Is There a Better Way to Approach Mainframe Cost Management?

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It can seem like you're stuck in an endless tug-of-war—managing costs on one side and maximizing service levels on the other.

You're not alone. In fact, most organizations running a mainframe often pay more than 30% of their total mainframe budget in MLC (monthly license charges), typically the single-largest line item.

At the same time, the digital explosion is ratcheting up mainframe usage, and new pricing models continue to roll out that make things even more complex and difficult to understand. You're also losing mainframe gurus, and their replacements don't have the tribal knowledge, time, or inclination to keep costs optimized through brute force or spreadsheets as they have in years past.

And here's the big eye-opener—negotiating for the best possible terms in contract renewals typically does not even cover the average 4% annual increase in MLC, let alone help you with long-term cost control.

If you can't find a way to regulate your MLC spend, your costs will keep increasing in lockstep with capacity demands, and you'll be stuck in a continuing cycle of increasing costs.

It's imperative that you find a new approach that lowers your MLC cost base and controls costs going forward. This will help you predict and manage costs, give you more freedom to invest in your future, and offer a stronger bottom line.

Do you know what's driving MLC costs?

Learn more >>

Your Challenge:
You Don't Know What You Don't Know

It's no secret that MLC costs comprise the biggest part of your mainframe budget—in fact, these MLC costs can run between 30 and 50 percent of your overall bill.

With that knowledge readily available, why is it so difficult to control these costs?

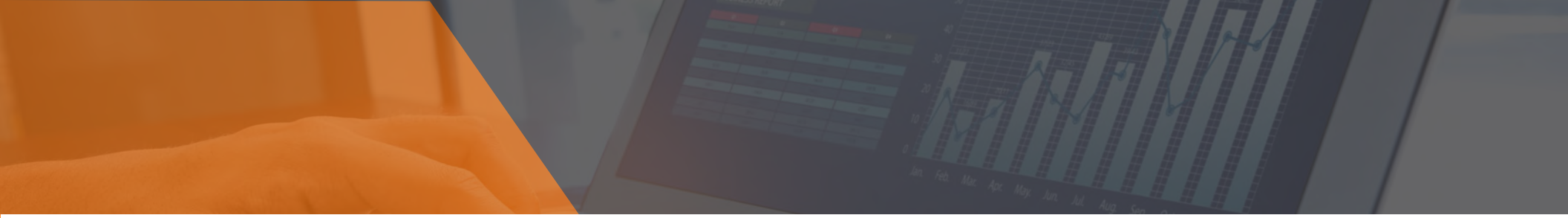
The answer: IBM reporting—an overly complex world you probably know too well.

SCRT billing reports are notoriously cryptic and lack the detail that should show you why costs fluctuate.

Without being able to glean important, meaningful information from the obscure data provided in these reports, you'll have no hope of implementing cost-saving initiatives. And more importantly, you won't be able to make key decisions about where to put your resources in the future.

According to 2018 BMC Annual Mainframe Research,

63% of respondents say that they spend 30% or more of their mainframe budget on IBM MLC costs.



The BMC Solution:
MLC Cost Transparency

By using BMC Cost Analyzer, you can easily:

- See the key cost drivers
- Model potential cost savings
- Manage the annual budget on an easy-to-read dashboard

Imagine your day-to-day life when you'll be able to understand which workloads and applications are the "heavy hitter" contributors to your MLC costs. When you have meaningful information at your fingertips, you can react quickly to changes in your workloads and environment and manage costs safely.

Many organizations are picking one or two ways to save 2%, 3%, or 4% here or there. By using Cost Analyzer, you will be able to save on MLC in multiple ways, totaling up to 20% or more in savings, and stay vigilant and continue saving well into the future as the environment changes.

"Cost Analyzer gives us the empirical data to make smart capping decisions."

- John Campbell, Technical Services Manager, Kemper Corporation

Your Challenge:
Striking a Balance

You've tried the traditional approaches to balancing cost and resource usage with service levels.

But to date, you've achieved little to no savings, and despite your best efforts, these may have resulted in severe degradations to service.

You know that these efforts are important—one study found that organizations that actively manage IBM MLC costs pay, on average, 15% less on MLC. Those who do nothing tend to pay 15% more than the average. But, as you've seen, achieving real savings is very difficult without impacting critical work.

You're wary of soft capping—a technique that is typically billed as manual, error prone, and sometimes dangerous to critical production work. You may have even had poor past experiences with capping, seeing it implemented without intelligence and resulting in critical workloads being stopped unnecessarily.

You're left with a dilemma. Traditional methods haven't yielded the expected savings or safety, and more modern solutions seem risky.

To move ahead, you need an intelligent solution that dynamically does the work of balancing decisions that deliver cost savings with top-notch service delivery.

The BMC Solution:

Improve Cost Predictability and Protect Service Levels with Intelligent Capping

Capping is a difficult discipline, but despite its reputation—and the ineffective, free tools you might have used before—it's time to give it another look.

With BMC Intelligent Capping (iCap), you can safely and dynamically manage your MLC spending, while protecting your critical workloads.

You can set spending and service level goals and optimally balance resources across your systems to achieve both. Moreover, you'll be able to set policy limits on how much you spend on MLC and simultaneously prioritize your workloads.

By striking a good balance between cost and service delivery that is based on the importance of work, you can feel confident that you are saving up to 20% or more on MLC costs without sacrificing customer satisfaction.

You'll provide the highest service levels at the lowest cost and ensure that you meet service levels for the most critical workloads.

"Intelligent Capping dynamically controls peaks without delaying critical workloads."

- John Campbell, Technical Services Manager, Kemper Corporation

Your Challenge: Getting the Most from Your Resources

Another pillar of your MLC cost problem is made up of where Db2, CICS, IMS, and other subsystems are running on the mainframe.

The big contributor to MLC here is placement. Traditional placement is poor because of technical restrictions that require databases to reside on the same LPAR as their transaction servers. And now you're finding that you're running duplicate copies of subsystems, which is driving up MLC costs by as much as 50%.

Again, IBM exacerbates this problem by calculating the rolling four-hour average based on peak usage across all subsystems and LPARs and charging them at that peak. This makes it extremely expensive.

DB2, IMS, CICS, and others contribute their costs to each LPAR where they are running, driving MLC to an unreasonable level. If you can't separate these onto their own LPARS, you'll continue to struggle to lower costs in a significant way.

The BMC Solution:
Spend Your Mainframe Money Where It Makes Most Sense

By using BMC Subsystem Optimizer (Subzero), you can implement a service-oriented approach to your mainframe transactional environment to save money and improve availability.

You can get your CICS and IMS TM transaction servers to communicate across LPARs with their database counterparts, which reduces the need for duplicate subsystems on an LPAR and enhances redundancy.

This service-oriented approach changes the entire equation. The result? You can save up to 20% or more on MLC costs, while enhancing the redundancy of Db2, IMS, and CICS environments.

Implementing this strategy means that you can provide a higher level of redundancy among subsystems, because if a subsystem or LPAR fails, BMC Subsystem Optimizer can route requests to other subsystems that are running on other LPARs.

Within eight weeks, you can plan, test, and implement a new structure for your transactional systems that reduces your MLC costs by up to 20% or more, while improving availability.

Why BMC?

With help from BMC, you'll adopt a structured approach to MLC cost management and:

- **See what drives your MLC costs at a moment's notice:** Get more visibility into what drives costs, model potential cost savings, and manage the annual budget on an easy-to-read dashboard.
- **Use intelligent capping to improve cost predictability and protect your service levels:** Safely and dynamically manage your MLC spending, while protecting your critical workloads.
- **Spend your mainframe money where it makes most sense:** Implement a service-oriented approach to your mainframe transactional environment to save money and improve availability.

To learn more, please visit our web site.