

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 you 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.

SharePoint

With the implementation of Microsoft SharePoint, our firm will realize a net benefit of \$1,846,250 over three years. SharePoint is a content management platform that enhances collaboration within organizations and is used to store, download, edit, and upload documents for continued sharing (“What is SharePoint?”). By using SharePoint, our team of PMPs will improve productivity and bill out 3,810 additional hours per year, generating more revenue for the firm.

SharePoint is a platform that allows users to “set up a centralized, password protected space for document sharing” that can be accessed from any device with a web browser (“What is SharePoint?”). It will enable our PMPs to share files with clients so that everyone can simultaneously view and edit drafts, ensuring documentation is accurate and up-to-date. By allowing all members of a project to work on and share files instantly, SharePoint increases efficiency and eliminates the confusion that comes from people emailing edited files back and forth. The ability to constantly collaborate on documents will allow PMPs to spend less time managing and negotiating project documents. Currently, each PMP loses 500 hours of revenue per year doing these non-billable tasks and with SharePoint, they will be able to focus on closing deals and increasing our firm’s revenue.

The three year cost to implement SharePoint is \$154,000, which consists of the initial purchasing cost of \$100,000 and yearly maintenance of \$18,000. After implementing SharePoint, our PMPs will bill out 3,810 more hours per year. This will bring in more revenue for the company and lead to a three year benefit of \$2,000,250. Therefore, with SharePoint, the firm will experience a three year net benefit of \$1,846,250.

Works Cited

Landrum, Sarah. "How to Use SharePoint for Better Collaboration & Organization." Training Industry, Training Industry, 27 July 2016, trainingindustry.com/articles/learning-technologies/how-to-use-sharepoint-for-better-collaboration-organization/.

"SharePoint 2016, Team Collaboration Software Tools." Microsoft, Microsoft, 2018, products.office.com/en-us/sharepoint/collaboration.

"What Is SharePoint?" *AIIM*, AIIM, 2018, www.aiim.org/What-is-Microsoft-Sharepoint#.

Calculations

Current	
# of PMPs	10
Billable hours per year	1500
Average rate per hour	\$175

With SharePoint	
Cost to purchase hardware/software	\$100,000
Cost of annual hardware/software maintenance	\$18,000
# of hours PMP administers/supports system	190
9 PMP Billable hours per year	1900
1 PMP Billable hours per year	1710

Benefits	Year 1	Year 2	Year 3	Total
Increase in revenue 9 PMPs	\$2,992,500	\$2,992,500	\$2,992,500	\$8,977,500
Increase in Revenue 1 PMP	\$299,250	\$299,250	\$299,250	\$897,750
Current cost of 10 PMPs	\$2,625,000	\$2,625,000	\$2,625,000	\$7,875,000
Total Three Year Benefit				\$2,000,250
Costs	Year 1	Year 2	Year 3	Total
Purchasing	\$100,000			\$100,000
Maintenance	\$18,000	\$18,000	\$18,000	\$54,000
Total Three Year Cost				\$154,000
Three Year Net Benefit	\$1,846,250			