Anh Tien Nguyen

MIS 3406

Flash Research Assignment I

Investing in the "Tier III" data center would help our firm to generate 13 million of dollars for the 3-year benefit. The "Tier III" data center would reduce the amount of downtime that we're experiencing with the "Tier I" data center. Therefore, the new "Tier III" data center needs to be implemented.

Downtime definitely has a big negative impact on any organization, and its consequences include losing opportunity, productivity, confidence, damaging reputation, and creating Service Level Agreements penalties. Currently, we're facing 0.33% chance of having outages with our "Tier I" data center. However, if we install the "Tier III" data center, there will only be a 0.02% chance that we experience outages. While this change in percentage might seem small, the downtime cost that we face will decrease significantly. At the moment, we are experiencing 1,734.48 downtime minutes per year, and it will decrease significantly to 105.12 downtime minutes per year if we have "Tier III" data center. Not only does "Tier III" data center has both capabilities of "Tier I and II" data center, but it also includes the redundant capacity and data center infrastructure components. Another technical feature that "Tier III" data center carries is that it is simultaneously viable because computer device gets supported by its multiple distribution paths.

It is possible to reduce the downtime cost from $25,670,304 to $1,555,776 per year. Our benefit over 3 years is $48,229,056 if we switch over to "Tier III" data. Although the investment cost for "Tier III" data center is $35,000,000, our 3-year net benefit is $13,229,056.

Work Cited

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