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The IT Leader's Guide to Cutting Mainframe Costs

With Mainframe-as-a-Service

Make better happen

Contents

Long live the mainframe! But at what cost?

In many organizations, the mainframe quietly supports customer-facing applications and back-end systems alike, processing millions of transactions a day with near-flawless uptime. But while mainframe technology remains rock-solid—and impressively modern—the task of managing and maintaining it is becoming increasingly difficult.

When teams spend most of their time and budget maintaining these systems, supporting end-of-life applications, and patching outdated infrastructure, there's often little left over to invest in the modernization and integration of these systems. The result is that they remain siloed and continue to be seen as a sunk cost rather than a strategic asset.

Weighing the cost of inaction

With some mainframe software costs rising faster than interest rates and mainframe experts being increasingly difficult to find, waiting can be very costly—in more ways than one.

The average age of a mainframe engineer is now 58 years old, and nearly 10% of the workforce retires each year. As these experts leave the workforce, organizations are left scrambling to maintain critical systems without the institutional knowledge or experience to support them. As a result, salaries for mainframe practitioners have skyrocketed.

The result? More budget allocated to salaries, increased training costs, and elevated risk.

Some organizations are addressing this by building internal academies or cross-training

40%
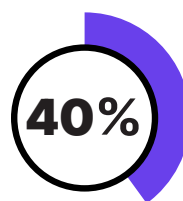
> 40% of companies have no succession plan for retiring mainframe staff.
> — *Ensono*

existing staff, but that's rarely fast or scalable. Others are turning to managed services models that can bridge the talent gap with experienced mainframe professionals on demand.
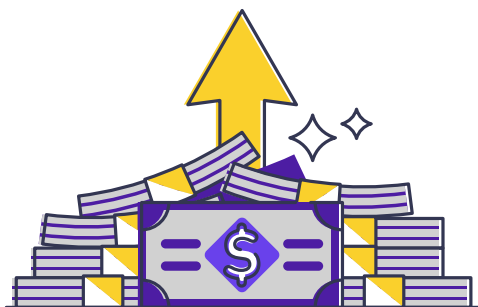
However you choose to modernize, one thing's for sure: The longer you wait, the steeper the cost of inaction. As maintenance, software and labor costs climb, the business case for a more sustainable model becomes harder to ignore.

Flip the model, not the mainframe

Rising costs, shrinking talent pools, and static infrastructure models are all symptoms of the real problem: the way mainframes are managed hasn't kept pace with the rest of enterprise IT.

Traditional mainframe management is deeply CapEx-driven: license-heavy, asset-heavy, and built on fixed resource allocations. Infrastructure is purchased upfront, software is contracted at long-term rates, and support teams are staffed for peak demand, even when usage fluctuates.

This model made sense when change was slow and there were no viable alternatives. But today's enterprise environments demand flexibility, scalability, and cost alignment with actual usage. Fortunately, there are now models to support this.

Introducing Mainframe-as-a-Service

Mainframe-as-a-Service (MFaaS) is a modern approach that reframes how organizations think about mainframe operations. Not by replacing the platform, but by overhauling the model that supports it.

MFaaS shifts mainframe operations from a CapEx to an OpEx model—just like cloud. Instead of paying to own the infrastructure, organizations consume mainframe capacity and services on-demand. Usage-based subscription pricing means teams scale up for peak periods and scale down when the load is lighter, aligning spend with real-world demand. It also introduces elasticity to a platform that was once static. For example, some MFaaS providers offer burst capacity to support seasonal workloads like tax filings, claims surges, or retail events, all without the need for year-round infrastructure provisioning.

| CapEx vs. OpEx | | | |
mainframe management			
Upfront investment			Pay-as-you-go
Static capacity			Elastic scale
License lock-in			Usage-based pricing
Internal staff			24/7 managed support

The bottom line? You don't need to migrate off the mainframe to save money. You just need to manage it like you would any other modern IT environment.

How it works

MFaaS provides mainframe infrastructure, capacity, and support as a fully managed service. That includes hosting (either on-prem, remote, or in a provider's data center), infrastructure management, monitoring, maintenance, and in many cases, software licensing consolidation and optimization.

Here's what a typical MFaaS offering includes:

 Capacity-on-demand: Dynamically scale MIPS usage up or down without renegotiating contracts.

 Infrastructure management: Hosting in modern, high-availability facilities with built-in DR and security.
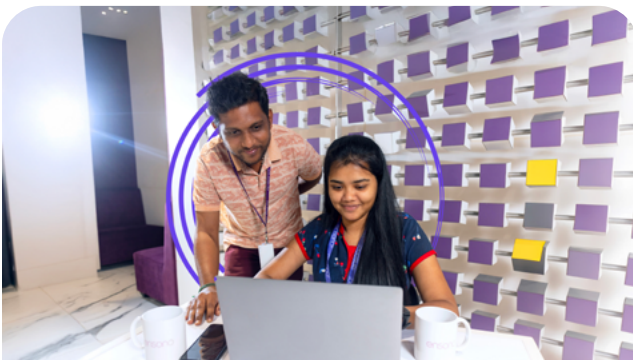
 24/7 monitoring and operations: Always-on support with SLAs for uptime, performance, and incident response.

 Automation and AIOps: Reduced manual overhead through batch processing automation, system tuning, and anomaly detection.

 License aggregation and optimization: In some cases, providers bundle or renegotiate ISV contracts to reduce spend.

With MFaaS, you retain control over what matters, while offloading the cost and complexity of everything else.

It's important to note: MFaaS isn't all-or-nothing. The right solution adapts to your business needs, regulatory environment, and internal capabilities, making it a strong fit for organizations that want modernization without disruption.

How Ensono's MFaaS slashes total cost of ownership

For organizations grappling with mainframe costs, Ensono's Mainframe-as-a-Service (MFaaS) offers more than just operational relief. It provides a structured, measurable way to lower total cost of ownership while improving flexibility, scalability, and performance.

Through decades of mainframe experience and enterprise-grade managed services, Ensono has helped clients significantly reduce costs without abandoning the platforms their businesses depend on.

Read on to explore Ensono's five levers of mainframe cost optimization.

Five levers of mainframe cost optimization

1 Pay-by-MIPS consumption model

Traditional mainframe billing locks organizations into fixed licensing agreements, often based on peak usage rather than actual consumption. Ensono's MFaaS flips this model. This "pay-as-you-grow" approach enables:

- Scaling capacity up or down with business demand
- Avoiding overprovisioning and peak-year pricing
- Budget predictability through OpEx alignment

2 Automation and AIOps

Ensono integrates automation and artificial intelligence into its mainframe operations, using advanced analytics to predict issues before they occur and solve them in a fraction of the time.

- Fewer outages
- Accelerated incident response time
- Lower staffing costs through workload automation
- Continuous fine-tuning for improved system performance

3 Software optimization and vendor management

Legacy ISV contracts are notoriously expensive. Ensono's scale allows it to negotiate bulk licensing deals and pass those savings onto clients. It also assists with software swaps that replace outdated or overpriced tools with modern, cost-effective alternatives.

- Lower license renewal costs
- Reduced dependency on niche legacy vendors
- Better alignment of tools with actual usage

4 Elastic capacity and seasonal flexibility

Many industries face cyclical demand patterns—tax season, open enrollment, end-of-quarter reporting. MFaaS gives clients the ability to flex capacity during peak times without paying for it year-round.

- Eliminate the need for excess fixed infrastructure
- Improved performance during traffic spikes
- Cost efficiency tied to real business cycles

5 Mainframe talent pipeline

Ensono addresses the mainframe skills crisis head-on with its in-house Mainframe Academy, the only structured, continuous pipeline for mainframe professionals in the industry.

- Dedicated support from a growing pool of talent
- Less reliance on costly legacy engineers
- Long-term continuity and reduced labor risk

MFaaS success stories

State tackles mainframe talent shortage while cutting costs

A large US State's technology agency was confronting a shrinking mainframe talent pool and rising operational expenses. Ensono's MFaaS solution allowed the agency to retain control over core systems while outsourcing infrastructure management and accessing experienced mainframe professionals on demand. The transition delivered both stability and flexibility: two key priorities for a public-sector IT agency. **The agency achieved a 25 to 30% reduction in mainframe costs, while maintaining high service levels and mitigating staffing risk in a tight labor market.**

Kansas sees $1.8M annual savings from a shared services model

Faced with tight public sector budgets and growing infrastructure complexity, the State of Kansas sought a more cost-efficient and reliable mainframe strategy. Working with Ensono, the state migrated to a multi-tenant MFaaS environment, consolidating mainframe operations and benefiting from around-the-clock managed support. The new model also introduced enhanced disaster recovery capabilities and better governance controls. **The result was a 20% reduction in operational costs, generating $1.8 million in annual savings and a more scalable, sustainable IT footprint for the future.**

## Health insurer saves $50 million through mainframe optimization

A major U.S. health insurer was facing unsustainable mainframe costs and limited visibility into system performance. With millions of claims processed every day and rising expectations for availability and compliance, the company needed a smarter, more flexible approach. By transitioning to Ensono's MFaaS model, they shifted away from fixed infrastructure costs and labor-intensive management. Core operations were automated, real-time performance visibility was enabled through Ensono's Envision platform, and dedicated support enabled smooth operations. **Over five years, the company reduced mainframe spend by 40%, unlocking $50 million in cost savings while improving uptime, transparency, and agility.**

Time to rethink the way you manage your mainframe?

MFaaS offers a practical, cost-efficient alternative that gives organizations the ability to maintain their mission-critical systems while reducing total cost of ownership, simplifying operations, and bridging the talent gap with expert support.
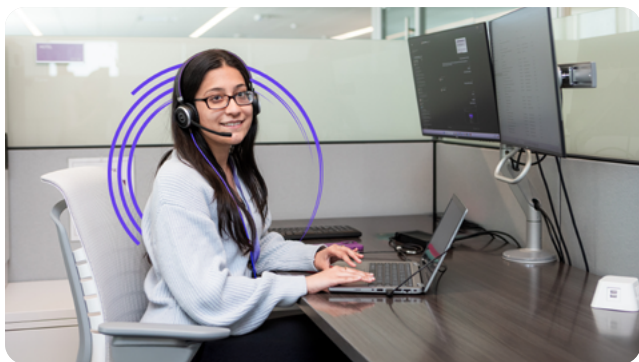
Learn more

Explore how Ensono can help you rethink mainframe management and reduce costs with MFaaS. If you'd like to discuss your needs, connect with us and one of our advisors will be in touch.

Let's connect

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