



DataNovata: The Enterprise Application Data Bridge

BUSINESS CASE FOR DATANOVATA

How to calculate application costs:

HARDWARE

1 **What platform/s does the application/s to be retired reside upon?** Shared or dedicated application server Shared divides the hardware costs by the # of applications

2 **Is the hardware outsourced or in house?**

IF outsourced:			Total p.a.	% of h'ware utilization	Cost of App p.a.
The savings will depend on the terms of the outsourcing contract	Outsourced costs may be fixed for a term or variable by sizing, application or platform	annual cost of hardware for application Rationalization	\$ _____	__%	\$ _____
IF in-house:			cost /mth	p.a.	
Lease/Rental			\$ ____/mth		\$ _____
3 Is the platform/s rented leased? If rented then the terms of the rental agreement will give the information.					
OR purchase			purchase cost	% 5-yr amortization remaining	
The outright purchase cost if less than 5 years ago? (assuming 5 amortization period)	p.a. amortization value usually 20% of the full price of the hardware		\$ _____	__%	\$ _____

HARDWARE MAINTENANCE

1 Refer to maintenance agreement part of an overall maintenance contract

		rate/callout hours	# of hours	
2 If there is no maintenance contract	cost of replacing components	\$ ____/hr	__ hrs	\$ _____
Additional maintenance costs	cost of support call-out services (internal and/or external)	\$ ____/hr	__ hrs	\$ _____

HARDWARE SUPPORT RESOURCES

		internal/outsourced charge rate/hour	headcount	% allocation	total p.a.
Database Manager				__%	\$ _____
TP Manager				__%	\$ _____
Developer				__%	\$ _____
Application Analyst				__%	\$ _____
Bundled monthly contract rate	if outsourced			__%	\$ _____

SOFTWARE LICENSE COSTS

		Total p.a.	# of Apps/box	Cost of App p.a.
1 Operating System License costs	CICS, VME, COBOL	\$ _____		\$ _____
2 Database license costs	DB2 Oracle. SQL server	\$ _____		\$ _____
		per user cost	# of users	

3 Application License costs usually based on number of users

license cost per annum, per user x number of users

\$ _____		\$ _____
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SOFTWARE SUPPORT & SERVICES COSTS

		License Fee	%ge	
If 3rd-party software	usually a % of license fees	\$ _____	__%	\$ _____
		salary/ hour	# of hours	
If in house software	Cost of the technician to maintain the application	\$ ____/hr	__ hrs	\$ _____
	cost of the technician to maintain the infrastructure	\$ ____/hr	__ hrs	\$ _____

END-USER APPLICATION SUPPORT

		% of salary/hour of allocation per person	avg salary/hour	# of hours	
User training	per annum		\$ ____/hr	__ hrs	\$ _____
User Services & Support	for IT assistance to users		\$ ____/hr	__ hrs	\$ _____
Internal charge out rate for resources		add 20% to salary cost	\$ ____/hr	__ hrs	\$ _____

INFRASTRUCTURE COSTS

DISASTER RECOVERY	The more boxes you have the higher the Disaster recovery costs.		Cost/unit p.a	# of Boxes	
	DISASTER RECOVERY COSTS		\$ ____/unit		\$ _____
DATACENTER FOOTPRINT	Sq M	Sq Ft	Cost/sq ft		
average costs of floor space vary depending on the locality	sq. metres example OD IBM Power 820 approx. 44 sq. m.	assume average of \$25 per sq. ft. To convert sq m to sq ft x by 10.7639	__ ft ²	\$ ____/ft2	\$ _____

POWER CONSUMPTION

<http://networking.ringofsaturn.com/Tools/serverpowerusage.php>

Cost of power on a server	Kw/server	Cost/Kw/server/ hour	Uptime hours p.a.		
example. A smallish server IBM 720 is rated at 1725 watts	The US energy cost/KW est. \$0.10 cents per Kw	1.725	\$0.10	8760	\$ _____
BTU	Cooling Kw/server/	Cost/Kw/server/ hour	Uptime hours p.a.		
Cooling power	____ BTU's	BTU x 0.293 = ____	\$ 0.14	8760	\$ _____
MANAGEMENT OVERHEAD	rule of thumb is to add 20% to the total costs for management overhead.			\$ _____	
FINES FOR NON-COMPLIANCE	These can be very high and not worth taking the risk.			\$ _____	

TOTAL COST OF LEGACY APPLICATION PER ANNUM	\$ _____
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