

## VMware Cloud On AWS Provides The Agility Of Cloud Without The Challenges Of A Full Migration

Many organizations struggle with the aging infrastructure, costly maintenance, and lack of scalability associated with on-premises environments. However, a cloud migration poses its own risks, including business disruptions, application re-architecture, and the need to train IT staff for the new environment. For many organizations, these roadblocks are prohibitive to adopting a cloud-first strategy. VMware Cloud (VMC) on AWS offers an effective solution that meets IT needs and organizational goals while mitigating migration challenges.

VMware Cloud on AWS is an integrated cloud offering jointly developed by AWS and VMware. VMware Cloud on AWS provides organizations with a scalable solution to migrate and extend their on-premises environments to the public cloud.

**“VMware Cloud on AWS really solved two issues for us: the expense of replacing all that hardware and the expense of retraining into native cloud infrastructures.”**

*IT infrastructure director, public education*



IT resources refocused to higher value tasks

**40%**



Time savings in comparison to a native cloud re-tooling

**66%**

Forrester Consulting previously conducted a Total Economic Impact™ (TEI) study to provide readers with a framework to evaluate the potential financial impact of VMware Cloud on AWS on their organizations. <sup>1</sup> To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed several customers using VMware Cloud on AWS.

In addition to the original four customers interviewed, Forrester conducted more interviews to highlight the experiences of additional customers. The following highlights the experiences and benefits for an organization that was not included in the original study.

For this spotlight, Forrester conducted an interview with a decision-maker at a public university located in the US. Prior to using VMware Cloud on AWS, the organization had a completely on-premises deployment of six clusters and 150 virtual machines (VMs).

## INVESTMENT DRIVERS

The organization faced several challenges that prompted its investment in VMware Cloud on AWS including:

- **Replacing aging hardware.** Prior to investing in VMware Cloud on AWS, the organization had a lot of aging hardware it needed to replace. Much of the hardware was no longer supported by a manufacturer and required costly servicing through a third party. The organization faced the daunting task of either purchasing new hardware at high cost or restructuring workloads for the public cloud. VMware Cloud on AWS offered a compromise solution that addressed the organization's needs without re-architecting applications or retraining staff.
- **Avoiding rearchitecting core applications and business disruptions.** The organization considered a move to the cloud, but decision-makers were concerned with the amount of effort and business disruptions a migration would incur. The interviewed decision-maker said, "Moving to the cloud is no small task if you're going to have to restructure your workloads to a native environment." VMware Cloud on AWS offered the agility and scalability of cloud without the need to completely rebuild the organization's existing application portfolio. In addition, employees were already familiar with VMware and would not require extensive retraining.
- **Streamlining infrastructure management.** Before using VMware Cloud on AWS, the organization maintained six clusters on-premises. Decision-makers hoped to reduce the organization's physical footprint and the costs associated with maintaining hardware including tooling, patching, upgrades, hardware refreshes, and configuration change management as well as costs associated with energy consumption.

**"The implementation of VMware Cloud on AWS allowed us to say, 'Okay, now you're not having to worry about upgrades and patches and hardware – you have time to do other things.'"**

*IT infrastructure director, public education*

- **Mitigating risk.** The organization's primary data center was located on a fault line, meaning that it was not a viable long-term location for on-premises infrastructure. In order to mitigate the risk of infrastructure damage and downtime, decision-makers concluded that a move to the cloud would provide the most insurance against catastrophe.

## KEY RESULTS

VMware Cloud on AWS allowed the organization to move from its hardware solutions quickly and efficiently with minimal business disruptions. The organization's investment allowed it to:

- **Refocus 40% of IT resources to higher-value tasks.** With VMware Cloud on AWS, IT resources no longer need to manage infrastructure or handle maintenance and monitoring tasks such as patching. With these workload reductions, team members can be refocused to higher-value tasks and, as the environment grows, new team members are not required for expansion. The IT infrastructure director described this benefit by saying, "I probably would have needed to at least double the size of the team in order to maintain this environment [without VMware Cloud on AWS]."



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- **Accelerating time-to-market for cloud deployment by 66%.** With VMware Cloud on AWS, the organization avoided re-architecting its application portfolio for the public cloud and retraining its workforce for managing its cloud deployment. When compared to other campuses within its university system that transformed deployments for the public cloud, the organization achieved full launch 66% faster.
- **Improved employee morale.** Team members reported higher satisfaction because they spend less time on tedious and repetitive tasks and must handle fewer emergencies outside of work hours. The interviewee explained, “It’s like having their weekends back.”
- **Reduced outages and downtime.** In its prior on-premises environment, the organization had to monitor performance itself and react to any problems that arose. With VMware Cloud on AWS, VMware handles monitoring and addresses upgrades and patches that previously caused the organization trouble.

Since its adoption of VMware Cloud on AWS, the organization has experienced zero downtime or outages. In its prior state, the organization saw at least two to three business interruptions per year due to hardware failures, unexpected upgrades, or other problems. The interviewee noted: “The other thing not realized here is the time saved by VMware performing the upgrades for you. You simply get a notice that there’s an upgrade scheduled, it’s completely hands off. We know [VMware is] covering it, and we get notifications of when the upgrade is completed. These noninterruptions are hard to measure because we couldn’t keep up with that kind of patch level in our on-premises environment. We just couldn’t afford the time to do that.”

- **Avoided business disruption, time, and training required for application redesign.** With VMware Cloud on AWS, the interviewee’s organization spent only eight months in migration until it was fully in production. This transformation required only minimal business disruption. The interviewee said, “We saved complexity.”

As part of these savings, the organization did not need to retrain or hire additional experts because its IT employees were already familiar with VMware. The interviewee explained: “It’s pretty important to understand that one of the advantages was not having to retrain staff or gain new employees to manage VMware Cloud on AWS. They were already familiar with the product.”

- **Improved business agility and flexibility.** In its prior physical datacenter, a need for more computing power or storage was a slow and expensive process that required the purchase and installation of additional hardware. The organization could not respond to surges in need without purchasing additional infrastructure it was then stuck with. With VMware Cloud on AWS, the organization could easily respond to changes in demand by spinning up additional storage and — just as importantly — have the ability to quickly take it back down.

Avoided labor and training required for public cloud re-architecture

**600 hours**



## TOTAL ECONOMIC IMPACT ANALYSIS

For more information, download the full study: “The Total Economic Impact™ Of VMware Cloud On AWS,” a commissioned study conducted by Forrester Consulting on behalf of VMware, August 2019.

### STUDY FINDING

Forrester interviewed four representatives of organizations with experience using the VMware Cloud on AWS and combined the results into a three-year composite organization financial analysis. Risk-adjusted present value (PV) quantified benefits include:

- Avoided application redesign, saving \$2.7M.
- Reduced labor hours for operations, saving \$1.2M.
- Reduction in data center operating costs, totaling \$1.4M.



**Return on investment (ROI)**

**108%**



**Net present value (NPV)**

**\$4.5 million**

## Appendix A: Endnotes

<sup>1</sup> Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

### DISCLOSURES

The reader should be aware of the following:

- The study is commissioned by VMware and delivered by Forrester Consulting. It is not meant to be a competitive analysis.
- Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in VMware Cloud on AWS.
- VMware reviewed and provided feedback to Forrester. Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning.
- VMware provided the customer name for the interview but did not participate in the interview.

### ABOUT TEI

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility.

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