Charging for IT Services

Control costs and align IT with business demands when you implement VMware vCenter Chargeback in your virtual infrastructure.

As Information Technology (IT) departments are being asked to increase their efficiency, be more transparent to users, and compete with external providers, companies are increasing their use of virtualization and IT as a Service computing models as a way to decrease costs and provide more capabilities to end users. These new computing models allow IT departments to quickly deploy or shift infrastructure allocations, making it easier for business units to obtain computing resources and for customers to share resources.

However, for these new computing models to work, IT organizations need ways to measure usage, allocate costs, and enable users to self-manage their IT usage. Charge-back systems are required for accurate cost measurement, reporting transparency, and accountability so business owners and IT can understand the cost of the virtual infrastructure required to support business services. These systems provide a means to fairly distribute costs among IT users.

Chargeback systems:
- Enable IT organizations to control costs, change user behavior and help managers make informed business decisions.
- Provide useful metrics to compare internal IT service costs with third-party outsourced models.
- Help align IT demands with business demands.

The Challenge of Implementing Chargeback

Implementing chargeback systems can be a major process change for an organization and designing a system that is efficient and automated, as well as transparent to users, can be difficult. Some of the many challenges include:

- **Ensuring that end users paying for services perceive that they are being charged fairly.** Negotiating the internal politics associated with implementing and maintaining IT chargeback systems can be difficult, especially when comparing the benefits against the administrative costs and substantial accounting challenges of implementing chargeback. Users of virtual machines may have the perception that they are free, despite the fact they are built on top of real resources.

- **Determining what to charge.** This requires in-depth knowledge about company costs and an accurate way to measure usage. As IT organizations transform to virtualization-based service delivery models with shared pools of resources, it becomes even more important to understand how to allocate costs.
• Modifying existing chargeback processes to meet the needs of a virtualized environment. Traditional chargeback models which use a direct relationship between the application and the hardware, may not work for a dynamic, virtual datacenter. Workloads are no longer directly tied to a single server or a set of disks and the set of virtual machines which comprise Line of Business applications may expand or shrink based on peaks or valleys of demand.

How does one fairly account for costs in such a dynamic environment?

VMware vCenter Chargeback

VMware vCenter™ Chargeback takes into consideration the characteristics of a virtualized datacenter by mapping usage and IT costs to shared resources and individual business units, cost centers or external customers. This enables a better understanding of how much resources cost and what can be done to optimize resource utilization to reduce overall spending on IT infrastructure. VMware vCenter Chargeback is fully integrated with VMware vCenter, the scalable, centralized management platform for VMware vSphere™.

Implement a Reliable Chargeback Process with VMware Professional Services

VMware Professional Services can help you implement a chargeback process in a virtualized environment, efficiently and cost effectively. We offer 3 types of engagements to help you maximize the benefits of VMware vCenter Chargeback:

1. **Chargeback Strategy and Process.** Certified VMware Professional Service Consultants will help you determine an optimal chargeback approach for your virtualized environment, and what your approach should look like in both the short and long term.

2. **VMware vCenter Chargeback Workshop.** This service engagement will define and pilot a test chargeback system to gain visibility into your virtualized environment’s costs, and deliver a knowledge transfer workshop on how to use chargeback systems, including installation and configuration in your test environment.

3. **Chargeback Process Implementation.** Our Consultants will help you deploy and start using VMware vCenter Chargeback within your virtualized environment. VMware vCenter Chargeback will provide detailed information to help you understand how to gain cost transparency and accountability so business owners and IT can understand the actual cost of the virtual infrastructure required to support business services.

Get Started Today

Implement VMware vCenter Chargeback in your organization. Contact your VMware Services Sales representative or visit www.vmware.com/services for more information.

About VMware Professional Services

VMware Professional Services is an organization of experienced IT professionals who provide consulting, technical account management, integration and deployment services, and education services around VMware products and solutions. Through VMware and its vast partner ecosystem, VMware Professional Services helps IT departments in companies of all sizes accelerate time to market, reduce deployment risk and maximize ROI as they adopt virtualization. As the largest services organization focused solely on virtualization, our services technicians have deep expertise and use proven, repeatable delivery methodologies that have helped thousands of customers energize IT while saving energy—financial, human and the earth’s—through virtualization.