

# Cost of Application Hours Lost

## Business Challenge

Our client wanted a more accurate assessment of their IT downtime costs to help them manage and optimize their technology risk. This required modeling both direct costs and opportunity costs of their severity incidents to prioritize appropriate investments, action plans, and solutions that prevent or offset the cost of application hours lost, including new equipment, better security practices, and robust monitoring tools.

The key issues that faced our client were:

- Managing ongoing and rising costs to monitor and repair damages from IT downtime created by high-risk severity incidents
- Identifying critical applications and the resources required to resume essential business functions during each disruption scenario
- Determining the maximum level of IT downtime and resulting application hours lost that a specific business function can sustain before significantly impacting the business
- Prioritizing the recovery action items for each business location, function, and service caused by IT downtime

## Client & Engagement Quick Facts

- Two-month project duration
- 30+ internal interviews with client's executives and managers and 15+ interviews with competitors and technology experts
- Financial impact model for cost of application hours lost that verified tens of millions of dollars in quarterly savings opportunities

## Our Solution

Calculated monthly cost of application hours lost based on six cost categories: (1) Repair and Recovery, (2) Legal and Regulatory, (3) Lost Revenue, (4) Lost Productivity, (5) Brand Reputation, and (6) Customer Churn. Outlined plan to optimize high-impact severity incident prevention, detection, and resolution based on updating critical IT infrastructure, data and application monitoring, and industry compliance.

## Business Benefits

Knowing the full profile of their monthly cost of application hours lost enabled our client to prioritize investments in IT recovery solutions, including hardware, software, and personnel, to maintain business continuity and minimize the financial impact of high-risk IT outages.

## About Us

**Kenny & Company is a management consulting firm offering Strategy, Operations and Technology services to our clients.**

We exist because we love to do the work. After management consulting for 20+ years at some of the largest consulting companies globally, our partners realized that when it comes to consulting, bigger doesn't always mean better.

Instead, we've created a place where our ideas and opinions are grounded in experience, analysis and facts, leading to real problem solving and real solutions – a truly collaborative experience with our clients making their business our business.

We focus on getting the work done and prefer to let our work speak for itself. When we do speak, we don't talk about ourselves, but rather about what we do for our clients. We're proud of the strong character our entire team brings, the high intensity in which we thrive, and above all, doing great work.

## Who We Are

### **Partner Led**

Our Partners are personally committed to our clients and lead every engagement.

### **Experience, Perspective and Passion**

We average over 20 years in professional services and bring tailored approaches to every client engagement.

### **Focused, Collaborative, High-Impact**

We work side-by-side with our clients in highly focused teams to solve complex business problems.

### **Client First**

Our highest priority is our client's professional and personal success. We believe clients should expect more.

### **Guarantee Our Work**

We guarantee our clients complete satisfaction every engagement every time.

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