

## How Expensive is IBM's iSeries Mid-Range Server Platform?

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10/30/05

When considering the cost of a hardware platform required to run a district's administrative software the iSeries™ from IBM is sometimes viewed as the more expensive alternative when comparing initial hardware purchase costs. UNIX Servers and Windows NT Servers may seem attractive cost wise but a district that is concerned about their Information Technology budget dollars has to consider the total cost of ownership (TCO).

The IBM iSeries™ is a sound, reliable, scaleable, cost effective computing platform that is running serious business operations throughout the US and has particularly strong presence in Europe.

In a review of current, independent research conducted on the total cost of ownership for enterprise resource management applications on multiple server platforms some very enlightening results were found.

IDC, Framingham, MA, published a white paper entitled "Server Cost of Ownership in Enterprise Resource Management (ERM) Customer Sites - A Total Cost of Ownership Study" in 2001. The study's goal was to determine the total cost of ownership metrics when comparing the IBM iSeries™-AS/400™ solutions with competing UNIX server solutions and SIAS server based solutions. SIAS refers to Standard Intel Architecture Servers (formerly called PC servers in other IDC TCO studies).

The summary of results shown in the table below for small companies showing two time periods, 3 years and five year TCO.

<b>TCO Summary in Small Companies</b>				
	<b>Three-Year TCO</b>		<b>Five-Year TCO</b>	
	(\$)	Difference	(\$)	Difference
Average Number of Users	217		330	
IBM iSeries-AS/400 Solution	\$246,348		\$143,546	
SIAS Server-Based Solution	\$329,532	34%	\$279,958	95%
UNIX Server-Based Solution	\$393,395	60%	\$274,081	91%
Notes: TCO is calculated per 100 users Small companies show high growth Source: IDC, 2001				

The five-year TCO was 91% greater for UNIX servers and 95% greater for SIAS servers than for the IBM iSeries™ servers.

Another interesting finding of the study detailed productivity metrics for the three server solutions.

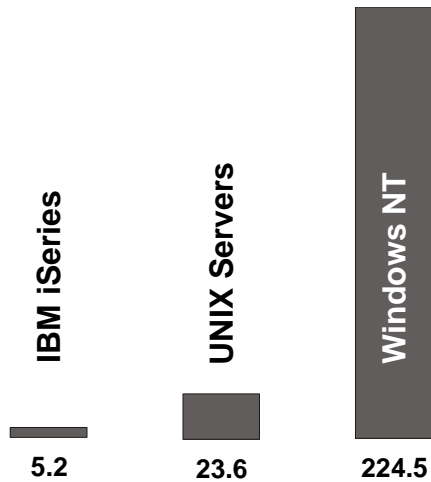
Productivity Metrics			
	iSeries-AS/400 Solution	SIAS-Based Solution	UNIX-Based Solution
Unplanned Downtime Hours per Month	0.24	2.70	1.00
% of Internal Users Affected	42%	63%	53%
Unplanned User Downtime per Year/100 Users	1,235	20,250	6,344
Availability	99.98%	99.67%	99.98%
Source: IDC, 2001			

The study conclusion stated, *“the iSeries enjoys significant TCO advantages versus two of the most widely used types of servers running ERM applications: UNIX servers and SIAS servers. Among the factors contributing to this TCO advantage are the iSeries’ integration of database and management features, which reduces the need for layered software and the additional system administration. This study highlights the iSeries’ ability to support large numbers of end users at less cost than the comparable UNIX servers — and to support more users with higher levels of data availability than comparable SIAS servers. The iSeries’ scalability, availability, and staffing efficiencies are even more important in today’s mission-critical ERM and e-business environments than they were in the traditional packaged software environment that preceded the Internet age.”*

In a report compiled by the Touchtone Corporation, Costa Mesa, CA, they summarized findings from various independent sources comparing the IBM iSeries-AS/400 to UNIX Servers, and SAIS Servers. The results were presented in five categories.

### **1. Fewest Unplanned Outages**

“Server downtime is costly and frustrating. Just as SAIS users, who see an average of 224.5 hours of unplanned outages per year, per server. On the basis of 2,080 work hours per year, that equals an unplanned outage rate of 10.8%. By comparison, the iSeries is 43 times more reliable, with only 5.2 hours of unplanned outages.”



Hours per year in Unplanned Outages

Source: Gartner Research

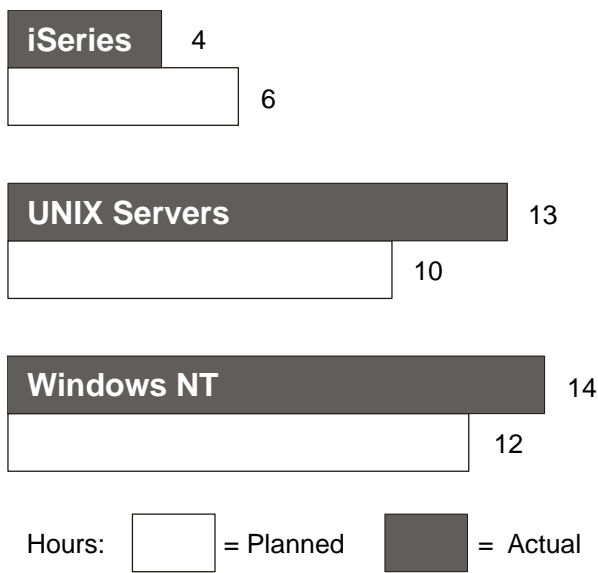
### 2. Outage Costs per Employee per Year

NT:	224.5 hrs @ \$25/hr	= \$5,612/yr	per worker
UNIX:	23.6 hrs @ \$25/hr	= \$590/yr	per worker
iSeries:	5.2hrs @ \$25/hr	= \$130/yr	per worker

Source: Gartner Research

### 3. Quickest Deployment

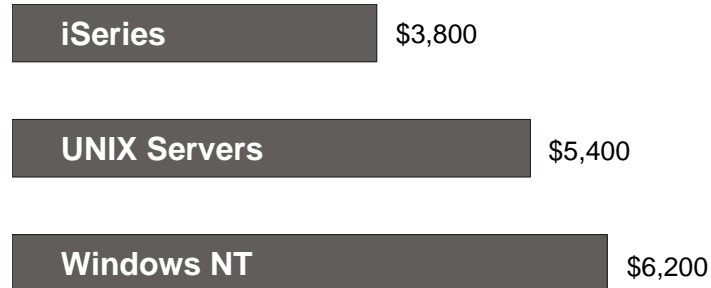
“The iSeries is about **3 times faster** to deploy (install, implement, and go live) than SIAS and UNIX servers...and consistently takes less time than planned. This means iSeries™ users can begin recapturing their investment almost two months earlier.”



Source: The Meta Group

#### **4. Lowest Total Cost of Ownership**

“The IBM iSeries has the lowest cost of ownership of any leading midrange server. On an annual cost-per-user basis, the AS/400 is 63% more cost effective than SIAS servers and 42% more so than UNIX.”



“Consider that for 10 users over five years, the savings afforded by the iSeries versus SIAS is \$120,000 and versus UNIX is \$80,000.”

*Source: IDC*

#### **5. Highest Customer Satisfaction**

“The bottom line is customer satisfaction...and the iSeries leads SIAS and Oracle in customer satisfaction across several significant criteria:

- Vendor Confidence
- Service & Support
- Cost of Ownership
- Quality
- Overall Satisfaction

“Add to this the reliability, scalability, and cost effectiveness of the iSeries, and it is clear why it is regarded by businesses around the world as the ‘server of choice.’”

*Source: ComputerWorld*

The iSeries™ – AS/400 platform has been, is now, and will continue to be a system that will provide your school district with the performance and reliability you require at a cost advantage over the other platforms available. It is interesting to note that Microsoft runs their company financials on IBM iSeries.