

Cost Benefit Analysis Assumptions/Work

All labour cost and project team assumptions - (M. Jardim, March 4, 2015).

Microsoft SQL Server 2014 Cost - ("SQL Server," n.d.)

Appendix 11.1 – In-House Development

Assumptions					
Assuming the project and implementation will be completed within 19 months					
Costs - Year 0					
Role	Descrtiption	# of People	Pay Per Person/Hr	Hours per year per person	Total
Project Manager	PM to work 10 hours per week for 16 weeks in approval phase, and 10 hours per week for 32 weeks in the development phase	1	\$ 90.00	480	\$ 43,200.00
Assistant Manager	AM to work 15hrs per week for 16 weeks in approval phase, and 15hrs per week for 32 weeks in development phase	1	\$ 55.00	720	\$ 39,600.00
IT Analyst	2 ITA's will gather requirements for 25 hours per week for 16 weeks in the approval phase	2	\$ 28.00	400	\$ 22,400.00
IT Solutions Developer	4 ITSD's will code, develop, and test the software for 20 hours per week for 32 weeks during the development phase	4	\$ 35.00	640	\$ 89,600.00
Kaizen Group	Kaizen group of 12 stakeholders will be needed to perform root cause analysis. Will be a one day process and an average pay of each user is \$50 per hour,for 8 hours as many executives will be present	12	\$ 50.00	8	\$ 4,800.00
					\$ 199,600.00
Total Year 1 Costs					
		\$ 118,160.00			
Costs - Year 2-5					
Role	Description	# of People	Pay Per Person/Hr	Hours per year per person	Total
IT Solutions Developer	Maintenance - including patching software, repairs, updates, etc. This is part of the control phase and 2developers will work an average of 120 hours per year doing maintenance	2	\$ 35.00	120	\$ 8,400.00
IT Support Desk (Remotely repairing IT Assets)	3 ITSD's will also help in the control phase, working on helping eliminate any technical issues for an average of 2.5 hours per week for every year after implementation	3	\$ 21.00	120	\$ 7,560.00
					\$ 15,960.00
Total Year 2-5 Costs					
		\$ 15,960.00			
Benefits - Year 0					
-					
Benefits - Year 1 (5 Months)					
Benefit	Hours Saved per month	Pay Per Hour	Monthly Benefit	Yearly Benefit	
Manager Hours Saved	7.5	\$ 31.00	\$ 232.50	\$ 1,162.50	
IT Support Staff Hours Saved	5	\$ 21.00	\$ 105.00	\$ 525.00	
IBM Visits	4	\$ 60.00	\$ 240.00	\$ 1,200.00	
				\$ 2,887.50	

Asset	Fee
Microsoft SQL Server	\$ 4,200.00
Basic Server	\$ 2,000.00
	\$ 6,200.00
Total Year 0 Costs	\$ 205,800.00

Costs - Year 1

Role	Description	# of People	Pay Per Person/Hr	Hours per year per person	Total
Project Manager	PM will continue with development phase, working for 10hrs per week and for 24 weeks in total	1	\$ 90.00	240	\$ 21,600.00
Assistant Manager	AM will also continue with development phase, but also go into the implementation phase. Working for 15hrs/week for 24 weeks in the development phase and 4 weeks in the implementation phase	1	\$ 55.00	420	\$ 23,100.00
IT Solutions Developer	4 ITSD's will code, develop, and test the software for 20 hours per week for remaining 24 weeks during the development phase	4	\$ 35.00	480	\$ 67,200.00
IT Support Analyst	2 ITSA's will help deliver and train in the implementation phase of the project for 20hrs per week for 4 weeks	2	\$ 26.00	80	\$ 4,160.00
IT Support Desk	2 ITSD's will help in the control phase, working on helping eliminate any technical issues for an average of 2.5hrs per week, for the last 5 months of the year	2	\$ 21.00	50	\$ 2,100.00
					\$ 118,160.00

Any single workstation or IT asset down on average 40 hours per month, assuming solution will bring this down to 5 hours using remote access and software patches

Full Capacity (6 Workstations)					
Workstation Sales Revenue Per Hour	\$ 348.00				
Below Capacity (4-5 Workstations)		Difference per hr (\$)	Hours	Total Sales Increase/ month	Total Sales Increase/ Year 1
Workstation Sales Revenue Per Hour	\$ 304.00	\$ 44.00	35	\$ 1,540.00	\$ 7,700.00
This equals to a 15% increase in sales revenue for 35 hours per month, which equates to an increase of \$1610 SR per month, or \$19,320 per year.					
Total Benefits Year 1	\$ 10,587.50				

Benefits - Years 2-5 (12 Months per year)

Benefit	Hours Saved per month	Pay Per Hour	Monthly Benefit	Yearly Benefit	
Manager Hours Saved	7.5	\$ 31.00	\$ 232.50	\$ 2,790.00	
IT Support Staff Hours Saved	5	\$ 21.00	\$ 105.00	\$ 1,260.00	
IBM Visits	4	\$ 60.00	\$ 240.00	\$ 2,880.00	
				\$ 6,930.00	
Full Capacity (6 Workstations)					
Workstation Sales Revenue Per Hour	\$ 348.00				
Below Capacity (4-5 Workstations)		Difference per hr (\$)	Hours	Total Sales Increase/ Month	Total Sales Increase/ Year 2 - 5
Workstation Sales Revenue Per Hour	\$ 304.00	\$ 44.00	35	\$ 1,540.00	\$ 18,480.00
Total Benefits Years 2-5		\$ 25,410.00			

Appendix 11.2 – Provance Technologies, Inc.

Assumptions					
Assuming the vendor will be chosen and implementation will be completed within 3 months					
Costs - Year 0					
Non-Labour Costs					
Licensing Fee (Fixed Rate)	\$	10,000.00			
Maintenance Fee (20% of Licensing)	\$	2,000.00			
Microsoft SQL Server 2014 Edition	\$	4,200.00			
	\$	16,200.00			
Labour Costs					
Implementation and training not included with vendor package, will be done in-house					
Implementation and training assumed to be one month					
Role	Description	# of People	Pay Per Person/ Hr	Hours per year per person	Total
Assistant Manager	AM will oversee the implementation and training process, for 10hrs per week for a total of 4 weeks	1	\$ 55.00	40	\$ 2,200.00
IT Support Analyst	2 ITSA's will help implement and train all employees for 10 hours per week for a total of 4 weeks	2	\$ 26.00	40	\$ 2,080.00
					\$ 4,280.00
Total Costs Year 0	\$	20,480.00			
Costs - Years 1-5					
Vendor stated only maintenance costs after the initial year					
Non-Labour Costs					
Maintenance Fee (20% of Licensing)	\$	2,000.00			
Total Costs Year 1-5	\$	2,000.00			
Benefits Year 0 (11 Months)					
Benefit	Hours Saved per month	Pay Per Hour	Monthly Benefit	Yearly Benefit	
Manager Hours Saved	7.5	\$ 31.00	\$ 232.50	\$ 2,557.50	
IT Support Staff Hours Saved	5	\$ 21.00	\$ 105.00	\$ 1,155.00	
IBM Visits	4	\$ 60.00	\$ 240.00	\$ 2,640.00	
				\$ 6,352.50	
Full Capacity (6 Workstations)					
Workstation Sales Revenue Per Hour	\$	350.00			
Below Capacity (4-5 Workstations)		Difference per hr (\$)	Hours	Total Sales Increase/ Month	Total Sales Increase/ Year 0
Workstation Sales Revenue Per Hour	\$	304.00	\$ 12.00	35	\$ 420.00
				\$ 420.00	\$ 4,620.00
Total Benefits Year 0	\$	10,972.50			

Benefits Year 1-5 (12 months/yr)					
Benefit	Hours Saved per month	Pay Per Hour	Monthly Benefit	Yearly Benefit	
Manager Hours Saved	7.5	\$ 31.00	\$ 232.50	\$ 2,790.00	
IT Support Staff Hours Saved	5	\$ 21.00	\$ 157.50	\$ 1,890.00	
IBM Visits	4	\$ 60.00	\$ 240.00	\$ 2,880.00	
				\$ 7,560.00	
Full Capacity (6 Workstations)					
Workstation Sales Revenue Per Hour	\$ 348.00				
Below Capacity (4-5 Workstations)					
		Difference per hr (\$)	Hours	Total Sales Increase/ Month	Total Sales Increase/ Year 1 - 5
Workstation Sales Revenue Per Hour	\$ 304.00	\$ 44.00	35	\$ 1,540.00	\$18,480.00
Total Benefits Years 1-5					
	\$ 26,040.00				

All labour cost and project team assumptions compiled in conjunction with Michael Jardim, Service Quality Department, Senior Manager (M. Jardim, March 4, 2015).

Microsoft SQL Server 2014 Cost - ("SQL Server," n.d.)

Appendix 11.3 – ManageEngine

Assumptions					
Assuming the vendor will be chosen and implementation will be completed within 1 month					
Costs - Year 0					
Non-Labour Costs	Units	Price Per Unit	Total		
Initial Licensing Fee	1	\$ 10,000.00	\$ 10,000.00		
Licensing Fee (Node-Based License)	23	\$ 20.00	\$ 460.00		
Basic Server	1	\$ 2,000.00	\$ 2,000.00		
Microsoft SQL Server 2014 Edition	1	\$ 4,200.00	\$ 4,200.00		
			\$ 16,660.00		
Labour Costs					
Implementation and training not included with vendor package, will be done in-house					
Implementation and training assumed to be one month					
Role	Description	# of People	Pay Per Person/ Hr	Hours per year per person	Total
Assisitant Manager	AM will oversee the implementation and training process, for 10hrs per week for a total of 4 weeks	1	\$ 55.00	40	\$ 2,200.00
IT Support Analyst	2 ITSA's will help implement and train all employees for 10 hours per week for a total of 4 weeks	2	\$ 26.00	40	\$ 2,080.00
					\$ 4,280.00
Total Costs Year 0	\$ 20,940.00				
Costs - Years 1-5					
Vendor stated only maintenance costs after the initial year					
Non-Labour Costs					
Licensing Fee (Node-Based License)	\$ 460.00				
Total Costs Year 1-5	\$ 460.00				
Benefits Year 0 (11 Months)					
Benefit	Hours Saved per month	Pay Per Hour	Monthly Benefit	Yearly Benefit	
Manager Hours Saved	7.5	\$ 31.00	\$ 232.50	\$ 2,557.50	
IT Support Staff Hours Saved	5	\$ 21.00	\$ 105.00	\$ 1,155.00	
IBM Visits	4	\$ 60.00	\$ 240.00	\$ 2,640.00	
				\$ 6,352.50	
Full Capacity (6 Workstations)					
Workstation Sales Revenue Per Hour	\$ 348.00				
Below Capacity (4-5 Workstations)		Difference per hr (\$)	Hours	Total Sales Increase/ Month	Total Sales Increase/ Year 0
Workstation Sales Revenue Per Hour	\$ 304.00	\$ 44.00	35	\$ 1,540.00	\$ 16,940.00

Total Benefits Year 0	\$ 23,292.50				
Benefits Year 1-5 (12 months/yr)					
Benefit	Hours Saved per month	Pay Per Hour	Monthly Benefit	Yearly Benefit	
Manager Hours Saved	7.5	\$ 31.00	\$ 232.50	\$ 2,790.00	
IT Support Staff Hours Saved	5	\$ 21.00	\$ 157.50	\$ 1,890.00	
IBM Visits	4	\$ 60.00	\$ 240.00	\$ 2,880.00	
				\$ 7,560.00	
Full Capacity (6 Workstations)					
Workstation Sales Revenue Per Hour	\$ 348.00				
Below Capacity (4-5 Workstations)		Difference per hr (\$)	Hours	Total Sales Increase/ Month	Total Sales Increase/ Year 1 - 5
Workstation Sales Revenue Per Hour	\$ 304.00	\$ 44.00	35	\$ 1,540.00	\$ 18,480.00
Total Benefits Years 1-5	\$ 26,040.00				

All labour cost and project team assumptions compiled in conjunction with Michael Jardim, Service Quality Department, Senior Manager (M. Jardim, March 4, 2015).

Microsoft SQL Server 2014 Cost - ("SQL Server," n.d.)
Basic Server Cost - ("Computer Parts", n.d.)