The FDCCI Big Squeeze

May 13, 2013

Underwritten by:

The Federal Data Center Consolidation Initiative (FDCCI) is a government-wide effort to reduce the complexity and costs associated with operating multiple data centers.

With the consolidation of data centers, agencies can save money and boost efficiency. So where are agencies with FDCCI efforts? Are we on track to close 1,200 data centers by 2015? Will our efforts pay off?

MeriTalk, on behalf of NetApp, surveyed 66 Federal IT professionals to check the pulse of Federal data center consolidation efforts. This study provides a midterm report on FDCCI, highlights successes to date, and identifies barriers still holding agencies back.

- According to Federal IT professionals, agencies are making **consolidation progress**:

  - Nearly three out of four Feds (71%) say their agency has closed data centers
  - According to Feds, an average of 31 data centers per agency have already been closed

- But, consolidation is not without **challenges**:

  - More than half (56%) of Feds graded their agency's consolidation efforts at 'C' or below

  - Only half (50%) of Feds believe their agency is on target to close 1,200 data centers by 2015

- Feds see benefits but are unsure of **cost savings**:

  - Feds see better use of IT staff (60%), reduced energy consumption (57%), and increased use of new platforms and technology (47%) as key benefits of consolidation

  - However, only 32 percent of agencies report quantifiable cost savings

- Most Feds report data center consolidation activity, including FDCCI-required inventory and consolidation plan submissions

Nearly **three out of four** Feds (71%) say their agency has closed data centers as part of FDCCI

FDCCI Checkpoints:

✓ **89%** have submitted a complete data center inventory

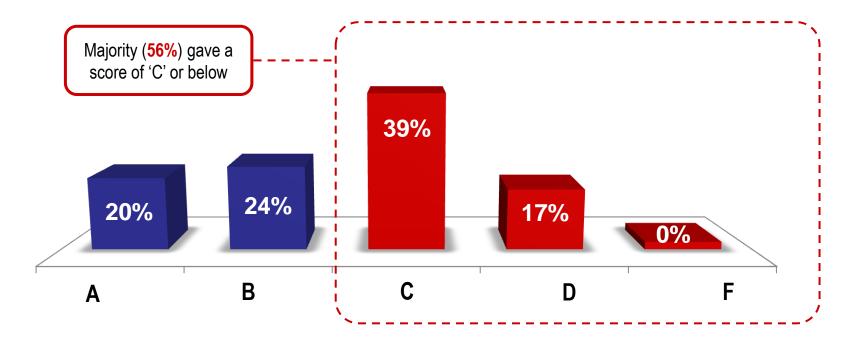✓ **86%** have submitted a complete data center consolidation plan

Respondents estimate their agencies have shut down an average of **31 data centers** as part of FDCCI efforts

Take Away: **Points for Participation**

- Still, IT is not impressed with overall agency consolidation efforts

How would you rate your agency's data center consolidation efforts to date?

Majority (**56%**) gave a score of 'C' or below

A	B	C	D	F
20%	24%	39%	17%	0%

Take Away: **Overall Efforts Remain Low**

- Many are skeptical about Fed's ability to meet the 2015 goal

Do you think that Federal agencies are on target to close 1,200 data centers by 2015?

50% say yes

50% say no

Which is the most likely?

55%
Agencies will meet the 2015 deadline for closing 1,200 data centers

45%
The Redskins will win the 2014 Super Bowl; Another large meteor will hit the Earth; I will win the lottery

Take Away: **Pass/Fail Unclear**

- Agencies see benefits, but quantifiable savings are not the norm

What benefits has your agency experienced as a result of data center consolidation?*

✓	Better use of IT staff	**60%**
✓	Reduced energy consumption	**57%**
✓	Increased use of new, more efficient computing platforms and technologies	**47%**
✓	Improved IT security	**38%**
✓	Quantifiable cost savings	**32%**

Feds expect the biggest savings to come from operations and energy

Take Away: **Some Motivation, But Few Hard Numbers**

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*Respondents asked to select all that apply

- Uncertainty around cost savings may be holding agencies back

Will the cost of closing data centers outweigh the amount of savings your agency will realize?

CLOSED Sorry we're

Yes – 16%

No – 31%

Unsure – 53%

What are the primary challenges in Federal data center consolidation?*

- ❖ Finding budget for consolidation (48%)

- ❖ Overcoming mission owner objections (45%)

- ❖ Shutting down or consolidating applications (33%)

- ❖ Security issues (18%)
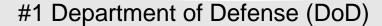
- ❖ Completing data center inventories (15%)

Take Away: **Clarify the Incentive**

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*Respondents asked to select all that apply

- Agencies recognize data center consolidation role models, strive to measure up

Besides your own, which agency is doing the best job of consolidating its data centers?

#1 Department of Defense (DoD)

#2 Department of Homeland Security (DHS)

#3 National Oceanic and Atmospheric Administration (NOAA)

Take Away: **Study with the Best**

- **Praise participation** – Showcase agencies that meet FDCCI checkpoints and encourage others to comply

- **Create tools** – Develop better tools to demonstrate consolidation cost savings

- **Secure buy-in** – Share cost savings numbers with mission owners to demonstrate WIIFM

- MeriTalk, on behalf of NetApp, conducted an in-person survey of 66 Federal government IT professionals in March 2013. The report has a margin of error of ± 12.06% at a 95% confidence level

Job functions:	
3%	Chief Information Officer/Chief Technology Officer
19%	Data Center Manager
35%	Other IT Manager
19%	Analyst/Data Scientist
3%	Network Administrator
6%	Business Development
3%	Contractor/Consultant
10%	Other

Thank You

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