ZETALY

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Cost Control
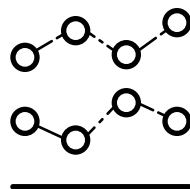
Take back control of your
mainframe budget

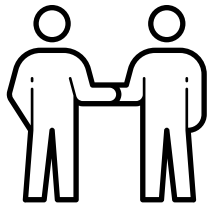# Dealing with the complexity of mainframe costs

Mainframe costs include all expenses associated with the acquisition and maintenance of your mainframe. We usually distinguish **six cost categories: Hardware, Software, People, Network, Storage and Facilities**. Taken together, they represent the Total Cost of Ownership (TCO) of your environment.

Although most of these costs are relatively easy to understand, this is not the case for the software part. In fact, **there are many licensing agreements for IBM software alone**. Licenses can be either temporary with a monthly payment term (Monthly License Charge-MLC) or perpetual, as in the case of the IBM IPLA products, and paid once upfront (One-Time-Charge - OTC).

Also, billing can be based on Machine **full capacity or sub-capacity**, and then be **variable or fixed**. Specific fees may apply to certain workloads, certain uses or certain configurations.

Products with Monthly License Charges are billed monthly according to use, which means they have **evolving costs**. As consumption is measured **once a month** and billed the following month, you have to wait at least one month and sometimes up to two to find out how much it is going to cost you. This further complicates any cost control initiatives you might put in place.

Nor is it easy to **negotiate terms and conditions** for your software contracts. Any contractual overrun can cost you a **penalty of around 20%**. If, on the contrary, you overestimate your consumption, you might lose whatever you have overpaid.

Besides, today's mainframe supports more and more **web applications meaning less predictability**. As such increased vigilance is essential if you are to avoid cost overruns.

The solution lies in your ability to **understand what influences your costs**, to meet your contractual commitments and to predict how these costs are likely to evolve.

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A Mainframe Analytics solution to control costs & keep track of your budget

ZETALY Cost Control (CC) is an **analytics solution** designed to **control the financial impact** of your mainframe.

Through a modern, easy-to-use interface, the solution gives you **instant visibility of your costs** to help you make **informed decisions**.
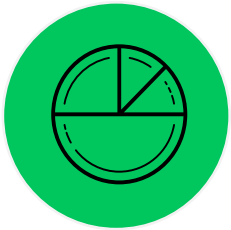

ZETALY Cost Control
A comprehensive solution for financial analysis

See the costs of your current production in near real time

Understand cost factors, trends, and distribution between software

Assess the impact of business activities on mainframe costs

Automate chargeback reporting for internal and external customers

Track your mainframe budget and prevent overruns

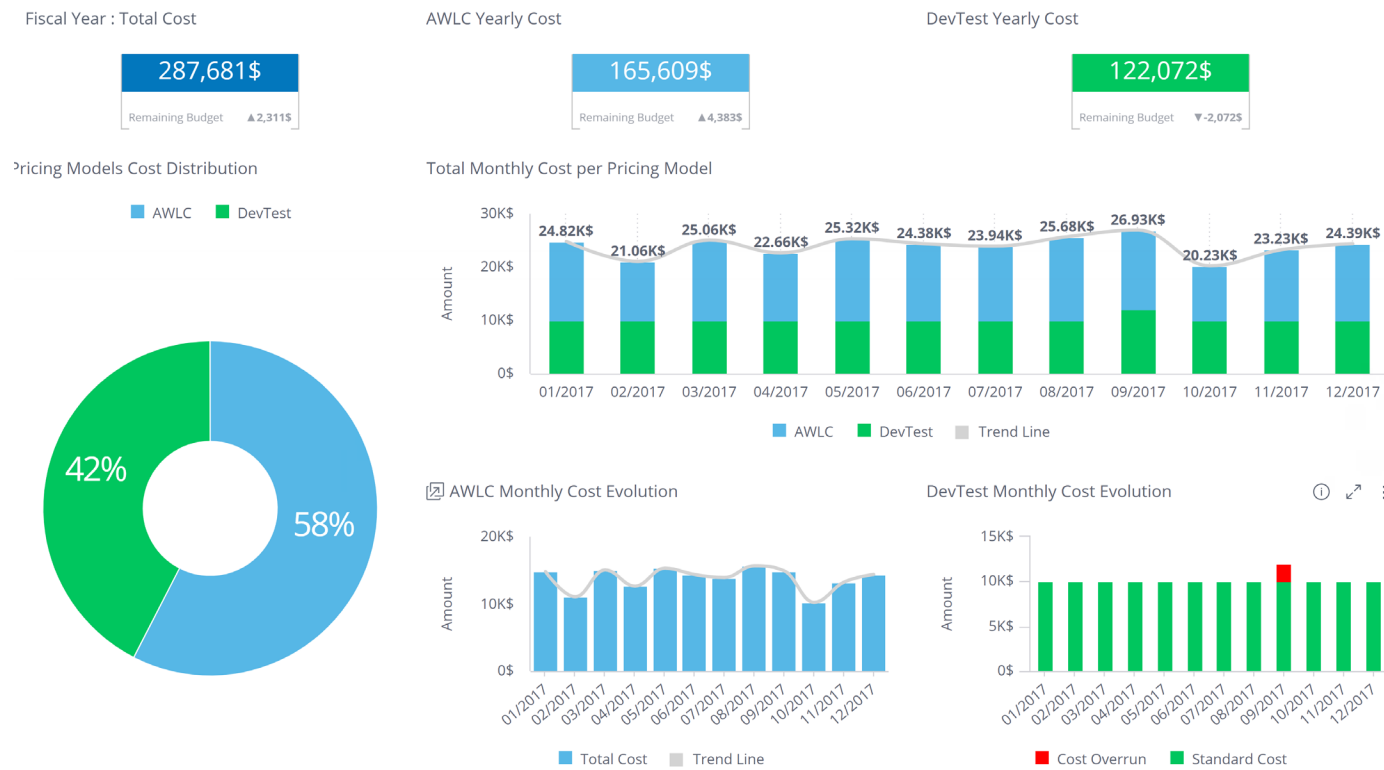Keep an eye on your contractual commitments to stay within budget

Simulate different pricing strategies to find the most profitable one

See the costs of your current production in near real time

Could you wait two months to check your bank statement to manage your personal finance? And yet, this is the amount of time it takes to get the software bill for your current consumption.
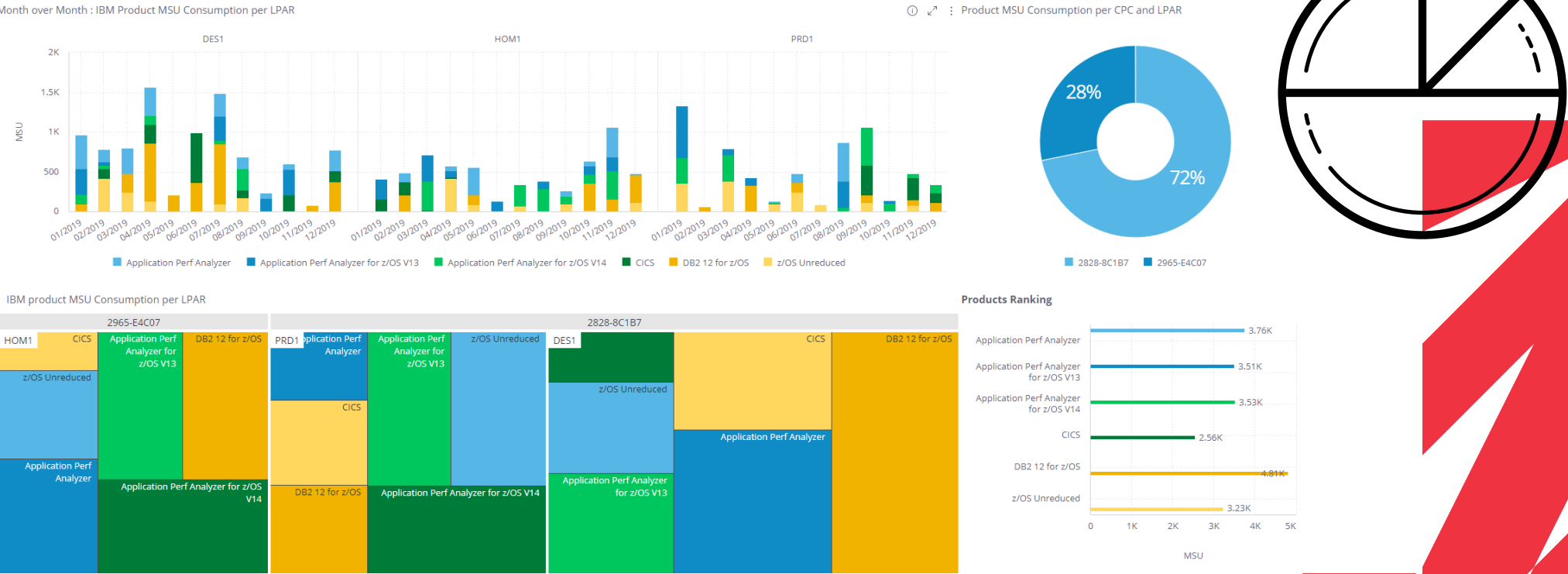
To gain visibility, ZETALY CC first **collects your consumption data in near real time**. Next, it calculates the actual costs and reports them **in the currency of your choice**. These calculations factor in your various contracts and associated pricing models.

Understand cost factors, trends, and distribution between software

If you want to bring your mainframe costs under control, you need to know **where they come from**.
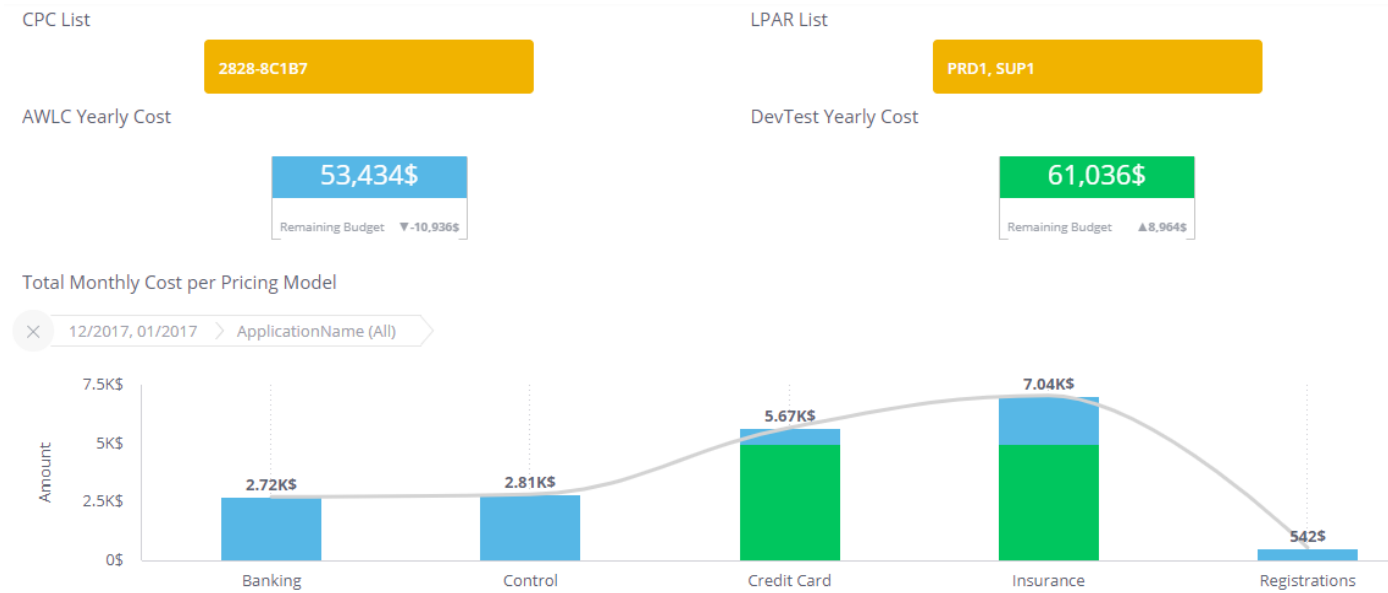
ZETALY Cost Control is here to help you understand your consumption and its impact on your costs. Through detailed analytics dashboards, you can **analyze what is driving costs** at the infrastructure level (CPC, LPAR...) and at the software level. Using the history, you can also **monitor your costs over time** and **make projections**.

Fiscal Year : Total Cost — 287,681$ — Remaining Budget ▲ 2,311$

AWLC Yearly Cost — 165,609$ — Remaining Budget ▲ 4,383$

DevTest Yearly Cost — 122,072$ — Remaining Budget ▼ -2,072$

Pricing Models Cost Distribution — AWLC, DevTest — 42% / 58%

Total Monthly Cost per Pricing Model — AWLC, DevTest, Trend Line

24.82K$ 21.06K$ 25.06K$ 22.66K$ 25.32K$ 24.38K$ 23.94K$ 25.68K$ 26.93K$ 20.23K$ 23.23K$ 24.39K$

AWLC Monthly Cost Evolution — Total Cost, Trend Line

DevTest Monthly Cost Evolution — Cost Overrun, Standard Cost

Month over Month : IBM Product MSU Consumption per LPAR — DES1, HOM1, PRD1

Product MSU Consumption per CPC and LPAR — 28% / 72% — 2828-8C1B7, 2965-E4C07

Application Perf Analyzer, Application Perf Analyzer for z/OS V13, Application Perf Analyzer for z/OS V14, CICS, DB2 12 for z/OS, z/OS Unreduced

IBM product MSU Consumption per LPAR — 2965-E4C07, 2828-8C1B7

Products Ranking — 3.76K, 3.51K, 3.53K, 2.56K, 4.01K, 3.23K

Assess the impact of business activities on mainframe costs

In order to calculate the ROI of your mainframe platform, it is necessary to **link costs to your different business activities**. How much does your customer database cost you today? Your credit card payment service? Your invoicing service?
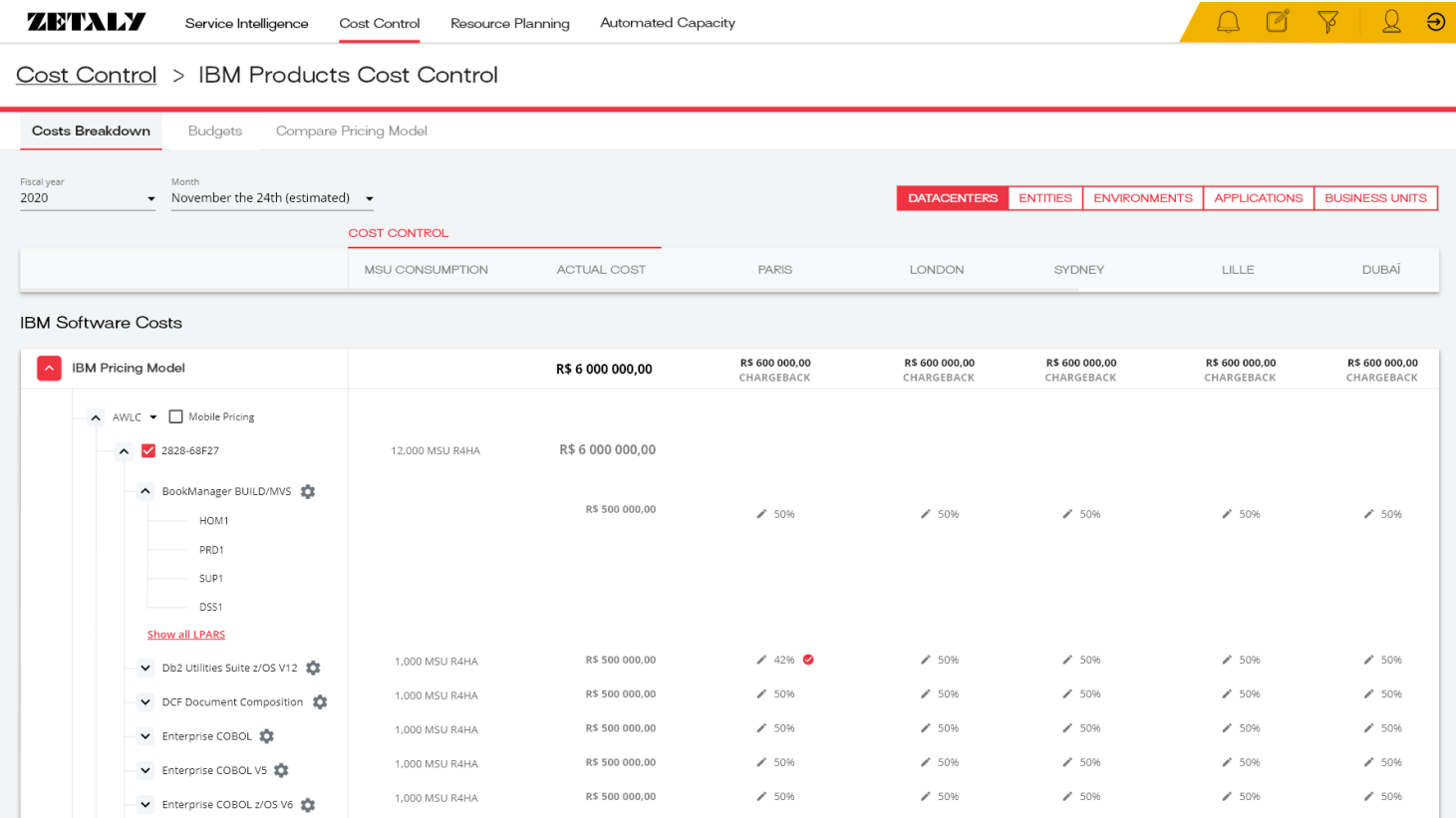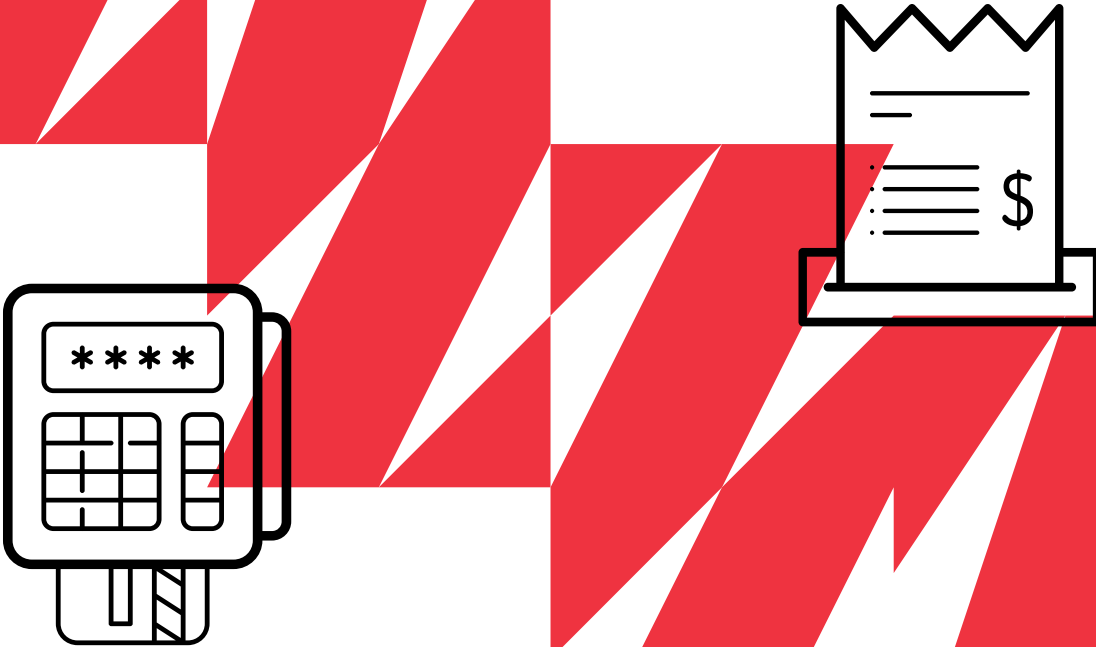
ZETALY CC links a business activity to its actual cost. **Knowing the costs of a specific workload, application or business unit** has never been easier.

Automate chargeback reporting for internal/external customers

Every organization has its own chargeback methods, and these can be complex. As a result, **manual calculations may be tedious**. You also need to be able to justify the costs you charge back to your customers.
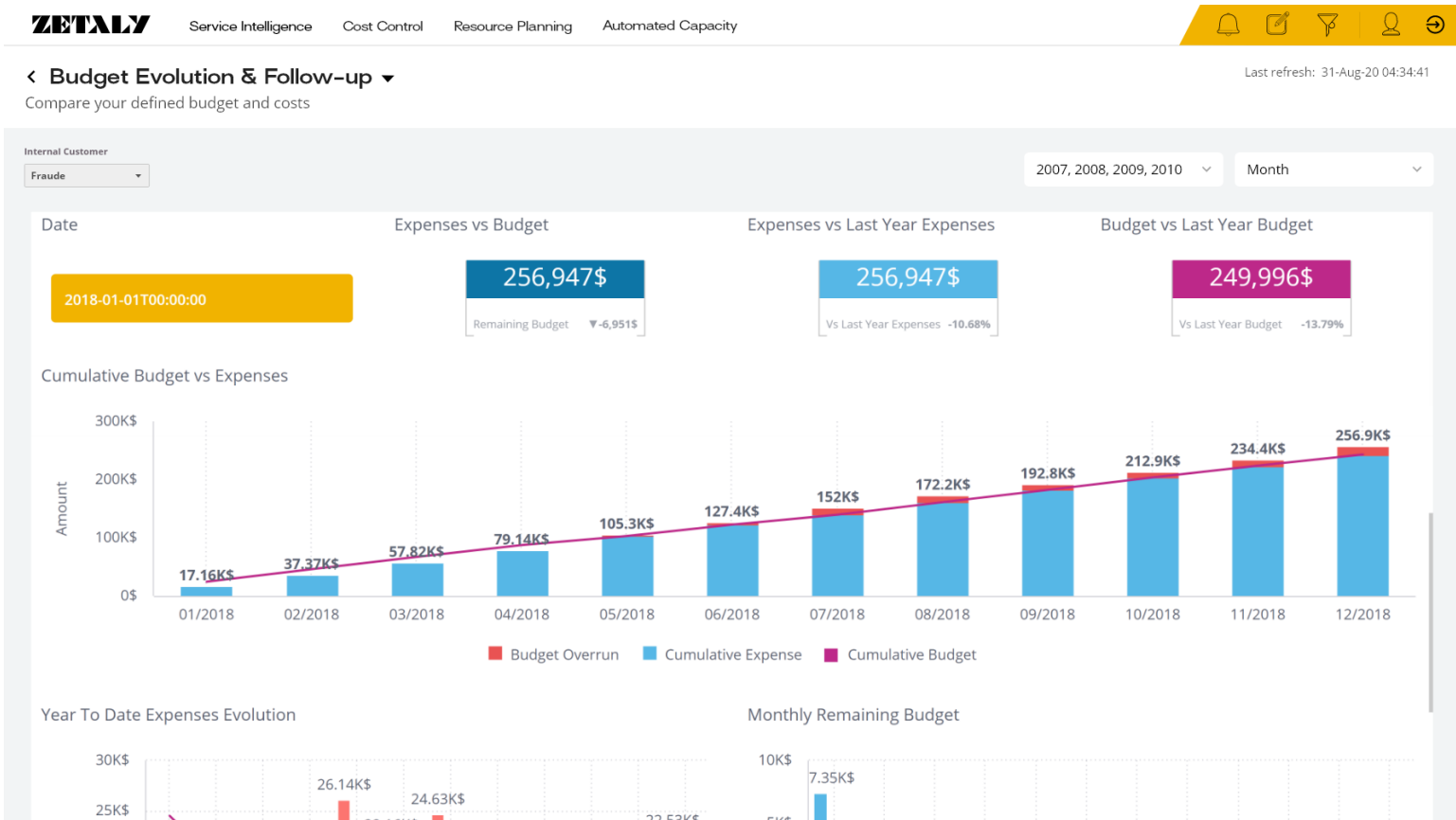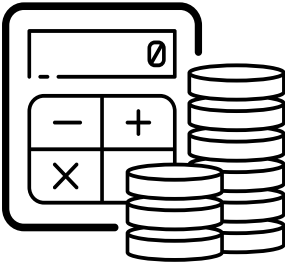
With ZETALY CC, **specify your chargeback rules and get a detailed report for each of your customers**. These reports include details of resource consumption and associated chargeback costs.

Track your mainframe budget and prevent overruns

Being able to monitor your budget is one of the keys to cost control.

ZETALY Cost Control helps you track the **consumption of your annual budget month by month**. With projections, **forecast when you might go over budget** in order to take corrective measures. You can also track your budgets and its components year-by-year.
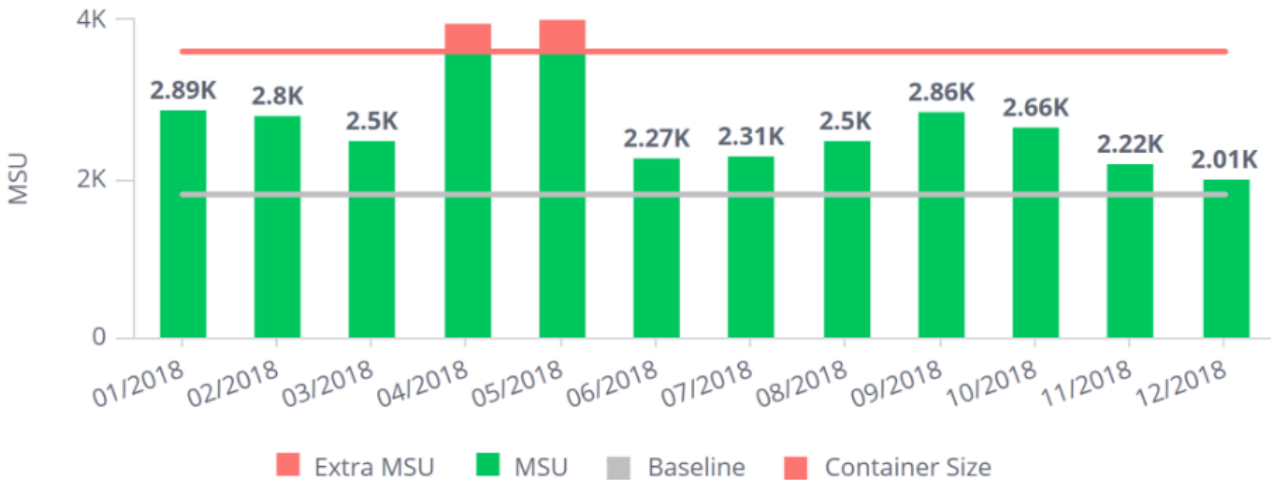
Keep an eye on your contractual commitments in order to stay within budget

Failing to meet your contractual commitments can have a strong negative impact on your budget.

Add your current contractual agreements and licensing terms in ZETALY CC's settings. From there, you will be able to monitor how you are doing i**n real time** and **know in advance** if your current consumption puts you at risk of **future overruns**.
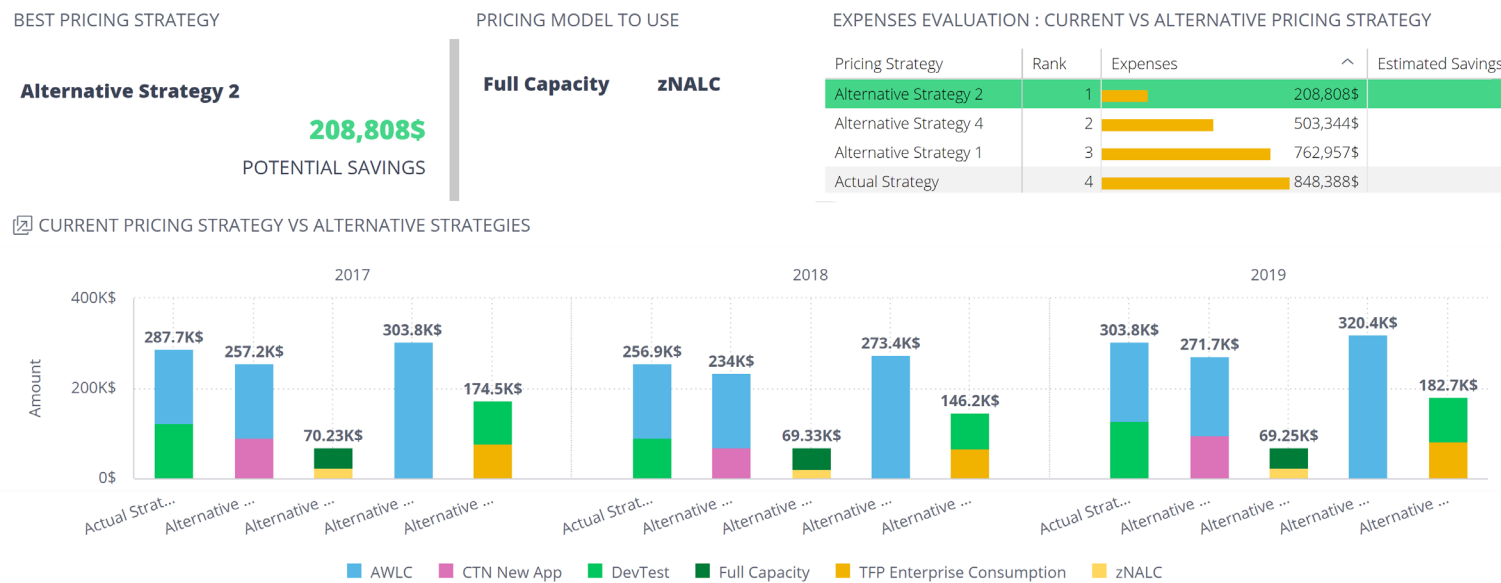

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Simulate different pricing strategies to find the most profitable one

It's not always easy to find your way through the IBM pricing portfolio. Least of all to know which is the most attractive for your organization.
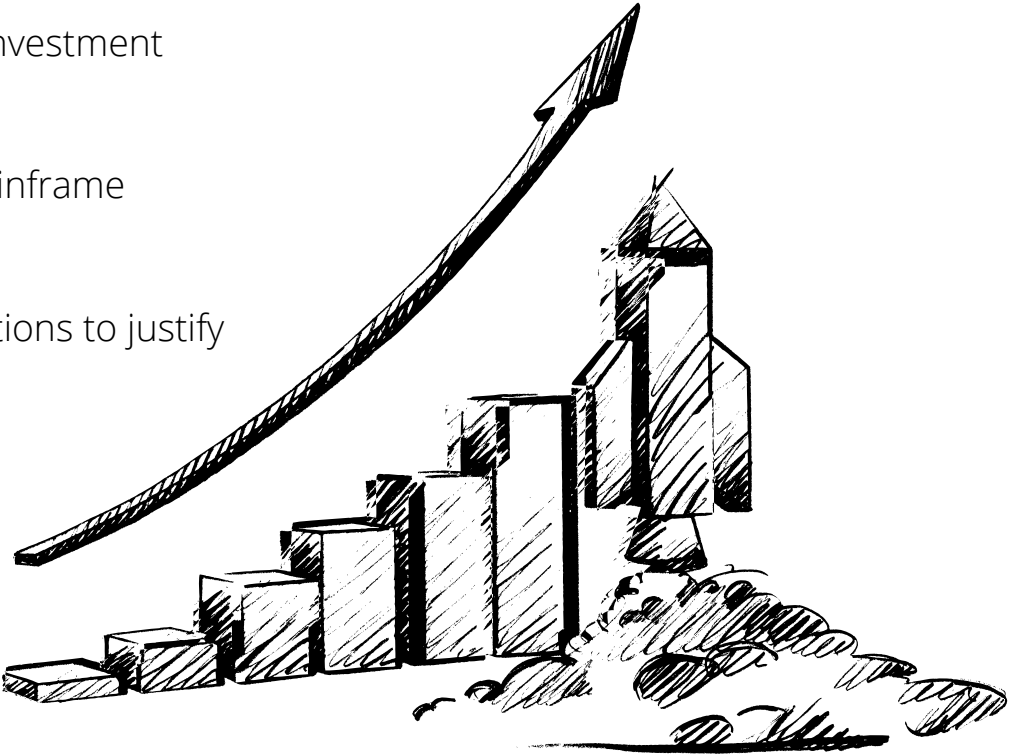
In ZETALY Cost Control, you can **simulate different pricing strategies**. The outcome is a comprehensive dashboard which tells you **what your invoice would have been** if you had an alternative pricing strategy. Evaluating the impact of a contractual change surely brings power for negotiations.

BEST PRICING STRATEGY

Alternative Strategy 2

208,808$
POTENTIAL SAVINGS

PRICING MODEL TO USE

Full Capacity   **zNALC**

EXPENSES EVALUATION : CURRENT VS ALTERNATIVE PRICING STRATEGY

Pricing Strategy	Rank	Expenses	^	Estimated Savings
Alternative Strategy 2	1	208,808$		
Alternative Strategy 4	2	503,344$		
Alternative Strategy 1	3	762,957$		
Actual Strategy	4	848,388$		

CURRENT PRICING STRATEGY VS ALTERNATIVE STRATEGIES

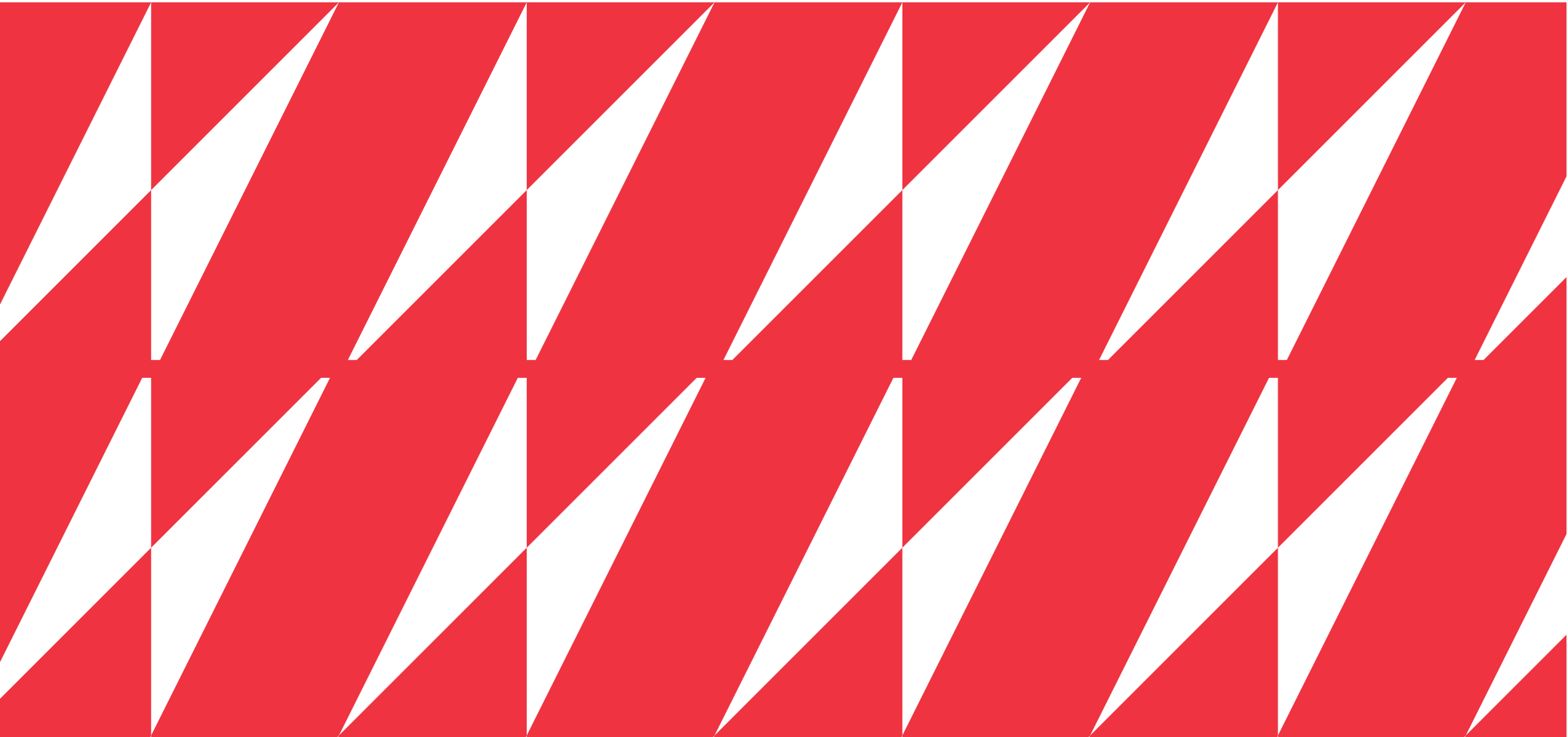Legend: AWLC, CTN New App, DevTest, Full Capacity, TFP Enterprise Consumption, zNALC

Improve the profitability of your mainframe with ZETALY Cost Control

By providing a **360° view of your mainframe costs**, ZETALY CC helps you to increase the profitability of your environment:

- Optimize and reduce mainframe costs
- Identify cost reduction opportunities
- Stay within your annual budget

- Get a better understanding of your cost structure
- Gain increased visibility of your mainframe ROI
- Easily build a strong investment case
- Make the case for mainframe competitiveness
- Get sharable explanations to justify extra costs

- Get better outcomes in your contract negotiations
- Understand which pricing model is best suited to your environment

https://zetaly.io

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