

BUSINESS CASE

For Sumerian CPaaS

In a nutshell...

Most businesses are failing at Capacity management

'Capacity management? We just order more than we need...'

90% rely on ad hoc tools/practices & instinct/vigilance of IT staff ³

'Overprovision & forget' remains the most common approach (~75%) ³

The outcome...

Despite a massive overprovisioning of server capacity² ~ 30%

~ 50% Half experience costly & disruptive emergency procedures as a result³

Most businesses are still experiencing capacity-related outages & service degradation³ ~ 60%

~ \$12Bn Overall annual cost of outages to businesses is huge⁵

Even on critical systems a third of all outages are still capacity-related¹ ~ 30%

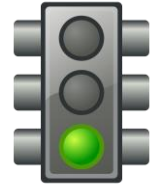
~ \$5.6K/min Ave. cost of datacenter downtime⁴

1. Populus, 2015
2. Anthesis, 2015
3. Freeform Dynamics, 2016
4. Gartner, 2014
5. Beaming/Opinium, 2016

Main value drivers

▶ Outage avoidance

- Proactively assuring service performance by avoiding service degradations and outages



▶ Infrastructure efficiencies

- Rightsizing by identifying areas of under and over provisioning for optimization
- Maximising use of infrastructure resources while assuring customer performance is protected

▶ Operational efficiencies

- Automation of data gathering, analysis and reporting
- Freeing up staff headcount and time for other value-add activities (e.g. proactive action and business liaison)



▶ Cost avoidance

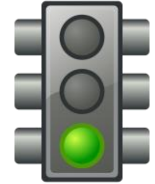
- Improve investment profile, by only investing in what's really needed, at the right time and right cost
- Reduce power, cooling and software licensing costs through rightsizing as part of investment program

▶ Change management

- Accurate scenario modelling and impact assessment ensures planned change is de-risked



Outage avoidance



- ▶ Customer case study
 - Sumerian helped a Tier 1 global bank avoid 300 P1 outages in 1 year
 - Estate size ~30,000 OS instances
 - 1 P1 outage avoided per annum per 100 OS instances
 - Bank has low levels of shared infrastructure and utilization

- ▶ Example calculation and assumptions
 - Estate size ~???? OS instances
 - ??? P1 issues/year, each costing £????
 - Assume ?? outages avoided (use same rate as above for conservative estimate)
 - Saving = outages avoided x cost of outage

- ▶ Example business value
 - Savings of £???/year
 - Improved customer satisfaction



Infrastructure efficiencies

- ▶ Customer case studies
 - Sumerian identified improved infrastructure consolidation ratios of between 24% and 40%

- ▶ Examples calculation and assumptions
 - Current infrastructure spend (HW + SW licenses + Space + Power + ...) = £???
 - Assume improvement is only 10%
 - Saving = 0.1 x current spend

- ▶ Example business value
 - Savings of £???



Operational efficiencies

- ▶ Customer case studies
 - Large UK bank redeployed staff to liaising with business teams and taking proactive action rather than gathering data and producing reports

- ▶ Examples calculation and assumptions
 - FTE cost £???
 - ??% resource/time taken currently to gather and analyse data and produce reports
 - ??% resource/time taken to troubleshoot issues
 - Assume 30% efficiency gain
 - Saving = $0.3 \times [\% \text{ current resource used}] \times \text{FTE cost}$

- ▶ Example business value
 - Savings of £???
 - Opportunity to redeploy staff to other activities



Cost avoidance

- ▶ Customer case studies
 - Sumerian typically identifies rightsizing opportunities of 24-40%, but it can be higher
 - E.g. doing rightsizing as part of a technology refresh, Sumerian identified investment savings of over 75%
 - Also yielding \$3,800 per month savings in reduced datacenter, licensing and support costs

- ▶ Examples calculation and assumptions
 - Assume use of Sumerian Capacity Planner identifies 10% reduction in resources (conservative)
 - Cost of new technology investment: £???
 - Associated costs of power, cooling, s/w licenses, etc: £???
 - Saving = $[0.1 \times \text{£??? new technology}] + [0.1 \times \text{£??? associated operating costs}]$

- ▶ Example business value
 - Capital investment savings of £???
 - Associated operating cost savings of £???
 - Deferred requirement to invest



De-risking change

- ▶ Examples:
 - Cloud migration
 - Physical to virtual migration
 - Technology refresh
 - Datacenter consolidation
 - Server consolidation
 - Supporting growth

- ▶ Example business value
 - Early identification of risks
 - Effective risk mitigation
 - De-risked timeline
 - Reduced costs

Summary

Area	Value
Outage avoidance	
Infrastructure efficiencies	
Operational efficiencies	
Cost avoidance	
Reduced risk	
	Total £

Sumerian CPaaS offers rapid benefits realization

- ▶ Quick to implement, low impact
 - SaaS cloud-based solution
 - No agents to deploy
 - Uses existing data sources

- ▶ Fully integrated with market leading ITSM platform, ServiceNow
 - Automated integration across all key ITSM workflows

- ▶ Flexible service
 - Range of value-add expert services to augment your in-house capability as required

