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## Looking beyond the horizon

*Maintaining business continuity for their clients is an area that throws maximum opportunities and challenges to the solution providers*

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Thursday, March 03, 2011

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Datacenter is a term which has off-late become synonymous with the databank needs of any company; small, medium or large. Backed by the tremendous growth in this sector lately, at more than 30 percent on a YoY basis, this boom has definitely augmented the scope for solution providers (SPs). Mostly, datacenters follow the capex model and lease out on an operational expenditure basis to clients. This gives SPs, the opportunity to not only come up with solutions pertaining to network integration and system integration, but also infrastructure integration. The scope area for SPs also include datacenter consulting services, design engineering and build consultancy, management and supply and integration of products and solutions. Besides, there is huge scope for SPs in datacenter management and they can also look in the direction of managed hosted services and cloud computing to expand their businesses.

Though the conventional datacenter services space has a lot of players jostling for attention, an SP can differentiate himself from this crowd by having managed services, that deliver value for the customer and eases his IT operations and management. Here again the possible services are boundless and innovation can result in revenue stream which were till now unheard of. Moreover, with its own datacenter, an SP can leverage the liberty of designing the offerings, create various flavors in collaboration with different applications and software, build the cloud in offering mode, deploy the applications, build the fulfillment models, prepare the menu card, and nurture the infrastructure.

### WHERE THE OPPORTUNITIES LIE

There is a heap of enormous opportunities today for SPs in the datacenter business. From an end-to-end datacenter IT infrastructure play, SPs can address requirement from cabling and networking to setting up the entire datacenter. For example, Frontier Business Systems, as a System Integrator, offers a broad range of project expertise. It specializes in planning,

**40%**

**• Godrej Case Study**

designing, engineering, constructing and management of datacenter solutions, that integrate 'best-of-breed', critical infrastructure technologies. The result is an always available, scalable, redundant, fault-tolerant, manageable and maintainable datacenter environment. Col (Retd) Balwinder Singh, Director, Targus Technologies said, "We envision opportunities in terms of extending our services in the hardware sector, providing server, storage, routing, switching to our clients. Besides, other kind of services that we are asked to deal with are i n f r a s t r u c t u r e , integration services, maintenance and consultancy. Like for example, we have looked after the requirements of the multiple components of datacenters of MTS in Chennai and Jaipur."

"Building a datacenter requires a lot of design and then implementation. Every OEM has specific products, but integration of all these pieces and creating a solution which will give high uptime, cost-effectiveness, best RoI and greener solution is a very big opportunity for us," added Ganesh Mahabala, Senior VP, Valuepoint Systems. Sanjiv Patki, Global VP-Managed Services, Allied Digital Services, further pointed out, "With our strength in virtualization, we bring to table the concept of green initiatives for the datacenter. Hence, we see huge growth opportunities in areas starting from designing the datacenter to building it, managing the program of building datacenters, and finally managing the operations." Additionally, with several organizations shifting their focus from expensive and complex Disaster Recovery (DR) solutions to innovative and cost effective ones, the scope for SPs has increased. This is because it requires very little integration skills and is simple to configure and set up in a customer's environment. While the expectations of the customers towards DR solution have not changed over the years, the solutions have changed remarkably. The concept of 'DR on Demand' is slowly but surely making appearance. This ensures that SPs can quickly and effectively configure a DR solution for the customer.

Avinash Pitale, Co-Founder and Joint MD, Omnitech InfoSolutions highlighted, "We believe this behavior and decision making pattern would defiantly increase. Customers look at cost saving and capable team managing their business data. As a service provider, Omnitech offers common pool of executives serving the end-customers and this further offers reduction of cost for the end-customers. We shall see small and mid-level business moving on this path in next 12 months." Ravi Verdes, Founder and Director, Frontier Business Systems, is however of the view that technologies like virtualization provide innovative and cost-effective DR Solutions. It does not mean SPs require little integration skills; in fact, integration skills are required more from the technology side. Today, DR is more of a requirement than insurance. Lot of compliance rules have also played a large role in getting a DR built. Even if DR is built, the processes around the execution of business continuity like who, when on what scenarios is also a very big opportunity. Integration, configuration and set up is one part, to automate, or to create processes and systems ensure that business is as usual is also very important.

**GETTING INTO CONSULTANCIES**

Today, companies that need high availability or 24-hour services outsource their datacenter services. And this gives SPs an opportunity to get into consultancies for their end-customers as well. SPs are working towards creating satisfied customers by emphasizing pre-design and planning services to provide the optimal solutions to meet their clients' needs. Although most of the end-customers are putting efforts in building their own datacenters, outsourcing or co-location is one option if any of these customers do not have enough space and resources to build their own datacenters. Here, the opportunity for SPs is to help these customers in migration. And since high availability or 24-hour services has become synonym with IT infrastructure, this throws open a whole new basket of opportunities in terms of providing consultancy to end-users to migrate their datacenters to high availability datacenters.

KV Jagannath, CEO and MD, Choice Solutions, asserted, "Whether you are building a new datacenter or optimizing/relocating an existing for better performance, we can help you with the assessment, design, and deployment (relocation) of any and all aspects of the physical

infrastructure – power, cooling, cabling, fire prevention and suppression, racking, tiling, physical security, environmental and air quality. Our certified datacenter consultants help clients bring industry standards and best practices into their datacenters and DR centers." According to Sujeet Narula, CEO of Associated Business Computers, SPs have to lead with consultative sales to leverage disasterrecovery and business continuity opportunities. Datacenter services can be an entry ticket to overall IT consultancy opportunity. Once you are responsible for storing, managing and securing someone's data, the customers also look up to you for consultancy in other aspects as well. It definitely gives you an edge over others. Datacenter solutions starts from consulting services in terms of facility and IT facility consulting services include planning and predesign, power and cooling system analysis, feasibility and project cost budgeting, availability and risk assessment, technology planning, business continuity and disaster recovery, energy usage and energy efficiency assessment.

On the other hand IT consulting services include virtualization assessment and consultancy, DR assessment, optimization, consolidation evaluation and planning, technology roadmap planning, switch, router and network security planning, and storage and data protection planning. Here, SPs just need to perform necessary modifications to adjust to new way of operations and manage the change and, lastly, implement powers saving ideas. This in itself has become a new growth area. "Sai InfoSystem sees opportunities for itself in the datacenter consultancy, as providing consultancy for building datacenter is emerging as a big business opportunity. As an IT and system integration company, we have been sort of giving this service, so far, free of cost in terms of educating the customer in order to get a deal. Maybe now, the time has come to start charging for such services that could make a big impact to the customer's future operations," added Sunil Kakkad, CEO, Sai InfoSystem India.

## DEALING WITH THE ROADBLOCKS

Despite huge scope and endless opportunities, development of datacenters in India faces a few major obstacles including security concerns and data retention worries. The biggest challenge is the concern about a lack of energy supplies in the country. Even several tier-1 cities, such as Delhi, Mumbai and Bengaluru, have experienced several power blackouts each year. This can become a serious issue as datacenter energy requirements in India continue to grow with the rapid implementation of highdensity equipment. Pawan Khurana, CEO of QuantM Net Technologies, explains, "Data growth is perhaps another datacenter hardware infrastructure challenge for SPs. System performance, scalability, network congestion and connectivity architecture are also adding to it. Accurate modeling and quantification, implementing energy-monitoring tools, accelerating consolidation and virtualization projects are the measures that QuantM adopts to eliminate these issues. QuantM incorporates innovative datacenter designs and adopt the concept of green IT and virtualization technologies to overcome these challenges."

Additionally, the end-to-end datacenter business requires taking care of aspects like roofing, fire control and similar civil work. Normally, a solution provider doesn't provide civil work. The main domain of SPs in the datacenter business is IT. Overcoming these challenges is a prerequisite to delivering prompt service and ensuring client's satisfaction. Generally, SPs deal with such challenges by outsourcing. The industry experts also feel that most of the customers plan to build datacenters in traditional ways and expect SP to integrate the complete solutions including physical securities. Customers also tend to decide on the datacenter site and then discuss with SP to arrive at the solution. However, in practice, this should work the other way around. Customers should consult with SPs before deciding on the datacenter site. "We face challenges when it comes to competition with the biggies like TCS, Wipro, HCL, and others. These large SIs are directly coming into the picture and building the datacenters. Even the customers feel comfortable working with big names. The challenge is giving comfort level to the customers in terms of what we can really do. But having said that, we are making our presence felt in the marketplace by working with some of the large enterprises as well," said Girish Madhavan, Director, Quadsel Systems. Some of the other common challenges include selection of right solution for a specific customer, as the concept
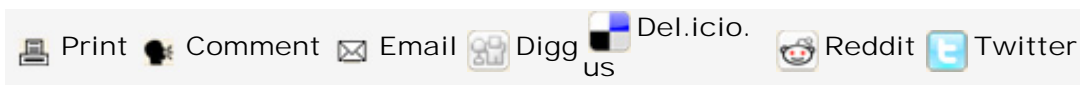
of 'One Size Fits all' is not true in this business; convincing customer about the need to implement new initiatives; moving customer from capex to opex model and the management of change that is involved in this process; and application monitoring and management.

Meanwhile, SPs are tackling these challenges by building a team of cross domain expertise which focuses on specific technologies and also a team, which knits all these to a viable, efficient overall solution. Their contracts with customers have discreet solutions and products which can be looked at as a part of end- to-end datacenter. Private cloud is another strategy which mitigates the challenge of customer's pain points.

## MEETING THE CHALLENGING SLAs

The concept of SLAs is rather new in the Indian context. Apparently, it is in its infancy in context of datacenter services. Hence, it becomes difficult to agree on SLAs with the customers. However, this is not a consistent behavior. There are some IT matured customers where agreeing on SLA becomes very easy. So, the challenge of setting up SLAs depends on the IT maturity level of customers. And once the SLAs have been set up, meeting those SLAs is really not a challenge. This is the reason why SPs have the best practices, delivery frame work and ITIL/ITSM framework in place. Besides, companies always seek high availability and quick responsiveness for challenges like data protection and disaster recovery. Entering an SLA is an easy game. All it takes is a couple of meetings to fully understand the client's requirements an further set up a SLA. However, following the SLA is a challenge as there is a penalty clause included in it. SPs like Targus Technologies always ensure that timely operation is undertaken. It has various software and highly-skilled people to monitor the progression as per the SLA. There are MIS reports (both weekly and monthly) that are regularly sent to its clients to ensure that the challenging SLAs are met. Most of the SPs also believe once there is a state of art infrastructure in place and the necessary tools to monitor and manage the infrastructure and its performance, defining and delivering on SLAs is not at all a difficult task. This also implies that the ability to be confident of committing and delivering SLAs comes with its cost in infrastructure, monitoring tools and well trained team of engineers managing the day to day operations.

Moreover, it is not sufficient for management to establish SLAs and then communicate them to the team and the stakeholders. The SLAs need to be negotiated in a collaborative way. This builds understanding and interest in the system on the part of all stakeholders. This understanding and interest, paired with the team successfully meeting the performance goals, results in establishing/increasing trust in the team, in context of the datacenter services. Hence, it becomes difficult to agree on SLAs with the customers. However, this is not a consistent behavior. There are some IT matured customers whose agreeing on SLA becomes very easy. So, the challenge of setting up SLAs depends on the IT maturity level of customers. And once SLAs have been set up, meeting those SLAs is really not a challenge. This is the reason why SPs have the best practices, delivery frame work and ITIL/ITSM framework in place.

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