



## IDC ExpertROI® SPOTLIGHT

# Global IT Services Company to Achieve 368% ROI and Rapid Payback with Pulse Secure Services Director

Sponsored by: Pulse Secure LLC

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August 2017

### Overview

IT teams at organizations with distributed and often global operations must support their businesses with scalable and agile IT services. As these organizations move into new markets and address business demand, they need to set up IT and business operations as fast as possible to take full advantage of business opportunities. As a result, many organizations are re-architecting their datacenter and IT infrastructures to maximize flexibility while striving to "future proof" their IT operations as they move more applications to hybrid or public cloud environments.

IDC spoke with a lead network architect at a large global business and IT services company about her team's efforts to meet these challenges. The company, which offers a wide variety of professional services and solutions, is continually building out its operations in new markets around the world. As a result, the network architect's team must find ways to bring new environments online to deliver services and technology to internal and external customers in the most timely, cost-effective, and efficient manner possible.

According to the network architect, her company is better meeting evolving business demand through its use of Pulse Secure Services Director. She explained that Services Director has dramatically reduced the time her team needs to stand up a new IT environment by moving to an "as a service" model for Pulse Secure Virtual Traffic Manager, the application delivery controller (ADC) solution that supports these environments. Additionally, Services Director creates a pool of Traffic Manager licenses that the business and IT services company can reuse, enabling cost-efficient use of these licenses as it expands its operations and moves to the cloud. As a result, the company can deploy resources more rapidly, wherever and whenever they are needed, which improves its business agility, operational flexibility, and scalability.

### Business Value Highlights

**Organization:** Global business and IT services company

**Location:** Worldwide operations

**Challenge:** Provide flexible and cost-effective ADC services that support expanding global business operations while efficiently using ADC licenses

**Solution:** Pulse Secure Services Director

#### Five-Year Cumulative Benefits:

- \$2.89 million in discounted five-year business benefits
- ROI of 368%
- Payback in 9.5 months

#### Other Benefits:

- 95% faster calendar time setting up new environment
- 83% less networking staff time related to provisioning ADC resources
- Reuse up to half of Pulse Secure Traffic Manager licenses in next several years

Moving to Pulse Secure Services Director and Traffic Manager from a hardware-based ADC solution has enabled the company to cut the provisioning time for ADC services from weeks to hours, enabling it to stand up new environments in far less time. As a result, staff and teams, including application developers, that rely on these environments are more productive, and the company has the IT infrastructure in place to meet business demand. The company expects to leverage Services Director for orchestration that will create further efficiencies.

Meanwhile, the company is also benefiting from cost efficiencies with Services Director and credits the solution with providing "investment protection" for the company's ADC efforts. Because Services Director can support delivery of ADCs via Traffic Manager for applications running in both bare metal and more virtualized environments, the company benefits from knowing that it will always have ADC licenses available and making more efficient use of these licenses as it adopts a more cloud-centric IT strategy. Additionally, the company can now reuse Traffic Manager licenses, enabling more cost-effective use of licenses and increased flexibility.

IDC conducted several interviews with the network architect to understand the impact of Pulse Secure Services Director on her company. Based on these interviews, IDC projects that the company will achieve staff time savings, productivity gains, and cost savings worth an average of \$820,500 per year over five years, which would result in a five-year ROI of 368% and payback in nine and a half months.

## Implementation

Before deploying Pulse Secure Services Director, the business and IT services company used a hardware-based load balancing solution. When the vendor of this solution announced it would no longer support the product, the company began looking for another solution that would accommodate changing requirements placed upon its IT team and handle growth more dynamically. It also wanted a solution that would fit better with plans for re-architecting its datacenters to make more use of hybrid and public cloud environments.

The company evaluated a number of solutions but found that many lacked the flexibility and control needed to manage and deploy ADC licenses. The company also needed a solution that would perform in both small and large environments, which eliminated other options. After narrowing the list of candidates and running comparative lab tests, the company selected Pulse Secure Services Director because of its scalability, superior functionality, and price. The network architect explained that the tests identified Pulse Secure as having "superior functionality and better scalability at the best price."

The business and IT services company began deploying Services Director in late 2013. In 2014 it completed its initial deployment in two of its main datacenters to support datacenter operations and additional, smaller facilities located around the world.

Since then, it has also deployed Services Director to a third datacenter dedicated to one of its business units. According to the network architect, her company now uses Services Director to stand up more than 100 environments per year that serve both internal users and customers.

**"Operationally we can do a lot of things we couldn't do before because of the reduced time to deliver new environments with Services Director."**

## Benefits

The network architect explained that her company is using Services Director in a relatively specific way. She noted that her company must provide ADC services with Pulse Secure Traffic Manager in a variety of IT environments, including bare metal, virtualized, and increasingly cloud-focused environments. As such, a core benefit of Pulse Secure Services Director is that the company can use it across these environments to take a "mix-and-match approach" while benefiting from greater flexibility, agility, and cost-effectiveness in its ADC operations across its varied operations. She explained: "One of the main reasons we went with this solution is because it offered a complete platform that could go 100% virtual, but could also support physical infrastructure as needed, and offered more scalability than competing products."

The network architect explained that Services Director enables her company to automatically provision, deploy, license, meter, and manage its substantial inventory of Traffic Manager ADC instances. Because Services Director pools Traffic Manager licenses and keeps track of the ADC resources used, as well as the actual throughput used by each application, it is now simple to re-allocate resources to meet changes in workloads or support new environments.

The network architect explained that, as a result, Pulse Secure Services Director has had a profound impact on the time her company needs to get new IT environments up and running. She explained that, given her company's worldwide operations, the process for provisioning IT infrastructure resources and licenses could take weeks or even months, with the process being especially prolonged in certain markets. Now, because her company can leverage Services Director to provide ADC resources across all types of environments, including on commodity hardware, the typical time needed to stand up a new environment has been greatly reduced.

Since deploying Services Director, the company has reduced the calendar time needed to stand up a new environment from months to days on average, with a commensurate decrease in the staff time required. Putting new environments in place faster has made the company's application developers more productive because they can respond to business demand by beginning to create business applications and services sooner. "Operationally we can do a lot of things we couldn't do before because of the reduced time to deliver new environments with Services Director," the network architect said. "With Services Director, we can get new environments up and running much faster, which makes our application developers more productive, gets operations online sooner, and saves staff time during the deployment of new environments."

The network architect also cited the flexibility Services Director provides her company as a significant benefit in terms of agility and cost. Individual teams within the company now have their own dedicated architecture where previously they had to share, without having to worry about overextending licenses. In addition, the company can now more easily and accurately scale and rightsize ADC services to suit each application with full isolation and multitenancy capabilities.

**"We have a strong cloud strategy internally, and Services Director will help us move to the cloud because it can license Traffic Manager instances for us and we can manage these licenses. We consider this investment protection because we can continue to use the licenses that we have, even as we move to the cloud from our on-premise datacenters."**

The flexibility that Pulse Secure Services Director provides in terms of licensing has also proven advantageous. Individual instances of Pulse Secure Traffic Manager can now be provisioned within a hosted virtual environment; alternatively, it can register externally deployed instances within datacenters or a hybrid or public cloud environment. Each instance is licensed automatically to define the application's needed capacity and capability. Services Director manages the inventory of ADC instances and ensures that total allocated capacity remains within the company's overall licensed capacity. This inventory management capacity can be shared between instances, and resources can be reallocated to meet changes in demand. In addition, Services Director tracks each instance and creates usage reports for monitoring and billing, as well as longer-term capacity planning.

Further, by pooling Traffic Manager licenses, the company can reuse licenses as needed, saving on Traffic Manager licensing costs and making its delivery of ADC services more flexible. The business and IT services company expects to achieve further efficiencies and benefits with Pulse Secure Services Director. The network architect sees the solution's flexibility continuing to provide benefits, particularly as her company increases its cloud footprint; the fact that Services Director can be used in public cloud environments is especially important: "We have a strong cloud strategy internally, and Services Director will help us move to the cloud because it can license Traffic Manager instances for us and we can manage these licenses. We consider this investment protection because we can continue to use the licenses that we have, even as we move to the cloud from our on-premise datacenters." The network architect estimated that her company stands to save almost 50% on Traffic Manager licensing costs within the next several years by reusing licenses across its various environments.

In addition to making ADC licensing more cost effective, this visibility translates to efficiencies for the company's IT networking staff, particularly the Network Delivery Architecture team. Licenses require less staff time to manage, and Services Director contributes to efficiencies in terms of scripting enabled by Traffic Manager. Further, the company's network teams now provide better services to operations around the world because they stand up new environments and enable operations in less time. Further, visibility into ADC deployments and licensing has helped the company avoid outages, which happened infrequently before but did lead to productivity losses for employees. Thus far, the company has experienced no ADC-related outages since deploying Services Director.

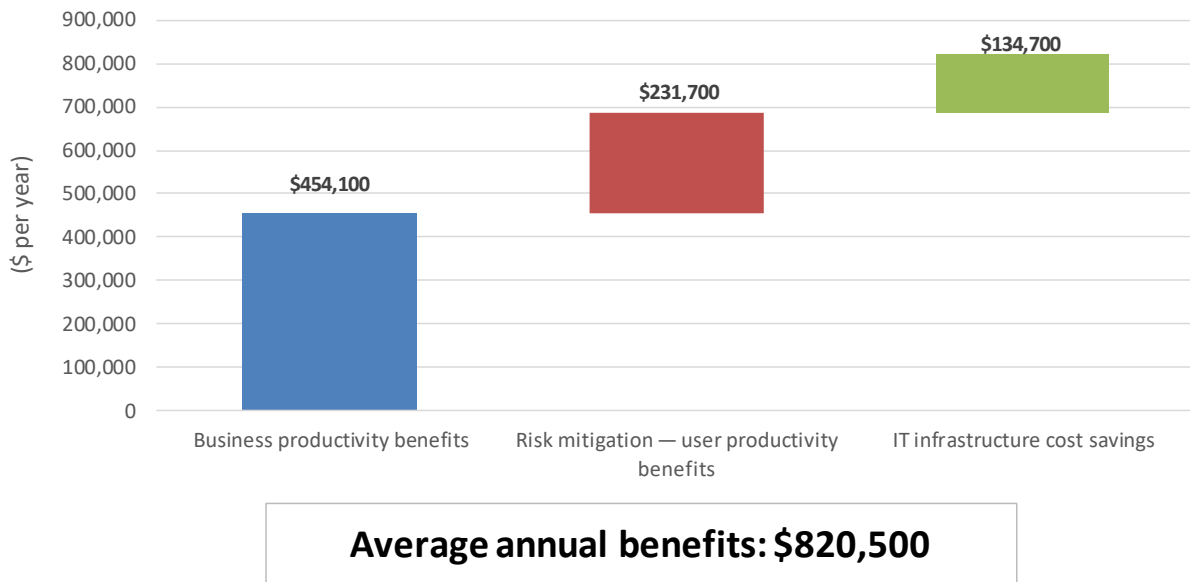
Additionally, the network architect explained that her company is planning to extend the orchestration functionality of Pulse Secure Services Director to manage and provision virtual machines themselves. After the company puts this functionality in place later this year, it expects to achieve more substantial time savings and will have even more flexibility in standing up new environments.

## Quantifying the Benefits

Based on interviews with the network architect, IDC has quantified the benefits that the global business and IT services company is projected to achieve as a result of using Pulse Secure Services Director. IDC puts the value of staff time savings, productivity gains, and cost savings at an average of \$820,500 per year over five years (see Figure 1).

**FIGURE 1**

**Average Annual Benefits**



Source: IDC, 2017

***Business Productivity Benefits***

With the faster deployments of new environments enabled by Pulse Secure Services Director, the company's application developers can begin their work sooner and more effectively support the business. As a result, they are more productive and deliver more value to the company. Because the time to stand up a new environment has been reduced from approximately two months on average to several days, IDC projects that approximately 150 application developers benefit from beginning work sooner and are an average of 5% more productive during this period of time.

Because the business and IT services company can deploy new environments much faster with Pulse Secure Services Director, the staff time required for each deployment has fallen from 60 hours to 15 hours and is expected to decrease to 3 hours per new environment with orchestration. The company's IT team should also achieve more limited staff time savings because of the ease of managing ADC licenses with Services Director.

IDC projects that over five years, these application developer productivity gains and IT staff-related efficiencies will have an average annual value of \$454,100.

***Risk Mitigation — User Productivity Benefits***

Before deploying Pulse Secure Services Director, the business and IT services company experienced infrequent ADC-related outages. It has experienced no outages thus far with Services Director. Despite the infrequent nature of outages in the past, the events could exert a significant cost in terms of lost productive employee time. Even taking into account roughly one more significant outage avoided every three years, IDC calculates that the business and IT services company will save productive staff time worth an average of \$231,700 per year over five years.

## IT Infrastructure Cost Savings

As a result of this deployment, the company has been able to eliminate maintenance costs associated with its previous ADC solution, which come to about half of its current maintenance costs with Pulse Secure Services Director.

In addition, Pulse Secure Services Director enables the efficient use and reuse of Traffic Manager licenses. For now, the company is avoiding the purchase of new licenses for several new environments per year through efficient reuse of existing licenses, with further potential savings as it moves more applications and services to the cloud and takes advantage of the fact that Services Director can deploy existing licenses in public cloud environments. In the next several years, the company expects to be able to avoid up to half of its Traffic Manager license costs thanks to its ability to flexibly reuse licenses enabled by Services Director.

Additionally, the business and IT services company reported that Pulse Secure Services Director is cost effective because of the value it provides. In particular, the company is benefiting from training and professional services, as well as the scalability of Services Director and Traffic Manager.

IDC projects that the business and IT services company will reduce its total ADC-related maintenance and licensing costs by an average of \$134,700 per year over five years with Pulse Secure Services Director.

## Return on Investment

IDC projects that the global business and IT services company will achieve five-year discounted business benefits through its use of Pulse Secure Services Director in the forms of staff time savings, productivity gains, and solution-related cost reductions worth \$2.89 million, compared with an investment of \$0.62 million. This means that the company would achieve a five-year ROI of 368%, with breakeven in its investment in Services Director occurring after nine and a half months (see Table 1).

**TABLE 1**

### Five-Year ROI Analysis

Benefit (discounted)	\$2.89 million
Investment (discounted)	\$0.62 million
Net present value (NPV)	\$2.27 million
Return on investment (ROI)	368%
Payback period	9.5 months
Discount rate	12%

Source: IDC, 2017

IDC conducted several interviews with the network architect at the global business and IT services company to understand the impact of using Pulse Secure Services Director on its IT and business operations. IDC gathered the information needed to quantify the benefits and investment associated with the company's use of Services Director in these interviews and created an ROI analysis from the results.

IDC calculates the ROI and payback period in a three-step process:

1. Measure the financial benefits directly resulting from Pulse Secure Services Director, including increased IT staff and user productivity as well as cost savings since deployment.
2. Ascertain the total investment.
3. Project the investment and benefit over five years and calculate the ROI and payback period. The ROI is the five-year net present value (NPV) divided by the investment. Payback period (expressed in months) is the time required to pay back the initial investment and establish a positive cash flow. To account for the time value of money, IDC bases the ROI and payback period calculations on a 12% discounted cash flow.

When this analysis was originally conducted, Services Director was owned and serviced by Brocade. As of mid-2017, Pulse Secure assumed ownership and servicing of Services Director. Product nomenclature in this IDC ExpertROI® Spotlight has been updated accordingly.



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