recarta

5 things to consider when renewing your Hardware Support Contract

There is a huge pressure on IT teams to ensure that the IT estate delivers everything that is expected of it – whether it be on premise or in the cloud, on legacy platforms or new. The temptation is to contract numerous vendor support agreementsbut over time this leads to excessive administration, confusion over assets and SLA's along with inevitable soaring costs.

We pride ourselves in taking clients through our proven method – to provide a more flexible, bespoke and managed support mechanism for your IT infrastructure – reducing complexity and risk, administration and cost from your budget.   Furthermore, reducing these elements will ultimately result in increased availability for your business.

Many organisations fall short because they see hardware support and maintenance as a commodity to be purchased at the lowest price.

Phil Trumble - – Director of Annuity Services – Recarta IT Limited.

INTRODUCTION

We are living in the age of the "Demanding infrastructure". The last 7 years have seen monumental changes to the way our infrastructure is required to operate. The emergence of cloud, virtualised environments, IoT and cognitive computing all serving an increasingly mobile workforce and client.

Clients now expect resilience and consistent performance from their chosen suppliers and these businesses in turn must respond to remain competitive. This new landscape is fuelling the need for organisations to increase IT spend which has a direct impact on its related ongoing support requirements and costs.

This current business environment has led to increased procurement complexities and, for some, carries the potential of commercial and compliance risks.

The older your equipment the higher the cost of its ongoing support. IT departments are routinely told to sweat their assets – but this can be counterproductive in terms of ongoing hardware and software maintenance costs. Your maintenance provider should be a strategic partner to look at your existing environment and take future growth and projects into account – even being able to advise on the right areas to consolidate or prioritise. A general mistake is to use a maintenance provider as a commodity supplier of a siloed service.

This paper has been written by Phil Trumble, Director of Annuity services at Recarta, with over 15 years experience of helping large organisations reduce the cost and risk of their burgeoning IT empires. We will explore 5 things to consider when renewing your current support contract.

The key elements required for renewing your support contracts.

Locations of assets

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Manufacturer & model number

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What function does the asset perform:
Production; Disaster Recovery or Test & Dev. etc.?

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What SLA do you have on the existing contract?

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Expiration dates and terms of current maintenance contracts.

Manufacturer	Product	Date Purch'd	Location	Prod/DR/DEV	SLA Required	Contract date
IBM	IBM xSeries	31/12/2015	Bristol Office	Production	24 x 7 4hr	03/2018

Only with this in your hand will you have a strong case to negotiate your renewal with your prospective suppliers.

HOW GOOD IS YOUR EXISTING CONFIGURATION MANAGEMENT DATABASE (CMDB)

Is your current provider able to offer a regular audit of your current IT estate?Good suppliers will offer this as part of the service and Business Partners working on behalf of Vendors such as IBM and HP should offer this as their value add service.

Without an accurate idea of what IT assets you have, it is very difficult to pull together your "current state". For larger environments, there are numerous applications and appliances that can be deployed to capture assets, OS levels and last firmware updates! Within most organisations, the asset register will stretch across IT and Finance and should hold the most of the information required;

Asset Information	Ac/s and Regulatory	Accountability	Asset Performance
Unique Asset Number	Date Purchased	Asset Custodian	Functionality
Bar code number	Date avail for use	Location	Operational Importance
Serial Number	Asset Class	Program activity	Use
Model	Acquisition Cost	Cost centre	Maintenance Criteria
Manufacturer	Gross Amount	Last stock take	Current condition
Description	Valuation Basis	Next stock take	Warranty & Date
Supplier	Date of last valuation	License number	Life cycle
Purchase Order No.	Depreciation method	License expiry date	Capital Work order
Invoice No.	Accumulated depreciation		Maintenance Work orders
	Net book value		
	Est'd useful life		

WHAT SUPPORT SERVICE DOES THE BUSINESS NEED?

Types of SLA and response

Most organisations today will have 9 x 5, 5 x 11 or even 24 x 7 support contracts in place. However, did you know it is possible to have different support levels against the same asset? Many organisationsmay demand elements of 24 x 7 support on their most critical systems but what about your other non-productive environments? Not all businesses will require enhanced support on test environments. For many of your systems the option for enhanced support may not be required all of the time – for example, peak workloads Monday to Friday or for seasonal trade.

Conversely – you can increase support where it is not currently included – are you exposed around when you carry out projects, tests or peak trading – then your support can be increased just for these occasions or 7 days a week – we callthis as Major Event Support.

Then there are response times and fix times – sometimes it is difficult to create low fix times on certain products and geographies – but this should be tailored to the servers, storage and their functions within the business.

Remember that even if your business does not consider itself to be an online retailer or have people working 7 days a week - the picking, packing and logistics of your business or to your chosen supply chain may require your systems to be available 24 x 7.

Additional services available

- **Multivendor contracts –** *some providers will allow you to mix and match other vendors on the same contract.*

- Are my contracts co-terminated and what other contracts can I align?

- Do you need hard disk drive retention policy within your contact – *for compliance?*

- Are you able to access vendor service extensions and enhanced support when required?

- **Pro-active management –** *who will be responsible for the additions, removals, changes, terms and conditions queries – what sort of credits will youpotentially receive?*

- How often will formal review meetings be held and what information is to be discussed and addressed?

- Who will be responsible for the annual inventory audit?

- Will you be able to receive microcode, patches and firmware updates legally?

- Who will be responsible for the *"End of Service"* notifications for both hardware and software (platform strategy)?

GAP ANALYSIS

In management literature, the definition of a gap analysis involves the comparison of actual performance with potential or desired performance. If an organisation does not make the best use of their current resources, or forgoes investment in capital or technology, it may produce or perform below its potential.

In terms of your current contract and supplier, this is the difference between the support you are receiving compared with what the business now requires.In addition to reviewing assets and SLA's there is also the question of the achieved service levels of your existing provider. Have they performed as expected or have resources and lack of parts created delays to fix times and created unexpected outages?

Many third-party organisations will have service levels defined within their contracts (commonly 95%) – but they will aim to use the 5% to fail on the hardest to fix parts. These could be your most important production systems, storage or tape libraries – so you should payparticular attention to the achieved service levels on your "Tier 1" products rather than across all the assets on the contract.

As your assets become older they carry the increased risk of failure – especially spinning disks and tape drives. Has this been assessed and calculated when comparing upgrades to the ongoing cost of support. These assets are the areas of highest risk going forwards – so do you have an upgrade plan within the next contract cycle of 12-36 months? Will you receive appropriate rebates when these items are upgraded and removed from the contract.

It is difficult to place a price on the reputation of your business. Recent events have shown us from the banking and telecoms sectors to the NHS – that in a computerised and mobile world that we need to remove any vulnerabilities within our control.

Last year Bloomberg, the market feed subscription service, went down for 4 hours during the day. Ironically at the same time the number of clients and the price of the shares in its rival, Thompson Reuters, went up. This is not an isolated incident and demonstrates that unplanned downtime cannot be an option for those offering any type of online service or operation.

"93% of businesses that suffer a significant loss of data are out of business within 5 years"

(Bureau of Labour 2016)

REDUCING RISK AND COST TO THE BUINSESS

A good maintenance partner should look to understand your IT strategy as a whole – rather than focus purely on the maintenance of your assets. Vast savings can be made with a good partner by considering and reviewing;

- **Vendor consolidation** – supporting more than one vendor on the contract
- Will certain assets be unchanged in your organisation for the next two/three years – so why renew for one? **Extending the term commitment provides further savings.**
- Do all your existing hardware and software **support contracts co-terminate?**
- Do you **pay monthly** or at the **beginning of the contract?**

Having several vendors to maintain your IT infrastructure can not only be time consuming it can be complex and difficult to manage. By undertaking a vendor and support consolidation plan, more time can be spent on real business issues and not on when your support agreements are due, who should they be renewed with, what equipment is on which agreement. A vendor consolidation plan can remove issues such as:

- **Multiple renewal dates**
- **Multiple invoices from multiple vendors**
- **Multiple numbers to call for support**
- **Inconsistent SLA's**
- **Problem determination**

The benefits you are looking to realise from a holistic approach to your support partner should be the option of multi-vendor support, less risk of unplanned downtime, higher support for planned downtime and more protection against outages. Ideally all of this with reduced cost!

Your IT team can then focus on business priorities and objectives with greater value return from your IT investments.

WIN
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WIN

GET A QUOTE FROM IBM AND RECARTA AT YOUR NEXT RENEWAL

We ask you to consider these key points when you are reviewing your support renewals

- Are you satisfied with your current support providers?

- How many vendors are involved in supporting your environment?

- Is vendor selection a component of your overall strategy?

- Do you experience support complexity across technologies and vendors?

- Are you interested in consolidating your support with the one unique support provider who can provide you with an end-to-end integrated support solution?

- Are you interested in reducing your support costs while improving your support efficiency?

- Would you like to increase system availability and reduce outage and mean time to repair (MTTR)?

It takes a trusted support resource—one that has the experience and knowledge to help enable more effective planning, monitoring and automated management of your assets.

Recarta can provide a fully integrated support solution with a single point of accountability for all IBM and original equipment manufacturer (OEM) product technical support. We can help you simplify support and focus on core business by offering not just end-to-end support capabilities, but also a solution focused on your unique IT support needs.

Recarta Value Add;

- Recarta IT Contract Management - named account manager managing additions, removals, changes, terms and conditions queries.

- Quarterly Report of IBM ServiceSuite Calls/incidents produced and issued;

- Quarterly onsite IBM Service Delivery Review Meeting;

- Annual Recarta IT onsite IBM hardware and system software estate inventory audit and report.

- IBM ServiceSuite includes full Microcode access/downloads as standard

- Proactive management of IBM "End of Service" notifications both hardware and software with platform road mapping options.

- Recarta IT can align non-IBM maintenance contracts (Cisco, HP, SUN, Fujitsu etc.) into a single Service Suite Agreement for ease of renewal.

In these financially uncertain times, we trust the stability of IBM as an organisation, and the depth of skill and resources in support will give you the assurance that IBM really is a "safe pair of hands". Business stability is of primary importance when selecting a contractual partner for IBM Technical Support Services (TSS).

IBM will be available when you need them, providing skilled support and a trusted process to restore any hardware problems quickly and efficiently.
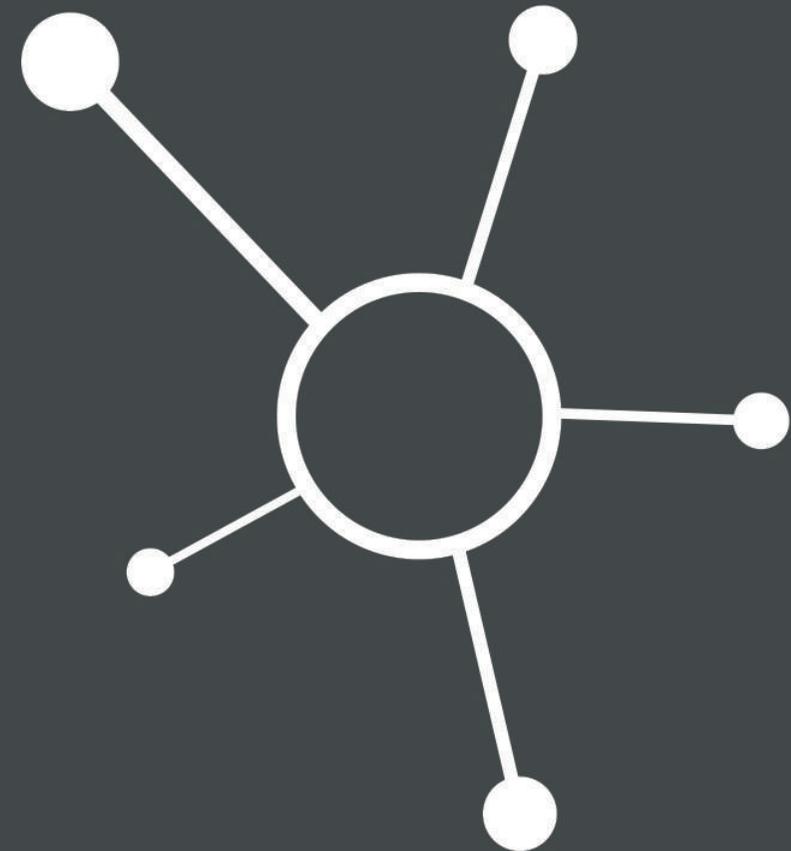
TAKE OUR CHALLENGE

IBM supports over 300,000 IBM and non-IBM products worldwide and is thetrusted support partner to many large and small organisations. Recarta currently manages over 375 IBM contracts across a wide range of clients and our reputation is built on this successful partnership with IBM Maintenance Services.

IBM have proven success in supporting non-IBM equipment such as Cisco, HP, SUN, Fujitsu, EMC, Fortinet and a wide range of other products, either inhouse with their own level 1 and level 2 support or through strategic alliances for access to level 3.

Take our challenge and request a quote at your next renewal. We will look to add value to your existing support whilst reducing cost and risk to your organisation. IBM are currently offering excellent "winback" promotions via Recarta to IBM clients who are currently using third party maintainers or indeed to add non-IBM equipment to existing or new contracts.
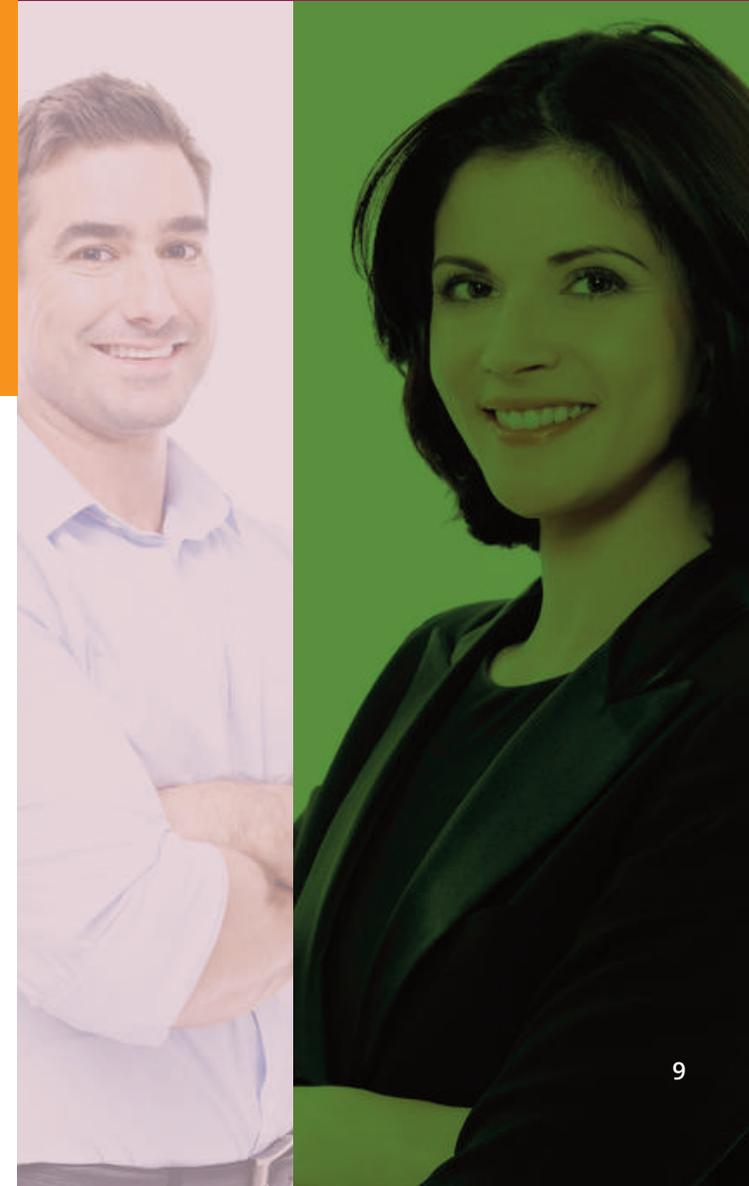
ABOUT RECARTA

Recarta is an award-winning IBM Platinum Business Partner and provider of integrated IT infrastructure and data management solutions. We specialise in the design, deployment and management of IT infra-structures and have extensive experience working within the commercial sector both onshore and off-shore.

Recarta have an unmatched and demonstrable track record of adding value to IBM Technical Service Solutions, along with consistent delivery of excellent commercial arrangements for our clients.

Recarta is one of 2 UK based IBM Platinum Partners and was the second largest IBM Support partner in the UK in 2016.Recarta provide a single point of contact for IT infrastructure support for many leading UK based organisations. As an IBM Technical Support Services Champion, Recarta IT are well positioned to provide flexible, robust support services to organisations with complex IT environments.

Recarta has established an enviable reputation, one that has fostered deep and successful relationships with various technology partners. As such we are an IBM Platinum Premier Business Partner, a partner for Dell, HP, Cisco, EMC servers and storage, Vision Solutions, VMware Enterprise Partner, Veeam Gold Partner, Citrix Silver Partner, Microsoft Reseller, Checkpoint Bronze Partner and Red Hat Ready Partner. These relationships allow our customers to gain success through the delivery of working with Recarta and its technology partners.

To talk to one of our support consultants please call 0844 800 7822 or email sales@recarta.co.uk for a free no obligation review of your current vendor support contracts.

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