

# Maximize ROI With Cloud-based IT Operations Management

WHITEPAPER



When it comes to IT operations management (ITOM), increasing rates of technological innovation and product obsolescence pose significant working and financial challenges for IT organizations.

IT is in the midst of a fundamental shift. IT organizations are moving away from owning, deploying, and operating the infrastructure and applications that its internal clients select. IT is moving toward brokering IT as a service to multiple lines of business throughout the enterprise.

According to Gartner, “The role of the IT organization is to be the value-added enabler for the most effective and efficient use of services across the enterprise.” This new role fundamentally changes service delivery and management for IT, and it alters budgetary considerations.

Despite the industry’s current state of evolution, the pressure on IT to improve operations and show results is relentless. Going forward, IT organizations must learn to demonstrate return on investment (ROI) in both financial terms and business impact.

## Evolution of ITOM Software

In the past, IT operations was about building and maintaining large-scale, monolithic systems. With digital transformation now atop many CEOs' agendas, the onus is on IT to support higher levels of innovation and agility. This has led to the emergence of bimodal IT, which calls for embracing agility while maintaining a base of traditional IT practices. In fact, Gartner estimates that by 2017, 75% of enterprises will build bimodal expertise.

In this new era of bimodal IT, what is keeping enterprise IT professionals up at night?

### Lack of Visibility

Traditional ITOM tools have trouble delivering the visibility required today. Many tools were built based on outdated assumptions, like the technology infrastructure is on-premises, is behind a secure firewall, and is an in-house asset. The reality has changed and enterprises are using a combination of private clouds, public clouds and internal data centers.

### Shadow IT

According to research from McAfee, more than 80% of employees are using unauthorized SaaS applications, contributing to the Shadow IT effect. Enterprises are spending an average of \$35 million dollars per year on shadow IT. The days of IT professionals tightly controlling operations and managing technology assets as a single cost center are gone. Thanks to innovations in cloud computing and virtualization, new infrastructure solutions are available to anyone with a credit card.

### Slow Failure Resolution

Data center downtime is expensive, costing enterprises an average of \$7,900 per minute. Whether problems occur in on-premise infrastructure or elsewhere, the IT organization needs to diagnose the root cause of failures and ensure a rapid time to resolution.

### Inability to Handle Growth

Enterprise-grade ITOM is resource intensive. The larger the environment grows, the larger the resource requirements become. Managing all the hardware and software assets required for on-premise ITOM tools is a big responsibility and a big cost.

### Tool Proliferation

There is a staggering amount of tool proliferation across ITOM disciplines. Gartner has found that close to 67% of enterprises use more than six monitoring tools across different service delivery teams. This creates serious training, management and budgetary challenges.

## Business Challenges

Here are some questions IT should examine while preparing to quantify and communicate the value of cloud-based IT operations management solutions to business leaders.



### Issue: Unplanned Downtime

- Can we assign a dollar value to each minute of IT downtime?
- What is our average incident length? What is our average cost per incident?
- Do we have the ability to monitor and manage incidents across data centers, private clouds, and public clouds?
- If our critical services are hosted, do we have the ability to proactively track service degradation?
- Can we address events and alerts for an application that is hosted across a hybrid cloud and pinpoint root causes quickly?



### Issue: IT Transformation

- How much of our team's time every month is spent dealing with urgent escalations and firefighting?
- On a monthly basis, how much time is our team spending on strategic IT initiatives as opposed to 'keeping the lights on'?
- Are we able to launch and complete new projects to help transform our enterprise?
- Can we deliver applications at a release velocity of days or weeks as opposed to multiple quarters or years?



### Issue: Tool Sprawl

- How many tools do we currently own? Can this number be reduced?
- What do we expect to spend over the next three years on tool licensing, hardware, training, upgrades, and maintenance?
- How many full-time employees do we need for ITOM tools today?
- Are we able to integrate point tools for a unified view of IT operations?
- Are we able to establish root cause and be the first to know when an incident occurs?

# Move to SaaS-based IT Operations Lifecycle Management

IT's role is transforming into that of a service provider supporting the delivery and consumption of internal and external services. Spanning the physical, virtual, and application worlds, IT operations management requires a level of administration that far exceeds basic monitoring and patching; IT is expected to continually ensure uptime, control costs, expand its service portfolio and manage risk.

What does all this mean in practical terms? As mentioned, today's modern IT organization is compelled to prove ROI both financially and strategically. Here are a few tangible examples of how companies are benefiting from SaaS-based ITOM solutions today.



## Higher Availability

The right ITOM solution helps companies avoid unplanned downtime by predicting failure(s) of mission-critical infrastructure and applications before the business is impacted. Service maps allow IT to visualize the components that comprise their IT services and manage them as an entity at the service level to report what is relevant to the business.



## Accelerating Problem Resolution

Alert- and event-level visibility help identify and isolate incidents occurring in the IT environment in real time. At one retailer, IT improved its ability to discover issues before business users 95% of time, with more than 70% of incidents resolved within the SaaS ITOM platform.



## Doing More With Less

Centralized IT monitoring and management empowers fewer people to oversee and optimize the performance of IT resources. One global leader in the travel industry saved 400 hours of staff time per month – \$21,000 in monthly cost savings – by unifying management of office systems, data centers, and branch IT.



## Moving Up The Value Chain

Many routine tasks are automated so more time can be focused on innovation and strategic IT projects. One enterprise IT organization handles more than 30% of incidents using runbooks, and 85% of repeat incidents can be addressed with standard operating procedures.



## Future-Proofing IT To Protect ROI

SaaS-based solutions ensure the latest technologies are always available, removing the burden from IT to build and maintain custom tools. The SaaS vendor also assumes responsibility for the platform infrastructure and data management that often creeps in scope and complexity over time.

## Maximize ROI on ITOM Spend

Whether your organization is focused on managing hybrid cloud environments, improving application performance, getting more out of converged infrastructure, or just keeping infrastructure available, you need to maximize the ROI on ITOM spend. We are in an era of tight IT budgets, and IT leadership is under pressure to contribute to its organization's financial and competitive wellbeing.

Vistara Lifecycle Management meets today's complex IT challenges while delivering outstanding ROI, freeing up valuable resources to help IT organizations deliver more strategic value.

Vistara's solution for IT operations is a comprehensive, cloud-based approach that enables enterprise IT to deliver unified IT operations management. Vistara strikes a balance between speed and stability, leveraging all the advantages of the cloud without the risk of unmanageable change.

Our enterprise command center is a management console that delivers information from multiple sources. This allows enterprise IT staff to view complex operational data in a manner that is easy to visualize, interpret, and act upon. Vistara's enterprise users realize significant business benefits, including improved business agility, increased ability to allocate IT resources for high-value activities, reduced risk, and less downtime.