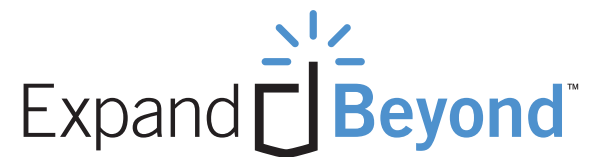


Realizing ROI from Mobile Management of IT Systems



Worldwide Leader in Mobile Software for Enterprise Management
Maximize Performance & Productivity Beyond the Desktop™

Realizing ROI from Mobile Management of IT Systems

Executive Summary

After a period of massive investment in their IT infrastructure to meet the demands of a networked global economy, many companies are now trying to find ways to maintain service levels with frozen or reduced budgets.¹ Overburdened IT departments struggle to support escalating amounts of data and increasingly complex networks and applications.²

Virtually all organizations believe that boosting employee productivity is an important objective. To achieve this objective, 60 percent of small companies and roughly half of medium and large companies plan to deploy handheld devices to employees this year.³ After executives, IT professionals are most likely to receive a handheld device.⁴ ***With Expand Beyond mobile software on those devices, the very employees who can improve productivity in virtually every part of the business – the IT administrators – have the power to do so.***

Expand Beyond mobile software for enterprise management delivers an extremely high ROI because the initial investment is modest, installation is quick, and the savings are immense. Many administrators can easily save an hour a day performing their routine tasks on a handheld device.⁵ And in emergencies, when time is money, mobile software saves both.

Financial Impact of Performance Issues

Just to put things in perspective, at the industry average cost of \$420,000 per hour of unplanned downtime,⁶ preventing just 14 to 41 minutes of downtime would more than pay for an entire Expand Beyond enterprise-wide implementation.⁷ Downtime has such a direct impact on business processes that preventing just 1.5 hours of system unavailability would pay back all the annual license and maintenance costs for 25 DB2 UDB® databases. Preventing just 3 hours of downtime would do the same for 25 Oracle 9i® databases.⁸

Expand Beyond offers highly secure, scalable solutions that give IT administrators real-time, always-on, mobile access to heterogeneous databases, servers, routers and firewalls from PDA, laptop, or desktop. They help reduce downtime and maximize service levels in two ways:

- **Proactive** – Administrators can monitor key elements of the IT infrastructure any time, from anywhere. They are always able to apply their expertise and knowledge to head off potential issues before they flare up into full-blown incidents.
- **Reactive** – Administrators can respond to unfolding performance, database, storage, network, security and other issues as rapidly as if they were at their desks, without taking the time to return to the office. Escalating, diagnosing and solving issues more quickly and efficiently reduces the length and cost of downtime.

Expand Beyond solutions provide inexpensive insurance for high availability and an everyday productivity boost for IT administrators and the users they support. A realistic, customizable ROI model, shown in **Figures 1 and 2**, factors in both of these savings. This model quantifies the value of three benefits: increased revenue, increased user productivity, and increased administrator productivity.

Preventing just 14 to 41 minutes of downtime would more than pay for an entire Expand Beyond enterprise-wide implementation.

1 Bear Stearns & Co. Inc., June 2002, "Enterprise Software: Application Development Trends"
2 Udata Capital, Spring 2002, *Network and Systems News*
3 IDC, "Mobilizing the Enterprise: Handheld Devices," (IDC #25707, October 2001)
4 IDC, "Mobilizing the Enterprise"
5 Several studies have shown that wireless connection to the enterprise increases user productivity by 30 percent. One survey of wireless LAN users in over 300 US-based organizations of all sizes found, "This increased connectivity translates into a significant amount of time saved for employees – estimated at around an hour a day for IT/MIS users..." (Source: NOP World – Technology, "Wireless LAN Benefits Study,"

Fall 2001). Expand Beyond solutions work in the office wireless LAN environment as well as away from the office with mobile carriers, so productivity increases would be even higher.
6 Unplanned downtime in peak hours costs \$6,000 to \$8,000 per minute, which would average out to \$420,000 per hour. (Source: Standish Group Research Note, "The 5 'T's' of Database Availability," 1999.)
7 See Figures 1 and 2 for Expand Beyond implementation costs.
8 List price for DB2 UDB 7.2 is (licensed per CPU) is \$20,000, plus 20% maintenance. List price for Oracle 9i EE (unlimited-user license) is \$40,000, plus 20% maintenance. Source: D.H. Brown Associates, Inc.: *IBM DB2 Universal Database vs. Oracle 9i: Total Cost of Ownership*, January 2002.

Figure 1:

ROI for a Large Organization
 (\$500 million revenue, 200 databases on 40 servers, 500 network components, 225 impacted users, 20 administrators, 24/7/365)

Total First-Year Cost of Implementation	\$286,500
Expand Beyond software (single-site license), handheld devices, annual costs of airtime and support	
Annual Profitability Gains:	
Increased Revenue	\$875,571
Increased User Productivity	\$690,300
Increased Administrator Productivity	\$440,000
Total First-Year Benefit	\$2,005,871
Payback Period	52 days
Return on Investment in First Year	700%

To sum up the bottom-line benefits, a large company, with \$500 million annual revenue and the infrastructure shown in Figure 1, would achieve an annual benefit of **over \$2 million** for a **700% return on investment** from Expand Beyond mobile software. A smaller company, with \$40 million annual revenue and the infrastructure shown in Figure 2, would achieve an annual benefit of **\$346,474** for a **352% ROI**. *To calculate ROI for your own organization, contact ROI@XB.com to obtain a detailed worksheet.*

Revenue Impact – When systems are down, revenue flow stops. When systems perform poorly, revenue flow slows down. Customer service and other functions suffer. The magnitude of the financial impact varies from marginal to significant to catastrophic, depending on the application, its importance to the business, and the duration of the performance issue.

As Figure 1 shows, a large company could realize an additional \$875,571 in revenue with Expand Beyond solutions by recovering just 5 percent of the hourly revenue that would otherwise be lost when performance issues occur.⁹ As Figure 2 shows, a smaller company could increase revenue an additional \$175,114 a year by recovering half the revenue impact of availability issues.¹⁰ Performance issues have a greater impact in a smaller company because each system supports more of the business.

9 As a result of faster response by IT administrators using Expand Beyond solutions, the company described in Figure 1 could realize an estimated 306.8 hours per year of additional application availability. The time savings come from real-time, anywhere access. The company's hourly revenue rate is \$57,078, given a \$500 million revenue stream and 24/365 operations.
 10 The company described in Figure 2 could realize an estimated 76.7 hours per year of additional application availability. Its hourly revenue rate is \$4,566.

User Productivity – Downtime and decreased system availability deprive end users of the tools and data flows they need for their work, and adversely impact the company's output. Closing the gap between optimum and inefficient working conditions, thereby recapturing just \$10 per employee per hour, could save \$690,300 in a large company and \$61,360 in a smaller one.¹¹

Administrator Productivity – When issues occur, administrators go into reactive mode and put important work on hold. To maintain productivity, administrators need to continuously monitor their resources and prevent small issues from getting out of control. Mobile solutions from Expand Beyond enable administrators to be both proactive and reactive in circumstances where they were previously unable to do anything.

Based on comparable findings for wireless LAN users,¹² Figures 1 and 2 conservatively assume that an administrator is 22 percent more efficient by using Expand Beyond solutions both proactively and reactively. That's like getting three more administrators in the large company or one more in the smaller company – for free.¹³

Intangible Costs – The inability to meet IT service level agreements has consequences including customer defections, customer dissatisfaction, supplier discontent, unnecessary overtime costs, lost discounts and delivery penalties. The fact that these consequences are hard to quantify does not make them less real.

Figure 2:

ROI for a Small to Medium Size Organization
 (\$40 million revenue, 30 databases on 13 servers, 75 network components, 80 impacted users, 5 administrators, 24/7/365)

Total First-Year Cost of Implementation	\$98,472
Expand Beyond software, handheld devices, annual costs of airtime and support	
Annual Profitability Gains:	
Increased Revenue	\$175,114
Increased User Productivity	\$61,360
Increased Administrator Productivity	\$110,000
Total First-Year Benefit	\$346,474
Payback Period	104 days
Return on Investment in First Year	352%

11 Based on the hours of downtime (306.8 and 76.7 hours respectively in a large and small company) X the number of impacted users (225 and 80 respectively).
 12 NOP World, "Wireless LAN Benefits Study" (previously cited).
 13 Figures 1 and 2 reflect 22 percent of the annual burdened salary rate (salary plus benefits) of \$100,000 per IT administrator X the total number of administrators.

Real-World Benefits of Expand Beyond Solutions

Expand Beyond, the worldwide leader in mobile software for enterprise management, offers PocketDBA™ and PocketAdmin.™ Some key benefits of these solutions include:

Real-Time Access

Administrators can respond to alerts in a timely manner, regardless of location – whether in the office with a wireless LAN or outside it through a wireless Internet service provider. They can diagnose issues, determine their level of urgency, and take appropriate action on the spot. **All work is done live, in real-time, inside the database or network component.** Expand Beyond software is the only mobile solution that goes beyond mere data browsing and lets administrators control the IT infrastructure itself.

“Out of the Box” Usability

Expand Beyond offers turnkey software solutions that install easily in just a few minutes, without the need for costly customization and modifications. There are no agents to load on databases and servers, and no repository to build. An intuitive interface virtually eliminates the learning curve to make administrators productive right away.

Versatility

Administrators can connect to any number of databases, servers, and other network components from a single mobile console; including handheld devices, tablets, laptops and desktops.

Expand Beyond solutions support database administrators, storage managers, systems administrators, application server administrators, network engineers, security engineers, and 24/7 operations support staff.

Security

With security as a primary concern, Expand Beyond solutions provide industry-standard security measures for user authentication, access control, and end-to-end encryption. **These solutions interoperate with the security policies and practices you already have in place.** For more information, download the Secure Solutions white paper from www.XB.com/wireless/security.

Increased Productivity

Using Expand Beyond software on handheld devices, IT administrators can perform their routine tasks and resolve issues more quickly. When problems escalate, IT professionals can get users up and running faster. **Reclaimed hours of productivity go straight to the bottom line.**

Increased Administrator Job Satisfaction

Administrators require always-on, 24/7 access to monitor and manage their systems. Now they can go anywhere and still stay connected to the enterprise. In the time it would have taken for an off-hours trip to the office, the administrator can fix the problem from a wireless handheld device, so the issue is closed in minutes rather than hours. This is good for the company and good for the administrator. **Greater job satisfaction helps reduce attrition rates and the associated costs of turnover.**

Real-World Testimonials

“Expand Beyond could do for databases what the remote control did for TVs.”

- CIO Magazine (Emerging Technology, August 1, 2002)

“Mobile management of databases, servers and routers is a core capability that every organization needs. Expand Beyond products give companies the piece of mind that their mission-critical systems are running optimally and reliably, while IT professionals love the freedom to manage their systems quickly and effectively from wherever they happen to be.”

- Andreas Zwimpfer
President, Europe, Middle East and Africa Oracle User Group (EOUG)

“Database administrators could dramatically increase their productivity by operating remotely...Imagine the efficiencies in not having to call a DBA back to the office.”

- InfoWorld Magazine (Test Center, July 2, 2001)

“I am very impressed with this product. We had the software installed and running right away and our DBA was able to do work from halfway across the country during a trip to the West Coast.”

- Ron Howard
Data Services Manager & Oklahoma County Assessor

“PocketDBA is an invaluable asset to our remote DBA service, because it provides our staff the ability to begin investigating problems immediately. PocketDBA enables us to provide 24x7 support at a significant cost-savings to DBA Zone and our clients. Companies that demand 24x7 support will benefit immensely from the PocketDBA technology.”

- Delana A. Sandy
President at DBA Zone, Inc.

Conclusion

Mobile software for enterprise management is an inevitable extension of data center automation, maximizing the return on investments that many organizations have already made in expensive monitoring and paging systems.

Expand Beyond, the worldwide leader in mobile software solutions, enables IT professionals to work “hands-on” remotely and to wirelessly monitor, manage and protect mission-critical databases and network system components. This provides companies with very affordable uptime insurance and maximizes IT productivity.

Handhelds are not just for road warriors any more. **IDC recently concluded, “Until now, attention has largely been focused on the needs of mobile sales professionals, mobile executives and mobile field workers. IT professionals, often the classic ‘corridor cruisers’ who are mobile within office buildings and corporate campuses are another area deserving of attention. Applications like Expand Beyond PocketDBA will be crucial to this segment of the enterprise.”**¹⁴

¹⁴ IDC, December 2001, “Smart Handheld Device Overview”

To calculate ROI for your own organization, contact ROI@XB.com to obtain a detailed worksheet.

Expand Beyond Corp. is the worldwide leader in mobile software for IT management. With Expand Beyond mobile software, organizations can wirelessly control business-critical databases, networks and systems from anywhere. By taking true mobile control of the infrastructure, organizations improve system availability, increase productivity and lower costs. Expand Beyond customers worldwide include Fortune 1000, government and educational institutions. Expand Beyond is headquartered in Chicago.

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