
White Paper

Business Continuity

Quantifying the Value of Investing In VM Explorer

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Executive Summary

Over the past decade, many small and medium-sized businesses (SMBs) and organizations with ROBO (Remote Office Branch Office) sites have virtualized their servers to maximize the value of their IT infrastructure investments. Over the same period, backup technologies have evolved to ensure data can be protected on these new virtual machines (VMs), and to accommodate other new on-premises and cloud-based storage solutions.

Despite these advancements, VM backup and recovery remains a pain point for many organizations. Enterprise-grade applications with advanced features are often too complex or expensive for smaller organizations. This can lead backup teams to rely on inadequate tools and manual workarounds, which can expose their organizations to data loss or long recovery times.

Micro Focus® VM Explorer is a low-cost, easy-to-use backup solution designed to address the backup and recovery needs of SMBs facing such challenges. With its suite of intuitive features, it allows organizations to quickly, cost-effectively, and reliably back up and recover data, applications, and entire VMs.

This paper focuses on the value provided by VM Explorer. The paper provides examples of the return on investment (ROI) an organization can realize when it effectively leverages the fundamentals of VM Explorer. These examples, coupled with an explanation of the Micro Focus ROI approach, are intended to help business managers develop an ROI analysis for their unique business situation, quantifying the business benefits of VM Explorer in their environment.

“VM Explorer has enabled us to automate the backup process for our relatively small virtualized environment without the overheads and expenses of other backup solutions. Simple, reliable, and cost-effective is what would describe VM Explorer; it’s the main reason we still use it on a daily basis.”

DAVID HAMMEL
Chief Technology Officer
TSV-Groep BV

Benefit Categories

VM Explorer benefits both line of business and IT functions. ROI for VM Explorer can be quantified in terms of cost reduction and risk mitigation benefits, as suggested by the examples listed in Table 1.

Cost	Impact on cost by: <ul style="list-style-type: none">■ Restoring virtual machines is a time consuming process.■ Finding a single, affordable method of backing up virtual machines is difficult.■ Spending time on VM related backups and restore instead of doing customer projects or improving offering, results in losing time and money.■ Enterprise-level backup and recovery solutions are too expensive for smaller organizations.■ Support and training costs are high due to lack of consolidation and integration.■ Manual deployment and configuration of backup software is labor intensive.
Risk	Impact on risk by: <ul style="list-style-type: none">■ Unauthorized access to backup data sets results in potential revenue loss.■ Failure to recover lost data results in regulatory non-compliance penalties.■ Business, customers, and IT end user productivity are adversely affected by unplanned downtime server failure.■ The cost of downtime can be as much as \$7,900 per minute.

Table 1. Categories for Benefits

The Micro Focus Approach to VM Explorer: An Easy To Use and Affordable Backup Solution

VM Explorer is a low-cost, easy-to-use and reliable VM backup solution. Within minutes you can start centrally managing your backups to disk, tape and cloud through an intuitive and easy-to-navigate web interface – no product training required! Advanced server backup capabilities include incremental backups and replication, snapshot integration and native cloud support for leading Cloud platforms. With instant VM recovery, direct file level restore from the cloud, encryption, and verification, Table 2 lists the various capabilities of VM Explorer.

Capability	Description
All In One VM Data Protection	Backup and replicate ESX and ESXi standalone servers, vCenter virtual datacenter, Microsoft Hyper-V server as well as a Hyper-V Cluster on all operating systems supported by the hypervisor.
Just Right for SMB	Get high value at a low price point. Simple licensing, low pricing, and self-service features enable easy maintenance and eliminate the need for special training – making the overall solution very cost-effective for SMBs.
Single Click Restore	Perform data recovery of VMs in a matter of seconds directly from data backups, reducing unplanned downtime and improving service availability. Granular file-level recovery enables rapid restore of single files and folders directly from any backup.
Fast and Reliable	Automatically backup data verification, encryption, and active directory integration without disrupting the production environment.
Backup to Disk, Tape and Cloud	Securely back up and replicate VMs directly to cloud targets including Microsoft Azure, Amazon S3, Rackspace, and OpenStack (Helion) without any intermediary gateway. Automated storage tiering enables seamless movement of backup sets between disk, tape, and cloud.
Easy to install and operate	Be up and running in minutes. The configuration requires a few simple clicks to start running data backups and replications of your virtual machines. You can manage the health and status of all scheduled data backup tasks through a single dashboard.
Granular recovery of files and mails	Advanced recovery options includes VM restore, VM power on directly from the backup, migrate to production through vMotion, and granular recovery for files and Microsoft Exchange emails.
Support for StoreOnce	VM Explorer, when paired with HPE StoreOnce utilizes the capabilities of underlying networks and storage to achieve fast, non-disruptive backups and to provide recovery time and recovery point objectives that satisfy the needs of many virtualized workloads or configurations.

Table 2. Key Capabilities of PE VM Explorer

The Micro Focus ROI Approach

The Micro Focus ROI approach is based on third-party validated models and industry/ customer research by leading IT consultancy IDC, and their ROI tool partner, leading ROI/TCO consultancy Alinean. The ROI Analysis process, models, and metrics were developed by researching overall IT spending and KPIs world-wide in over 37 different industries, interviewing selected customers to determine specific realized and proven value, and directly engaging with customers with the methodology and tools to further refine the modeling and value estimates. This work resulted in the definition of a customer-centric ROI framework and process as illustrated in Figure 1.

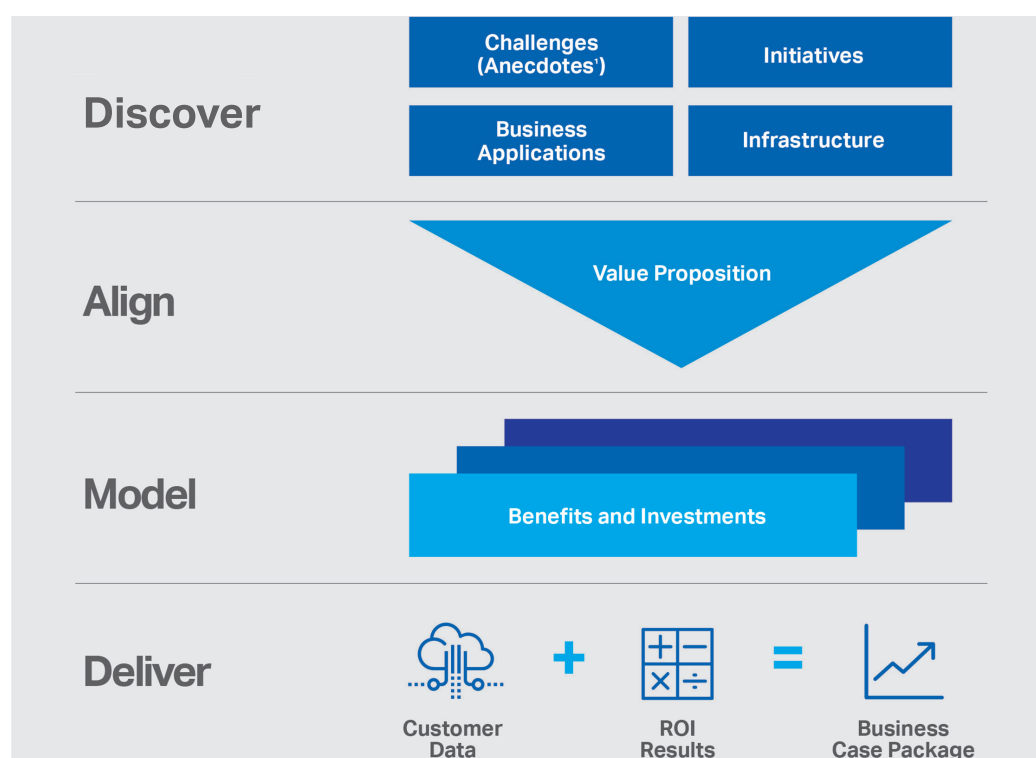


Figure 1. The ROI model approach

1 A Business Value Anecdote is a brief statement of a pain, or the observed or expected benefit of a Micro Focus solution from the customer's perspective.

Key Component	Description	Example
Pain point	A customer challenge that can be addressed by a Micro Focus solution	Decentralized backup architecture results in higher administrative costs.
Value proposition	A specific statement of business or IT value that links a specific Micro Focus function with a business objective and a measurable benefit	Centralized management of backup and recovery minimizes costs by reducing administrative overhead associated with backup and recovery.

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Key Component	Description	Example
Solution benefit summary	A description of the Micro Focus solution that explains how the value proposition claim is achieved	VM Explorer allows businesses to perform incremental backups, meaning that only new data is backed up and transmitted to a location that already contains previous backups. To transmit the data quickly (for example, from a business's headquarters to the cloud), VM Explorer uses dynamic compression, a tool that also saves space on the target system. When it comes to restorations, VM Explorer is designed to support fast and hassle-free recoveries. The software supports integrated file-level restorations, which means that administrators can restore individual files from any backup (FAT, NTFS, EXT, LVM, or LDM) without restoring the full backup.
Calculation	The specific metrics, assumptions, and data values used to quantify the value proposition	Average time spent per year on data backup, average time spent per year on data restore, average burdened labor rate per hour of backup admins and total cost

Table 3. Value Key components of an ROI-benefit scenario

Customer Data and Results

After discovering and assessing the current environment, the next step is to align how the Micro Focus solution can strengthen both IT and business processes to reduce costs, mitigate risks, improve time to value, or increase revenue. Quantifiable benefits from effective application delivery and lifecycle management can be estimated using ROI-benefit scenarios that transform high-level value propositions into benefits that can be measured.

The following real-world customer examples explain how to build ROI-benefit scenarios for VM Explorer. In each scenario, annualized savings values are calculated for three levels of projected improvement—conservative, probable, and optimistic. Using a range of projected improvement values empowers each company to customize results to best fit their business situation and expectations.

Company Profile

For these scenarios, the company profile is a retail company. The company recently posted annual revenue of \$250 million. The IT organization support 3,223 internal users. There are 8 operations management and support staff.

Example A: Backup and Restore Process Efficiency

Centrally manage VM protection with a single solution for both VMware vSphere and Microsoft Hyper-V. With no complex menus to learn, automated VM backup scheduling, self-service recovery and easy

reporting VM Explorer eases the operational demands of backup and recovery management and increases productivity. VM Explorer is a highly reliable VM backup solution that enables secure data transfer and comprehensive backup recoverability. Built-in 256-bit encryption delivers high security standards and automated backup verification establishes the integrity and availability of your backups.

Retail Company: Spending time on VM related backups and restore instead of doing customer projects or improving offering results in losing time and money.

Value proposition	Centralized management of backup and replication for virtual environments minimizes costs by reducing administrative overhead associated with backup and recovery.
Solution benefit summary	VM Explorer allows businesses to perform incremental backups, meaning that only new data is backed up and transmitted to a location that already contains previous backups. To transmit the data quickly (for example, from a business's headquarters to the cloud), VM Explorer uses dynamic compression, a tool that also saves space on the target system. When it comes to restorations, VM Explorer is designed to support fast and hassle-free recoveries. The software supports integrated file-level restorations, which means that administrators can restore individual files from any backup without restoring the full backup.
Applications	Business critical applications

Table 4. ROI example—Automated Backup and Recovery

ROI Example	Metrics	Assumptions	Expected improvement with Micro Focus VM Explorer			
			Before Micro Focus Software	Conservative	Probable	Optimistic
	Time spent (hours) per week in performing VM backups	21				
	Time spent (hours) per week in performing VM restores	25				
	Total hours spent per week performing VM backup and restore		46			
	Total number of weeks per year	45				
	Person hours spent on VM backup and restore annually	2,070.0		40%	50%	60%
	Projected person hours spent on VM backup and restore annually			1,242.0	1,035.0	828.0
	Hourly burdened labor rate	\$51.20				
	Total VM backup and restore cost		\$105,984	\$63,590	\$52,992	\$42,394
	Total projected annual benefit			\$42,394	\$52,992	\$63,590

Figure 2. ROI table Example A

Example B: Reduction in Unplanned Downtime

VM Explorer is designed to address the backup and recovery needs of smaller businesses operating virtualized servers. Businesses must weigh up the potential cost of downtime should their servers fail, and, it takes significant time to get up and running again. A recent study among United States-based businesses estimated that unplanned downtime can cost businesses some \$7,900 USD a minute.

Retail company: Business, customers, and IT end user productivity are adversely affected by unplanned downtime/server failure.

Value proposition	The ability to perform recovery of VMs in a matter of seconds directly from data backups results in reduced unplanned downtime and improving service availability.
Solution benefit summary	Instant Virtual Machine Recovery (IVMR) technology allows VMs to be recovered in a matter of seconds directly from backups, reducing unplanned downtime and improving service availability. Single-click restore moves VMs to production through vMotion.
Applications	Business critical applications

Table 5. ROI example—Automated Data Recovery

ROI Example	Metrics	Assumptions	Expected improvement with Micro Focus VM Explorer			
			Before Micro Focus Software	Conservative	Probable	Optimistic
	Total unplanned downtime hours that impact business operations	24		48%	60%	72%
	Projected total unplanned downtime hours that impact business operations			12.5	9.6	6.7
	Average revenue or equivalent lost per hour of outage	\$100,000				
	Total revenue loss		\$2,400,000	\$1,248,000	\$960,000	\$672,000
	Incremental margin contribution of revenue or equivalent	12.70%				
	Total projected incremental margin contribution		\$304,800	\$158,496	\$121,920	\$85,344
	Total Projected annual benefit			\$146,304	\$182,880	\$219,456

Figure 3. ROI table Example B

Example C: Reduction in License and Training cost

VM Explorer’s light-weight installer completes the installation in less than a minute. The configuration requires a few simple clicks and within minutes you can start running your backups and replications of your virtual machines. With advanced features and light-weight resource requirements, VM Explorer delivers high value at a low price point.

Retail company: Enterprise-level backup and recovery solutions are too expensive for smaller organizations.

Value proposition	Light-weight, wizard-driven installer results in quick and easy deployment and configuration. Simple licensing and self-service removes the need for special training and enables easy maintenance.
Solution benefit summary	VM Explorer is designed and priced for SMBs. It's light-weight design and small foot-print means you don't need to buy specialized hardware with powerful memory and CPU components. VM Explorer's socket-based pricing is easy to understand and very affordable. Simple licensing, low pricing, and self-service features enables easy maintenance and removes the need for special training—making the overall solution very cost-effective.
Applications	Business critical applications

Table 6. ROI example—Economical Backup and Recovery

ROI Example	Metrics	Assumptions	Expected improvement with Micro Focus VM Explorer			
			Before Micro Focus Software	Conservative	Probable	Optimistic
	Cost of enterprise-level backup and recovery solutions	\$50,000		40%	50%	60%
	Projected cost of enterprise-level backup and recovery solutions			30,000	25,000	20,000
	Projected annual solution cost benefit			20,000	25,000	30,000
	Time spent (hours) to deploy and configure virtual server backup solution	48				
	Time spent (hours) to train the employee to use the solution	200				
	Hours spent per week on VM backup and restore	248		64%	80%	96%
	Projected hours spent per week on VM backup and restore			89	50	10
	Hourly burdened labor rate	\$51.20				
	Total deployment cost		\$12,698	\$4,571	\$2,540	\$508
	Projected annual deployment benefit			\$8,126	\$10,158	\$12,190
	Total projected annual benefit			\$28,126	\$35,158	\$42,190

Figure 4. ROI table Example C

Consolidating Results

ROI-benefit scenarios, such as those shown in the above examples, can be combined to provide an overall ROI analysis for a specific customer implementation; merging the specific aspects of an inclusive Micro Focus solution. In this case, the solution is VM Explorer.

The total savings from multiple ROI-benefit scenarios are aggregated to give a cumulative view of the benefits provided by the full implementation. For example, in this case, the savings from our several ROI-benefit scenarios can be summed to show a combined business and IT benefit over a period of three years.

The table below illustrates how the company could summarize the financial analysis of the three ROI-benefit scenarios. For each ROI-benefit scenario, the cash flows over a three-year period were consolidated into a Net Present Value (NPV) using the following rates.

Discount rate	10%
Increase in annual benefits	10%

Figure 5. Net Present Value (NPV) Rates

Consolidated ROI benefits (probable) from VM Explorer.

Scenario	Value category	Value proposition	NPV (three years)	Year 1	Year 2	Year 3
1	Backup and Restore Process Efficiency	Centralized management of backup and replication for virtual environments minimizes costs by reducing administrative overhead associated with backup and recovery.	\$144,524	\$52,992	\$58,291	\$64,120
2	Revenue Protection: Reduction in unplanned downtime	The ability to perform data recovery of VMs in a matter of seconds directly from data backups results in reduced unplanned downtime and improved service availability.	\$498,764	\$182,880	\$201,168	\$221,285
3	Economical Backup and Recovery	Light-weight, wizard-driven installer results in quick and easily deployment and configuration. Simple licensing and self-service removes the need for special training and enables easy maintenance.	\$95,886	\$35,158	\$38,674	\$42,541
Cumulative benefits total			\$739,173	\$271,030	\$298,133	\$327,946

Table 7. Consolidating results from benefits for probable scenarios

Summary

When it comes to backing up and restoring data in environments featuring tens of virtual machines running on one or more physical servers, SMBs face at least three challenges: technical complexity and constant updates to underlying software, meeting performance goals, and costs arising from software licensing and resourcing requirements.

VM Explorer addresses these problems with a suite of features designed to streamline the backup and restoration process. For example, the software includes integrated job scheduling so that backups can take place when business activity is reduced. VM Explorer also allows businesses to perform incremental backups, meaning that only new data is backed up and transmitted to a location that already contains previous backups.

Quantifying the benefits of VM Explorer can be done systematically, using an approach and methodology that Micro Focus has designed and refined over the years based on input from your peers. The examples presented in this paper may serve as a starting point but VM Explorer is not limited to these benefits. This value brief provides an order of magnitude estimate of the potential benefits offered by the VM Explorer software. To build a comprehensive business case including ROI, payback and other financial metrics and for more information on the Micro Focus ROI approach or the VM Explorer solution contact your local Micro Focus representative.

Learn More At
www.microfocus.com/vmexplorer

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