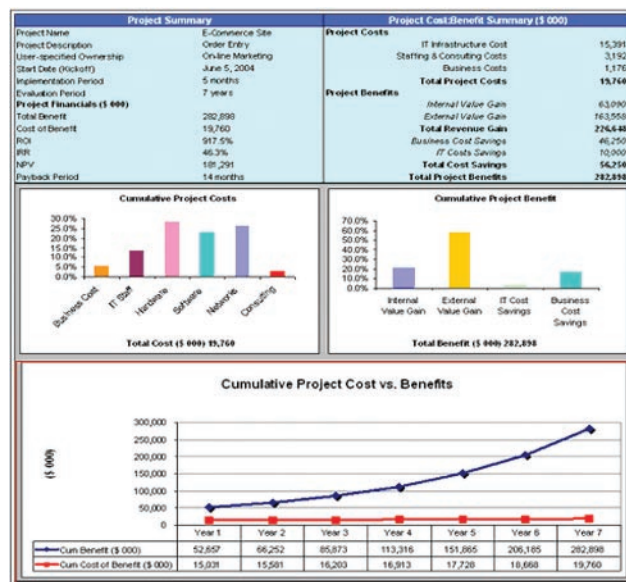
Collaborate Enterprise-Wide

Precision IQ's multiple dashboard views are intuitive to C-level executives, while still providing the technical level of detail that satisfies IT's needs. Its broad appeal helps technical and non-technical people work towards a common goal using a common language.

Precision IQ is architected to provide enterprise-scale security and role-based access-control features. Some users may have access to just one project, while "super-managers" can access the entire library of potentially hundreds of portfolios.

The convenience of such enterprise features makes it easy for people to abandon the limited spreadsheets they once used.

The Project Dashboard provides executive-level insight into investment cost/benefit analysis.



Cost detail

Benefit detail

Breakdown of cumulative project costs and benefits

7-year cost/benefit projection

In this scenario, Precision IQ shows how a \$19.7M investment in a proposed E-commerce site would deliver a total benefit of \$282M over the course of a seven-year period. Users can easily toggle between this view and other views including one that compares projects side-by-side.



Compare Investment Projects Side-By-Side

Precision IQ streamlines the investment selection process by allowing projects to be compared

side-by-side and stack-rated using 20+ user-selected criteria including project financials (ROI, IRR, NPV, Breakeven), cost detail by category (business cost, staff, hardware, software, network, consulting/services) and benefit category (revenue gain and cost savings).

You can even group common projects into theme-based portfolios such as "Enterprise Projects" and "Business Intelligence" that accurately represent your organizational structure.

The Portfolio Analysis compares projects on a level playing field.

Precision IQ Session - Microsoft Internet Explorer

Individual Projects | Portfolio Analysis | Project Aggregation | Input Summary

Portfolio Analysis » Project Attributes - E-Commerce Site

Previous Report | Project Attributes | Next Report

Project Attributes

Cost vs. Benefit Analysis	Project 7	Project 1	Project 2	Project 6	Project 10	Project 9	Project 3	Project 4
Project Number	Contact Center	ERP	Enterprise Email	CRM	E-Commerce Site	New Fund	SVR Consolidation	Code Maintenance
Project Name								
Evaluation Period	7 Years	7 Years	7 Years	7 Years	7 Years	7 Years	7 Years	7 Years
Total Future Benefit (\$ 000)	231,590	213,965	130,175	84,581	80,117	17,098	12,632	1,000
Total Cost of Benefit (\$ 000)	8,867	11,678	654	9,189	19,760	9,816	8,007	5,828
Depreciation write-off (\$ 000)	100	20	(0)	50	0	0	0	0
Benefit (\$ 000)								
Revenue Gain	229,390	167,325	122,273	81,881	63,867	17,098	819	0
Internal Value Gain	184,705	167,325	105,654	70,686	1,882	11,910	590	0
External Value Gain	44,685	0	16,619	11,195	61,985	5,189	229	0
Cost Savings	2,300	46,679	7,902	2,750	16,250	0	11,813	1,000
Business Cost Savings	1,725	42,436	7,837	2,750	6,250	0	100	0
IT Cost Savings	575	4,244	65	0	10,000	0	11,713	1,000
Cost (\$ 000)								
IT Infrastructure								
Hardware	734	1,849	193	1,406	5,638	53	4,143	17
Software	1,912	5,636	270	4,277	4,574	32	1,029	132
Networks	1,303	171	17	165	5,180	0	578	0
IT Staffing & Consulting								
Operational Staff	499	471	69	382	534	226	1,408	54
AD Staff	1,410	2,150	31	1,622	1,995	631	53	5,164
Other Project Staff	219	64	12	57	144	60	29	32
Consulting	1,031	1,200	50	1,163	519	0	764	430
Business Costs								
Business Infrastructure (Non-IT)	651	0	0	0	812	7,750	0	0
Business Staff (Non-IT)	1,108	138	14	117	365	1,063	4	0
Project Timing								
Pre-Implementation Phase	6 months	months	months	3 months	3 months	9 months	3 months	months
Implementation Phase	9 months	12 months	6 months	15 months	6 months	6 months	9 months	3 months

Ready | My Computer

Project selection tools provide convenient side-by-side comparisons of multiple projects in terms of revenue gain, cost savings, financial impact, project costs and other KPIs. Non-IT projects can be evaluated just as easily as the eight IT projects in this example.



How The Competition Stacks Up

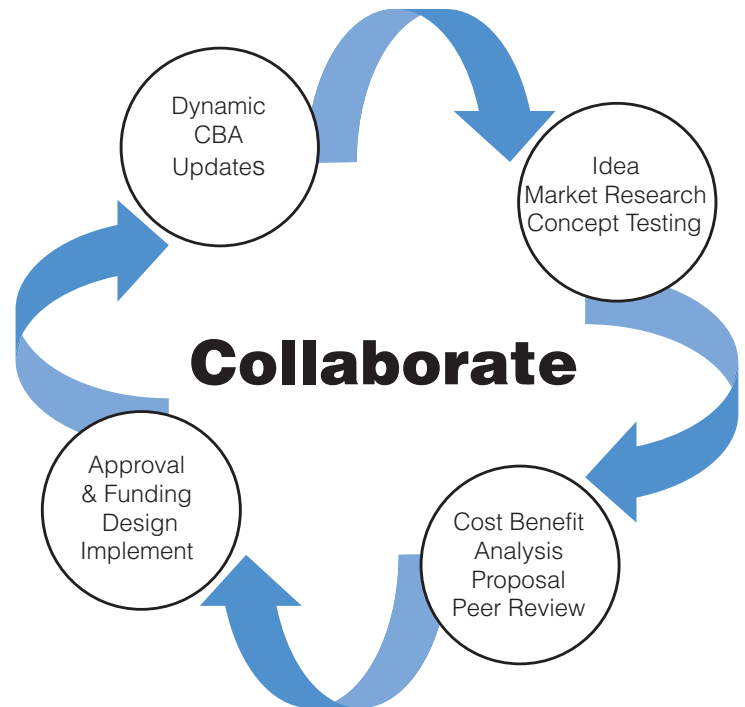
CBA Feature	Spreadsheets	ROI Calculator	Precision IQ
Evaluates individual investments or enterprise portfolios			✓
Ties back to corporate financials, headcount & productivity			✓
Automatically compares and rates using 20+ financial KPIs			✓
Includes built-in project selection database			✓
Enables side-by-side comparisons of 2 to 64+ projects	manually		✓
Aggregates enterprise portfolios by division, geography, line of business, etc.			✓
Dynamically updates existing project evaluations as market conditions shift			✓
Enhances accuracy of Finance's cost & growth projections	manually	manually	✓
Dashboards suit needs of technical and non-technical staff		✓	✓
Provides collaborative infrastructure	✓		✓
Designed for role-based security and access control		✓	✓
Scales across the enterprise			✓
Designed for peer-to-peer, shared-server or shared-database architecture			✓
Its automated reporting tools leverage Microsoft Word, PowerPoint® and Excel®	manually	✓	✓
Includes granular categories of cost and benefit detail		✓	✓
Evaluates IT & non-IT, internal & external processes			✓

Turn the Art of Project Evaluations Into a Science

If your company rarely goes over budget or misses revenue targets, congratulations: you're in the top 1%. If instead you're seeking ways to establish financial discipline and reclaim lost benefit, maybe it's time to standardize the process of evaluating investment opportunities.

Precision IQ turns the art of CBA into a science by slicing-and-dicing financial KPIs in intuitive, dynamically updated dashboards that make it easy to evaluate and compare current and proposed projects collaboratively.

Don't let anyone forward another CBA spreadsheet to you. Ask ITCentrix how Precision IQ can help your company achieve a once elusive goal: solid numbers, and no surprises.



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