



Challenges arise in the quantification of current IT costs and the Cloud's expected benefits prior to migration, and in the measurement of the Cloud benefits afterwards.

Quantifying the Cloud

As companies migrate to the Cloud, they do so for sound business reasons. Their expected Cloud benefits may include any of the following: cost savings, faster time-to-market to launch new services or enhancing the role of IT to focus on strategic initiatives. It's these expected benefits that drive their focused migration to the Cloud.

However, problems often arise during and after the migration, not from a lack of focus, but from an incomplete assessment of a company's current costs and their future costs in the Cloud. The same problem holds true for Cloud service providers (CSPs), who must demonstrate their value, typically via a financial model, against not only other CSPs but

also against their targeted customers' internal IT departments. For both CSPs and their targeted customers, challenges arise in the quantification of current costs and the Cloud's expected benefits prior to migration, and in the measurement of the Cloud benefits afterwards.

TMNG Global's Cloud experience and our disciplined approach to solving business problems will provide the comprehensive analysis that's required to quantify your, or in the case of CSPs, your customers' benefits in the Cloud. With our Cloud Value ModelSM, a detailed financial model designed by our Cloud experts, we can help you answer the following questions:

Key Cloud Quantification Questions

What are my 'true' IT costs today?

Which of today's IT costs will remain once I move to the Cloud?

What is the overall economic benefit of the Cloud on my bottom line?

How can I express my current IT costs on a per application basis?

What new costs will I incur when I move to the Cloud?

How do I translate today's IT cost components into a Cloud model?

TMNG Global's proprietary Cloud Value ModelSM is a comprehensive five year financial model that can benefit both Cloud Service Providers (CSPs) and their targeted customers.

TMNG Global's Cloud Value ModelSM

TMNG Global's proprietary Cloud Value ModelSM is a comprehensive five year financial model that benefits both CSPs and their targeted customers via the detailed quantification of:

- **Current IT Costs:** More than 50 cost elements in the Staff expense, Facilities expense, Systems, Telecom/Network and Other cost categories
- **Retained Costs:** A subset of the Current IT Costs that will remain during and after your move to the Cloud
- **Additional Costs:** Additional functionality your IT staff will support that, prior to the Cloud, wasn't required

- **Cloud Vendor Costs:** Costs from your Cloud Vendor to host your IT applications
- **Network Vendor Costs:** Costs from Network Vendors to support your IT applications in the Cloud
- **Additional Cloud Benefits:** 'Soft' benefits that companies realize from hosting applications in the Cloud

The output of the Cloud Value ModelSM is a summary of the Current Costs and the Proposed Cloud Solution, with Capex and Opex costs separately identified, expressed over a five year study period. In addition, summary graphs are available.

What are uses for the Cloud Value ModelSM?

Via our proprietary Cloud Value ModelSM, TMNG Global can solve the following business problems for both CSPs and their targeted customers:

With the Cloud Value ModelSM, TMNG Global can solve these four business problems for Cloud Service Providers (CSPs) and their targeted customers.

Determining how to evolve from today's IT cost structure to a Cloud model

Determining whether to launch a new service internally or in the Cloud

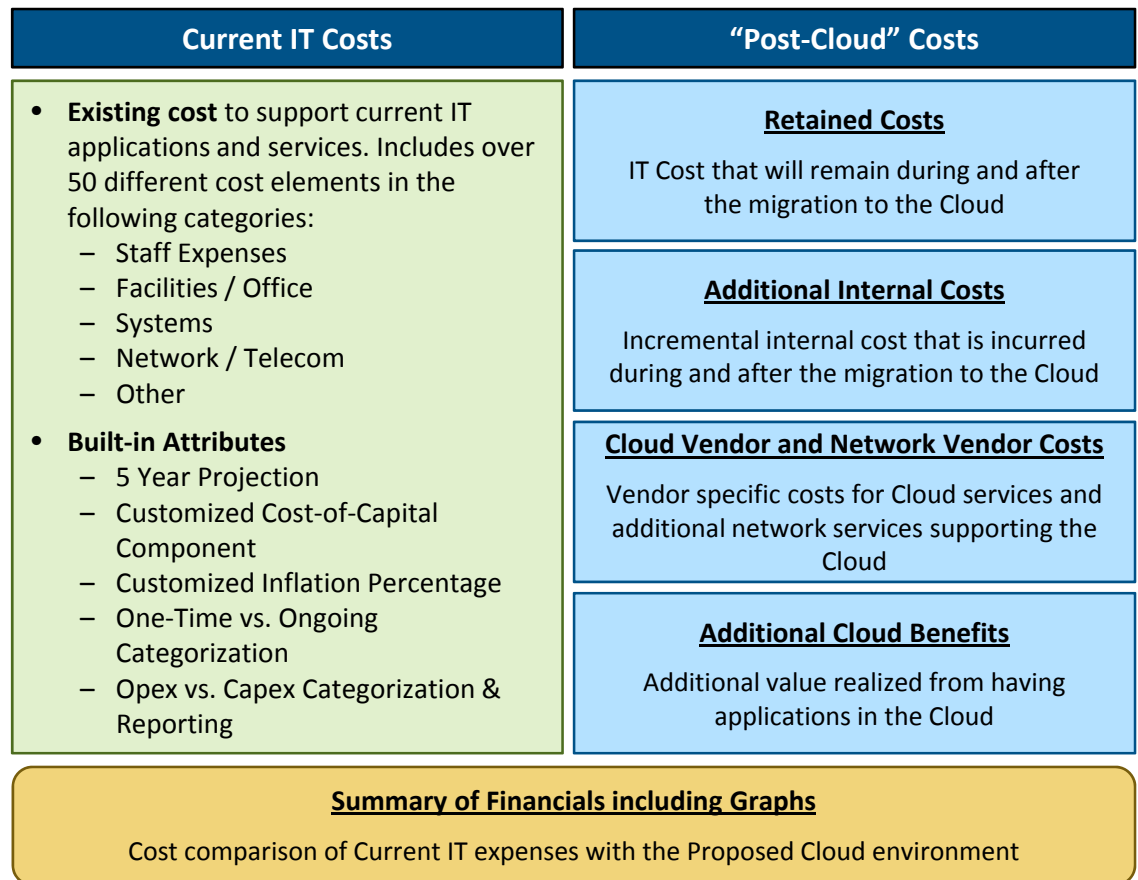
Determining whether to keep an existing IT application supported internally or migrate it to the Cloud

Prioritizing which IT applications to migrate to the Cloud

Cloud Value ModelSM functional diagram

Below is a functional diagram of our Cloud Value ModelSM. Each box below represents a separate section within the model to capture the inputs and perform the necessary calculations.

For more information on how TMNG Global and the Cloud Value ModelSM can help with your Cloud initiatives, or for a no-obligation consultation, go to cloud@tmng.com.



TMNG Global (NASDAQ: TMNG) is a leading provider of professional services to the converging communications industry. TMNG Global and its divisions, CSMG and Cartesian, and base of more than 600 consultants, have provided strategy, management and technical consulting, products and services to more than 1200 communications clients worldwide. The company is headquartered in Overland Park, Kansas, with offices in Boston, London, New Jersey, and Washington, D.C.