IBM Turbonomic enables applications to operate at the speed of the business, assuring performance and maximizing cost efficiency in both the datacenter and public cloud while reducing the burden on scarce IT talent

Organizations must take application resource management seriously in order to deliver faster, more reliable experiences to their internal and external customers while also optimizing operations and reducing costs.[1] Modern, resilient operations build on established operations practices and improves them with data, automation, and a focus on the customer. This new orientation is necessary to ensure technology operations become a recognized component of business success.[2]

IBM commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying IBM Turbonomic Application Resource Management.[3] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact IBM Turbonomic Application Resource Management can have on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed five customers with experience using IBM Turbonomic Application Resource Management. For the purposes of this study, Forrester aggregated the experiences of the interviewed decision-makers and combined the results into a single composite organization.

INVESTMENT DRIVERS

The interviewees described their organizations' struggles with common challenges, including:

- **On-premises infrastructure and public cloud consumption costs escalated.** Each of the

Return on investment (ROI)
471%

Net present value (NPV)
$13.16M

interviewees run their business-critical application estate across an on-premises, public cloud, containers, and/or hybrid environment. As application estates and the resulting resourcing requirements grew, the interviewed customers cited a sharp increase in cost to maintain application performance. The US-based insurance interviewee summarized this challenge in their organization's "self-service" resourcing requests, noting: "Users and developers can come in and request their virtual machines with specific resources, and nine times out of 10, they hit the drop box, go all the way to the bottom, and they select the biggest number they see there. It really drove costs."

- **Application performance often suffered.** Business-critical applications frequently felt the effects of these expanding costs at the interviewees' organizations as under-resourced applications affected end users, end customers, and the related business outcomes. A lack of visibility into application resources also meant that some workloads remained overprovisioned, further contributing to the cost problem. Despite the best efforts of IT personnel, there were simply

too many resource provisioning and scaling actions required to maintain optimized performance across the application estate. IT was overwhelmed, and application inefficiencies reigned.

- **Short-staffed IT teams struggled to keep up.** Despite the best efforts of the interviewees' IT personnel, escalating infrastructure and cloud provisioning tasks, application resourcing, and related support tasks often overwhelmed these teams. A short supply of talent with these skills in the labor market made it difficult to augment or backfill existing personnel resources.

KEY RESULTS

Based on the interviews, the composite organization achieves the following key results:

- **Reduced on-premises infrastructure expenditure by nearly 30% annually.** By rightsizing oversized workloads and maintaining appropriate application resourcing levels thereafter, the interviewed organizations saved on infrastructure costs via avoided refreshes and more accurate (and less costly) infrastructure provisioning moving forward.

- **Avoided public cloud consumption cost by 33%.** By extending IBM Turbonomic deployments to their public cloud workloads, several organizations greatly reduced their consumption spend through dynamic scaling and more effective resource planning. Several organizations saved more than $1 million annually on public cloud spend alone.

- **Reclaimed more than 50 hours of IT personnel time per FTE each month.** After deploying IBM Turbonomic, interviewees cited key efficiencies for their heavily taxed IT personnel around application resource planning, procurement, and support. Through improved visibility and automation capabilities on IBM Turbonomic, the organizations saved significantly

on IT personnel hours while achieving results that would have been impossible at any level of IT staffing before.

- **Realized end-user business benefits worth more than $2.5 million annually.** By providing better-resourced and better-performing business-critical applications to the organizations' business users and external customers, business outcomes improved with IBM Turbonomic.

- **Improved employee experience for IT personnel.** By automating many of the often-reactionary tasks that can only be executed by software at scale, IT personnel can spend more time innovating and launching services to market faster.

- **Time to market and revenue impact.** Some interviewees anecdotally noted the effect that improved application performance can have on their organization's ability to drive revenue and time to market.

- **Improved visibility.** Every interviewee highlighted benefits pertaining to a better view into their organizations' application resourcing requirements with IBM Turbonomic.

- **Environmental sustainability.** Every organization interviewed by Forrester optimized their application resource consumption either in the datacenter, the public cloud, or both. Forrester's research notes that optimizations such as these impact an organization's long-term energy consumption profile.

> **"Not only are we reclaiming resources and saving money with Turbonomic, but we're also making our key applications run better too. Apps we didn't even know were necessarily suffering before."**
>
> *Senior technical architect. insurance*

TOTAL ECONOMIC IMPACT ANALYSIS

For more information, download the full study: "The Total Economic Impact™ Of IBM Turbonomic Application Resource Management," a commissioned study conducted by Forrester Consulting on behalf of IBM Turbonomic, January 2022.

STUDY FINDINGS

Forrester interviewed four] decision-makers at organizations with experience using IBM Turbonomic and combined the results into a three-year composite organization financial analysis. Risk-adjusted present value (PV) quantified benefits include:

- On-premises infrastructure savings
- Public cloud consumption cost savings
- IT administrator productivity savings
- End-user business benefits from improved application performance

Return on investment (ROI)

471%

Net present value (NPV)

$13.16M

Appendix A: Endnotes

[1] Source: "Gauge Your Infrastructure Automation Maturity," Forrester Research, Inc., July 17, 2020.

[2] Source: "Build The Business Case For Modern, Resilient Operations," Forrester Research, Inc., August 2, 2021.

[3] Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.