

ComSci Delivers Solutions that Empower Organizations to Implement more Effective IT Financial Governance that Represents the Largest Cost in an Enterprise

**Business Services
Technology Financial Management
(Private)**

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**Robert J. Svec
President & CEO**

BIO:

Robert "Bob" Svec brings more than 25 years of technology financial management experience to his role as president and CEO of Iselin, N.J.-based ComSci. Previously president of TSL, the leading provider of telecom expense management solutions, Bob acquired ComSci in 2005 with another member of the leadership team, Dr. Alan Maltz.

Bob is uniquely positioned to lead ComSci's continued success. He spent 15 years as vice president and chief finance officer in the IT division

of Manufacturers Hanover and Chemical Bank. There, he was responsible for all technology financial functions including budget performance, product costing and pricing, service catalog and service level agreements, charge-backs, capital planning and vendor relations. Because of his significant experience, he has been acknowledged as a leader in IT Cost Transparency.

Bob is a member of the IT Financial Management Association (ITFMA) and holds a BS in business administration and accounting from Susquehanna University.

Company Profile:

ComSci delivers solutions that empower organizations to implement more effective IT financial governance. Through decades of experience and a suite of web-based tools, ComSci helps IT organizations enhance IT cost transparency and visibility, which in turn enables business units to understand and optimize demand and utilization of technology resources.

**Interview conducted by:
Lynn Fosse, Senior Editor
CEO CFO Magazine**

CEO CFO: Mr. Svec, what is ComSci?

Mr. Svec: ComSci provides the tools, capabilities and solutions to help IT organizations manage and communicate the cost, quality, and value of the IT services that they deliver to internal customers, which are business unit managers, and implement more effective IT financial management processes and governance.

CEO CFO: What have been the challenges for IT companies in getting

that information to their clients or explaining them to their clients?

Mr. Svec: Even though one of the IT organization's key responsibilities is to provide tools and applications to their customers, many CIO organizations do not have the tools to effectively get granularity or transparency into the cost of the services they deliver. Our solution is an enterprise application that is geared towards a CIO/CFO of IT. Not unlike Salesforce.com is the enterprise application for the sales organization, ComSci is the enterprise application for the CIO.

CEO CFO: Is the market demanding more accountability?

Mr. Svec: Yes, the biggest component of IT cost is the demand that comes from the business unit managers. Business unit managers want more, and the CIO needs to deliver that, but what has been lacking over the years is the ability to present the impact that business unit demand and utilization has on the cost of delivering IT services. Our tools help CIOs assess the business of IT from different perspectives; such as, what is the fixed verses variable cost, how do my costs benchmark against my peer groups, what is my cost of delivery against a third-party alternative like outsourcing or delivering via the cloud? The other perspective is that of the client or business unit manager that is getting charged hundreds of millions of dollars, if not billions in some cases, each year by IT. They want to understand what the hundreds of millions of dollars represent in value and how it aligns to their business objectives. As CIOs look to run IT like a business, ComSci's financial and business management solutions support that overall initiative.

CEOCFO: Do IT people really want to provide the information that is possible with your solution or are they strongly encouraged to do so?

Mr. Svec: They almost have to do it because it is not unlike running any business. When you are running a business, you need to understand what the cost is to deliver the service as well as the demands coming from your customer base. That concept is no different for a CIO or IT manager.

CEOCFO: What are some of the most common factors you are able to track and what are some of the things that your solution can track that people might consider unique?

Mr. Svec: We are effectively presenting a bill of IT to business unit managers which includes the primary categories that every IT organization delivers today such as End User Services (e.g., telephony, desktop, laptop, and everything you need to support an employee). Another area is projects; IT organizations are providing individual projects specific to their customers/business unit managers to meet their needs or objectives, both tactically, in the current fiscal year, or strategically over the next five years. The last component is application services and that is typically a big black hole in most organizations. What is the total cost of ownership to deliver an application and all the applications to each business unit? What I mean by total cost of ownership is not only the application development and system support staff; but also the infrastructure that delivers the application (e.g., servers, network, storage and all associated infrastructure costs that are tied in to delivering the application). We pull all that data together to provide insights into the total cost of delivering all applications. The most important aspect of our solution is providing the information to build and support the collaborative decision-making process between a business unit and a CIO.

CEOCFO: How did the idea for ComSci develop?

Mr. Svec: I grew up as a CFO of IT at a financial services institution in New

York and at that point in time, there was no ComSci to assist me with the tools, capabilities and solutions that I needed to run the business of IT. I moved to the service provider side because this was something needed in the marketplace. About five to seven years ago, the concepts around service management and running IT like a business was coming to the forefront; and ComSci was the perfect opportunity to help define and establish the marketplace.

CEOCFO: What was the biggest challenge in putting the company together?

Mr. Svec: My business partner and I acquired this company in 2005. The company focused on telecom chargebacks. It was a solid platform to deliver on our vision and that is to be a total IT financial and business man-

When you look at an IT organization and the total cost structure of any large enterprise, it represents one of the largest if not the largest cost in an enterprise. To run that type of expense base without good visibility and transparency into the cost and value of the services that you deliver is almost like running the business blind. For that reason alone, every enterprise, CIO and CFO of IT should look at ComSci. - Robert J. Svec

agement solution. We grew from an existing platform and redeveloped and expanded it to deliver greater functionality. We were the first in the marketplace in 2005 to offer these types of solutions. Much of it was just getting the brand recognition and educating the marketplace because seven years ago there was no IT or financial and business management solutions. Today we are working with some of the more well-known analysts such as Gartner and Forrester who helped in articulating the value and as such, the marketplace has exploded over the last three to four years.

CEOCFO: What is the competitive landscape?

Mr. Svec: One category is the larger software companies, which really entered this space from their roots in IT service management. The other category is startups. What differentiates us is that we built our solution on a

production platform that was processing billions of transactions a month with a specific focus on IT Financial and Business Management. The other differentiator is how we deliver the solution. All of the competitors deliver just software. Our solution is a combination of service and software. We deliver the results and information with our software, but we provide the production support and expertise in getting the data into the application for our clients.

CEOCFO: Are most of your clients new to the concept?

Mr. Svec: What we've seen is that it depends on the industry. For example, the concepts are very mature in the financial services industry. They date back to at least the 1980s when I sat on the CFO of IT side of the desk. But, many financial services organiza-

tions have homegrown tools that also go back to the 1980s. The systems are outdated and not flexible to meet the information demands of the CIO. We have quite a few financial services clients that have contracted our solution to replace their current application. Our solution has made their process much more efficient and cost-effective because for them, to rebuild

what they have today is a significant and costly project. On the other side of the coin are industries that are just starting to adopt the concepts of running IT like a business. Our client base is a mix of firms that have been running with the concepts for years and are looking for a more efficient and robust scalable way to deliver the information to their internal clients versus those that are lower on the maturity curve looking for our support and expertise to help them move up that maturity curve.

CEOCFO: Has the current economic scenario been helpful for you?

Mr. Svec: Our business is not aligned to the good or the bad of the economy, because at the end of the day, not having an IT financial and business management tool is like a sales organization not having a CRM application. Whether the economy is good

or bad, they need our solution to help them manage the business of IT.

CEO CFO: What has surprised you as ComSci developed?

Mr. Svec: The challenges are not much different regardless of which client we bring on board. They all have almost identical challenges and similar issues.

CEO CFO: Are there services or any tweaks you might add?

Mr. Svec: We have taken a multistep roadmap. Our initial focus was providing the line item production bill of IT. We then developed our production benchmarking, service costing, and financial management capabilities that focused on the cost side of the business management equation. We are now continuing to enhance our

performance and operational management metrics and capabilities. As you can imagine, we consume a great deal of detailed data from our customer base and our focus is to continue to enhance mining that operational data, but with that said, on the financial side we do it better than anybody.

CEO CFO: How is business?

Mr. Svec: Business is good. We are experiencing very nice growth rates and one of the things we are extremely proud of is our client retention track record. We live and breathe providing the best possible service to our customers and as a result, we have never lost a client and we are proud of that. Between new business and expansion within the existing cli-

ent base, the business is moving in the right direction.

CEO CFO: Why should investors and people in the business community look at ComSci?

Mr. Svec: We offer a solution to manage the business of IT in a cost-effective way. When you look at an IT organization and the total cost structure of any large enterprise, it represents one of the largest if not the largest cost in an enterprise. To run that type of expense base without good visibility and transparency into the cost and value of the services that you deliver is almost like running the business blind. For that reason alone, every enterprise, CIO and CFO of IT should look at ComSci.



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