# Streamlining IT Operations: Bridging the Gap Between IT Effectiveness and Cost-Efficiencies

An ENTERPRISE MANAGEMENT ASSOCIATES® (EMA™) White Paper Prepared for Kaseya

Prepared by Steve Brasen

August 2020



IT & DATA MANAGEMENT RESEARCH, INDUSTRY ANALYSIS & CONSULTING

## THE TRUE COST OF IT OPERATIONS

The backbone of any modern-day enterprise is the successful delivery of IT services that empower workforces and drive business performance. Unfortunately, the implementation, maintenance, and end-user support requirements for delivering IT services that are essential for driving business performance typically come with a hefty price tag. Significant changes in business requirements and service delivery models introduced over the last decade or so have only served to accelerate demands on IT budgets. For instance, end users now employ a wide variety of device form factors (desktops, laptops, and mobile devices) running a diverse range of operating systems (Windows, macOS, iOS, Android, Linux, ChromeOS, etc.), and each new type of managed device requires additional applications, automated management tools, and knowledgeable support personnel. Similarly, the IT resources (apps, data, email, and other IT services) that are accessed via user devices are now distributed across complex networks consisting of internal servers, public clouds, SaaS solutions, and web services. Additionally, increasing requirements for supporting mobile and remote workforces, which accelerated over the past few years, suddenly became the single greatest challenge following the COVID-19 pandemic and the subsequent regional stay-at-home orders. Collectively, these challenges are intensifying the financial burdens on IT organizations.

According to EMA primary research, more than half of all businesses today consider "cost reduction" to be a primary focus of their current IT management strategies.<sup>1</sup> Related IT management cost elements can be logically organized into three primary categories:

- **Capital Expenditures (CapEx)** Includes any purchased hardware or software technologies, such as servers, user devices, applications, administration tools, and infrastructure resources. Cost inefficiencies often arise when servers are overprovisioned, resources are not operating with expected performance or capacities, and excessive software licenses are purchased but not broadly used.
- Operation Expenditures (OpEx) Includes cost elements for maintaining IT investments and the ongoing support of end-user IT requirements. Relevant components of OpEx include costs associated with training administrators, retaining knowledgeable personnel, and the time and effort IT staff spend performing administrative tasks. It is important to recognize that administrator time spent resolving mundane IT issues is time they are not spending improving overall IT performance and/or adding new business-focused services. Additionally, SaaS and cloud services can incur significant OpEx costs even as they reduce CapEx expenditures.
- Indirect Business Costs Both CapEx and OpEx indicate direct business costs because related elements are eminently quantifiable and can be tabulated on a balance sheet. However, a number of additional impacts to business expenditures should also be considered that are more challenging to numerically calculate. These include impacts to workforce productivity and the ability of IT to support business profitability.

<sup>1</sup> Orchestrating Digital Workspaces: The Emerging Digital Transformation of End User Computing



In an effort to ensure IT resources continuously meet key requirements, it is not uncommon for organizations to deploy and manage expensive technology implementations that consume budgets and erode profitability. Fiscal IT inefficiencies often occur over time as new technologies and services are layered on top of legacy resources, dramatically increasing management complexity. For instance, it is not uncommon for organizations to purchase management products each time they need to address a single, specific problem. Over time, this leads to a sprawl of unintegrated administration tools, which can be very difficult and timeconsuming for IT administrators to operate. In particular, administrators are often required to employ "swivel-chair management" in order to manually correlate events across multiple management tools and interfaces. Preventing or remediating cost inefficiencies requires a fundamental rethinking of IT management and provisioning processes.





## **BRIDGING THE GAP WITH IT EFFICIENCIES**

There is an unfortunate perception that taking steps to reduce IT expenditures will result in a proportional decrease in IT effectiveness. However, IT performance and cost-effectiveness do not necessarily need to be diametrically opposed forces. In fact, in most cases, strategic IT management process improvements will eliminate waste and drive significant cost reductions. Achieving this typically requires fundamental changes to an organization's culture. For example, IT purchases should not be approved without considering long-term capacity requirements and the technology's overall value to the business. This requires a commitment to cost-efficiency from the highest levels of management as line of business personnel will continuously pressure executives to purchase IT resources they perceive will simplify or improve the performance of their respective business roles. Expense management should be championed across all departments, and any planned IT purchases should be carefully examined to determine if more cost-effective alternatives or deployment options are available that can be adopted instead. Identified in this paper are the most effective practices for achieving IT cost-efficiency.

#### HARDWARE CONSOLIDATION

CapEx can be significantly reduced by consolidating backend hosted services and resources. While the traditional rule of thumb for provisioning service is to never utilize more than 60% of available system capacities (CPU, memory, network, storage, etc.), this approach is stunningly wasteful as the majority of the IT investments will perpetually sit idle. This can be mitigated significantly by transitioning services hosted on multiple smaller servers to larger-capacity systems that utilize common capacity reserves.

### TRANSITIONING TO CLOUD SERVICES

An even more efficient approach is to transition IT service to cloud environments to minimize or eliminate server maintenance requirements while achieving eminent scalability and improved high availability. According to EMA survey-based research results, 68% of organizations that transition applications to cloud services achieve quantifiable reductions in management costs.<sup>2</sup> In order to achieve substantial cost savings by adopting cloud services, however, it is critical to also introduce administration solutions that are able to directly monitor and support cloud implementations.

#### SOFTWARE RECLAMATION

Organizations should only deploy software licenses that are necessary to achieve business goals. While this may seem obvious, it is rather common for organizations to purchase excess software licenses that are never actually used by targeted employees. Software usage should be regularly monitored and any low-use or unused licenses should be reclaimed and redeployed. Not only will this reduce the direct costs of purchasing software licenses, but it will also minimize costs and efforts associated with deploying, patching, updating, and maintaining software packages.



<sup>&</sup>lt;sup>2</sup> Orchestrating Digital Workspaces: The Evolving State of Endpoint Management

#### POLICY-BASED AUTOMATION

Any repeatable IT management process can be automated, and the use of automation enables IT operations teams to do more with fewer resources. Scripts can be automatically executed on detection of a trigger event or on a set schedule in an endpoint management solution. Automation scripts can also be initiated by tier 1 technical support personnel to remediate an IT incident.

Auto-remediation of service tickets in the service desk solution enables "management by exception," when administrators are only required to address uncommon issues and only under circumstances in which their expertise is required. Auto-remediation is also a form of IT self-healing, when issues are resolved without administrator involvement. The process can be fully documented in the service ticket for future reference.



Automated solutions can support routine tasks (e.g., server maintenance, patching, software deployment, etc.) and can support workflows for addressing common IT incidents, such as performing a disk cleanup to resolve a low disk space issue. Defining policies that govern the execution of automation establishes standardization of IT management processes. Automated processes can be executed consistently and predictably to maintain system uptime.

In addition, IT can empower end users with the ability to resolve their own IT issues through self-service portals. End users may be given the ability to execute automation scripts, for example. This further offloads help desk agents and other IT administrators while speeding up time to resolution.



#### PROACTIVE PROBLEM PREVENTION

The least costly method for resolving IT problems is to ensure they do not occur in the first place. Organizations should continuously monitor supported systems for potential problem and non-compliant configuration states. Automation can be employed to immediately resolve any discovered issues or to rapidly alert IT administrators to issues that require further investigation. The goal should be to resolve problems before they impact users or business operations.

#### REMOTE USER MANAGEMENT

Organizations should adopt remote monitoring and management (RMM) solutions to efficiently support mobile workforces and work-from-home scenarios. Capabilities should include the ability to detect and centrally record details on device and application performance, allowing administrators to rapidly identify problems and perform root cause analysis without physically interacting with the device. Additionally, remote access and control features allow administrators to directly interact with devices to see what the users are experiencing and perform remediation tasks. With these tools in place, organizations will be prepared to adapt when suddenly and unexpectedly required to support remote workforces, such as has occurred with responses to the COVID-19 pandemic.



### CONSOLIDATE MANAGEMENT TOOLS

To prevent swivel-chair management, employ an integrated set of IT management tools. By replacing overlapping and redundant point products with an integrated, high-value toolset, an optimal platform can be introduced for a more economical price. An integrated management solution will be accessible from a centralized console and utilize common agents, asset databases, and reporting engines for all functionality. A particularly effective driver for improving IT efficiency is adopting solutions that provide integrated workflows across tools, since this allows administrators to spend less time switching between tools and more time looking for the right information to resolve specific problems.



## ADOPTING OPTIMAL SOLUTIONS

While process improvements and cultural changes are critical steps on the journey to streamlining IT operations, it is also essential to recognize the importance of partnering with solution providers dedicated to driving higher value in their products and services. "Value" can be quantified by comparing the total cost of ownership (TCO) against the expected return on investment (ROI). With a high-value solution provider, ROI will always substantially exceed TCO. For IT management, qualifying solution providers will include those that offer an integrated management suite that achieves holistic visibility across the support stack, employs policy-based automation, and delivers functionality that will help achieve IT cost-efficiency goals. Additionally, the solution should be easy to learn and intuitive to use so it can be rapidly deployed and effectively utilized.

As an example of a platform purpose-built to achieve high value in support of IT management, Kaseya VSA was introduced to support remote monitoring and endpoint management for desktops, laptops, servers, and network devices (SNMP). The platform automatically discovers endpoints, which are continuously monitored to detect and alert on problems and unusual conditions. Supported device details are graphically displayed on an easily digestible network topology map that can be drilled into to investigate collected asset information for rapid problem identification and root cause analysis.

Kaseya VSA's policy-based automation allows IT maintenance and remediation processes to be automatically implemented with agent-executed scripts. Scripts can be easily created using the included Agent Procedure Editor or imported from hundreds of shared and purchasable postings on the Kaseya Automation Exchange. The Remote Control feature enables session sharing with remote users, and Live Connect allows administrators to remotely perform management tasks without disturbing the end user. VSA also delivers seamless workflows across management tools to streamline IT operations and boost team productivity. For instance, the platform integrates directly with the BMS/Vorex service desk solution and IT Glue to allow VSA automation scripts (agent procedures) to be executed directly from the service desk and IT documentation tools. In addition, users can easily access IT Glue documentation from the VSA Live Connect window. Additional features include support for patching and software vulnerability management, security management, and backup and recovery management—all from a single UI.





## **EMA PERSPECTIVE**

At the core of responsible IT management is the essential requirement to maintain an effective balance between cost-efficiency and IT effectiveness. The introduction of IT cost reductions should never come at the expense of reducing IT performance. Despite widespread skepticism, it is possible to ensure IT effectiveness without compromising enterprise budgets with the strategic introduction of process improvements. Cost-efficiency processes and new management solutions should be introduced gradually and systematically, allowing sufficient time to work out any issues or financial impacts between each improvement step. Cost advantages, in particular, can be achieved by leveraging the capabilities of automated management tools that align with business goals. Policy-based IT management solutions, such as Kaseya VSA, provide the foundational functionality to transform wasteful and unreliable IT implementations into cost-effective and high-performing operations.

## **ABOUT KASEYA**

Kaseya<sup>®</sup> is a leading provider of complete IT Infrastructure Management Solutions for managed service providers (MSPs) and internal IT organizations. Through its open platform and customercentric approach, Kaseya delivers best-in-breed technologies that allow organizations to efficiently manage, secure, and back up IT. Kaseya IT Complete is the most comprehensive, integrated IT management platform comprised of industry-leading solutions from Kaseya, Unitrends, Rapidfire Tools, Spanning Cloud Apps, IT Glue, and ID Agent. The platform empowers businesses to command all of IT centrally, easily manage remote and distributed environments, simplify backup and disaster recovery, safeguard against cybersecurity attacks, effectively manage compliance and network assets, streamline IT documentation, and automate across IT management functions. Headquartered in Dublin, Ireland, Kaseya is privately held with a presence in over 20 countries. To learn more, visit http://www.kaseya.com.



#### About Enterprise Management Associates, Inc.

Founded in 1996, Enterprise Management Associates (EMA) is a leading industry analyst firm that provides deep insight across the full spectrum of IT and data management technologies. EMA analysts leverage a unique combination of practical experience, insight into industry best practices, and in-depth knowledge of current and planned vendor solutions to help EMA's clients achieve their goals. Learn more about EMA research, analysis, and consulting services for enterprise line of business users, IT professionals and IT vendors at www.enterprisemanagement.com or blogs.enterprisemanagement.com. You can also follow EMA on Twitter, Facebook or LinkedIn.

This report in whole or in part may not be duplicated, reproduced, stored in a retrieval system or retransmitted without prior written permission of Enterprise Management Associates, Inc. All opinions and estimates herein constitute our judgement as of this date and are subject to change without notice. Product names mentioned herein may be trademarks and/or registered trademarks of their respective companies. "EMA" and "Enterprise Management Associates" are trademarks of Enterprise Management Associates, Inc. in the United States and other countries.

©2020 Enterprise Management Associates, Inc. All Rights Reserved. EMA™, ENTERPRISE MANAGEMENT ASSOCIATES®, and the mobius symbol are registered trademarks or common-law trademarks of Enterprise Management Associates, Inc.

**Corporate Headquarters:** 1995 North 57th Court, Suite 120 Boulder, CO 80301 Phone: +1 303.543.9500 www.enterprisemanagement.com 4026.082420

