Technology trends are changing the IT department

IT OUTSOURCING PROFESSIONALS WILL NEED TO ALTER HOW THEY WORK IN 2014 TO ACCOUNT FOR SHIFTS IN DIGITISATION AND CONSUMERISATION
EU quashes Cisco complaint on Microsoft’s acquisition of Skype

The General Court of the European Union has ruled that Microsoft’s $8.5bn acquisition of Skype adheres to competition rules. Networking firm Cisco said the deal would have anti-competitive effects on the market and give Microsoft an 80% to 90% share of consumer communications.

Server revenue in Europe at lowest level in 15 years

Server revenue in Europe is on a downward spiral, according to analyst Gartner, and at its lowest level in 15 years. Gartner’s worldwide server shipments market share report found that Western Europe and Eastern Europe declined in revenue by 4.8% and 13% respectively.

Up to 1,100 UK jobs to be axed as HP Europe faces the squeeze

HP is set to axe 1,100 jobs as part of plans to lower operational costs and improve profits. The company issued a statement on 28 November saying it had commenced consultation for the first quarter of 2014, regarding potential workforce changes this year.

Google could face Dutch fine over privacy policy violation

Google could face a fine after Dutch authorities found the firm’s 2012 privacy policy violates local data protection law. After a seven-month investigation, the Dutch privacy watchdog invited Google to attend a meeting to discuss the firm’s privacy policy. The Dutch Data Protection Authority will then decide whether to take action against Google.

EU calls on US to rebuild trust in post-Snowden era

The European Commission (EC) has called on the US to provide guarantees to restore trust in the wake of revelations of mass internet surveillance. Until now, the Safe Harbor Privacy Principles ensured US companies respected EU citizens’ right to protection of personal data. But in light of Edward Snowden’s revelations the EC wants further guarantees and processes to rebuild trust.

European Parliament closes Wi-Fi after security breach

The European Parliament recently shut down its public Wi-Fi network after it was breached by cyber criminals. The EU body admitted the network had fallen victim to a man-in-the-middle attack, in which hackers sit on the network and use software to seek out vulnerabilities on users’ devices.

SPANISH HEALTH AUTHORITY USES XBOX TO CUT COSTS

Accenture has been working with health authorities in Spain’s Basque Country to reduce the costs of caring for people with chronic diseases using technology developed for Microsoft’s Xbox games console. The IT services giant is supporting the implementation of a remote monitoring and interactive system called Teki, which works with Xbox. The Teki telehealth system aims to reduce costs by enabling consultations to be carried out with a patient at their own home when the system, via the Xbox, is connected to the patient’s TV.
HAPPY New Year CW Europe readers! What does 2014 have in store for Europe? At the end of last year, Gartner analyst Frank Ridder looked ahead to 2014 during the research firm’s Outsourcing Summit in London.

He predicted that 2014 will see “executives with no idea about IT sourcing” due to the many changes that digitisation will bring to IT outsourcing.

This year traditional sourcing departments will have to work hard to adapt to the changes ahead if they want to retain a role in their company, while protecting their business from the inherent risks of inappropriate outsourcing.

Ridder says digitisation causes business departments to buy their own IT and hardware services, meaning sourcing best practices will be ignored, and so the ‘no clue’ buyer is born.

According to CIOs surveyed by Gartner, 25% of the IT budget is controlled outside the IT department. By 2015, they believe 40% of the budget will be outside of IT’s control. In addition, some 90% of the IT budget could be controlled outside the IT department by 2020 as a result of trends such as digitisation and consumerisation.

In this issue of CW Europe our outsourcing editor looks into how this trend will pick up in 2014 and beyond.

The third quarter of 2013 saw the highest number of outsourcing contracts ever signed in Europe, according to Information Services Group. Nine out of 10 global megadeals, worth over €80m, were signed in Europe. Overall, European outsourcing in 2014 is on track for yet more growth.

If you haven’t already seen yet, the Computer Weekly European User Awards 2014 are now open. The year-long online awards series has opened with its Networking awards, which will close on 24 January. For information on how to enter or to see who won each series last year, click here to visit the main awards site.

Kayleigh Bateman
Editor of CW Europe
Special projects editor for Computer Weekly
IT outsourcing professionals face huge changes to how they work as a result of technology trends, which are shifting control of IT budgets to business executives. Some 90% of the IT budget could be controlled outside the IT department by 2020 as a result of trends such as digitisation and consumerisation, according to Gartner.

At its Outsourcing Summit in London, Gartner focused on the changes that digitisation brings to IT outsourcing. It described how technologies around cloud, mobile, social and analytics are shifting the control of IT and outsourcing in businesses.

Gartner analyst Frank Ridder looked ahead to 2014 when executives with no idea about IT sourcing will be responsible for some form of technology procurement. The traditional sourcing departments need to work differently if they are to retain a role and protect their companies from the inherent risks of inappropriate sourcing.

He says business departments will buy IT hardware and services themselves as a result of digitisation, which means sourcing best practice will not be followed. “The ‘no clue’ buyer has arrived. They buy what they want, but do not know how to buy it,” says Ridder. This includes apps, such as those available as a service, and devices, as a result of trends such as bring your own device (BYOD). Business executives want to use the same devices, applications and communication methods in business as they do in their personal lives.

Ridder says the trend is channelling more of the IT budget into the business: “According to CIOs surveyed by Gartner, 25% of the IT budget is controlled outside the IT department. By 2015, they believe 40% of the budget will be outside IT’s control.”

By 2020, as much as 90% of IT spending could be decided by business teams other than the IT department, he adds.
**Risks of haphazard IT investment**

Traditional responses from IT departments are to attempt to block business executives procuring IT by applying strict security policies and procurement guidelines.

But Ridder says IT departments should be proactive and approach the business departments to help them buy the IT they need in the correct way rather than just block it.

He says a lack of involvement from IT sourcing experts could present major risks to the business. For example, although buying software as a service (SaaS) might appear less expensive, it may cost more because it could mean falling short of the number of licences needed to trigger a discount for another application.

There could also be interoperability issues if firms buy their own IT without guidance, he says. “On average, enterprises have 26 IT service providers. If the business adds the likes of Google, it could end up with 200 suppliers that might not work well together.”

**Challenges of digitisation**

According to a Forrester survey of global sourcing executives, 65% say they are excited about the changes that digital technologies will bring, but 62% say the business lacks the skills to make the change, while 68% say they don’t have the right policies and business practices.

It is not just internal IT sourcing that is being transformed by digitisation. Another Gartner analyst, Claudio Da Rold, talked about how the focus on digitising customer services is also changing sourcing.

He says larger chunks of the IT budget will be moved to digitising customer services, which means sourcing departments will be tasked with reducing back-office IT costs, through service industrialisation, to free up capital for the digital investments.

“They need to exploit past inefficiency to fund digital transformation,” says Da Rold.

“The money has to be found because CIOs are already planning to increase spending on IT to change the business. The focus for European CIOs for the next few years will be profitability and growth.” To this end, he says over 40% of CIOs plan to put more money into technology for customer services.

According to Gartner research, 47% of CEOs have a digital strategy, 60% will have one in 2014, and 80% in 2015. The cloud, social, mobile and analytics technologies are central to this.

According to Gartner, 70% of IT budgets are spent on running the business, and only 30% go towards changing the business. This needs to shift to 50:50 if CEOs are to get the IT innovation they want.

Not long ago, social, mobile, analytics, and cloud were buzzwords – or the single anagram SMAC. But today the use of smartphones connected to cloud-based business and social applications is driving major change in IT and sourcing departments within businesses.

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Karl Flinders is the services editor for Computer Weekly

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**IT outsourcing contracts on the rise**

The third quarter of 2013 saw the highest number of IT outsourcing contracts ever signed in Europe, according to the latest figures from Information Services Group (ISG).

Of a total of 176 outsourcing deals, worth €2.8bn, 125 were for IT outsourcing, worth €2.3bn. The value of IT outsourcing contracts signed was the second highest recorded in a quarter, and was 177% higher than the previous quarter with almost double the number of deals.

Nine of the 10 global megadeals, which were worth over €80m, were in Europe.

“Europe, the Middle East and Africa achieved the highest third-quarter results on record, a strong rebound from the weakness observed in the first half of the year,” says John Keppel, president ISG North Europe.

“While the improvements we are seeing are in comparison to weak performances in the first half, we believe the high level of contracting activity speaks volumes about the underlying strength of the current market,” he says.
French banking giant Credit Agricole has created an app store to provide banking apps to customers and get ideas for new apps. Karl Flinders reports.

French banking giant Credit Agricole has created an app store to sell banking apps. It will also get ideas from customers for new apps. Europe-based business consultancy BearingPoint has released a report that looks at how major businesses will evolve over the coming years, now the economic crisis seems to be relenting. In its third BearingPoint Institute Report, the company looks at post-crisis banking and asks whether insurers are the new banks, looking into cross-channel commerce. As part of the section on post financial services banking, the report revealed how Credit Agricole – one of Europe’s biggest banks – created an app store to provide customers with the banking apps they want.

This is an example of a new way to outsource software development. Credit Agricole has 150,000 employees and 51 million customers. The Credit Agricole Store puts developers in touch with the bank’s customers. The customers can download apps and make suggestions for new ones. The app store has 21 apps and received over 100,000 visits in its first three months. Apps cover balance checking, fund transferring, and one helps visually impaired people use the online banking interface.
Credit Agricole deputy general manager Michel Goutorbe says the idea for the app store came about when a director of innovation at the bank had an idea to work around open data. The bank had three ideas: a mobile app store, a co-operative of developers, and a mechanism for customers to co-create apps.

The team proposed the ideas to the board and were told to “develop it, think some more about the ideas and come back”, according to Goutorbe. Three months later the bank was given the go-ahead and signed up BearingPoint to support it.

The Credit Agricole Store is now two years old and the bank is considering how the concept can be rolled out further.

“The main question is, what is the future of the store and how should it connect to the organisation as a whole? We are currently thinking about where in the organisation the store will be most useful and best integrated with the rest of the organisation,” said Credit Agricole.

Karl Flinders is the services editor for Computer Weekly

CASE STUDY

WOLSELEY OUTSOURCES NETWORK MANAGEMENT

Plumbing and heating distributor Wolseley has handed the management of its network infrastructure and call handling to Capita Managed Services for 18 months.

The company ran a pilot project with Capita before agreeing to the deal. Wolseley has 664 branches in the UK and its brands include Plumb Center, Parts Center, Pipe Center and Drain Center. Wolseley expects the multi-million pound deal will improve customer experiences in branches. Capita’s ‘Office Connect’ service, which incorporates VoIP and LAN technologies, to centralise voice services, will improve inter-branch communications.

The contract includes the replacement of traditional desktops with thin client devices that reduce maintenance, upgrade costs and energy consumption.

Chris Cottington, head of business infrastructure at Wolseley UK, says increased business efficiencies and improved customer relationships are key to the agreement.

“We have every confidence this new ICT solution will help maximise efficiencies across our organisation and further consolidate and build our relationship with our customers, which will support business development,” he says.
Technology innovation top of agenda for European banks

Traditional methods of banking are being shunned in favour of new forms of customer interaction, such as video banking, reports Caroline Baldwin

European banks are focusing their technology efforts on customers. Innovations in online and mobile platforms, video banking, social integration and customer relationship management (CRM) are taking precedence to connect with customers on a virtual level.

Head of electronic channels at the Spanish bank La Caixa, Benjami Esteve, says innovation is the only key differentiator banks have from their competitors. The bank – which won global innovator at the Accenture and Efma distribution and marketing innovation in retail financial services awards – has been striving to deliver innovative technologies for its customers.

Banks must use technology to form a closer relationship with customers. Innovative technologies, such as La Caixa’s multi-channel private banking solution, The Wall, and online multi-device service, Recibox – which enables customers to manage bills and direct debits must do exactly what they are supposed to.

The everyday bank
But a closer relationship is not enough. Banks must connect with their customers every day, according to Piercarlo Gera, global managing director of distribution and marketing services at Accenture. “The most important banking sectors will polarise between winners and losers,” he says. “And the winners will multiply the number of interactions
with customers.” To be successful in the market, banks must engage every day, and to do this they must promote and sell non-financial services. A typical bank has around 40 conversations per year with its customer, and by combining a product push with a customer’s behaviour online, banks will have an opportunity to do this every day.

Gera calls selling financial and non-financial services a “platform of services”, using the case of buying a house as an example. Banks must also become real estate agents and give customers possible homes to view, as well as provide mortgages, home insurance, and financing. It is not just about a closer relationship with the customer, but about becoming more convenient and relevant.

The bank must use its digital and online channels to increase the conversation rate and promote these services at the right time. This “platform of services” should be tailored to the customer by using data. “Like Amazon,” he says. “It’s constantly proposing products that fit the customer’s interest.”

**Innovation is key**

One clear message from the awards ceremony was that technology innovation should be at the top of banks’ agendas. But innovation needs to come from the top down within a business. “You can’t develop these types of initiatives without top management being fully committed,” says Esteve. “It wouldn’t work.”

La Caixa encourages its employees and customers to take part in innovation. Its customers submit ideas via a social network, which began in July 2012. It now receives 200 ideas per month, which the bank welcomes. Esteve says: “The secret is to really involve your clients in all the phases and make them feel involved. Put them in focus groups, usability tests. Let them be emotionally involved in all the processes.”

**Connecting with the customer: AIB, Ireland**

Another bank discussing technology ideas with its customers is AIB in Ireland. It understands that not all of its customers are digitally savvy and it believes it is important to demonstrate new technologies first hand to its customers. Its tech-driven branch, The Lab, which launched as a pop-up in a Dublin shopping centre, in June 2013, aims to educate customers in using digital channels. In Ireland, 84% of the population are online, but only 50% use online banking channels. AIB hopes to bridge this gap by using The Lab – a demonstration area where customers can come and learn about new technologies. Unlike a branch, it doesn’t take manual transactions – only digital.

“We’re taking the virtual to the physical channel,” says Mark Culleton, head of channel adoption at AIB. “It’s a bank’s objective to be a trusted customer service, and we’re using innovation and technology to do this. But it’s what’s behind the lab that is most important.”

AIB partnered with Accenture, Microsoft and Cisco to deliver its technology solutions. Technologies include a digital avatar that welcomes customers to The Lab; a social media wall that uses gamification methods to encourage customers online with points; a self-service banking zone; a product zone for mobile and online demonstrations on a range of devices; remote advisors who provide face-to-face advice on banking via telepresence; and an SME area where businesses can come and learn how to digitise using free-of-charge meeting rooms and teleconference facilities. The Lab also has an innovation zone which is a test-bed for trying out new technological developments.
AIB recently launched a tablet and money manager application that went through the test-bed. The bank invites customers through social media channels and gives them an insight on marrying technology with banking.

“The secret of our success is our customer-centric approach,” says Culleton. Since opening five months ago, AIB has seen a 5% increase in online banking activations, which it can attribute to The Lab, and it is also one of the top 100 banks for social media. While there are no plans to roll out other Labs across Ireland, the technology will be adopted in other branches.

**Digital first: New mBank, Poland**

Another European bank that sees technology as incremental to its business and customer relationships is mBank in Poland. Commercial Polish bank BRE Bank launched the mBank brand 13 years ago. It started online and has a small portion of physical branches – around 15-20% of the branches banks of a comparable size in Poland tend to have.

While mBank has more advantages than a traditional branch, because it is accessible 24/7, Michał Panowicz, senior director at New mBank, says it had been suffering because sales and advice from traditional branches was difficult to move into the online space. “We tried to build the service so it offers a viable substitute to branches,” he says.

The New mBank, which launched in April 2013, received an award for being the most disruptive bank in terms of innovation and technology, as well as an award for digital and mobile excellence. mBank wanted to overhaul the technologies that delivered online banking to its customers. It realised online banking has not changed since all the big banks jumped online during the internet revolution in the 1990s.

“The experience and interaction model used by the banking industry at large is delivering the same in 2013 as 1995,” Panowicz says. “It’s the same mould – it’s about data, text, links – but at the same time, the digital life of our customers is completely different and changed incomparably.”

mBank decided to draw on modern digital life and research how customers see the online world today. It was inspired by what digital life looks like, and using styles and ideas from social media and websites such as Spotify and Pinterest it deeply changed its existing interface.

“We had a clean sheet of paper, there was no legacy that we were tied to,” says Panowicz. The New mBank offers 500 different technology products, including a virtual banking platform, with video banking, Google-like quick search, mobile banking, location-based services, social integration peer-to-peer payments and personalised advertising.

“If we don’t deliver, somebody else will. It’s not OK to pretend to give customers a model which is dated as retailers cater to consumers,” Panowicz says. “We need to be up to date.” But the change in the user interface was so drastic, that mBank decided to go for a soft transition. “It was a non-linear change,” says Panowicz. “And customers are conditioned to the online banking standard.” It used gamification to help with the deep changes. The notion of challenges and rewards to guide people through the service,
by offering badges for completing different actions such as watching a tutorial or transferring money.

In the seven months since then, around half of its customers have transferred to the new platform, and the bank sees around 30% of transactions per day occur on the new platform. Additionally mBank has seen more customers interested in new products, while sales increase by 29%, due to the easy check out service.

**VIDEO BANKING: NYKREDIT, DENMARK**

While some banks focus on multi-channel experiences, telepresence and video banking has also been a popular way to connect with customers. Nykredit won the multi-channel and customer experience management award for its Direct Banking platform, which enables remote personal advisors via telepresence.

Nykredit implemented the remote personal advisors in June 2012 to meet the needs of its Nordic banking customers, who are traditionally more addicted to digital channels but still need 1:1 advice.

During a reorganisation of the bank in 2011-2012, Nykredit realised it had a number of existing technologies it could use in a more coherent fashion to propose better value for its customers. This resulted in the creation of remote personal advisors via telepresence.

The implementation of out-of-hours video banking meant that peak moments of contact with the customer changed. Where the evening sales rate was traditionally low, it now sees a peak, so much so the bank is considering opening slightly earlier at the weekends for the same reason.

Karsten Knudsen, group managing director at Nykredit, says customer satisfaction has increased by 7.5% over the past year, while employee satisfaction has also increased by 8.5%. ROI has also seen an improvement at an increase of 5% due to Direct Banking.

**UK BANKING INNOVATION**

But where was the UK? While innovation from banks across Europe was bursting from the seams at the Parisian awards ceremony, there was a significant lack of UK banks on the nomination list.

“The UK has similar issues as other geographies and there is a lot of innovation in the UK market,” says Gera, noting Barclays as having a clear strategy with mobile, using its PingIt platform as an example of innovation. Barclays was the only UK bank to be nominated for the responsible business award for its Business Connector, which connects small businesses and suppliers through an online community.

But Gera believes the UK is lagging behind when it comes to offering a platform of both financial and non-financial services.

“Major banks are working on a digital agenda,” he says. “But with mobility, they are not yet working on an ecosystem strategy [selling other services with partners], which may be an angle for consideration for the UK.”

But the UK may just be lost in a crowded sector, which is clearly innovating at a rapid rate. To keep up with competitors, banks need to not only ensure that innovation is on the top of their agendas, but also ensure technologies are simple for customers to adopt. And at that point banks can start to become “everyday banks” by offering non-financial products and services through these new channels.

Caroline Baldwin is the business editor for Computer Weekly.
Big beasts are colonising the wilderness, it seems. From Google to Facebook to Microsoft, a growing number of companies are investing in datacentres in the Nordic countries, wooed by low energy costs and free cooling. A trade delegation from Sweden outlined the benefits of Nordic datacentres to global enterprise infrastructure professionals at the recent 7x24 Exchange conference in Texas. But is the region really set to become a strategic European hub for data traffic?

The past year has certainly seen much interest in the Nordic countries. In early November 2013, European datacentre operator Telecity acquired Finnish provider Academia, primarily to gain control over its Helsinki datacentre. The move came just four months after the company bought another Finnish datacentre operator, Tenue Oy.

In September 2013, communications giant Ericsson announced it was investing almost £682m to build two modular datacentres in its native Sweden, as well as a third in Canada. In the same month, Microsoft said it planned to build a £156m datacentre in Finland following its purchase of mobile phone manufacturer Nokia.

In June 2013, Facebook’s widely publicised Lulea datacentre, located on the edge of the Arctic circle in Sweden, opened for business. Meanwhile Google – whose establishment of a datacentre in Hamina, Finland, two years ago initially prompted wider interest in the region – is also ramping up its investment. In November 2013, the firm announced it was spending £407m to increase the datacentre’s capacity to handle more mobile video.

Other companies also announced prominent datacentre investments in the Nordics in 2013, including colocation provider Digiplex and Russian search giant Yandex.
Green credentials attract datacentre investment

The annual *Data Centre Risk Index 2013*, published in May 2013 by consulting firms Cushman & Wakefield, Hurleypalmerflatt and Source8, noted that while the US and Britain are still deemed the lowest-risk locations for datacentres, the Nordic countries are rapidly rising up the ranks.

Sweden was cited as the third safest place in the world to base a datacentre, up from eighth place the previous year. Iceland, Norway and Finland featured in the seventh, eighth and ninth positions respectively.

For some companies, the attractions are clear. Naturally low temperatures mean cooling costs are minimised. In addition, because the Nordic countries are powered primarily by sustainable, low-cost energy sources, such as hydroelectricity and wind power, firms can dramatically reduce their carbon footprint and energy costs by moving operations there. Proximity to the Russian market could be another draw for some providers.

The Swedish Data Center Initiative, set up by trade council Business Sweden, claims these developments signal the region is becoming a major hub for European datacentres.

“We are seeing the confirmation of the Nordics as an attractive, growing market in Europe, and a prime location for strategic datacentre hubs,” says Tomas Sokolnicki, investment advisor and project manager for the group.

“Our region has become a symbol for some of the biggest green initiatives in the industry. When industry leaders such as Facebook and Google show the way to secure green and stable locations at affordable prices, many other players direct their gaze in the same direction,” he says.

Andy Lawrence, vice-president of research at industry analyst 451 Research, agreed the Nordics have a strong environmental attraction for operators.

“There are a number of good reasons why companies would be looking at the region. Facebook certainly needed to open a large datacentre in Europe and it would have been a very attractive location for a number of reasons, not least of which is the availability of cheap, reliable power with a high renewable energy content. Because the climate is very cool, it’s also very likely companies can get away without having to use traditional cooling systems,” he says.

But Lawrence also believes it is far too early to interpret the flurry of Nordic datacentre investments as a major trend.

“Microsoft is opening datacentres all over the place, not just in the Nordic countries. The same is true of Telecity. I’d say only a minority of providers would consider the region as a major datacentre hub,” he says.

He thinks some Nordic countries’ ambitions to become a strategic European datacentre hub are likely to be held back by the fact that many providers serving Western Europe will not accept the levels of latency their customers are likely to experience if servers are located in the far reaches of Northern Europe.

“If you’re doing low-latency trading of any kind, countries like Iceland, Finland and Norway are probably too far afield. When most colocation providers build datacentres, they don’t always know who their major customers are going to be. It’s probably safer for them to locate their facilities within a low-latency distance of major Western European trading hubs,” says Lawrence.

Jim Mortleman is acting datacentre editor for Computer Weekly
Telematics firm uses hybrid flash to build datacentres

Pan-European telematics firm Masternaut builds active-active datacentres on hybrid flash arrays with automated tiered storage. Antony Adshead reports

Telematics provider Masternaut has built twin active-active datacentres on Dell Compellent hybrid flash arrays. The project, which cost “multi-single-digit-millions” of pounds, has allowed Masternaut to deal with a five times growth in data with no extra staff and has boosted disaster recovery capabilities to near real time.

Masternaut is a pan-European operation that operates on a software-as-a-service (SaaS) basis, in which its customers can access telematics information for a range of applications, including fleet vehicle data delivery services, consumer car insurance vehicle monitoring and more. Customers include G4S, Travis Perkins and Balfour Beatty. Masternaut operates around 300,000 devices on its own in-house developed Linux-based applications with customer access via a web portal.

Masternaut had run four datacentres with 200TB of data in Dell Compellent SC40 arrays, but a decision was made to consolidate to two active datacentres in the UK and France, says CTO Alex Rothwell. There was also a desire to improve disaster recovery provision with near real-time failover, and a need to maintain acceptable latency figures in the face of huge data growth and a newly developed telematics platform.

“We were seeing a large increase in the number of mobile assets and the volume of data; something like a five times increase over three years,” says Rothwell. “With access times, to ensure good customer experience, we wanted to achieve under five-microseconds latency.”

Masternaut upgraded its Dell Compellent storage to four SC8000 arrays, totalling around 400TB, which used the Storage Center 6.3 operating system (OS). About 5% of capacity comprises flash drives with SAS and Sata, making up the remaining tiers of fast disk and bulk storage respectively, with data moved between them according to policies based on age of data.
Storage Center 6.3 was announced in November 2012 and became available in March 2013. Its enhancements included 16Gbps Fibre Channel connectivity, 64-bit addressing and multi-processor, multi-threading capability. In June this year, Dell upgraded Storage Center further to version 6.4 in a move it claimed made the OS fully flash-ready.

Dell Compellent won out in large part because it was the incumbent storage array supplier to Masternaut, says Rothwell, but a full market evaluation was carried out and “there were no major gaps between Compellent and anyone else”.

The key benefits have been to enable better disaster recovery provision and to facilitate improved services to customers without the need to take on more staff, says Rothwell. “We’ve been able to expand across Europe without expanding our hosting support team,” he adds. “We’re supporting more customers with the same team down to datacentre consolidation, remote management and increased flexibility of the storage.”

Antony Adshead is the storage editor for Computer Weekly

UNIVERSITY TIERS ITS CLOUD SYSTEM

The University of Oslo has spent £2.3m on the NorStore storage network for Norwegian researchers, which can scale to Exabytes, based on tiers of Hitachi Data Systems (HDS) disk and Spectra Logic tape with a QStar NAS file system front end.

Initially, researchers at the university shared unstructured data from model runs on high-performance computing (HPC) systems via a 10Gbps link over the 500km distance.

The first round of the project was based on a pair of SUN StorageTek 6540 SANs in each location, with file access via IBM’s GPFS parallel file system. “Data was mirrored between the two sites, so if something was deleted at one site it was also deleted that night at the other,” says Hans Eide, department head for research computing at the university.

Capacity was also an issue and Oslo University was offloading mirrored data to tape when the arrays became full. The university eventually chose disk capacity from HDS with tape capacity from Spectra Logic and a QStar archiving/file system overlaying access to tape.

In the new NorStore setup, four HDS Hitachi Unified Storage VM Controllers and a two-node high performance NAS (HNAS 3090) provide primary storage of around 4Pb capacity – 75% is for research data while the remainder serves university administration.

Data is tiered between SAS and Sata drives, according to a “heat map” of usage on a 24-hour cycle. Meanwhile, around 3.6Pb of nearline data resides on a Spectra Logic T-Finity tape library with 918 slots with four TS1140 drives. This is front-ended by a server running QStar’s proprietary TDO (Tape/Disk Object) file system.

The QStar server provides about 14TB of disk cache with access to the multi-petabyte tape back end. In this it is similar to the open-source Linear Tape File System (LTFS) that can enable “tape NAS”, in which a server front end provides a file system for access to data held in tape libraries. The key benefits have been cost savings and ease of use, says Eide. “We use iRODS (Integrated Rule-Oriented Data Management Solution) to provide easy access to data for researchers via a web browser. Also, tape is cheaper than disk if you don’t have performance requirements. We expect a lot of data not to be hot and also we can potentially grow to Exabyte capacities without adding complexity,” says Eide.
Enterprises not getting value of consumerisation, says IDC

Research firm IDC says there are still several available approaches to mobility and consumerisation within the enterprise. Warwick Ashford reports

There are still many approaches to mobility and consumerisation within the enterprise, according to market research firm IDC, says John Delaney, associate vice-president, Europe consumer mobile, at IDC. At the cutting edge, businesses are using mobility and consumerisation to drive forward business objectives, he told the IDC Consumerisation of IT Conference 2013 in London. These leading companies are using mobility as the IT platform of choice to improve productivity, flexibility and collaboration for employees, as well as facilitate interaction with customers and partners.

For most enterprises, however, mobility projects are ad hoc, even though it is taken seriously as an IT activity, and there tends to be a lot of duplication of effort, says Delaney. At the bottom end of the scale, there are companies ignoring the trend towards mobility and consumerisation, giving other projects priority.

“As a result, business units are tending to bypass IT to procure their own devices and services, which is a disaster waiting to happen,” says Delaney.

Benefits of BYOD

According to the latest IDC six-monthly survey, 50% of European enterprises do not have or plan to have formal bring your own device (BYOD) policies.
“This means a large proportion of companies are in denial and at risk of being left behind, however some of that 50% are instead adopting a choose your own device approach,” says Delaney. Choose your own device means that companies identify a range of devices from which employees can choose to either buy on purchase plans or have supplied by the company. Of those companies that have formal BYOD policies, Delaney says an increasing proportion are going down this route for positive and practical reasons.

“Two years ago, they were doing it because they realised they needed to react, but now the policies are aimed at improving productivity, reducing costs, enabling employee and customer interaction with the company, and to further company goals,” he says.

IDC research shows that enterprise use follows general market trends, with Google Android devices dominating, followed by devices using Apple’s iOS and a host of others. “Enterprises are having to deal with the challenges of fragmentation and diversity, particularly in the Android market,” says Delaney.

Android is also a challenge from a security point of view, he says, because of fewer controls on the Google Play app store and the fact that attackers are being attracted by the big user numbers. “Suppliers are already stepping in, however, with BAE Systems producing a secure version of Android for enterprise use, for example,” says Delaney.

**MANAGING ENTERPRISE MOBILITY**

Enterprises are also facing the challenge of dealing with the diversity of applications available that shape the use of smartphones and the use of cloud-based storage. IDC research shows that of those enterprise employees that use personal cloud storage services, 20% admit to using them to store enterprise data. “This represents a potentially significant leakage of enterprise data,” says Delaney.

The research indicates that the proliferation of consumer devices and cloud-based services within the context of work means this is something that enterprises need to address proactively. According to Delaney, this realisation is what is driving companies to adopt new mobile devices and apps as a new IT platform. “This is only in the early stages, but we are starting to see significant adoption of mobile devices and tools,” he says.

These forward-leaning companies are moving to the next phase and proactively developing apps for business partners as a mainstream activity of the IT department.

These companies are also integrating mobile applications into their back-end systems, including enterprise databases and analytics systems for business intelligence purposes. “Suppliers are responding by expanding mobile device management (MDM) offerings to include features such as security and content,” says Delaney.

Application developers are also responding, according to IDC research. The most recent survey shows nearly half are developing apps primarily for enterprise, up from just 29% in 2010. Research also shows that mobilising the workforce is the biggest challenge in this area for organisations, particularly in the UK, followed by providing security support.

“However, the market is maturing and we are seeing the early stages of mobility management in the UK,” says Delaney.

Research shows that 13% of UK organisations are moving to wider MDM that includes app, content and security components. “This shows some organisations are already thinking the same way as the leading-edge organisations, and around a third are planning to move that way in the next six to 12 months,” says Delaney.

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20% of enterprise employees who use personal cloud storage also use the services for enterprise data

Warwick Ashford is the security editor for Computer Weekly