



LENIC CONSULTING AND TECHNOLOGY SERVICES LIMITED

/'sə:vis/... we define service!

(Formerly CCJL Services Group Limited)

The Technology Partnership Agreement

One of a kind

LeNic Consulting And Technology Services Limited (LeNic) understands the constraints placed on an organization to fully justify the high cost of support services as well as the difficulty that exists in attempting to quantify the monetary value that can be applied to “peace of mind”. While, historically, technology support agreements have been seen as a form of insurance against lost revenue due to system downtime, we recognize that you, our valued clients, are not purchasing insurance, you are buying a service. And you require clear evidence of value for money on the services you pay for. Therefore, our challenge as an information technology service provider is to maintain efficiency levels that ensure the cost of service is not prohibitive to our clients.

The Technology Partnership (TP) Agreement is the first of its kind anywhere. The idea is to clearly define all the support requirements of a client over the period of coverage so that all fees paid over to the provider are directly associated with a specific service and can be clearly quantified. What does this mean? It means that there is no blanket billing. It means that there are no hidden costs. It means *there are no surprises!!*

Keeping it simple

With the TP, it is incredibly easy to manage the support of your infrastructure. Support services are divided into two categories – scheduled and unscheduled. Scheduled services include anything you can plan ahead for. In other words, services are provided according to a mutually agreed schedule. Preventative maintenance (PM), special projects, training and stand-by support are all examples of scheduled services. Some services, like the PM visits, are billed quarterly in advance while others are billed when the date of execution arrives e.g. training.

Unscheduled services are those that you cannot foresee, such as an unexpected system failure or an emergency upgrade to meet an unplanned increase in workload. These services are provided as required and are post-billed bimonthly. However, we do advise you to include in your TP an intelligent estimate of the number of unscheduled service hours you may require over the contract period. This is so that they will be eligible for any discounts that may be applied under the agreement. Remember, this is only an estimate. Since unscheduled services are post billed, you won't be billed for these hours if you don't use them.

The “Unit” Concept

The TP *unit* is our way of representing one (1) hour of service. This measurement is different from a standard hourly rate because it is independent of all extraneous factors that might usually cause the rate to fluctuate. The number of units assigned to a specific task is calculated using the following parameters:

- ✓ average length of time taken to complete task;
- ✓ minimum skill level of engineer required;
- ✓ most likely time of day to perform task;
- ✓ location at which task is to be performed;
- ✓ administrative costs (e.g. tools and diagnostic equipment).

Once a unit allocation has been set, it does not change, regardless of the time of day or the location at which the service is performed. This means that whether we provide the service at 1am in the morning on a public holiday or we do it 300 miles away from our base of operations, you will never receive a bill for overtime or traveling charges.

Advantage Volume Pricing

While pay-as-you-go billing provides the most accurate record of where your technology support dollars are really going, expenses can get out of hand, especially for larger organizations. This is why blanket SLAs were so attractive – you knew there was a ceiling on your support costs, even if you could not put a face to all the services included in that cost. LeNic recognizes the significant investments in technology that are usually required by larger organizations and that the accompanying support costs are unavoidable. Therefore, the TP is designed so that the more service units you purchase, the less you pay per unit. We offer three pricing levels depending on the volume of units purchased:

- ✓ Bronze – 0 to 99 units
- ✓ Silver – 100 to 499 units *and*
- ✓ Gold – 500 units and over.

In addition, our Gold clients are also automatically entered into our Preferred Customer Program, which makes them eligible for a host of value-added services at an extremely reduced cost.

Flexible and Forgiving

The TP is totally flexible. You choose what goes into it. Each type of service has a particular unit value attached to it and this value is fixed over the duration of the contract period. Clients can choose from a list of standard services

or design their own customized services to fit their own unique requirements. Is Next Business Day support too little but 24/7 overkill? Would you prefer 7am to midnight on weekdays and 7:pm to 3am on a Saturday night? Not a problem. You decide exactly how much investment you are willing to make in technology support because you know more about the risk associated with each level of investment.

And because we know that it takes a little time to become accustomed to designing your own SLA, the TP is specially designed to protect our clients in three critical areas:

- ✓ *Over-budgeting:* If you have prepaid for scheduled services that have not been delivered, we will refund 75% of the allocated units for the unused service and apply that discount to your next contract period.
- ✓ *Under-budgeting:* If you realize that you have not catered for a particular service in your TP and you notify us within the first 120 days of the contract period, we will provide those services at the discounted TP unit rate.
- ✓ *Performance Guarantees:* If LeNic has failed to meet the agreed service levels through no fault of the customer, at the end of the contract period, we will offer rebates on the applicable service units and apply those savings to the following period.

Centralized Call Management

All our TP clients are managed through a centralized Help Desk, which is available between the hours of 8:15am and 4:45pm on weekdays. This is the mechanism through which you will report day-time system failures, receive updates as to the status of outstanding service calls, receive reminder notices of upcoming scheduled services, reschedule service appointments and order emergency parts not included in your TP spare parts kit. The Help Desk is supported by an automated centralized call management system, which can be accessed by all LeNic employees and service logs are reviewed daily to ensure that outstanding calls are constantly monitored until resolution. There is no limit to the number of service calls you can make during a given contract period and telephone support is completely free. In addition to the regular Help Desk services, each client who has purchased Stand-By services is assigned its own Customer Service Engineer, who will be on-call during the extended hours of coverage. Clients are also provided with contact information for one of our company directors should the engineer fail to respond within the contracted period.

Response Times

This is yet another area where we give our clients the opportunity to customize their support profiles. In other words, you decide what our performance targets are going to be. These are the targets we will be measured against at the end of the contract period to see if any rebates should be applied. The term “response time” really comprises

three separate variables: *time-to-respond*, *time-on-site* and *time-to-fix*. **Time-to-Respond (TTR)** is defined as the time it takes for LeNic to respond to an emergency service call and **Time-on-Site (TOS)** is defined as the time it takes for an engineer to arrive at the customer’s site. You can design your SLA to set your TTR and TOS targets as high or low as you need.

Finally, **Time-to-Fix (TTF)** is defined as the time taken for the problem to be resolved. This last variable can actually be as short as 30 seconds on the telephone during the initial call, or it could take weeks, depending on the nature of the problem. This factor also depends heavily on the inherent reliability of the manufacturer’s system components. Because of this, we do not usually offer any performance guarantees in this area, but we will make recommendations regarding your service profile that are designed to ensure that there are enough fail-safe mechanisms in place to keep the TTF to a minimum. Clients that choose to implement our recommendations will be guaranteed a minimum of 99.5% availability. But, rest assured, the average availability among our TP clients is 99.9%. LeNic also maintains a Center of Expertise on its corporate Intranet so that technical knowledge gained by one engineer is immediately available to all engineers. This mechanism is designed to further reduce the TTF for the majority of incidents and provides continuity if an incident must be escalated.

Comprehensive Reporting

The TP provides two types of reporting – *activity* reporting and *performance* reporting. Activity reporting is handled by the **TP Units Interim Usage Report**, which is produced bimonthly. This report lists every single service unit expended during the interim period. Although it’s primary function is to facilitate periodic billing of unscheduled units, it can also be used for auditing purposes and to highlight repeating errors so they can be singled out for further attention and resolution before they are allowed to increase the support cost unnecessarily. Performance reporting is handled by the **Prior Year Performance Review**, which is provided at the end of each contract period along with the renewal notice. This allows our clients to see how we have performed against the agreed service levels and also highlights how the installation has performed against industry standards.

Ahead of the pack

LeNic can confidently state that there is no other service agreement on the market today that is quite like the TP, simply because it continuously evolves in tandem with the needs of the clients. Since we first introduced the TP to our clients in 2002, it has continued to revolutionize the way companies approach their technology support, to the point that it has now become the standard against which all other SLAs are measured.