# Current Trends in Mainframe Capacity Cost Allocation

By Mads Ehlers Rasmussen, Chief Executive Officer (CEO), SMT Data

At SMT Data, we are experiencing huge interest from large and global Mainframe businesses that urgently need to get in control of their operational risk and cost situation. In particular three objectives are top of mind for executives we talk to:

- » Avoid risk from in-house developed cost allocation solutions
- » Avoid risk from the retirement or departure of key aging staff
- » Reduce costs from expensive licenses, CPU, and storage consumption

The mainframe has just celebrated its 60th anniversary and has long been the stalwart of enterprise IT infrastructure, yet its extensive functionalities have often rendered it an enigmatic 'black box', especially in terms of cost and capacity management.

As businesses increasingly demand transparency and optimization in every facet of IT, mainframe capacity cost allocation has become a critical concern for decision-makers looking to drive efficiency and strategic value.

# **SMT Data's Growing Influence**

Amidst a landscape where mainframe technology continues to be pivotal, SMT Data is witnessing an extraordinary increase in interest from leading sectors, including banking, insurance, governmental bodies, and mainframe outsourcing firms. This heightened attention is a testament to the vital nature of the Cost Allocation services.

As organizations realize the importance of optimizing their mainframe systems, the relevance of SMT Data's expertise has never been more crucial.

Our ability to transform mainframes into essential, insightful business strategy components resonates more than ever with major mainframe owners in the market.

# **Driving Mainframe Value Through Cost Allocation**

At the heart of our strategy is cost allocation. This process translates technical mainframe metrics into strategic business insights,



### Contact SMT Data

Mads Ehlers Rasmussen Chief Executive Officer (CEO) +45 3010 2466 mra@smtdata.com smtdata.com



aligning IT expenditure with corporate goals and performance.

By mapping measurable entities like MIPS, transactions, and gigabytes to specific business activities, organizations can apportion costs equitably and foster informed decision-making across all levels. Thus, capacity cost allocation becomes more than just an IT exercise; it becomes a multidisciplinary endeavor that enables various organizational roles to forecast and relate Mainframe costs to business activities.

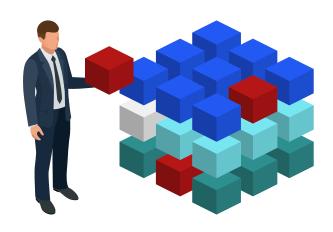
# Navigating Tradeoffs and Ensuring Fairness

The tradeoffs in mainframe cost allocation span technical accuracy, fairness, and simplicity. The goal is to create a system that is accurate, equitable, and manageable, avoiding complexities that obscure value. SMT Data's IT Business Intelligence (ITBI™) solution facilitates this balance, allowing organizations to simulate various models and drive strategic improvements effectively.

### **Conclusion**

To Mainframe businesses, capacity cost allocation is a strategic imperative that demands clarity, precision, and innovation. SMT Data remains at the forefront, committed to empowering organizations to harness the full potential of their mainframe investments through sophisticated, data-driven solutions.

Contact us to redefine your mainframe's role as a trusted advisor and unlock the potential of the 'Black Box' in your corporate strategy.



## About SMT Data & ITBI™

SMT Data is an independent IT company that helps large organizations and outsourcers across the world with mainframe optimization and utilization. We have no ties or obligations and only one agenda: To help you understand, use and prioritize your data consumption.

Our solution – ITBI $^{\text{TM}}$  – is compliant and certified according to the highest standards. On average, ITBI saves our clients 10-15% of their IT consumption.



Kongevejen 400b, 1. sal DK-2840 Holte, Denmark info@smtdata.com +45 3962 8887 www.smtdata.com