Managing IT Costs in an Uncertain World

How A Hybrid Cloud Infrastructure Enables True Cost Optimization
Prepare IT to Shift Costs on Demand

During tough economic times, many IT organizations face urgent calls to reduce costs. By then, many resource overspends may already be sunk. To make matters worse, they’ll have to figure out how to reduce spending while continuing to support more business growth.

IT costs are complex and variable, making expenditures hard to predict. You can’t risk being locked in to a big investment, nor can you employ a wait-and-see attitude at the risk of inadequately supporting the business. You’ll need a model that takes the guesswork out of planning while allowing you to cherry-pick and adopt resources on an “as-needed” basis. This requires a flexible infrastructure with a consumption model that enables technology choice and on-demand resources both on-prem and in the cloud.
There’s a common saying, “If it isn’t broken, don’t fix it.” IT leaders, however, will want a more proactive approach that gives themselves as many options for cost optimization as possible in case demands suddenly change. For example, economic downturns can slash your budget considerably, forcing you to quickly identify areas to cut costs. By then, you may find yourself against strong resistance to change as critical business resources have become deeply woven into your existing infrastructure.

Proactive cost-management starts with enabling full control of your IT expenditure using technology that enables efficient, on-demand consumption. This means pooling capacity to share across the entire datacenter, decommissioning unused resources, moving applications across clouds without expensive re-architecture, optionality to use a single license across multiple platforms, and paying for only what you need to grow while preserving existing investments. This is best achieved using an infrastructure platform purpose-built to enable technology choice through unified management and seamless interoperability.
Consolidate — Build Upon a Unified, Flexible Foundation

Building in flexibility and interoperability from the start leaves you with more options when cuts are needed. For example, before taking drastic measures like a workforce reduction that can disrupt your operations, a flexible IT infrastructure platform enables less disruptive measures first such as eliminating over-provisioned resources, scaling back capacity for lower-priority projects, and reducing your datacenter footprint.

A flexible infrastructure foundation allows you to:

- Pinpoint inefficiencies in I/O spend such as unused resources, overlapping technology functions, multiple vendor licenses, or operations requiring extensive manual effort
- Effectively segment and prioritize options by feasibility, impact, and risk to the business
- Down-scale resource investments on the fly without lock-in or migration issues
- Strategically pick the most cost-effective technology for each application or use case
- Simplify management with an all-in-one technology platform that eliminates disjointed management and associated surprise costs
The IT team at Mumbai-based Kanakia Group was struggling to keep up with growing business pressure using their traditional infrastructure. Reliance on specialized personnel to manage compute, storage, and networking separately was blocking growth and keeping management costs high. Since implementing Nutanix, Kanakia has been able to accelerate resource delivery and increase business critical application speed while reducing opex by at least 40%

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“...at least 70% of my system administrator’s workload has been offloaded since Nutanix was implemented. Today, our system admin team can rest on Sundays and all public holidays without requiring them to return to work for system or VM upgrades like before.”

— Chitranjan Kesari, Head of the Information Technology Department, Kanakia Group
Automate Everything Possible

Although cost-cutting can slash available resources, you may still be expected to maintain or even increase performance as the company shifts. IT must ensure maximum productivity with minimal resources. This is where interoperability and automation becomes crucial to managing your infrastructure. Integration between various systems needs to be seamless and manual processes eliminated to the greatest extent possible. A unified, software-defined infrastructure platform helps ensure IT teams can:

- Leverage AI and ML to offload time-consuming tasks from admins
- Deploy resources through a self-service model
- Utilize predictive analytics for efficient capacity planning
- Automate multicloud governance with intelligent resource sizing
The IT team at Turnitin, was asked to build a new business intelligence system which would have cost $120,000 for the hardware alone using their traditional infrastructure. They decided that they needed a more cost-efficient alternative that could save their team from firefighting all day. Since implementing Nutanix, Turnitin is saving time, effort, and money by doing more with less.

See Case Study

"Before Nutanix, I spent all my time putting out fires. I was pulling out hard drives, installing physical servers and maintaining the status quo. Now I’m spinning up virtual machines, upgrading our infrastructure, and exploring new possibilities."

— PJ Romero, Principal IT Engineer, Turnitin
With over a thousand AWS accounts, managing cloud costs at UCSD was becoming increasingly difficult. The IT team turned to Nutanix to help build better visibility into consumption patterns and simplify cost-optimization processes across their cloud environments. UCSD is now saving an estimated $2000 – $3000 a month on cloud costs.

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**Beam has paid for itself** by providing the **insight** we need to **control costs**. In one instance, we uncovered an API in a development environment that did not need to be running, and shut it off, **saving thousands of dollars a month**.

— Declan Fleming, Enterprise Architect for Cloud, UCSD
Reallocate For Growth

Once cost-saving opportunities are realized, the next challenge is determining where to reinvest your cash to drive more business value. If you’ve already implemented governance policies across your on-prem and cloud infrastructure, it’s time to seek more proactive cost-optimization measures. This could include new business functions or digital channels that either save future costs or enable faster, data-driven decision-making. A unified, Hybrid Cloud Infrastructure enables you to:

- Reinvest in a cloud native strategy to drive faster development cycles
- Preserve existing workforce while shifting focus to innovation-driven projects
- Adopt new Business Intelligence platforms for data-driven decision making
In order to support its global user base, the IT team at Avast invested extensively in cloud resources. This created a huge bill overtime and they decided to seek a more efficient way to proactively manage their AWS Reserved Instances. Since implementing Nutanix, Avast has gained more granular visibility into their cloud costs, helping them save over 40% on their cloud spend while still improving performance.
Maintain **Optionality** for an **Uncertain Future**

Ongoing economic uncertainty makes it evermore important to keep IT prepared for sudden changes, especially when it leads to unplanned expenses. From reducing datacenter sprawl, to implementing governance policies to control cloud costs, Nutanix delivers a unified cloud platform that lets IT choose the most cost-efficient technology components while maintaining the optionality to pivot investments during times of urgent cost-reduction.

See how Nutanix enables true cost optimization for your hybrid cloud.