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4 Ways to Save Money in Digital Operations

Introduction

Challenging economic conditions have compelled organizations to seek out new ways to cut IT costs and drive operational efficiency without negatively impacting business-critical services. This quick pivot to "digital-first" has placed many companies in the difficult position of needing to scale down physical operations while continuing to refine and expand their digital presence.

But with the added pressure to consistently meet customer expectations and maximize revenue, businesses are being forced to refocus their priorities in order to keep pace with the rapidly evolving digital landscape. Some examples of these priorities include:

- Reducing inefficiencies and slashing costs while maintaining business continuity
- Building and preserving customer relationships in a 100% digital environment to protect revenue
- Accelerating digital initiatives across teams, products, and services

Technology leaders in charge of capital allocation need a better way to understand the quantifiable value (or loss) that their IT investments and existing processes are delivering. This way, leaders can better prioritize spending and invest in areas that have the most opportunity.

Unfortunately, there isn't a one-size-fits-all model to becoming a digital-first business—especially when it needs to happen fast—which is why organizations must address operational inefficiencies and invest in areas that can deliver measurable business value. PagerDuty can help facilitate these priorities and boost cost efficiency for organizations in four key ways:

1. Optimizing IT Service Desk costs
2. Virtualizing and automating the network operations center (NOC)
3. Protecting revenue and maximizing uptime performance
4. Improving team productivity in a distributed work environment

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1. Optimizing IT Service Desk Costs

Support and Operations teams can be expensive and often involve several levels of support with varying degrees of technical expertise. This multi-tiered support model can lead to communication bottlenecks, difficulties with escalations and prioritization, and delayed response times. In order to allocate more time and resources to innovation rather than support inquiries, companies are re-architecting the service and support process by reducing service desk tiers and levels.

As part of this leaner service, teams must prioritize improving service alignment and ownership, driving automatic incident assignment, enhancing self-service capabilities, and reducing incidents through proactive insights and information. By doing this, teams can optimize workflows and remove any process inefficiencies that could negatively impact the customer experience and slow down incident response.

With PagerDuty, teams can significantly reduce incident volumes by automating and optimizing the service desk incident handling process. PagerDuty's on-call scheduling, alerting, and incident management features can eliminate time-consuming, manual processes that create bottlenecks when routing alerts and incidents to the right resources and responders. After teams set up schedules, alerting, and escalation policies, PagerDuty automatically handles the rest when incidents arise.

CUSTOMER SPOTLIGHT

An international bank utilized PagerDuty to reduce the workload of its Level 1 team by 50% through automation and direct assignment. As a result, the Level 1 team was able to reallocate one-third of the team to other functions and improve the incident management processes across the entire team.

With the ability to detect, correlate, prioritize, assign, respond, and resolve incidents within one platform, incident management is faster for teams, enabling them to be more efficient and productive and streamline operational costs for their organization.

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2. Virtualizing and Automating the Network Operations Center (NOC)

Running a network operations center (NOC) is an expensive and often reactive approach to incident management. A NOC leverages "eyes on glass" to monitor and respond to incidents with an expensive team of specialists that employ manual processes that can slow response times, jeopardize the customer experience and company reputation, and negatively impact the bottom line.

As a result, organizations are looking to virtualize and automate the NOC so they can shift staff to major incident management, engineering, and development. By focusing on improving Level 0 automation, companies can shift Level 1 support and empower Level 2 support teams to be dramatically more efficient.

PagerDuty uses artificial intelligence (AI) and automation to filter and scan thousands of alerts to identify and prioritize incidents, routing them to the right teams at the right time, which reduces the strain on NOC staff and other IT teams. PagerDuty also intelligently aggregates alerts and highlights related incidents so teams have the critical context and information necessary to resolve incidents before the incident becomes a customer-impacting event.

CUSTOMER SPOTLIGHT

Two major cloud providers are using PagerDuty for Level 0 response (self-healing), identifying repetitive issues and automatically triggering responses for things such as restarting services and increasing or resizing capacity on demand. Once the automatic fix has been implemented, the actions taken are reported to an SRE or Level 2 support team for further analysis. As a result, they were able to shift between 30-50% of NOC staff away from on call to focus on development and innovation.

Taking steps to automate and virtualize the NOC with PagerDuty can lift the strain of manual processes and alert fatigue, and give teams the autonomy to focus on innovative, digital initiatives.

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3. Protecting Revenue and Maximizing Uptime Performance

In terms of the digital experience, consumer expectations have never been higher—and the line between perfection and disaster is extremely thin when it comes to delivering on those expectations. Systems that experience disruptions or outages that directly affect the customer experience (delays in transactions, shopping carts, billing, etc.) have a direct—and negative—impact on revenue.

Companies must ensure mission-critical applications and services are always online and available to their customers in order to maximize revenue and keep customers happy. If a major incident occurs, teams must take action immediately and remediate before customers take notice. Organizations today are working to optimize system performance and transform systems management to become proactive and even self-healing through AI and machine learning.

PagerDuty empowers teams to own their services, and provides them with the insights, tools, and automation capabilities to help them deliver a perfect digital experience every time. PagerDuty automates as much of incident response as possible, using artificial intelligence to effectively detect and prioritize remediation actions to minimize slow systems and downtime. Incidents can be prioritized and assigned to the right teams in real time to ensure that revenue-impacting incidents are worked on immediately, rather than sitting in a queue waiting to be acknowledged.

CUSTOMER SPOTLIGHT

A U.S. auction company and a UK mobile phone retailer shut down their physical stores and locations to go completely digital. Both customers leverage PagerDuty to take a preventative approach to incident management with the ultimate goal of improving uptime.

With PagerDuty, they were able to achieve reduced downtime and improve the digital experience for their customers, which led to increased revenues.

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4. Improving Team Productivity in a Distributed Work Environment

In today's digital-first environment, many teams are working remotely from their homes and employees can connect globally, wherever they are. But with this remote-first workforce, ensuring teams have the tools to do their jobs is more important than ever, especially for organizations with mission-critical IT systems and applications to monitor and maintain.

Worker productivity and throughput in a remote environment can be challenging, yet many organizations lack the tools necessary to support improved productivity and effective communications on a globally distributed scale. Even so, management teams still need to drive throughput from their teams, and they can do this by leveraging metrics to gain insight into team health and productivity and adopting continuous improvement methods across the newer, distributed processes.

With PagerDuty, task assignment and tracking happens in real time, providing metrics and visibility into all projects. This enables key stakeholders to see the projects currently underway and the resources working on them so all appropriate personnel can stay up-to-date on the status of major projects and timelines.

CUSTOMER SPOTLIGHT

In order to increase productivity, many banks are pivoting to support work-from-home for their software development and IT Operations support staff. PagerDuty enables their teams to use collaboration tools like Slack and Microsoft Teams, and copies everything into an ITSM tool like ServiceNow or Jira, with everything integrated and recorded to the system of record. Some PagerDuty customers have seen a 10% increase in worker productivity across teams.

By using PagerDuty, IT teams can truly "work where they are" and ensure their services are reliable—from anywhere.

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Conclusion

Organizations can rely on PagerDuty to reduce inefficiencies and costs, maintain the customer experience, and accelerate their digital initiatives. We've outlined four ways that PagerDuty can drive cost efficiencies—and these are just the tip of the iceberg. In an era of constrained and reduced budgets, PagerDuty can help you drive more value across the organization.

To learn how PagerDuty can bring value to your organization's digital initiatives and help reduce operational costs, visit our Cost Efficiency resources page.

About PagerDuty

PagerDuty is a leader in digital operations management. In an always-on world, organizations of all sizes trust PagerDuty to help them deliver a perfect digital experience to their customers, every time. Teams use PagerDuty to identify issues and opportunities in real time and bring together the right people to fix problems faster and prevent them in the future. To learn more and try PagerDuty for free, visit www.pagerduty.com

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