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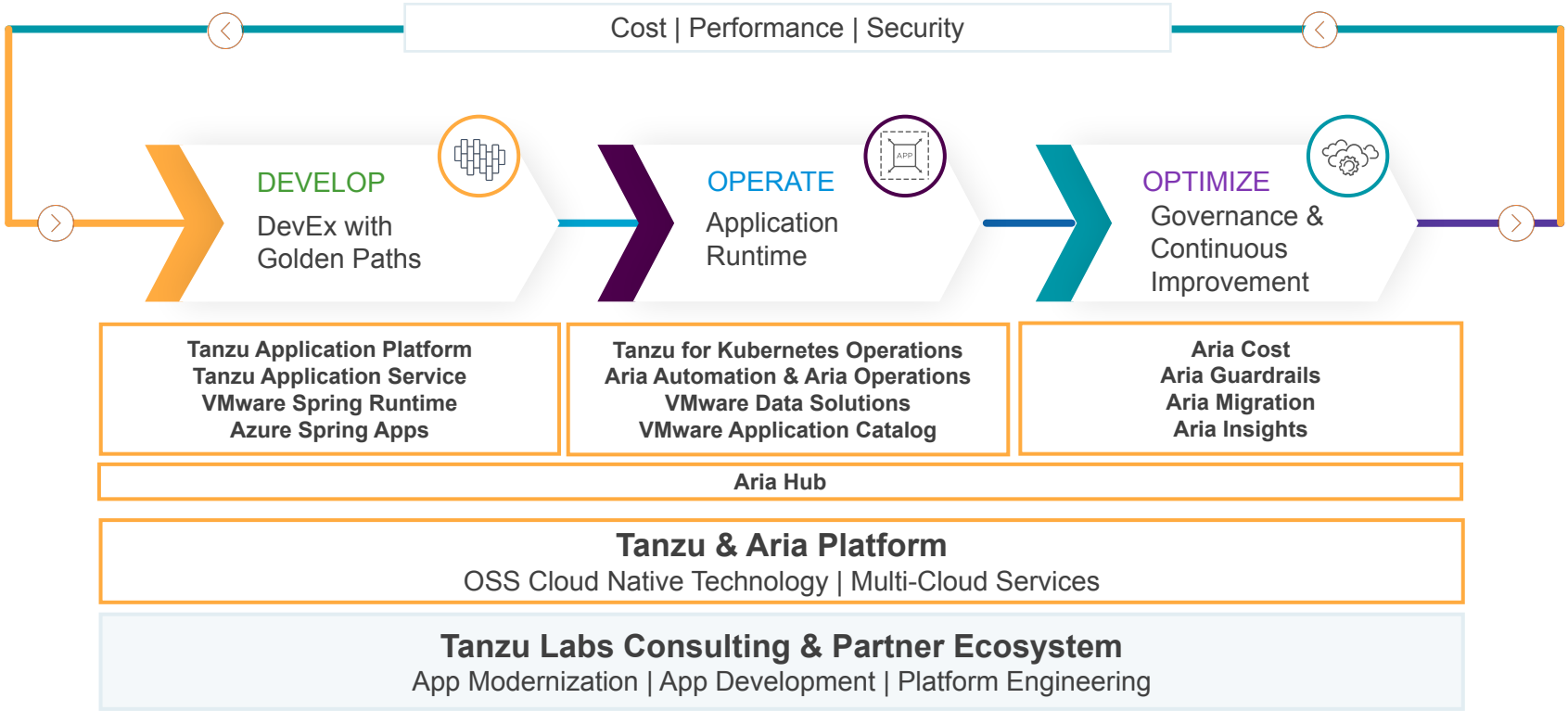
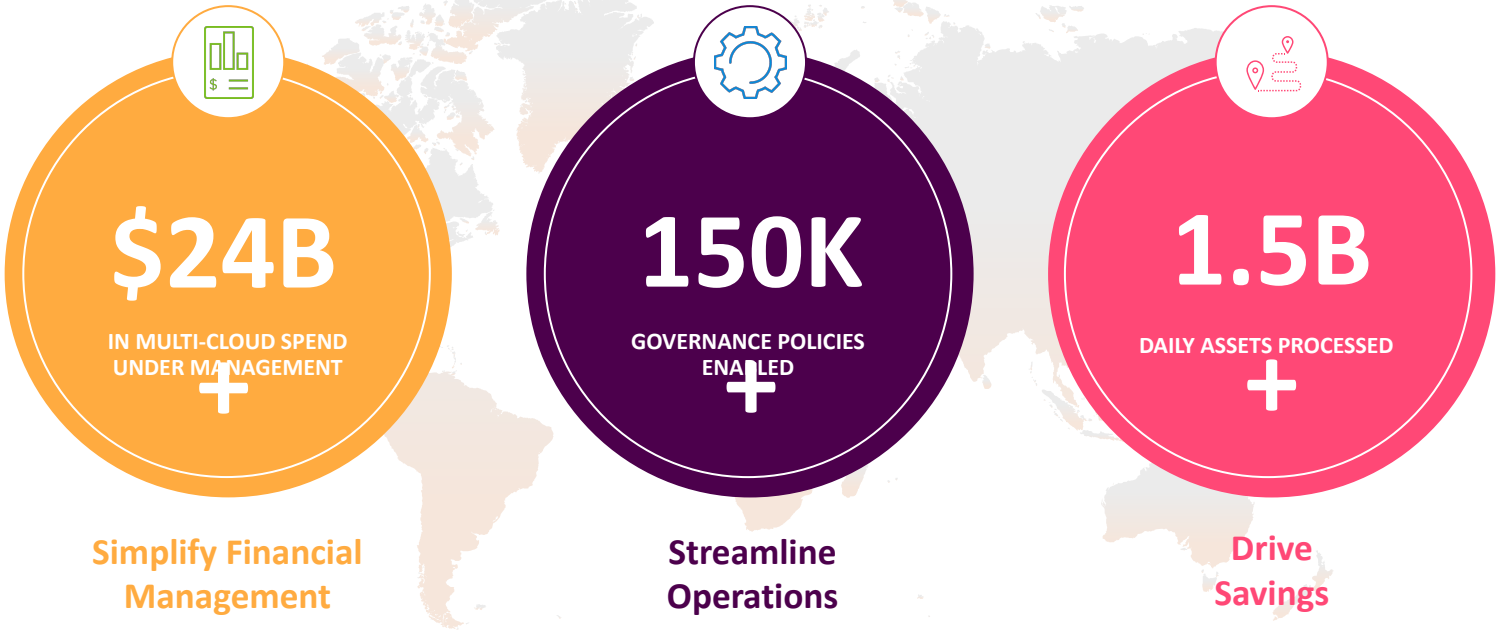
Agenda

- Product Philosophy
- Investment Optimization
- Proving Success

VMware Tanzu and Aria Platform



VMware Aria Cost



Simplify Financial Management

Streamline Operations

Drive Savings

Investment Philosophy

Two Main Philosophies

Investment optimization is about adding value, not cutting cost.

We do not optimize things that should not exist.

Investment Optimization Journey

Evaluating Investments

Investment Optimization Journey

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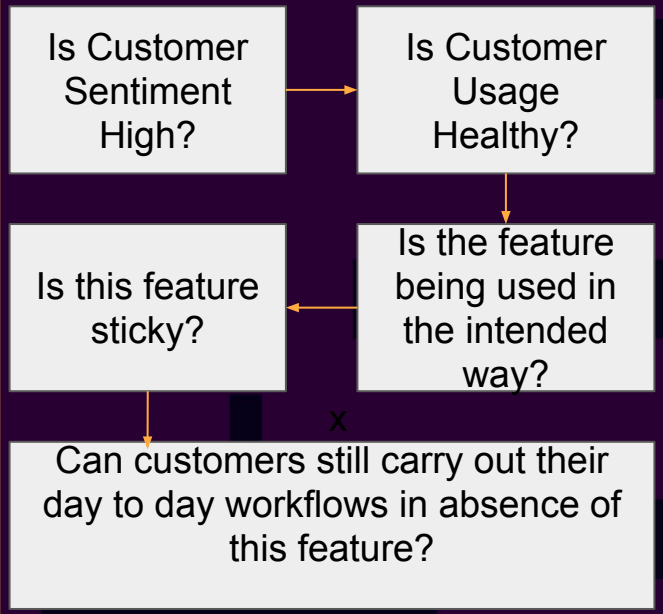
Validating Customer Value



Trade off Questions

- What is the holistic Run Cost of the feature
- What is the build cost of next best investment we would fund?
- What is the quantifiable expected ROI on this investment
- Is the ROI or value additive?

Investment Rightsizing

Investment Optimization Journey

What is Investment Rightsizing?

- Rationalizing workstreams to provide the most value
- Being ruthless with metrics
- Being agile with customer feedback

- It is NOT
  - A cost saving exercise
  - Being afraid of the sunk cost fallacies
  - Taking things personally

CloudTrail Rightsizing – Checklist

- Healthy Usage? - No
- Repeat consumption? - No
- Enables other Features? - No
- Undifferentiated Heavy Lifting? - Yes
- Is there a next best alternative? - Yes
- Generate additive value by rightsizing? - Yes
- Are we walking through any one way doors? - No
- Are we alienating any customers? - No

Identifying Which Investments to Fund

- We don’t simply invest in the next, most important, thing
- Which investments can drive the most consumption per unit of work?
- Which areas of the platform require additional investment to hit milestones in a timely manner?
- Which items that were previously below the cut line can now be funded?

Defending Investments

Investment Optimization Journey

Determining the added value – Success Metrics

- NPS/CSAT
- Consumption patterns match the “happy path”
- Consumption over Usage
- It’s not always dollars
- RICE Model is helpful here

Operationalizing a Lean Budgeting Model

- We are always planning
- Investments get continuously defended
- Annual LRP
  - AOP
    - Semester Milestone
      - Quarterly Rolling Budget
        - Two Week Sprints

Thank you!

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