

26 November 2002

## Cost benefits

This fact sheet provides the details of how an organization could have saved \$500,000.00 by using the Ripose technique.

It is based on a real case study where the organization in question used 'another' methodology to carry out a study in 1992. This study was required to develop an information technology - strategic infrastructure.

The study took nine elapsed months and 28 person months to complete and was planned to cost more than \$800,000. The strategic planning phase of the study cost more than \$550,000.

The Ripose technique was used in 1996 to carry out an information technology - strategic plan - alignment assignment, which was on a time and materials basis. It took less than two elapsed person months and cost under \$31,000. A net saving of 26 person months and \$520,000.

The cost benefit that could have been realised is detailed in the following table:

Year	Organization	People	Planned expense	Monthly cost	Months effort	Software	Total cost
1992	'Alternate'	1.75	\$466,000	\$19,336	6.05	\$18,500	\$223,221
	Client	2.00	\$350,000	\$18,717	8.75	-	\$327,540
	Totals	3.75	\$816,000	\$38,053	14.80	\$18,500	\$550,761
1996	Ripose	1.00	T&M	\$9,600	1.75	\$9,980	\$26,780
	Client	2.00	T&M	\$4,000	0.50	-	\$4,000
	Totals	3.00	T&M	\$13,600	2.25	\$9,980	\$30,780

The saving based on the table above is \$519,981, which in anyone's language is a considerable expense to most organizations.

---

### Ripose Pty Limited

PO Box 353

Edge Hill QLD 4870

Australia

Voice (07) 4034 1635

Facsimile (07) 4034 1630

Mobile (04) 25203234

Email [charles.richter@ripose.com](mailto:charles.richter@ripose.com)

Web site <http://www.ripose.com>