

# NextStep

NEXTEL-000807  
CONFIDENTIAL

## Business Case Update August 27, 2003

Version 1

PERCLO-Bayonne, N. J. GOVERNMENT  
EXHIBIT  
Nextel 9

PERCLO-Bayonne, N. J. GOVERNMENT  
EXHIBIT  
4081-R



# The Numbers for Phase 1

NEXTEL-000813  
CONFIDENTIAL

REDACTED

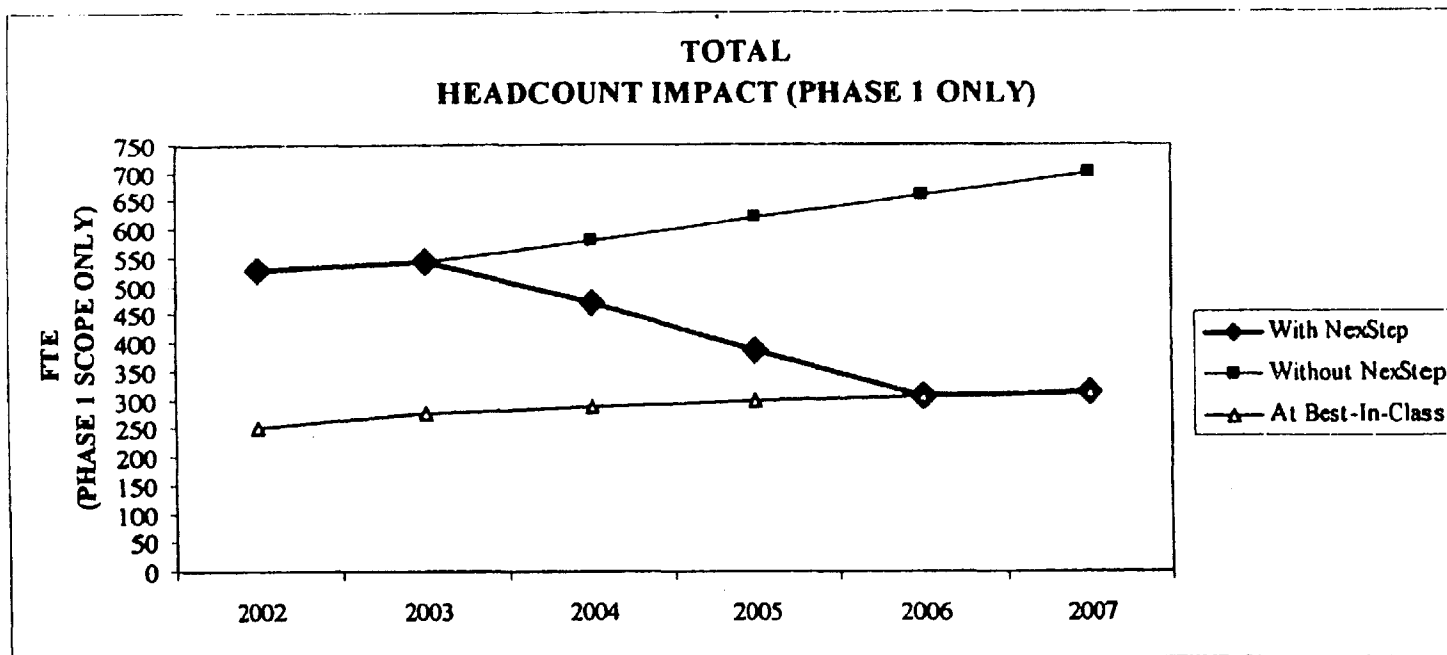
- **Current benefit calculations for phase 1 are as follows (2003 – 2007....as reviewed by business owners):**
  - **Total Net Value Gained - \$**
    - \$ total dollars budgeted/spend for phase 1 (\$ net project dollars)
    - \$ M in total dollars of benefits
      - \$ in cost reduction (543 heads currently performing in scope functions can be reduced by 237 heads to = 306 in 2006). *This will enable Best-In-Class performance.*
      - \$ in avoided costs (659 heads projected in 2006 without NexStep; 659 less 543 current = 116 heads not hired in 2004-2006)
      - \$ in targeted business cases cost savings and \$ in field benefit
  - **NPV = \$ (discount rate of 12%)**
  - **ROI = 183% with field benefit**



# Phase 1 FTEs Over Time

NEXTEL-000815  
CONFIDENTIAL

## Total





## Mapping Hackett Areas for improvement to Phase 1 and Phase 2

---

NEXTEL-000817  
CONFIDENTIAL

- **Hackett Summary of functions with the biggest opportunity for improvement/savings mapped to NexStep Phase:**

- **Finance**

- General Accounting – Phase 1**
- Order to Cash functions – Phase 1**
  
- Reporting – Phase 1 and Phase 2**
  
- Budget Planning/Forecasting – Phase 2**

- **Tax**

- Planning – Phase 1 and Phase 2**
- Tax Report Filings – Phase 1 and Phase 2**
  
- Financial Reporting – Phase 2**



## Mapping Hackett Areas for improvement to Phase 1 and Phase 2

---

NEXTEL-000818  
CONFIDENTIAL

- **Hackett Summary of functions with the biggest opportunity for improvement/savings mapped to NexStep Phase:**

- **HR**

- Payroll – Phase 1**
- Benefits Administration – Phase 1**
- Compensation Administration – Phase 1**
  
- Organizational Effectiveness – Phase 1 and Phase 2**
  
- Recruiting and Staffing – Phase 2**
- Learning and Development – Phase 2**

- **Procurement**

- E-sourcing – Phase 1**
  
- Electronic Invoicing/order acknowledgement – Phase 1 and Phase 2**
- Establishment of end to end procure to pay process – Phase 1 and Phase 2**
- Material Receipts – Phase 1 and 2**
  
- E-online auctions – Phase 2**
- Supplier Performance Management – Phase 2**
- Contract Management – Phase 2**