



Research Report

VirtualZ: Mainframe Batch Workload Rationalization with a Cloud Twist

Executive Summary

VirtualZ is a mainframe Software-as-a-Service (SaaS) cloud infrastructure provider that offers mainframe rationalization and analysis/cloud redirection services designed to lower workload processing costs for mainframe batch processing environments. VirtualZ offers mainframe users the ability to continue to run their mission-critical workloads on internal mainframes, while moving other workloads dynamically, securely, and transparently to private, public or hybrid clouds where those workloads can be run using a more cost-effective SaaS environment.

Savings can be tremendous. As an example, it might cost an enterprise \$50K annually to license a given product. And that fee may be based on running that software in many places (overlicensing). And that software may be under-utilized (just sitting there for occasional use). By running the workload associated with that license within a SaaS cloud and paying a \$100/execution SaaS fee, an enterprise could reduce the processing cost for that workload by 97.6%! This is just one example of how SaaS pricing could work on a particular workload.

What VirtualZ has done is it has identified a gap in the mainframe cloud marketplace. Mainframe LPARs can be moved into a cloud, essentially running a mainframe monolith on cloud architecture at roughly the same cost as the monolithic environment. But VirtualZ takes a more granular approach – it allows certain mainframe workloads to be redirected to a SaaS cloud, where the cost to process that workload is based on usage. For over-licensed or underutilized workloads, the SaaS pay-as-you-go model can offer very substantial cost savings.



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A Closer Look at VirtualZ's zWaaS Environment

VirtualZ offers a cloud automation and intelligent programming redirection environment known as zWaaS (Workload-as-a-Service). This software environment allows mainframe batch programs to be dynamically dispatched to an internal cloud, or to the cloud of a given service provider. Some or all of the data needed to execute the program remains where it is (and is synchronously accessed for processing).

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For enterprises choosing to run ZWaaS internally, the VirtualZ environment offers an organized, transparent execution environment that can take advantage of an internal SaaS-configured cloud to reduce computing costs. ZWaaS also offers a flexible means to acquire additional computing capacity when needed without having to purchase additional hardware and software. For service providers, ZWaaS offers cloud service providers the ability to run z applications on a variety of clouds – providing an opportunity to select the least expensive processing solution (potentially enabling more margin while lowering computing costs for customers).

The VirtualZ Approach

A VirtualZ engagement starts with the use of the company's VirtualZ Cost Savings Assessor. As VirtualZ searches for over-licensed products, it seeks to find multiple instances of software deployed on multiple logical partitions (LPARs), and it seeks to identify products that are deployed redundantly in multiple datacenters. Using this software environment, administrators simply enter candidate product names, the assessor takes over, automatically identifying over-licensed and under-utilized products.



Alternatively, VirtualZ has partnered with a well-known consultancy, a leader in mainframe software assets management and related practices, that can provide third party cost savings analysis. This consultancy can review software license agreements and capacity usage data. Based on their analysis, a custom report can be created that includes an inventory of licensed products – and projects savings that can be achieved using VirtualZ. This consultancy can also help enterprises negotiate the most advantageous pricing based on reductions in capacity that are found, and on the new projected usage based upon deploying VirtualZ.

If an enterprise agrees with the findings garnered from the VirtualZ Cost Savings Assessor – or from the consultancy – the company makes a 30-day trial of its ZWaaS environment available to customers for free.



Summary Observations

Over the years, *Clabby Analytics* has met one of the founders of VirtualZ – and several of the employees – while they were working at other vendors in the mainframe computing marketplace. These are some seriously smart people – technically strong and extremely knowledgeable about the mainframe industry. (And I, Joe Clabby, with seven sisters and three daughters especially like the fact that this is a woman-owned company!)

VirtualZ has found an underexploited market niche – and has the technical and marketing expertise needed to exploit that niche. They have found a way to dynamically redirect batch and less data-intensive products to private or public clouds; to redirect eligible workloads in an automated, incremental, controllable way; and have built the basis for future data-intensive cloud computing workloads.

There are other competitors in the mainframe optimization market. Vendors that focus on reporting and limited automated action solutions include BMC and Compuware. Vendors that focus on reporting Tools and Professional Services include Syncsort, Ignite Technology, Watson Walker, Baer Consulting, and ASPG. And there are also professional services providers, including RSM Partners, Mainline, Edge, CGI, and cpt. But VirtualZ, with its fully-automated workload virtualization solution, is the first of its kind in the Z systems WaaS marketplace. For mainframe customers involved in mainframe software rationalization, VirtualZ is fully worth a closer look.

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