# What does an IT outage cost?



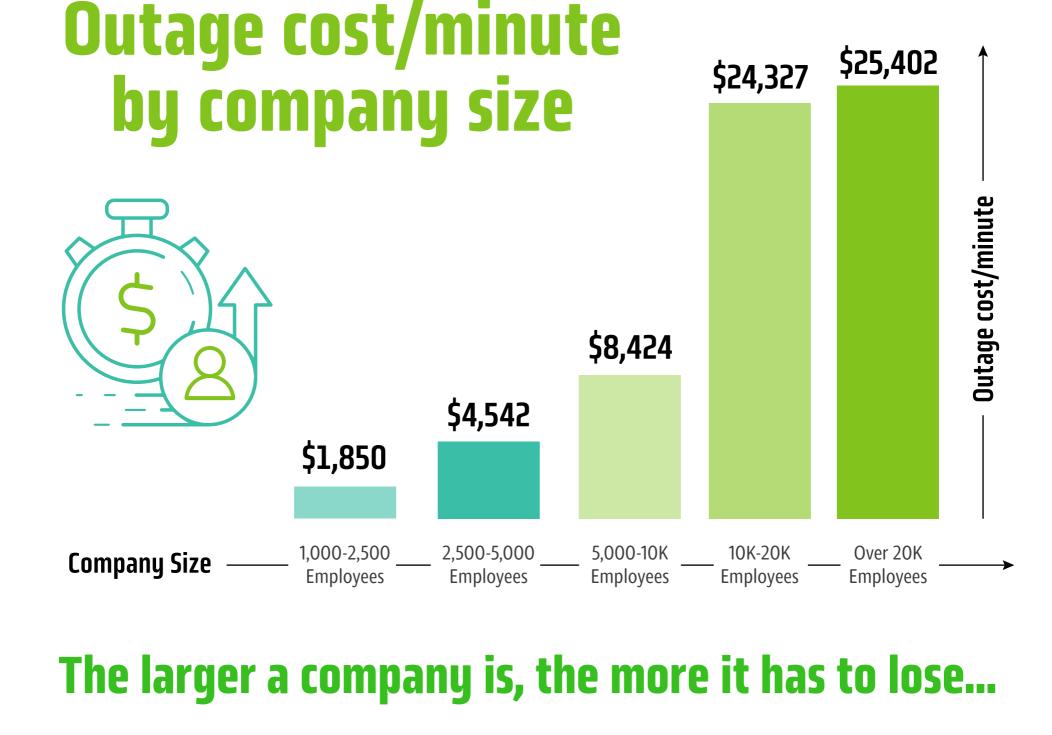


BigPanda had EMA ask that question of 300 global IT leaders



The average cost of an unplanned IT outage is:

# \$12,900/minute Of course, averages differ by company size.



#### Number of people potentially impacted (employees, customers, partners)



Exposure to fees, penalties, and litigation

Potential revenue at risk

- risk of being damaged by losses

# from hits to corporate health

They have fewer resources to recover

#### Which statement best describes the cost of an outage **45%** in your organization?

Not all outages are equal

21% We treat all outages as equally important



We are more concerned with cost when it impacts customer-facing services

It varies depending on

which applications or

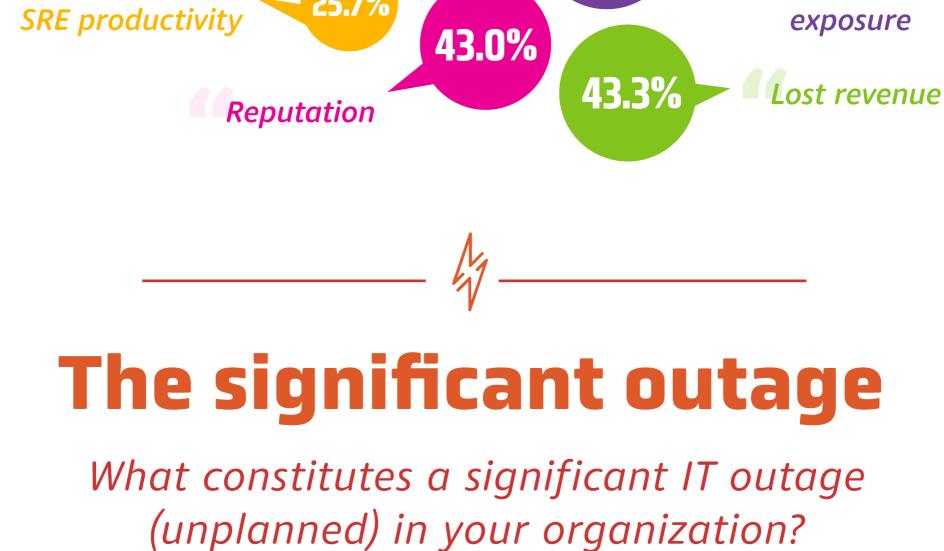
services are impacted

34%

#### **Business** disruption 55% **54.7%**

43.7% Hit to DevOps/ 25.7% SRE productivity





## Any degradation in service quality Revenue-impacting performance or availability

All of the above

27.6%

A service or application

Anything that impacts employee

productivity or customer experience

2.9 HRS

**1.4** HRS

2.0 HRS

30.3%

19.7% Every other month

Monthly

is unavailable

Average cost of the last significant outage: \$1,477,843 Cost of the last significant outage by company size  $oxed{\triangle}$  Company size **Duration** Cost \$257,545 1,000-2,500 EMPLOYEES 2.3 HRS \$467,605 2,500-5,000 EMPLOYEES 1.7 HRS

**5K-10K** EMPLOYEES

**10K-20K** EMPLOYEES

Over 20K EMPLOYEES

Yearly **6.7%** 

21.0%

Quarterly

\$1,465,800

\$2,078,947

\$3,119,318

## Frequency of a significant outage

Depending on company size, even one

### significant outage a year can cost millions. At the low end, if a company of 1,000-2,500 has a quarterly significant outage at a cost of \$257,545 each, that \$1 million loss can be the difference between annual bonuses and layoffs. How often does a significant outage happen? Almost Never 11.6% **10.7%** Weekly

AlOps cuts outages both significant

and small

After all, there's really no such thing as an insignificant outage.

#### Reduced number of What are the top outages metrics used to **Business outcomes:** improved business measure AlOps process efficiencies effectiveness in Decrease in war room

Number of manual tasks

that are automated or

eliminated

User/employee Number of events first /customer detected by the service satisfaction desk/user complaints

your organization?

Decrease in

number of

incidents

revenue

frequency, duration,

and people involved

Cost savings

in operations

(OPEX)

**Business** 

outcomes:

"The Modern IT Outage: Costs, Causes, and Cures"

For more detail, read EMA's complete research report,

LINK TO RESEARCH REPORT

BigPanda