

# The Business Value of IBM Expertise Connect



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## BUSINESS VALUE HIGHLIGHTS

Click any link and look for the ► symbol on the corresponding page. Use the Return to Highlights button to return this page.

**341%**

three-year return  
on investment

**31%**

more root cause  
analyses performed

**61%**

more IT time for proactive/  
strategic activities

**6-month**

payback period

**93%**

less unplanned downtime

**20%**

faster scaling of  
business opportunities

**67%**

faster issue resolution

**27%**

more efficient IT  
infrastructure teams

## Executive Summary

With more C-suites demanding technological innovations that can drive business results, CIOs struggle to balance implementing new technologies with maintaining critical legacy environments — even as they focus on maximizing the value of their IT investments. For help, IT organizations are increasingly looking to partners who offer services such as IBM Expertise Connect — flexible, adaptable, life-cycle services that can help optimize IT operations and mitigate risk across complex, heterogeneous landscapes.

IDC spoke with organizations with IBM Expertise Connect engagements to assess their impact on IBM and IT performance, staff efficiency, costs, and business outcomes. Study participants explained that their IBM Expertise Connect engagements play a crucial role in maintaining reliable and consistent IT performance, optimizing operations through best practices and automation, and maximizing the value of their IBM and related IT solutions.

Based on interviews with IBM customers, IDC calculates they will realize total annual benefits worth **\$8.23 million per organization (\$183,600 per 1,000 employees using IT services)** by:

- **Ensuring the quality and availability** of business-critical applications and systems through best practices, proactive steps, and expertise gained through their IBM Expertise Connect engagements, thereby limiting productivity and business costs associated with application and service outages
- **Empowering IT teams to work more efficiently** by applying best practices and learnings to deploy, run, and support their IBM-based solutions more effectively
- **Lowering IT infrastructure costs** by carrying out impactful assessments of infrastructure and software requirements
- **Establishing more scalable and agile IT environments**, which allows for timely expansion of business infrastructure to meet opportunities and adoption of more agile and effective development approaches
- **Minimizing the adverse impact of issues** by assisting with problem-solving, leading to faster resolution time

## Situation Overview

In today's challenging economic climate where enterprise IT budgets are scrutinized more than ever, it is essential that customers extract as much value from their IT investments as possible. It is more important than ever that their partners can expertly address concerns and challenges that may arise throughout the life cycle of an engagement and address critical issues that may impede their ability to successfully adopt and fully utilize their technology purchases. IDC has been tracking IT buying sentiments through its monthly *Future of Enterprise Resiliency Surveys (FERS)* for over two years, in which IDC identifies key market trends, including drivers and inhibitors that may impact IT buying decisions.

In May 2024, FERS data illustrated that enterprise respondents felt there were specific market inhibitors that could negatively impact their IT spending for the next 18 months. These include inflationary pressures on vendor pricing (33%), managing costs for AI model building and software (31%), limited access to IT hardware (31%), and staffing and labor shortages (31%). In that same study, enterprises felt that the following technology initiatives were relatively immune to recessionary pressures: security, risk, and compliance (27.3%); infrastructure, ITOps, and optimization (24.4%); AI and automation (22.2%); and workplace solutions (21.8%). These initiatives will move forward because of their criticality to the business (*FERS, Wave 5, May 2024*).

Digging deeper into digital infrastructure spending, 24.4% of enterprises felt that infrastructure, ITOps, and optimization were relatively immune to socio-economic/geo-political pressures. However, 60% struggle with their ability to effectively align infrastructure spending with business objectives (*FERS, Wave 3, March 2024*). For many enterprise organizations, the ability to acquire relevant best practices and achieve strategic alignment of business, technology, and operational objectives is one of the top reasons why enterprises choose to work with a service provider (see **Figure 1** data from the *WW Hybrid IT Infrastructure C+I and WW Network Consulting End User surveys*). A provider that can deliver the resources, expertise, tools, and processes that ensure expert knowledge transfer helps customers effectively optimize their environments and investments.

# IBM Expertise Connect

IBM Expertise Connect is a subscription-based professional service offering that gives IT teams immediate access to a subject matter expert (SME) with deep technical skills in the IBM product areas they select. This SME works with the customer's IT team to acquire a working knowledge of their IBM-based solution, leading to customized recommendations for technical decision-making over the life of the solution.

## In working closely with IBM Expertise Connect subject matter experts, customers can:

- Proactively avoid issues through health reviews and proper planning for migrations, upgrades, and ongoing evolution
- Optimize the performance and stability of the environment
- Upskill IT teams with expert technical mentoring by the SME
- Accelerate time to value when building a new solution on IBM technology by leveraging IBM's best practices for technical decision-making on design, deployment, skill acquisition, and ongoing operations

Expertise Connect works in a continuous engagement model in which the subject matter expert helps the customer plan upcoming IT initiatives related to the IBM product and identifies tactics to mitigate the IT risk of the changes. This team-based approach can help IBM and customers anticipate potential issues, prioritize critical milestones, and maximize the value of IBM technology-based solutions.

# The Business Value of IBM Expertise Connect

## Study Demographics

IDC conducted in-depth interviews with organizations that use IBM Expertise Connect engagements to help them deploy, run, and optimize their IBM solutions and the IT environments underpinning their business activities. IDC designed the interviews to gain insights from these organizations about the impact of having IBM Expertise Connect engagements from a quantitative and qualitative perspective on topics such as IT operations, IT costs, IT and system performance, and business outcomes.

The sample of interviewed organizations includes a diverse range of firms with an average of 44,833 employees and annual revenue of \$8.03 billion (median of 25,000 employees and \$6.70 billion in revenue). The majority of organizations were based in the United States (5), with additional representation from India (2), South Africa, and the United Kingdom. They span various industry verticals, including financial services (4), construction, government, professional services/software, and retail. Please see **Table 1** for additional details.

**TABLE 1**  
**Demographics of Interviewed Organizations**

	Average	Median
Number of employees	44,833	25,000
Number of IT staff	2,448	1,600
Number of business applications	1,295	250
Revenue per year	\$8.03B	\$6.70B
Countries	United States (5), India (2), South Africa, United Kingdom	
Industries	Financial Services (4), Construction, Government, Professional Services/Software, Retail	

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

## Choice and Use of IBM Expertise Connect

Organizations chose to enter IBM Expertise Connect engagements for several reasons, including the value of IBM's deep technical expertise and resources, which aid in developing a genuine understanding of their IT and IBM environments. Study participants realized that they needed to become more proactive in delivering IT services to their businesses, and they viewed the insights, experience, and actionable advice they would obtain from IBM Expertise Connect engagements as potentially invaluable to developing and honing the skills of their own IT teams. They also noted that these IBM engagements provide access to expertise that translates to business growth and ease of accessing high-quality technical expertise for major issues.

### Interviewed IBM customers spoke in detail about their selection criteria:

#### **The need for additional insights and actionable steps:**

*"We weren't getting the insights we needed to run our environment, which is where IBM Expertise Connect came in ... We needed expertise in technical ecosystem evaluation and architecture."*

#### **The need for proactive guidance, access to training, and skill development opportunities:**

*"We chose IBM Expertise Connect because we wanted to have more proactive support, especially for strategic events, like Black Friday, which is a big event for us. We also value things that come with it, like training and skill development."*

Interviewed IBM customers have IBM Expertise Connect engagements that provide access to an average of eight IBM resources (median of seven), with resources providing skills in a particular product. Study participants cover a broad variety of IBM solutions with their IBM Expertise Connect engagements, including IBM Cloud Paks, IBM WebSphere Application Server, IBM Operations Insights, IBM DataPower Gateway, IBM Cognos Analytics, IBM watsonx, IBM API Connect, IBM Maximo, and IBM Db2.

Interviewed organizations leverage their IBM Expertise Connect engagements to run an average of 365 on-premises servers with 1,910 virtual machines (VMs) (medians of 25 servers, 100 on-premises VMs) and an average of 523 cloud VMs. Additionally, they reported relying on their IBM Expertise Connect engagements to provide ongoing recommendations for running IT and IBM environments that drive significant portions of their businesses, linking 71% of revenue on average (see **Table 2**, next page).

TABLE 2  
IT and IBM Environments Covered by IBM Expertise Connect

	Average	Median
Number of IBM resources for IBM Expertise Connect engagement	8	7
Number of on-premises servers	365	25
Number of on-premises VMs	1,910	100
Number of cloud VMs	523	n/a
Number of applications	126	43
Percent of revenue supported	71%	89%

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

## Business Value and Quantified Benefits of IBM Expertise Connect

IDC’s study demonstrates the value organizations achieve through IBM Expertise Connect engagements from dedicated resources with a deep understanding of their IBM and IT environments. Study participants described leveraging the knowledge sharing and best practices they access through IBM Expertise Connect engagements to take proactive and effective steps to manage and run their environments. As a result, they provide more reliable access to important business applications and services and establish more effective and efficient IBM and IT environments.

### Interviewed IBM customers provided specific examples of the value of their IBM Expertise Connect engagements:

**Delivery of information required to avoid performance issues:**

*“IBM Expertise Connect provides us reports about what has happened — the alerts, the notifications, all of that, as well as the path to resolution. This enables us to know what is going on, the status, so that we can work to avoid any future similar interruptions as well.”*



**Technical expertise in designing infrastructure needed for business success:**

*“IBM Expertise Connect is very good at helping us design our infrastructure to support our business. They have deep expertise, and they understand our entire infrastructure, and they can look out and understand what we need.”*

**Guidance for infrastructure decisions as well as the use of new technologies:**

*“IBM Expertise Connect helped not only with basic architectural and cloud-based decisions but with AI use cases with the most productivity gains without disrupting business continuity.”*

**The ability to better prioritize responding to alerts:**

*“Our resources get proactive alerts faster with IBM Expertise Connect because they know our environment, so they pass on this information to tell us what we really need to focus on.”*

**Based on interviews with IBM customers with IBM Expertise Connect engagements, IDC projects that they will realize average annual benefits worth \$183,600 per 1,000 users (\$8.23 million per organization) in the following areas:**

- **Business productivity and risk mitigation benefits:**

Study participants benefit from more proactive identification and remediation of potential business-impacting problems. By ensuring access to important business applications and services, IDC calculates that they will realize annual net productivity and revenue gains of \$84,600 per 1,000 users (\$3.79 million per organization).

- **IT staff productivity benefits:**

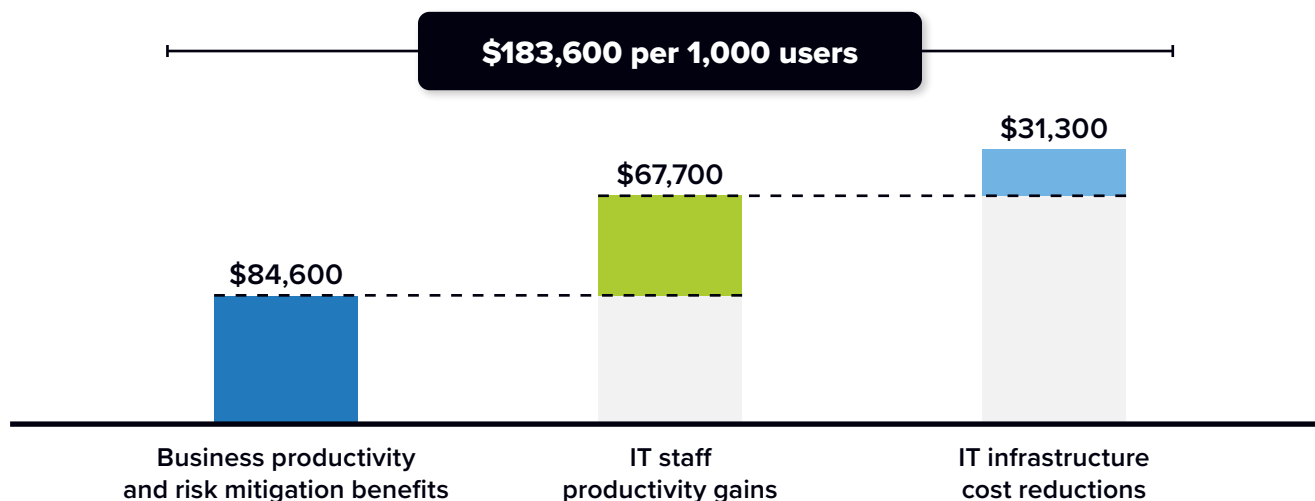
Study participants improve the ability of their IT and development teams to work proactively and in concert with business operations. IDC places the value of efficiencies and higher productivity for these teams at an annual average of \$67,700 per 1,000 users (\$3.03 million per organization).

- **IT infrastructure cost reductions:**

Study participants plan capacity requirements more accurately and avoid unnecessary infrastructure and licensing costs. IDC estimates that they will reduce spending by an average of \$31,300 per 1,000 users per year (\$1.4 million per organization).

**FIGURE 1****Average Annual Benefits per 1,000 Users**

(\$ per 1,000 users per year)



n = 9; Source: IDC Business Value In-Depth Interviews, April 2024

For an accessible version of the data in this figure, see [Figure 1 Supplemental Data](#) in Appendix 3.

## Performance and Proactive IT Benefits

IBM Expertise Connect engagements enable study participants to achieve more proactive IT response capabilities and improved IT performance through several key factors. One driver is the transfer of expertise and best practices via reports and working sessions that produce more robust insights into performance, potential vulnerabilities, and paths to resolution. As a result, interviewed organizations can better understand ongoing issues and work toward preventing future interruptions. Additionally, IBM's technical expertise in designing infrastructure tailored to business needs ensures that organizations have robust and efficient systems in place. This expertise includes providing comprehensive design documents that cover both high-level and low-level aspects of the infrastructure.

Another significant driver of improved performance via IBM Expertise Connect is the guidance IBM provides for infrastructure decisions and the use of new technologies, such as AI, without disrupting business continuity. Direct involvement of IBM's development teams also means faster resolution of outages and more thorough root cause analyses, leading to better and quicker problem-solving. Furthermore, IBM Expertise Connect helps organizations effectively prioritize their responses to alerts, ensuring that critical issues are addressed promptly. These factors collectively contribute to a significant improvement in troubleshooting capabilities that lead to reduced unplanned outages and faster resolution of problems that occur.

Study participants described how IBM Expertise Connect has enhanced their ability to run their IBM and IT environments and the benefits they gain as a result:

**Guidance for infrastructure decisions and the use of new technologies:**

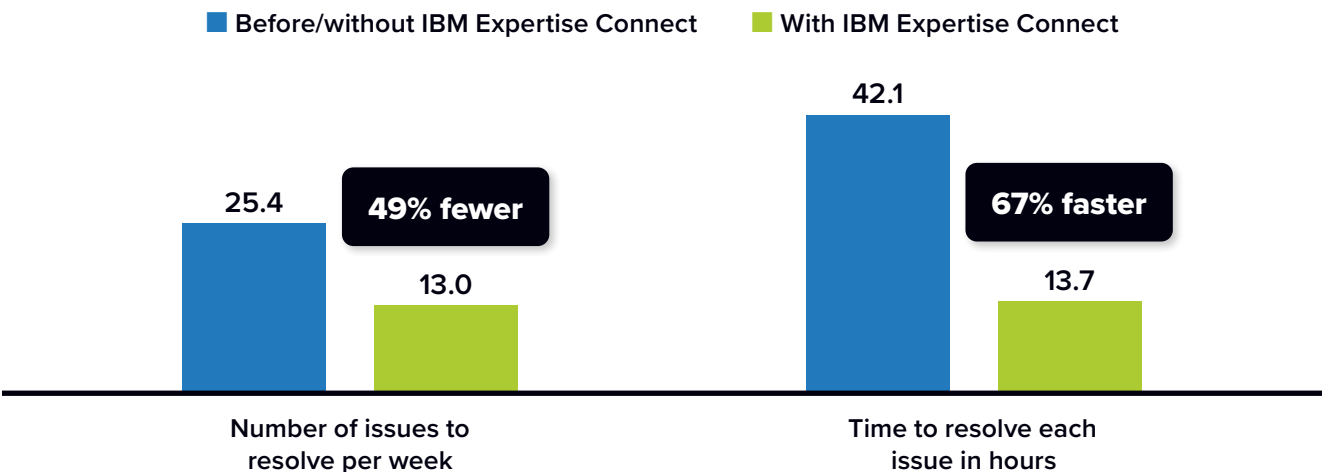
*“IBM Expertise Connect helped us not only with basic architectural and cloud-based decisions but with the AI use cases where we would see the most productivity gains without disrupting the business continuity.”*

**Technical expertise in designing infrastructure needed for business success:**

*“IBM Expertise Connect is very good at helping us design our infrastructure. They have deep expertise and understand our entire infrastructure. They provide complete design documents as well.”*

Study participants reported achieving significant improvements in metrics that reflect their ability to run their environments effectively and resolve performance and security issues efficiently with IBM Expertise Connect. As shown in **Figure 2**, interviewed IBM customers reported that their IBM Expertise Connect engagements have helped them nearly halve the number of performance and security issues they must resolve (49% fewer) and fully resolve issues that occur in an average of 67% less time. These metrics reflect the extent to which IBM Expertise Connect engagements have helped organizations reduce risks related to performance and security issues.

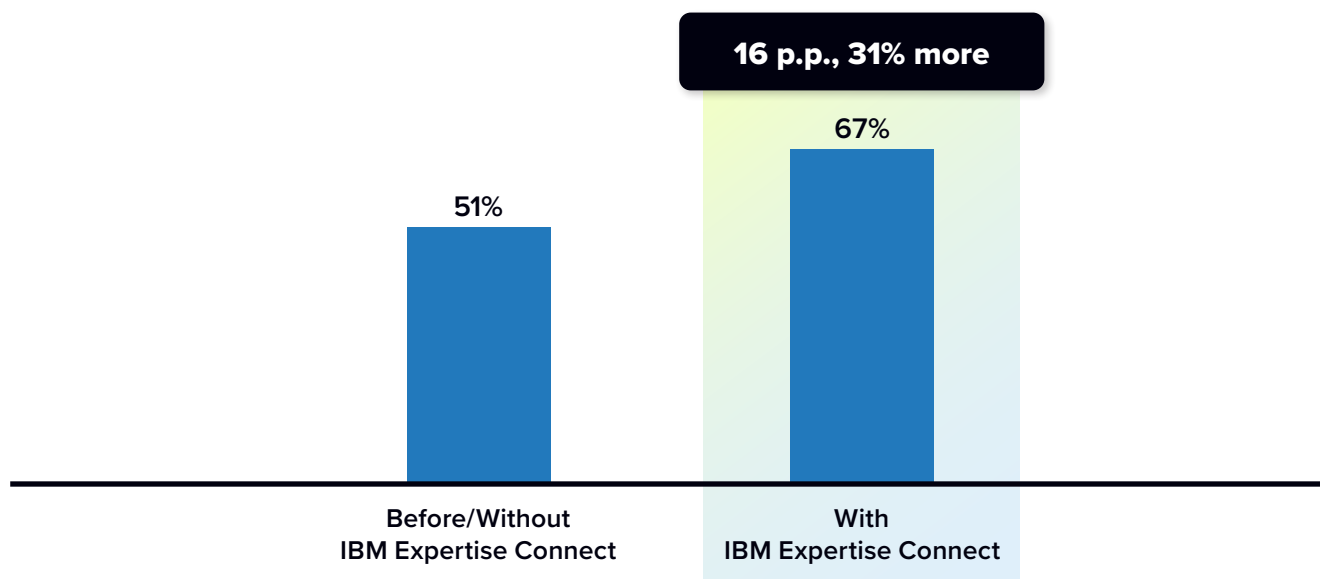
► **FIGURE 2**  
**Issues Resolution KPIs**  
(Number)



n = 9; Source: IDC Business Value In-Depth Interviews, August 2024  
For an accessible version of the data in this figure, see [Figure 2 Supplemental Data](#) in Appendix 3.

IBM Expertise Connect engagements place study participants in a better position to carry out root cause analyses that enable them to more thoroughly understand the cause of problems. As shown in **Figure 3**, interviewed IBM customers reported carrying out root cause analyses 31% more often by leveraging knowledge and capabilities gained through their IBM Expertise Connect engagements, and they require 58% less staff time per root cause analysis performed. By completing more root cause analyses faster, study participants ensure that they have a better, more thorough understanding of the actual causes of problems. Thus, they can proactively address defects and vulnerabilities to ensure that issues do not re-occur and minimize the detrimental impact of issues that do occur.

► **FIGURE 3**  
**Impact on Performance of Root Cause Analyses**  
 (Percent of issues with root cause analysis performed)



n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

Understanding the causes of performance and security incidents and reducing their frequency and duration with IBM Expertise Connect engagements boosts efficiency for troubleshooting teams. As shown in **Table 3** (next page), IDC's analysis shows an average efficiency of 30% for these teams, as they require almost 10 fewer hours per incident to respond and remediate. These efficiencies lead to more streamlined operations and enhanced productivity.

TABLE 3

## Staff Efficiencies, Troubleshooting, and Incident Response

	Before/Without IBM Expertise Connect	With IBM Expertise Connect	Difference	Benefit
Equivalent FTEs required for the same activities	22.9	<b>16.1</b>	6.8	30%
Staff hours per issue	32.7	<b>23.0</b>	9.7	30%
Value of equivalent FTE time required (\$ per organization per year)	\$2.29M	<b>\$1.61M</b>	\$0.68M	30%

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

- Study participants' improved ability to proactively identify and address performance and security issues has also enabled them to significantly reduce the frequency and impact of unplanned outages. One interviewed IBM customer explained how the integration of development expertise through IBM Expertise Connect means faster resolution of outages and completion of more root cause analyses: *"IBM Expertise Connect's key connection is at the third level — to developers — it helps quite a bit by shortening the time in addressing an outage ... Root cause analyses are both better and faster with IBM Expertise Connect. We get better descriptions and explanations because of the access to the developers."*

As shown in **Table 4** (next page), interviewed IBM customers reported reducing the frequency of unplanned outages affecting their IT and IBM environments by an average of 77% and reaching resolution 47% faster. These factors combine to ensure lower business losses due to downtime, with study participants benefiting from reducing the productivity and revenue loss impact of unplanned outages by an average of 93%.

TABLE 4

## Impact on Unplanned Downtime KPIs

	Before/Without IBM Expertise Connect	With IBM Expertise Connect	Difference	Benefit
Number of unplanned outages per year	79.4	<b>18.0</b>	61.4	77%
Mean time to repair in hours	8.3	<b>4.5</b>	3.9	47%
Hours of productive time lost per user per year	0.8	<b>0.1</b>	0.7	93%
Productivity loss per year in FTEs per organization	19.5	<b>1.3</b>	18.2	93%
Value of lost productivity per organization per year	\$1.37M	<b>\$92,200</b>	\$1.27M	93%
Value of revenue lost per organization per year	\$20.82M	<b>\$1.41M</b>	\$19.41M	93%

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

## ► Proactive and Efficient IT Teams

IBM Expertise Connect engagements deliver significant efficiencies for IT teams by enabling them to deploy, maintain, and support IT and IBM environments more effectively. By providing access to best practices and greater use of automation, user error is minimized, and IT teams adopt a more proactive approach to providing IT services for their businesses. Study participants noted that this proactive approach resulted in significant gains in bandwidth for strategic activities, as core infrastructure teams handle growing environments more efficiently. Direct communication with IBM experts was highlighted as essential, with one participant stating, *“Having the real-time, direct conversation with experts at IBM is essential ... It’s all about the access to expert-level interaction and being able to reach a specific named expert.”*

Ongoing cooperation with IBM Expertise Connect also benefits IT teams by helping them run legacy IBM environments and ensuring successful migrations and IT architecture decisions. Regular sessions with IBM resources help in discussing new features, resolving incidents faster, and sharing best practices and knowledge to help IT teams implement and run software and systems more effectively. One participant emphasized the value of these sessions, saying, “*IBM Expertise Connect provides lots of lessons learned, configurations, testing, support during migrations, and versioning activities.*” The comprehensive nature of IBM Expertise Connect engagements ensures that IT teams can operate more efficiently and effectively.

**Table 5** provides an overview of the efficiencies IT infrastructure teams gain from IBM Expertise Connect engagements. As shown, they reported an average efficiency of 27% for these teams, which translates to each staff member being able to manage 37% more virtual machines on average, reflecting increased team throughput and capabilities.

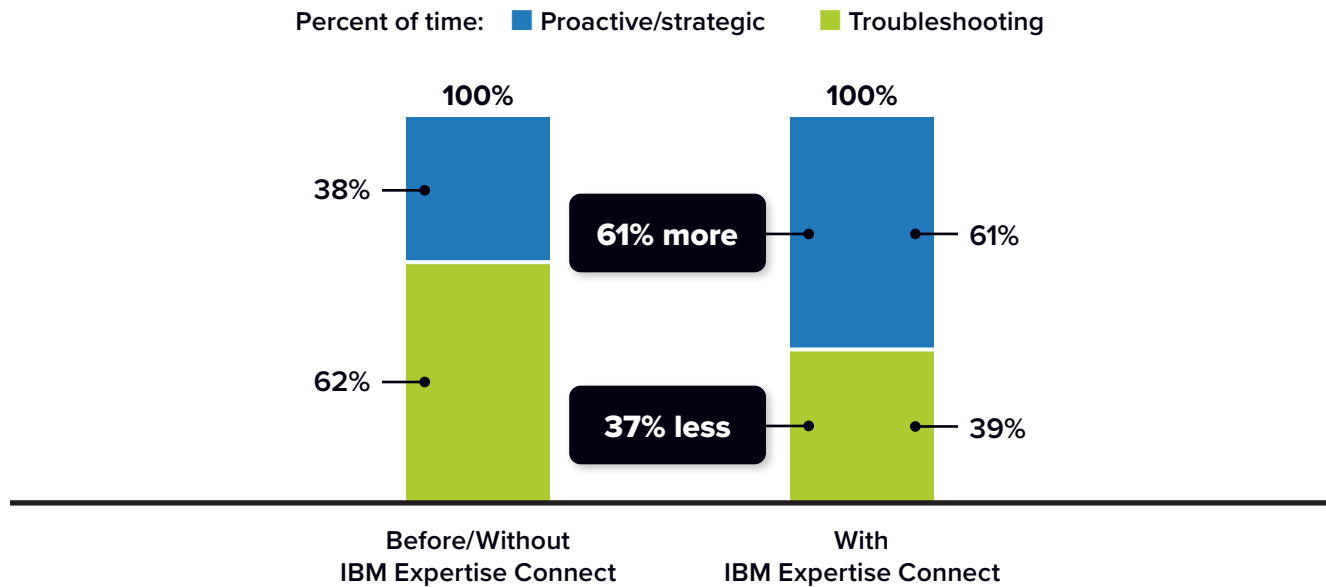
**TABLE 5**  
**Other IT Staff Efficiencies**

	Before/Without IBM Expertise Connect	With IBM Expertise Connect	Difference	Benefit
▶ Equivalent FTEs required for the same activities	64.7	47.1	17.5	27%
Number of VMs per FTE	37.6	51.6	14.0	37%
Value of equivalent FTE time required (\$ per organization per year)	\$6.47M	\$4.71M	\$1.75M	27%

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

These efficiencies reflect an important benefit for IT teams in that they must spend substantially less of their time on day-to-day activities as they take more efficient and proactive approaches and reallocate time and energy to more proactive and innovative projects and activities. As shown in **Figure 4** (next page), IDC’s analysis shows that IBM Expertise Connect engagements essentially allow study participants to flip the script on how these teams spend their time, shifting from an average of 38% of time spent on innovation to 61% of time on average (61% more time on innovation).

**FIGURE 4**  
**Impact on Staff Time for Proactive/Strategic Activities**



n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

For an accessible version of the data in this figure, see [Figure 4 Supplemental Data](#) in Appendix 3.

Interviewed organizations also reported that IBM Expertise Connect enhances the efficiency of their security teams by helping them cover greater IT and IBM footprints while achieving better security outcomes. On average, study participants put this security team efficiency at 18%, even as they reduce the frequency of impactful security breaches that can have significant business and operational costs by an average of 10%.

## Cost-Effective IBM and IT Environments

IBM Expertise Connect has been instrumental in helping organizations rightsize and optimize their IT and IBM environments, resulting in significant cost savings and operational efficiencies. By leveraging direct advice and best practices from IBM experts, organizations have achieved server-related savings of \$350,000 per year and storage-related cost savings of \$1.2 million per year. One participant noted, “*IBM Expertise Connect came in and gave us a footprint assessment, which is the approach that we took. This was a really big difference, and it has helped us optimize our footprint.*” Additionally, IBM Expertise Connect enables major upgrades and planning sessions, providing valuable insights on system assessments and application design and further enhancing the efficiency and effectiveness of IT operations.



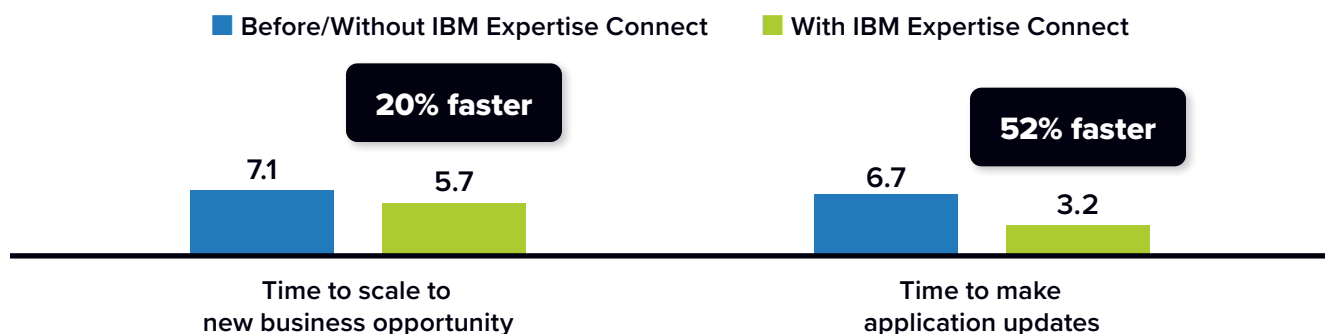
## ► Business Enablement

Study participants reported that their IBM Expertise Connect engagements provide valuable process automation, scalability, and development productivity gains that fuel their business efforts. Best practices and advice on integration have enabled study participants to automate processes more deeply across their IT and application environments, allowing them to address business opportunities and make necessary functionality and security changes to applications more swiftly. One participant noted, *“Before IBM Expertise Connect, we were able to complete about four major updates or migrations per year ... With IBM Expertise Connect, the average time between these updates has been reduced by around 50% to only six weeks.”* Accelerating development processes can help businesses stay competitive and responsive to market demands.

Additionally, IBM Expertise Connect helps organizations scale to meet business needs and drive the adoption of new technologies. For example, one participant shared, *“IBM Expertise Connect helps us scale for Black Friday sales — when volumes increase.”* Study participants also provided examples such as IBM Expertise Connect advising on AI use cases and guiding technicians, leading to significant productivity improvements.

**Figure 5** demonstrates the significant positive impact of IBM Expertise Connect engagements on study participants’ ability to scale their IT and IBM environments to meet business demand and make needed updates and changes to application functionality. As shown, they reported moving 20% faster to scale and needing 52% less time to make updates to applications. Combined with increasing the share of business processes automated to an average of 66% (an increase of 28 percentage points), these results reflect the extent to which IBM Expertise Connect engagements help study participants reduce process- and technology-related friction that can weigh down their efforts to run their businesses with agility and purpose.

**FIGURE 5**  
**Impact on Time to Scale and Make Application Updates**  
 (Number of weeks)



n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

For an accessible version of the data in this figure, see [Figure 5 Supplemental Data](#) in Appendix 3.

These gains in agility and scalability also translate through to enhanced development team productivity. Study participants reported average productivity gains for development teams of 31% because of their IBM Expertise Connect engagements, reflecting the significant value of best practices and other learnings provided to development teams through these engagements.

**TABLE 6**  
**Development Team Productivity Gains**

	Before/Without IBM Expertise Connect	With IBM Expertise Connect	Difference	Benefit
Equivalent productivity level, FTEs per organization	13.4	17.6	4.2	31%
Value of equivalent productivity, \$ per organization per year	\$13.4M	\$17.6M	\$4.2M	31%

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

► **ROI Summary**

**Table 7** (next page) provides IDC’s analysis of the net benefits and investment costs for study participants related to their IBM Expertise Connect engagements. IDC calculates that interviewed IBM customers will realize average three-year discounted benefits of \$435,500 per 1,000 users (\$19.35 million per organization) in employee productivity gains, higher revenue, IT staff efficiencies, and IT cost reductions. These benefits compare with an average of three-year discounted investment costs, which include the cost of the IBM Expertise Connect engagements, additional staff time for implementing and managing the engagements, and any other third-party costs (please see details about IDC’s Business Value methodology in Appendix 1) of \$98,700 per 1,000 users (\$4.43 million per organization), which would yield an average three-year ROI of 341% and a typical payback time of six months.

TABLE 7

## ROI Analysis

	Per Organization	Per 1,000 Users
Benefit (discounted)	\$19.53M	\$435,500
Investment (discounted)	\$4.43M	\$98,700
Net present value (NPV)	\$15.10M	\$336,800
ROI (NPV/investment)	341%	341%
Payback period	6 months	6 months
Discount rate	12%	12%

n = 9; Source: IDC Business Value In-Depth Interviews, April 2024

## Challenges/Opportunities

IDC anticipates that IBM will have significant opportunities as IT complexity increases and enterprise resources continue to be limited. IBM's customers will only benefit as IBM continues to refine and enhance its investment in Expertise Connect capabilities to meet customer requirements. IBM Expertise Connect enables IT organizations who need to improve operational resiliency and efficiencies while allowing IT staff to focus on managing business outcomes — a difficult task, as organizations “do more with less.” Performance optimization and ongoing risk mitigation across complex IT environments can help extend system life cycles, maximizing the value of expensive IT investments.

IDC also believes that IBM will have the opportunity to continue expanding value realization capabilities as part of IBM Expertise Connect. Enterprises struggle to define and connect the technical, operational, and business value of IT investments and track metrics that can capture that information across the life cycle. IBM Expertise Connect capabilities that include value realization exercises and tracking can help deliver a more comprehensive approach to asset life cycle management, especially for CIOs who need to demonstrate the value of IT investments to demanding CFOs.

At the same time, IDC expects that IBM will face several challenges in the competitive market for IBM Expertise Connect services. With IT budgets under constant pressure,

it can be challenging for organizations to prioritize services for existing and new IT infrastructure. IBM will need to focus on continued education regarding value measurement and realization across key stakeholders — expanding beyond the IT organization to include finance, procurement, and relevant business managers.

Finally, IDC anticipates that IBM will need to continue emphasizing and articulating the key benefits associated with IBM Expertise Connect — separate and apart from existing support offers that customers may already consume. While the offering is positioned and sold as a professional service engagement, many IT organizations still view the value and benefits as part of a support services engagement — with a focus on reducing downtime and solving problems quickly when they occur. IBM should focus on the messaging around risk mitigation, proactive mentoring and consultation, and performance optimization to clearly differentiate these capabilities from traditional support engagements.

## Conclusion

Enterprise IT budgets remain under scrutiny, making it essential for organizations to maximize the value of their IT investments. A common aspect of this challenge is finding ways to implement and expertly adopt new technologies while maintaining critical legacy environments in an efficient and high-quality manner. To address these challenges, many IT organizations are turning to services such as IBM Expertise Connect. This subscription-based professional service from IBM provides immediate access to SMEs with deep technical skills across IBM's solutions, enabling organizations to optimize IT operations, mitigate risks, and ensure reliable and consistent IT performance.

This IDC study assesses the impact of IBM Expertise Connect engagements on IBM customers. Importantly, the interviewed IBM customers emphasized common benefits, such as staff enablement through the sharing of expertise and best practices, IBM environments that are more cost effective and better suited to drive business activities, and faster and more proactive identification and resolution of problems. Based on these benefits, IDC calculates that interviewed IBM customers will achieve an average three-year ROI of 341% with a six-month payback period. With annual benefits of \$8.23 million per organization, this study demonstrates the substantial and real value of IBM Expertise Connect in enhancing IT performance and business outcomes for interviewed organizations.

# Appendix 1: Methodology

IDC's standard business value/ROI methodology was utilized for this project. This methodology is based on gathering data from organizations that currently have IBM Expertise Connect engagements.

**After interviewing these organizations, IDC performed a three-step process to calculate the ROI and payback period:**

**1. Gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of their IBM Expertise Connect engagements:**

In this study, the benefits included IT infrastructure cost savings, IT staff efficiencies, user productivity gains, and higher revenue.

**2. Created a complete investment (three-year total cost analysis) profile based on the interviews:** Investments go beyond the initial and annual costs of their IBM Expertise Connect engagements and can include additional costs related to implementation, planning, consulting, and staff or user training.

**3. Calculated the ROI and payback period:** IDC conducted a depreciated cash flow analysis of the benefits and investments for the organizations' IBM Expertise Connect engagements over a three-year period. ROI is the ratio of the NPV and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

**IDC bases the payback period and ROI calculations on a number of assumptions, which are summarized as follows:**

- Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and manager productivity savings. For the purpose of this analysis, IDC has used its standard assumptions of an average fully loaded salary of \$100,000 per year for IT staff members and an average fully loaded salary of \$70,000 per year for non-IT staff members. IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).
- The NPV of the three-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.
- Because IT solutions require a deployment period, the full benefits of the solution are not available during deployment. To capture this reality, IDC pro-rates the benefits on a monthly basis and then subtracts the deployment time from the first-year savings.

# Appendix 2: Business Value Calculations

Table 8 provides details about the areas in which study participants reported gaining value with their IBM Expertise Connect engagements, which IDC calculates will equal \$8.23 million per organization per year over three years.

TABLE 8

## Average Annual Benefits

Category of Value	Average Quantitative Benefit	Calculated Average Annual Value*
IT infrastructure cost savings	Server cost savings of \$350,000 per year, storage cost savings of \$1.2M per year	\$1.40M
IT team efficiencies	27% more efficient, worth 17.5 FTEs, \$100,000 salary	\$1.59M
Troubleshooting team efficiencies	30% more efficient, worth 6.8 FTEs, \$100,000 salary	\$618,500
Security team efficiencies	18% more efficient, worth 5.0 FTEs, \$100,000 salary	\$448,600
Development team productivity gains	31% higher productivity, worth 4.2 FTEs, \$100,000 salary	\$378,800
Unplanned downtime, productivity gains	93% less impactful unplanned downtime, saving 0.8 hours per user, worth 18.2 FTEs of higher productivity, \$70,000 salary	\$1.15M
Unplanned downtime, revenue gains	93% less impactful unplanned downtime, saving \$19.42M in lost revenue, 15% margin applied	\$2.64M
<b>Total annual benefits</b>	<b>\$8.23M per organization</b>	

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024 (\*includes 3.4 average months implementation time in year 1)

All dollar figures in this White Paper are in \$USD.

Note: All numbers in this document may not be exact due to rounding.

# Appendix 3: Supplemental Data

This appendix provides an accessible version of the data for the complex figures in this document. Click “Return to original figure” below each table to get back to the original data figure.

**FIGURE 1 SUPPLEMENTAL DATA**  
**Average Annual Benefits per 1,000 Users**

	\$ per year per 1,000 users
Business productivity and risk mitigation benefits	\$84,600
IT staff productivity gains	\$67,700
IT infrastructure cost reductions	\$31,300
<b>Total</b>	<b>\$183,600</b>

n = 9; Source: IDC Business Value In-Depth Interviews, April 2024  
[Return to original figure](#)

**FIGURE 2 SUPPLEMENTAL DATA**  
**Issues Resolution KPIs**

	Issues to Resolve per Week	Resolve Each Issue in Hours
Before/Without IBM Expertise Connect	25.4	42.1
With IBM Expertise Connect	13.0	13.7
<b>Difference</b>	<b>49%</b>	<b>67%</b>

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024  
[Return to original figure](#)

### Appendix 3: Supplemental Data (continued)

FIGURE 4 SUPPLEMENTAL DATA

Impact on Staff Time for Proactive/Strategic Activities

	Troubleshooting	Proactive/strategic
Before/Without IBM Expertise Connect	62%	38%
With IBM Expertise Connect	39%	61%
Total	100% (37% less)	100% (61% more)

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

[Return to original figure](#)

FIGURE 5 SUPPLEMENTAL DATA

Impact on Time to Scale and Make Application Updates

	Scale to New Business Opportunity in Weeks	Make Application Updates in Weeks
Before/Without IBM Expertise Connect	7.1	6.7
With IBM Expertise Connect	5.7	3.2
Difference	20% faster	52% faster

n = 9; Source: IDC Business Value In-Depth Interviews, August 2024

[Return to original figure](#)



# About the IDC Analysts



## **Leslie Rosenberg**

**Research Vice President, Network Life-Cycle Services and Infrastructure Services, IDC**

Leslie Rosenberg is research vice president for IDC's Network Life Cycle and Infrastructure Services programs examining professional services trends and market dynamics for the enterprise. Leslie's research coverage spans life cycle services portfolio development across network, server and storage infrastructure technologies encompassing the dynamics of software defined infrastructure, automation, service delivery platforms, new consumption models and the evolution of services impacting people, process, tools and methodologies around the globe. Leslie's research evaluates services delivered by technology manufacturers, global systems integrators and telcos as they look to compete more effectively in the enterprise market.

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## **Elaina Stergiades**

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Elaina Stergiades is the research manager for IDC's Software Support Services program. In this position, she provides insight and analysis of industry trends and market strategies for software vendors supporting applications, development environment and systems software. Elaina is also responsible for research, writing and program development of the software support services market.

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## **Matthew Marden**

**Research Vice President, Business Value Strategy Practice, IDC**

Matthew is responsible for carrying out custom business value research engagements and consulting projects for clients in a number of technology areas with a focus on determining the return on investment of their use of enterprise technologies. Matthew's research often analyzes how organizations are leveraging investment in digital technology solutions and initiatives to create value through efficiencies and business enablement.

[More about Matthew Marden](#)

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