

# Discover the Hidden Cost Savings of Cloud Computing

Transform your entire institution with  
Jenzabar® Cloud Services.



**Jenzabar®**



**By Gus Ortiz**

*Jenzabar Managed Services Program Manager, Principal Consultant*

## Cloud Computing Financial Advantages

Both inside and outside of the classroom, cloud computing can reduce the cost of delivering an exceptional educational experience. In 21st century higher education, technology is a fundamental strategic resource, instrumental to driving your school in fulfilling its mission. To meet modern expectations, you must create a personalized digital experience for all constituents. Implementing and supporting hardware and software that constantly adapts to the needs of faculty, students, administration, and alumni is essential.

Cloud computing creates a collaborative, interactive environment where information is available at any time, in any place, on any device. The ease of rolling out cloud-based applications simplifies operations—and the cost benefits are often compelling.



**“If your college does not have a lot of financial resources to upgrade your server capacity (and we all know how servers are quickly getting more and more expensive), and you don’t want worry about having enough electrical power or having a disaster recovery plan in place—all of those things are taken care of by Jenzabar’s cloud services.”**

**NANCY SULLIVAN**  
Director of IT  
MacMurray College

## How Cloud Hosting Saves Money

The benefits of cloud computing are numerous. Yet some higher education institutions still hold back from moving to a cloud hosting strategy due to a misconception about cost.

The fact is that more colleges and universities are finding that using Jenzabar Cloud Services is actually less expensive than on premises hosting.

### How is that?

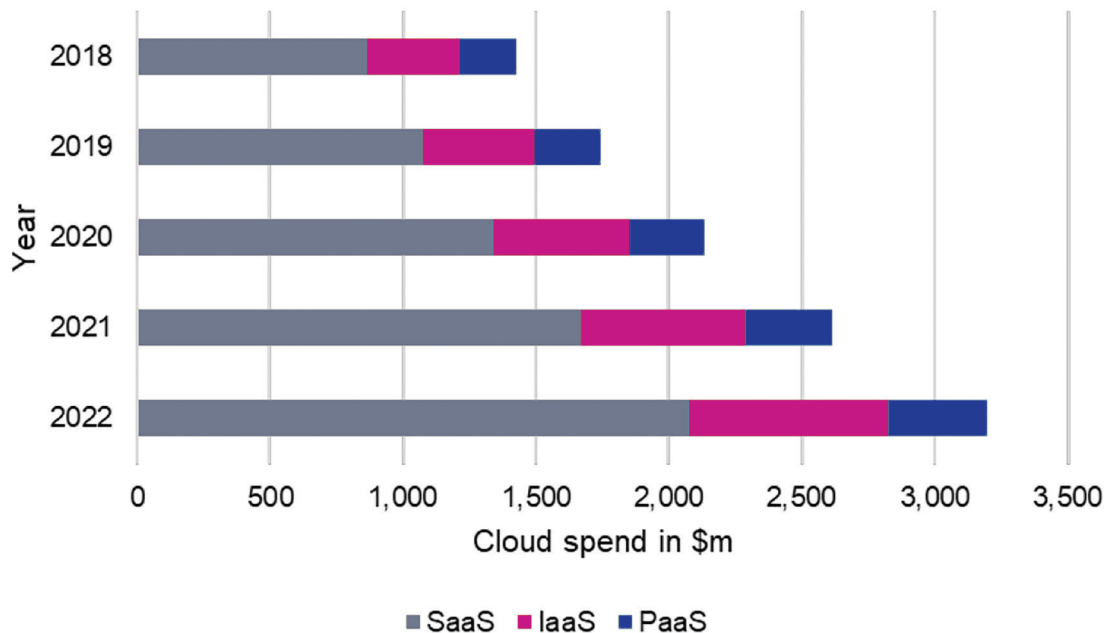
In some cases moving to the cloud can increase operating expenditures (Opex), but it almost always lowers capital expenditures (Capex). In short, this means that Opex increases are more than offset by reductions in Capex.

The Jenzabar Cloud is often a financially superior alternative to onsite options because it:

- ▶ Eases budgeting with predictability
- ▶ Prevents over-purchasing through scalability
- ▶ Future-proofs for technology advances
- ▶ Frees up IT staff to work on strategic operations
- ▶ Eliminates capital expenditures for servers
- ▶ Significantly lowers overhead cost

## 2018–22 Institutional Cloud Spend

Software as a Service (SaaS), Platform as a Service (PaaS), and Infrastructure as a Service (IaaS)



Source: Ovum, Global Higher Education Tech Spending through 2022

## Predictable Budgets

With cloud computing, you do not pay for resources you don't need.

When you host in the cloud, you buy only for your current demand, and easily scale up or down as needed—instead of guessing what you will need 3-5 years down the road and having to pre-buy capacity.

Because costs shift from Capex to Opex, it is much easier to create a long-term budget with cloud hosting. Equipment upgrades are also built into hosting costs (typical 2-3 year datacenter hardware replacement cycles), so your institution is assured of having the most modern technology without the pain and expense of buying new hardware. Plus, since you don't have to invest in hardware, the entry and exit costs of the cloud are much lower than traditional hosting and computing.

With stable, predictable costs, you are able to better invest your funds and plan for the future.

**95%**

You are significantly over-purchasing your capacity for 95% of the year because of the demand you have for the other 5%.

**30 to 40%**

Potential reduction in IT overhead costs by adopting cloud

McKinsey, "Cloud adoption to accelerate IT modernization"

By Nagendra Bommadevara, Andrea Del Miglio, and Steve Jansen, 2018

## Increased Agility

Cloud hosting is an efficient, secure, cost-effective IT strategy that delivers unparalleled agility for modern higher education.

Server demands are rarely consistent in any business. This is especially true in higher education. Institutions experience surges during enrollment periods and lulls during breaks. Delivering the computing capacity to handle those surges is often a balancing act.

With on premises computing, you must be equipped to handle those surges at all times. This means that you are significantly over-purchasing your capacity for 95% of the year because of the demand you have for the other 5%. And what happens if there is an even greater spike than anticipated? The cloud solves both of these problems through scalability.

Cloud computing provides scalability as institutional needs shift, student needs change, and new market opportunities arise. As computing demands vary—such as the peaks caused during online registration—cloud resources can quickly and easily scale up, only to later adjust back down to normal levels as demand decreases.

IT departments find that the nearly instant on-demand provisioning of resources becomes vital to their operations. The common standards of cloud applications ensure their flexibility and extendibility for both short- and long-term needs.



**63%**

of surveyed IT professionals say scalability was one of their top priorities to moving to the cloud.

*IDG, "2018 Cloud Computing Survey"*

## Eliminate Overhead

A no-hardware purchase, no-hardware maintenance strategy can save money across all areas of your operating budget.

In addition to reduced long-term capital expenditures, you can lower costs for physical space and the associated overhead, equipment maintenance and upgrades, power consumption, cooling, and labor—all while attaining the most up-to-date technology as datacenter servers are regularly replaced.

Cloud helps reduce these Opex expenses that are buried in the details of managing onsite servers. Consider the money saved by no longer having to:

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- ▶ Purchase and continually upgrade servers

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  - ▶ Power, cool, house, and protect those servers

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  - ▶ Dedicate space to storing those servers

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  - ▶ Devote valuable man-hours to servicing and monitoring those servers

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You save on the non-hardware costs of doing server replacements. Staff is no longer needed to rack new and de-rack old servers, configure the network, install software, and migrate applications and accounts. All of the “soft” efforts that take IT staff time away from helping users and working in their area of expertise are taken care of by Jenzabar Cloud Services.



**Education CIOs must innovate their administrative systems by modernizing or replacing legacy systems. This will enable digital transformation, support new business models, and meet consumerized student and faculty expectations.**

**Gartner**

“Education Administrative Systems Innovation Primer for 2019”  
Terri-Lynn Thayer, VP Analyst, and Robert Yanckello, Sr Director Analyst  
February 2019



**“Extending onprem systems with cloud services and combining them with other cloud-based systems will decrease the burden of maintenance on the institutional IT staff and enable more opportunities for innovation.”**

**Ovum**

“2019 Trends to Watch: Higher Education, Modernizing institutional culture”  
Joyce Kim

## Superior IT Service

The cloud allows internal IT resources to provide greater service to students, faculty, and staff.

As higher education institutions continue to offer more online education and seek to enhance classroom instruction with technology, demands on their IT departments have increased exponentially. Many schools are opting to hand over the everyday management, monitoring, and support to experts at a datacenter.

This frees up internal IT staff from server maintenance, emergency troubleshooting, and other tasks that are outside of the core business of an educational institution (and perhaps outside their area of expertise). That means they can spend more time focusing on strategic initiatives, better serving the user community, and innovating for your institution. Maximizing your human resources always pays off.

## Cost Savings are the Silver Lining to the Cloud

The actual financial outcome will vary from institution to institution, but one thing is for sure:

**If cost is holding you or your financial team back from moving to the cloud, it's time to reevaluate the overall financial impact of the cloud.**

How much can your institution save with Jenzabar Cloud Services?

59%

of Higher Education CIOs expect a significant business model change due to digital transformation.

*Gartner Press Release  
2018 CIO Agenda Survey  
October 30, 2017*

91%

of Higher Education CIOs expect their job to change.

*Gartner Press Release  
2018 CIO Agenda Survey  
October 30, 2017*

# Jenzabar one

A flexible, cloud-ready platform exclusive to higher education. Our powerful suite of technology products and services provides your campus with mobile-friendly solutions for both student and institutional success.



Analytics



eLearning



Enrollment



Finance



Financial Aid



Fundraising



Human Resources



Retention



Student

## so Jenzabar SONIS

A powerful yet cost-effective student information system designed specifically for smaller higher education and vocational institutions. Our cloud-based, mobile-ready software connects students, faculty, and administration in one easy-to-use package.

Jenzabar, Inc.  
101 Huntington Avenue  
Suite 2200  
Boston, MA 02199, USA

### Find out more

☎ 1.800.593.0028

✉ [info@jenzabar.com](mailto:info@jenzabar.com)

🌐 [jenzabar.com](http://jenzabar.com)



## Move to the Jenzabar Cloud and stop worrying about:

1. Finding and maintaining a secure server room and an alternate server room that meet the minimal square footage requirements.
2. Purchasing and installing a cooling system that is rated above 100% of the cooling demand of the server room with backup cooling system also rated above 100% demand.
3. Paying electricity costs associated with running the servers.
4. Securing a back-up power generator for weather and other power-loss events.
5. Installing software updates/hotfixes during late nights or off-hours to minimize user impact.
6. Pre-buying for anticipated needs.
7. Over-buying virtualization needs by a third for reserve capacity for cores, RAM, disc storage, VMware, maintenance costs.
8. Bursting your public internet bandwidth to meet peak demand loads.
9. Shouldering escalating infrastructure support costs for equipment.
10. Migrating data from your old equipment to the new equipment.
11. Dealing with downtime or interruptions for migrations.
12. Upgrading to the latest technology.
13. Developing a business continuity and disaster recovery plan.
14. Making special preparations prior to an event like an impending coastal storm.
15. Backing up data.

### About Jenzabar

Created out of a passion for education and a vision for technology, Jenzabar offers disruptive, innovative software solutions and services that empower students' success and helps higher education institutions meet the demands of the modern student. Over 1,350 higher educational campuses harness Jenzabar solutions for improved performance across campus and a more personalized and connected experience for the student. For further information, please visit [jenzabar.com](http://jenzabar.com) or on twitter @Jenzabar or LinkedIn.

