FusionReactor ROI Calculation

A 10 developer team – supporting 2 applications can save over $100,000 year!

Forward : Putting ROI calculations together for software solutions is not an exact science, because issues caused by software problems generally result in 2 types areas of impact:

1. Developer costs spent on finding and fixing errors – <u>savings can be calculated</u>
2. Ongoing lost revenue from unsatisfied customers – <u>savings are harder to work out</u>

The costs for developers can be calculated based on average salary and estimations of time spent on attending to defects, the impact of lost revenue due to unhappy customers is much more difficult to calculate and we will not attempt this as part of this analysis.

Calculating the ROI of Using FusionReactor

Using a few industry averages, we can help you calculate the cost in lost development time for your company and what you can save using FusionReactor.

The errors in your applications need to be fixed, or they will affect end users and cause lost revenue. This is where support costs start to mount.   A survey of our customers found that (on average) developers spend :

- 80% of time performing Pro-active work – developing new applications and services
- 20% of time performing Re-active work - triaging and diagnosing production issues

Using these figures, based on a 40 hour week – approx. 8 hours would be spent triaging and diagnosing software issues

How much does a developer cost on average?

- Average Developer Annual Salary in USA in 2018 was ~$100,000
- Based on an annual rate of 220 working days per year = ~$440 per day = $55 Hour

How much time would you save using FusionReactor?

We asked FusionReactor customers approximately how much time they estimated they had saved through using FusionReactor to troubleshoot issues, they told us that they achieved savings of between 30% and 70%

- Taking an average of 50% savings
- Based on a 10 man team – 320 hours are spent on Re-active work each month

Taking our average of 50% saved time this would result in 160 hours saved per month –

Financially, this translates to savings of $8,800 month or $105,600 per annum.

Based on the assumption that

- A 10 man team could develop and support 2 applications

- 2 Applications could be run across a cluster of 8 docker pods = 2 FR SaaS licenses

- Annual FR Ultimate License costs $948 per 4 Docker pods – totaling $1,896 Year

- 10 Developers would require 10 x FR Developer licenses @ $228 per year = $2,280

- Total annual cost for FusionReactor = $4,176 (all servers covered and each developer using FR)

This would result in a total saving of $101,424

FusionReactor can be used as

- Quality Assurance Tool during development, Test and Staging
- Deep dive root cause analysis and troubleshooting in production
- Low level code and query performance analysis in production
- Alerting Engine – in order to highlight issues before they turn into real problems
- Capacity Planning and trend analysis

The cost of software errors to the US economy

In a the 2017 report on software failures, tricentis.com found that software failures cost the US economy US$1.7 trillion in financial losses. (This was up from US$1.1 trillion in 2016.)

In total, software failures at the 314 companies interviewed, actually affected 3.6 billion people and caused more than 268 years in downtime.

Cost of software fails in 2017

606 fails
from 314 companies

US$1.7 trillion
in financial losses

3.6 billion
people affected

268 years
lost to downtime

Source: Tricentis 2017

Measuring the cost of software errors in your company

Software errors will expose your end users to slow, buggy software. Or worse, compromise the security and safety of your products. At the same time however, many businesses do not have good visibility on their software errors, so measuring them and their impact is difficult.

SOFTWARE BUG
TOTAL 331

USABILITY GLITCH
TOTAL 54

SECURITY VULNERABILITY
TOTAL 136

Type of software fail per month in 2017. Source: Tricentis.com 2017