# Article information:

How to Calculate Total Cost of Ownership for Software
<https://www.mavensolutions.tech/blog/calculate-tco-for-software/>

# Article summary:

1. The Total Cost of Ownership (TCO) for software includes the initial cost, operating costs, and retirement costs.

2. Challenges in calculating TCO include hard-to-determine costs, missing cost components, and a lack of benefits analysis.

3. Best practices for TCO analysis include minding the timing, using the continuous improvement approach, and revising the business model to accurately determine costs.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article titled "How to Calculate Total Cost of Ownership for Software" provides a comprehensive overview of the factors that should be considered when calculating the total cost of ownership (TCO) for software. It highlights the importance of looking beyond the upfront purchase or licensing cost and taking into account the operating and retirement costs associated with implementing and maintaining software systems.

Overall, the article provides valuable information on TCO analysis and offers some practical tips for conducting an effective calculation. However, there are a few areas where the article could be improved in terms of providing a balanced perspective and addressing potential biases.

One potential bias in the article is its focus on the benefits of calculating TCO for software without adequately discussing any drawbacks or limitations. While it is important for businesses to understand the financial implications of software investments, it is also worth noting that TCO calculations can be complex and time-consuming. The article does briefly mention challenges with TCO calculations, but it does not explore these challenges in depth or provide strategies for overcoming them.

Additionally, the article primarily presents information from the perspective of a software development company (Maven Solutions), which may introduce some promotional bias. While it is understandable that Maven Solutions would want to highlight their expertise in TCO analysis, it would have been beneficial to include perspectives from other industry experts or organizations to provide a more well-rounded view.

Furthermore, there are some claims made in the article that could benefit from additional evidence or support. For example, when discussing retirement costs, the article mentions expenses related to data wiping and data destruction without providing specific examples or citing sources. Including more concrete evidence would strengthen these claims and make them more credible.

Another area where the article could be improved is by exploring counterarguments or alternative viewpoints. For instance, while it emphasizes the importance of considering operational costs in TCO calculations, it does not address potential arguments against this approach or discuss situations where focusing solely on initial costs might be justified.

In terms of missing points of consideration, the article does not discuss the potential risks or uncertainties associated with TCO calculations. For example, it does not mention the possibility of unforeseen expenses or changes in technology that could impact the accuracy of TCO projections.

Overall, while the article provides a good introduction to TCO analysis for software, it could benefit from a more balanced perspective and additional evidence to support its claims. Including alternative viewpoints and addressing potential limitations or risks would make the article more informative and credible.

# Topics for further research:

* Limitations of TCO calculations in software
* Challenges in calculating total cost of ownership for software
* Risks and uncertainties in TCO analysis for software
* Alternative viewpoints on TCO calculations for software
* Criticisms of operational cost considerations in TCO analysis
* Examples of unforeseen expenses in TCO projections for software

# Report location:

<https://www.fullpicture.app/item/d94ac83b49564252c03b49148cb62b8a>