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Virtualization and Cloud Computing

Updating the Datacenter with virtual machine servers would save the company \$6.4 million in initial server costs. Creating a private cloud with the virtual machine servers would also increase datacenter responsiveness by reducing redundant tasks and its ability to utilize automated processes.

While using a private cloud users can access the network with multiple devices such as smartphones and laptops. Individual usage can be tracked and monitored and each user can access the required computing needs without having to interact with another human. The Datacenter can be minimized because significantly less servers would be need since one virtual machine server can run what 10 physical servers could.

Virtual machine servers would cost the company \$2.2 million in the investment period compared to the \$12 million traditional servers would cost. Although virtual machine servers are twice the price and cost \$1,000 more in maintenance, only 100 servers would be needed opposed to 1000 tradition servers. Compared to traditional servers the investment period savings in \$9.8 million and \$1.6 million a year after that.

<http://www.dell.com/learn/us/en/555/virtual-data-center-strategy?c=us&l=en&s=biz&cs=555>

<http://blogs.cisco.com/smallbusiness/cloud-computing-vs-virtualization-the-differences-and-benefits/>