

# TOTAL COST OF OWNERSHIP ANALYSIS WORKSHOP

Justify Your Business Case for the Hybrid Cloud

The choice to move applications to a hosted or cloud model, transform investments from CAPEX to OPEX, or adopting a service provider model requires thorough financial justification. Working with a third-party firm to complete this level of financial analysis can be very expensive and can consume significant time and resources.

The Rackspace TCO Analysis Workshop is a service that enables organizations to make sound decisions about their future IT strategy. We help determine the direct and indirect costs of moving workloads to a hosted or cloud model compared to buying and operating infrastructure equipment in-house, including considerations to understand the financial implications of capital investment (CAPEX) vs. a hosted solution (OPEX). The workshop is offered as a complimentary service to organizations with increasing complex workloads and transformation needs that need to quantify the financial implications of a hosted or cloud model.

## WHAT A TCO ANALYSIS WORKSHOP DELIVERS

By the end of a TCO Analysis Workshop, our customers know the impact a Service Provider Model will have on their future success.

- 12-15 page detailed summary of findings
- Executive summary presentation, delivered by Rackspace senior consultants

## HOW IT WORKS

The TCO Analysis Workshop is completed using three main inputs as the basis:

- 1. Customer-specific financial metrics:** The goal of this analysis is to make it directly relevant to each organization, which can only be completed by basing the analysis on the costs, metrics and assumptions that are specific to the organization. The workshop is delivered on-site, for one customer at a time, and consumes inputs such as:

### Data center costs & associated financials

- Data center power and facilities costs including network bandwidth costs
- Server, network and storage hardware capital & software license costs
- Support and maintenance costs
- IT staff costs, training and staff turnover costs

### Current and planned infrastructure, servers & data center configuration

- Server computing equipment
- Network, Storage & backup equipment

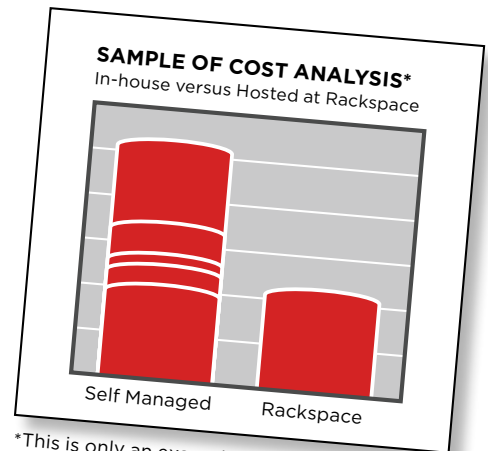
### Indirect business costs (if known)

- Unplanned/planned downtime productivity and revenue impact costs
- Business agility productivity & revenue impact costs

- 2. Financial Analysis Tools & Industry Averages:** Our senior consultants use industry-accepted tools to analyze financial data and supplement any gaps with industry standard averages. This exercise also gives enterprises a strong understanding of how they compare to their industry counterparts.

Formed in 2001 by ex-Gartner ROI/TCO experts and value marketing/selling experts, we partner with *Alinean*, a leader in financial analysis, to deliver industry benchmarks and to build an analysis process that will be as accurate and credible as possible.

- 3. Rackspace Expertise and Analysis:** Once all outputs are reviewed, our senior consultants prepare a detailed summary of results. After a TCO Analysis workshop, a customer will understand the different costs associated with self-managed vs. service provider operations, as well as additional efficiencies that can be obtained by transforming the workload to take advantage of a hybrid cloud strategy.



\*This is only an example of an outcome of the analysis. Results will vary based upon each company's individual assessment data.

For more information or to schedule a complimentary workshop, please call **1-800-440-1249** or **contact a Sales Associate**.

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**FANATICAL SUPPORT**

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RACKSPACE® HOSTING | 1 FANATICAL PLACE | CITY OF WINDCREST, SAN ANTONIO, TEXAS 78218 U.S.A. | DATE MODIFIED: 08282013

