

# SERVICE COSTING

## Executive Overview

Insight - the understanding of the true nature of something

# M·PWR

OFFERS UNMATCHED  
RESOURCES IN:

IT Planning

**Service Costing**

Benchmarking

Bill of IT

Application TCO

Demand Management

If a CIO desires to run IT like a business, then providing insight and transparency into services is crucial. While the general ledger is a mandatory starting point for fiscal controls, it provides little assistance defending the IT cost structure. M-PWR's Service Costing module enables IT leaders to confidently communicate how investments align with business values across the enterprise.

M-PWR's standardized analytics provide a granular view of technical and business services that IT offers. Accurate and repeatable analytics that highlight the costs, volumes, and rates of these services are critical in eliminating redundancies and waste in order to achieve an optimized Service Delivery model. M-PWR considers both supply and demand, allowing IT leaders to articulate costs in business terms. Automation, analytics, and visualizations highlight cost drivers, such as consumption by business unit and allocation methodology, providing leaders with a robust platform to enable fact-based conversations.

### CAPABILITIES:

- Analyzes historical trends of costs, volumes, unit costs, and consumption of services.
- Drills down through business services to technical services, then to account and cost center detail.
- Maintains logic for consistent and accurate alignment of costs to IT Services.
- Analyzes the consumption of resources by each consumer of IT.

### BENEFITS:

- Defends the IT budget and communicates the unique economic drivers of each service.
- Drives accountability of services down to the lowest level of the IT organization.
- Shifts the perception of IT by providing visibility on services that reconcile to the general ledger.
- Partners with consumers to optimize consumption and reduce excess supply.



**NICUS**  
SOFTWARE



## **FLEXIBLE AND ADOPTIVE FOR COMPLEX COST MODELS:**

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Different best practices exist for service costing models and should be used to construct a logical foundation, but no two IT organizations are identical. Each organization has different SOPs, regulatory requirements, risk tolerances, and historical technology debts that demonstrate the differences in IT best practices. While change is constant in the IT department, M-PWR's Service Costing module provides flexible architecture, allowing fast and effective changes to the cost model.



## **OUT OF THE BOX COST MODEL (A STARTING POINT):**

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This model is best for customers beginning their service costing journey and looking for guidance. Nicus provides an out of the box cost model that incorporates all the basic components inherent to all IT organizations. M-PWR maintains flexibility as the cost model is developed and refined over time, easily keeping pace with the addition of new services and creating greater refinement and transparency of existing services.



## **DATA INTEGRATION AND ALIGNMENT CAPABILITIES:**

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Many service costing initiatives fail due to the time consuming efforts needed to manually integrate all the disparate data necessary to achieve accurate cost and rates of IT Services. Rather than creating alignment to usage, shortcuts are taken to allocate cost based on estimated percentages. M-PWR not only automates the collection and cleansing of cost data from the general ledger, but also enables the collection and cleansing of operational data for accurate alignment of cost to areas such as Service Desk, Virtual Servers, Storage, and End User Computing.



## **ENCOMPASSES TOTAL IT SPEND:**

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M-PWR software has been recognized by Gartner as a "Pure-Play" IT Financial Management Solution. This designation means that M-PWR's capabilities and functionality enables transparency across all the services that IT delivers to the enterprise. While some solutions focus narrowly on specific infrastructure capabilities, like cloud costing, M-PWR provides cost alignment and analysis for all infrastructure services, including but not limited to: cloud and physical environments, business applications, end user computing, service desk, and projects.

By providing a fully encompassing view of IT spend, M-PWR enables customers to move beyond reporting and analysis of specific shared infrastructure, and facilitates other business processes, such as budgeting, forecasting, capital planning, and supply and demand management.



Find out why our IT financial management solution is at work in some of the world's largest and most technologically advanced organizations.

For a no-obligation demo, visit [www.nicus.com](http://www.nicus.com).