

Reducing Infrastructure Management Costs

An Introduction to OPTIMACY SOLUTIONS

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Optimacy Solutions offers the larger enterprise the opportunity to reduce its IT infrastructure management costs while helping to achieve higher service levels

- We enable selective out-tasking and off-shoring of infrastructure management, thus providing 24/7 management of your IT infrastructure – but at a very low cost
- Our highly experienced and capable executive management team combines deep knowledge of the UK and European markets with established links to off-shore delivery – ready-made
- Our sister company, Optimised Networks, is focussed on the SME market and is already delivering value through its network of resellers



Businesses are facing major challenges of retaining key skills and costs in managing IT infrastructure with NSM* technologies

IT Environment

Increasing reliance on IT network technology to run a business

Increasing complexity and variety of these NSM* technologies

Increasing trend towards 24 x 365 operations

Choice of complex, expensive end-to-end 'Framework' solutions vs. numerous 'point' products

Corporate Issues

Increasingly tight budgets but no choice but to invest to keep up

Increasing costs of finding and training skilled technicians to manage technologies

Increasing costs of operating around the clock e.g. 'on call' rota

Majority of Infrastructure faults discovered and reported by users rather than by expensive NSM software

The need

Access to robust world-class technologies with no large upfront costs and which achieve claims made for them

Access to trained staff round the clock - Staff recruitment and training headaches removed

Freeing of internal staff to undertake more important projects

Getting the best out existing investments: Infrastructure performance managed 24 x 7 and consultancy on improvements provided

Responding to events based on priorities determined by business need

Net cost reduction within budget year

Achieve reductions in Infrastructure management costs year-on-year



* NSM – Network & Systems management

Of the three key strategic options for retaining skills and reducing costs, selective out-tasking* is the fastest route with the lowest risk; off-shoring is a special case which offers additional benefits with additional risks

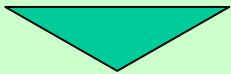
In-house

Pros

- Total control ?
- Flexibility ?

Cons

- Short-term costs
- Skills acquisition
- Keeping current



Captive off-shore NOC

Total Outsourcing

Pros

- Large gains possible
- Possible immediate positive cash flow

Cons

- Long-term commitment
- Focus only on major opportunities
- Complex contract to manage
- Loss of flexibility
- Loss of capability
- Do you actually save money?

Selective Out-tasking

Pros

- Low entry costs / Short-term returns
- No staff recruitment & management problems
- Flexibility
- Lower software costs
- Possible path to total outsourcing
- No headaches dealing with NSM vendors
- 24/7 coverage – no out-of-hours headaches

Cons

- Possibly more service suppliers
- Integration of workflow with supplier

Off-shoring

Pros (additional)

- Abundance of skills available at a fraction of the staff costs of developed nations
- High quality of services is achievable thanks to higher education and motivation

Cons (additional)

- Distance, Time Zone, Language, Culture make communication of expectations difficult
- Need to consider geo-political and country-specific business and legal risks
- Additional costs have to be incurred in searching for a suitable partner, to evaluate capabilities and to structure and negotiate a suitable contractual deal with the supplier



* Outsourcing the execution and management of specific tasks within the overall IT function

OPTIMACY offers all the benefits of selective out-tasking* and a lower risk alternative to direct off-shoring

Cost savings due to

- Lower labour costs,
- Sharing of NOC infrastructure, management software tools, and other fixed costs
- Productivity due to specialization and experience

Further cost reductions due to

- the opportunity to out-task more elements and services once the initial model is proven
- Possible deployment of proven low cost management tools in place of expensive "Framework" products

Better service levels due to

- 24 x 7 resolution of incidents
- Abundant availability of skills
- Proactive problem solving
- Performance management against clearly defined SLAs
- Attention to the business impact of events and problems

Early returns on outlay due to

- Pay-as-you-go model
- Low upfront costs

Typical Savings of 30% to 50% are possible....

Avoidance of costs due to

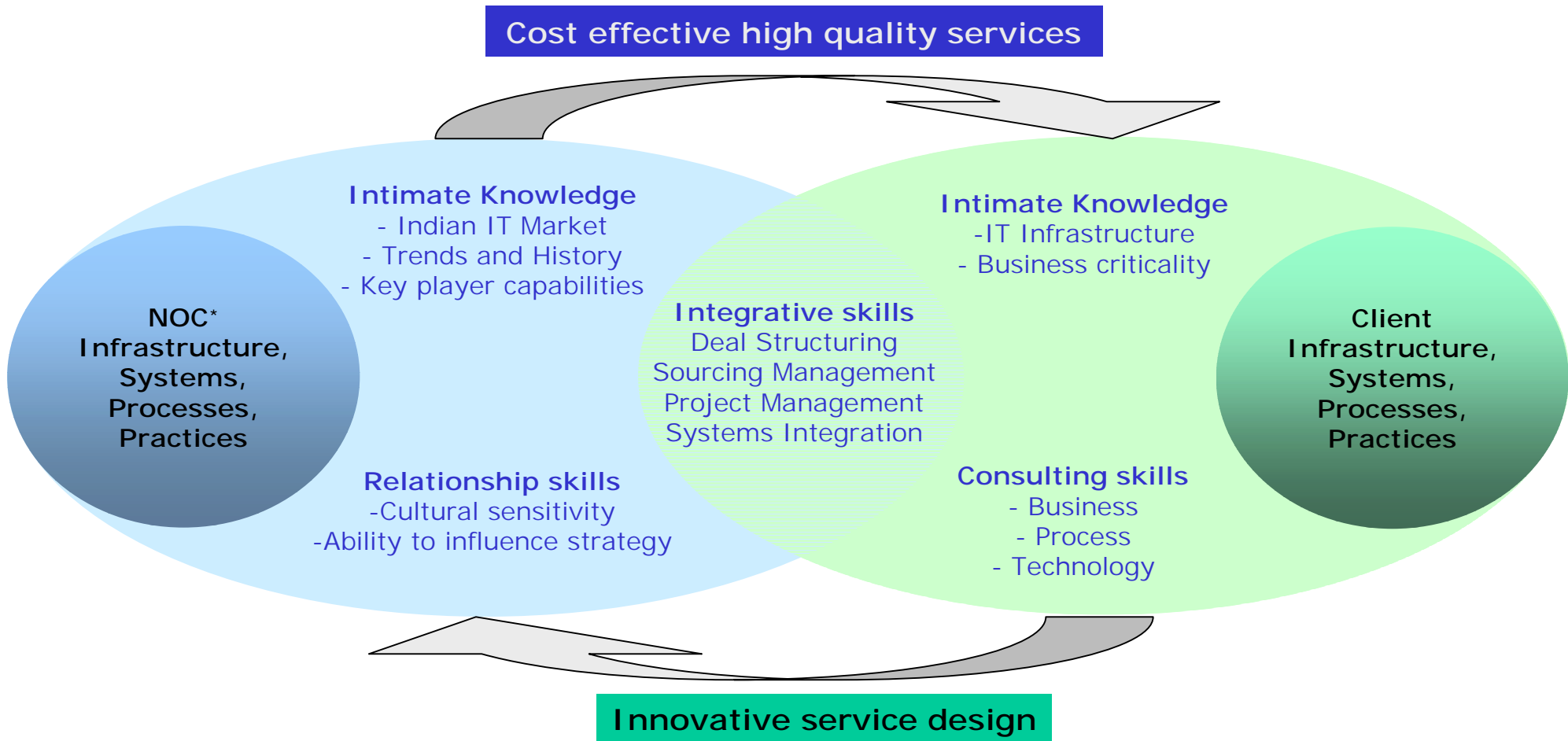
- Not needing to search for, evaluate and contract with an off-shore supplier
- Not needing to project manage the transition
- Not needing to manage the on-going relationship

...not to mention the business benefits



* Outsourcing the execution and management of specific tasks within the overall IT function

However, services out-tasked to India require skills and experience to manage the associated risks



Optimacy offers an unique combination of being a UK company with deep Infrastructure consulting and project management capabilities delivering Remote services with an Indian cost structure.



*Network Operating Centres

A first look at the OPTIMACY offering

Infrastructure Management Tasks

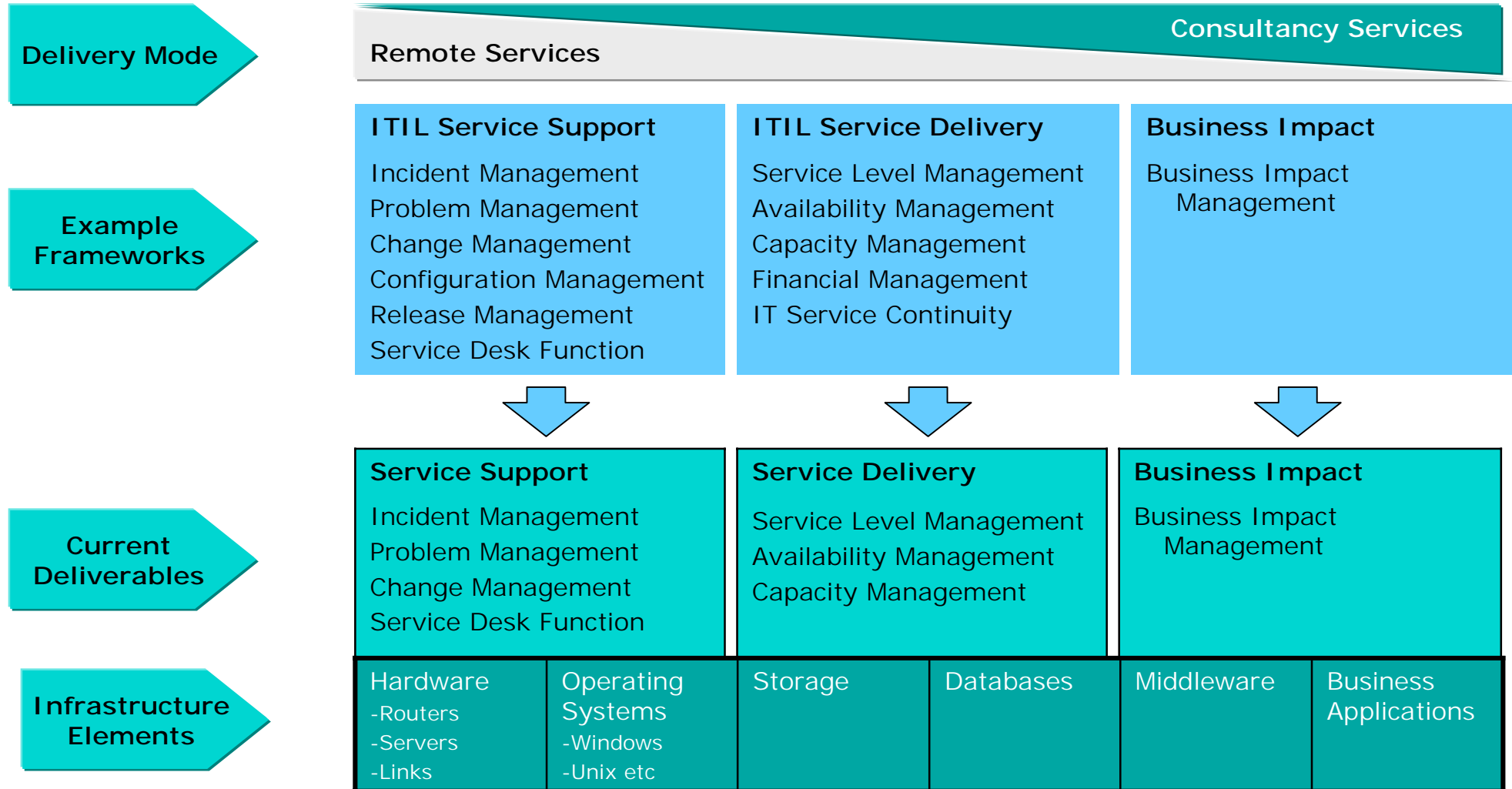
Business Impact Management	Respond to all incidents or performance or capacity trends with a priority that fully reflects the potential business impact					
Service-level Management	Track delivery of overall network and applications against line-of-business-defined service-level agreements and reporting discrepancies					
Performance Management	Provide real-time observation of Infrastructure utilization. Intervene in a proactive manner when performance problems occur, notifying the appropriate staff. Capture historical data on utilization and analyse it in order to notify client of proactive steps needed					
Problem Management	Provide a centralized process to manage, track and resolve infrastructure problems. Relate root causes to end effects and track problems from initial recognition to solution through trouble-ticketing system					
Incident Management	Pro-actively check on a 24 x 7 basis the availability of infrastructure components and that parameters do not exceed defined thresholds. Escalate alarms and alerts as per client 'run books'. Provide Level 1, 2 and 3 support as required. Incidents may be reported both by users and Management software					
	Hardware -Routers -Servers -Links	Operating Systems -Windows -Unix etc	Storage	Databases	Middleware	Business Apps



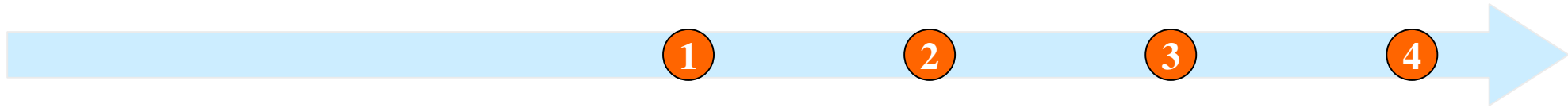
Infrastructure Components



The OPTIMACY offering combines remote management services with local consultancy services and can also be viewed in the context of standard Frameworks



The benefits can be obtained with minimum risk by steadily extending the scope of out-tasked Infrastructure Management



Rationale for Phased approach

Addresses the need to allocate scarce resources to priority projects

Allows for teething problems to be overcome in a controlled manner

Builds confidence that approach and resources are appropriate

Allows for some quick hit successes to obtain organizational buy-in

Provides time needed for related organizational changes to be implemented

1	2	3	4
Build Business Impact Model to include Networks	Extend Business Impact Model to include Storage	Extend Business Impact Model to include Databases	Implement a full Business Impact Model
			Service Level Mgmt
		Performance Mgmt	Performance Mgmt
Problem Management	Problem Management	Problem Management	Problem Management
Incident Management	Incident Management	Incident Management	Incident Management
Elements under management: Networks and Systems	Elements under management: Networks, Systems, and Storage	Elements under management: Networks, Systems, Storage, and Databases	Elements under management: Networks, Systems, Storage, Databases and Applications
			Additional cost savings through termination of some NSM software licences

Although the benefits should be easily recognized, we understand that CIOs will need to have a sound business case, covering all the risks, to move forward

Financial

- How can I develop a robust business case?
- How can I be sure the payback will be within a budget year?
- How do I avoid being ripped off in later years?

Risk

- What risks am I taking in pursuing selective out-tasking of infrastructure management?
- How do I contain these risks?
- What exit strategy do I have if I am unsatisfied after a year or so?

Implementation

- How can I be sure implementation will be competent and non-disruptive?
- Will the service level be sustained over months and years?

HR

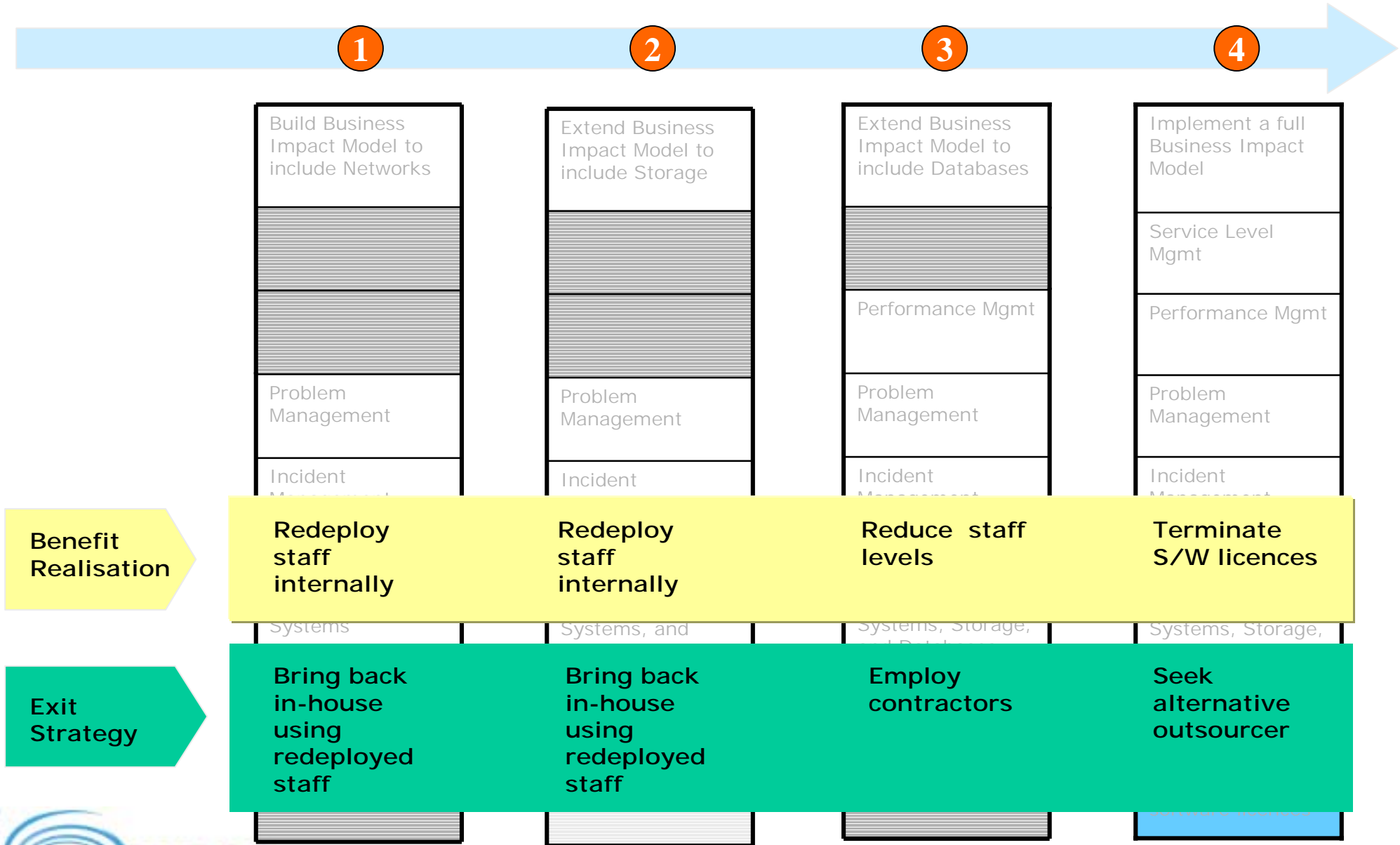
- How do I handle sensitive headcount reductions?

Resources

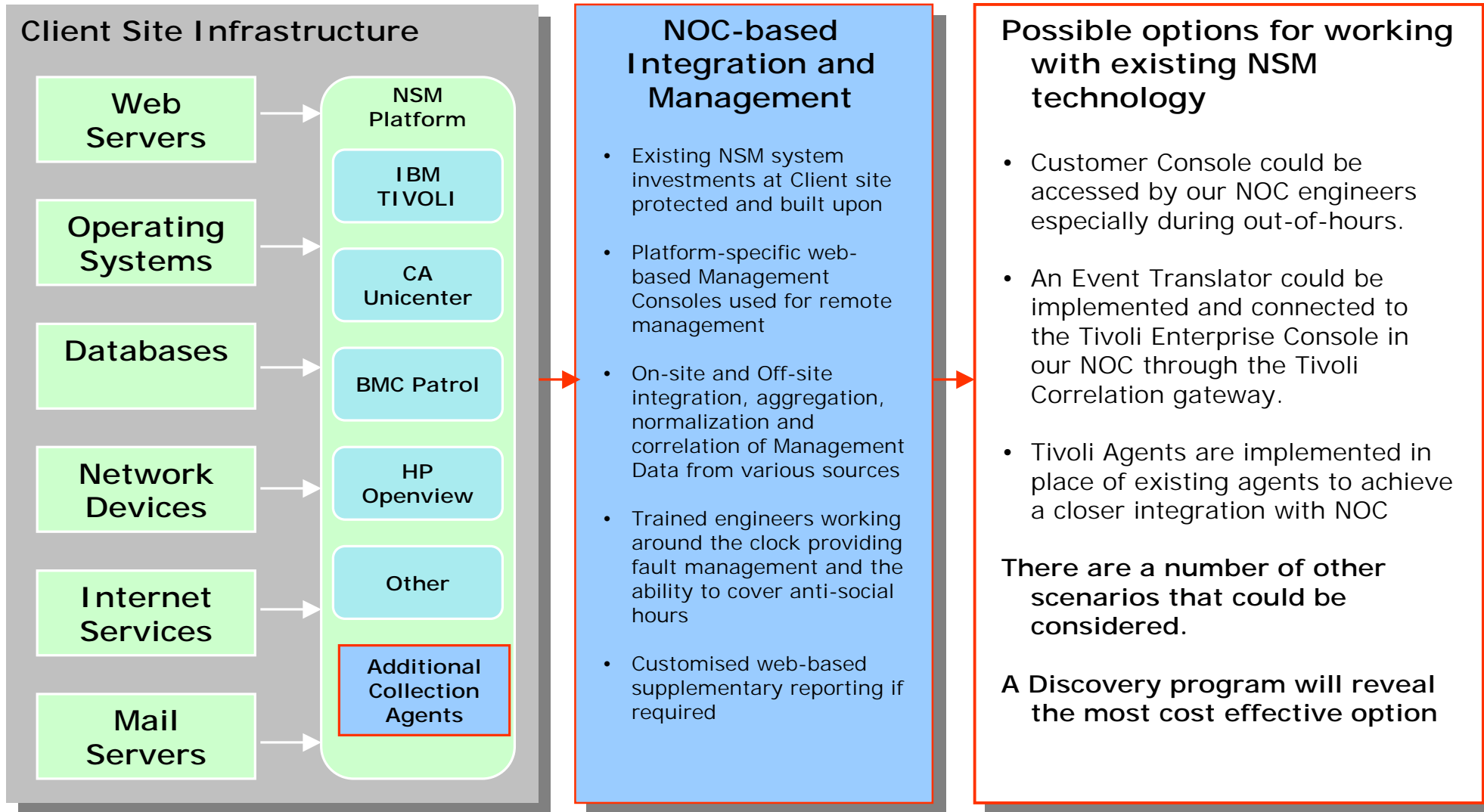
- What in-house resources are needed to initiate this project?
- How do I handle the integration of new external services with established work flow?



A phased implementation plan combines immediate benefit realisation with minimum risk



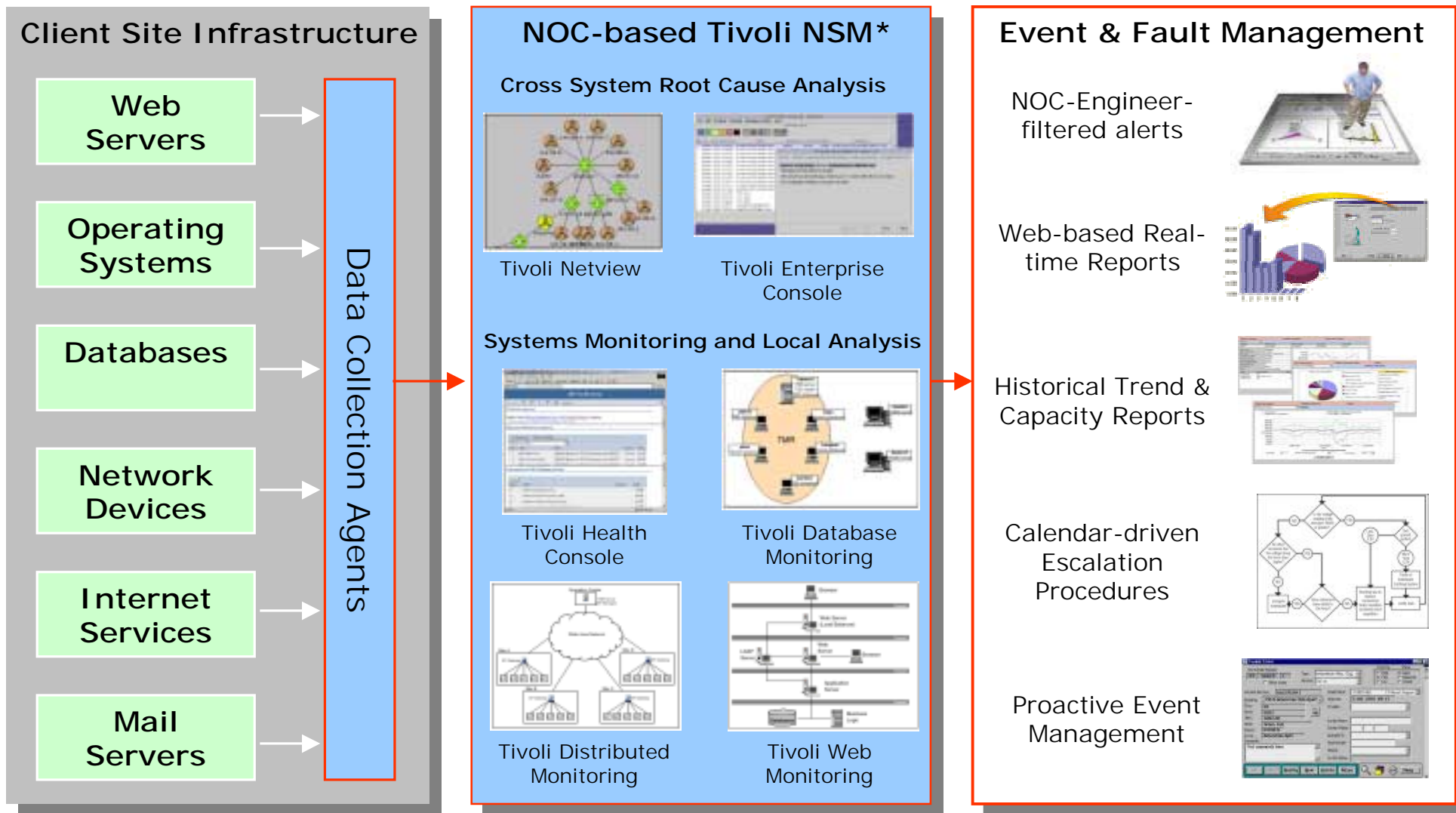
A migration strategy, including a pilot, must reflect any existing NSM technology investment



* NSM – Network & Systems management



However, our Tivoli-based Infrastructure Management Solution also caters for clients with **no** large investments of their own in NSM*

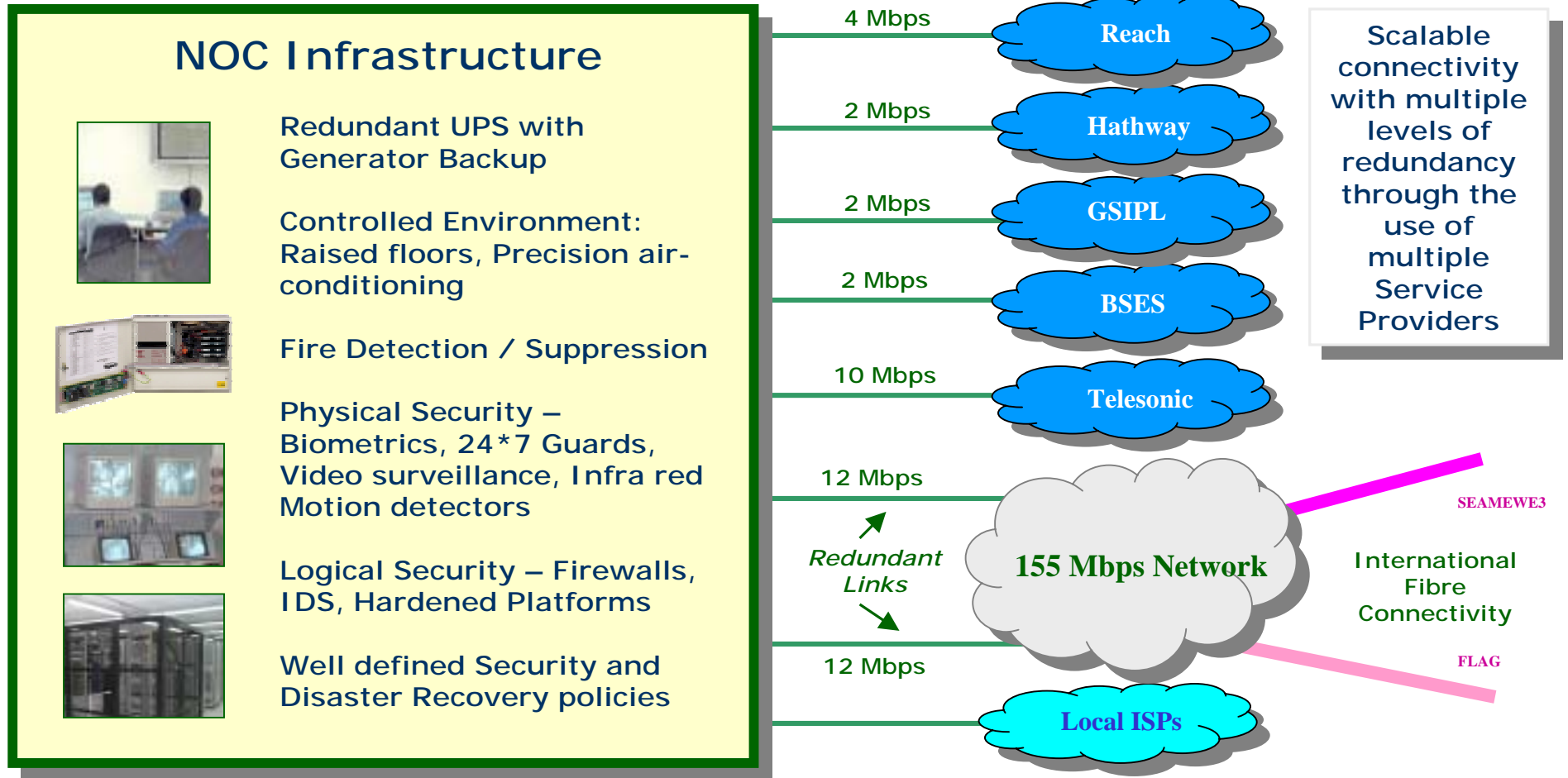


* NSM – Network & Systems management



Network Management is carried out from a Secure NOC with world-class infrastructure arrangements that enhance reliability

Secure and Reliable NOC Infrastructure with Redundant Connectivity



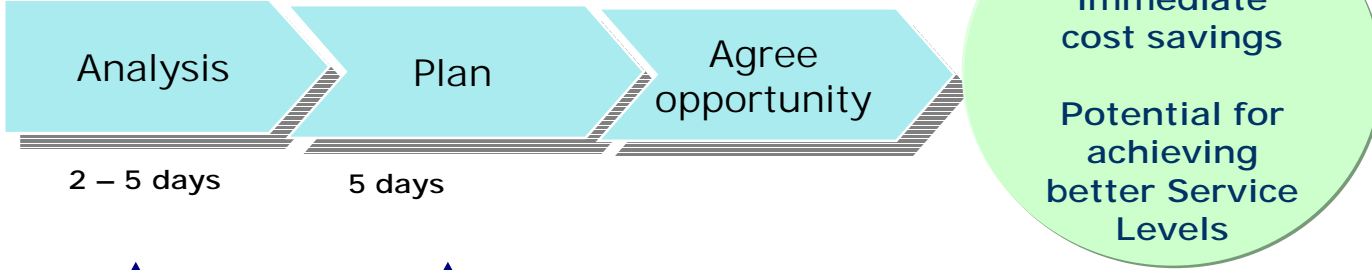
Selected Customer Case Studies

Customer	Service	Delivery	Benefits
Texas based Data Centre	Remote 24 x 7 Help Desk and troubleshooting services for around 3000 Servers	E-mail and Chat calls resolved through trouble ticketing procedures Remote log-in to Servers to resolve system related problems	Estimated cost savings of over \$200k per annum by out-tasking these activities
Large Hotel Chain	Remote 24 x 7 Management of 7 E-mail Servers	Mail Server ports are monitored for availability and any problems detected are handled proactively by taking full ownership until resolution	Increased availability of a critical service ensured by specialist technicians Hotel IT staff can focus on more productive projects
Hosting Services Provider	Server Monitoring Services for customers clients	Tivoli agents are deployed in these Servers and remotely monitored	Customer can provide own label monitoring service without investment in NOC and related Monitoring infrastructure
Leading European Bank	Remote 24 x 7 Health Management of Application Server and Database Server	Tivoli agents with the appropriate configuration for each server collect and transmit over the Internet through a secure connection	Web based Customer Portal shows real time reports on the health of each server Performance has been improved by unearthing problems



OPTIMACY proposes a 'Discovery' activity to estimate the scope and extent of the savings opportunity and a further pilot to prove the concept

Discovery

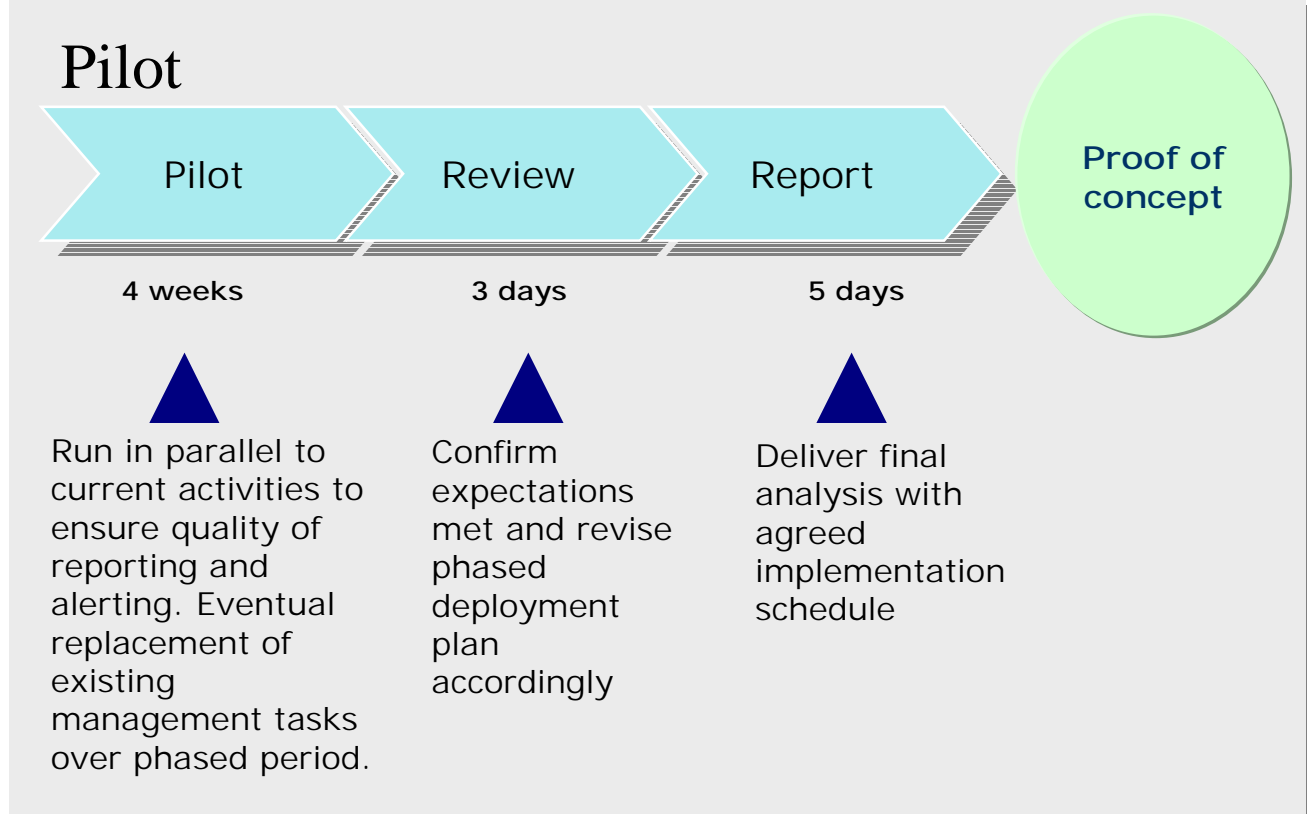


Milestones

▲ Interview key personnel to discover areas requiring analysis. This will deliver an "AS-IS" viewpoint of systems with a "TO-BE" list of desirable objectives

▲ Document via SOW a detailed pilot implementation plan.

Pilot



Profiles of the Executive Team

Malcolm Roberts: Malcolm has held senior Board roles in the IT industry having served as Chairman and CEO of NCR (UK) and more recently as CEO of Kalamazoo Group PLC. At NCR (UK), over a period of eight years he has served in a variety of European operational and sales management roles as well as Strategy and Change management roles. He is a hands-on manager with practical experience of developing IT Services / Professional services revenue streams from the ground up.

Edward Ben-Nathan: An IBM Veteran of 35 years, Edward's most recent experience has been as a certified Senior Consultant in IBM's Strategy and Change Consulting Practice, leading consulting engagements focused on the intersection of business and IT. Core capabilities are focused on developing and managing client relationships and enabling clients to assess and respond to the business impacts of technology. These capabilities are based on a strong technical background and experience of several industry sectors.

Chris Unsworth: Chris has worked in senior Director and VP level European Marketing roles in Network hardware and services companies such as Genuity, Nortel, Fore Systems and 3Com. His career achievements include leadership & management of a motivated team of professional marketing staff, championing achievement of ambitious growth plans and increased profits, establishing new branding and introducing new lead generation programmes.

Keith Baxter: Keith was until recently the Head of Technical Services of Tesco, UK's largest retail chain, where he was responsible for the UK and Republic of Ireland infrastructure across all platforms including voice and data networks. Built and developed from scratch a team of Technical Service and Project Managers to implement a performance management and service culture across a complex multi-platform environment. He has created and delivered platform strategies for data networking, storage and servers (Windows, Unix and Mainframe).

Leigh Davenport: Leigh was until recently the Managing Director of the Maintenance and Remote monitoring division of a UK based Cisco Silver partner. Leigh has extensive operations and business development experience having turned around the profitability of his division within eighteen months from start. Prior to this Leigh served in various Sales and Operations roles within the same company and in technical and customer service roles in companies such as Amdahl and Memorex Telex

Radha Mocherla: Radha is a former MD of a Fortune 500 subsidiary, turned IT Services entrepreneur. He has over the last two years been involved in a number of IT start-ups, most notably as Interim MD of the European division of ORAMASTERS, an Oracle technology services start-up based out of the US. He has first hand knowledge of the capabilities of Indian IT services companies having started a company based out of Delhi to provide high end Networking services to European customers.