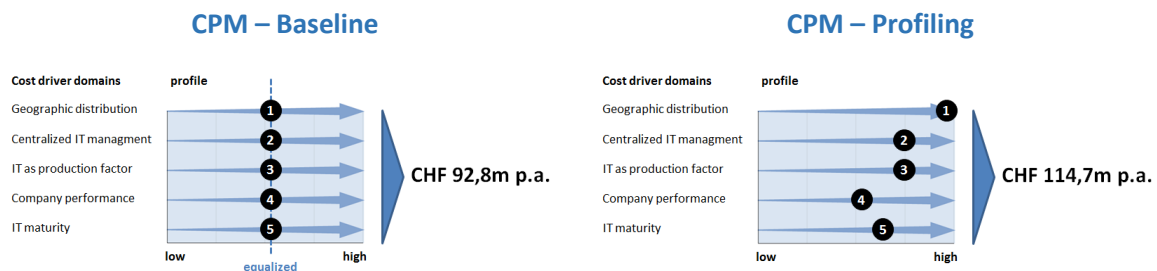


## CPM ScenarioCoach® Use Cases for CIOs and IT Procurement Professionals

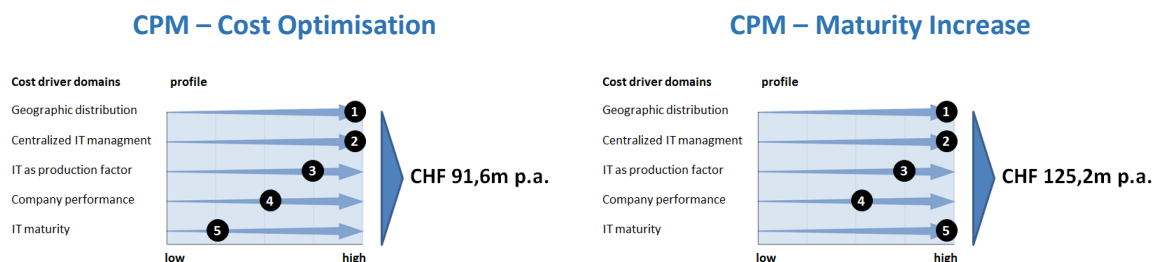
CPM® can be deployed in following situations:

### CPM® for the CIO – Scenario based budgeting and cost savings evaluation

In the below example of an Ancoma client, the TCO baseline of 92,8m CHF p.a. have been calculated as a first measure. As any other benchmark metric, this was a theoretical value. Only after setting the client's individual profile of the 5 costs influence factors of CPM® the effective IT TCO has been determined. This was in the said case at 114,7m CHF p.a..



Given a cost reduction target of 20% the tangible areas of the cost influencers have been analysed. By improving governance and by lowering the ambition in the maturity development the cost target has been achieved. In order to estimate the cost ceiling for the long run planning, the highest maturity characteristics have been applied, which resulted in an increase of approx. 10% to the current budget.



### CPM® for the IT procurement professional – Price negotiations with IT service providers

With Vendor CPM® Ancoma has profiled many IT service provider based on their pricing power capabilities. This allows clients better validation of IT provider proposals and gives guidance in regards of target price negotiations. The below example is showing that the current vendor is experiencing cost basis being 14,2% higher than the benchmark implies.

