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Mix of IT Initiatives Offer Compelling, Immediate Savings for Federal Agencies – As Much As \$20 Billion on the Table

Existing Infrastructure Preventing Savings with Two Thirds of Federal Network Managers Saying Their Networks Are Not Sufficient to Deliver Cost-saving Initiatives

Alexandria, Va., April 28, 2014 – [MeriTalk](#), a public-private partnership focused on improving the outcomes of government IT, today announced the results of its new report, “[Show Me the Money: The Key to Doubling Agency Savings](#).” The study, underwritten by [Brocade](#), reveals that Federal agencies are making progress on a series of key IT initiatives – consolidation, virtualization, cloud computing, remote access, and infrastructure diversification – but are leaving a significant amount of money on the table. According to the report, by fully leveraging all five initiatives, network managers believe they could save 24 percent of their IT budgets – or approximately a combined \$19.7 billion annually – more than double their current savings.

However, existing networks present a significant barrier. While respondents identify the network as the IT infrastructure component most vital to enabling efficiencies and cost-savings opportunities, two thirds of Federal network managers say their networks are ill equipped to meet their mission needs, let alone support new technology initiatives.

Federal agencies are making notable progress with remote access and consolidation initiatives, with 70 percent and 62 percent, respectively, partially or fully deployed. However, while agencies identify consolidation as the greatest savings opportunity, they currently are only capturing 40 percent of potential savings.

Agencies also must accelerate cloud computing, virtualization, and infrastructure diversification deployments to drive savings. While respondents agree additional vendor

competition would reduce IT acquisition, service, and maintenance costs, very few agencies – just 15 percent – are fully diversified. In addition, just 14 percent of agencies have completed virtualization initiatives, thus missing out on another \$2.7 billion in possible savings. Federal agencies have the most to gain with cloud computing, as only nine percent of respondents are fully deployed – leaving a collective \$3.2 billion up for grabs.

“The U.S. Federal Government has the potential to drive an additional \$11.2 billion in annual savings by fully leveraging consolidation, virtualization, cloud computing, remote access, and infrastructure diversification,” said Anthony Robbins, vice president Federal, Brocade. “Agencies should focus on the network to improve capacity, connections, reliability, and security, and consider moving systems and applications to the cloud to generate additional savings.”

The majority of survey respondents note that network issues such as poor connections, service disruptions, or downtime impact their agency mission at least bimonthly. On average, respondents say that they would need to increase capacity by 26 percent to support these five key infrastructure initiatives and realize long-term savings.

“The network is the yellow brick road,” said Stephen O’Keeffe, founder, MeriTalk. “It’s in disrepair – pot holes and puddles. If Uncle Sam doesn’t make repairs, we’ll never get to Oz – or realize the savings potential of IT transformation.”

“Show Me the Money: The Key to Doubling Agency Savings” is based on an online survey of 300 Federal network managers in February 2014. The report has a margin of error of +/- 5.62 percent at a 95 percent confidence level. To download the full study, please visit www.meritalk.com/fedsaver.

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 85,000 government community contacts. For

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