



Analysis

Finding Common Ground with the CFO on Enterprise Storage

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Biography

Eric Herzog is the Chief Marketing Officer at Infinidat (<https://www.infinidat.com>). Prior to joining Infinidat, Herzog was Chief Marketing Office and Vice President of Global Storage Channels at IBM Storage Solutions.

His executive leadership experience also includes: CMO and Senior VP of Alliances for all-flash storage provider Violin Memory, and Senior Vice President of Product Management and Product Marketing for EMC's Enterprise & Mid-range Systems Division.

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Abstract

This article discusses a situation that arises when a chief financial officer (CFO) expresses concerns about an IT department's proposal to acquire a new storage system for infrastructure upgrade. Rather than granting approval, the CFO noted that the initiative mostly addressed technical improvements and did not adequately consider broader business impacts. In the article, the author explains the importance of IT investment in a business context.

Introduction

When presented with the IT department's proposal to acquire a new storage system as part of an infrastructure upgrade, the chief financial officer (CFO) expressed significant reservations. Instead of approving the purchase, the CFO noted that the rationale appeared to emphasise technical enhancements without a comprehensive assessment of overall business value. From a business standpoint, the investment justification was found lacking, and the CFO, as the final authority, suspended the procurement process pending further evaluation.

Highlighting technology's business value means focusing on factors like return on investment (ROI), payback periods, cost savings (both short and long term),



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resource efficiency (such as reducing storage costs to fund initiatives like AI or cybersecurity), and future flexibility. Without it, the company fails to jump over any hurdles that all companies face in data-centric transformation, leaving it stuck in a rut – an IT storage rut, like continuously hopping on one foot in one spot, without going anywhere. Inertia sets in. Enterprise storage becomes stagnant and only incremental improvements are seen.

Rather than taking a leap forward with its storage refresh, the company was just jumping up and down in the same spot with the same underlying large incumbent storage array technology, just a little faster, a little slicker, a little leaner and a little more technical widget functionality. The gap between the way the CFO was thinking and the way the IT leaders were thinking was wider than the Grand Canyon.

The business value of enterprise storage technologies is the key for organizations to get un-stuck and to jump over the hurdles that accelerate the speed-to-value that C-level executives require to justify major IT investments, especially for data-driven enterprises.

Any IT leader is smart to find common ground with the CFO of their organization on the business value-based merits of an enterprise storage upgrade, refresh or replacement. Infinidat has found ways to bridge this gap between speed-to-value and technical one-upmanship. These two things have to be intertwined.

When you are constructing a strategy to present to the CFO to obtain agreement and sign-off on a new, major purchase of enterprise storage technology, the following are five things to include:

- Payback of the storage system;
- Lower Capital Expenditure (CAPEX) and Operating Expenses (OPEX);
- Re-invest the cost savings into AI projects;
- White glove service at no extra cost; and
- Preventing costly damage from cyberattacks.

Here is the type of story that you could conceivably communicate to the CFO of your organization as a way to make the case for purchasing a new storage system:

"We're going to make a strategic shift in our enterprise storage strategy in order to lower our CAPEX and OPEX – as much as 60% lower than what we have in our current storage infrastructure. We're planning to buy a new InfiniBox storage system that pays for itself within 11 months. It also comes with the industry's highest-rated white glove service at no extra cost. And it comes with cyber resilience built into it, so it will enable our company to recover from a cyberattack, such as ransomware and malware, within minutes, minimizing the damage to our reputation and saving us potentially millions of dollars. To top it off, the significant money that we are saving from this storage refresh can be re-invested in other strategic IT projects, such as our AI modernization."



As the British would say, “Bob’s your uncle” – in other words, “there you have it.” The pentagon of a business value-centric story to articulate to the CFO! It’s the five-sided storage-onomics play to business outcomes.

Business value must be part of the equation for an IT function to succeed in this day and age. It cannot be solely based on technical value. Decisions are made with different stakeholders weighing in. A CFO is not going to approve a major purchase that is simply for technology’s sake. There must be business drivers and business value that is tangible.



The business value of enterprise storage

This is a topic that never gets old. That’s because business leaders are continually measured by how technology is having an impact on business outcomes. Positive ROI is a business outcome. Cost savings is a business outcome. Preventing a business disaster is a business outcome.

Infinidat commissioned an IDC study¹ that revealed how Infinidat’s enterprise customers realize significant additional value, with an average annual benefit of \$1.29 million and a 162% ROI over five years. On average, enterprises cut their storage operations costs by nearly half by transitioning to Infinidat’s enterprise storage solution². This research by IDC, a leading provider of global IT research³, included in-depth interviews with several existing Infinidat enterprise customers and applied a methodology to determine business value of IT infrastructure spending. It was able to quantify the business value.

What was even more eye-popping was the research found that the payback for an enterprise’s purchase of an Infinidat InfiniBox® is within 11 months, showing a stunningly positive ROI for high-end enterprise storage.



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White glove service worthy of a CFO

Gaining additional value at no extra cost is also a good deal for enterprises. Infinidat delivers industry-leading white glove service – at no additional cost. We start by directing every customer issue straight to L3 development support, which is the highest level of customer support in the industry. There are no stops along the way, much to the delight of customers.

Additionally, with every purchase of any Infinidat enterprise storage solution, a Technical Advisor (TA) is assigned to serve as an experienced technical account consultant with full oversight to ensure customer success, especially optimizing applications, workloads, and use cases leveraging Infinidat solutions.

The TA manages everything for the customer: whether it's an escalation, or a warranty that is about to expire, or an application that needs to be tweaked to get better performance or any variety of actions that need to be taken. This saves the need for enterprise customers to spend more of their own resources. (The CFO is surely listening!)

In addition to the personalized support from a Technical Advisor, Infinidat's platforms themselves contribute to the white glove service as well. All Infinidat solutions are proactive and have "call home" capabilities to fix themselves without bothering the customer. Infinidat enterprise solutions are "self-healing" – an added benefit that has efficiency-enhancing advantages.



Recovering from cyberattacks before the damage hits

An enterprise's data infrastructure has become a popular attack vector for cyber criminals with the radical expansion of the threat landscape. That said, it's a compelling story to tell the CFO that, if your company adopts cyber storage resilience, the company will avoid the massively negative impacts of cyberattacks. It's true.

Guided by a cyber-centric, recovery-first strategy, cyber storage resilience and recovery bolsters your IT capabilities to be able to rapidly recover data, in light of a ransomware or malware attack. This is central to next-generation data protection, which is a new advancement that goes far beyond traditional backup.

Next-generation data protection is game-changing – from immutable snapshots to automated cyber protection, from a fenced forensic environment to cyber detection to rapid recovery. Today, with new technological prowess, you can recover your critical enterprise data in a matter of minutes and nullify the impact of a cyberattack. This is a strong selling point.

The business implications of cyber storage resilience are enormous:

- No need to pay the “ransom” to free your data from being held “hostage”;
- No damage to your enterprise's reputation;
- No loss of business from a crippled data infrastructure;
- No negative impact on customers or partners;
- No extra burden on IT resources to deal with the fallout of a successful cyberattack; and
- No business disruption.

Re-invest the cost savings into the business

When you optimize your storage infrastructure, you free-up money to do those leading-edge projects that you want and need to do, such as AI modernization. This will appeal to the CFO, who needs to figure out how to fund innovation. Today, innovation is leveraging AI to completely transform how your business runs. When you choose to switch to Infinidat, you can free up resources from your storage infrastructure to fund your enterprise's bigger projects.

Fast forward – When the CFO approves your purchase of Infinidat's InfiniBox, you'll be the one jumping for joy. Look down, and you'll see that you're on common ground with the CFO. This is the place to be.

Reference

- ¹ Singh, H., Sliwa, C., and Pearson, D. (February 2023), Executive Summary: The Business Value of Infinidat Storage. IDC. Available at: <https://www.infinidat.com/en/resource-pdfs/idc-summary-business-value-infinidat-storage.pdf>
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