

# IT Key Metrics Data 2023: Infrastructure Measures — Windows Server Analysis

Published 8 December 2022 - ID G00779725 - 6 min read

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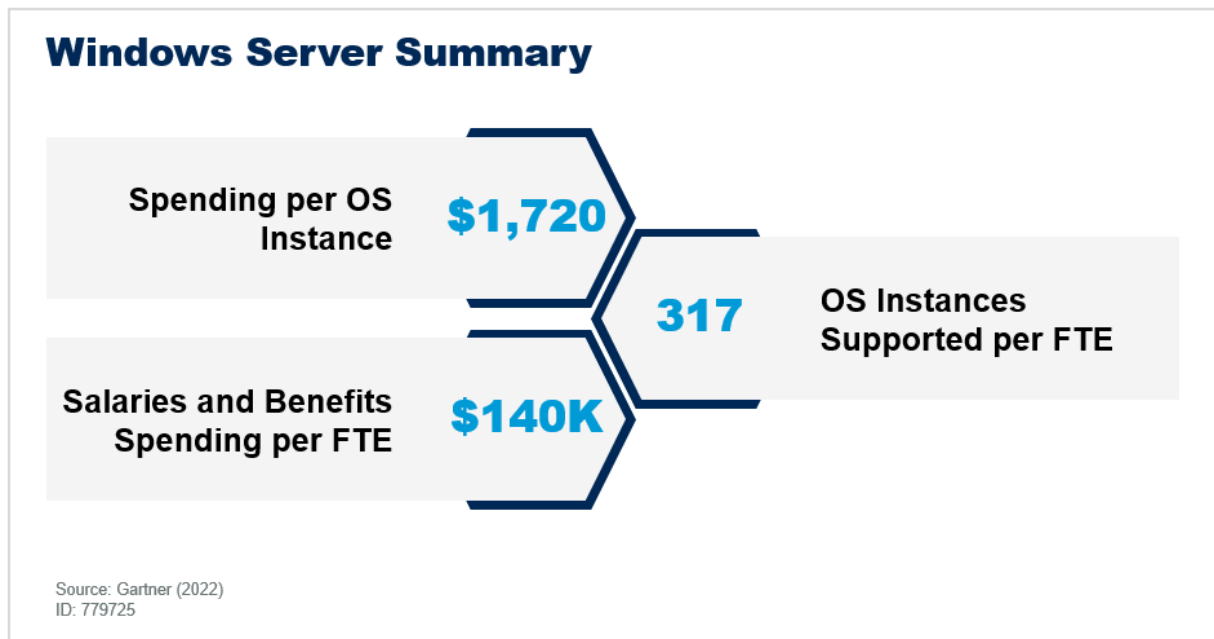
Initiatives: [Technology Finance, Risk and Value Management](#); [I&O Operations Management](#); [I&O Organizational Strategy](#)

The modernization of the digital workplace will bring along new spending requirements, and IT cost optimization will become increasingly important. IT leaders must quantify and communicate the benefits of collaboration, innovation and transformation being promised, as well as the steps they take to keep unnecessary spending in check. This research contains high-level Windows Server spending efficiency and staff productivity benchmarks which should be used as part of a perennial cost and value optimization program. The published information includes data collected throughout 2022 from a global audience of CIOs and IT leaders.

## Overview

The aim of this report is to help IT organizations assess their Windows Server spending and staff efficiency at high level through the use of unit cost, productivity and technical landscape metrics. These KPIs can be found in the summary figure below as well as throughout the report in more detail and context.

Figure 1: Windows Server Summary



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## Key Findings

- The sample shows continued improvements in cost efficiency (Cost per OS Instance) and staff productivity (OS Instances per Staff).
- Higher personnel costs per Windows FTE driven by a tight job market didn't stop the cost efficiency improvements. Inflationary pressures may begin to have an effect in the coming year.
- Automation and virtualization are most likely behind the improvements in staff productivity.

## Recommendations

- Evaluate your organization by leveraging the available published content or receive a report tailored to your organization by completing the [IT Key Metrics Comparison Tool: Data Center & Network](#).
- Refer to the available supporting documentation such as the [Data Center Framework Definitions](#) to better understand the consensus model and the methodology behind the metrics.
- Follow the [Practitioners Guide](#) to best prepare your data for comparison.
- Schedule an [inquiry](#) with a Gartner Expert to address alignment questions or to review your results and gain valuable insight based on your submission.

## Analysis

Clients improve business performance by benchmarking their spending, staff and best practices against Gartner's IT performance repository, the largest in the industry, drawing on over 5,000 IT benchmarks a year.

The produced metrics aim to help CIOs and IT Leaders evaluate the full life cycle management of all relevant Windows Server assets, both tangible and otherwise. By doing so, they will be better prepared to answer broader strategic questions such as whether it makes business sense to move workload to the cloud.

This report follows a top-down approach to the way the metrics are presented by starting with unit cost as the main spending efficiency indicator. We then strive to understand what is the effect of each asset to the unit cost by examining separately Personnel, Hardware, Software and External Services. The benefit of this method is that it reveals which elements of spending draw the most funds and identifies the key cost drivers for more actionable recommendations.

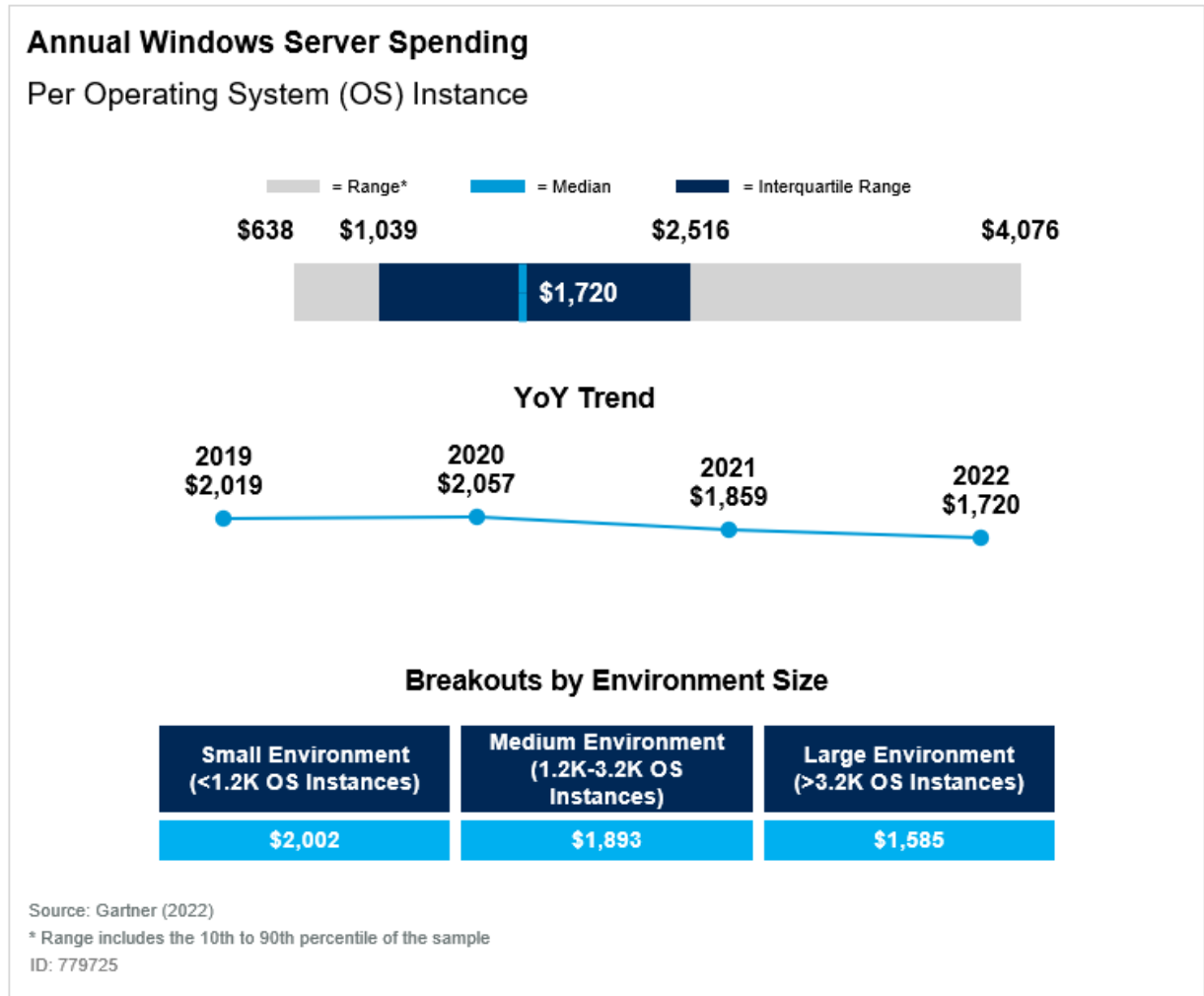
The metrics explored are database medians and do not account for individual variations of service quality, complexity or demand which may be justified by specific business needs.

## Annual Windows Server Spending per OS Instance

This metric is often used to evaluate the relative spending efficiency level of the overall Windows Server environment. While total OS instances represent total capacity under management, this unit measure alone does not accurately represent spending related to the actual availability or utilization of resources, nor does it provide any insight into the spending associated with specific tiers of service levels delivered.

It should be considered within the context of business requirements (service levels), utilization levels, virtualization density, and overall enterprise compute strategy.

Figure 2: Annual Windows Server Spending per OS Instance

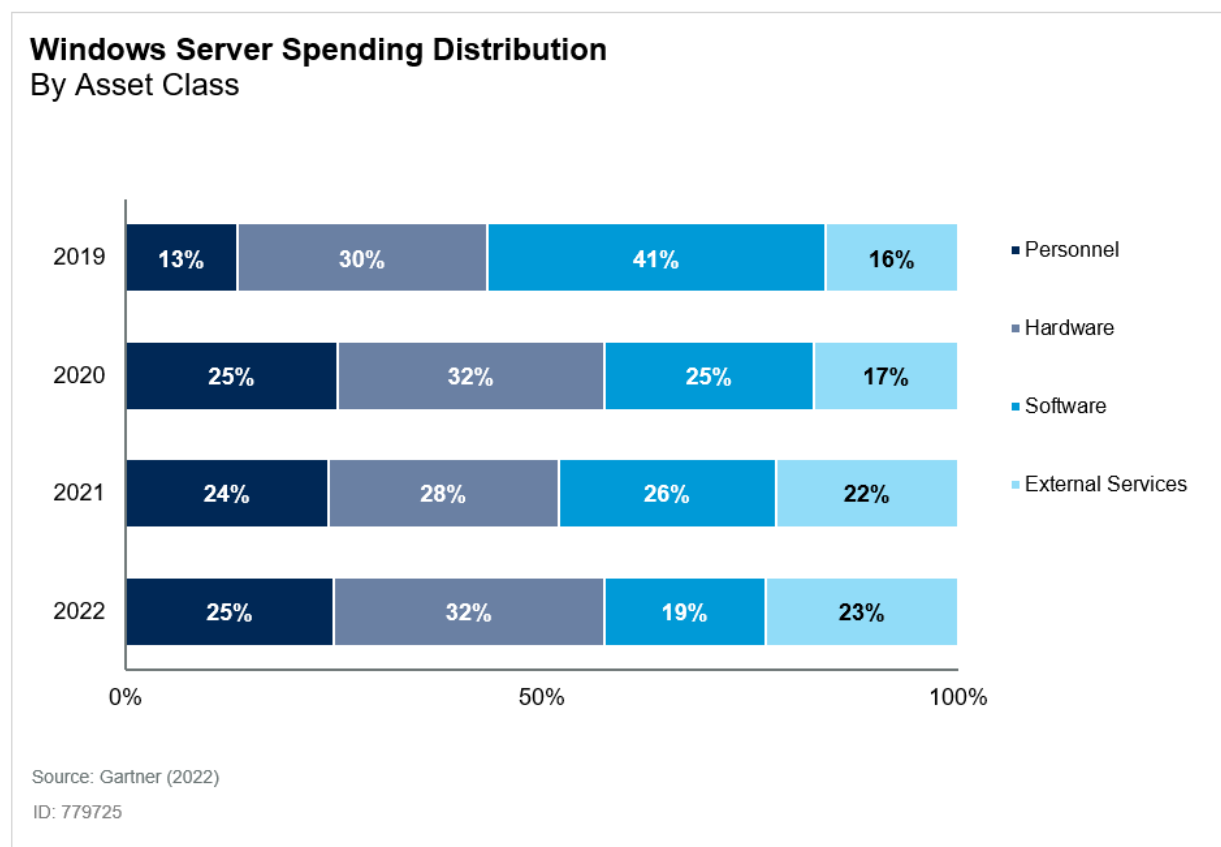


Windows Server Spending Distribution

This metric provides an understanding of how Windows Server spending is dispersed across the four Gartner consensus model asset classes. This distribution helps to outline personnel versus non-personnel related cost allocations. The degree in which an organization outsources can play a significant role in altering this distribution as personnel spending is typically the primary expense.

It is not uncommon to reduce spending in one asset only to have the follow-on effect of passing those costs off to another. By monitoring investments across all assets, such cost transfers within IT can be more visible.

Figure 3: Windows Server Spending Distribution

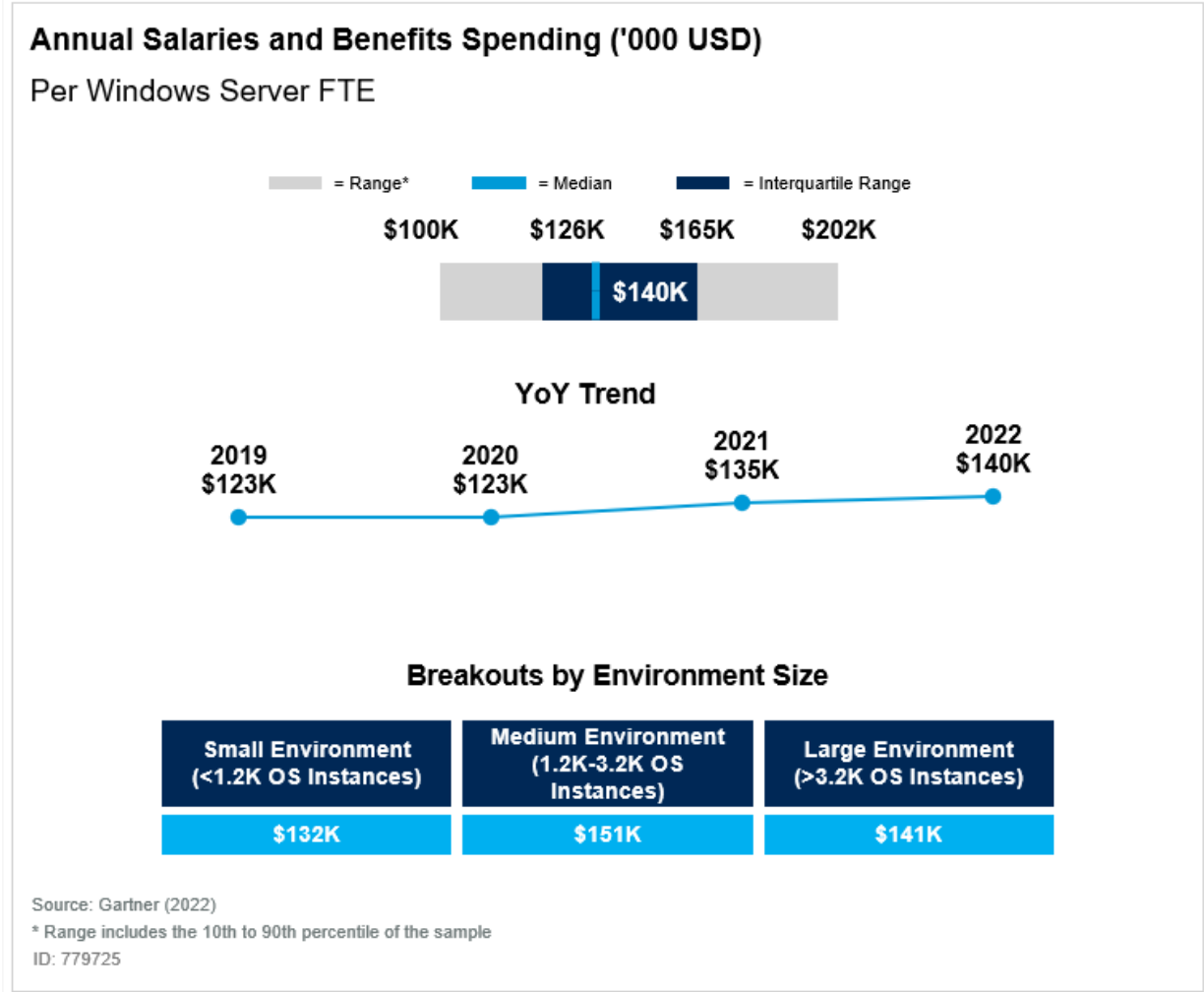


Annual Salaries and Benefits Spending per Windows Server FTE

Compensation metric that provides the median annual spending on salaries and benefits for a Windows FTE. This cost will vary depending on geographic location, experience, and expertise. This measure is best used within the context of the skill requirements for the various roles within the technology environment depending on the environment structure and level of complexity.

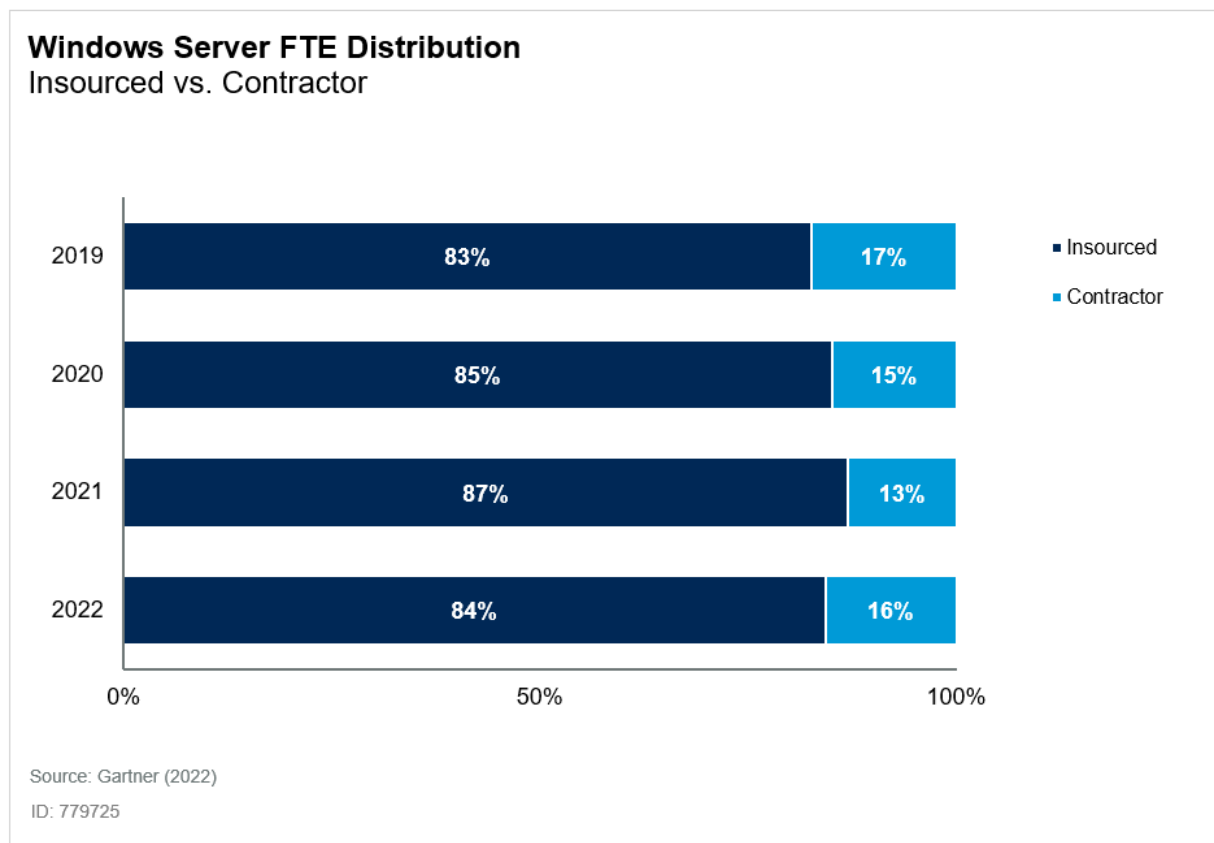
Questions to consider can be along the lines of: *What percentage of the environment FTEs are management versus engineering? What services/roles are outsourced to a third party? How does the use of contractors and/or offshore labor impact your costs?*

Figure 4: Annual Salaries and Benefits spending per Windows Server FTE ('000 USD)



Windows Server FTE Distribution: Insourced Versus Contractor

The distribution of Windows headcount between insourced and contract FTEs can help provide a view of the Windows Server staffing strategy. IT contract labor or contractor usage can be an effective approach to maintaining flexibility and agility when business conditions are changing. However, keeping contractors for extended periods can be more costly and limit process standardization if the associated knowledge, IP and processes are not well documented and captured within the enterprise.

**Figure 5: Windows Server FTE Distribution: Insourced vs. Contractor**

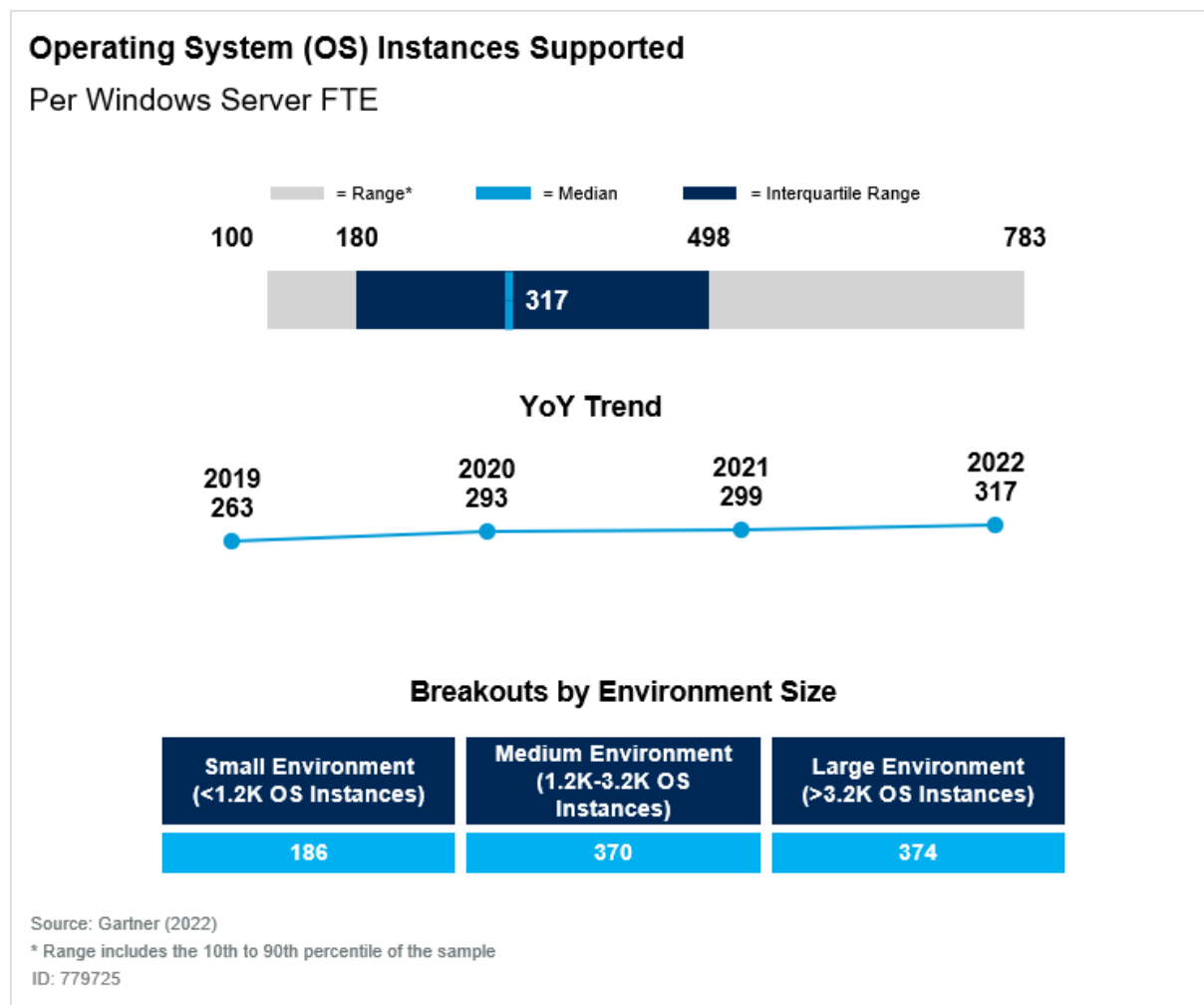
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### OS Instances Supported per Windows Server FTE

This is the core productivity metric and provides a look at dedicated FTE output levels. Understanding the productivity of your IT staff in terms of instances supported can be very helpful in establishing an efficient and effective workflow as well as ensuring your support staff is the “right size.” Productivity levels can be further understood when examined in tandem with service level metrics such as the number of cores per instance, virtualization rate and availability percentage. It is important that it is not only viewed as a fixed objective but also with respect to the quality of service delivered and business requirements.

If your support staff is supporting more than the median of the published sample, you can consider the following questions: *Is this level of productivity sustainable? How will you adapt to required future growth or complexity? Are there any issues such as language, time differences, and non standard technology handled?*

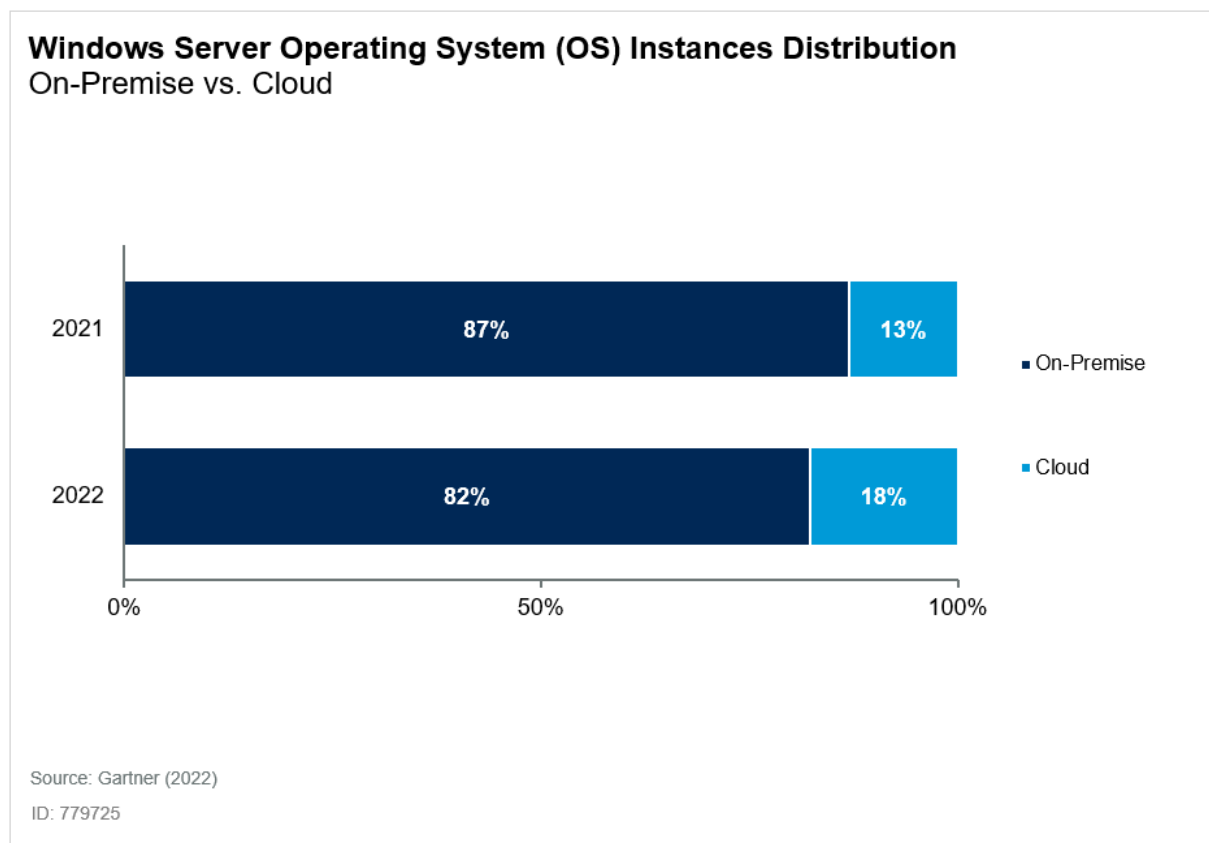
Figure 6: OS Instances Supported per Windows Server FTE



### Windows Server Instances Distribution: On-Premise Versus Cloud

This distribution provides insight into the extent of cloud penetration in the instance mix. Cloud instances have different cost profiles compared to their on-premise counterparts and can largely affect unit cost metrics.



**Figure 7: Windows Server Instances Distribution: On-Premise Versus Cloud**

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## Conclusion

A successful IT performance measurement program communicates metrics that are important to a target audience. [Kick-Start Your IT Value Story With Metrics That Matter](#) provides additional insight into overall performance management beyond spending and staff.

By quantifying spending relative to a defined framework, IT leaders can determine relevant cost drivers through understanding:

1. Top level efficiency and productivity metrics
2. Variances below the top level of spending
3. The relation of one metric to another
4. Environmental factors within the organization

## Recommended by the Authors

*Some documents may not be available as part of your current Gartner subscription.*

["IT Key Metrics Data 2023: Infrastructure Measures — Executive Summary"](#)

["Cost Optimization Lessons Learned Through a Crisis"](#)

["Critical Capabilities for Hyperconverged Infrastructure Software"](#)

["Critical Capabilities for Cloud Infrastructure and Platform Services"](#)

["Magic Quadrant for Cloud Infrastructure and Platform Services"](#)

["How to Identify Solutions for Managing Costs in Public Cloud IaaS"](#)

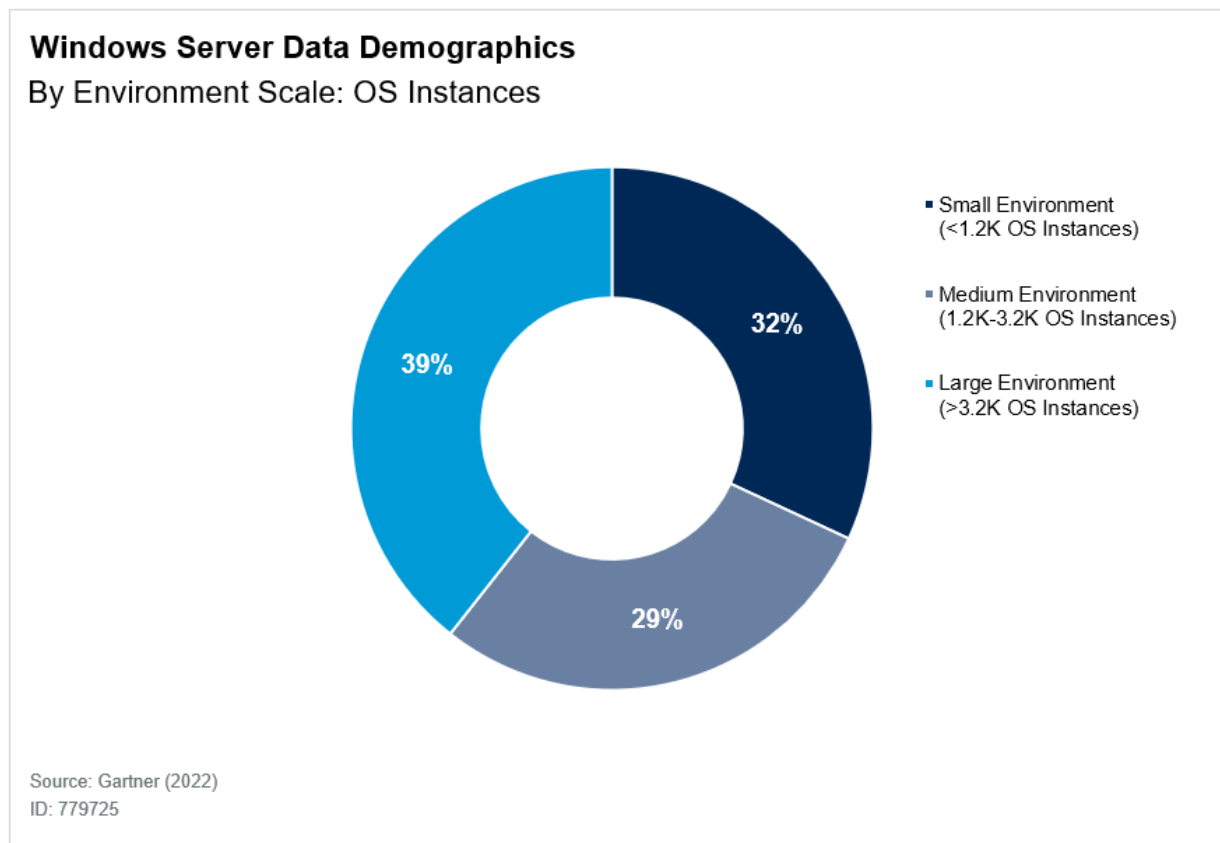
## About This Research

This research contains relevant database averages, medians and ranges from a subset of metrics and prescriptive engagements available through [Gartner Benchmark Analytics](#) consulting-based capabilities.

Calculations were made using worldwide observations.

## Evidence

To offer some insight into the characteristics of the Windows Server analysis data, the figure below outlines the distribution of the Windows Server analysis data across the "Small," "Medium" and "Large" environments as defined in the legend.

**Figure 8: Windows Server Data Demographics: By Environment Size**

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## Document Revision History

IT Key Metrics Data 2022: Infrastructure Measures — Windows Server Analysis - 16  
December 2021

IT Key Metrics Data 2021: Infrastructure Measures — Windows Server Analysis - 18  
December 2020

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