

Hosting Business Case

Why Host?

Hosting, like any other business tool, should be pursued both to solve or prevent specific problems and to enhance and create business opportunities. In examining all the potential reasons for outsourcing a business function, it is helpful to categorize them—albeit somewhat arbitrarily—into high-level motivators:

- **Tactical** – hosting can be useful in achieving short-term and more immediate benefits such as near-term budget pressures and/or personnel shortages
- **Strategic** – hosting can be utilized to achieve more long-term impacts that can often have far-reaching consequences
- **Transformational** – ratchets the strategic view up yet another level and addresses the desire to fundamentally change whole aspects about the business itself

Benefits of Hosting

Once the reason for hosting is formulated, it is time to look into the benefits that a hosting partner can bring to your organization. In addition to providing access to best-of-class People and Technology resources in a more effective and less expensive fashion, an outsourcing arrangement will also enable a complete set of best practices that would otherwise be difficult to achieve and maintain. These translate the best-of-class Processes that add more value to the solution.

Among the reasons why a hosting partner can increase your benefits (as well as do it more cost effectively) is its specialization—motivating it to hire and retain the best talent in its particular areas of focus. This talent is groomed with years of experience that, by default, improves the quality and speed of the processes they operate—e.g., the implementation, maintenance, and operation of the systems.

Secondly, a hosting partner is incented not only to improve and streamline these processes, but also to make them as repeatable as possible. This repeatability enables the service of multiple systems without having to add corresponding personnel in a linear fashion. Once again, the gains achieved directly and favorably impact the outsourcer's bottom line.

Thirdly, an hosting partner's focus and specialization, along with its volume-based business model, allow it to purchase or build the best high-end tools that are available. Such tools further improve the processes and their scalability. From top-of-the-line systems management suites, to sophisticated change control mechanisms, to automated software distribution, the hosting partner has access to tools that would otherwise be cost prohibitive in smaller-scale operations.

Process quality results from the combination of highly skilled and experienced specialists, proven and repeatable processes, and state-of-the-art tools. A partner who can deliver on all three of these can offer you substantial improvements in both operational quality and consistency.



To qualify whether or not hosting is an option for your organization, you may want to ask the following questions:

- Is your organization challenged to derive value from your investments in Oracle Technology and Applications?
- Is your organization seeking to focus IT on high-value activities rather than system administration?
- Are system performance, stability, security and service levels important?
- Is your organization looking to implement or upgrade in the near future?