

# Mainframe Outsourcing Health-Check

## OBJECTIVE

Outsourced mainframe customers often lack transparency into how well their outsourcer is managing the mainframe capacity and performance relative to what is optimal for the customer. The customer seldom has the data or the skills to communicate clearly with the outsourcer on capacity and performance issues. The outsourcer may have limited motivation to help the customer optimize capacity. In many cases, the customer doesn't even have the ability to validate whether the outsourcer is invoicing in a correct manner relative to the contract or in a fair manner relative to industry 'best practice'. Simple questions like 'how is the basis for invoicing (e.g. MIPS) calculated?' can lead to a 10% lower invoice.

During the Outsourcing Health-Check, SMT Data receives capacity data (SMF) from the customer's mainframe environment as well as input regarding the billing model agreed with the outsourcer. Based on this information SMT Data creates a report with findings and recommendations to answer questions like:

- Does the capacity usage (e.g. MIPS) on the invoice match the measured usage as seen in the SMF Data?
- Has the outsourcer used the agreed methods for calculating the capacity that the customer is paying for?
- Are the agreed methods for invoicing capacity in line with industry 'best practice'?
- What are the advantages and disadvantages of other methods of determining capacity usage for the customer and the outsourcer?
- What are the major contributors in technical and business terms to the capacity usage?
- Where is there optimization potential and what specific actions can the customer or outsourcer take to achieve savings for the customer?
- Are there performance issues such as poor response time, and what options are there for addressing these?
- What are the ongoing reporting requirements to ensure a transparency between the outsourcer and the customer?

## WHAT WILL WE DELIVER

- SMT Data analyses the performance and capacity data using the ITBI solution in order to answer the questions outlined above under 'objectives'.
- SMT Data reviews initial conclusions with the customer and, ideally, also with the outsourcer to ensure that the conclusions are based on a correct and complete understanding of the technical data and the agreements between the Customer and Outsourcer.
- SMT Data provides a final report addressing the topics outlined under 'objectives' above and a roadmap for further actions.
- The customer, and potentially also the outsourcer, are given access to the ITBI reporting environment to get hands-on experience with the solution based on their own data

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## TIME FRAME

One to two months depending on the time required to establish the prerequisites.

## CUSTOMER REQUIREMENTS

The customer provides the required capacity and performance data to SMT Data. This typically means SMF types 70,72 and 30 for at least one month plus SMF 101 and 110 for selected peak days. The customer also provides optional business mapping input, which translates technical information like job or transaction names to business information such as department or application.

The customer also provides information regarding the technical computation methods agreed with the outsourcer for determining the capacity usage. The customer also provides the actual measurements and computations that form the basis for the invoice matching the period for which SMF data has been provided.