

About Booz Allen

Booz Allen Hamilton is a leading provider of management and technology consulting services to the US government in defense, intelligence, and civil markets, and to major corporations, institutions, and not-for-profit organizations. Booz Allen is headquartered in McLean, Virginia, employs more than 25,000 people, and had revenue of \$5.59 billion for the 12 months ended March 31, 2011. (NYSE: BAH)

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RightIT™: A Proven Approach to Achieve Cost-Effective IT Capabilities

As budget pressures mount, federal leaders are requiring agencies to cut costs by improving how they acquire and manage information technology (IT). Systems and data are often fragmented, which reduces efficiencies while increasing complexity and costs. Agencies seek reform but lack a clear understanding of their IT costs or how to implement enterprisewide change.

Booz Allen Can Help You Be Ready for What's Next

Booz Allen Hamilton, a leading strategy and technology consulting firm, helps clients acquire needed IT services in a timely and efficient manner at the right cost. RightIT™ is a proven, comprehensive approach to achieve cost-effective IT capabilities. Our methodology identifies clients' unique IT challenges, builds a detailed plan to address those challenges, delivers improved IT performance and cost savings, and guides or executes the implementation of these savings measures.

Our Understanding

The US federal government spends almost \$80 billion each year on IT. Nearly half of this amount—\$36 billion—is spent within the US Department of Defense. Due to its sheer size, IT spending is often a target for cost-rebalancing actions. Yet data shows that this large year-over-year expenditure fails to deliver the results enjoyed by the commercial sector.

The majority of federal IT investments are defined, funded, and operated in a decentralized manner by individual programs of record or functional organizations. In many cases, those who generate program requirements are not familiar with available enterprise capabilities. As a result, IT environments consist of a patchwork of one-off systems with incompatible, inefficient, and costly networks. Because infrastructure budgets are usually managed separately from IT programs, there can be unaccounted-for IT costs (e.g., real estate, power, people) consuming more than 30 percent of annual IT operating expenses.

Current planning, programming, budgeting, and execution processes do not provide adequate transparency and insight into direct and hidden IT expenditures, making it difficult for federal agencies to generate consolidated, current-state financial information. Without the ability to

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delivering results that endure

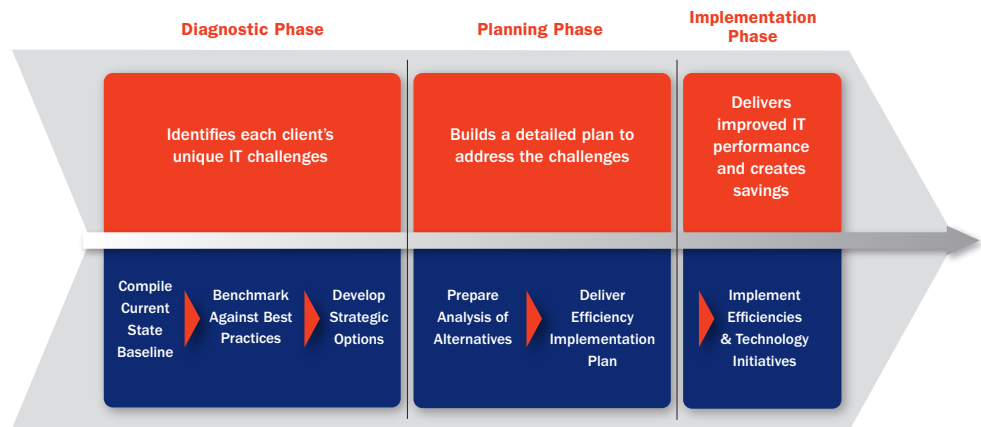
accurately characterize the IT cost baseline, it is difficult to determine the most cost-effective approach to align IT operations with federal mandates, or quantify the return on investment from IT initiatives.

Booz Allen's Methodology

Booz Allen's RightIT™ methodology assesses IT operations and provides visibility into IT requirements and cost drivers. RightIT™ analyzes supply and demand factors as well as acquisition strategy to determine rational, achievable opportunities for cost reduction. This holistic approach identifies immediate savings and a path to sustained efficiency and improvement.

Our methodology is designed to quickly identify short-term savings by empowering the IT organization to immediately implement improvements within its control. As these first-order savings are being realized, Booz Allen analyzes the environment for additional efficiencies that can be harvested over the longer term.

We implement RightIT™ in three phases:



Success Stories

Booz Allen has worked with clients in the following sectors to successfully implement the RightIT™ methodology:

- **Military.** The RightIT™ approach helped a major US military command validate its corporate architecture and performance standards (CAPS) for IT services. Booz Allen then baselined the command's 10 installations against the CAPS and provided the chief information officer with best-practice-benchmarked costs for the provision of IT services at each base. Using our cost model to identify inefficiencies and make technology investment tradeoffs, the command generated a well-justified budget for base-level IT services.
- **Public Health.** A US government health agency needed assistance creating an effective IT investment management and decisionmaking framework that could align spending with medical transformation objectives. Booz Allen analyzed IT requirements, developed an investment evaluation process and transition plan, and stood up a governance structure to manage IT. The enterprisewide solution is expected to save more than \$20 million.

Whether you're managing today's issues or looking beyond the horizon, count on us to help you be ready for what's next.