



SUNGARD

MANAGED RECOVERY PROGRAM

Customer
Success
Story

How a Nationwide Retailer Relies on
SunGard for Business Continuity and
Managed IT Disaster Recovery



Interestingly enough, those applications that the retailer defined as lesser or non-critical actually carried financial penalties that could far exceed actual revenue losses should they be down too long.

CHALLENGE:

Inconclusive Testing, Increased Compliance Requirements, and Rising Costs of Do-It-Yourself Disaster Recovery

A national retailer with locations throughout the continental United States needed a more comprehensive recovery plan and an updated recovery environment. Three key events had occurred to force the retailer to rethink their recovery strategy: First, their most recent Disaster Recovery (DR) Test had taken over 60 hours to complete, and the results were inconclusive. The retailer realized that they were spending tens of thousands of dollars to have key staff members be away from production for extended periods of time, only to run tests that provided no value. Second, new and changing regulations were creating greater exposure for extended revenue outages in the form of financial penalties and fines; this made it essential that the retailer focus on lowering their Recovery Time Objective (RTO) and Recovery Point Objective (RPO).

Third, the cost of managing three back-up and recovery environments had simply become prohibitive. During the process of building the technology requirements for selecting a vendor to consolidate the three environments, it became clear that not only did the retailer not have the technology, but they also lacked the staff expertise necessary to develop and deliver the processes and procedures to meet their RTO/RPO goals.

SUNGARD SOLUTION:

Outsource IT Disaster Recovery Management to a Trusted Vendor

The retailer contacted SunGard Availability Services for help, and together, we employed a systematic approach to understanding the business needs and mapping the right technologies, processes, and expertise necessary to deliver on the requirements for maintaining predictable business levels. This approach consisted of 4 steps: **Plan, Design, Implement, and Run.**

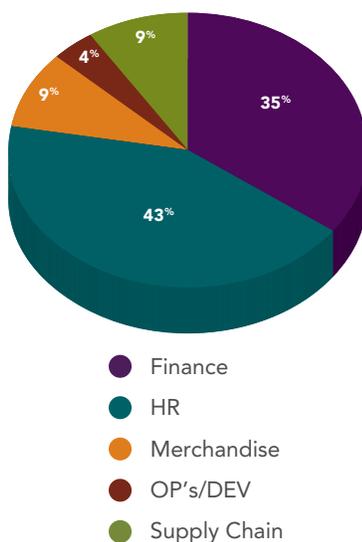
At the end of 36 months, the retailer will have saved over \$3 million using SunGard's Managed Recovery Program and the advanced data technology we recommended.

PLAN: BUSINESS IMPACT ANALYSIS

During the Plan phase of the process, SunGard worked with the retailer to perform a Business Impact Analysis (BIA) that identified all critical revenue-generating applications. Interestingly enough, those applications that the retailer defined as lesser or non-critical actually carried financial penalties that could far exceed actual revenue losses should they be down too long. The BIA compared and contrasted the cost of downtime by application and then tiered the applications as Tier 1: Mission-Critical or Tier 2: Business-Critical. Tier 1 applications were defined as those which would have an immediate and direct financial impact (such as revenue losses). Tier 2 applications were those that would have a small or delayed financial impact (such as penalties or fines). The list of tiered applications and their corresponding financial impact were then mapped back to the higher-level Critical Business Processes and a timeline.

Key Financial Impact Findings:

- **Finance:** Accounts Payable is critical. After three days, A/P would reach a critical point, mainly due to violations of terms in the retailer's contractual obligations.
- **Finance:** Two applications in particular, Lawson and BSI, were key in providing payments and processing Federal tax deductions. It was essential that these be processed in a timely manner, as penalties were imposed in as little as 1 day (2% penalty for being 1-5 days late; 5% penalty for being 6-15 days late; and 10% penalty for being >16 days late).
- **HR:** Workers' compensation payments can carry severe fines (up to \$5,000 per day, with variations by state) if not paid within 48 hours.
- **Supply Chain:** Store Operations are most impacted from a loss of revenue because the product is ultimately sold through the stores.





DESIGN: ADVANCED RECOVERY WORKSHOP

During the Design phase of the process, SunGard conducted an Advanced Recovery Strategy and Design Workshop on the retailer's premises. This was a collaborative working session that used the information we had gathered on the current state of affairs and compared it to the retailer's business drivers for resiliency and recoverability. Taking a snapshot of the existing environment enabled us to jointly develop solution alternatives and understand the cost structures required to evolve data protection environments, design and implement tiered data protection solutions, shrink RTOs and RPOs, reduce risk and complexity, effectively test recovery, and ultimately ensure the sustainability of programs for recovery execution.

To address the retailer's immediate and longer-term needs, SunGard recovery specialists first recommended a tiered approach to application recovery, which called for the recovery of the most mission-critical applications first. We also suggested that a single technology could be deployed across the applications to improve the cost effectiveness of the total configuration. Our team then developed a roadmap detailing the actions that could be taken over the course of the next several years to build

the configuration that would support future growth. Lastly, our team recommended that the retailer consider SunGard's Managed Recovery Program to reduce the cost of maintaining a second site and to mitigate the risk of sending key staff members to the recovery site during a disaster, when it would be critical for them to be focused on returning the primary site to normal operations.

IMPLEMENT: VALIDATION

During the Implementation phase of our approach, we validated the recommendations of the SunGard Recovery Specialists. Through validation, we helped the retailer achieve a level of recovery predictability, and as this retailer chose to leverage our Managed Recovery Program, this phase elevated their confidence levels that recovery requirements could be consistently met going forward.

During the validation tests, the retailer had remote access to the recovery site, just as they would during a recovery test or during an actual disaster.

RUN: DR LIFE CYCLE MANAGEMENT

The Run phase of the process is the life cycle management component that works to keep the plan and strategy aligned with any actual changes in the retailer's business, such as new initiatives, directions, or growth. Our SunGard Service Delivery Manager performs the ongoing change management of the recovery environment in complete integration with the retailer's change management program to ensure that the recovery site and recovery procedures stay in sync with the retailer's production environment.

SUNGARD RECOMMENDATIONS

- Recover the most critical applications first
- Deploy a single technology across all applications
- Focus key staff members on primary site during disaster with SunGard MRP

THE RESULTS

The retailer recognized that relying on their own resources would not only force them to make upfront purchases to completely duplicate their systems at a secondary site, but would also take time away from their primary staff to perform recovery testing and, at time of disaster, perform the actual restoration and recovery. The following table identifies the costs that the retailer considered to make the final decision to outsource to a fully managed IT disaster recovery program.

At the end of 36 months, the retailer will have saved over \$3 million using SunGard's Managed Recovery Program and the advanced data protection technology we recommended.

By replacing tape as their primary recovery media, the retailer was able to improve recovery time, reduce revenue impact, re-allocate staff to projects that would drive new revenue streams, and reduce tape costs by using, shipping, and storing fewer tapes.

Over 60% recovery improvement at 40% less cost.

	Self-Managed Recovery	SunGard-Managed Recovery
Total Cost at 36 Months	\$8,540,000	\$5,378,236
Data protection equipment	\$3,040,000	\$3,040,000
Recovery site and systems: floor space/ servers/storage, networks, etc.	\$3,440,000	\$2,338,236
Cost of recovery site operations (e.g.: run book maintenance, change management, etc.)	\$720,000	\$0
Procedure development	\$50,000	\$0
Primary staff travel expenses	\$120,000	\$0
Tape media/shipments/hardware refresh	\$450,000	\$0
Continued impact for file recovery, backup process, revenue impact	\$840,000	\$0

FOR ADDITIONAL INFORMATION

Want more insights and ideas into how to further your company's disaster recoverability? Check out these assets for further information:

- White paper: ["Curtail the Rising Cost of Disaster Recovery"](#)
- Video: ["Fully Managed Recovery Case Study: Florida Hospital"](#)
- Brochure: ["SunGard's Managed Recovery Program"](#)

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Or you can call us +1 (888) 714-7209 from Canada, Mexico, and the USA or +44 (808) 238 8080 from other locations to speak with a SunGard Availability Services' representative or [email us](#).

About SunGard Availability Services

SunGard Availability Services provides disaster recovery, managed IT, information availability consulting services, and business continuity management software to over 8,000 customers in North America and Europe.

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