

Reduced OPEX Through Good IT / ICT Hygiene

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ICT/IT Infrastructure Financial Issues

- 50% to 70% of network problems are related to inadequate or underperforming cabling infrastructure (RealDecisions, Gartner, Yankee)
- 5% of the spend on cabling infrastructure is resulting as much as 10x the percentage (50%) of incidents and escalations
- IT Managers do not have visibility to installed cabling infrastructure and can't plan or make decisions without significant delay and expense-Layer 1 infrastructure is only about 5% of the IT spend, so budget and control are pushed to the remote site or campus
- Lack of management has created clogged pathways and inability to change/grow without major cost
- Corporate standards are +/- 30% compliance
- IT staff or contractors make multiple trips to the same sites and closets each year and never gather information that could be used in more efficient planning and reduce future visits
- Centralized management of cabling infrastructure could result in up to 30% savings in Opex

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Good Financial Hygiene

- Manage vs. Buy New
- Make Real-Time, Informed Decisions
- ITSM Best Practices
- Better ROI (Capex and Opex)
- Cascading Impacts



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Technology Stone Age

- Era of the Single Purchase Order (IBM, DEC, Big Iron)
- Deregulation & “Downsizing”
- Distributed Computing & Ethernet
- Commoditization of Technology
- Data Center Sprawl
- Data Center Virtualization
- Clouds
- Infrastructure Gridlock



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Manage vs. Buy New

The Circular Economy

- Google Data Center Case Study (2017)
- 2015 – 75% of components in spares were refurbished inventory
- Google custom builds its own servers from refurbished parts
- 2015 – 19% of Google servers deployed were remanufactured
- 2015 – Google sold 2 million IT assets into secondary market

Consider

- IT Assets (hardware and software have shortest lifecycle of any capital asset class)
- Financial savings of proper management is enormous
- Emerging best practice is Manage vs. Buy New



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Make Real-Time, Informed Decisions

- Focus on the business outcome, not the work
- Stop solving problems the hard way and let trusted data do the work for you
- Avoid – “Don’t confuse me with the facts, I know what I believe!”
- Accept that bottoms up may be the best approach



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Cost-Benefit of Real Time Decisions

- CIO wants to implement VoIP across enterprise
- 92 Campuses in 60 countries, 282 data centers
- Managed services contract in place that ignored infrastructure documentation
- Could not budget for VoIP rollout
- Required \$6M spend for audit and gap analysis
- Spreadsheet containing audit data – 3.5 TB
- Total time to create VoIP budget took 20 engineers, 9 months and \$6M
- Led to strategy to capture ITAM data during ITSM process – centralized, updated Asset Mgmt. Database
- Reduced visits to closets from 5 per closet per year down to 2 per closet, per year



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IT Service Management (ITSM) Opex Impact

- Standardize - Reduces cost
 - Technical and administrative standards
- Control contractor output
 - Standardize across all contractors
 - Manage data collection (construction and MAC's)
- Manage Service Level Agreements (SLA)

Service Measurement
Availability
Capacity Management
Knowledge Management
Change Management
Problem Management
Event Management
Configuration Management
Incident Management
Supplier Management

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IT Service Management (ITSM) Opex Impact

- 2008 – Global Service Provider signs largest IT outsourcing deal in history
- 1,500 sites – 66 countries – 475,000 data points
- Consists of 10 areas of managed services
- Module 10 SLA was to clean up and document closets and small data centers
- Modules 1-9 met SLA requirements
- Module 10 triggered the maximum SLA penalty every month for 4 years
- 2012 – Client advised MSP that contract would not be renewed because of Module 10
- 2013 5 Year Renewal Signed – ITIL compliant processes and database implemented (ITAM, CMDB and ITSM Deliverables)

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Better ROI (Capex and Opex)

- Use trusted data to reduce Day 2 Opex
- More efficient tickets in multi-site, multilingual environment
- Eliminate Cost of Reverse Engineering
- Reduced technician travel
- 30% Lower Opex through Corporate Standard compliance



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Cascading Impacts

- Solve the right problems
- Solve them one time
- Congested pathways
- Reverse engineering
- Down time during failure



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Impact of Bad Hygiene Decisions

- Increased capital costs
- Increased operational cost
 - No visibility to capacity
 - No visibility to dependencies
 - No Lifecycle information
 - Poor change management



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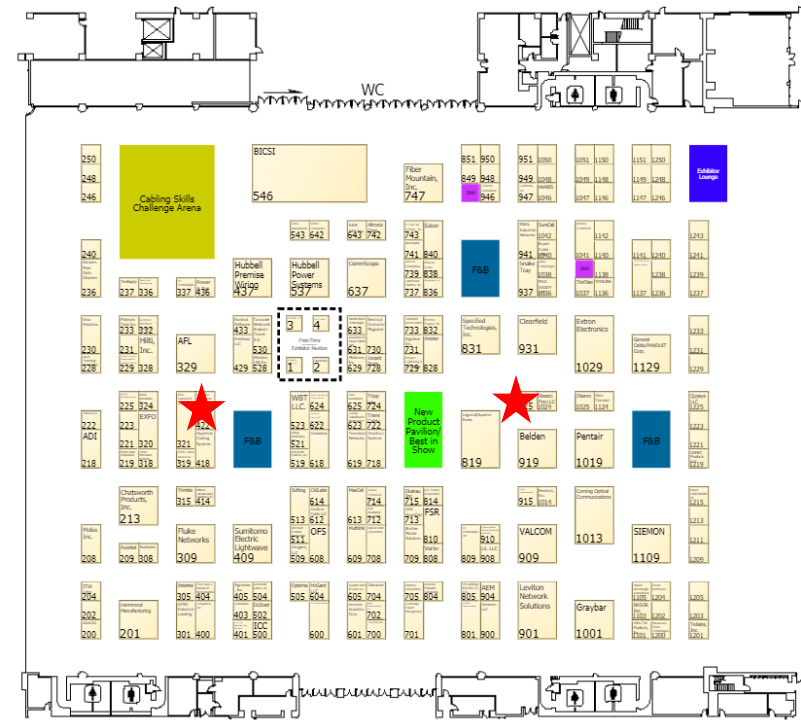
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This week I'll be:

- AssetGen Booth #925
- Dura-Line Booth #422



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