MIS 2501 Josh Veloso

Flash Research Assignment 1 9/20/16

Data Centers and Networking

Our company will save $13,229,056 over three years by switching to a Tier III Data Center. The operation problems that have negatively impacted our income, root back to the downtime caused by our current Tier I Data Center. A Tier III Data Center will reduce downtime from 1734.48 minutes to just 105.12 minutes.

Tier III Data Centers have multiple capacity components and distribution paths that serve the critical environment. This means that these components can be removed from service without impacting the critical environment. The 99.98% availability that the Tier III Data Center is much superior to the 99.67% availability the Tier I Data Center provides. Furthermore, maintenance does not require like a Tier I Data Center, which further decreases downtime. A Tier III Data Center will allow us to operate more effectively and efficiently with less downtime.

A Tier III Data Center will save our company $13,229,056 over three years. The initial cost of building the data center is $35,000. However, the reduced amount of downtime will save our company $8,229,056 over the next three years.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Year 1 | Year 2 | Year 3 | Total |
| Cost | 35,000,000 | 0 | 0 | 35,000,000 |
| Benefits | 0 | 24, 114,528 | 24,114,528 | 48,229,056 |
|  |  |  | NET BENEFIT | 13,229,056 |

References

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