

# ROI-Calc

Measuring the value of business success

ROI-Calc, Inc  
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# ROI-Calc Background

*ROI means Return on Investment and at ROI-Calc we specialize in quantifying the value of strategies, products, services, processes, individual & group performance.*

We have worked with hundreds of decision makers and has personally directed key product development and go-to-market strategies for companies such as General Motors, Du Pont, Compaq (now HP) and Adaptec. Our product, sales and marketing management has led to 6 separate and unique products being worldwide market share and gross margin dollar leaders while also achieving the following recognition:

- Network Computing's Editor's Choice Award
- Gold IDEA award for design excellence
- Network World's World Class award
- Gartner Research Magic Quadrant
- InternetWeek Best of Best Award
- Ranked #1 for overall product value in Enterprise Storage by Information Week Research Survey
- Network Computing's prestigious Well-Connected Award for the best products and services

We have served as an expert authority on ROI and data storage technology and have been quoted by leading publications like InfoStor, CMP Asia, Integrated Solutions, ComputerWorld, EE Times, Byte and Switch, ISP-Planet and Washington Technology on a variety of topics.

# We Are Well Known Experts in ROI Analysis

**COMPUTERWORLD** 17th ANNUAL CONFERENCE

**ASTD**  
Linking People, Learning & Performance

**HOUSTON BUSINESS JOURNAL**

**INFOSTOR**

**ISP Planet**

**Byte and Switch**  
The Storage Networking Site

**COMPUTERWORLD**  
Companies Simplify Data Privacy Notices

**EETIMES NETWORK**

**WASHINGTON TECHNOLOGY**

**CMP net.asia**  
The Technology Network

**ROI NETWORK NEWS**

October 2004 | Volume 1 | Number 4 | 40  
COMING | ROI NETWORK | ASTD

Fall 2004 Issue

## How to Build an Effective ROI Calculator

By Glenn Clowney

Most business people understand what an ROI analysis is and how ROI calculations can benefit a company's bottom line. But what many people don't understand is that ROI is more than just an end-result number. A truly effective ROI analysis can:

- Reduce the sales cycle.** In fact, the International Data Corporation found that the average sales cycle for a million-dollar deal is 18 months. But of those companies that completed an ROI analysis, 65 percent reported a six-month or shorter sales cycle.
- Create a receptive environment.** Quantifying the benefits of your product or service makes it easier for potential customers to get on board with your company.
- Establish a fair selection process.** Competition is inevitable. An ROI analysis helps eliminate vendor bias by providing financial insight and allowing potential customers to discard the emotional elements of the decision-making process.
- Focus on the business issues.** Discussions with customers that focus solely on your features and functions are risky. An ROI analysis ensures that your discussions focus on *their* business problems and helps you gain a true understanding of their business needs.

# Customers

Representative list: We have provided services to each of the following companies either directly or in partnership with one of our strategic partners.



# Strategic Partner: Case Study Forum

Our relationships are strong and lasting...

Eighteen months ago we started doing about 20% of the financial analysis used by Case Study Forum for their case studies and whitepapers.

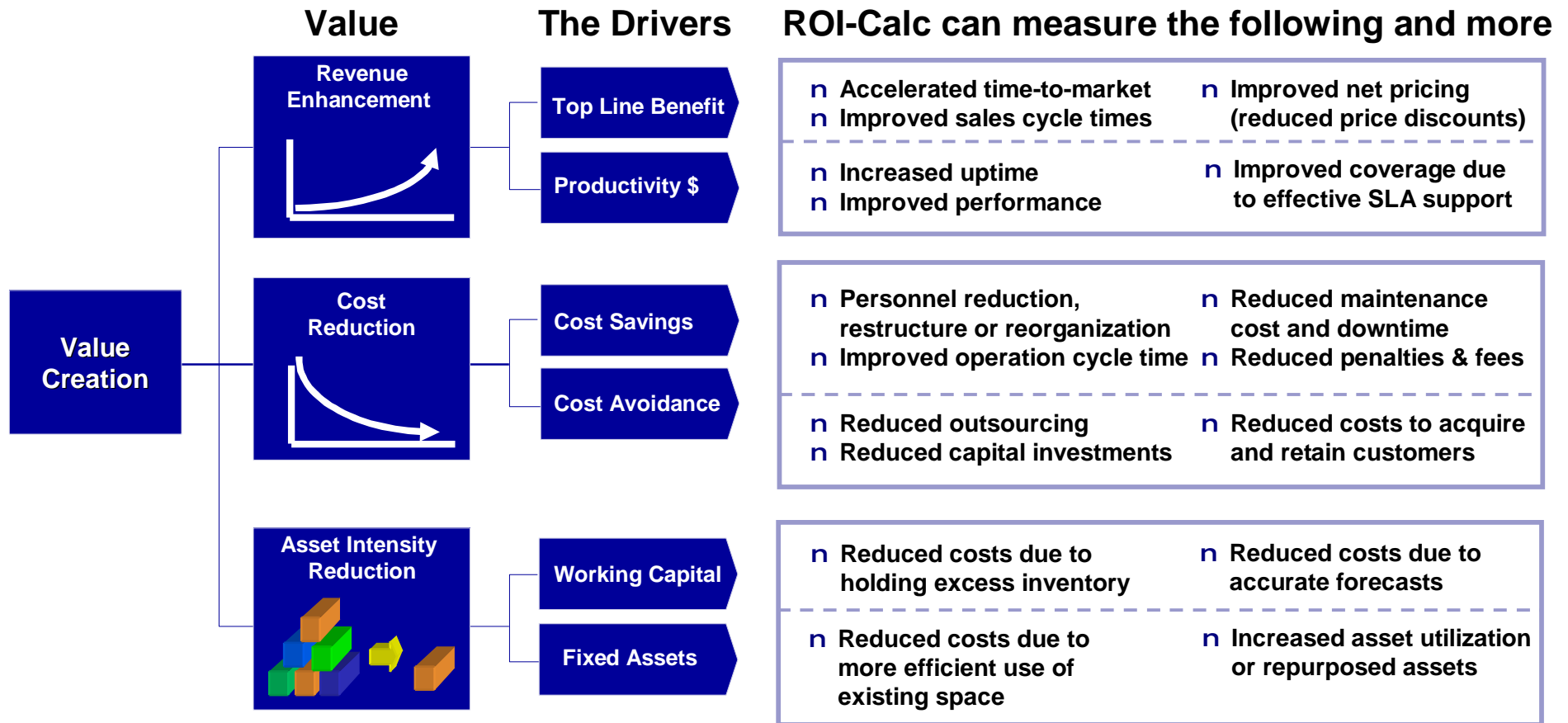
Twelve months ago, based on our performance, we are CFS' partner of choice and we handle almost 100% of the financial analysis used by them.

Case Study Forum writes and produces ROI-focused. Their approach is to quantify the business impact (revenue, productivity and cost savings), and present the financial return the customer achieved from the investment made in the solution or service. Each Case Study not only includes a compelling success story, but also a business case where CSF (not the customer profiled) calculates the ROI, as well as other financial metrics like net benefit, payback period, NPV, IRR, KPIs, etc.



<http://www.casestudyforum.com>

# We Help You Prove Your Measurable Value





# ROI-Calc: Our Services

**Customized ROI Calculators or Simulators** – We create a custom desktop or web applications that quantifies your competitive differentiation and communicates your measurable value. We ensure that sensible inputs, clear answers, and supporting graphics work together to provide the complete solution.

**At-Your-Site ROI Training Workshops** – We have 1/2 day or all day training workshops that teach everyone about financial metrics (ROI, TCO, IRR and NPV) and how to effectively use them.

**At-Your-Site Strategy & Go-To-Market Workshops** – We integrate value based strategic positioning and ROI frameworks into a strategy development workshop.

- Strategy Development and Leadership Review for Corporations, Business Units, Products, or Services.
- Quant based S.W.O.T. Analysis (including internal strengths & weaknesses and external opportunities & threats).

**Computer Simulation Modeling and Development** – Do you have a sales group, help desk, call center, customer support team, invoicing department, or any other multi variable business process? We create dynamic mathematical representations of processes or systems that characterizes how your system behaves in a dynamic fashion.

# Make Your Value Relevant to the Audience

Now you have a choice in how you present the value of your services...

“Static” documents like case studies, success stories and white papers

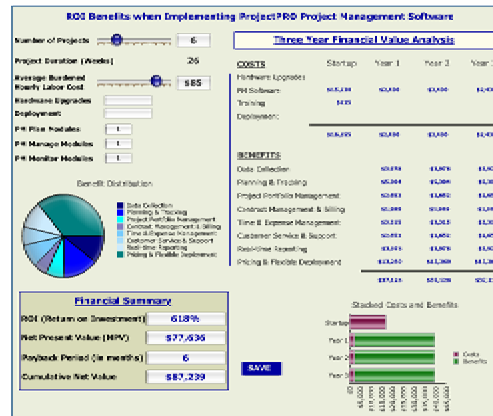
You can bury them in paper...



OR

A fully interactive ROI based approach that quickly calculates your value differently for each customer

You can give them something they will use



## Information Technology Manager Enterprise Edition



### Proven Business & Service Optimization Software

Increase Productivity  
Maximize Revenue Lower Cost

Navigation Bar

Profile  Help Desk  Software  Productivity

#### Your Company Profile:

Number of locations:



Employees per location:



Average Employee Salary:

\$45,000

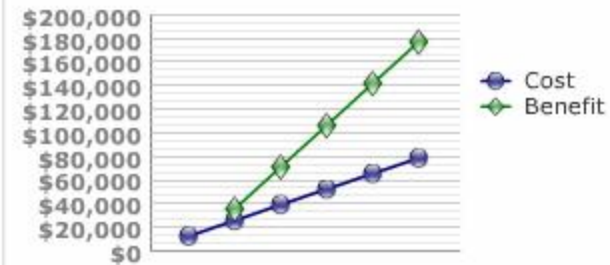
Percent of Employees Who  
Spend More Than 50% of the  
Time Outside of an Office:



Scenario

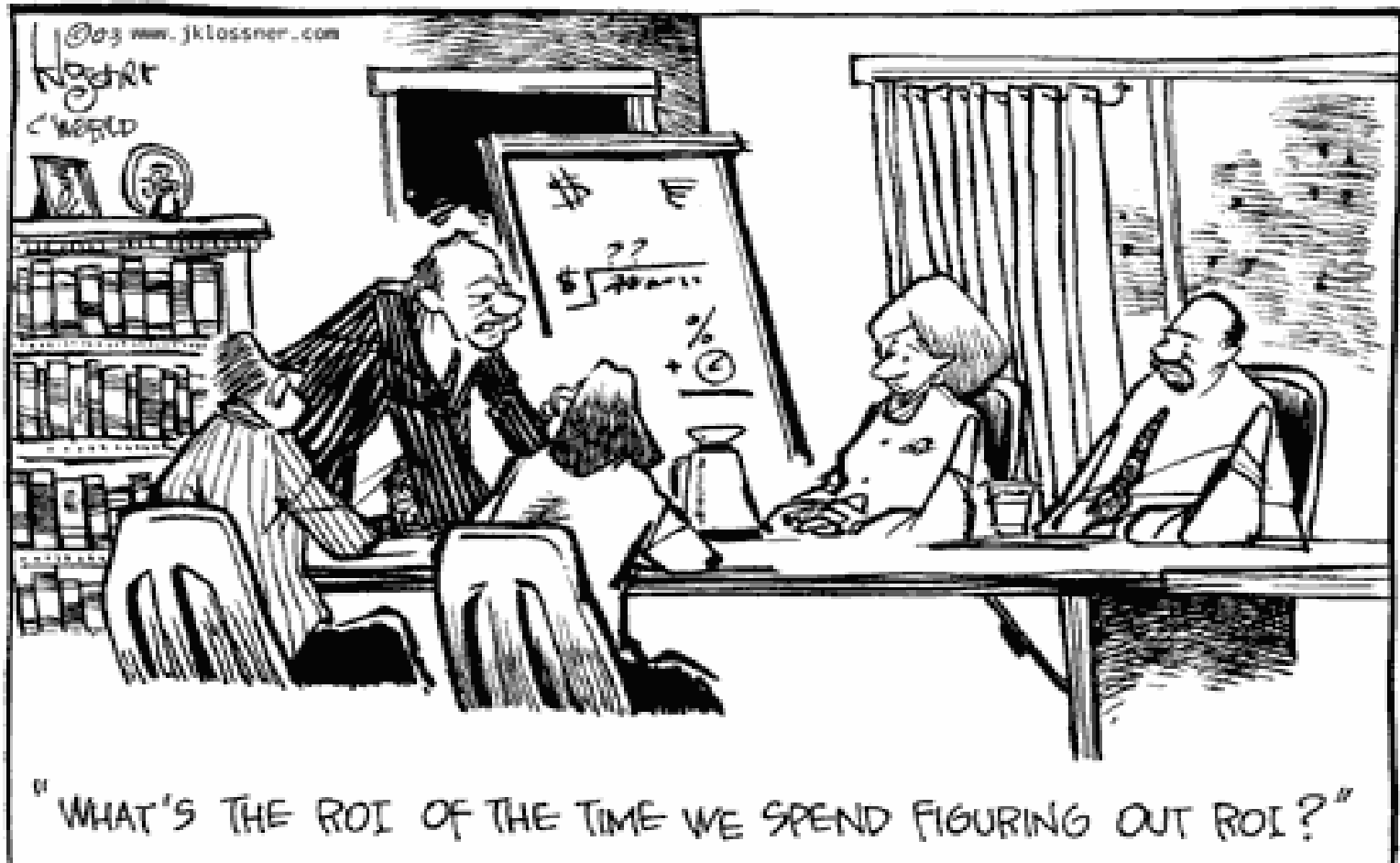
Total Net Savings	\$98,171
Payback Period (in months)	7
ROI (Return on Investment)	885%
Internal Rate of Return	176%

Cost-to-Benefit Graph  
Cumulative



Incremental Project Costs	Start Up	Year 1	Year 2	Year 3	Year 4	Year 5
Implementation:	\$12,500					
Annual Management Fee:		\$7,711	\$7,711	\$7,711	\$7,711	\$7,711
Maintenance:		\$5,517	\$5,517	\$5,517	\$5,517	\$5,517
<b>Total Project Costs</b>	<b>\$12,500</b>	<b>\$13,228</b>	<b>\$13,228</b>	<b>\$13,228</b>	<b>\$13,228</b>	<b>\$13,228</b>
<b>Benefits</b>						
Bottom Line Benefits:		\$9,377	\$9,377	\$9,377	\$9,377	\$9,377
Productivity and Support Savings:		\$23,580	\$23,580	\$23,580	\$23,580	\$23,580
Software Distribution:		\$1,323	\$1,323	\$1,323	\$1,323	\$1,323
Help Desk Management:		\$1,083	\$1,083	\$1,083	\$1,083	\$1,083
<b>Total Benefits</b>		<b>\$35,363</b>	<b>\$35,363</b>	<b>\$35,363</b>	<b>\$35,363</b>	<b>\$35,363</b>

# You Might Be Able to Do It Yourself But...



# Questions



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