Realizing Business Value and Focus through Outsourcing

You Don't Have to Own **IT** to Control **IT**[SM]

Three in the morning and your data center manager calls to inform you that you have exhausted your storage subsystem and all systems are down. Additional storage is on order, but the data center is out of power and cooling. To top things off, you have an early morning meeting on a critical business project that is behind schedule. Why is it behind schedule? Because the majority of your human and financial resources are focused on keeping systems operational.

Sound familiar?

When IT Becomes a Challenge to Your Business

These are the business moments all enterprise information technology (IT) departments face at some point. The frequency is increasing due to the pressures of the digital transformation that corporations are undergoing to remain relevant to their customers. IT is becoming a challenge to your business rather than an enabler. These challenges vary, for example:

IT Operations Consumption of Essential IT Resources

Industry research shows that enterprise IT departments are spending between 70 to 85[1] percent of their budgets on maintaining existing IT systems — not on IT efforts that enhance and grow the business.

Data Center Expansion Decisions

"To build or not to build" is a question that is asked by all enterprises. The investment required to develop new data center space and the questionable returns on such an investment require major consideration. Compounding the return-on-investment (ROI) discussion is the pressure of being environmentally friendly in data center design.

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[1] "Virtualization 2.0: The Next Phase in Customer Adoption." IDC, December 2006. Doc#204904.

Major Software Renewals Due

Software continues to increase in cost – even open source software that has a formal support organization behind it (a requirement for an enterprise) – as hardware costs continue to decrease. Renewals and licensing can be time consuming and expensive.

Digital Transformation/Business Focus Change

The landscape of IT has evolved over the past several years, placing pressures on the enterprise to adopt the new technology while at the same time continuing to support the older technology. This change creates a natural conflict in IT and major impacts and risk to the business.

IT Skill Shortage

Technology is changing at speeds never seen before. It is getting more and more difficult to keep staff up to date with new technology skills. At the same time, existing human capital is approaching retirement, leaving organizations with staffing shortages.

Using Outsourcing to Enable Your Business

It is important to recognize when your business's IT activities have become an issue to growth, and to find new ways to positively impact your business's value. One of the most efficient ways to increase IT's business value is to outsource:

IT Operations Consumption of Essential IT Resources

Your core business provides services to your customer in a way the customer could not achieve themselves. The same is true for outsourcing providers whose business success is built on providing IT services that deliver efficiencies enterprises cannot obtain alone. It is these efficiencies that bring value by freeing critical financial and human resources from the worry of the day-to-day operations and placing undivided focus and effort back into the business.

Data Center Expansion Decisions

When the need for 1,000 additional square feet of data center space drives a multimillion dollar construction project, the value added by an outsourcing firm is clearly demonstrated. The outsourcing firm becomes responsible for providing the needed data center space and, if necessary, providing new construction. With the selection of the right outsourcing firm, your data center needs become just a process of requesting incremental space.

Major Software Renewals Due

The power of group purchasing has always provided the best financial position on acquiring software. Leveraging an outsourcing firm's scale from its customer base

provides savings on their core software products. It should also be able to leverage its vendor management process to provide a reduction of headaches in the management of software licenses, even for software products that are not part of its core software.

Digital Transformation/Business Focus Change

An outsourcing firm could assist you by assuming one of these "favors" of IT, freeing your resources to be 100 percent focused on your core business.
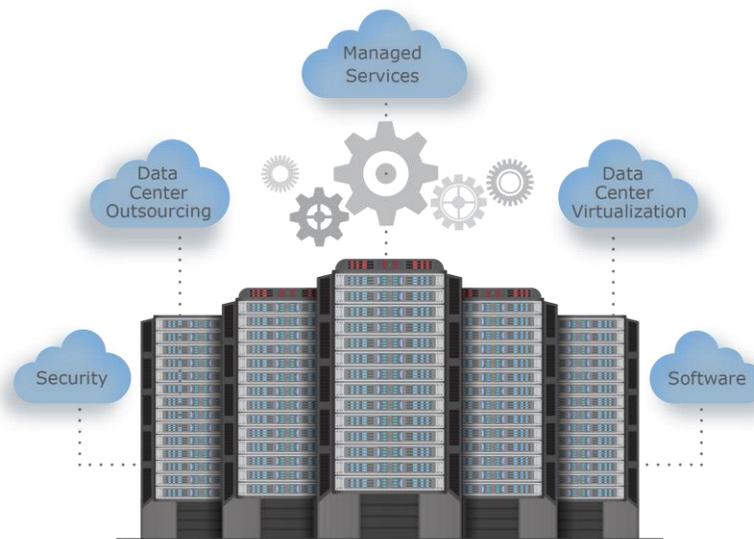
IT Skill Shortage

With a broad base of customers and knowledge in a variety of technologies, an established outsourcing firm provides significant resources to help you meet your IT objectives. The right people with the right technology increase your business bandwidth and reduce your overall business risk.

CDS Outsourcing Value Proposition

Companion Data Services, LLC (CDS) helps companies achieve an operational hosting environment that meets all business, schedule, budgetary and quality requirements. We offer unmatched knowledge and experience to improve, maximize and maintain outstanding system performance and availability.

Our team offers 20 years of successful data center migration and application hosting experience. We deliver services that provide a highly scalable architecture, designed to meet a variety of scale-out application demands with seamless data and management integration capabilities.

Hosting and outsourcing services solve many business needs so you can concentrate on your core business

CDS data center outsourcing allows companies to reduce spending on capital expenditures, physical assets such as heating, cooling and humidity control systems, hubs, routers, firewalls and power supplies. Outsourcing is also a sound risk management strategy. It physically separates IT assets from your business site and offers disaster recovery and advanced security.

Our approach to data center virtualization accelerates service delivery, improves profitability, reduces risk and consolidates data and files to a centralized environment. Our virtualized data center can serve many functions, ranging from hosting data and applications in a secure and compliant environment to executing routine IT tasks.

Combined with the **CDS** virtualized data center, **CDS Managed Services** can transform technology support from a business inhibitor to a strategic enabler, sharpening your operation and performance. It includes performance, quality, recovery, incident, production support, availability, capacity and configuration, batch, resource, system software, media and facilities management.

CDS outsourcing offerings can provide companies cost savings by eliminating software licensing fees and costs associated with data backups, disaster recovery and expensive IT specialists.

Safeguarding data is our major concern. Safety measures extend to human capital, facility and data access, preservation and telecommunication data transmissions. These measures are reinforced with annual training programs that focus on industry-accepted and mandated standards for accessing, handling and safeguarding data. Data center security encompasses a broad set of policies, technologies and controls designed to protect data, applications, infrastructure and its physical location. Our multilayered approach to security provides peace of mind through:

- Administrative safeguards that prevent, detect, contain and correct violations
- Physical safeguards, including facility access, workstation use and device and media controls designed to prevent and contain incidents
- Technical safeguards, including access, audit, authentication and transmission security

By partnering with CDS, you can concentrate on your core business knowing that your data center needs are no longer a problem to your business, but are enabling your business to succeed.