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**19% of all Higher Education IT Purchases Are Made Outside of Central IT;
U.S. Campuses Spending \$4 Billion Annually on Unmanaged, Unmeasured Investments**

HED IT Pros Point to Cloud and Software-Defined as Keys to Progress

Alexandria, Va., August 4, 2014 – [MeriTalk](#), a public-private partnership focused on improving the outcomes of government IT, today announced the results of its new report, “[Cloud Campus: The Software-Defined College](#).” The study, underwritten by [VMware](#) and [Carahsoft](#), reveals the size of the higher education (HED) cloud market – \$4.4 billion – and that 19 percent of HED IT spending, or \$4 billion per year, is done outside of the central IT function. The study further reveals that HED IT pros estimate 18 percent of their IT systems are redundant, costing U.S. HED institutions \$3.8 billion annually.

At the same time, institutions are struggling to keep up with growing IT requirements. Eighty-two percent of HED IT executives surveyed say their network is more complex today than two years ago, and there is no additional IT budget to support these new requirements. HED IT pros note that the primary factors driving the increased network complexity include increased use of mobile devices and mobility requirements (61 percent), an increase in diversity of IT needs among end users (57 percent), and an increased number of applications (50 percent).

As institutions turn to the cloud, their IT pros give current deployments mixed grades. When asked to rate their satisfaction with services they have deployed using a cloud model, 69 percent were satisfied with their learning management systems, 67 percent with their blended learning environments, 54 percent with their Massive Open Online Courses (MOOCs), and 47 percent with their Open Educational Resources (OERs).

Additionally, HED IT execs report a collaboration chasm between IT and academic departments – 81 percent say it is not standard operating procedure for IT and academic departments to jointly develop plans for future IT-related initiatives. This disconnect is directly reflected in the working relationship between the two tribes – 57 percent believe end users view their department as the “fix it” folks, and just 22 percent say they are viewed as a trusted ally.

As they face these challenges head on in an effort to enable their institutions’ academic missions, HED IT executives recognize the cloud opportunity. Fifty-three percent say cloud is vital to their institution’s future competitiveness. More than one-third say cloud will help improve student retention rates. While they currently face IT roadblocks, cloud is proving to be the key to progress.

“IT can help transform and evolve the student learning experience,” said Tim Merrigan, Vice President of State/Local/Education, VMware. “Institutions must eliminate silos, increase agility, and effectively support varied educational missions – including compute-intensive R&D and online course offerings. Cloud and software-defined environments are the keys to getting them there – quickly, easily, and, very importantly, on budget.”

HED institutions are taking action, as many are deploying cloud computing. HED IT pros tell us that 54 percent have migrated email, and 30 percent offer conferencing and collaboration. Considering the flavors of cloud, 35 percent have deployed Software-as-a-Service, 20 percent Infrastructure-as-a-Service, and 17 percent Platform-as-a-Service. Despite these steps forward, IT departments continue to face barriers to cloud migration – namely security, cost, and culture.

Additionally, institutions recognize the power of software-defined environments. Though just one in five have deployed software-defined technology, more than twice as many see it as an effective solution for their IT challenges. To address growing IT requirements, the primary enterprise benefits they see to a truly centralized, software-defined campus include increased operational efficiency (54 percent), improved continuity of operations (48 percent), improved security (45 percent), decreased operating expenditures (41 percent), and decreased capital expenditures (40 percent).

Institutions need to take key steps necessary to centralize IT and make the most of cloud, software-defined technology, and “as-a-Service” solutions. Today:

- Fifty-eight percent are not surveying academic and research staff on IT needs
- Sixty-four percent are not offering a catalog of IT services
- Seventy-seven percent are not offering service-based pricing/chargeback models

HED IT pros recommend steps to improve IT value, including greater collaboration between IT and academic departments (59 percent), reducing redundant systems (40 percent) and increased investment in key solution areas including virtualization (38 percent), cloud (27 percent), and software-defined data centers and storage (26 percent).

“The cloud campus has no boundary and no curfew,” said Steve O’Keeffe, founder of MeriTalk. “If we’re going to maximize progress, we need to break down the divide between IT and the business functions on campus.”

“[Cloud Campus: The Software-Defined College](#)” is based on an online survey of 152 higher education IT executives in June 2014. The report has a margin of error of +/- 7.92 percent at a 95 percent confidence level. To download the full study, please visit www.meritalk.com/cloudcampus.

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 more information, visit www.meritalk.com or follow us on Twitter, @meritalk.

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