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NEW REPORT REVEALS FEDERAL DATA CENTER CONSOLIDATION INITIATIVE PAIN POINTS

Feds on Board with Consolidation; Need More Guidance on Timelines and Path to Meet Goals

Alexandria, Va., June 22, 2010 – MeriTalk (www.meritalk.com), the government IT network, today announced the results of the “2010 Federal Data Center Demolition Derby” study, which examines perceptions of the Federal Data Center Consolidation Initiative guidance, key pain points, and recommendations to meet consolidation goals. Underwritten by NetApp, the study reveals that although the Federal IT community is on board with the idea of consolidation, many are unclear of the Federal Data Center Consolidation Initiative’s objectives, the timeline outlined, and the path to meet the initiative’s goals.

This new report comes shortly after the White House’s Presidential Memorandum issued on June 10, 2010, “Disposing of Unneeded Federal Real Estate,” which calls on Federal agencies to reduce excess spending, specifically addressing data center consolidation opportunities within and across agencies. This Presidential Memorandum follows the Office of Management and Budget (OMB) release of the Federal Data Center Consolidation Initiative on February 22, 2010, which outlined a phased approach for Federal agency consolidation, including specific deadlines and milestones.

In order to allow Federal agencies to fully realize the Federal Data Center Initiative’s goals – reducing costs, lowering energy consumption, improving IT security, and enabling the shift to more efficient computing platforms, such as cloud computing – and allow agencies to meet the White House’s requirements, the new report calls on OMB to improve the guidance by:

- Promoting the full spectrum of the initiative’s objectives

- Updating the consolidation timelines and clarifying expectations
- Confronting the larger cultural issues at play within Federal agencies that are undermining consolidation efforts

According to the report, 63 percent of Federal IT executives are confident that consolidation will happen; however 74 percent believe that the goals of the Federal Data Center Consolidation Initiative will not be achieved by the timeline outlined in the guidance. Of the 37 percent who are on the fence regarding whether or not consolidation will really happen, 12 percent indicate that the initiative will not result in any reduction of Federal data centers at all. Of note, while OMB states there are some 1,100 data centers in the Federal civilian government, the Federal IT community is unclear on the target number of data centers following the successful consolidation – 13 percent say 900; 17 percent say 700; 14 percent say 500; and 19 percent say 300.

Why are some still skeptical about consolidation actually happening? Eighty-six percent of respondents say that government culture is the top consolidation obstacle. Though 76 percent agree that shared infrastructure platforms are the best option, only 51 percent say that it would be realistic for their agency to give up its data centers and utilize services from another agency. Further, 47 percent say they would be concerned about utilizing a data center from a private company.

Additionally, OMB and the Obama administration have called the cloud a key consolidation enabler, but the Federal IT community remains cautiously optimistic regarding their Federal cloud computing vision:

- Forty-five percent think that OMB's cloud plans are realistic
- Sixty-two percent think it will take up to five years for their agency to shift to cloud computing as its primary processing environment

“This new study sheds light on the gap between the vision outlined in the OMB guidance and the detailed execution required by the Federal agency data center leads as they move toward meeting the deadlines and milestones outlined in the Federal Data Center Consolidation Initiative,” said Mark Weber, president of U.S. Public Sector at NetApp. “We conducted this survey shortly after the initiative’s April 30th deadline for agencies to conduct initial data center audits – as Feds were in the midst of compliance. Dovetailing off the White House’s memorandum, this report

reveals a timely opportunity for OMB to improve guidance, set realistic timelines, and clarify the goals to allow Federal agencies to reap the initiative's benefits.”

The “2010 Federal Data Center Demolition Derby” report is based on an in-person survey of 143 Federal IT professionals and systems integrators in May 2010 at the “1,100 – How Many Federal Data Centers Does It Take...” event in Washington, D.C. To download the full study results, please visit www.meritalk.com/datacenterdemolition.

About MeriTalk

The voice of tomorrow's government today, MeriTalk is an online community that combines professional networking and thought leadership to drive the government IT community dialogue. Developed as a partnership among the Federal Business Council, Federal Employee Defense Services, Federal Managers Association, GovLoop, National Treasury Employees Union, USO, and WTOP/WFED radio, MeriTalk is a community network. For more information, visit www.meritalk.com or follow us on Twitter, @meritalk.

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