David Durkee

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Virtualization and Cloud Computing

Virtualizing our servers using VMware would have a three-year net benefit of $9,200,000 for our company. Right now, we have 1,000 servers and after consolidating the machines using VMware, we would only require 280 servers to operate, saving millions on hardware maintenance costs.

The key capability of using virtual machines, or VMware, is that the servers are far more efficient. One VMware server can consolidate 10 of our current servers into just 1. Right now, we have 1,000 physical servers and 80% are compatible with VMware so after implementation, we would only need 280. Upgrading to these far more efficient virtual machines would eliminate the costs the actual hardware, and the costs of tech support and maintenance for 720 machines.

If we decide against the server upgrade, it will cost us $14,000,000 for implementation and maintenance for the next 3 years. On the contrary, the new VMware system would cost $4,800,000. The upgraded virtual system would reduce the need for 720 physical servers and produce a net benefit of $9,200,000 over the next three years.

Works Cited

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