

Research results

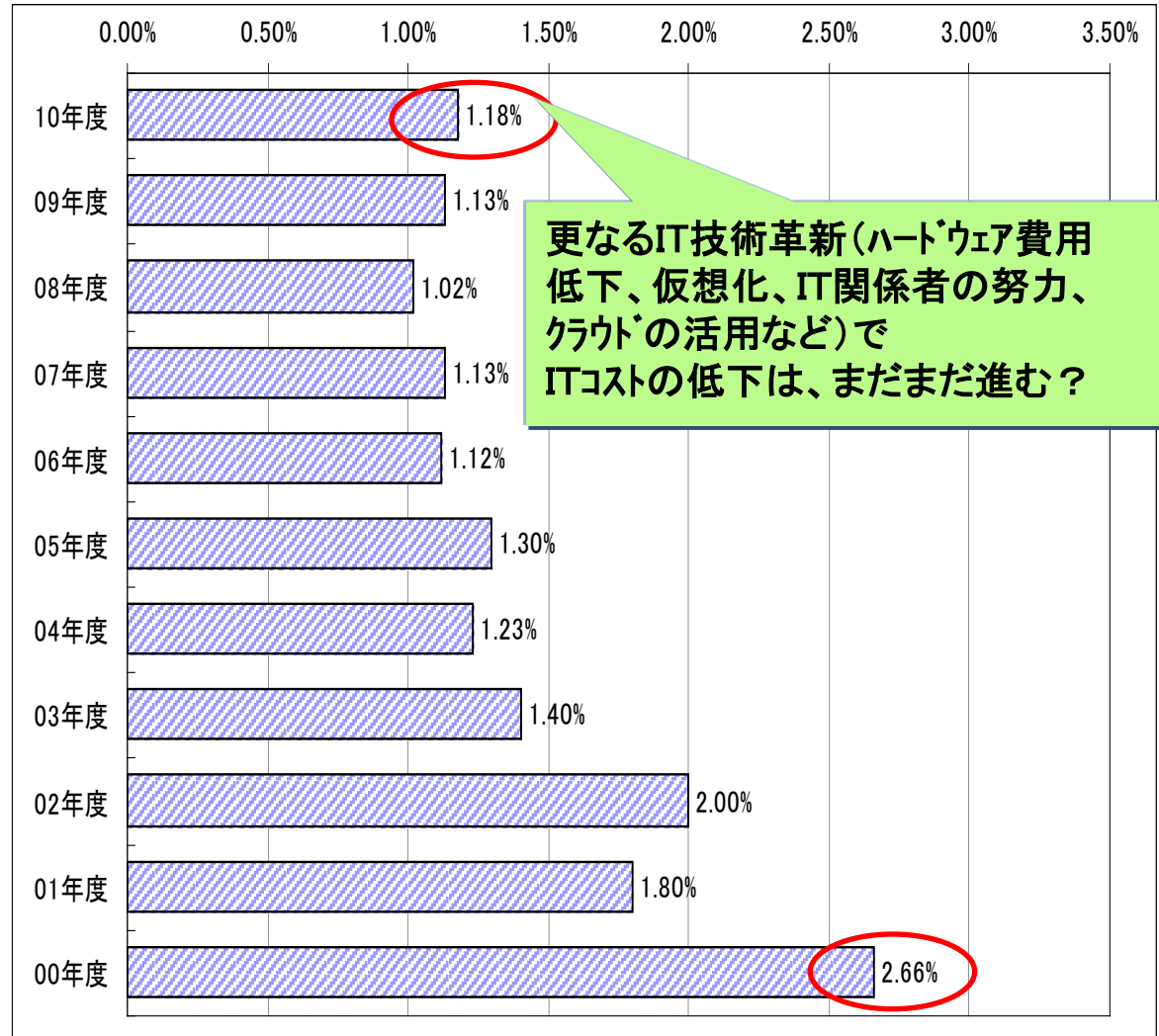
IT Investment and Cost Management

Enterprise IT Budget/Sales Amount Transition

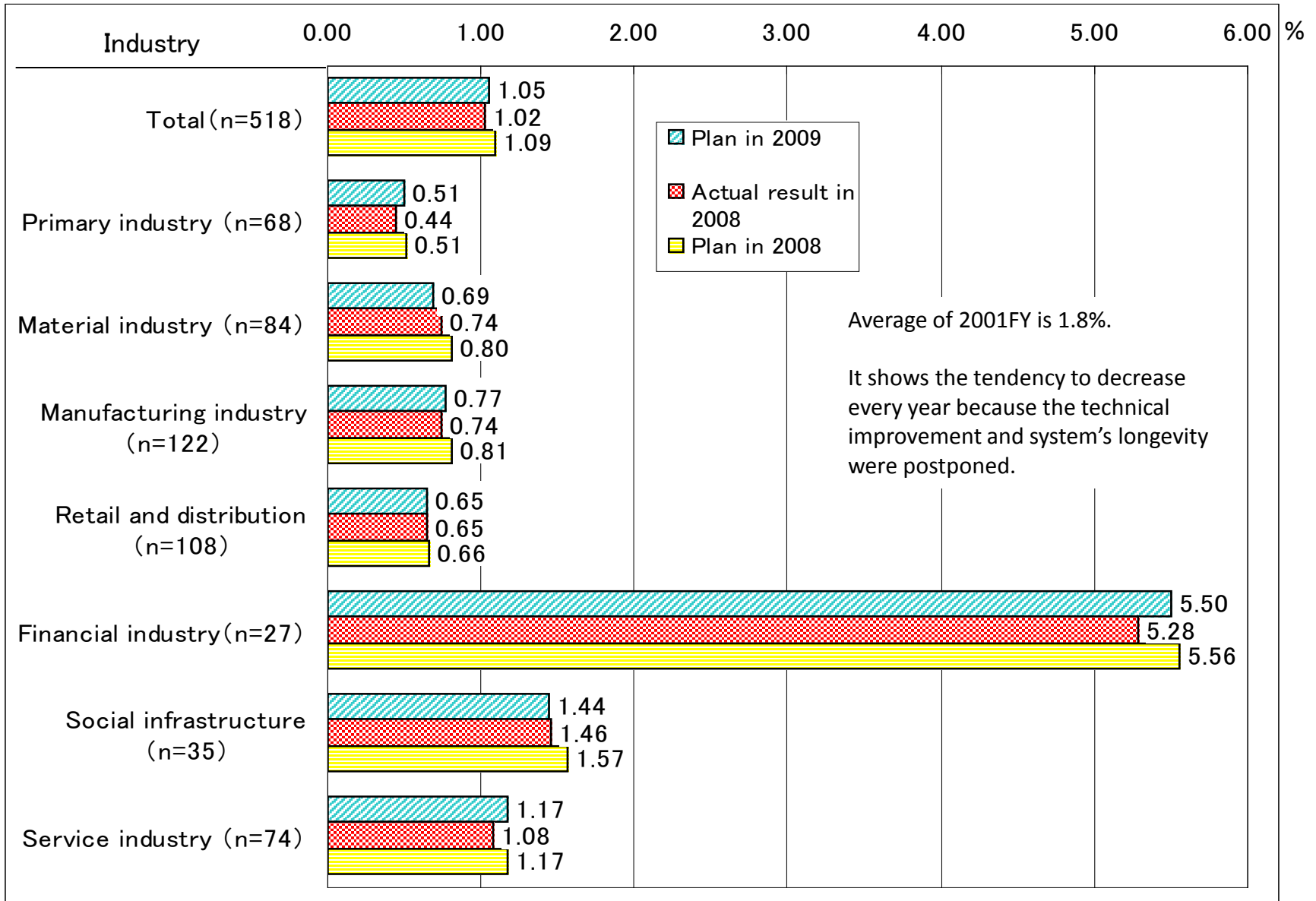
Degrease 50% in this 10Years

Result of Hw,SW,NW Evolution
Use IT for Rationalization of
Management

- ・ITコスト削減に力を注ぐのか
さらなる経営革新にSEのパワー
を使うのか
- この選択が「経営の醍醐味」



IT Budget vs Revenue



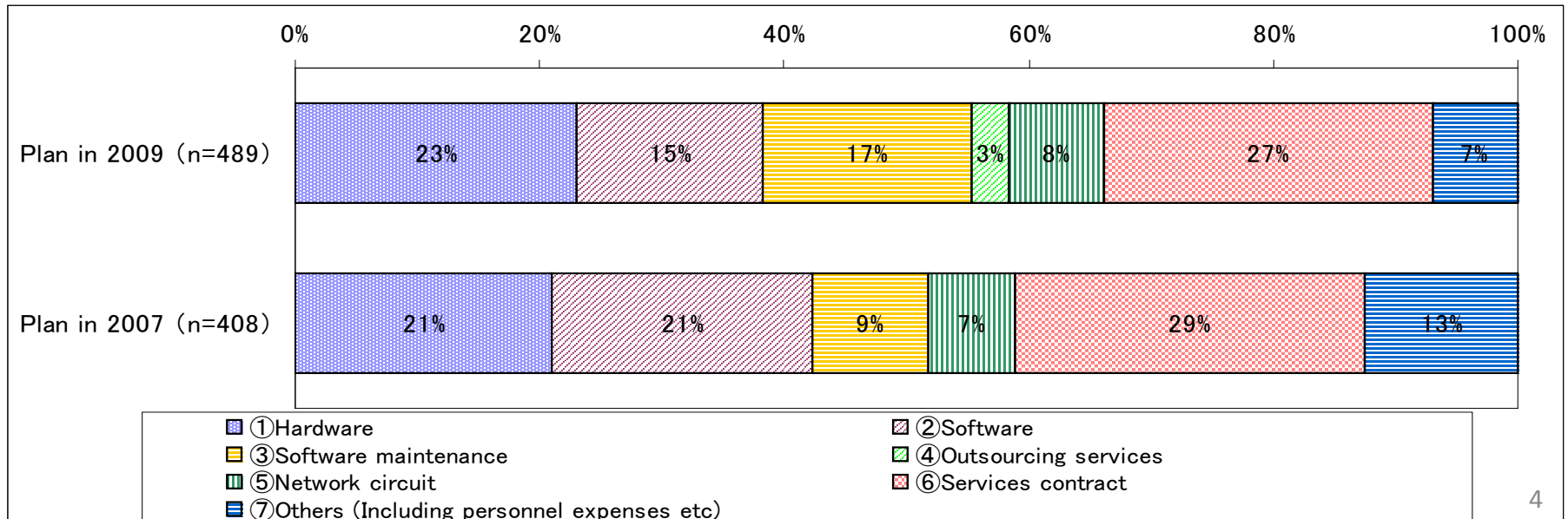
System Implementation Cost and System Operation Cost

System implementation and operation cost per one enterprise

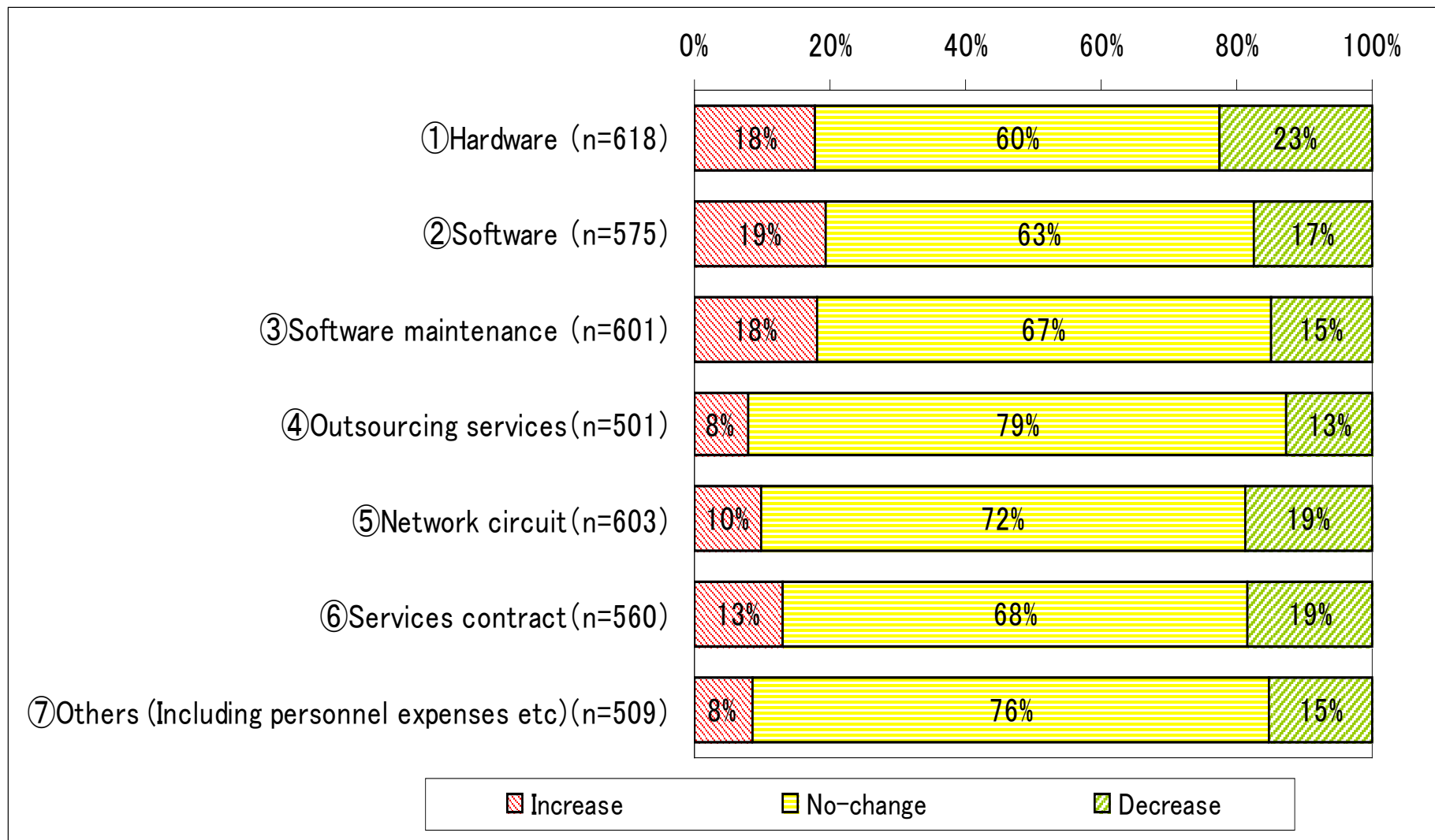
| | IT budget or actual result(Million yen) | | | Budget growth or Spent budget | | | Ratio between D&P vs O&M cost | |
|-----------------------|-----------------------------------------|----------|-------|-------------------------------|----------|-------|-------------------------------|----------|
| | D&P cost | O&M cost | Total | D&P cost | O&M cost | Total | D&P cost | O&M cost |
| Forecast in 2010 | 575 | 826 | 1401 | 0.6% | -1.8% | -0.8% | 41% | 59% |
| Plan in 2009 | 571 | 841 | 1412 | -20.1% | 2.1% | -8.3% | 40% | 60% |
| Actual result in 2008 | 630 | 800 | 1430 | 88.1% | 97.1% | 92.9% | 46% | 54% |
| Plan in 2008 | 716 | 824 | 1539 | | | | | |

Note : No. of answer = 516 D&P = Design and production O&M = Operation and maintenance

【Operation Cost】



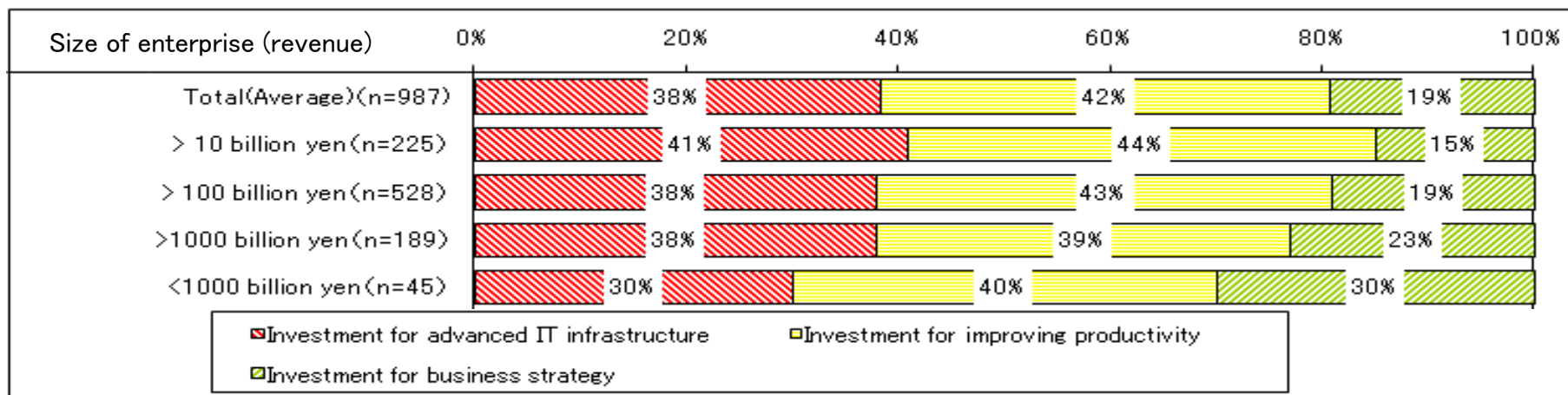
Increase and Decrease of System Operation Cost



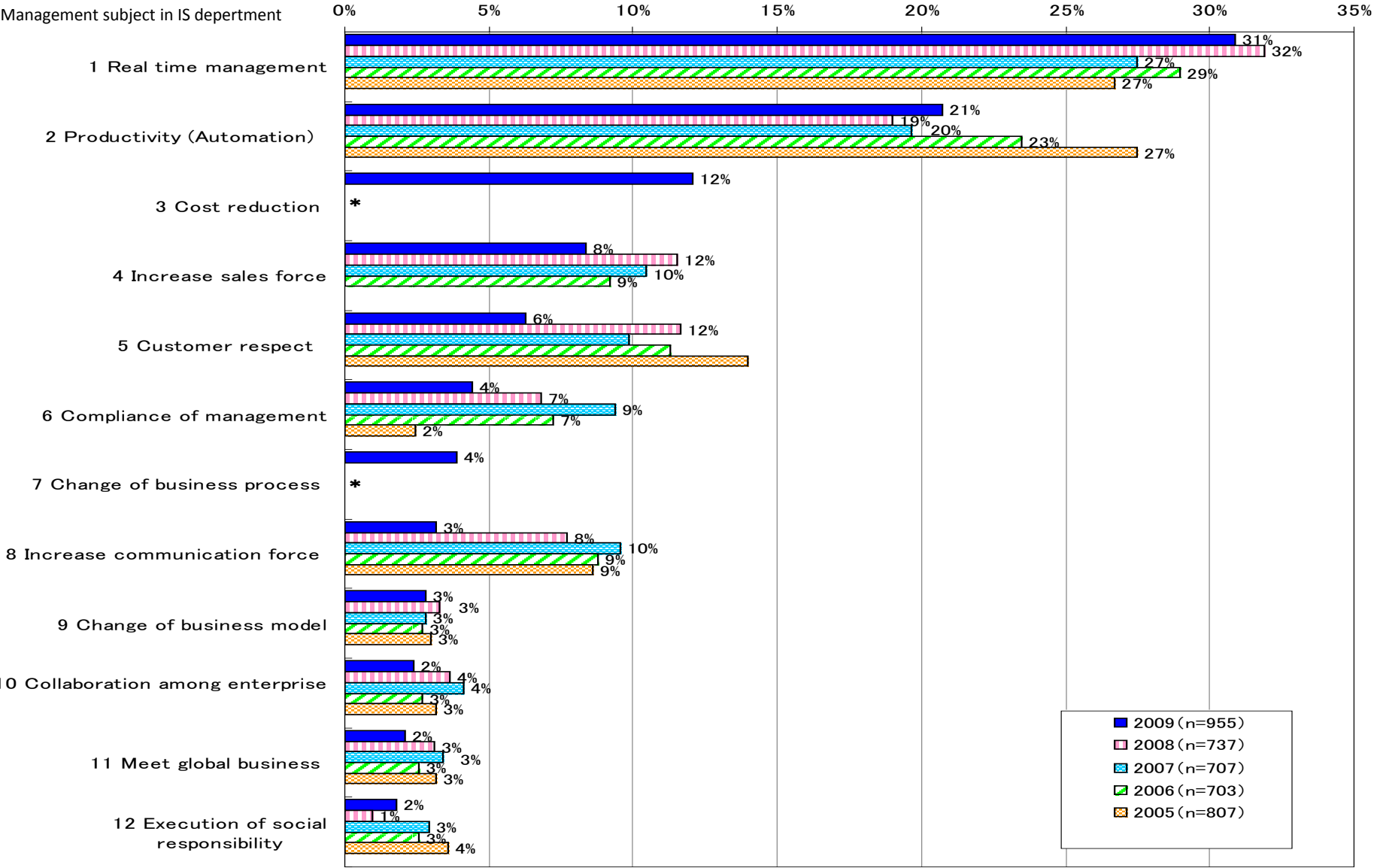
Object of IT Investment

| Object of IT Investment | | |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| Investment for advanced IT infrastructure | Investment for improving productivity | Investment for business strategy |
| For expansion of IT infrastructure with CPU & storage, network, office suite, groupware, security, backup recovery etc. | For automation, cost saving, reduction of inventory, improvement of yield etc. And for improvement of quality for work. | For new business with product & market, brand equity etc. |

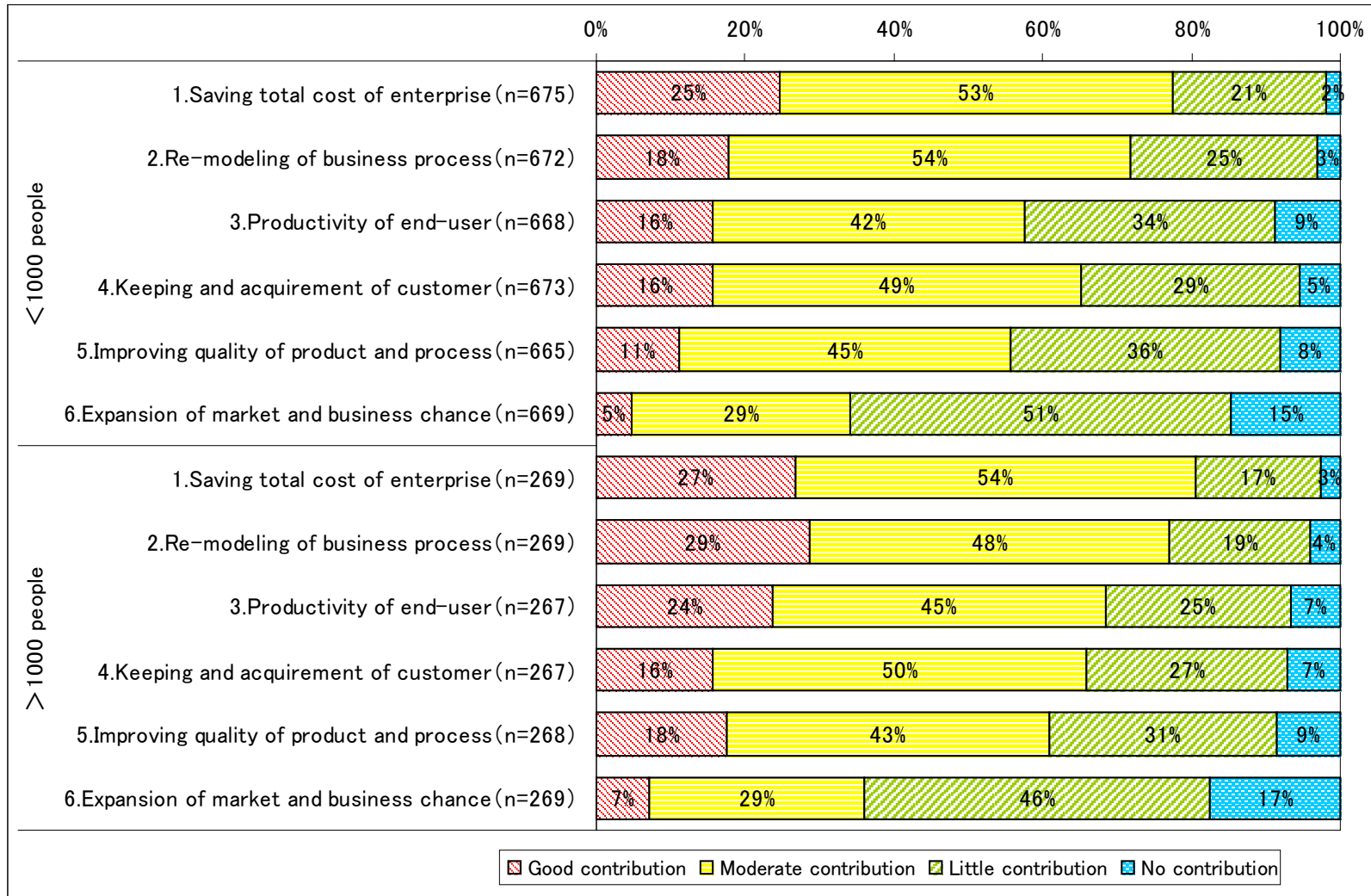
Status of IT investment by object



Management Subject to Solve by IT Investment in Medium-range



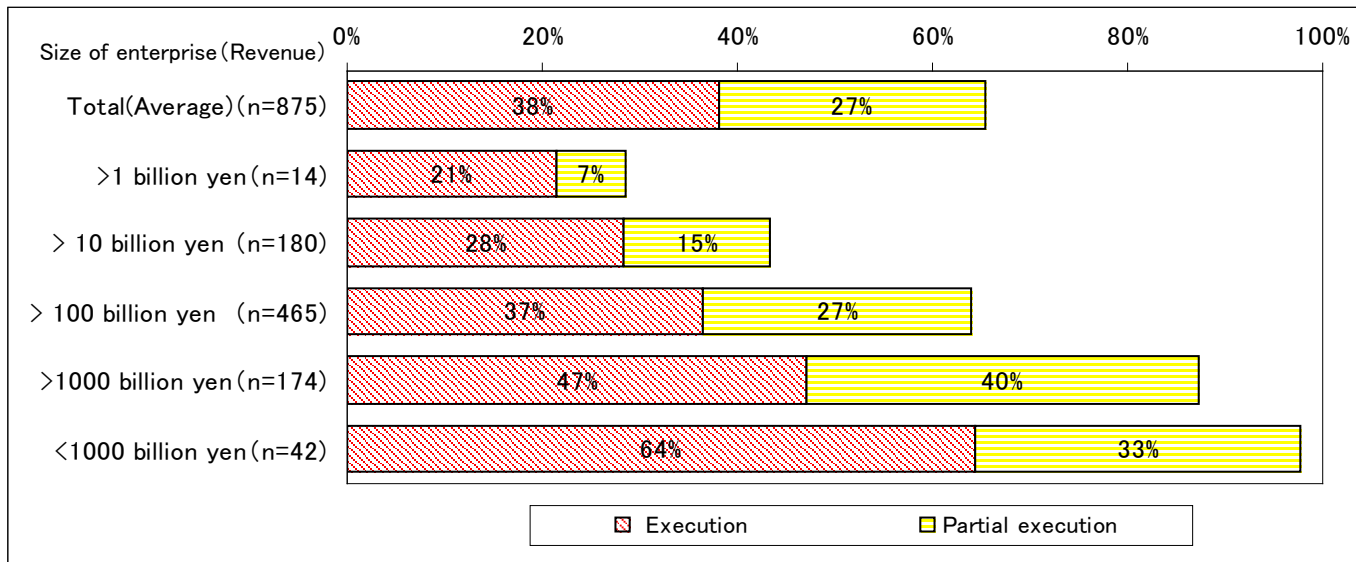
Contribution for Management Object By IT Investment (Viewpoint of Management Planning Department)



| DI value | |
|----------|-----|
| 1 | 55 |
| 2 | 44 |
| 3 | 15 |
| 4 | 31 |
| 5 | 12 |
| 6 | ▲32 |
| 1 | 61 |
| 2 | 54 |
| 3 | 37 |
| 4 | 32 |
| 5 | 21 |
| 6 | ▲27 |

Status of Evaluation for IT Investment

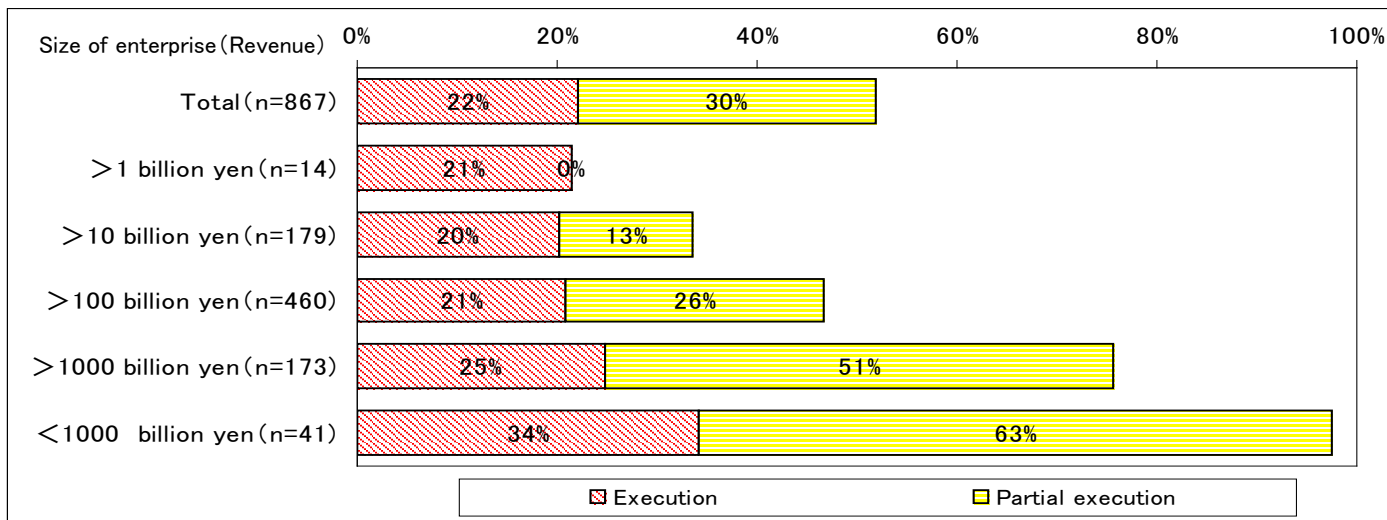
Evaluation for IT investment before the implementation



Evaluation doing

| 2009 | 2008 |
|------|------|
| 65 | 76 |
| 28 | 47 |
| 43 | 61 |
| 64 | 74 |
| 87 | 92 |
| 97 | 98 |

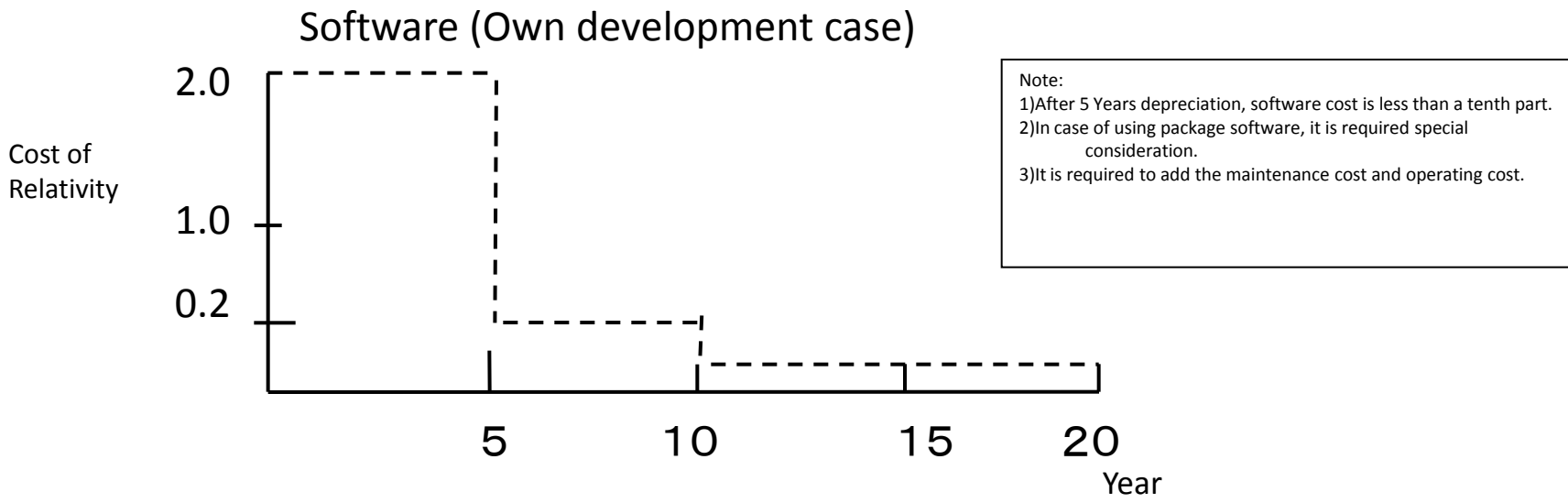
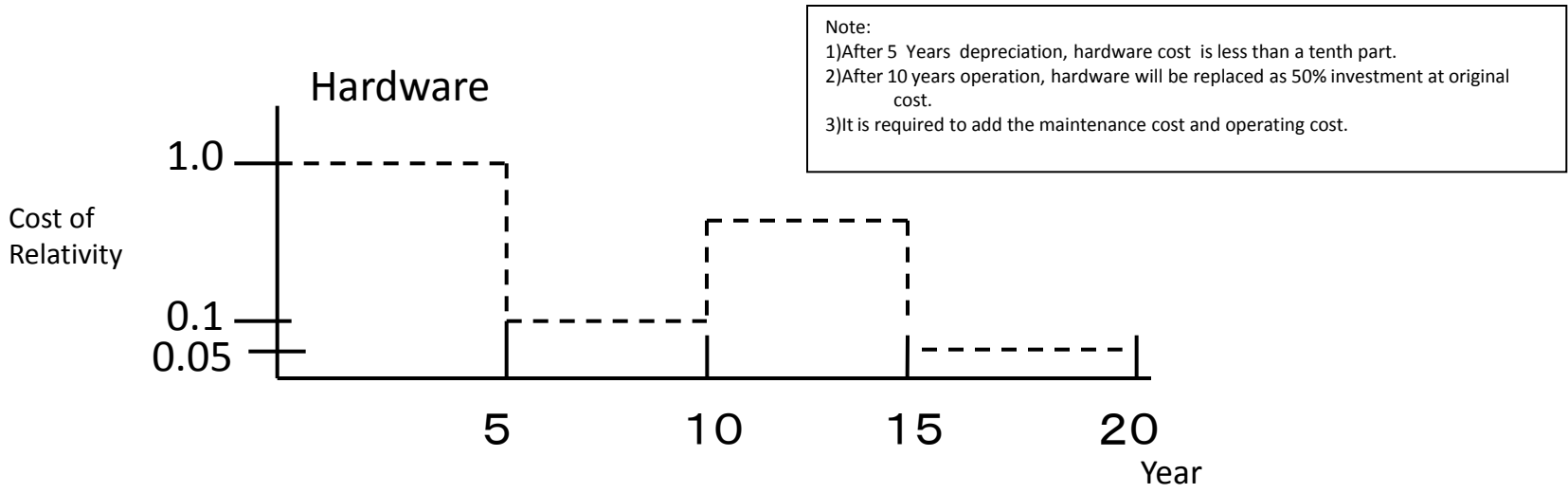
Evaluation for IT investment after the completion



Evaluation doing

| 2009 | 2008 |
|------|------|
| 52 | 70 |
| 21 | 35 |
| 33 | 57 |
| 47 | 68 |
| 76 | 85 |
| 97 | 93 |

Change of Systems Life and Cost (Skeleton Model)



System Life Cycle Cost and Life Extension

Compiled by Takashi Tohyama

