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The Total Economic Impact Of Altiris™ IT Management Suite 7 From Symantec Multicompany Analysis

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Executive Summary

In the Fall of 2010, Forrester Research commenced work on a research project commissioned by Symantec that focused on examining the potential return on investment (ROI) organizations may realize by adopting Altiris IT Management Suite from Symantec (formerly known as Altiris Total Management Suite).

This study highlights the benefits and costs of deploying Altiris IT Management Suite (ITMS) across the enterprise of a sample *Organization* (see Sample *Organization* Description section). The findings in this study are, in large part, based on in-depth interviews conducted by Forrester with five organizations currently using Altiris products. The study examines the estimated ROI for the sample *Organization* and presents the aggregate findings derived from the interviews and analysis process as well as our independent research.

Key Findings — Benefits And Savings

The study found that for the sample *Organization* which consists of 10,000 employees at 150 locations with 15,000 end points, Altiris ITMS provided *quantified* benefits and savings of approximately **\$7.3 million** over three years in the following areas:

- Savings of **\$1,500,000** in reduced service desk labor expenses.
- Penalty avoidance savings of **\$1,200,000** from software vendors' audits.
- Labor savings of **\$1,050,000** in patch management by more effectively distributing and enforcing patch levels.
- Labor savings of **\$720,000** for Windows 7 readiness and migration.
- Savings of **\$720,000** from avoiding overlicensing of software.
- Software license savings of **\$693,000** by replacing and retiring legacy point solutions.
- Labor savings of **\$648,000** from provisioning applications and software.
- Labor savings of **\$600,000** from using Symantec's built-in automation or workflow functionality.
- Labor savings of **\$161,280** from auditing physical assets.

Key Findings

Table 1 represents a summary of the ROI that the *Organization* expects to realize over a three-year period by deploying Altiris products.

Table 1: Three-Year Summary Financial Results — The *Organization*

Summary financial results	Unadjusted (best case)	Risk-adjusted
ROI	83%	71%
Payback period	Within 18 months	Within 19 months
Total costs (PV)	(\$3,133,450)	(\$3,133,450)
Total cost savings and benefits (PV)	\$5,747,259	\$5,344,951
Total (NPV)	\$2,613,809	\$2,211,501

Source: Forrester Research, Inc.

The three-year, risk-adjusted total NPV (net present value) of **\$2,211,501** represents the net cost savings and benefits attributed to using Altiris ITMS from Symantec when compared with the costs of the *Organization's* pre-ITMS environment (see details below in the Costs, Benefits, Flexibility, and Risks sections). In addition, the risk-adjusted ROI was a very favorable **71%**.

Table 1 illustrates the risk-adjusted cash flow for the sample *Organization*, based on data and characteristics obtained during the customer interview process. Forrester risk-adjusts these values to take into account the potential uncertainty that exists in estimating the costs and benefits of a technology investment. The risk-adjusted value is meant to provide a conservative estimation, incorporating any potential risk factors that may later impact the original cost and benefit estimates. For this study, Forrester applied a 7% risk adjustment (reduction of 7%) to all benefits to reflect the risks listed above. For a more in-depth explanation of risk and risk adjustments used in this study, please see the Risk section.

Customer Highlights

“Using Altiris products, we were able to upgrade 2,200 Windows XP PCs (Service Pack upgrade), which resulted in having zero support calls associated with the upgrade.”
(Manager of service automation, major university)

“The asset management and tracking capabilities are recognized by software vendors as a reliable solution for software license audit purposes.” (Infrastructure technology manager, automotive industry supplier)

“I was able to automate dozens of business processes using the process automation capabilities Symantec’s workflow functionality is effective because of the integration with other Altiris products.” (Systems administrator, European-based leader in safety devices for the automotive industry)

Purpose

The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Altiris ITMS on their organizations. Forrester’s aim is to show all calculations and assumptions used in the analysis. Readers should use this study to better understand and communicate a business case for investing in Altiris ITMS.

Methodology

Symantec selected Forrester for this project because of its industry expertise in the IT management software market and Forrester's Total Economic Impact™ (TEI) methodology. TEI not only measures costs and cost reduction (areas that are typically accounted for within IT) but also weighs the enabling value of a technology in increasing the effectiveness of overall business processes.

For this study, Forrester employed four fundamental elements of TEI in modeling Altiris ITMS:

1. Costs.
2. Benefits and savings.
3. Risks.
4. Flexibility.

Given the increasing sophistication that organizations have regarding cost analyses related to IT investments, Forrester's TEI methodology serves an extremely useful purpose by providing a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

Approach

Forrester used a five-step approach for this study:

1. Forrester gathered data from existing Forrester research relative to Altiris ITMS and the IT management software market in general.
2. Forrester interviewed Altiris ITMS marketing and product management personnel to fully understand the potential (or intended) value proposition of ITMS.
3. Using knowledge of the Altiris products, as well as input from existing Forrester research, a Forrester representative conducted in-depth discussions with five of Symantec's customers regarding their experiences with Altiris ITMS.
4. Forrester constructed a financial model representative of data collected in the interviews.
5. Forrester created this study, which represents and examines the estimated value of the findings derived from the customer interview and analysis process and from Forrester's independent research.

The objective of this study is not to illustrate savings that other organizations can obtain by deploying Altiris ITMS but, rather, to identify savings experienced by the interviewed customers. These results can be used as a guide to allow other organizations to determine the appropriate benefits for their particular environment.

Disclosures

The reader should be aware of the following:

- The study was commissioned by Symantec and delivered by the Forrester Consulting group.
- Symantec reviewed and provided feedback to Forrester, but Forrester maintained editorial control over the study and its findings and did not accept changes to the study that contradicted Forrester's findings or obscured the meaning of the study.
- The customer names for the interviews were provided by Symantec, but Symantec did not participate in the interviews.
- Forrester makes no assumptions as to the potential return on investment that other organizations will receive. Forrester strongly advises that readers should use their own estimates within the framework provided in the study to determine the appropriateness of an investment in Altiris ITMS.
- This is not an endorsement by Forrester of Altiris ITMS, Symantec, or its offerings.
- The study is not a direct or implied market or competitive comparison.
- This document is an independent, nonbiased study from Forrester Research.

About Altiris IT Management Suite 7 From Symantec: Overview

According to Symantec, Altiris ITMS 7 is a suite of integrated products that help IT organizations provide faster and more predictable service to their business. The suite enables this by ensuring that organizations' management infrastructures can easily support new technology changes, can quickly adapt to changing processes and business needs, and can provide the necessary insight to make more intelligent decisions because they are data-driven. This enables IT to manage their assets with greater efficiencies and drive down costs across a broad range of servers, desktops and mobile devices. Additionally, Symantec extends the same philosophy to managing users in a dynamic, self-service oriented approach, which provides IT with even greater abilities to satisfy the growing demands of users and the business.

Altiris Client Management Suite

According to Symantec, Altiris Client Management Suite manages, secures and troubleshoots systems throughout the entire IT lifecycle. Organizations can manage more technologies with greater efficiency, on more platforms including Windows, Mac, Linux and virtual desktop environments. The suite automates time-consuming and redundant tasks to minimize efforts and costs associated with deploying, packaging, patching, supporting client systems and software, thus enabling organizations to gain and maintain control of their IT environment.

Altiris Server Management Suite

According to Symantec, Altiris Server Management Suite provides IT administrators with a comprehensive solution for managing physical and virtual servers across a broad array of platforms. The suite provides solutions to provision, control, automate, and monitor servers from a central

console. With these tools, organizations gain and maintain control of their servers, reduce service interruptions, and increase uptime.

Altiris Asset Management Suite

According to Symantec, Altiris Asset Management Suite improves visibility into IT assets at every point in the lifecycle to reduce costs and fulfill compliance initiatives. The suite helps organizations eliminate unnecessary software and hardware costs, proactively manage vendor contracts, and align resources to ensure IT investments are optimized and business-aligned. Asset managers can track and manage asset status through common changes and streamline common processes with pre-built workflow templates.

Symantec ServiceDesk

According to Symantec, Symantec ServiceDesk is a powerful ITIL-(Information Technology Infrastructure Library) based incident, problem, change, release, and knowledge management tool that improves availability and service levels while reducing costs. Based on best practice processes ServiceDesk is designed for fast implementation, easy integration, drag-and-drop customization and optimization of IT processes to deliver immediate benefits.

Integrated Management Platform

According to Symantec, ITMS is built on the Symantec Management Platform, on an open, unified architecture that provides common services, such as discovery, central policy control, role and scope based management, process automation and advanced analytic reporting. A critical component is the Symantec Management Console, a web-based user interface that lets administrators monitor and manage any installed products. The flexibility of the platform has driven success with many broad industry partnerships.

Customer Interview Highlights

Forrester's conclusions were derived, in large part, from information received in a series of in-depth interviews with executives and personnel at five organizations currently using Altiris products. The following is a brief description of each of the interviewed customers — all of which requested anonymity.

1. **A UK-based global distributor of plumbing, heating, and building products to professional contractors.** It has more than 45,000 employees in 25 countries, with sales of \$22 billion. Forrester interviewed the global Altiris engineer who coordinates this organization's use of the Altiris products.
2. **A US-based automotive industry supplier.** It has more than 60,000 employees operating in 180 locations in 23 countries with sales of about \$12 billion. Forrester spoke with the infrastructure technology manager, who described the benefits his organization was receiving using Altiris products.
3. **A European-based leader in safety devices for the automotive industry.** It has about 40,000 employees in 75 facilities in 30 countries generating \$7 billion in revenues annually. Forrester interviewed the systems administrator in charge of the Altiris deployment.
4. **A 400-employee IT management services company.** This organization provides technology and cloud services to small and medium-sized organizations in the US.

Forrester was able to interview the director of IT and the director of engineering who was responsible for the recent deployment of the Altiris products.

5. **An academic healthcare organization associated with a major Western US university.** It has more than 6,000 employees, including 1,100 board-certified physicians in four hospitals, 10 community clinics, and several specialty centers. The manager of service automation spoke to Forrester about their deployment of the Altiris products.

Sample *Organization* Description

In this study, we have created a sample *Organization* to illustrate the quantifiable costs and benefits of deploying Altiris ITMS from Symantec. Our *Organization* is a North American-based manufacturer, distributor, and service provider with branch offices in Europe and Asia and a total of 150 locations. It has 10,000 employees and 15,000 nodes (desktops, laptops, and mobile devices) using more than 800 software applications that will be impacted by the deployment of Altiris ITMS. The *Organization* has been active in mergers and acquisitions, a trend that will continue in the next few years.

Prior to implementing Altiris ITMS, the *Organization* was using various point solutions to manage client, servers, and mobile devices. There was no integration or common database between these point solutions. The *Organization* sought a single vendor that could replace these products and provide an integrated, one-console solution to manage assets, inventory, software license reclamation, and ITIL and IT Service Management frameworks.

Collectively, the five interviewed organizations had the following high-level business objectives or strategies that they were hoping to satisfy by implementing Altiris ITMS. We have applied these to our sample *Organization*.

- To support future acquisition activity by having one integrated IT management solution to scale across the acquired company's IT environment.
- Reduce costs of managing IT assets.
- Patch management — to more effectively distribute and enforce patch levels.
- To efficiently migrate from Windows XP to Windows 7 enterprisewide.
- A cost-effective delivery mechanism for deploying software applications and tracking licenses for the 15,000 nodes.
- To manage software licenses more effectively and reduce vendor licensing costs.
- To track and manage lease and contract agreements.
- To have a well-respected database to support software license audits.
- To eliminate the costs of existing IT management point products.

The Sample *Organization* Chooses Altiris IT Management Suite

The increasing complexity of the *Organization's* IT environment made managing disparate, complex IT assets cumbersome. The *Organization* was having difficulty maintaining overall client and server reliability and efficiency using its independent point solutions, while at the same time being challenging to increase IT service levels by the businesses within the *Organization*.

Through industry research, the *Organization* determined that Altiris ITMS 7 from Symantec would satisfy its challenges and objectives. Specifically, the *Organization* was interested in the solution's comprehensive client, server, and asset management capabilities, including provisioning, deployment, inventory, patch management, software updates, remote assistance, process automation, OS migrations, service desk, software packaging, and asset retirement.

The *Organization* partnered with Symantec and invested in its Altiris ITMS 7, including the following products:

- Altiris Client Management Suite from Symantec.
- Altiris Server Management Suite from Symantec.
- Altiris Asset Management Suite from Symantec.
- Symantec ServiceDesk.

See Appendix B for a more comprehensive list of what is included in Altiris ITMS 7.

Total Economic Impact (TEI) Framework

Introduction

From the information gathered in the in-depth customer interviews, Forrester has constructed a TEI framework for those organizations considering implementation of Altiris ITMS. The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that impact the investment decision.

Sample Organization

Based on the interviews with the five existing customers, Forrester constructed a TEI framework, a sample *Organization*, and an associated ROI analysis that illustrates the areas impacted financially. The sample *Organization* that Forrester synthesized from these results is described above.

Framework Assumptions

Table 2 lists the discount rate used in the PV and NPV calculations, the time horizon used for the financial modeling, and other costs.

Table 2: General Assumptions

General assumptions	Value
Discount rate used to compute NPV	12%
Cost of IT staff per hour	\$48.00 per hour
Cost of IT staff per year (one FTE)	\$100,000
Length of financial analysis	Three years

Source: Forrester Research, Inc.

Costs

Costs are an important part of the TEI model. Costs, or IT impact, are calculated as a change in costs primarily to IT as a result of the introduction of the technology to the *Organization*. Therefore, the introduction of Altiris ITMS affects IT expenditures as well as potential IT cost savings and efficiencies created (see the Benefits And Savings section below).

The costs are accrued in six areas described below. The total cost incurred by our *Organization* to deploy Altiris ITMS is **\$3,133,450**.

Cost For Altiris IT Management Suite 7 Software — \$2,099,850.

Cost For Altiris IT Management Suite 7 Software Maintenance — \$768,600.

The software maintenance costs for years 2 and 3. Price assumes a purchase at the same time as the 15,000 licenses.

Cost For Symantec Professional Services — \$136,000.

Symantec Education Training Credits — \$51,000.

Altiris ITMS training for network operations engineer, systems engineers, and a deployment engineer.

Cost For Internal Preparation And Planning Labor — \$30,000.

A readiness assessment in conjunction with Symantec professional services that looks at costs, benefits, and risks, along with detailed planning, is essential for a successful Altiris ITMS deployment. Based on interviews with current Symantec customers, our *Organization* required one network operations engineer, a systems engineer, and a deployment engineer to plan the deployment. Total preparation time was one month per engineer (3) at a fully loaded expense of \$10,000 per month, per engineer, for a total cost of \$30,000.

Cost For Servers, Including Software And Maintenance Costs — \$48,000.

Four servers to support Altiris ITMS, including Windows and SQL Server software licenses and three years of maintenance.

Table 3: *Organization* — The Costs Of Implementing Altiris IT Management Suite

Total costs	Initial	Year 1	Year 2	Year 3	Total	NPV
Altiris IT Management Suite 7 software	\$2,099,850	\$0	\$0	\$0	\$2,099,850	\$2,099,850
Altiris IT Management Suite 7 software maintenance purchased with 15,000 licenses	\$768,600	\$0	\$0	\$0	\$768,600	\$768,600
Symantec professional services	\$136,000	\$0	\$0	\$0	\$136,000	\$136,000
Symantec education training credits	\$51,000	\$0	\$0	\$0	\$51,000	\$51,000
Internal preparation and planning labor	\$30,000	\$0	\$0	\$0	\$30,000	\$30,000
Servers, including software and maintenance costs	\$48,000	\$0	\$0	\$0	\$48,000	\$48,000
Total costs	\$3,133,450	\$0	\$0	\$0	\$3,133,450	\$3,133,450

Source: Forrester Research, Inc.

* Symantec pricing is based on normal and average discounts off Symantec's list price as of December 2010.

Benefits And Savings

In addition to the costs associated with the Symantec solution, there were positive IT cost savings and benefits associated with Altiris ITMS. Several of these benefits were quantifiable (see below), and, in addition, the customers that Forrester interviewed cited the following important nonquantified benefits that the reader should consider:

- The interviewed customers each commented on how their business customers had a more positive perception of the IT organization as a result of implementing Altiris ITMS. Several IT interviewees commented that they were able to increase the quality of IT services delivered to the business, which resulted in both quantifiable benefits (see below) and qualitative benefits.
- The ability to make quicker decisions with immediate status of critical server components, managing physical and virtual servers with one solution, and managing change more efficiently when consolidating or moving servers.
- Interviewed customers were enthusiastic over the fact that Asset Management Suite 7 is shipping with workflows out of the box, including: Ownership Validation, Hardware Request, Software Request, and Lease Notification. Current Symantec customers believe these new templates will produce significant savings.

The study found that for the sample *Organization*, Altiris ITMS provided quantified benefits and savings of approximately **\$7.3 million** over three years in the following areas:

Quantifiable Benefits

Savings In Reduced Service Desk Labor Expenses — \$1,500,000

For the interviewed customers that were using Symantec ServiceDesk, there was agreement that it was a tool that supported ITIL-based incident, problem, change, release, and knowledge management and that it improved service levels at a lower cost. The interviewed customers were able to reduce service desk staff levels once Symantec ServiceDesk was in use after six to 12 months. Our *Organization* was able to reduce its headcount by six FTEs (15% reduction) for a savings of \$600,000 annually (\$100,000 fully loaded cost per year times six FTEs). Headcount reductions were made through normal attrition over the first year of our analysis; therefore, we will assume a benefit of an average of three FTEs in Year 1 (\$300,000) and six FTEs in Years 2 and 3 (\$600,000 each year) for a total benefit of **\$1,500,000** over three years.

Savings From Software Vendors' Audits — Penalty Avoidance — \$1,200,000

The interviewed customers who were using Altiris Asset Management Suite reported significant savings in avoiding software license penalties after implementing Altiris ITMS. Prior to Altiris ITMS, customers reported being penalized by software vendors for unpaid license fees. With Altiris ITMS, the *Organization* is able to meet compliance demands for software audits through enforceable processes and documented audit trails. Forrester used a prorated average penalty (based on number of PC clients) incurred by the interviewed customers and applied this to the *Organization* to arrive at a penalty avoidance savings of \$400,000 per year, or **\$1,200,000** for the three years of this analysis.

Savings In Patch Management By More Effectively Distributing And Enforcing Patch Levels — \$1,050,000

Three of the interviewed customers were using Altiris Client Management Suite to distribute and enforce patch levels across an environment that includes 150 locations, 15,000 nodes (desktops, laptops, and mobile devices), more than 800 software applications, and various network utilities. Prior to the *Organization* adopting automated patch management, it was using several nonautomated tools. The *Organization* experienced significant labor savings as a result of automation and was able to reduce its headcount by 3.5 FTEs per year for a total savings of **\$1,050,000** over three years.

Labor Savings — Windows 7 Readiness And Migration — \$720,000

Several interviewees expressed that Altiris ITMS has been effective in reducing time to complete their Windows 7 readiness assessment. Altiris ITMS will allow our *Organization* to automate its Windows 7 migration process, including assessing the environment for migration readiness, building images and preparing applications, preserving user settings and data, deploying and delivering images and software, and measuring and reporting results. From a quantifiable benefit standpoint, Altiris ITMS allows our *Organization* to not have to “touch” each computer in its 150 offices during the upgrade. Prior to investing in Altiris ITMS, its previous migration to Windows XP was a manual and tedious process that involved heavy use of scripting and 15,000 hours of time and effort (at \$48.00 per hour) associated with “touching” each PC. With Altiris ITMS, the *Organization* will eliminate the “touching” part of the upgrade for a total cost avoidance savings of **\$720,000** when the migration takes place in Year 2. The *Organization* will also be able to improve its existing readiness processes and methodologies for completing these types of assessments and upgrades, a benefit that the interviewed organizations were not ready to quantify.

Savings From Avoiding Overlicensing Of Software — \$720,000

Interviewed customers who use Altiris ITMS application metering feature discovered they were overprovisioning their employees and paying for software the workforce wasn't using. With Altiris ITMS, our *Organization* was able to meter application utilization across all 15,000 nodes and request the user to confirm nonusage, and subsequently automatically uninstall software applications that were not being used. Upon license contract renewal with the vendors, the *Organization* was able to negotiate a reduction in licenses, saving an average of 8% of software application vendor license fees of \$360,000 in Years 2 and 3 for a total savings of **\$720,000**.

Savings In Replacing And Retiring Legacy Point Solutions — \$693,000

As with three of the interviewed customers, the *Organization* was able to retire legacy endpoint management systems, including patching, security, and remote client install tools for an average annual license savings of \$23.10 for each of the 10,000 desktops and laptops for a total annual savings of \$231,000 and **\$693,000** over the three years of our analysis.

Labor Savings — Provisioning Applications And Software— \$648,000

Three of the interviewed customers were able to standardize desktop configurations using the packaging capabilities in ITMS (delivered via Symantec Wise Package Studio Suite), reducing the time, effort, and cost associated with a more successful application delivery process. One customer was able to upgrade 2,200 Windows XP PCs (Service Pack upgrade) and reported having zero support calls related to the in-place upgrade. Our *Organization* achieved these benefits and gained control over application errors, deployment preparation, and corporate standards. Previously, it took the *Organization* an average of 30 man-days (240 hours) to prepare applications for deployment to 10,000 desktops and laptops. With Altiris' provisioning and packaging capabilities, the preparation took 15 hours, a savings of 225 hours or \$10,800 (225 times \$48 per hour for labor) per application. During the course of each year, the *Organization* would take advantage of the Wise technology to prepare applications for deployment 14 times for an annual savings of \$216,000 (\$10,800 times 20 applications) or **\$648,000** over three years.

Savings From Using The Built-In Automation Or Workflow Functionality — \$600,000

Version 7 of ITMS includes workflow templates to automate the following processes: ownership validation, hardware request, software request, and lease notification. Although no interviewed customers were using these templates at interview time, three organizations were enthusiastic users of the workflow functionality. Combined, they have customized their workflows for the following processes: server automation, employee onboarding/termination, hardware request, request for change management, requests for software catalogs, and help desk work orders. The saving amounts that follow can be attributed to not using the templates; although, the three customers claim greater potential savings when using the built-in workflow templates. The *Organization* used the workflow capability to accelerate the delivery of three processes: employee onboarding/termination, request for change management, and server automation. The solution efficiently collected information from the requestor, processed all required approvals, and provided follow-up notifications when tasks were not completed in a predetermined amount of time. The interviewed customers were able to save one FTE for each of the three automated processes for a total of three FTEs beginning in Year 2. At a fully loaded cost of \$100,000 annually, the total savings for Years 2 and 3 is **\$600,000**.

Labor Savings From Auditing Physical Assets — \$161,280

Improvement in asset management translates into labor-cost savings in compliance and auditing activities. With Altiris Asset Management Suite, the interviewed customers reported spending significantly less time auditing and reconciling the actual physical equipment and software versus what Asset Management Suite stores in CMDB. In the past, this annual effort took five

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administrators six weeks each (total of 1,200 hours) to do a physical (PC by PC) inventory of all 15,000 nodes across 150 offices, including hardware configurations, lease status, and software licenses for 800 different applications. With Altiris Asset Management Suite, this process now takes one administrator two weeks (80 hours) to reconcile physical assets to the CMDB. This equates to a savings of \$161,280 over three years of our analysis. Calculation: There's a difference of 1,120 hours annually at an hourly rate per worker of \$48, equating to \$53,760 per year or **\$161,280** over three years.

“A workflow process in CMS checks on the status of each PC every 30 minutes; if there's a problem, Workflow pushes the fix automatically using a deployment server process. Afterwards, workflow sends the user an email.” (Systems administrator, European-based leader in safety devices for the automotive industry)

Table 4: Organization — Benefits And Savings Of Altiris ITMS (Non-Risk Adjusted)

Total savings	Year 1	Year 2	Year 3	Total	NPV
Savings in reduced service desk labor expenses	\$300,000	\$600,000	\$600,000	\$1,500,000	\$1,173,242
Savings from software vendors' audits — penalty avoidance	\$400,000	\$400,000	\$400,000	\$1,200,000	\$960,733
Savings in patch management	\$350,000	\$350,000	\$350,000	\$1,050,000	\$840,641
Labor savings — Windows 7 readiness and migration	\$0	\$720,000	\$0	\$720,000	\$573,980
Savings from avoiding overlicensing of software	\$0	\$360,000	\$360,000	\$720,000	\$543,231
Savings in replacing and retiring legacy point solutions	\$231,000	\$231,000	\$231,000	\$693,000	\$554,823
Labor savings — provisioning applications and software	\$216,000	\$216,000	\$216,000	\$648,000	\$518,796
Savings from using the built-in automation or workflow functionality	\$0	\$300,000	\$300,000	\$600,000	\$452,692
Labor savings from auditing physical assets compared to CMDB	\$53,760	\$53,760	\$53,760	\$161,280	\$129,122
Total benefits and savings	\$1,550,760	\$3,230,760	\$2,510,760	\$7,292,280	\$5,747,259

Source: Forrester Research, Inc.

Risks

Risk-adjusted and non-risk-adjusted ROI are both discussed in this study. Prior to this section, the *Organization's* individual costs and benefits were quoted in non-risk-adjusted (best case) terms and before risk adjustments are made. The assessment of risk provides a range of possible outcomes based on the risks associated with IT projects in general and specific risks relative to ITMS projects. In our research, we saw that implementing Altiris ITMS was a relatively moderate-risk endeavor if organizations take the time to thoroughly plan the implementation, transition, and integration processes, including completing a readiness assessment that evaluates costs, benefits, and risks.

Risk factors are used in TEI to highlight the more conservative and likely values of costs and benefits (and resulting savings) associated with a project. As the future cannot be accurately

predicted, there is risk inherent in any IT project. TEI captures risk in the form of risks-to-benefits and risks-to-costs.

Measurement of risk is a way of incorporating the levels of confidence and uncertainty regarding the cost and benefit estimates of a given investment. Higher confidence that the costs and benefit estimates will be met implies that the level of risk is lower and the variation between the risk-adjusted and non-risk-adjusted outcomes is minimized.

The following *general* risks were considered in this study:

- Lack of organizational discipline in creating processes and procedures to best take advantage of the benefits.
- Lack of appropriate training and experience for IT personnel who will be responsible for optimizing the full benefit potential from Altiris ITMS.
- The potential that the benefits will not be measured and quantified in the future and, as a result, no TEI benefit would be captured and acknowledged.
- Internal inertia, conflicting priorities, and turnover, reducing the organization's ability to achieve the benefits.

The following risks associated with Altiris ITMS were considered in this study:

1. Altiris ITMS is a very robust and comprehensive solution that will require trained senior IT staff to implement the solution. Although there's an automated deployment process for Altiris ITMS, it does not necessarily mean that it will be intuitive or easy. Based on customer interviews, Forrester is recommending Altiris ITMS training for network operations engineer, systems engineers, and a deployment engineer.
2. According to Symantec, there is a need to design the implementation architecture correctly (with Symantec's professional services help) especially when dealing with multiple remote sites, caching software remotely, and putting too much of a load over the WAN.
3. There is the risk of unintended consequences because Altiris ITMS can "touch" every PC and server in the organization. Therefore, a disciplined and phased approach to full deployment over 12 to 24 months in the following order is recommended by Symantec: implement platform, create asset inventory, patch management, provisioning, software delivery, and license tracking.
4. There's a significant learning curve risk with Altiris ITMS. The specific risk is the inability of an organization to find, train, or retain administrators experienced in Symantec's products overall.

For this study, Forrester applied a 7% risk adjustment (reduction of 7%) to all benefits (see Table 5) to reflect the risks listed above. We have not risk-adjusted costs, as these were primarily fixed price quotes from Symantec, server hardware providers, or internal planning costs.

If a risk-adjusted ROI still demonstrates a compelling business case, it raises confidence that the investment is likely to succeed, as the risks that threaten the project have been taken into consideration and quantified. The risk-adjusted numbers should be taken as "realistic" expectations,

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as they represent the expected value considering risk. Assuming normal success at mitigating risk, the risk-adjusted numbers in Table 5 should more closely reflect the expected outcome of the investment.

Table 5: Organization — Benefits And Savings Of Altiris IT Management Suite (Risk-Adjusted)

Total savings	Year 1	Year 2	Year 3	Total	NPV
Savings in reduced service desk labor expenses	\$279,000	\$558,000	\$558,000	\$1,395,000	\$1,091,115
Savings from software vendors' audits — penalty avoidance	\$372,000	\$372,000	\$372,000	\$1,116,000	\$893,481
Savings in patch management	\$325,500	\$325,500	\$325,500	\$976,500	\$781,796
Labor savings — Windows 7 readiness and migration	\$0	\$669,600	\$0	\$669,600	\$533,801
Savings from avoiding overlicensing of software	\$0	\$334,800	\$334,800	\$669,600	\$505,205
Savings in replacing and retiring legacy point solutions	\$214,830	\$214,830	\$214,830	\$644,490	\$515,985
Labor savings from provisioning applications and software with Symantec Wise Package Studio Suite	\$200,880	\$200,880	\$200,880	\$602,640	\$482,480
Savings from using the built-in automation or workflow functionality	\$0	\$279,000	\$279,000	\$558,000	\$421,004
Labor savings from auditing physical assets	\$49,997	\$49,997	\$49,997	\$149,990	\$120,084
Total benefits and savings	\$1,442,207	\$3,004,607	\$2,335,007	\$6,781,820	\$5,344,951

Source: Forrester Research, Inc.

Flexibility

Flexibility, as defined by TEI, represents investing in additional capacity or agility that can be turned into business benefit for some *future* additional investment. Forrester and the majority of interviewed customers believe that investing in Altiris ITMS lays the groundwork to take future advantage of the out-of-the-box workflow templates shipping with ITMS 7. These templates include:

1. Ownership Validation.
2. Hardware Request.

3. Software Request.
4. Lease Notification.

In addition to these templates, ITMS 7 has been further enhanced as follows:

- Increased performance and support for Symantec Management Platform.
- Advanced reporting and expanded workflow portal.
- Workflows will be exposed in several ways.
 - Item Task (right-click, context menu).
 - Task (schedule or on demand).
 - Service Catalog.
- Easier workflow construction with debugger, multiple process view, swim lanes, etc.

Four of the five interviewed organizations indicated that their investment in Altiris ITMS provided them with the ability to take advantage of this flexibility “option” and the savings that the Symantec workflow templates are expected to bring to their organizations.

Although no interviewed customers were using these templates at time of the interviews, three organizations were enthusiastic users of Symantec workflows and felt that future use of the out-of-the-box workflow templates would save them significant time and effort. As Forrester has no real-time evidence of this savings, this study will not attempt to quantify its benefits. However, we encourage readers to learn more about Symantec’s workflow and automation capabilities, to determine the potential quantifiable benefits within their organizations.

The value of flexibility is clearly unique to each organization, and the willingness to measure its value varies from organization to organization. For the purpose of this analysis, we have assumed that the *Organization* sees the future value in being able to use the three workflow templates. The value of the flexibility option when calculated is based on the Black-Scholes Option Pricing formula. (For additional information regarding the flexibility calculation, please see Appendix A.)

TEI Framework: Summary

Considering the financial framework constructed above, the results of the Costs, Benefits, Risk, and Flexibility sections using the representative numbers can be used to determine an ROI, NPV, and payback period. Table 6 below shows the *risk-adjusted values* for the *Organization*, applying the risk adjustment method indicated in the Risks section, which was to apply a 7% risk adjustment (reduction of 7%) to all benefits to reflect the risks listed above. No risk adjustments were made to the costs, as these represented fixed price quotes from Symantec, server hardware providers, or internal planning costs.

It is important to note that values used throughout the TEI framework are based on in-depth interviews with five Symantec customers and the resulting sample *Organization* built by Forrester. Forrester makes no assumptions as to the potential return that other organizations will receive within their own environment. Forrester strongly advises that readers use their own estimates within

the framework provided in this study to determine the expected financial impact of implementing Altiris ITMS.

Key Findings

Table 6 represents a summary of the risk-adjusted costs, benefits, and ROI that the *Organization* expects to realize over a three-year period by deploying Altiris ITMS.

Table 6: *Organization* Costs, Benefits, And ROI (Risk-Adjusted)

	Initial	Year 1	Year 2	Year 3	Total	NPV
Total costs	(\$3,133,450)	\$0	(\$0)	\$0	(\$3,133,450)	(\$3,133,450)
Total benefits	\$0	\$1,442,207	\$3,004,607	\$2,335,007	\$6,781,820	\$5,344,951
Total net benefits	(\$3,133,450)	\$1,442,207	\$3,004,607	\$2,335,007	\$3,648,370	\$2,211,501
Return on investment	71%	—	—	—	—	—
Payback period	19 months	—	—	—	—	—

Source: Forrester Research, Inc.

The three-year, risk-adjusted total NPV of **\$2,211,501** represents the net cost savings and benefits attributed to using Altiris ITMS 7 when compared with the costs of the *Organization's* pre-ITMS environment (see details above in the Costs, Benefits, Flexibility, and Risks sections). In addition, the risk-adjusted ROI was a very favorable **71%**.

Study Conclusions

As the data in this study indicates, Altiris ITMS has the potential to provide a good ROI. In addition, the **risk-adjusted ROI of 71%, along with a 19-month payback period** (breakeven point), raises confidence that the investment is likely to succeed, as the risks that may threaten the project have already been taken into consideration and quantified. In this study, risks have been modeled conservatively in the hopes of showing worst-case expectations.

A successful, well-planned implementation should allow quantifiable benefits and cost savings to accrue to the *Organization* in the following areas:

- Labor savings from auditing physical assets.
- Labor savings from using Symantec's built-in automation or workflow functionality.
- Labor savings from provisioning applications and software.
- Software license savings by replacing and retiring legacy point solutions.
- Savings from avoiding overlicensing of software.

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- Labor savings for Windows 7 readiness and migration.
- Savings in patch management by more effectively distributing and enforcing patch levels.
- Penalty avoidance savings from software vendors' audits.
- Savings in reduced service desk labor expenses.

Attributes of organizations that are likely to achieve similar benefits include:

- Mid- to enterprise-size organizations with 2,000 nodes or larger that are looking for a broad-based integrated IT management solution (not just point solutions).
- Organizations involved in mergers and acquisitions that seek to consolidate IT groups and ITMS tools after the merger.
- Organizations with the senior expertise and maturity to conduct a phased and patient implementation of the very robust and comprehensive set of tools in Altiris ITMS.
- IT departments that are seeking adherence to ITIL concepts and practices for IT Service Management.
- IT organizations that look to Control Objectives for Information and Related Technology (COBIT) as their IT governance framework and supporting tool set that bridges the gap among control requirements, technical issues, and business risks.
- Organizations seeking comprehensive tools to support their migration to Windows 7, including a "zero-touch" effort.
- Complex environments with expensive legacy management point solutions and lots of applications to support.

For our *Organization*, Altiris IT Management Suite carried a low level of risk, **a very positive 71% risk-adjusted ROI, and a reasonable 19-month** horizon to recoup the investment.

We make no assumptions regarding the effects of Altiris ITMS at other organizations. This study examines the potential impact attributable to the five organizations that participated in our examination and applies the common costs and benefits to a representative sample company. The underlying objective of this document is to provide guidance to technology decision-makers seeking to identify areas where value can potentially be created based on using Altiris ITMS.

Appendix A: Total Economic Impact™ Overview

Total Economic Impact is a methodology developed by Forrester Research that enhances an organization's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps organizations 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. For the purpose of this analysis, the impact of flexibility was not quantified.

Benefits

Benefits represent the value delivered to the user organization — IT and/or business units — by the proposed product or project. Often product or project justification exercises focus just on IT cost and cost reduction, leaving little room to analyze the effect of the technology on the entire organization. The TEI methodology and the resulting financial model place equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization. Calculation of benefit estimates involves a clear dialogue with the user organization to understand the specific value that is created. In addition, Forrester also requires that there be a clear line of accountability established between the measurement and justification of benefit estimates after the project has been completed. This ensures that benefit estimates tie back directly to the bottom line.

Costs

Costs represent the investment necessary to capture the value, or benefits, of the proposed project. IT or the business units may incur costs in the forms of fully burdened labor, subcontractors, or materials. Costs consider all the investments and expenses necessary to deliver the proposed value. In addition, the cost category within TEI captures any incremental costs over the existing environment for ongoing costs associated with the solution. All costs must be tied to the benefits that are created.

Risk

Risk measures the uncertainty of benefit and cost estimates contained within the investment. Uncertainty is measured in two ways: the likelihood that the cost and benefit estimates will meet the original projections and the likelihood that the estimates will be measured and tracked over time. TEI applies a probability density function known as “triangular distribution” to the values entered. At a minimum, three values are calculated to estimate the underlying range around each cost and benefit.

Flexibility

Within the TEI methodology, direct benefits represent one part of the investment value. While direct benefits can typically be the primary way to justify a project, Forrester believes that organizations should be able to measure the strategic value of an investment. Flexibility represents the value that can be obtained for some future additional investment building on top of the initial investment already made. For instance, an investment in an enterprisewide upgrade of an office productivity suite can potentially increase standardization (to increase efficiency) and reduce licensing costs. However, an embedded collaboration feature may translate to greater worker productivity if

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activated. The collaboration can only be used with additional investment in training at some future point in time. However, having the ability to capture that benefit has a present value that can be estimated. The flexibility component of TEI captures that value.

Appendix B: What Is Included In Altiris IT Management Suite 7?

According to Symantec, Altiris IT Management Suite 7 includes the following suites and features.

Altiris IT Management Suite 7 – A suite of integrated management products that includes:

- Altiris Client Management Suite.
- Altiris Server Management Suite.
- Altiris Asset Management Suite.
- Symantec ServiceDesk.

Altiris Client Management Suite Key Features

- Heterogeneous PC lifecycle management across Windows, Mac, Linux and virtual desktops.
- Accurate identification and inventory of authorized and unauthorized devices helps forecast current and future hardware and software needs.
- Zero-touch imaging and migration to automate new system rollouts and technology refresh cycles.
- Comprehensive software management simplifies ongoing software maintenance by combining software packaging, software delivery, application virtualization, patch management and application usage.
- Integrated troubleshooting tools, such as remote control and out-of-band management, reduce the time and cost associated with help desk activities.

Altiris Server Management Suite Key Features

- Heterogeneous server management across Windows, Linux, UNIX and virtual environments.
- Accurate discovery and inventory of hardware and software configurations.
- Image based and scripted provisioning capabilities reduce build times and ensure configurations are reliable and consistent.
- Comprehensive software and patch management proactively manages applications and updates to minimize security risks.
- Integrated virtual machine management minimizes complexity when supporting mixed physical and virtual environments.

- Integrated monitoring and remediation helps resolve bottlenecks before affecting business functions.

Altiris Asset Management Suite Key Features

- Track discoverable and non-discoverable assets in a central repository for accountability and cost control.
- Manage software licenses to ensure compliance and optimize purchasing decisions.
- Visualize the relationships between hardware, software, contracts, users, and organizational units to enable comprehensive asset reporting.
- Manage the status of each asset and use state changes to automate common processes, such as employee onboarding or asset reallocation.

Symantec ServiceDesk Key Features

- Delivers ITIL and best practice processes for incident, problem and change management.
- Highly configurable with easy-to-use tools that adapt processes to organizational needs.
- Includes self-service capabilities to speed service and drive down costs.
- Easy to use with out of box integration with other Symantec solutions.

Appendix C: Glossary

Discount rate: The interest rate used in cash flow analysis to take into account the time value of money. Although the Federal Reserve Bank sets a discount rate, organizations often set a discount rate based on their business and investment environment. Forrester assumes a yearly discount rate of 12% for this analysis. Organizations typically use discount rates between 10% and 20% based on their current environment. Readers are urged to consult their organization to determine the most appropriate discount rate to use in their own environment.

Net present value (NPV): The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made, unless other projects have higher NPVs.

Present value (PV): The present or current value of (discounted) cost and benefit estimates given an interest rate (the discount rate). The PV of costs and benefits feed into the total net present value of cash flows.

Payback period: The breakeven point for an investment, or the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

Return on investment (ROI): A measure of a project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits minus costs) by costs.

A Note On Cash Flow Tables

The following is a note on the cash flow tables used in this study (see the Example Table below). The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1. Those costs are not discounted. All other cash flows in Years 1 through 3 are discounted using the discount rate shown in Table 2 at the end of the year. Present value (PV) calculations are calculated for each total cost and benefit estimate. Net present value (NPV) calculations are not calculated until the summary tables and are the sum of the initial investment and the discounted cash inflows and outflows in each year.

Example Table

Category	Initial cost	Year 1	Year 2	Year 3	Total

Source: Forrester Research, Inc.

Appendix D: About The Project Manager



Bob Cormier
Vice President and Principal Consultant

Bob is a vice president and principal consultant for Forrester's Total Economic Impact™ (TEI) service. He specializes in advising CIOs and technology vendor sales enablement professionals on the TEI framework — services that help organizations make decisions about the overall financial value of IT strategies and investments.

Bob came to Forrester through its acquisition of Giga Information Group and has more than 25 years experience in the IT and consulting industries. Prior to joining Giga, Bob held senior-level positions at two leading eBusiness consulting firms, ZEFER and Cambridge Technology Partners. Bob has successfully led company efforts to optimize financial, operational, and resource planning activities, incorporating leading-edge professional service automation (PSA) applications and enterprise resource planning (ERP) systems. He has also held senior management positions at Digital Equipment and Anixter International.

Bob earned an M.B.A. from Bentley University and a B.S. in business from the University of New Hampshire. As an adjunct professor, he has taught finance and economics courses for more than 10 years at Southern New Hampshire University and Daniel Webster College.