# How to Calculate Return-On-Investment for Synergy SPC Software

**ZONTEC**

## Introduction

In today's economy, every purchase must be justified with tangible evidence that the purchase will benefit the business. Continuous process improvement is a proven methodology to improve business processes and save companies money. Many companies talk about continuous process improvement, yet are unable to sustain such efforts. These companies need SPC software with on-line, real-time data to serve as the metrics that they use to monitor and improve production over time. Here are a few of the ways that the Synergy SPC software will provide you a rapid ROI and will benefit your business long-term.

## Easy Implementation Leads to Rapid ROI

- Simplicity of the software design and setup leads to quicker employee adoption
- Rapid to install and train each level of users (operators, managers and engineers)
- Personalized support throughout setup and implementation
- Replaces paper records, storage, and automates data collection, charting and calculations; reducing user error

*"Once we implemented Synergy, we immediately saw results. For us, a process that used to take a day was reduced to an hour and ½. Synergy easily paid for itself in a couple of weeks," said Bob Hayes of Foam Design.*

## Increases Plant Efficiency

- Streamlines data collection and analysis
- Real-time data instantly available so everyone sees the status of production
    - Enables users to proactively prevent production errors before they occur, saving production time
    - If an out-of-control or out-of-specification condition does occur, the system sends automatic emails to the designated parties
- Maintain historical records for instant traceability, accountability, and easy access to information for regulatory and customer requirements



*"When the QARs come to inspect us, I have all the information they need prepared in packets for them. Sometimes we are asked to send materials directly to the ship yards. These are usually orders with a fast turnaround. Because the data is readily available, we can provide all the documentation quickly along with the products we are shipping out," remarked Bob Batsche of Carlisle & Finch Co.*

## Improves Corporate Profitability

- By minimizing defects and waste as well as decreasing production time, we can help save the company money
- To prevent costly downtime, SPC software provides production equipment information to ensure production is working optimally
- Enable companies to "test out" new products, providing a new revenue source

- Increases customer satisfaction, provides tangible data to secure new business and optimizes customer retention

*"We wanted to see how well the mixing equipment was working to create these new products. The data from Synergy justified that our mixing equipment was working to create these products,"* commented Roth Gonzales of Sahale Snacks.

## Summary

To flourish in this highly competitive marketplace, businesses must justify every purchase. Synergy SPC software provides the data necessary to continuously improve every step of the production process. Synergy SPC software provides a rapid ROI, improves production efficiency and increases corporate profits. Are you interested in how rapidly Synergy SPC software can provide you a ROI? We have created a ROI template pictured below so you can calculate your company's ROI for purchasing Synergy SPC software. Are you interested? Please contact us. We would love to talk to you about how we can help benefit your business.

**Synergy SPC Software Return On Investment**

| Category / Activity | Current System Hours / Week | Current System Hourly Rate ($) | Current System Annual Cost (52 Weeks) | With Software Solution Hours / | With Software Solution Hourly Rate | With Software Solution Annual Savings |
|---|---|---|---|---|---|---|
| **Management** | | $100.00 Std Rate | 52 | | $100.00 Std Rate | 52 |
| Cost of requesting reports | 1 | $ 100.00 | $ 5,200.00 | 0.25 | $ 25.00 | $ 1,300.00 |
| Cost of Preparing Requested Reports | 2 | $ 200.00 | $ 10,400.00 | 0.5 | $ 50.00 | $ 2,600.00 |
| | 3 | | | 0.75 | | |
| **Quality Engineering** | | $85.00 Std Rate | 52 | | $85.00 Std Rate | 52 |
| Data Collection and Transposing | 10 | $ 850.00 | $ 44,200.00 | 2 | $ 170.00 | $ 8,840.00 |
| Preparing Reports | 2 | $ 170.00 | $ 8,840.00 | 0.5 | $ 42.50 | $ 2,210.00 |
| Setting Parameters / Control Limits | 2 | $ 170.00 | $ 8,840.00 | 0.5 | $ 42.50 | $ 2,210.00 |
| Retrieval of Historical Data | 1 | $ 85.00 | $ 4,420.00 | 0.25 | $ 21.25 | $ 1,105.00 |
| Replacing / updating paper charts | 3 | $ 255.00 | $ 13,260.00 | 0.5 | $ 42.50 | $ 2,210.00 |
| | 18 | | | 3.75 | | |
| **Operator Level** | | $50.00 Std Rate | 52 | | $50.00 Std Rate | 52 |
| Entering Data Plotting Points | 3 | $ 150.00 | $ 7,800.00 | 1.5 | $ 75.00 | $ 3,900.00 |
| Changing Charts | 1 | $ 50.00 | $ 2,600.00 | 0.25 | $ 12.50 | $ 650.00 |
| Reacting to out of control conditions | 3 | $ 150.00 | $ 7,800.00 | 0.5 | $ 25.00 | $ 1,300.00 |
| | 7 | | | 2.25 | | |
| **General** | | $45.00 Std Rate | 52 | | $45.00 Std Rate | 52 |
| Time to respond to issue - QA Lab to Line | 5 | $ 225.00 | $ 11,700.00 | 1 | $ 45.00 | $ 2,340.00 |
| Cost of Paper and Archiving | | | $ 2,000.00 | | | $ 200.00 |
| Customer / Regulatory compliance | | | $ - | | | $ - |
| | 5 | | | 1 | | |
| Total Annual Costs | | | $ 127,060.00 | | | $ 28,865.00 |
| Cost Savings | | | | | | $ 98,195.00 |
| Total Hours / Week | 33 | | | 7.75 | | |

**Implementation Costs**

| Category / Activity | Units / Users | Base Costs | Total Non-Recurring |
|---|---|---|---|
| Computers: $500 each | 3 | $ 500.00 | $ 1,500.00 |
| Software (5 license Option) | 5 | $ 3,000.00 | $ 15,000.00 |
| Training ( 1 day, Unlimited class sized) | 1 | $ 2,500.00 | $ 2,500.00 |
| Travel expense for Training (per instructor) | 1 | $ 1,500.00 | $ 1,500.00 |
| Total One time Costs | | | $ 20,500.00 |

**Other Cost Savings**

| Annual Cost Savings | Savings ($) |
|---|---|
| Reduce project cost | $ 10,000.00 |
| Reduce product rework | $ 50,000.00 |
| Reduce scrap | $ 20,000.00 |
| Improving overall product quality | $ 25,000.00 |
| Increase customer satisfaction | $ 10,000.00 |
| Increase product sales | $ 50,000.00 |
| Reduce cost of quality for the compa | $ 15,000.00 |
| Other cost savings | $ 5,000.00 |
| Total Savings | $ 185,000.00 |

| | |
|---|---|
| Current cost of Paper or No SPC | $ 127,060.00 |
| Proposed Cost After Implementation Of Software | $ (28,865.00) |
| Other Cost Savings | $ 185,000.00 |
| Total Cost Savings | $ 283,195.00 |
| Cost of Implementation | $ 20,500.00 |
| ROI | 1281% |
| Payback Period (Breakeven in Months) | 0.869 |

## About Zontec

Since 1983, Zontec has been providing statistical process control (SPC) software to industry-leading companies across the globe. Zontec is unique in the industry by offering a full suite of products to meet the needs of companies of all sizes. Committed to an aggressive product development schedule, Zontec software is created, tested, documented and totally supported within the company. This gives Zontec complete control over product development of our products. If a service agreement customer decides to upgrade to the next level of the Zontec product suite they can do so at minimal cost through our 100% Investment Retention program. They will be able to access all their previous data in the new product, minimizing production interruption. Zontec software has been adopted worldwide by more than 5,000 companies, spanning virtually every industrial category.

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