
Charging for IT Services

A one day workshop

Charging for IT services is a subject of much debate, bringing together the various methods of recovering expenditure from IT customers while still maintaining a sense of value for money. This programme is designed to explain all the various methods used to charge customers for IT services. Managers responsible for IT can use the method, which is most relevant to their particular situation. In looking at the various methods, we can also show how the charging method may change with the maturity of the IT service.

Key elements of charging for IT services

Good charging systems have to be simple to understand as far as the IT customers are concerned. This focus on simplicity is vital to the credibility of the IT department and will prevent disputes with user management about the level of expenditure. In addition, all parties now know the true costs of performing tasks such as system modifications, in terms of person-days and machine time. This assists IT in showing customers the true extent of "nice to have" changes versus progressive modifications. The system also identifies otherwise hidden IT expenditure on experimentation with new technology not directly attributable to any specific project. Non-chargeable work such as this needs funding from the corporate centre as a special budget. Management of the company feels much more in control of costs and therefore much more at ease with the IT deferment, which in the past, many companies have seen as a black hole into which money was poured, never to be seen again.

The programme enables participants to:

- Gain an insight into the various charging methods
- Understand the opportunities and problems of introducing charging
- Understand how charging methods are applied in practice
- Go through a working model of a successful charging system
- Develop a strategy for applying charging

Learning outcomes:

People can assess the correct charging method for their organisation and apply the chosen method to bring efficiency and clarity to a system usually fraught with difficulties. Having a charging system which is simple to apply and easy for everyone to fully understand means that effort is not directed to manipulating the system.

Programme Agenda

The Reasons for Charging

Arguments against charging
Attributes of a good charging system
The justification of capital expenditure

Methods of Charging

Board apportionment
Actual costs
User tariff

Typical delegates are:

Senior managers engaged in the running of computer installations and people who manage the budgets of IT departments. Managers from the company's finance department who are seeking more effective methods and controls of systems and technology expenditure.

Computer Service Attributes

Development of new systems
Maintenance of existing systems
Data preparation
Computer operation
Terminal and network usage

The Mechanics of Charging

Capital expenditure on new systems
Determining costs
Charging the user for services
Aids to accurate measurement
An example of charging