

IMPACT DC CONSOLIDATION, THE HYBRID WAY

Cloud eliminates over-provisioning, boost server utilisation rates and helps in consolidating DC

Enterprises are evolving from a virtualised IT environment to private/hybrid cloud environments with a clear strategy on Data Centre consolidation.

Until two years ago, data centre consolidation strategy was mainly single dimensional. Customers with a large data centre footprint were looking to virtualise their IT workloads and reduce the footprint. This meant significant cost reduction and some operational benefits. It was driven more by CIOs and IT, and was tactical in nature.

Mandar Kulkarni, Senior Vice President, Solutions Engineering & Private Cloud Practice, Netmagic, says, "With cloud becoming mainstream, this has changed. Cloud is not a tactical but a strategic decision. It is part of the IT strategy of almost all organisations. The cloud push is not limited to IT and CIO, but is supported or pushed aggressively by CTOs / CFOs and CMOs."

Kulkarni points out two clear trends in the way organisations are adopting cloud:

- Organisations with no significant IT or data centre footprint--these clearly have cloud as a major part of their IT strategy. When they are creating their IT landscape, a thought that would typically exist would be about what can be used from cloud. IT / data centre footprint is created only for something which cannot be hosted / used from cloud. These are typically start-ups, ecommerce companies, SMBs, which are seeing an increased IT adoption in their businesses, etc.
- The second type of organisations which already have a lot of IT and data center footprint--they are using hybrid cloud to make this transformational journey to cloud. They are connecting their existing IT landscape to cloud using hybrid cloud strategy. In this category are large manufacturing companies, healthcare, BFSI companies that are getting big time on cloud. They are either deploying their newer applications on to the cloud straight away, while keeping their legacy

applications, governance, etc. as they are for the time being. Some of them are moving their entire test, development, UAT environment to cloud, keeping production either in-house or on hosted private cloud. This is clearly aided by the huge thrust on hybrid cloud environments in the last couple of years, both by customers and cloud service providers.

Another factor fuelling cloud adoption is the flexibility that it allows in the entire buying, using, discontinuing process. Both IT and non-IT (CMO/businesses) have benefited from it and have pushed it in organisations.

Impact of Hybrid Cloud on DC Consolidation

Hybrid cloud has had the biggest impact on DC consolidation. It allows customers to escape the 'all or nothing' trap. They can choose to move fringe applications, test/development/UAT environments, their vendor systems, HR systems, etc. on to cloud without any issues while keeping sensitive/



compliance controlled systems in-house or on hosted private cloud. This helps the organisations get on the cloud bandwagon quickly.

By using a hybrid cloud, enterprises can potentially eliminate over-provisioning, boost server utilisation rates and limit the environmental impact of their IT infrastructure.

Brajendra Kumar, Dy. Chief Engineer (Tel, AFC & IT), Bangalore Metro Rail Corporation (BMRTC) says, “The path of DC consolidation through Hybrid cloud has its own advantages which are well known. However, care needs to be taken to see that the real objectives are met. There tends to be a fundamental shift in emphasis and philosophy from the application to the network. The network is as critical as a delivery mechanism. It has to be seen that a particular application delivers to the business the same or better user experience and

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accessibility, irrespective of its hosted location.”

Hybrid Cloud also helps in reducing the cost which is the biggest factor. Rising power costs have had a cascading effect. A lot of the non-IT cost of data centres has been rising, whether it is power, maintenance, fuel, manpower, etc. In addition, cloud adoption is becoming mainstream, CFOs are asking questions not only on the CapEx costs of IT but also OpEx cost of maintaining data centre footprints. Operations benefits like better availability, quick provisioning, automation, scalability, etc. have been other advantages of cloud adoption.

Kumar is planning for data centre consolidation with a vision to move from disparate IT asset holdings to a hybrid cloud environment. “However, we need to ensure that

application performance should not come down. If that happens, remedial action will be required. It may be a new WAN optimisation tool or re-designing of the network to restore the performance. Similarly, cutting down the number of servers is pretty good, but we should not forget the middle layer--caching, proxy and SSL. It may leave an environment which may be as complex as the one it was supposed to replace.”

By maximising the power of these contract-agnostic SOOs for Cloud Migration Services, agencies can more easily and efficiently move legacy systems to the cloud and plan better for the future development of new cloud applications and strategies. This allows agencies to realise cost savings more quickly through increased acquisition efficiency, agility, and innovation. It also decreases the time needed to retire duplicative or inefficient data centres.