

Trends in Infrastructure Services

(Nothing “trendy” about it)

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Brief Background

- Taproot Capital provides management advisory and government financial services
- Founded GTSI Financial Services, Inc.
 - Developed “TLM” Technology Lifecycle Management Service Offerings
- IAC IaaS committee member
- AFCEA corporate member
- 15 Years in government finance
- Ernst and Young Management Assistance Practice (Outsourcing and IT pricing)
- 26 years in IT (8 with IBM Corporation)



Convergence of Forces

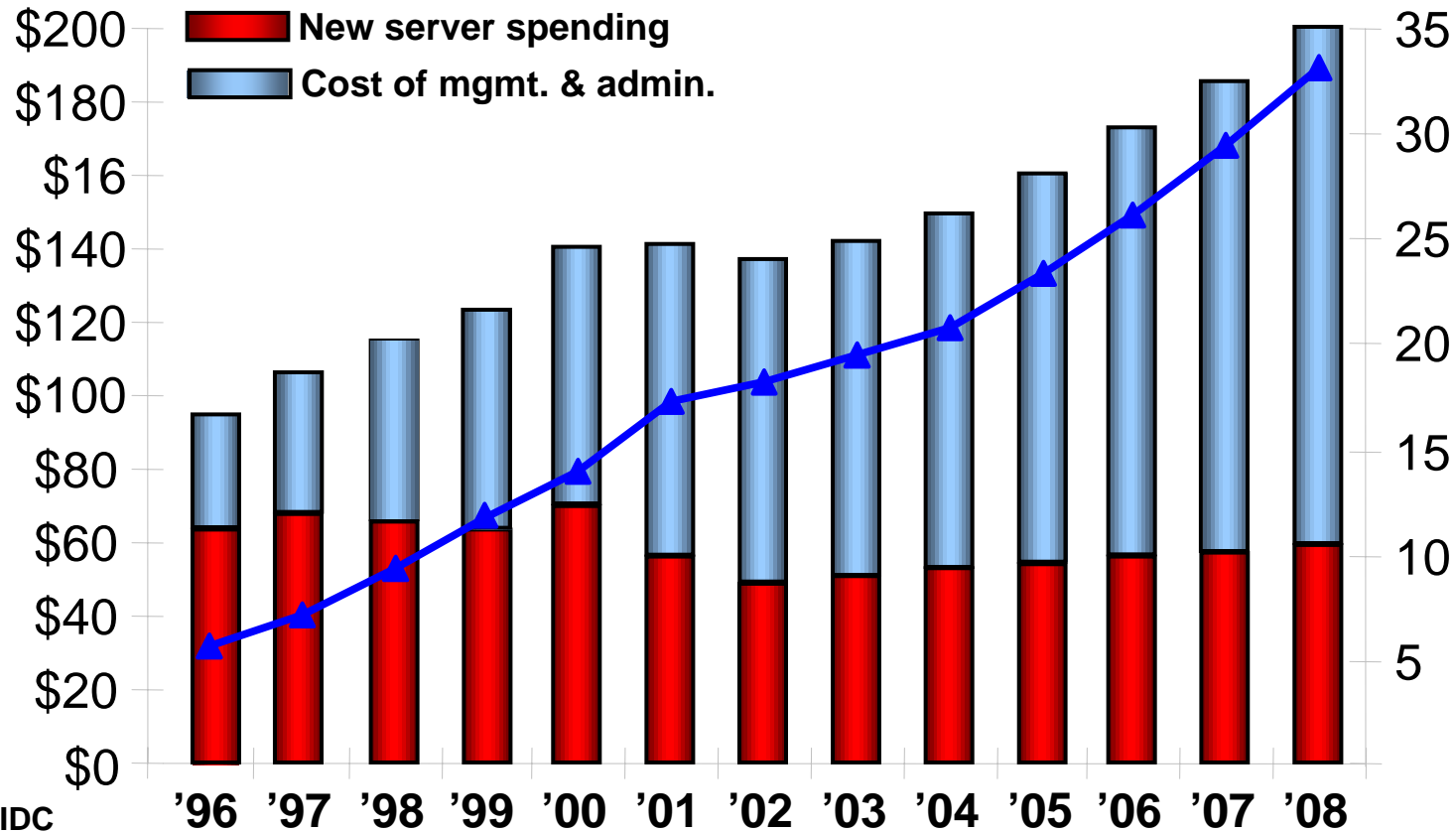
- Aging federal IT workforce
 - Role: Customer advocate vs systems owner
- Speed of change (technology, users, the net, expectations)
- Compliance (ITIL, security, OMB)
- Competition (public/private, intra-gov)
- Budget shift to operations - matter of survival?



Shifting Budget

Spending (USD\$)

Installed Base (M Units)



Source: IDC

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- Server volume multiplying
- OpEx scales with server count



Enter: *The Agile Infrastructure*

- Nimble, responsive, relevant
- Ownership and control continuum:
 - GOGO, GOCO, COGO, COCO
- Business case driven (variable costs)
- Shifts capital investment to private sector
- On-demand computing
- From component capital acquisition, to SLA-based, business driver pricing metrics
 - Ex: cost per VTC room/month



Leveraging Public/Private Partnerships

- Government IT as service managers
 - Economic validation, governance
- Private industry as investors for infrastructure provisioning service
- Dynamic optimization of IT resources
- Drive down costs, improve service