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Virtualization and Cloud Computing

To keep our company growing more efficiently we have an opportunity that will save us \$9,200,000 over 3 years' period by transferring 80% of our server to VMware. The key capability is consolidation which will help us save millions of dollars every year.

The key capability that virtualization has to offer is consolidation that allows us to have one VMware instead of ten physical servers. Server consolidation increases the effective utilization of server hardware. Which includes greater computing efficiency, lower power and cooling costs, and flexibility to migrate data between physical servers. By adding these features to our system we save money and we will observe an overall improvement in company functionality.

Our current costs in three years on servers is 14 million; appose to upgrading to the VMware we will pay 4.8 million. Which means we will be able to save 9.2 million dollars in a period of three years. By investing in virtualization we will save money now and in the future.

Years	Physical servers	VMware	Savings
Year 1	10,000,000	3,520,000	6,480,000
Year 2	2,000,000	640,000	1,360,000
Total	14,000,000	4,800,000	9,200,000

<http://searchdatacenter.techtarget.com/tip/Consolidation-and-virtualization-The-same-but-different>

<http://www.infoworld.com/article/2621446/server-virtualization/server-virtualization-top-10-benefits-of-server-virtualization.html>

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