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MeriTalk Federal Data Center Study Says Uncle Sam Can Save \$10 Billion Through Modernization

Just 11 Percent of Federal IT Managers Believe Their Data Centers Are Ready to Meet Agency Missions Today

Alexandria, Va., March 29, 2016 – MeriTalk, a public-private partnership focused on improving the outcomes of government IT, today announced the results of its new report, "Flash Forward – The Future of the Federal Data Center." The study, underwritten by Pure Storage, reveals that just 11 percent of Federal IT managers say their data centers are "fully equipped" to meet their agency's current mission demands. The five-year outlook is even worse, with less than 5 percent reporting their data centers have the security, speed, and capacity they need to meet the data center demands of 2021.

The "Flash Forward" report asked 150 Federal IT/data center professionals to predict and examine the future of Federal data centers across five pillars – power consumption, capacity, physical footprint, speed, and security. Looking ahead five years to 2021, Federal IT managers believe they need to make significant data center improvements to meet agency missions. These improvements promise huge savings. More than half (60 percent) of respondents say their agency would save at least 20 percent of their IT budget if they successfully address data center power consumption, capacity, footprint, speed, and security – that's nearly \$10 billion in annual savings.

Federal IT managers are particularly concerned about data center security – 97 percent report their agency needs to improve security by 2021. To improve security, Feds say they need to invest in further security measures (44 percent), establish or enhance employee security policies and best practices (43 percent), and hire additional cyber security professionals (43 percent).

However, security isn't the only opportunity. Eighty-eight percent of respondents assert they'll need to reduce power consumption by 2021 and 82 percent say they need to shrink their data center footprint. In addition, Feds suggest nearly doubling the number of systems in the cloud over the next five years, from 28 percent to 48 percent.

While Federal IT managers say moving applications to the cloud and improving data center management are critical for their data center future, few Federal agencies are prepared. Only 47 percent have established a leadership team and only 42 percent have a formal vision for the future. Additional barriers holding agencies back from realizing their data center potential include budget (50 percent), legacy systems (29 percent), bandwidth or capacity (29 percent), and security policies (29 percent).

"With the passage of FITARA, and the Cloud Infrastructure Transition Act on the launch pad, Federal IT efficiency is poised for radical change," said Dan Heydenfeldt, vice president, public sector and healthcare, Pure Storage. "This new study sheds light on the gap between today's data center reality and tomorrow's requirement. Seventy-three cents of every Federal IT dollar invested today is spent on legacy infrastructure. We need to invest in intelligent solutions to determine which workloads move to the cloud and which remain on-prem while ensuring that all aspects of the data center – network, compute, and storage – are fast, dense, and a lower cost."

Looking downfield at 2021 relative to data center and IT management mandates, Feds question their agencies' ability to win. While 63 percent assert that the decision to place the Federal Data Center Consolidation Imitative – FDCCI – under FITARA is a good thing, only 47 percent believe their agency will meet FITARA requirements. Interestingly, respondents are more confident about FDCCI – 55 percent assert their agencies will meet the efficiency mandate. Still more promising, six out of 10 agencies say their agency will comply with Cloud First by 2021.

"When asked why he kept robbing banks, Will Sutton quipped, 'Because that's where they keep the money," said Steve O'Keeffe, founder, MeriTalk. "Federal Data Centers are the banks for Federal IT. If you want to realize real savings, who could afford to sneeze at \$10 billion? The IT revolving capital fund in the President's budget will play a significant role in enabling Federal data center modernization to unlock these savings."

"Flash Forward – The Future of the Federal Data Center" is based on an online survey of 150 Federal IT managers familiar with the current and future state of their agency's data center in January and February 2016. The report has a margin of error of ±7.97% at a 95% confidence level. To download the full report, please visit https://www.meritalk.com/study/flash-forward/.

About MeriTalk

The voice of tomorrow's government today, MeriTalk is a public-private partnership focused on improving the outcomes of government IT. Focusing on government's hot-button issues, MeriTalk hosts Big Data Exchange, Cloud Computing Exchange, Cyber Security Exchange, and Data Center Exchange – platforms dedicated to supporting public-private dialogue and collaboration. MeriTalk connects with an audience of 115,000 government community contacts. For more information, visit www.meritalk.com or follow us on Twitter, @meritalk. MeriTalk is a 300Brand organization.