Retailer’s Success Guide to Short-Term and Long-Term Cost and Capacity Management
Ready? Or Not?

Within today’s retail environment, IT infrastructure and operations teams have had to adapt to radical changes and intense demands that no one saw coming. Ready or not, new realities are upon us.

This e-book offers a road map for how these teams can navigate the steps required of them. It shows how, by establishing the right approaches and capabilities now, teams can not only meet their immediate demands, but set the stage for long-term success.
IT Contending with New Realities, Unprecedented Change

For retailers around the world, new challenges have been arising at a pace that’s both fast and furious. Change and disruption are the rule rather than the exception, and that’s true for markets, organizations, operations, and employees, both personally and professionally.

Within retailers, IT infrastructure and operations teams are at the center of this change. These teams are instrumental in enabling the business to adapt to new requirements, challenges, and opportunities. While this support of the business is more critical than ever, IT teams need to meet these objectives while navigating fundamental disruptions to their operations.

While this change means different things for each organization, one general trend emerging is that budgets and plans are being altered, and fundamentally scaled back. Compared to what was planned at the beginning of the year, Gartner now estimates IT spending will be 8% lower for 2020.1

In response to this tumultuous change, IT teams need to embark on a three-phase process:

1. **Response**, making the immediate and urgent changes needed to keep employees safe and the business running.

2. **Recovery**, based on new realities, establishing the enhancements needed to optimize the value of existing investments, and minimize costs and risks.

3. **Renewal** implementing the optimizations needed to fully capitalize on new insights and opportunities, and set the stage for long-term success.

In the following sections, we look at these phases in more detail. We then offer an introduction to BMC Helix Optimize, and examine how this solution can help teams navigate these phases.

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1 IDC expects that there will be a drop of 5.1%.
Phase #1.

Response

In today’s world, IT teams have to contend with new realities including home-based employees and remote IT operations:

**Home-based employees.** IT teams have been integral in ensuring continued business operations as employees move to working remotely. While this change hit organizations virtually overnight, remote work will remain a reality for some time. These efforts required teams to walk through such efforts as documenting requirements and permissions by personas, provisioning VPN bandwidth, modeling workloads, and more.

**Remote IT operations.** In order to keep employees safe while ensuring digital services remained responsive and available, IT teams have had to establish virtual network operation centers as they themselves have started to work remotely.

These evolving requirements have compelled teams to reassess how they allocate existing investments: the optimal mix of resources today may look very different from the approaches that were right just a few months ago, particularly as businesses operate on reduced or flat budgets.

First and foremost, teams have to identify and reclaim unutilized and underutilized resources, including servers, storage subsystems, and capacity. To boost cost efficiency, teams can look to manage utilization more intelligently. For example, they can move non-urgent, resource-intensive workloads, such as backups and transfers, to slower times, so a bigger percentage of resources are available for critical workloads.

To manage these efforts effectively, staff members need to be able to gain insights to not only identify and track all available resources, but to understand how to right size them, and redeploy them most effectively. Toward that end, it’s critical to have business service or application views, so teams can prioritize resources by the level of importance of the applications associated with those IT resources.
Phase #2

Recovery

As retailers adapt to the “new normal,” IT needs to operate as efficiently as possible—while still delivering the high-quality digital services customers and business users count on. Toward that end, it will be vital to realize the following objectives:

- **Partner effectively with business teams.** It is essential to provide business stakeholders and IT teams with shared views of business services. This is key to increasing transparency around decision making, and enabling executives to harness insights into changing business demand in order to establish optimally aligned priorities.

- **Optimize resource management.** Teams need to be able to accurately and intuitively visualize IT resource use, do efficient modeling and planning, and measure response.

- **Model resource needs for expected increases in demand.** To manage change efficiently and non-disruptively, teams must be able to understand application and IT resource dependencies.

- **Optimize use of cloud resources to maximize cost efficiency and agility.** Based on an accurate understanding of capital and operating expenditures, decision makers need to be able manage the intelligent allocation of cloud and on-premises resources.

- **Establish models of migrations from on-premises to cloud.** Teams can employ techniques like cloud bursting. Through these approaches, teams can maximize the use and value of on-premises investments, resources, and capacity; while at the same time leveraging the flexibility of cloud models to accommodate demand spikes.

By leveraging the right insights, teams can make better usage decisions. Teams can opt to use cloud services to address new resilience requirements, rather than taking on the burden of acquiring new physical resources. Through these efforts, teams can effectively support new remote employees, while more fully capitalizing on the advantages of cloud services, including their operating expense cost models, and the flexibility of usage-based pricing.
Phase #3.

Renewal

At the renewal phase, the goal is to establish the IT and business practices that foster ongoing cost efficiency and prepare the business for the future. To achieve these objectives, teams can begin to pursue these efforts:

- **Exploit learnings** and opportunities uncovered during the recovery phase.
- **Partner with business stakeholders** and plan for evolving business requirements and workloads.
- **Revisit SLAs** to ensure they’re aligned with evolving requirements.
- **Empower stakeholders** with enhanced self-service capabilities.
- **Institute optimization as a routine**, continuous process to maximize efficiencies.
BMC Helix Optimize: Solution Introduction

BMC Helix Optimize helps organizations strike the optimal balance between IT cost and business risk. This SaaS solution is well aligned with the requirements of today’s remote workforces and cloud-first initiatives. With its easy setup, product integrations, and advanced capabilities, BMC Helix offers fast time to value, and strong returns over the long term.

BMC Helix Optimize includes these offerings:

**BMC Helix Capacity Optimization.** With BMC Helix Capacity Optimization, your teams can gain the visibility they need to align IT resources with business service demands, optimize resource usage, and reduce costs.

**BMC Helix Cloud Cost.** With BMC Helix Cloud Cost, teams can optimize cloud expense management, so they can eliminate wasted spending and prevent budget over-runs.
How BMC Helix Optimize Helps

With BMC Helix Optimize, your teams can gain a range of capabilities for effectively aligning your IT resources with evolving realities and demands. The solution offers capabilities for:

- Visualizing IT resource use.
- Planning and modeling for future needs.
- Measuring infrastructure related application response.

Further, the solution offers advanced capabilities for intelligent prioritization. For example, based on available resources, you can prioritize infrastructure usage in order to optimize service levels and maximize SLA compliance. With the solution’s intelligent controls, teams can better balance such factors as cost, risk, and efficiency. Further, you can model demand and resource needs of critical applications in order to ensure adequate capacity.

How BMC IT is using BMC Solutions

**The Requirement:** BMC business leadership looked to the IT team to pursue opportunities for reducing operational costs, without incurring any negative business impacts.

**The Solution:** The BMC IT team used BMC Helix Optimize to identify, reclaim, and repurpose idle, unused, and unneeded IT resources.

**The Benefits:** By leveraging the solution, the IT team was able to:

- Turn off 50% of idle VMs, freeing a pool of VMs and licenses for future projects.
- Cut storage spending by 10%.
- Reduce licensing, security, and compliance efforts and costs.
- Gain insights for improving configurations and architecture that are expected to yield hundreds of thousands of dollars in savings.
How BMC Helix Optimize Helps

BMC Helix Optimize can help your organization maximize the return on your current investments, while minimizing costs and risks. Teams can successfully pursue the following three steps:

**Step #1. Understand What You Have** The first step is to understand what your environment looks like. This means discovering assets and mapping the dependencies between these assets. Through its integration with BMC Helix Discovery, BMC Helix Optimize enables your teams to identify all your assets, whether they’re running in the cloud or on premises.

**Step #2. Analyze** Next, it is vital to analyze capacity usage in a service context, so you can better understand your environment and gain the intelligence needed to reduce risk, maximize efficiency, and minimize cost. BMC Helix Optimize enables you to gain insights into capacity from a range of vantage points—including at the business service, application, and resource level. BMC Helix Optimize can also help you gain an understanding of your spending, both on cloud services and on-premises infrastructure. With the solution, you can do comprehensive data collection, gathering metrics on performance, usage, spending, and budgeting.

**Step #3. Repurpose and Reconfigure** Based on the analysis conducted, teams then need to put insights into action, capitalizing on opportunities for improving cost efficiency. BMC Helix Optimize can offer practical insights for maximizing resource utilization and optimizing spending. The solution delivers automated recommendations for rightsizing and terminating unused resources, and it offers automated alerts to flag budget overruns. It can help you identify workloads to establish power schedules and manage the use of reserved instances.

BMC Helix Optimize also offers a number of capabilities that help teams intelligently manage migrations and right-sizing the usage of cloud-based resources. With the solution, you can gain cost comparisons of different cloud service providers, establish performance benchmarks, and do what-if analysis on various resource configurations, regions, and availability zones.
Phase #3. Renewal:

How BMC Helix Can Help

With BMC Helix Optimize, your team can quickly and efficiently deliver on these mandates:

- **Revisit and optimize SLAs.** With the solution’s service-level visibility, you can more intelligently establish priorities for infrastructure resources. BMC Helix Optimize can help you ensure that the most important business services are always running optimally, while accepting risk to lower priority services.

- **Deliver self-service dashboards.** BMC Helix Optimize enables you to provide self-service dashboards to developers, IT teams, and business stakeholders, so you can boost transparency, collaboration, and efficiency.

- **Establish continuous optimization.** Capacity optimization is an iterative process that needs to be done routinely to be most effective. With BMC Helix Optimize, you can receive daily recommendations that guide continuous optimization—for both your on-premises and cloud environments.

- **Prevent overspending.** The solution provides automated alerts when you’re nearing spending thresholds, so you can take steps to prevent budget overruns.

- **Support autonomous digital enterprise.** With BMC Helix Optimize, your team can leverage an IT platform that offers seamless integration, advanced artificial intelligence and machine learning, and automation. With these capabilities, you can begin to establish an autonomous digital enterprise.

BMC Helix Optimize:
Powerful Self-Service Dashboards

- Establish views of resource pools for different levels and groups.
- Perform routine modeling for future business requirements.
- Leverage migration simulation tools to manage workload placement.
- Routinely update dependency mapping to ensure continued accuracy.
- Determine workload placement based on available resource capacity and cost.
Conclusion

Right now, the demands on IT teams are intense. These teams will perform a make-or-break role in the enterprise’s ability to navigate tumultuous change and establish a foundation for long-term success.

The right solution can make all the difference.

BMC Helix Optimize is proving indispensable for IT teams as they navigate the efforts needed for response, recovery, and renewal. With these solutions, teams can quickly address their near-term imperatives, while establishing the intelligence, visibility, and control that will fuel enhanced performance and cost efficiency over the long term.

For More Information
To learn more, go to: www.bmc.com/optimize
About BMC
From core to cloud to edge, BMC delivers the software and services that enable over 10,000 global customers, including 84% of the Forbes Global 100, to thrive in their ongoing evolution to an Autonomous Digital Enterprise.

BMC—Run and Reinvent

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