Jake Hofmann

Professor Doyle

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Virtualization and Cloud Computing

The relocation of 800 (80%) of our 1,000 current servers to a virtual server platform under VMware would create a net benefit of $9,200,000 over the course of three years. These virtual servers would consolidate up to ten of our existing physical servers to a single virtual machine server.

Virtual machine servers will allow us to condense ten existing physical servers to one virtual machine server. Making this change will decrease server sprawl while increasing utilization efficiency from 5-10% to nearly 80% by running each server as a virtual machine from the underlying hardware. The ability to condense so many virtual machines per unit of hardware compared to housing a single physical machine per unit of hardware allows us to get the most value out of our purchases.

The movement of servers to a virtual machine platform will result in a three-year, cost-saving benefit of $14,000,000 due to not having to purchase hardware for new physical servers. The cost of implementing the new system would be $4,800,000 for the movement of physical servers to virtual servers, hardware for physical servers, hardware maintenance, software maintenance, technical support, power, and cooling. As a result, the net benefit over three years would be $9,200,000.

Works Cited

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