

PC Life Cycle Management

The Total Cost of Ownership
and How UGA Could Save Money!

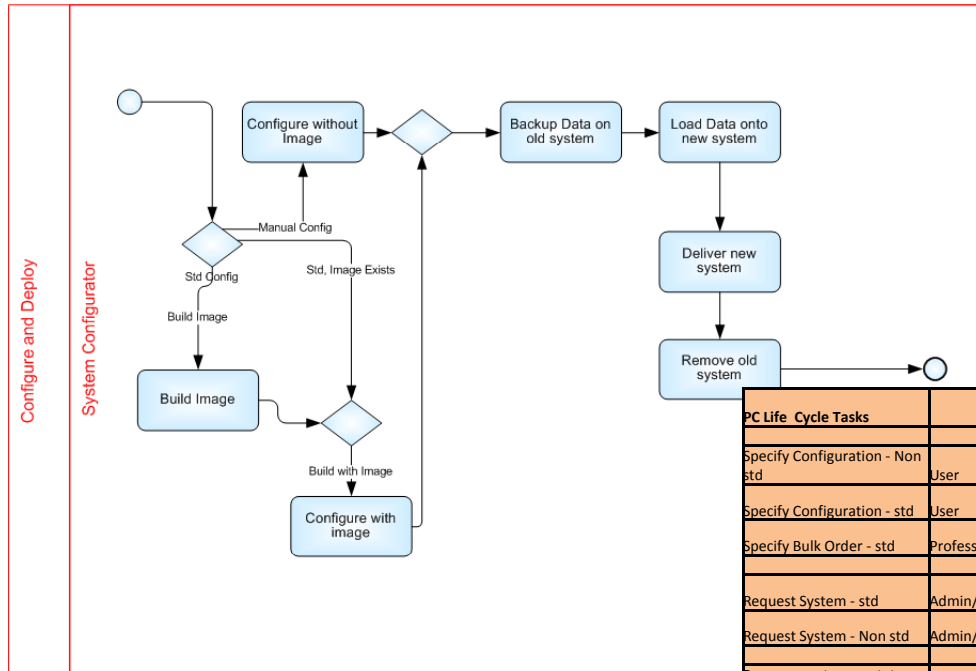
The Team

- Ilir Hasko – EITS
- Shawn Ellis – EITS
- Paul Keck – EITS
- Bret Jackson – Auxiliary Services
- Jerry Nesmith – OVPR
- Mike Stroup – Tec Services
- Tommy Larson – Terry College
- Brad Hunt – Terry College
- Dr. Bob Bostrom – MIS Terry College
- Angela Guhl – MIS Major (Senior)

Process

- Study focused on Procurement, Support, and Repair processes.
- Develop Business Process Model to describe and simulate our processes
- Established “typical” work efforts and costs for each step in the process
- Ran “what if” simulations to identify opportunities for cost savings
- Out of scope: Surplus and Inventory, Laptop Computers

Business Process Modeling



Configure and Deploy

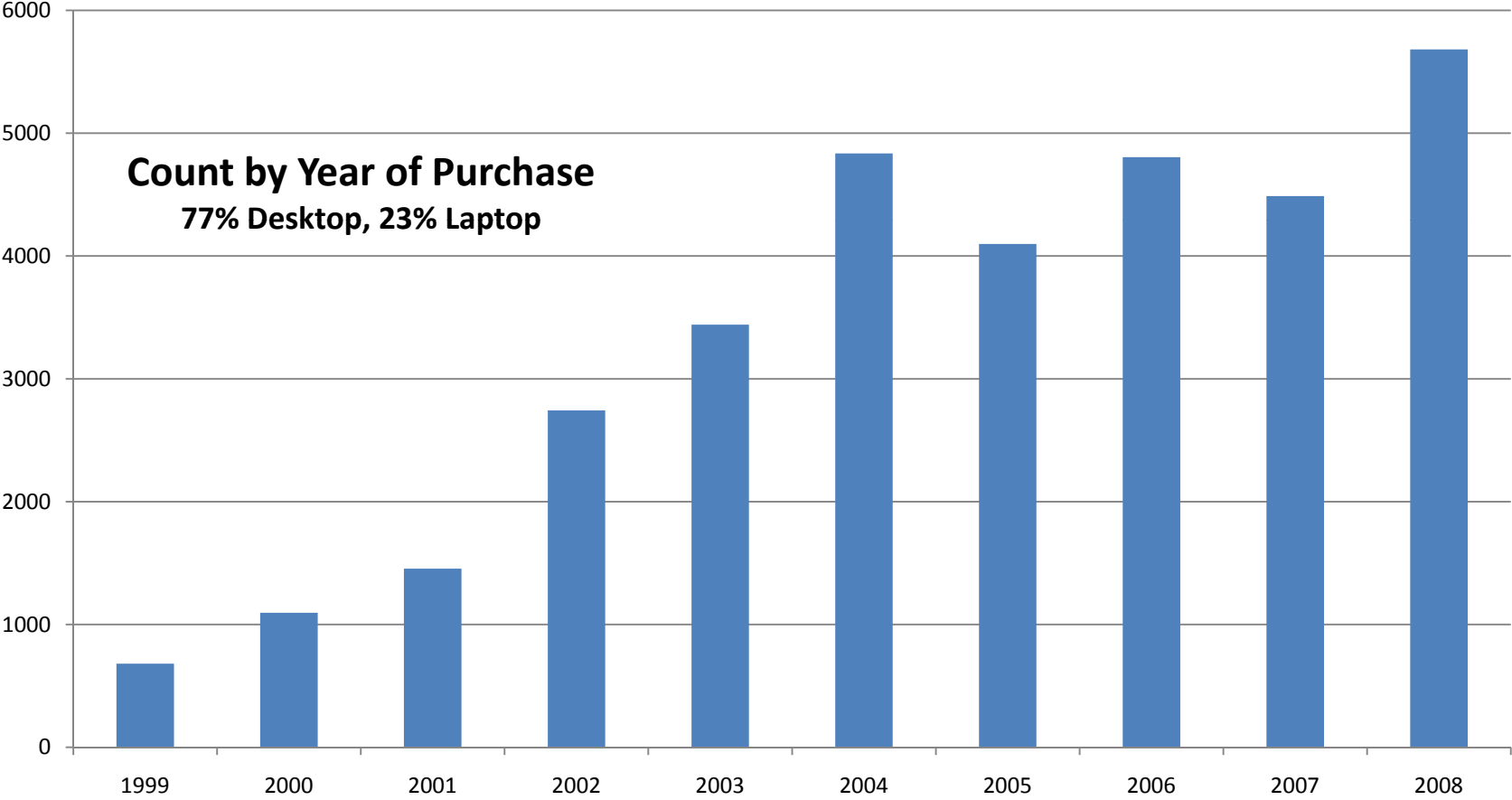
System Configurator

PC Life Cycle Management	author: bjhunt	created: 1/1/00
Configure and deploy (1)	version: 1.0	modified: 3/1/00
	status: created	
PC LCM Process Diagram v3.vsd		

PC Life Cycle Tasks	Actor	Rate \$/hr	Duration (min)	Delay (hrs)	Materials Cost	Cost per item	Frequency	Estimated Cost
Specify Configuration - Non std	User	\$ 58.00	90			\$87	25%	\$ 82,900
Specify Configuration - std	User	\$ 58.00	10	24		\$10	65%	\$ 24,284
Specify Bulk Order - std	Professional Staff	\$ 36.00	1.0	24		\$1	10%	\$ 231
Request System - std	Admin/Technician	\$ 36.00	20	24		\$12	75%	\$ 34,766
Request System - Non std	Admin/Technician	\$ 36.00	30	24		\$18	25%	\$ 17,152
Procurement - non-state Contract	Professional Staff	\$ 36.00	50	72		\$30	10%	\$ 11,550
Procurement - State Contract	Professional Staff	\$ 36.00	5	24		\$3	90%	\$ 10,395
								\$ -
Pick Pack and Ship	Vendor			119	\$1,500	\$1,500	90%	\$ 5,197,500
Pick Pack and Ship - bulk	Vendor			120	\$1,350	\$1,350	10%	\$ 519,750
Receive	Admin/Technician	\$ 25.00	60			\$25	100%	\$ 96,250
Ship to dept	Admin/Technician	\$ 25.00	60	24		\$25	100%	\$ 96,250
Tag	Admin/Technician	\$ 25.00	60	84	5.5	\$31	100%	\$ 96,250
Build Image	Professional Staff	\$ 36.00	250	72		\$150	2.8%	\$ 15,960
Configure new system - with image	Professional Staff	\$ 36.00	80	24		\$48	65%	\$ 120,681
Configure new system - manually	Professional Staff	\$ 36.00	250	24		\$150	35%	\$ 199,585

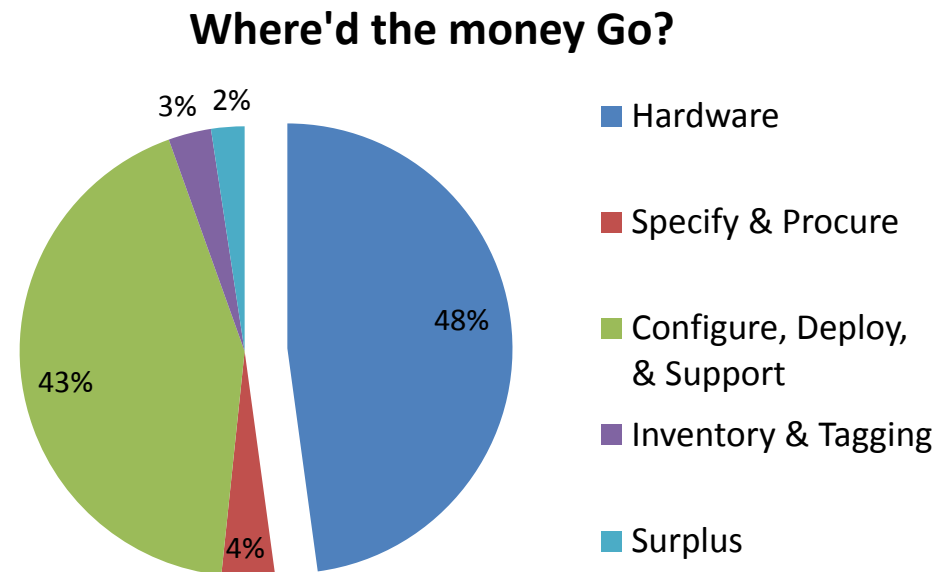
UGA Inventory

> 30,000 / ~ 6 year Lifecycle

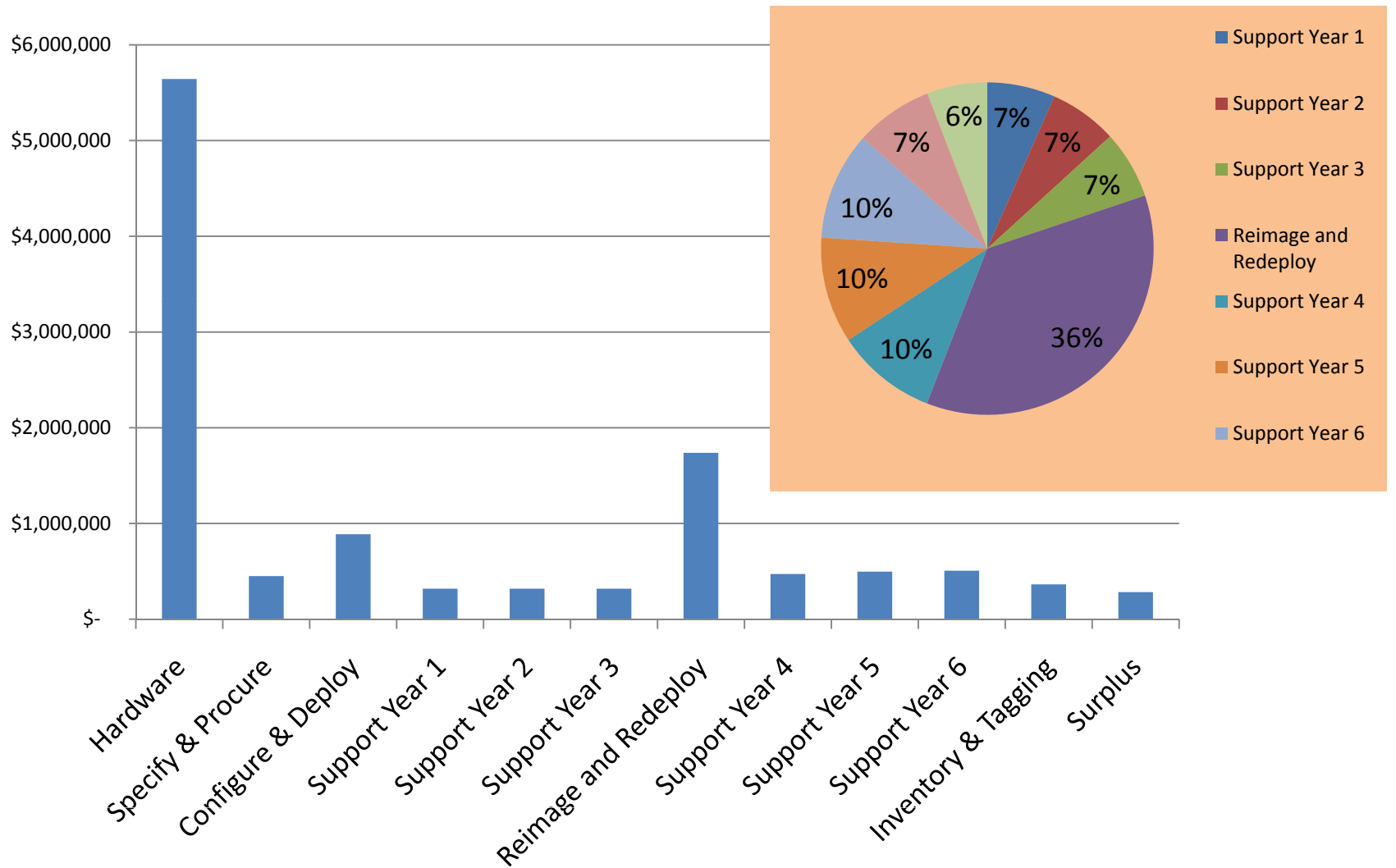


Observations: As Is State

UGA spends approximately \$14-17 million annually on procurement and support of personal computers
(~4500 PCs purchased/year)



Cost Breakdown



What if?

Results	Annual Hardware Cost	Annual Support Cost	Total Annual Cost	FTE	Savings
As Is	\$ 5,643,000	\$ 6,114,324	\$ 11,757,324	62.1	
Standardize 90% std	\$ 5,643,000	\$ 5,199,086	\$ 10,842,086	52.0	\$ 915,238
Power Configuration	\$ 7,524,000	\$ 3,624,521	\$ 11,148,521	40.5	\$ 608,804
Big Buys	\$ 4,275,000	\$ 5,434,178	\$ 9,709,178	54.7	\$ 2,048,146
DIY double failure rate	\$ 5,103,875	\$ 4,109,920	\$ 9,213,795	58.6	\$ 2,543,529
DIY Normal Failure Rate	\$ 4,704,875	\$ 3,660,713	\$ 8,365,588	52.4	\$ 3,391,737
Virtual Desktop (50/50), 25% snapshot support	\$ 3,866,500	\$ 4,346,014	\$ 8,212,514	47.3	\$ 3,544,811

Observations

- UGA can save significantly through a more focused PC purchasing strategy.
 - ~ \$1-3 Million/annually
- Options that should be considered
 - More Standardization: \$1 M: Unit Level Control
 - Power Configurations: \$0.5 M: Unit Level Control
 - Big Buys: \$ 2 M: UGA Level Negotiations
 - DIY: \$3 M: could be implemented at Unit level, UGA Level would provide more reliable savings.
 - Virtual Desktops: \$4 M: Unit Level Control, Still much unknown