

Top Reasons for Business Optimization and Clinical Benchmarking from The Cloud in 2010

Gain sizeable ROI and competitive edge with price to value benefits.

A Whitepaper by Sikka Software Corporation
Author: Vijay Sikka

Introduction

In one of the most difficult economic situations in 50 years, DSO/DPM IT departments around the country are reevaluating their platform strategies and looking for innovative ways to create competitive advantages. Business Optimization and Clinical Benchmarking should be judged by the return on investment (and not traditional practice management system evaluation considerations). However, given the focus on economy in 2010, DSO/DPM IT departments are judging any implementation by four additional financial criteria: initial Cash Outlay, ongoing operating costs, flexibility and return on investment.

“Can we do more with less” is the mantra for CIOs and IT departments as the last 10 years have seen shrinking available budgets and higher demands for competitive advantage. However, after having



squeezed every last drop from the IT solutions and teams since the last time economic tumble, 2010 brings incomparable financial constraints requiring innovative solutions. Business Optimization and Clinical Benchmarking delivered from cloud computing is transforming the way DSO/DPM IT departments build and deploy Return-on-Investment applications during lean times. By

offering a quantum improvement in value for money, a flexible, faster and less risky alternative to on-premise development, business optimizations delivered from the cloud will fundamentally change the economics of DSO/DPM IT.

Why Choose Business Optimization and Clinical Benchmarking?

Practice Management Systems are transactional systems and are not designed to do business intelligence or business optimization functions. In addition, when you want to compare your providers across your network, and to the dentists beyond your DSO/DPM network, only Sikka Software has the clinical benchmarking solutions for that. Sikka Software is a pioneer in bringing business optimization applications to dental businesses and has been working on pay-as-you-go subscription models with over 5,800 installations. Now, Sikka Software makes available the platform that supports those applications and delivers it using cloud computing so you can get up and running on the optimization and benchmarking applications in record time. With the Sikka Genesis™ platform, cloud-based usage of optimization and benchmarking becomes an integral part of any DSO/DPM IT strategy. Sikka Software Corporation is an established company and market leader in business optimization and benchmarking. The company is endorsed by Henry Schein, Inc., PracticeWorks (Kodak Dental), Dental Economics, and major banks and broker groups. Sikka Optimization solutions are being used by many large DSO/DPMs including Heartland Dental, Great Expressions (for evaluation of new practices), Christie Dental, Rose Dental, Venetian Dental, Childrens Dental Center and dozens of others.

Why Choose Sikka Genesis™ onDemand solution delivered by Cloud Computing?

The world's leading CIOs are redefining their value to the enterprise by adopting cloud computing to deliver additional business value, despite the financial uncertainties of 2010. Your organization can save a tremendous amount of time by having business optimization solutions that allow you to run custom queries, create dashboards, analyze trends and integrate information from all of your practice locations without the need to manually generate the information. For those that have made the shift to cloud-based development

• The biggest financial benefit of cloud computing, particularly in these capital-constrained times, is avoiding taking on debt and keeping cash in the company longer. If a project uses a cloud-based service provider, then the CFO avoids writing a big check upfront. Instead, checks are written monthly or quarterly, in alignment with the return •

Forrester Research, "Talking To Your CFO About Cloud Computing,"

and for those that are still on the fence, here are the top 5 business value reasons why thousands of dentists and major DSO/DPMs will soon be using Sikka Genesis™ based business optimization and clinical benchmarking delivered via cloud computing for 2010 and beyond:

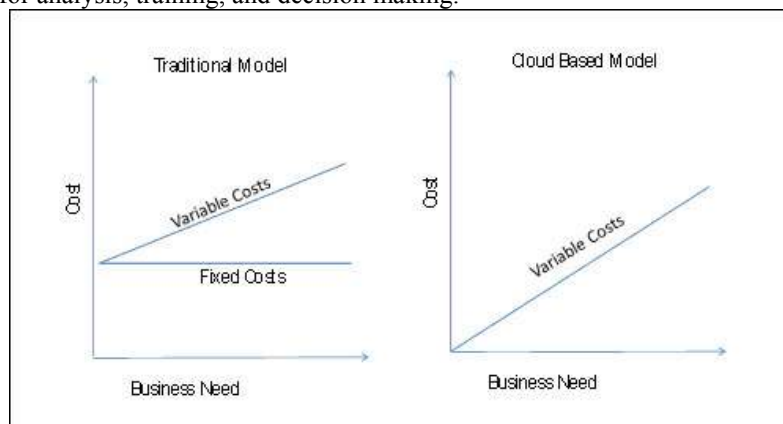
1. Delivers Faster and Better ROI
2. Requires Minimal Upfront Cash Outlay
3. Minimizes Total Cost of Operations (TCO)
4. Requires Less Technical Resources
5. Seamless Integration

1. Delivers Faster and Better ROI

During economic downturns, better ROI is more critical than ever. Most companies are delaying projects that won't deliver a return on investment within weeks. With cloud computing, companies can speed up time to value. Sikka Genesis™ business optimization and clinical benchmarking delivered via cloud computing allows any time, any where, any authorization level access to vital information for running your practices by numbers. Instead of spending weeks on the project and administrative setup for each new application (including authentication, globalization, workflow, mobile device support, and much more), your business and clinical teams can get to work immediately on value-added activities such as trend analysis, comparison and benchmarking, accounts receivables, hygiene, dentists, relative value units and scheduling efficiency (RVU). Once applications are built, they are automatically supported by the Sikka Genesis™ platform with better security, high performance, disaster recovery, and instant access to multiple production quality environments for analysis, training, and decision making.

One of the most overlooked advantages of deploying in the cloud is how much faster and less expensive DSO/DPM IT is to scale to multiple applications and reports. Because cloud development is based on subscription pricing, there are lower additional costs to deploy additional applications and reports to existing users. And because all Sikka applications are built on the same platform,

pre-existing application services such as authentication, data objects, UI layouts, and logic can be reused across multiple applications and reports. This approach results in economies of scale in which each additional report deployed decreases the overall costs of all applications. This model is the inverse of on-premises development, in which each additional report increases higher incremental costs because DSO/DPM IT requires additional infrastructure and resources over its lifetime. To take advantage of the cloud-based approach, a few consultant groups, solo practitioners and companies now build and deploy several custom reports and applications on the Sikka Genesis™ platform.



2. Requires Minimal Upfront Cash Outlay

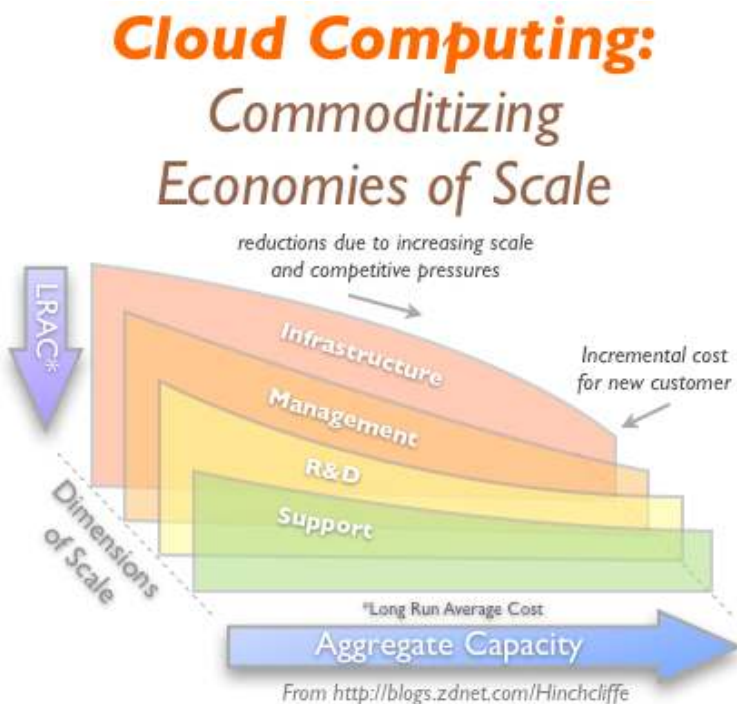
Sikka Genesis™ cloud-computing optimization and benchmarking solutions are based on subscription pricing. This is a major departure from the traditional DSO/DPM IT procurement process. With subscription-based pricing, minimum Cash Outlays are required to kick off the business analysis and optimization projects. Companies can start small, with virtually no upfront costs, and instantly scale to meet broader business needs. The ability to pay-as-you-go may be expensed as a service or operating expense rather than a Capital Outlay depending on a variety of factors. This makes DSO/DPM IT a compelling option for CFOs who are intensely focused on financial predictability and project accountability.

The pay-as-you-go model minimizes your project and financial risk because you can scale your project based on business results and ensures that vendors are held accountable over the project's lifetime. There are no large upfront investments that lock a project into a specific technology. That means CFOs can account for the business value generated by the service during the same financial period as costs are incurred. In other words, cloud computing provides a better way for DSO/DPM CIOs and CFOs to match the investment in a project with business value or ROI.

Because there is minimum upfront costs compared to the traditional approach of buying a software under the "licensing and maintenance" model, the risks associated with investing in significant upfront cash outlay are substantially reduced and decrease immediately with Sikka Genesis™. It will help companies get better return on investment despite reduced capital budgets. And because charges from vendors usually go in the column of business expenses rather than capital outlays, customers can invest in cloud-based projects even when DSO/DPM IT budgets are slashed. The following figures illustrate the differences in costs and ROI for an on-premises solution versus a cloud-computing solution.

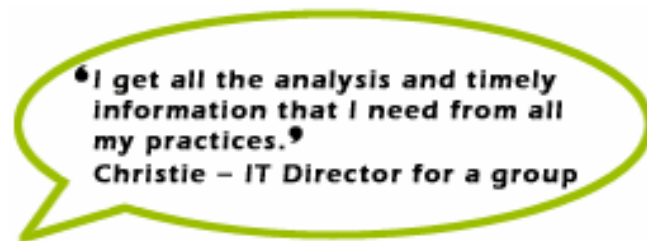
3. Minimizes Total Cost of Operations (TCO)

For DSO/DPMs there are no upfront six or seven figure charges and large amounts of support investment required with Sikka Genesis™ solution. You can use the existing practice management systems and existing software and hardware and still get full integration with information auto refreshed every night. With cloud computing there is only the cost of using the software where the cost is tied-in and based on your current and future user/organization growth and there is no additional software or hardware to purchase initially. Perhaps even more important, cloud computing reduces overall application maintenance and support substantially over time. With cloud computing, multiple applications and reports are immediately available to regional directors, executive team, office managers, and dentists. And all environments are vertically integrated with ready-to-use services for executive team and administrators specifically customized to the user's preferences.



These services include user administration, security, globalization, and centralized governance, all of which help to reduce manual report generation or query building time and cost. Once the Sikka Genesis™ platform based application is deployed, Sikka Software manages the burden of operational maintenance. Live benchmarking information, performance tuning, patches, and upgrades are delivered as part of the service, with minimal demands of IT. As a result, the DSO/DPM IT team can focus on enhancing application usage that delivers business value instead of keeping busy with standard maintenance and administration tasks. Such operational efficiencies are the result of a true multitenant architecture. Multitenancy is a key Sikka Software implementation that's at the heart of the Sikka Genesis™ platform. Multitenancy makes possible a pace of innovation and collaboration that's simply not achievable with on-premise platforms. For example instead of waiting for a major upgrade every other year, and paying for the newest version, and worrying about legacy data issues, user, OS & backward compatibility, with Sikka Software all of these are taken care of. This includes any and all future major upgrades while you are a Sikka Software customer.

Every time a major innovation is released, every customer instantly benefits. Multitenant applications are designed so that users share the application's physical instance and version. Individual "deployments" of



those applications occupy virtual partitions rather than separate physical hardware and software stacks. Multitenant business applications built on the Sikka Genesis platform, which run on the same proven platform as the packaged applications from Sikka Software and its ISV partners, benefit from the highest levels of security and performance. The multitenant architecture

makes possible the quick deployment, low risk, and rapid innovation for which Sikka Software is known. The Sikka Genesis™ platform passes on this architecture's operational efficiencies to customers, including automatic upgrades, live benchmarking and lower costs.

4. Requires Less Technical Resources

With Sikka Genesis, the people closest to the business process can do more business analysis and optimization with less. By using simple point-and-click KPIs and analysis tools, business users can perform instant comparisons between years, months, KPIs, clinical and regional groups without having to write any code or SQL queries. They can export the information into Excel, PDF, XML and auto schedule so any number of people in the DSO/DPM who should receive specific reports or analysis at specific intervals can automatically get it from Genesis™ application. As a result, non-technical users can review and help improve analysis, which frees technical resources for more IT projects. The result: more projects over any given period. Because the concepts and technologies used to develop Sikka Genesis™ applications are similar to those used for on-premises development, users can ramp up in just a few days. And because performance tuning and maintenance are handled by Sikka Software, resources that would be required to support the applications are freed up for other projects, improving the overall productivity of the DSO/DPM IT department.

Sikka Genesis™ provides a more agile business analysis, optimization and clinical benchmarking environment, based on proven tested, and deployed Dental Practice Optimizer® capabilities in a fraction of the time of on-premises platforms. One of the advantages of this environment is that, once applications and reports are built, they can be rapidly changed to adapt to shifting market demands.

5. Simplifies Integration

Gartner estimates that up to 35 percent of the implementation costs associated with on-premises applications use is for integration. In comparison, Sikka Genesis™ business optimization based on cloud computing makes integration faster, easier, and less risky than ever before. In fact, the Sikka Genesis™ platform today is compatible seamlessly to over 95% of practice management systems in the United States market and 85% of the Canadian marketplace. We are also working on enhancing our compatibility with the Australian, UK, NZ and other markets. This enables Sikka Genesis™ for DSO/DPM IT easier to

integrate and extend legacy practice management system environments. In addition, it comes with built-in toolsets for OurCaseBook, large and fast growing case and information sharing website. Sikka Genesis™ delivers a new level of integration, optimization and clinical benchmarking across the enterprise. To ensure customers can integrate to any endpoint, Sikka Genesis™ provides comprehensive technologies that offer maximum flexibility while dramatically reducing the integration effort. Sikka Genesis™ has proven integrations with every major practice management application and middleware solution in the market, including Dentrix, Softdent, Eaglesoft, Dentrix Enterprise, DentalVision, OpenDental, AbelDent, EasyDental, Mogo, PracticeWorks and many more. Because the Sikka Genesis™ is based on a multitenant architecture, integrations no longer “break” during upgrades, require intricate technology dependencies, or lead to vendor lock-in.

With Sikka Genesis, the multitenant model makes an ecosystem of thousands of dentist key performance indicators and benchmarking data available in real time. We collect only HIPAA compliant limited benchmarking dataset that is opt-in with no provider or patient identifiers. In addition, Sikka Genesis™ gives access to iSikka.com which like iGoogle enables creating a customizable morning report page. Here, customers can find, test drive, and install applets from many application business and personal productivity categories and others with just a few clicks. The applications are automatically installed and integrated in customer desktop and instantly deployed, either as part of a custom application or on their own. To date, Sikka real time database of clinical benchmarking indicators exceeds any other known provider side procedure code level real time database.

Summary

In today’s economy, with limited budgets and a highly dynamic market, DSO/DPM IT is critical to be able to refocus an organization and its systems quickly, with minimal resources. Sikka Software’s business optimization and clinical benchmarking multitenant architecture works to speed DSO/DPM IT, DSO/DPM Executive team and DSO/DPM regional director team’s productivity, while automatic upgrades ensure all users always have access to the latest data and information. Finally, with Sikka Software’s Genesis™ platform, the technical team can collaborate with the business team to create reports and analysis in real time, reducing requirements gathering and testing cycle times and creating a tighter relationship between DSO/DPM IT and the business teams.

With Sikka Genesis, Dental Service Organizations (DSO/DPM) and Dental Practice Management (DPM) companies can jumpstart innovation, improve time to market, and create competitive advantages faster than ever.

Sikka Genesis™ is available at the AADGP Las Vegas Meeting as Optimizer for Consultants™ and Sikka Software Corporation is accepting Beta customers. For more information write to Genesis@sikkasoft.com

Authors note:

Salesforce.com and other Software as a Service companies have been a great inspiration for Sikka Software Corporation. The author wishes to thank for the multi-tenancy, cloud computing based delivery and other concepts by these companies.

Vijay Sikka can be reached at vijay@sikkasoft.com

Sikka Software Corporation Safe Harbor Statements

Safe Harbor Statements (Under the Private Securities Litigation Reform Act of 1995)"

This communication contains forward-looking statements, comments, estimates, and assumptions by the Company and other parties that involve risks and uncertainties, including the Company's ability to successfully integrate any new technologies, the ability to gain new business and offer new products, the expansion of operations by the Company's customers and the deployment of the Company's products in specific markets, as well as the other risks detailed from time to time in other Company's communications or reports.

This articles may contains, in addition to historical information, "forward-looking statements" within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements, including statements concerning the benefits of the collaboration to customers and the continuing collaboration between Sikka Software Corporation and its Marketplace customers and are based on Sikka Software Corporation's current assumptions, expectations and projections about future events. Sikka Software may uses words like "believe," "future", "anticipate," "intend," "estimate," "expect," "project" and similar expressions to identify forward-looking statements, although not all forward-looking statements contain these words. These forward-looking statements involve significant risks, both known and unknown, uncertainties and other factors that may cause Sikka Software Corporation's actual performance, or results of its products or operations to be materially different from those suggested by the forward-looking statements.