

# KEEP UP WITH TECHNOLOGY EVOLUTION THROUGH VENDOR SUPPORT

STRATEGIC WHITE PAPER

Advances in Information technology and communications (IT&C) have been a great boon for modern enterprises. They have allowed businesses to remain competitive in the face of global competition by increasing employee productivity and enabling rapid response to changes in the marketplace or customer demand.

But these benefits come at a cost. Almost every business process is heavily reliant on IT&C services and applications. But if these services and applications do not take advantage of the latest technology advancements, they risk not delivering all expected benefits. When the network doesn't operate at peak capacity or fails completely, productivity plummets.

As a result, CIOs and their IT teams must ensure their networks and all associated components are operating at optimum performance to keep business operating smoothly. This can be a huge drain on resources when the network has multiple applications from separate vendors and is spread across many locations.

Vendor support can be of great benefit to IT organizations stretched thin by budget cutbacks and increased responsibilities. Vendors have the greatest technical insight into their own products, and have experience with them across multiple installations. Adopting a vendor support contract helps enterprises to ensure network performance and business continuity by offering all past and future enhancements at predictable costs.

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# THE NETWORK IS AT THE HEART OF THE ENTERPRISE

Businesses are relying more and more on IT&C networks to remain competitive. Adopting these new applications and services allows business to develop better relationships with their customers, offer new and innovative products and services through enhanced collaboration and communication, and respond more quickly to customer requirements.

While in the past, IT departments needed only to support simple voice and data services, today's advanced networks support blended media, big data and business-critical applications, BYOD and virtualization.

## Advanced networks require advanced support

Keeping all these applications and services working together in harmony can be very challenging for IT organizations tasked with their support.

IT departments now find they need a high level of both business and technology expertise to manage their networks and support their users. What's more, they've experienced an enormous increase in the volume of support requests in the last ten years to assist end users with new devices, features, user interfaces, business processes and a growing number of operating systems and platforms.

“The percentage of clients identified their products as “highly complex” has grown from 42% in 2003 to 64% today.” (TSIA)<sup>1</sup>

Supportindustry.com notes in 2012: “Over two-thirds of participants reported increased demand for support services, 19% saw demand stay level, and only 7.6% of support centers saw decreases – virtually identical numbers as compared with the 2010 survey. In a world where the complexity of products and services themselves continues to increase unabated, support services continue to grow along with them.”<sup>2</sup>

## PROVIDING INCREASED SUPPORT WITH FEWER RESOURCES – DOING MORE WITH LESS

As more enterprises depend on their IT infrastructure to conduct their day-to-day business, internal stakeholders and external customers need the network to be available and performing at capacity. IT organizations, therefore, must minimize downtime and meet internal and external service level agreements (SLAs). At the same time, IT resources and budgets are being cut as business forecasts remain conservative. When the network includes products and services from multiple vendors — each requiring deep vendor expertise — and spans multiple countries or continents, providing a uniform service level can prove extremely costly for an in-house team.

In addition, business leaders are increasingly looking to their IT organization for help attaining better business results by using technology to improve business processes.

<sup>1</sup> TSIA: Support Services Benchmark Study

<sup>2</sup> Supportindustry.com, *The 2012 Service & Support Metrics Snapshot*

This requires most CIOs to balance resources between maintaining legacy systems and implementing new strategic projects with the potential for enterprise-wide benefits.

A recent study from IBM highlights the challenges CIOs face as they decide where to focus their attention:

Today's CIOs spend an impressive 55 percent of their time on activities that spur innovation. These activities include **generating buy-in for innovative plans, implementing new technologies and managing non-technology business issues**. The remaining 45 percent is spent on essential, more traditional CIO tasks related to **managing the ongoing technology environment**. This includes reducing IT costs, mitigating enterprise risks and leveraging automation to lower costs elsewhere in the business.<sup>3</sup>

One response has been to adopt “end-to-end” IT service packages, which combine all the IT resources, technologies and processes required to achieve a specific business objective. By working closely with other internal groups, such as human resources or marketing, and focusing on business outcomes rather than technology, IT departments can make faster and better-informed decisions, ultimately resulting in better spending on infrastructure. According to one report, 54 percent of large organizations will offer at least some end-to-end IT services by the end of 2012.<sup>4</sup>

## The maintenance dilemma

Faced with these realities, IT organizations must find a way to deal with a very real resource issue. They are being called upon to increase the efficiency of their IT&C infrastructure, while at the same time reduce costs. IT organizations can follow two different paths when deciding on the role maintenance can play to help achieve their objectives. Each path, however, has very different outcomes.

The optimal approach is to use maintenance to support cost reduction efforts by improving performance, capacity and availability. By ensuring systems are always in optimal health with up-to-date patches, synched versions and compliant configurations, organizations are more likely to avoid the potential downtime and security risks. Regular network maintenance makes systems and processes more efficient and effective, helping them better contribute to the bottom line. And when it's time to upgrade the system or add functionality, it is always easier and more cost-effective when running the latest release.

What often happens, however, is that budget cutbacks force the reallocation of funds normally spent on maintenance to go towards innovation projects. If maintenance is postponed or cancelled repeatedly, it can result in a backlog of maintenance issues and create a systemic risk to an organization's ability to conduct business.

Contributing to what has been called “the IT Debt” – the maintenance or upgrades required to shore up critical IT infrastructures – is the fact that IT&C systems aren't being replaced as regularly as they were in the past. Aging systems are being kept in service longer than their recommended lifespan, which means keeping them operating efficiently is becoming even more difficult. Analysts reported the IT debt to be valued at approximately \$500 billion in 2010 with potential to grow to \$1 trillion by 2015.<sup>5</sup>

<sup>3</sup> IBM - The New Voice of the CIO (emphasis in original)

<sup>4</sup> InformationWeek: 4 Ways IT's Role Changing Faster Than Expected

<sup>5</sup> ZDNET, quoting Gartner: <http://www.zdnet.com/blog/service-oriented/gartner-pegs-global-it-debt-at-500-billion-and-growing/5835>

## The risks of inadequate maintenance

Without regular maintenance and upgrades, networks run a much higher risk of performing below capacity or failing outright. When downtime occurs, it can be very costly to an enterprise and affect many aspects of the business.

Reports vary as to how much network downtime can cost. One source puts the direct costs at between \$84,000 and \$108,000 (U.S.) for every hour an IT system is out of service.<sup>6</sup> Another study estimates companies lose an average of 3.6 percent of their gross annual revenue to network downtime.<sup>7</sup> These studies only calculated direct costs, such as lost sales, wages, money spent on marketing, contractual penalties or damages for not delivering goods or services or meeting SLAs.

Solving the issue and getting back to normal business can also incur direct costs, such as paying for overtime or supplemental workers to catch up, rush delivery charges and public relations or marketing fees needed to communicate with stakeholders and repair an organization's reputation.

These figures don't include indirect costs, which can also be very expensive to an organization and include things such as future business from customers who are lost to competitors, the damage to a company's reputation, and loss of customer loyalty and employee morale.

The longer an organization remains without solution support and a network goes without adequate maintenance, the larger the risk and impact of solution downtime and the greater recovery times and costs will be.

## Beyond maintenance to evolution

The needs of enterprise users are constantly in flux, with new applications or services being added as technology trends emerge and user requirements evolve. IT departments attempting to add new features or services on networks running out-of-date software releases may find the new service incompatible with their current network. This can delay the implementation of new services, make end users unhappy, and force unplanned and unbudgeted network upgrades. As noted by Dimension Data, when introducing their Network Barometer Report 2012<sup>8</sup>:

“If organizations don't start to plan for upgrades at the core of their networks, technology megatrends such as mobility - or bring your own device - video, and virtualization could bring them to their knees. This will impact competitiveness and organizational efficiency, and leave end-users – the consumers who increasingly drive technology adoption – frustrated and unproductive.”

More information on the risks of aging infrastructure are available in the Alcatel-Lucent whitepaper: “Aging communications systems: risks and opportunities - A tactical approach to enterprise communications transformation”<sup>9</sup>.

<sup>6</sup> *IT-Director: Assessing the Financial Impact of Downtime*

<sup>7</sup> *Information Week: The High Cost Of Network Downtime: Q&A With Charles Nault*

<sup>8</sup> *Dimension Data: If Not Upgraded, Networks Could Buckle Under New Technology Trends*

<sup>9</sup> Alcatel-Lucent: *Aging Communications Systems: Risks and Opportunities*: <http://conversation.alcatel-lucent.com/LP=332>

# MAXIMIZING MAINTENANCE ROI WITH VENDOR SUPPORT

Maintenance does more than protect an enterprise's installed base and investment. Continuous maintenance and evolution can improve processes, maximize uptime, enhance application and solution efficiency, increase quality of service, and reduce costs associated with business loss due to downtime, human resource costs, including salaries, wages and benefits of people unable to work when incidents occur, the costs for fixing any problems and the cost of restoring customer and investor confidence.

The vast majority of solution failure-related issues can be predicted or prevented before they occur by adopting around-the-clock maintenance and patch management.

In an era of tight budgets and reduced resources, many IT organizations are turning to an outsourced model and relying on vendors to conduct ongoing maintenance and support rather than trying to build and maintain expertise in-house.

Maintenance outsourcing can provide important benefits to every business, including:

- Minimized software down-time
- Support from a professional, experienced and certified team
- Reduced costs
- Continuous improvements to support the changing needs of organizations
- Improved application stability and performance
- Improved service quality
- Ability to focus on other strategic initiatives, rather than maintenance
- Assurance software applications are aligned with industry's latest trends and achievements

Outsourcing network maintenance to your Channel Partner backed by the Alcatel-Lucent not only reduces costs, it allows IT teams to focus on strategic projects. Most significantly, vendors know their own products better than anyone else, have long experience with the design and deployment of their systems, know exactly when patches and new releases will be available, and have a technical support infrastructure focused specifically on supporting their products.

How forgoing vendor support can affect an enterprise

- Time is spent supporting infrastructure instead of business objectives.
- Costs related to solution failure, downtime and network incidents are unpredictable, making budgeting difficult.
- Infrastructure may become vulnerable to attack due to inconsistent patch management.
- The system suffers from instability and unavailability because it is running old software or firmware releases.
- Global support is delivered inconsistently due to challenges managing a multi-vendor, multi-location and multi-system network.

## **Best practices when choosing vendor support**

Given the importance of keeping IT&C infrastructure performing optimally and the difficulty doing so as networks and applications become more complex and resources are cut, enterprises should ensure any vendor support services they contract have the following characteristics:

### **Anytime, anywhere availability**

When the network or a critical application stops working, it can immediately start to cut into profitability. Enterprises need to have confidence that they can get in touch with their support service 24/7/365, that their call will be answered, the severity of the issue assessed, and approximate resolution times provided. If necessary, the vendor should be able to dispatch higher technical expertise to evaluate the cause of the downtime, recommend a recovery approach and oversee its successful implementation.

### **Detailed service level agreements (SLAs)**

In the event of downtime, enterprises need to know when their network will be back up and running so they can manage both internal and external stakeholder expectations and plan for business continuity. Enterprises should ensure their SLAs contain committed response and resolution time for problem diagnosis and correction services,.

### **Deep technical /solution experience and expertise**

In a sophisticated network that involves multiple applications and locations, tracing the source of a problem can be difficult and time consuming. Having technical support with intimate knowledge of all the system's components, from how they were designed and manufactured, to best practices on deployment, to knowledge of the latest patches and upgrades is crucial. And the more networks the support service provider is familiar with, the more experience they will have resolving similar issues, making the job of identifying and resolving issues that much faster and easier.

### **Robust patch methodology**

Systems running old releases can affect both the security and availability of the network. At the same time, inconsistent patch management can do more harm than good. Enterprises must ensure their support supplier has the tools and detailed methodologies to maintain and upgrade their entire systems – including pre-installation testing – to avoid costly downtime.

### **Strategic upgrade management expertise**

Without scheduled upgrades, it will become more and more difficult for the network to function optimally as the demands placed on it by users increase. When a network is working with the most up-to-date releases, it has the added benefit of allowing you to add innovative new services or applications more easily – ones that can increase the productivity of your business as your needs change. By identifying, scheduling and implementing network upgrades, a support supplier can ensure all upgrades are both planned and budgeted.

### **Multiple methods of engagement**

Support for enterprise networks is not a “one-size-fits-all” offering, the support requirements are as unique as the enterprises themselves. Enterprises should ensure their support providers are able to respond to requests across multiple channels, including phone, online forms, e-mail, and instant messaging, and in multiple languages, if required. It is also important these channels be strictly coordinated so the level of support

is consistent across all channels and no repetition is required when interacting with the support team through different means.

## **SUPPORT SERVICES FROM ALCATEL-LUCENT**

Alcatel-Lucent understands that IT&C networks and applications are critical to the success of an enterprise and tailors its support services to enterprise needs. Complete support coverage ensures that solutions perform at their best and evolve at the pace of the business. Alcatel-Lucent support compliments and enhances support offered by our business partners, keeping enterprise solutions running at peak performance and capacity. This helps enterprises to maximize productivity, safeguard their reputations and control costs.

The Alcatel-Lucent OpenTouch™ Suite for mid-sized and large enterprises is a key piece of communications infrastructure for many businesses. It helps to manage business telephony, unified communications, collaboration, mobility, video conferencing, video sharing and customer interaction needs a Native multi-party, multi-device and multimedia business collaborative conversations take place amongst employees, partners and customers to improve significantly the performances and the productivity of any enterprise. The solution is integrated and offers operational optimizations in deployment and maintenance.

### **The Alcatel-Lucent Solution Premier Service (SPS)**

The Alcatel-Lucent SPS protects an enterprise's investment in the OpenTouch Suite. It provides business partners who sell, deploy and maintain the OpenTouch Suite with unlimited access to Alcatel-Lucent resources and expertise 24/7/365. Support is provided in multiple languages and through phone, a web portal, email and online chat to ensure our partners are able to get the backing they need in the format they prefer. Partners can open any number of electronic service requests, access the Knowledge Base and Incidents Base and follow the latest available updates on the social media to obtain the support, expertise and technology they require to get their customer's networks performing optimally.

SPS includes methodical software maintenance and upgrades procedures to minimize downtime and ensure systems are uniformly running the latest releases. Any problems are diagnosed and corrected under best-in-class SLAs to Alcatel-Lucent partners, which ensure a consistent and appropriate level of service is delivered.

All Alcatel-Lucent Enterprise partners – more than 2,200 resellers and system integrators in 130 countries – are experts in their own right, undergoing comprehensive, multidisciplinary training and certification to sell, deploy and support Alcatel-Lucent Enterprise solutions. Partners are, in turn, backed by 300 Alcatel-Lucent solution and field experts, each with an average of 15 years' experience.

As a result, Alcatel-Lucent partners managing SPS-protected networks can offer:<sup>10</sup>

- Deep knowledge of installed Alcatel-Lucent systems and applications thanks to vendor mentoring and assistance.
- Rapid diagnosis and resolution of critical problems.
- Immediate upgrades, updates and patches at no additional cost.
- Prompt, incident-based support.
- Additional technical support when necessary, backed by the Alcatel-Lucent experts.

<sup>10</sup> For more information about Alcatel-Lucent SPS, visit <http://enterprise.alcatel-lucent.com/?dept=EnterpriseServices&page=SolutionPremierService>



## CONCLUSION

Enterprise IT&C networks are growing more powerful and sophisticated in response to the demands of business. At the same time, IT departments tasked with keeping these networks available and running at their peak are finding their resources and funding being cut.

Network and applications that perform under-capacity — or worse, fail — can impose both direct and indirect costs on an organization, from lost sales to lost reputation. And if networks aren't ready to evolve with the needs of their users, it can require upgrades that have not been planned or budgeted.

Alcatel-Lucent recommends adopting the Alcatel-Lucent solutions support for Alcatel-Lucent solutions and infrastructure as the best way to keep the network performing optimally and controlling costs. Vendors have the deepest knowledge of their own equipment and applications and have a vested interest in keeping their customers satisfied. With vendor support, enterprises have some peace of mind their network will keep their operation running smoothly today, and will be ready to accept tomorrow's challenges.

