Our company can save $32,000 by investing in a storage area network system for our file servers. A storage area network, or SAN, connects numerous storage devices in order to increase accessibility of data. Currently, our company uses traditional storage where integration of data is non-existent, resulting in isolated and redundant information. While traditional storage costs $50 per TB, storage on the SAN costs a mere $10 more. Our company requires a total 1,000 TB of traditional storage space, but would only require 600 TB of storage utilizing a storage area network.

A storage area network allows for efficient retrieval of information due to its accessibility by all computers connected to the network. The key capability of a storage area network is the ability to consolidate multiple, independent file servers into one easily-accessible file server. Because our departments often work together, it is important that they are equally able to access necessary information on the server. Duplicated information in each department’s server uses unnecessary storage space/capacity, decreasing application availability and performance. With a SAN, consolidation eliminates duplicated data, leading to decreased storage capacity requirements (1,000 TB to 600 TB) for our company.

The storage area network requires an $118,000 investment, which includes maintenance and general administration costs over a three year period. Our company requires 1,000 TB of storage under our current storage system, for a total cost of $150,000 over a three year period (including maintenance costs). We can save $32,000 over a three year period by implementing this technology. An additional benefit to our company is the reduction in storage requirements from 1,000 TB to 600 TB, resulting in a decrease of $20,000 in storage costs alone. Implementing this technology will increase data availability, eliminate redundant data, and facilitate integration among departments.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **AS-IS COSTS:** |  |  |  |  |
| **Costs** | **year 1** | **year 2** | **year 3** | **TOTAL** |
| Traditional Storage  *(hardware/software)* 100 TB @ $50/year | 50,000 | 50,000 | 50,000 | 150,000 |
| Maintenance (annual/monthly) | (*included)* | (*included)* | (*included)* |  |
|  |  |  |  | **$150,000** |
|  |  |  |  |  |
| **TO BE COSTS:** |  |  |  |  |
| **Costs** | **year 1** | **year 2** | **year 3** | **TOTAL** |
| Storage Area Network (SAN)  *(hardware/software)* | 10,000 | 0 | 0 | 10,000 |
| Maintenance (annual/monthly) | 36,000 | 36,000 | 36,000 | 108,000 |
|  |  |  |  | **$118,000** |

Works Cited

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