EXECUTIVE SUMMARY

Dell APEX Insights from Users: Accelerated Access to the Right Tech

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The Rise of As-a-service IT On-premises Accelerates Modernization

In the era of digital business, IT operations and infrastructure directly impact revenue opportunity and business success. Nearly two-thirds of IT decision makers (65%) identify infrastructure modernization as a top-five priority, and 99% say infrastructure modernization is important to their digital transformation strategies.[1] The challenge that IT decision makers face is how to balance this need to modernize with the need to control budgets and maximize the value of existing resources.

To simplify and accelerate access to consistently modern technology, without the requirement to constantly rip and replace old equipment, IT decision makers are increasingly turning to as-a-service or consumption-based models for on-premises IT. According to recent ESG research, 51% of IT decision makers prefer a pay-per-use payment model for data center infrastructure over a traditional CapEx-based model. Two of the top three most commonly identified benefits of leveraging a pay-per-use model for on-premises IT help accelerate infrastructure modernization initiatives:[2]

- Accelerated IT initiatives by moving costs out into future quarters and increasing the amount of infrastructure that can be deployed today (cited by 51%).

- Accelerated the deployment of new infrastructure capabilities (41%).

Dell Technologies APEX—Insights from the Head of Systems and Infrastructure for an International Engineering Services Organization

Dell Technologies, a leader in both technology and customer support, designed its APEX portfolio of technology services to deliver the benefits of as-a-service and consumption-based IT to data center and hybrid cloud environments. This ever-expanding portfolio of offerings provides IT organizations with new ways to manage, access, and consume technology.

ESG was given the opportunity to speak with the head of systems and infrastructure for an international engineering services firm that is currently leveraging a Dell Technologies APEX solution in an effort to validate the benefits that this organization is receiving from APEX. The feedback was overwhelmingly positive, citing transformational technical capability enhancements, cost reductions, and simplicity improvements.

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[1] Source: ESG Complete Survey Results, *Distributed Cloud Series: Application Infrastructure Modernization Trends,* March 2022.
[2] Source: ESG Research Report, *Data Infrastructure Trends*, November 2021. All ESG research references in this executive summary have been taken from this report, unless otherwise noted.

Benefits of Dell APEX

Prior to deploying the Dell APEX solution, the organization was struggling with a solution from a different vendor. The head of systems and infrastructure said, "We had a traditional three-tier architecture, and we had failing systems." After meeting with Dell, the IT team was optimistic about the potential of the APEX solution. "I sold to my IT director that this is the direction we need to be going in. Dell came back with a consumption model, which all of a sudden made the [solution] quite affordable for us."

> *"Since [APEX], we have not had a single priority-one incident related to hardware, and that's impressive." —Head of systems and infrastructure, international engineering services firm*

Cloud Consumption While Reducing Cost-related Risks

One of the immediate benefits this firm saw was the ability to adopt a cloud mindset to infrastructure usage while reducing the risk of cost overruns. The head of systems and infrastructure said, "[APEX] gives us that flexibility. It allows us to get into that cloud mindset. We're not just managing a piece of tin here. We're managing a cost. If we had just moved to the cloud, I could quite easily see costs getting out of control. Because it's on-prem, we know we are not going to spin up something that is suddenly going to cost a lot of money."

Faster Adoption of Superior Technology

It was clear from conversation that their previous solution was not working. According to the head of systems and infrastructure, "Before, we had a team that was very reactive on support. They probably spent 70% of their time in a month on support. Infrastructure was failing. And they were constantly firefighting those problems. Prior to [APEX] going in, the team was running a backlog of around 70 to 80 incidents at a time. Since [APEX], we have not had a single priority-one incident related to hardware, and that's impressive." The APEX consumption model provided accelerated access to Dell's technology by reducing the initial payment and spreading the total cost out over future quarters.

Freeing Up Personnel Resources for Higher-value Tasks

The simplicity of the solution, combined with its enterprise-level performance and availability, significantly reduced the IT operational burden on personnel, freeing up their time for higher-level tasks and opportunities. The head of systems and infrastructure was able to describe this impact in more detail, saying, "Previously, we had senior people who were doing standard support calls literally down to folder access, which is just not a good use of their time at all. And we've actually been hit by a situation where people left because the work was just a bit too mundane. Now, the team has started lifting up from support. They're getting more involved in the value-add projects. We [in IT] are now starting to get out and talk more with the rest of business about what they need. It's making a big difference, especially for the infrastructure team."

The Bigger Truth

Budget constraints can often limit access to the technology that a business needs. With as-a-service solutions like Dell APEX, you can gain access to the latest infrastructure more quickly by moving costs to future quarters, while simplifying the burden on IT and reducing the risk of cost overruns that can occur with off-premises options.

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