

Flash Research Assignment: SharePoint

You are the CTA of a small but rapidly growing consulting firm that specializes in IT project management. You have a team of 10 PMPs who are currently billing out 75% of their time (1,500 hour/year out of a 2,000 hour work year) at an average rate of \$175 per hour. Business is good and you actually have a considerable backlog of work.

The bulk of the time your PMPs are not billing they are working with prospective clients selling and negotiating new business. While doing this your PMPs spend a lot of time struggling with the management of documents related to their project proposals. From sharing documents with the client and each other to managing multiple versions of the same document, your PMPs are spending a lot of time managing documents and not creating value for your clients. You do not bill your clients for this time! You believe that an investment in SharePoint will increase the productivity of your team of PMPs and enable them to increase their billable hours by 400 hours per year (each PMP will bill out another 400 hours per year) which will enable you to just about eliminate your backlog of work and increase your revenue.

One of your PMPs is actually also an expert in SharePoint. He has worked up an estimate of \$100,000 for the purchasing of hardware and software plus an additional 18% for annual hardware/software maintenance. In addition, this person will need to spend 10% of their 1900 billable hours administering and supporting this system and will not be able to generate revenue as a PMP for this portion of their time.

Prepare a paper for the CIO which describes this technology and describes the business case for making investments in this technology. This organization always looks at investments over a 3-year period.

The maximum length of the body of this paper is 1 page. Additional pages may be used for optional diagrams and required references.

Haozhu Huang
MIS 2501
Professor Mart Doyle
Flash paper#3: SharePoint

We can gain \$2,100,000 in revenue if our company invests in SharePoint technology.

SharePoint is a software that acts as a secure place to store, organize, share, and access information from almost any device. It allows our employees to easily and quickly collate files and sources, which can save time in managing documents. After three years, this technology can bring \$1,846,250 in net benefit for our company.

The key capability of SharePoint is that it can increase work efficiency by decreasing the time our PMPs spend managing documents related to their project proposals. First, SharePoint is an Internet resource sharing platform that allows employees to collaborate and edit the same business information from different locations. Second, SharePoint offers multiple tools in order to support users more effectively and easily to consolidate the business information. As a result, by upgrading to SharePoint, we can increase the billable hours of our PMPs.

Our current PMPs will cost us \$7,875,000 over three years, but if we invest in SharePoint technology, we need \$100,000 for the purchase during the first year and \$51,250 for annual maintenance and other fees, which will cost us \$253,750 over three years (Table 2). After three years, we can gain 628% ROI, in which we can gain \$1,846,250 in net benefits (Table 3). This savings is extremely useful for investment elsewhere in our rapidly expanding company. In addition, SharePoint can decrease the time spent managing documents effectively. This identifies that SharePoint is the best choice for our company.

Table 1: Benefits of three years use sharepoint

	year 1	year 2	year 3	Total
Currently PMP	=1500*175*10 = 2,625,000	=1500*175*10 =2,625,000	=1500*175*10 =2,625,000	2,625,000* 3= 7,875,000
PMP With Sharepoint	=1900*175*10 =3,325,000	=1900*175*10 =3,325,000	=1900*175*10 =3,325,000	3,325,000* 3=9,975,00 0
			Revenue	2,100,000

Table 2: Cost of Sharepoint

	year 1	year 2	year 3	total
Purchasing	100,000	0	0	100,000
annual Maintenance fee	18,000	18,000	18,000	18,000*3=54,000
Spend billable hours	190	190	190	
spend billable money	190*175 =33,250	190*175 =33,250	190*175 =33,250	33,250*3=99,750
			total cost	99,750+54,000+100,000 =253,750

table 3

Net benefits	2,100,000-253,750=1,846,250
ROI= (gain from investment - cost of investment)/cost of investment	=(1,846,250-253,750)/253,750 ROI= 628%

Works Cited

"SharePoint | Collaboration Software for the Enterprise." *SharePoint | Collaboration Software for the Enterprise*. N.p., n.d. Mon. 07 Mar. 2016. <<http://sharepoint.microsoft.com/en-us/Pages/default.aspx>>.

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