

In the current economic environment, maximizing IT investments and efforts is a top priority to ensure continued business operations. With mission critical data centers growing at an exponential rate, many organizations are facing increased IT expenses, the need for physical expansion, and potential power shortages- all while managing shrinking budgets. Nova Datacom's Financial Impact Analysis translates business strategy into repeatable business processes that consistently deliver the company's value proposition to its customers, which can result in increased revenue, lower costs, increased cash flow, and a streamlined data center.

Nova Datacom's Financial Impact Analysis aims to approach the entire enterprise through a tested methodology and analysis process, and with the cooperation of key stakeholders.

Increase Cash Flow realization by 25%



Methodology

The Nova Datacom Financial Impact Analysis methodology consists of four layers:

Financial

- At this layer, our goal is to understand the financial objectives of the company – particularly the growth objectives. The financial objective of senior management is to create long-term shareholder value by increasing the value of the organization. Value is created by growing both revenues and earnings—more specifically, by increasing the free cash flow from operations while generating a return on invested capital, greater than the cost of capital.

Value Proposition

- Once we understand the financial objectives of the company, the next step is to understand who the company's customers are and the value proposition it offers. The value proposition is the essential benefit (the brand promise) of a product or service. In order to create value with every customer, the company must consistently deliver its value proposition.

Processes

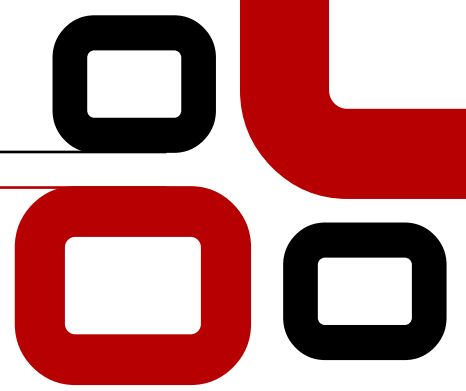
- Customer management processes deliver the customer value proposition. At this layer we focus on 4 areas:
 - Customer Acquisition
 - Customer Retention
 - Cost Control
 - Productivity.

Technology & Work Force

- Once the customer management processes have been defined, the final step is to identify the resources, both human and technological, that can impact data center operations.

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DUNS: 169242760
GSA: GS35F0322U Schedule 70

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Analysis Process

The Financial Impact Analysis methodology is the overall framework for aligning and measuring the business/financial impact of a technology solution. The analysis process outlines the steps to execute the methodology. There are four steps in the analytical model:

Project Plan

- In the project plan phase, we define the project objective, time lines, identify key stakeholders that will be participating in the project, define facility access needs, and conduct pre-discovery phone interviews.

Discovery

- In the discovery phase, a team will focus on four layers of the Financial Impact Analysis model:
 1. Finance
 2. Value proposition
 3. Processes
 4. Resources.

During the discovery phase we will interview key stakeholders, and collect documentation from these areas.

IRR delivered as early as 8-12 months



Analysis

- In the analysis phase we analyze the data collected from the discovery process. The intent is to identify disconnected processes and develop improved processes that drive the company agenda. We use a discounted cash flow model for this part of the analysis, which includes Net Present Value (NPV), Internal Rate of Return (IRR), and Payback Period.

Findings Delivery

- Once the analysis phase is complete, the final phase is to deliver the findings to senior management. The delivery has two parts:
 1. Findings presentation
 2. Findings discussion

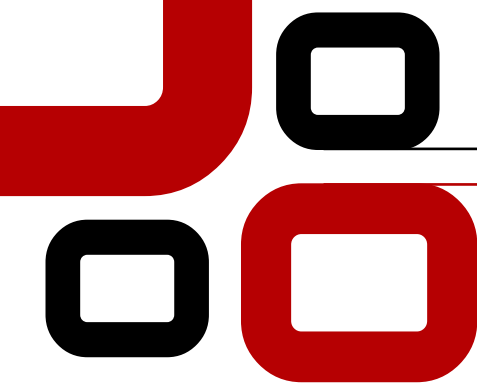
The findings presentation is designed to review the “findings” with senior management in order to validate the analysis. Once the findings have been validated, Nova Datacom will discuss next steps.

Requirements: Key Stakeholders and Documentation

As mentioned in the discovery phase of the engagement model, Nova Datacom will need access to key stakeholders and company documentation will be needed. For example:

President/CEO & CFO

Interviews: Understanding Executive management’s financial and strategic goals are critical. The direction and course of all subsequent FINANCIAL IMPACT ANALYSIS findings must drive to these



goals.

Senior Management (CxO, VP Operations, Business Unit VP)

Interviews: With senior management are focused on understanding the overall company objectives such as growth targets, company goals, cost control, and customer value proposition.

Documentation: Review Annual Report if available.

Sales and/or Marketing (VP Sales / Marketing, Sales Management)

Interviews: With sales and marketing are focused on understanding the company's target customers, value proposition, and how it acquires new customers. Information such as: marketing strategy, customer segments / industries, marketing campaigns / schedules / statistics, sales processes, sales team statistics (pipeline, close rate, territories, etc.) and product / service information is incredibly useful.

Operations (COO/VP Data Center Manager / Data Center Director)

Interviews: With operations are focused on understanding how the company retains customers and controls costs. Understanding what attributes of the data center impact these areas allow us to align the data center around it.

Documentation: (Technology collection items from ERS tool here)

Information Technology (CIO / VP IT)

Interviews: With IT are focused on understanding the company's underlying data center technology infrastructure.

Documentation: A diagram detailing data center locations and technology would be most helpful.

The main strength of this approach is its macro view of the enterprise. Through this detailed analysis, Nova Datacom can offer a fully realized solution that address the technology and work force requirements that support processes directly responsible for driving cash flows through customer acquisition and retention, productivity, and cost control.