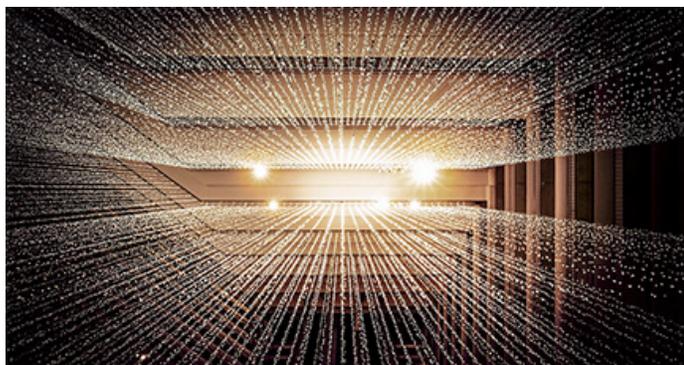


# THE CHALLENGES AND REWARDS OF MODERNIZING DATA CENTERS

## Introduction

It's accepted wisdom that the ability to bring new applications and services to market quickly is key to success in today's fast-moving marketplaces. Consequently, organizations are adopting public cloud services, or implementing a hybrid cloud strategy, because they deliver business agility that internal IT often cannot. However, while businesses recognize the need to modernize data centers and complete the journey to a hybrid cloud and software-defined data center (SDDC), they are still facing significant challenges.



## Modernize the Data Center

According to Muneib Minhazuddin, VMware's vice president of solutions product marketing, apps are driving changes in enterprise infrastructure. Companies born in the cloud are able to integrate a modern data center into their operations from the beginning. The challenge most other businesses face, however, is how to evolve existing infrastructure to take advantage of new capabilities offered by cloud-native apps without losing critical functionality from the legacy technology on which the business relies.

In order to help companies understand how to navigate this transition, Minhazuddin often begins with a discussion about the organization's applications. "It's about mapping for the future," he says. "I'll ask them: 'Where do you run your workloads now? On premises? In the public cloud? Okay, where do you want to be in 12 months? 36 months?' Once that's understood, a company can build out a plan of action for transformation."

## Software and Automation

"Modernizing data centers is about changing the organization's mindset from hardware to software, and embracing automation," says Minhazuddin. "Companies mistakenly think they're automated when they run scripts, but if the hardware changes, the company must then rewrite those scripts. That's not true automation, which means delegating to the software."

Companies that are modernizing should also understand change isn't limited to technology; it will also prompt modifications to the roles of existing staff and the policies needed to accomplish work efficiently. In many cases, that means updating technologies that have been developed over years, that are specific to the business, and that have been working reliably.

"If it isn't broke, why fix it? Companies want to evolve and see the value of modernization, but they're stuck with legacy technologies and are not sure how to change," says Minhazuddin. "At the same time, they know that if they don't modernize, they risk falling behind their competitors who are bringing products to market faster using innovative technologies. Our role is to help them understand how to digitally transform their business."

## Bottom-Line Savings and Top-Line Growth

Complicating the shift away from a hardware-centric infrastructure model is the reality that the immediate benefits of modernization may be difficult to demonstrate to the C-suite. An SDDC model will deliver ROI and cost-savings through automation, reduced labor costs, improved security, and simplified IT management, but, initially, organizational output will remain relatively stable.

“There are immediate bottom-line savings, but there is enormous top-line value, too, like driving new business models,” says Minhazuddin. “Once a business makes the change to SDDC, it becomes far more agile and able to respond to business needs much faster. For example, one of our customers is a regional bank in Asia. Modernizing their infrastructure enabled them to bring new products to market in six weeks instead of six months. Using this new agility, they jumped from 18th to number five in the personal loan market. “

Improved agility enhances go-to-market strategies and drives innovation. New apps and services can be quickly developed, tested, and improved through accelerated iteration. In addition, modern data centers enable companies to scale up to meet demand and, equally as important, to scale down after peak times. Retailers, for instance, often need much more capacity during the holidays than at other times of the year.

“Businesses that modernize their data centers will save money, innovate better, and react to market changes more quickly,” states Minhazuddin. “Businesses that don’t will innovate more slowly, and they will spend increasing amounts of time and money attending to hardware infrastructure issues and workarounds.”

Minhazuddin advises companies to modernize their data centers with IT initiatives that focus on automating manual IT processes, modernizing infrastructure with virtualization software across the entire data center stack, incorporating unified management, and laying the foundation for running both traditional and modern cloud-native applications.

“It’s about asking where you see the value of IT in the business. Do you want IT to remain a cost center, or do you want to transform it into a profit center?” asks Minhazuddin. “Modernizing your data center is about empowering the business, not the infrastructure.”

