

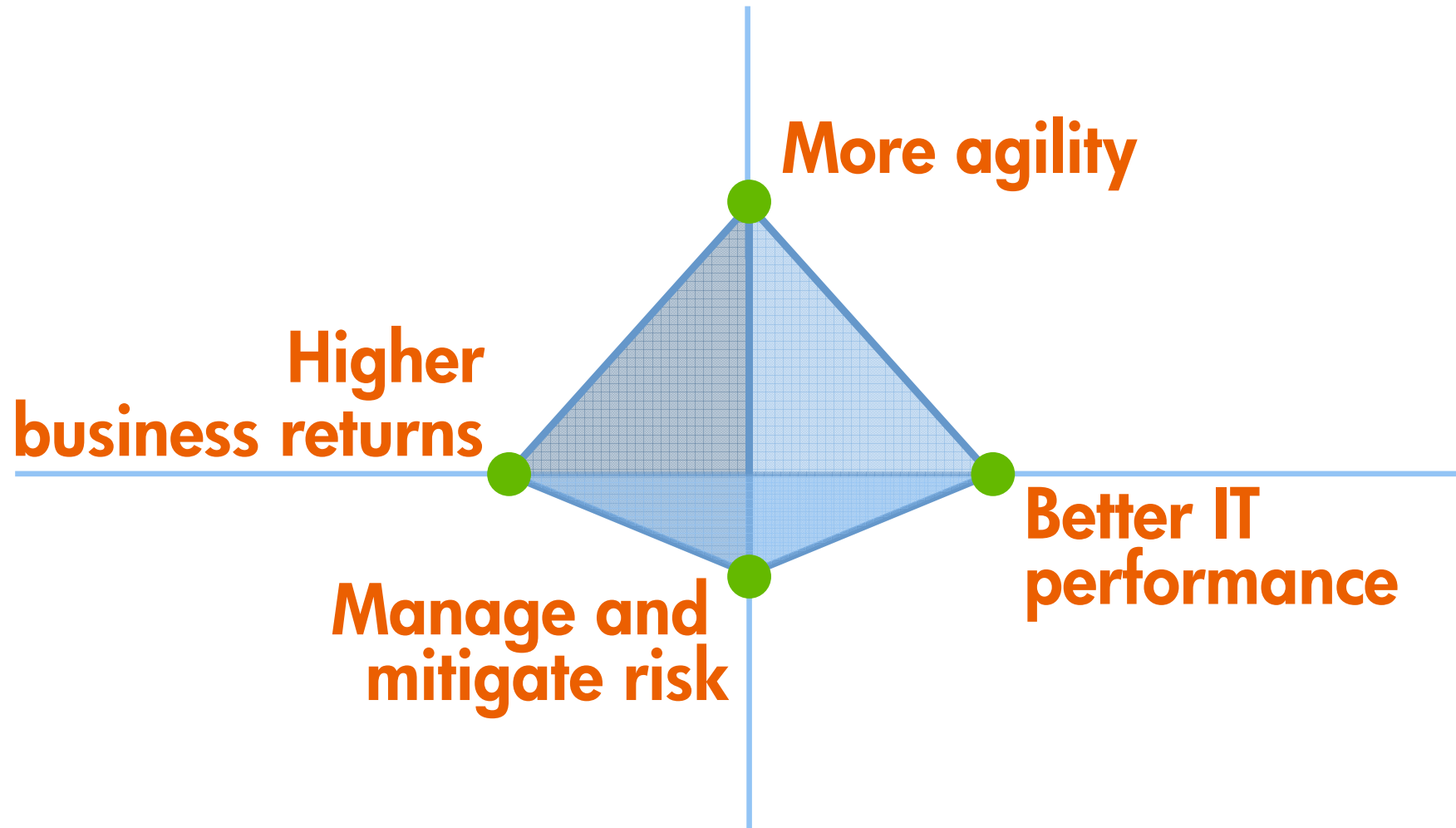
What's IT worth to the business?

IM 2007 panel

john wilkes
HP Labs, Palo Alto, California

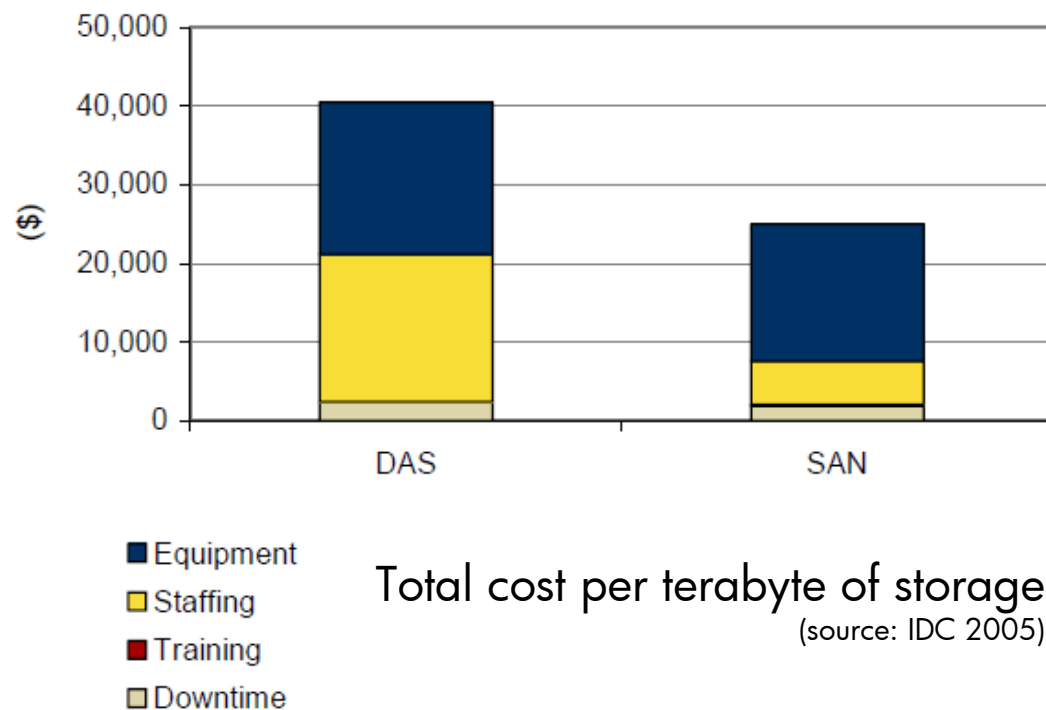


Q: what do CEOs/CIOs need?
A: run IT like a business



IT spending: hardware vs administrator costs

- Storage costs are dropping
 - 1995: ~\$5000/GB raw
 - 2005: \$0.5/GB raw
- People costs are not:
 - 2004–5 admin salary: US\$68k
 - growing ~0–6%/year [SAGE-USA survey]

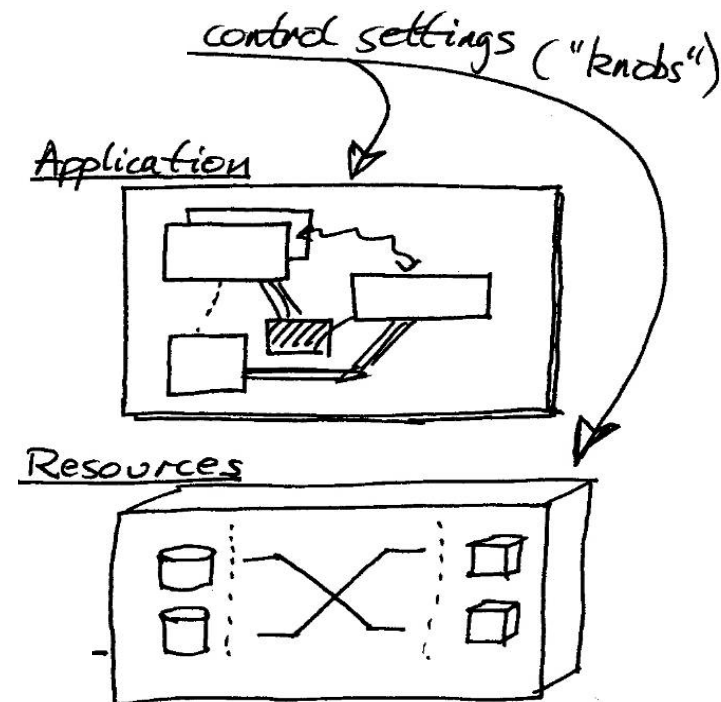


Solution:
automation



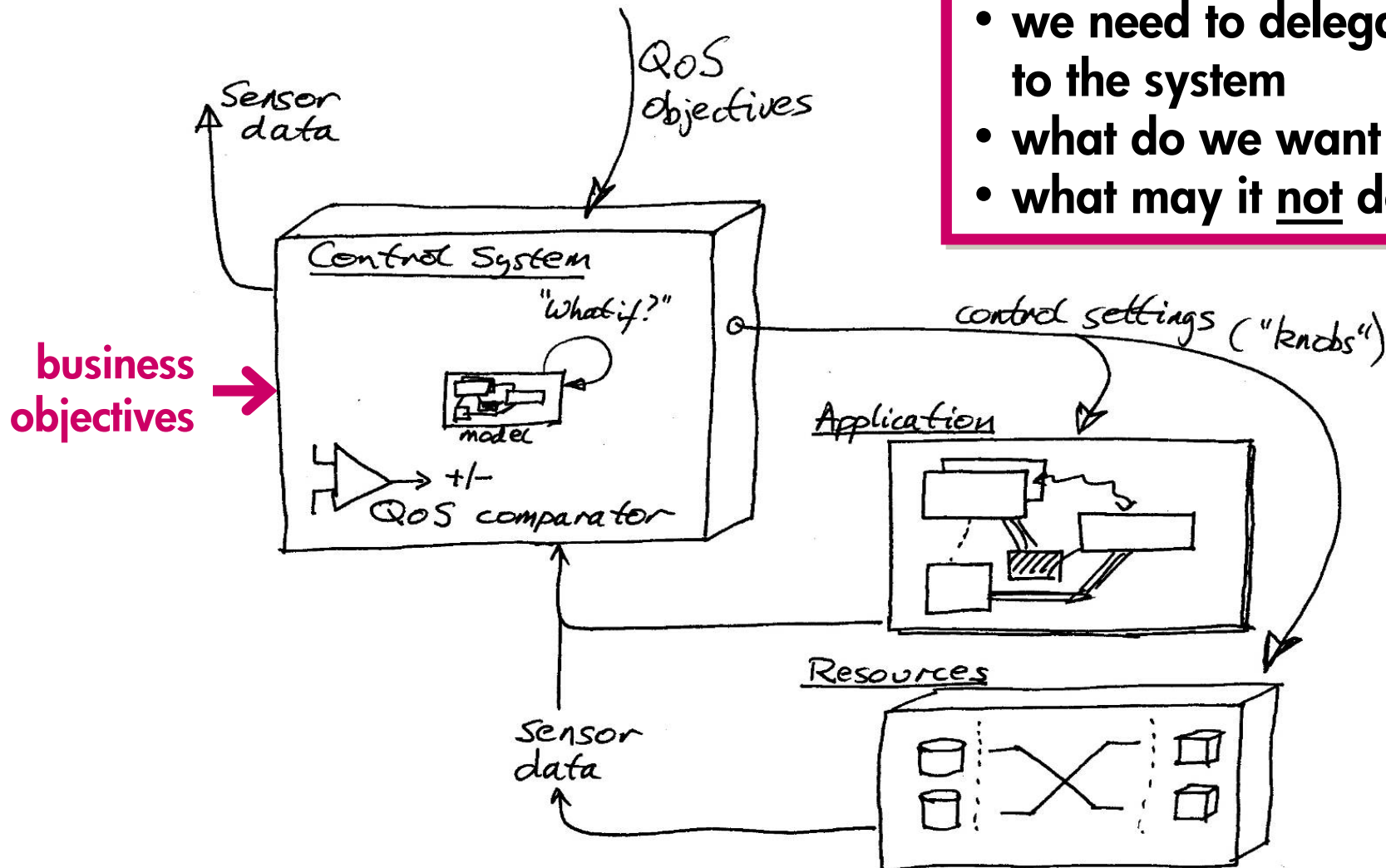
Control loops

Automation



Control loops

Automation

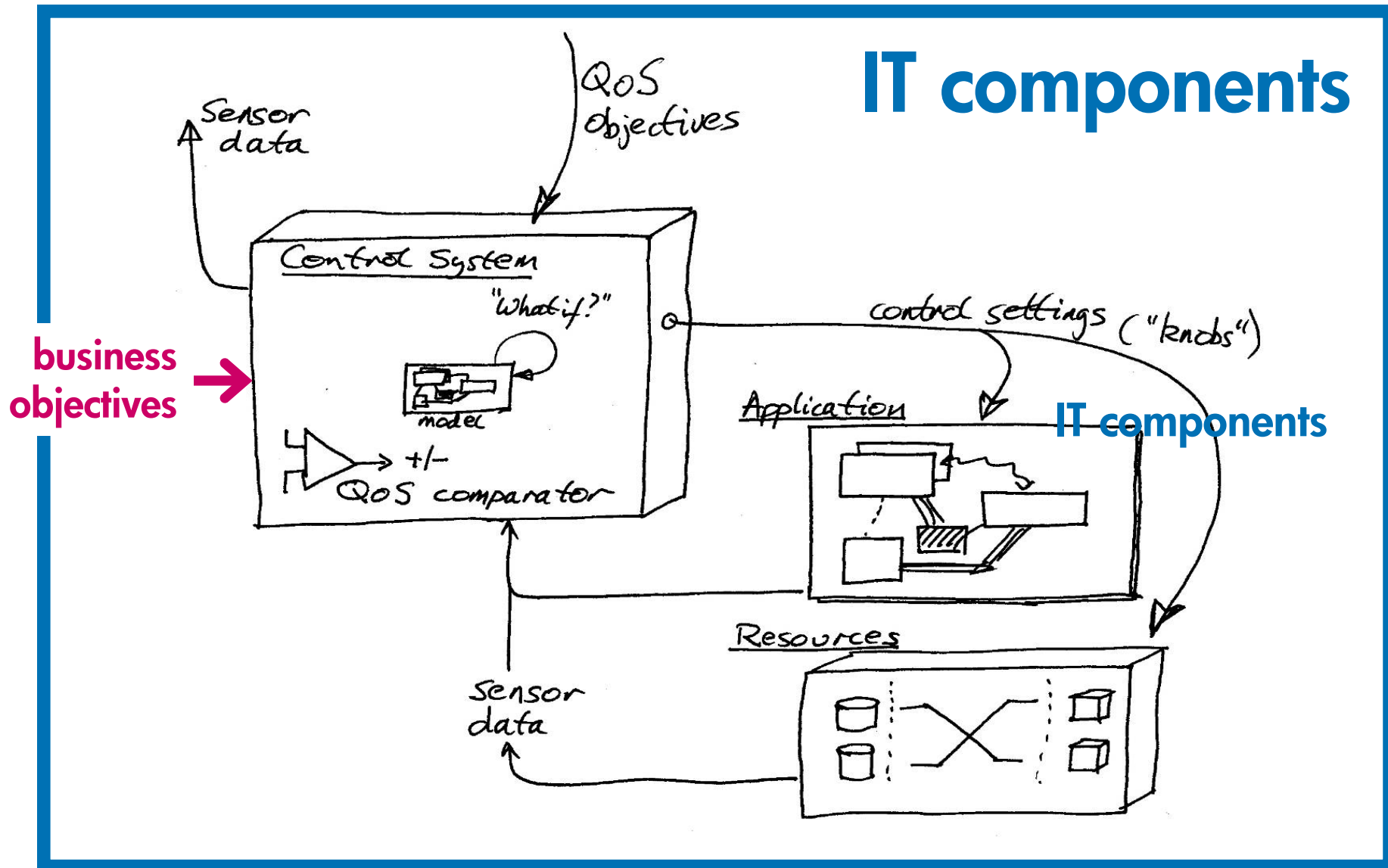


For this to work:

- we need to delegate authority to the system
- what do we want it to do?
- what may it not do?

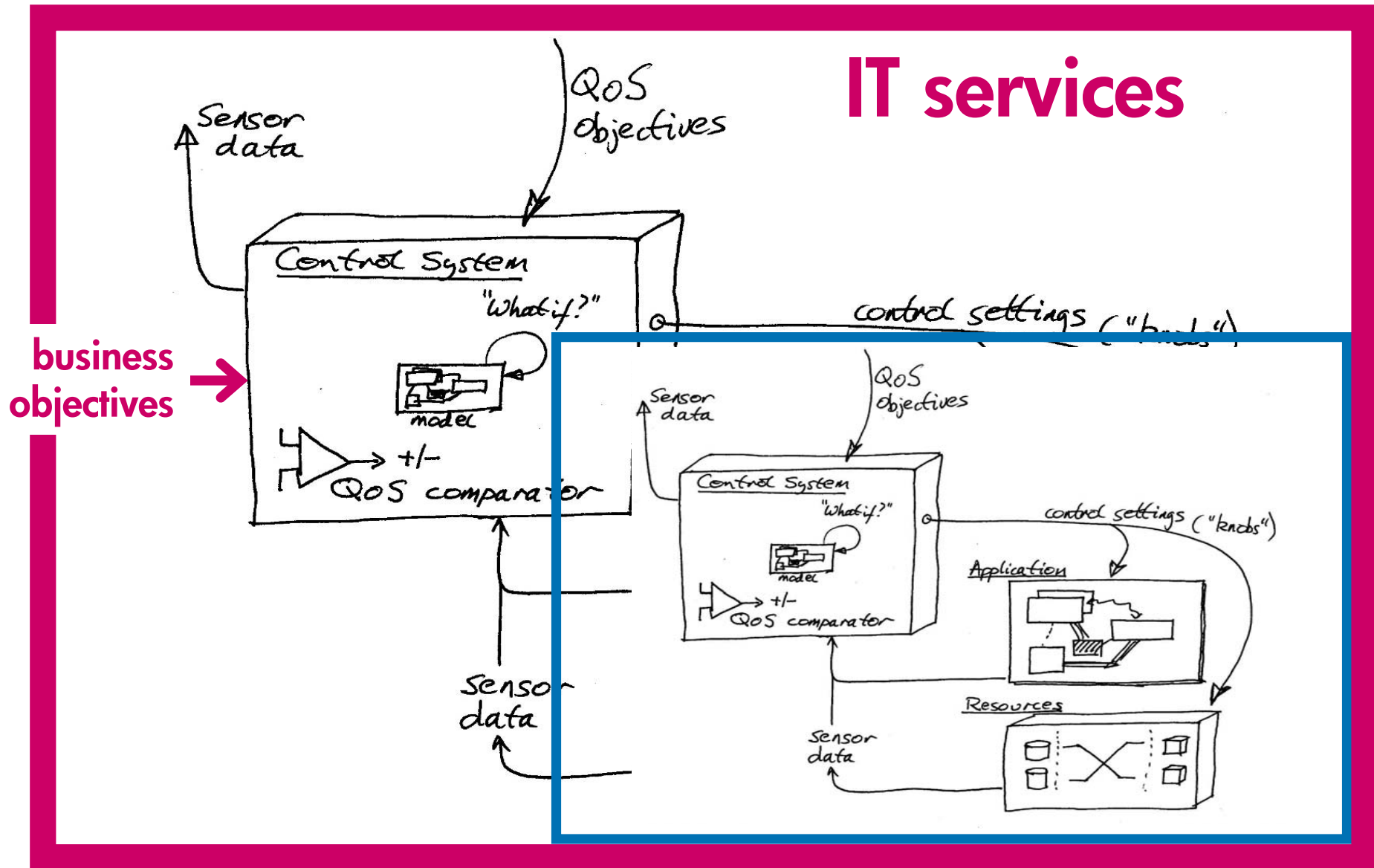
Control loops

IT in support of business



Control loops

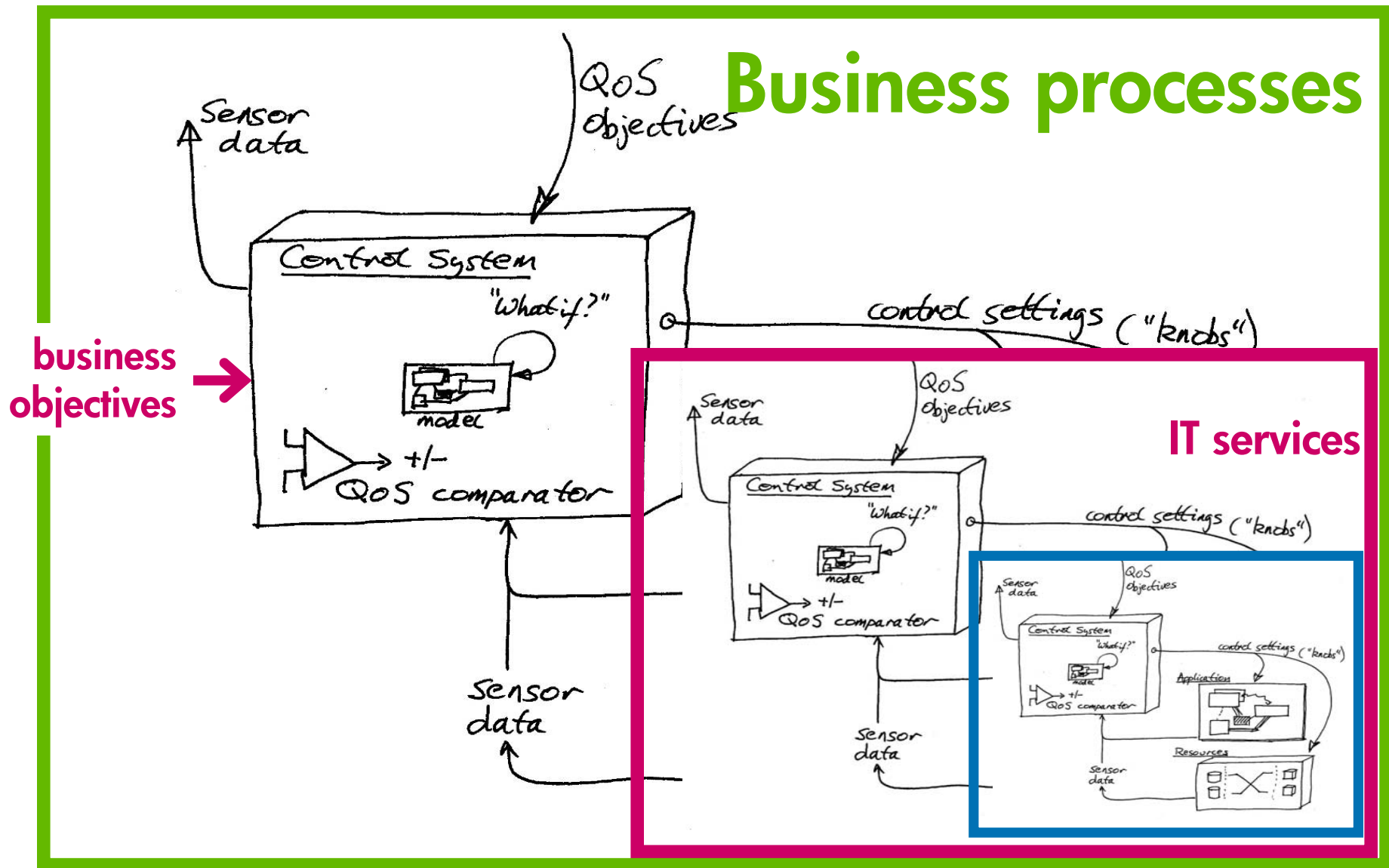
IT in support of business



IT services

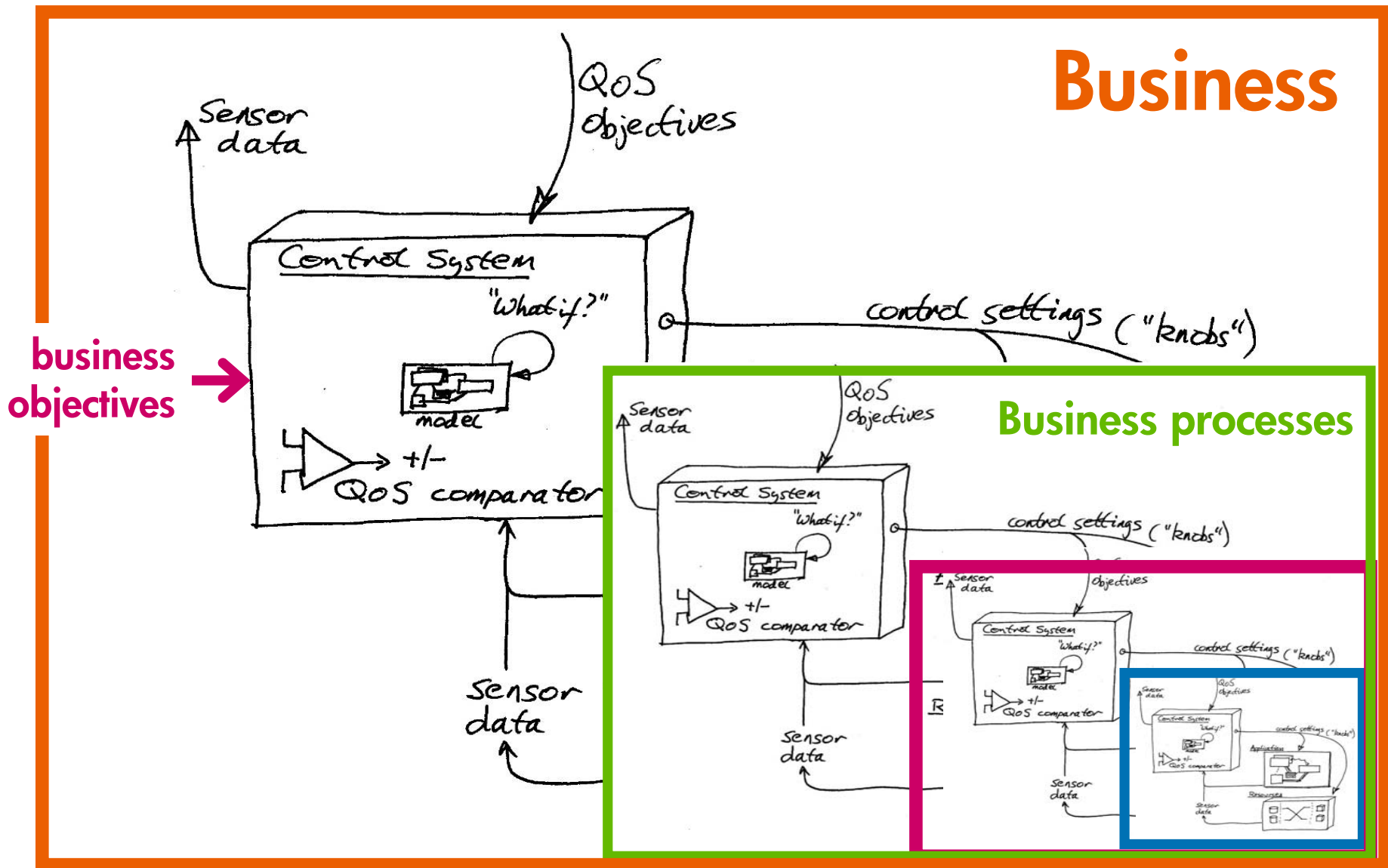
Control loops

IT in support of business



Control loops

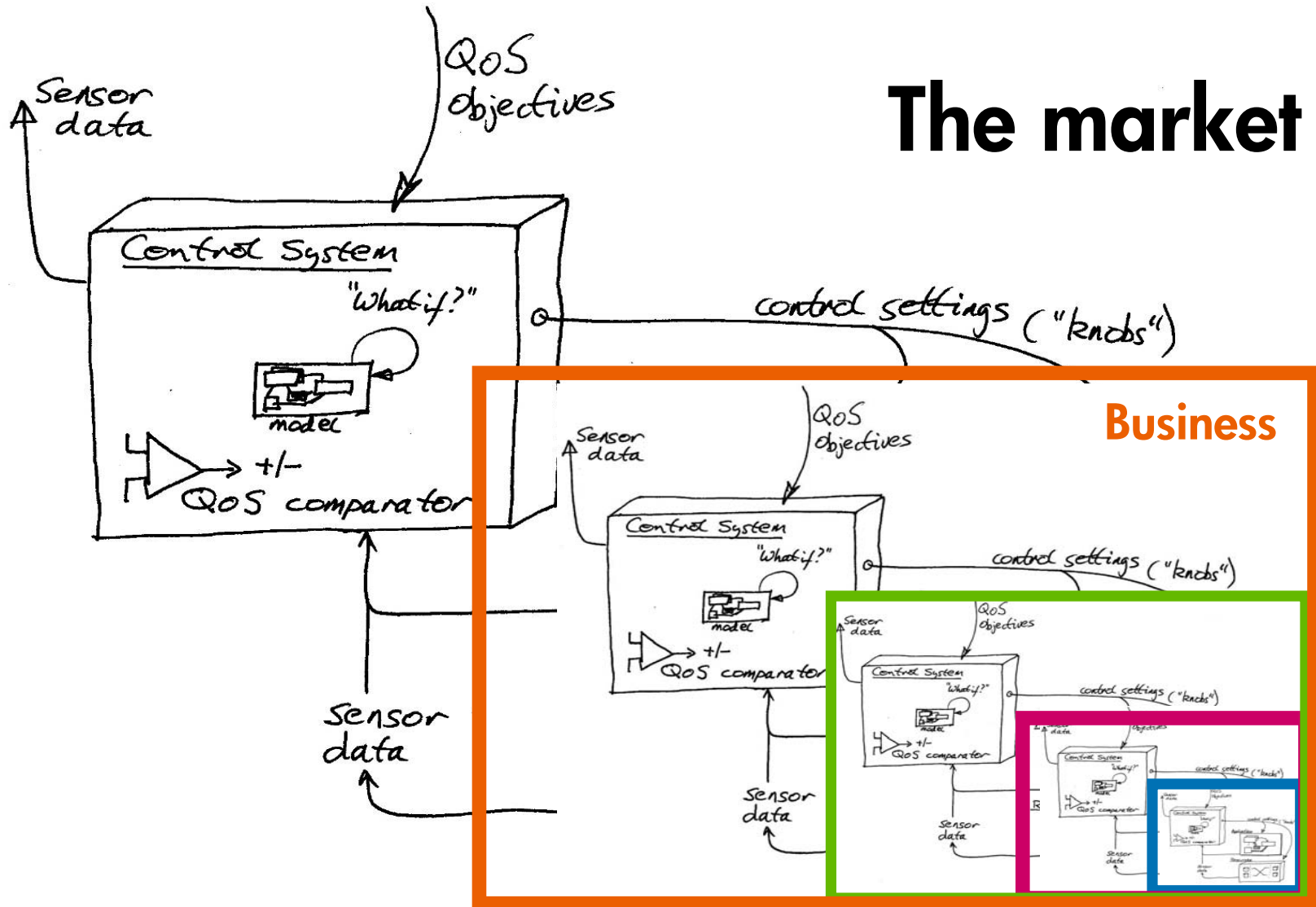
IT in support of business



Control loops

IT in support of business

The market



Communicating business intent to IT

- We've had a hard time educating businesses about IT metrics
 - let's try doing the reverse → BDIM
- What do business care about?
 - money
- What makes automation easier?
 - a single metric to optimize against

Communicating business intent to IT

Economy-based service-oriented computing

- easier automation
 - smaller optimization context, single metric to optimize
- easier to understand where to invest
 - look for max ROI
- greater transparency → better accountability
- encourages competition → better services
- narrower interfaces
 - specify consequences, not behaviors

Communicating business intent to IT

Economy-based service-oriented computing

- Metric transitions are hard to do
 - so do as few as you can!

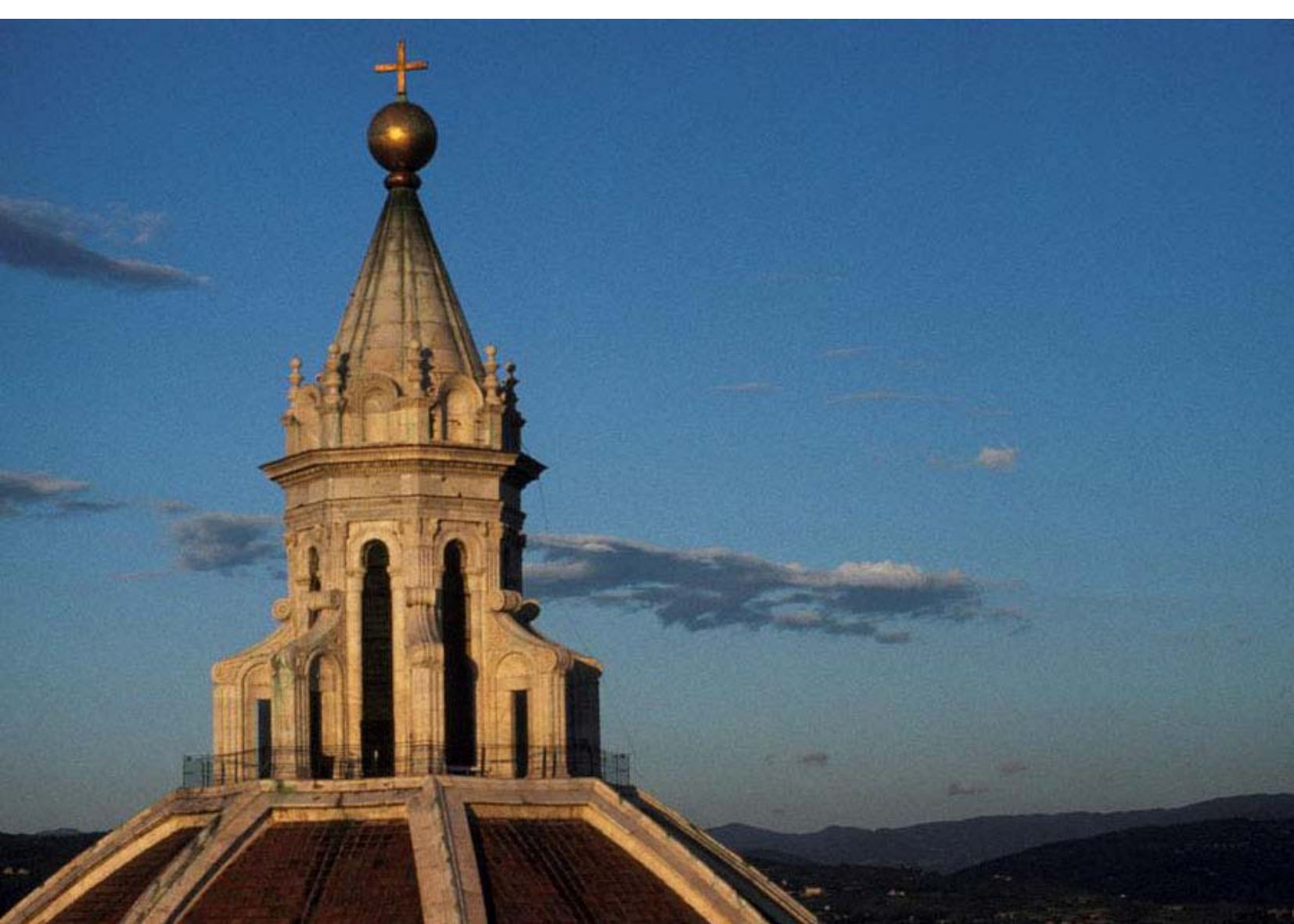




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