

# Teleran ROI Customer Case Studies

*Five Ways to Boost Business Intelligence ROI*

# Teleran Return on Investment Customer Case Studies

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## ***Five Ways to Boost Business Intelligence ROI***

### **The Challenges of Managing Growing Information Demand**

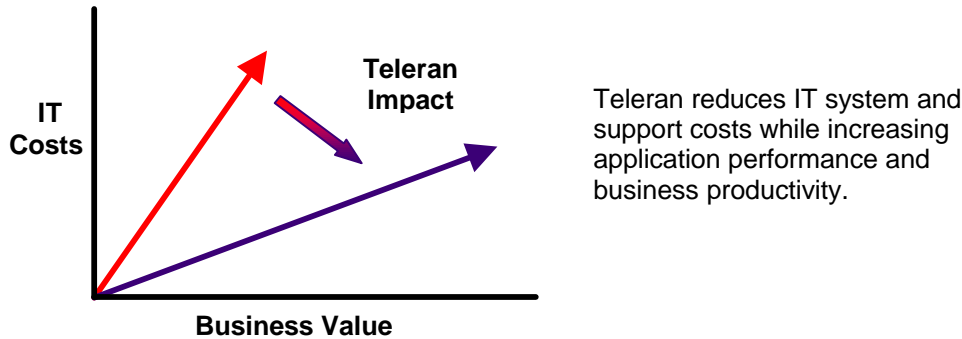
Today, large and growing numbers of business people require access to information in order to manage and grow their businesses. This increasing demand for business intelligence (BI) information is creating significant IT management challenges: unpredictable shifts in query traffic, more applications to support, frequent user errors, declining performance, expanding load-time windows, rapidly escalating database volumes, and growing pressure to reduce IT costs and increase return on investment (ROI).

### **BI Activity Management Reduces IT Costs While Increasing Performance and Productivity**

Teleran's software product suite addresses these critical *BI management* challenges. Through knowledge of users, queries, applications, and databases, Teleran's product suite enables companies to boost BI ROI by reducing their total cost of ownership and increasing the performance and productivity of both IT staff and business users.

- **iSight™** continuously identifies who is using what data and when. It directs application performance tuning, data security compliance auditing, problem query analysis, system resource management, conversions, and capacity planning. iSight documents the analytic process and identifies what information is critical to business analysis and decision making.
- **iGuard™** protects corporate data while optimizing business use of information with a policy-based query management facility. It automatically blocks inappropriate, unauthorized, or long running queries before they reach the database and degrade system performance, return incorrect answers, or breach data security.
- **Automated Helpdesk™** guides information users with real-time messages independent of applications to improve user performance and productivity, while reducing IT system and support costs.
- **Service Level Manager™** automatically maintains service levels and system efficiency as queries patterns, information, and system resources change. Service Level Manager creates new iGuard policies by periodically analyzing historical query performance trends.
- **Access Architecture™** enables Teleran's products to operate transparently and continuously on the network without degrading database or application performance. Unlike "snapshot" system and database monitors, the Teleran system requires no resource consuming "in the database" agents, monitors, or traces.

## Teleran Increases BI ROI by Reducing Costs and Increasing Productivity



### Teleran ROI Case Studies

The following are some examples of Teleran BI Resource Management ROI in five key areas:

1. Reducing server and storage costs
2. Decreasing software license costs
3. Increasing IT staff productivity - reducing support costs
4. Improving service levels - increasing availability
5. Increasing business performance and productivity

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#### 1. Reducing IT System Costs Through Server and Disk Storage Savings

A recent META Group, Inc. study focused on the benefit of efficiently managing two key IT infrastructure assets: server (CPU) and disk storage. META Group's research indicates that by extending server and storage assets' useful life within the enterprise by one year, companies have successfully reduced near-term server and storage expenditures by 15% to 20% of their overall hardware budget.

##### **Increasing hardware efficiency, eliminating upgrade and new unit purchases**

Teleran can eliminate the need for costly upgrades and new unit purchases of server and storage hardware – generating quantifiable savings that cost-justify Teleran software quickly and then continue to generate ongoing efficiencies and savings. iSight dormant data analysis enables IT staff to reduce rarely used or never used (dormant) data from analytical databases and data warehouses. Dormant data reduction using iSight can significantly reduce server resource demand as well materially decrease disk storage requirements.

### **Case Study 1 – \$120,000 saved in server CPU and storage costs in two months**

One Teleran customer, a food manufacturing and distribution company, saved over \$120,000 in its first two months of iSight use. Because of recent increases in database volumes, the company needed to upgrade its server CPU at a cost of \$60,000 in order to meet its nightly batch load service level agreement. However, after reviewing iSight dormant data reports they learned that a large portion of the data was looked at by users on a weekly level, not daily. By loading that large portion of the data once a week summarized at the weekly level, they were able to significantly reduce nightly load volumes. This generated \$60,000 in immediate savings by avoiding the server upgrade. The company then used iSight reports to identify and delete over 200 gigabytes of dormant data from their terabyte size database. This enabled them to reduce their disk storage requirements by 20% and saved them over \$60,000 in planned disk storage upgrade costs.

From its investment in iSight this company achieved:

- Total initial savings of \$120,000
- iSight payback in less than 2 months
- 160% ROI from iSight in 2 months

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## **2. Decreasing Query Tool Software License Costs**

A significant portion of IT budgets are spent on BI application license and maintenance fees. iSight application usage reports identify what applications are being used, when, and by whom. Large savings from iSight application audits can be generated by identifying unused client application licenses that can be re-deployed or taken off maintenance.

### **Case Study 2 - \$201,000 savings in software license costs**

A Teleran customer had licensed 300 client query tool seats for a sales and marketing data warehouse. After installing Teleran iSight and running the application usage report, they determined that only 125 client licenses were being used. By re-deploying the 175 unused licenses to other user groups within the company who were planning BI tool purchases, this Teleran customer saved \$175,000 (\$1,000/seat) in new license costs and \$26,000 in first year maintenance costs.

From its investment in iSight this company achieved:

- Total savings of \$201,000
- Payback in their first month of use
- A first month ROI of 223%

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### **3. Increasing IT Staff Productivity – Reducing Support Costs**

#### **Speed problem resolution, support more users and applications with fewer resources**

As numbers of BI applications and users increase and the size of data warehouses expand, IT departments are often challenged to do more with less. IT must support a larger number and a greater variety of users / user groups each displaying different query and data usage behavior and requiring different kinds of support. Typically IT budgets do not grow in proportion to expanding user numbers and their associated support demands. IT departments must then find ways to increase IT staff productivity while tightly controlling support costs.

Both iSight and iGuard contribute significantly to increasing IT staff productivity and reducing costs. iSight usage monitoring and reporting pinpoints user errors and performance problems without requiring hours of research and analysis by DBAs and support staff. iSight's 80 packaged reports direct database performance tuning, problem query analysis, and system resource utilization. In this way, iSight increases IT staff productivity, speeds problem resolution, and improves service levels. By automatically guiding users with real-time messages to avoid common errors or inappropriate queries, iGuard policy management automates user support demands that typically consume significant help desk staff time.

#### **Case Study 3 - \$900,000 in staff cost avoidance**

With Teleran iSight and iGuard, a commercial bank's IT staff has been able to support the rapid expansion of users (now numbering 500) and data (15 terabytes) with only ten professionals. This is 50% of the staff typically required to support an application and user community of this size according to a recently published GartnerGroup study. With iSight and iGuard, the bank's IT staff now diagnose and resolve performance problems faster, field fewer help desk calls dealing with common and repetitive users errors, and spend less time training users. These efficiencies have translated into annual savings of over \$900,000 in staff cost avoidance (\$90,000 fully loaded cost per IT staff member).

From its investment in iSight and iGuard this company achieved:

- Total savings of \$900,000 in the first year alone
- Payback in less than five months
- 240% ROI in 12 months

#### **Another IT staff productivity example – reducing support costs by \$100,000 per year**

With iGuard, a financial services firm experienced a 20% decline in help desk calls from their 1500 data warehouse users. Specifically they implemented iGuard policies that manage access during their frequent load-time windows and prevent the many user errors that were occurring

and driving up IT support calls. Using iGuard, this company relieved one full time equivalent (\$100,000 fully loaded cost) from dealing with repetitive user problems and enabled her to be reassigned to other high value projects.

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## **4. Improving Service Levels - Increasing Availability**

### **The high cost of downtime**

A recent “Contingency Planning and Management Magazine” study described the high cost of system downtime. In the study 54% of 163 companies surveyed stated that one hour of downtime would cost them between \$51,000 and \$250,000. 26% stated one hour of downtime would cost them up to \$1M. 57% of respondents stated that the most critical indirect costs of downtime were risks to customer service and competitive advantage.

### **Case Study 4 – Saving \$800,000 per year in distribution costs by reducing data load time**

One Teleran customer, a global office products company, reduced their terabyte size data warehouse by more than 30% using iSight query monitoring to identify and eliminate dormant data. The data reduction allowed them to recover almost 1/3 of their disk storage and decrease their daily load-time window by 30%. The shorter load time enabled the company to increase availability by 1½ hours each day.

The business impact of their increased information availability is significant. Each morning, this company’s customer service reps must handle millions of dollars of return products. By having return goods and new order information 1½ hours earlier, the service reps can now arrange for these return goods to be shipped directly to another customer before those orders must be filled from a company warehouse. This avoids the extra expense of having to ship the return goods back to the warehouse. By providing this critical information 1½ hours earlier, the company was able to reduce shipping expenses by over \$800,000 in the first 12 months.

From its investment in iSight this company achieved:

- Total savings of \$800,000 in the first year
- Payback in less than two months
- A first year ROI of 889%

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## **5. Increasing business staff performance and productivity**

### **Reducing user errors, improving analytical effectiveness, increasing business productivity**

iGuard policies guide business users to better understand and interact with the data that is important to achieving their business objectives. iGuard reduces or eliminates user errors that decrease business productivity and diminish application value. In addition, these policies keep inappropriate or runaway queries generated by novice users from slowing performance or completely blocking access for more experienced and productive users.

Enabling more users to be productive faster, iGuard messaging automatically guides users, speeding user training and keeping users from repeating the same query errors. iSight knowledge management capabilities documents users' analytical queries as well as their database usage. This information allows IT not only to pinpoint the most valuable data that drives decision making, but also to identify and proliferate best practices analysis across the organization.

### **Case Study 5 – Increasing revenue generating business performance by 10%**

A consumer bank instituted iSight profiling and iGuard user controls to improve business performance of their 600 marketing analysts. These analysts design and analyze sales campaigns that generate new business and maintain competitive advantage for the bank. Representing a fully loaded expense of \$72M in salary/benefits per year and responsible for revenue generation, the analysts are a significant investment and strategic asset that the bank must maximize.

Using iGuard policies, the bank has reduced user errors, especially those generated by new analysts that waste system resources, slow overall query performance, and inhibit the productivity of the more experienced, "high value" analysts. The senior vice president responsible for this business group has seen a 10-15% productivity increase across the 600 users with the use of iGuard controls. This increase is directly related to improved system performance, fewer query errors that waste users' time, and training new analysts faster. Increased analyst productivity translates directly into more frequent and effective marketing campaigns, increased revenue, and quicker adjustments to market and competitive conditions.

These productivity gains enable the bank to get more from their \$72M investment. A conservative method for measuring the bank's productivity improvement is to measure the analysts' productivity gains in the context of their salary expense. In this case, a 10% gain results in a "savings" of \$7.2M per year. (In other words, to get the same output the bank would need to spend an additional 10% or \$7.2M.) But what is more important to the bank's senior vice president is the impact of the productivity gains on revenue generation and competitive position.

As he states, “one successful marketing campaign can pay for my department several times over. Anything that improves our business effectiveness and productivity can add millions of dollars to the bottom line and pay for itself in just a few weeks.”

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## **Summary**

The case for achieving significant ROI from business intelligence and data warehouse activity management is clear. From reducing hardware and software license costs to materially improving information availability and business productivity, the measurable returns on investment can be large and strategic to the health and growth of the business. As CFOs, CIOs, and CEOs look for greater efficiencies and productivity gains from their information investments, Teleran can play a key role in increasing the value companies can generate from their staff and their business intelligence and data warehouse assets.

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Teleran Technologies is the leading provider of software for managing business intelligence (BI) activity in data warehouses, CRM, supply chain and analytical applications. Through end-to-end knowledge of the BI environment—users, queries, applications and databases—Teleran software aligns IT processes with business needs, reducing costs and improving performance and productivity.

**iSight™** continuously profiles application performance and the use of corporate data enterprise-wide, helping IT to better understand, manage, and secure BI activity.

**iGuard<sup>0</sup>** controls queries and users to ensure that all BI applications are performing optimally, improving resource efficiency and reducing system costs.

**Automated Helpdesk<sup>0</sup>** guides users with real-time messages, maximizing user performance and productivity while reducing helpdesk calls and support costs.

**Service Level Manger<sup>0</sup>** automatically maintains service levels over time by generating predictive iGuard query performance policies as usage patterns and system resources change.

Teleran's **Access Architecture<sup>0</sup>** enables these products to install quickly and operate continuously on the network without degrading database or application performance.

Founded in 1996, Teleran pioneered the concept of BI activity monitoring and management for data warehouses and analytic applications with its patented "policy engine" and management process. Today the company provides solutions for many of the world's leading companies, including Allstate, Aventis, Ernst & Young, Gordon Food Service, Horizon Blue Cross Blue Shield, JPMorgan Chase, Merrill Lynch, MetLife, State of Texas, Sun Microsystems, Unisys and Wells Fargo.