



Optimise your IT systems and processes. Drive down infrastructure costs.

Axon Outsource Readiness Consulting.

Outsourcing increases business efficiency and flexibility – the key to maximising those benefits is to understand what to outsource, and when. However, many organisations have found that identifying the right targets can be hard to do cost effectively.

Overview

Leveraging extensive knowledge and experience in providing business-aligned, ITIL-enabled Managed Services for many medium-to-large New Zealand organisations, Axon has developed a consulting approach to help organisations assess their readiness to outsource and where to focus their attention to get the best results.

Axon Outsource Readiness Consulting is an outcomes-focussed consulting exercise that provides an independently auditable assessment of an organisation's readiness to outsource all or parts of their ICT infrastructure and operations. Organisations receive an outsourcing readiness roadmap to help them identify their outsourcing targets. It shows how smart selective outsourcing can achieve the greatest savings and service improvements for a business, with the least disruption.

Using a proven process and templates, and involving a dedicated team of consultants, a full exercise can be completed in as few as ten days and cost as little as \$10,000, depending on organisation size.

The consulting exercise is as appropriate in today's economically challenging times as it was when outsourcing first became popular as a way to reduce the spiralling cost of ownership of an organisation's ICT infrastructure and operations.

Get Ready With Axon

- Establish 'Current View' – the real cost of your existing infrastructure and operations.
- Compare with industry standard 'Typical View' for like-sized organisations.
- Understand your Total Cost of Ownership.
- Get a 'Target View' of recommended improvement projects.
- See your projected Return on Investment.

Deliverables

There are five clear deliverables for the Outsourcing Readiness Consulting exercise.

Deliverable #1: The "Current View" – Interview and Data Capture

Axon uses various data capture techniques to establish a "Current View" of an organisation's real cost of ICT infrastructure and operations, including:

- End-user survey (ideally greater than 65% of user base), and
- Interviews with the CEO, CFO, CIO and Operations Managers.

Axon uses the data capture and interview process to define a view of infrastructure and operations complexity, budgetary standings, a rating and a level of ICT Best Practice infiltration in the environment.

Deliverable #2: The "Typical View" – Comparison

Captured data is collated and, where appropriate, compared with an industry standard "Typical View" for like-sized organisations. The cost per seat and/or cost per ticket comparison can provide an organisation with an idea of how they

rate against their peer group for ICT spend. This view can establish whether an organisation's budget reflects an over-spending or under-spending on its ICT infrastructure and operations.

Deliverable #3: The "Total Cost of Ownership View" – Analysis

The "Total Cost of Ownership View" is a key deliverable. In order to understand whether or not an organisation is ready to outsource, a thorough understanding of its Total Cost of Ownership (TCO) is paramount.

The following components are presented:

- The TCO associated with identified service lines. This includes both direct and indirect costs. Direct costs are those most commonly budgeted for – for example: salaries, and vendor contracts. Indirect costs, however, are often hard to budget for or, in some cases, are not budgeted for at all. Examples include: cost of recruitment, training and retention of skilled ICT staff, ICT specific infrastructure hardware, software and maintenance of these assets, holidays, sickness, parental leave, and productivity loss through end-user operations and down time.
- Identification of service lines suitable for outsource.
- Identification of service lines better suited to remaining in-house.

Deliverable #4: The “Target View” – Improvement Projects

This phase of the exercise identifies a number of recommended improvement projects which reflect ICT best practices in terms of people, process and technology.

The deliverable includes indicative costs and duration for the implementation of these projects. Axon also presents a recommended priority order for project implementation. Completion of these projects will enable a provider of managed or outsourced services to efficiently and effectively deliver the identified services at the target price.

Axon uses two Managed Services modelling tools to contribute to this “Target View” by presenting an outsource price for identified service lines such as Service Desk, Systems Management, Automated Asset Management and Managed Desktop.

Deliverable #5: – Projected “Return on Investment” – Total Projected Savings

The final deliverable for the exercise presents the Return on Investment (ROI) for the identified improvement projects. This ROI is presented as the number of months it takes to pay back the cost of the improvement projects based on the monthly savings presented in the Target View when compared with the Total Cost of Ownership View.

A Total Projected Savings assessment identifies the total cost savings over a standard fixed-term contract.

“Kordia™ is using selective outsourcing to provide access to industry best practices and tools for server and desktop management,”

says Hannes Van Zyl,
Kordia CIO.

Find out more

If you're ready to optimise your IT systems and processes in order to drive down your infrastructure costs, then getting started is easy. Talk to us to establish where you should look first. We can then provide a price specific to your requirements, including potential upfront cost savings should you wish to assess two or more processes in tandem.

For more information on how Axon can help you address your procurement and support requirements, contact us:

Visit us: www.axon.co.nz/top10

Phone us: 0800 806090

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