



Reducing Costs and Improving Productivity with Teleran

How Five Companies Quantifiably Reduced Their BI/DW Costs and Improved Both Business and IT Productivity

business intelligence & DATA WAREHOUSE growth increases IT RISKS

Increasing demand for business intelligence (BI) applications is creating significant IT management challenges: unpredictable ad hoc queries, frequent user errors, declining performance, fast growing databases, and expanding numbers of users and applications supported by fewer IT staff. Add to that continuing pressure to cut IT costs. All these challenges represent real risks to the value and success of business-critical applications in organizations today. The risks include:

- Increased system costs, reduced system efficiency
- Diminished productivity of IT staff challenged to support growing numbers of users
- Declining performance and service levels
- Reduced productivity of business users who depend on applications to accomplish key tasks



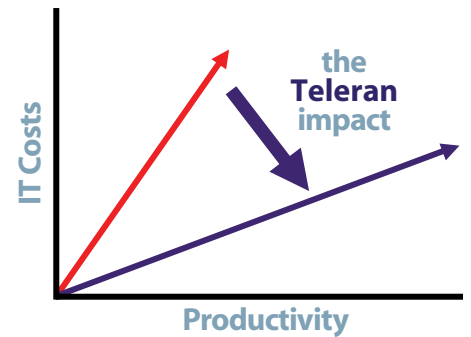
teleran's dynamic APPLICATION MANAGEMENT reduces costs & RISKS

The increasingly strategic value of BI applications and data warehouses (DW), demands that organizations address and minimize these growing costs and risks. Companies are turning to Teleran's Dynamic Application Management solution as an effective and cost efficient approach to reducing BI/DW costs and improve performance and productivity.

Teleran's application management solution includes, iSight™ a usage tracking solution that offers continuous and efficient tracking and reporting of application use. This includes who identifying is running queries and reports, what reports consume significant resources, what applications generate inefficient queries, what data is used or not used.

Which users require additional training or another easier-to-use application. Teleran's solution directs cost cutting and productivity and performance improvements such as: reducing resource costs by eliminating dormant or unused data, identifying and eliminating unused licenses, tuning application and database performance, guiding users to more efficient analysis and ensuring efficient data security and compliance auditing.

Teleran's solution also includes iGuard™, a usage policy action engine that adds a whole new level of productivity and performance enhancement and system and support costs reductions. iGuard protects the database from resource wasting user activity such as runaway, inefficient or inappropriate queries. It guides users in real-time to prevent common errors that waste system resources, reduce user productivity and increase helpdesk calls and support costs.



the CASE STUDIES

The following five customer case studies describe the cost savings, performance improvements and productivity enhancements Teleran's customers have experienced.

- Reducing server and storage costs
- Increasing IT staff productivity
- Improving service levels
- Increasing business performance and productivity
- Decreasing software license costs



Five Customer Case Studies



1. reducing IT SYSTEM COSTS through SERVER & DISK storage savings

A recent Gartner study focused on the benefit of efficiently managing two key IT infrastructure assets: server (CPU) and disk storage. Gartner'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

\$620,000 saved in server CPU and storage costs in 12 months

One Teleran customer, a food manufacturing and distribution company, saved over \$620,000 in its first two months of using iSight. Because of recent increases in database volumes, the company needed to upgrade its server CPU at a cost of \$460,000 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 \$460,000 in immediate savings by avoiding the server upgrade. The company then used iSight reports to identify and delete over 1 terabyte of dormant data from their database. This enabled them to reduce their disk storage requirements by 20% and saved them over \$120,000 in planned disk storage upgrade costs.

2. increasing IT STAFF productivity

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 analysis pinpoints user errors and performance problems without requiring hours of research and analysis by DBAs and support staff. iSight's analytical reports direct database performance tuning, problem query analysis, and system resource efficiencies. 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 usage policy management automates user support demands that typically consume significant help desk staff time.



case STUDY 2

\$900,000 savings in staffing costs

With Teleran iSight and iGuard, a commercial bank's IT staff has been able to support the rapid expansion of users (now numbering 1,200) 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 Gartner 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).

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 (FTE) (\$100,000 fully loaded cost) from dealing with repetitive user problems and enabled that FTE to be reassigned to other high value projects.



Five Customer Case Studies



3. Improving SERVICE LEVELS

The high cost of downtime

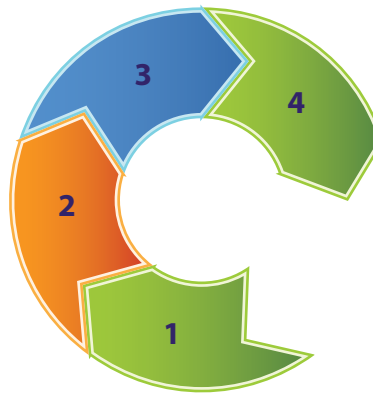
A recent "Contingency Planning and Management Magazine" study described the high cost of system downtime. In the study 54% of 163 companies surveyed stated that one hour of downtime would cost them between \$51,000 and \$250,000. 26% stated one hour of downtime would cost them up to \$1M. 57% of respondents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

case STUDY 3

Saving \$800,000 per year in distribution costs by reducing data load time

One Teleran customer, a global office products company, reduced their multi-terabyte size data warehouse by more than 30% using iSight usage 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 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.



4. 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 documents users' analytical queries as well as their database usage. This information allows IT staff not only to pinpoint the most valuable data that drives effective analysis and decision making, but also to identify and proliferate best practices analysis across the organization.

case STUDY 4

Increasing revenue generating business performance by 10%

A consumer bank implemented iSight and iGuard to improve business performance of their 600 marketing analysts. These analysts design and analyze sales campaigns that generate new business for the bank. Representing a fully loaded expense of \$72M in salary/benefits per year, the analysts are a significant investment and strategic asset 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 changing 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. (To get the same output the bank would need to spend an additional \$7.2M.) Even more important to the bank's senior vice president is the impact of the productivity gains on revenue generation. 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."





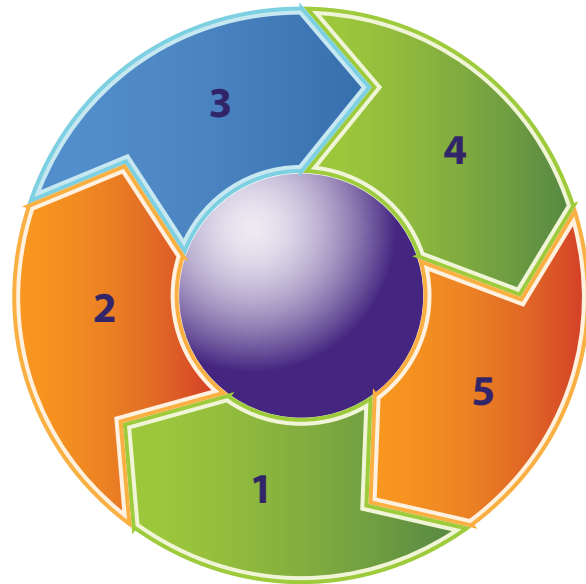
5. decreasing APPLICATION SOFTWARE costs

A significant portion of IT budgets are spent on 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 5

\$201,000 savings in software license costs

A Teleran customer had licensed 300 client BI software 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.



SUMMARY

The case for achieving significant cost reductions and productivity and performance improvements from Teleran's Dynamic Application 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 generate from both their IT and business staff and their business intelligence and data warehouse assets.

Teleran Technologies, Inc.
333A Route 46 West
Fairfield, NJ 07004
www.teleran.com

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