

ITS&A Carbon Strategy Study Podcast

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Tim:

Welcome to this IBM podcast series focused on how to optimize your technology infrastructure. I am Tim Willeford from IBM.

Through this series we will cover topics that help lower IT complexity and improve operating efficiencies along with tips and advice for using technology and services to help you and your company succeed.

Today I am joined by Colm Feighoney who is a Consultant with our IBM Services Team who specializes in Systems Management.

We are here to talk about energy efficiency and IT infrastructure and how IBM can help clients understand their energy use and help create efficiencies through a new service called the IT Carbon Strategy Study.

Colm there is no shortage of news and headlines around Project Big Green and IBM's energy efficiency initiative and what the industry is doing. We have heard the clients can save up to 40% of their data center energy costs through green solutions. Tell us, what is the IT Carbon Strategy Study and how can that help clients?

Colm:

Well Tim, wherever you are the world you can not ignore the climate change debate. I am based in the UK and in Europe and it is no longer about the science, it is now an economic debate. The UK is leading specifically with very aggressive reduction targets for carbon emissions and all of these will, at some point, impact all of our customers. What I am actually seeing within this trend elsewhere, and I am now speaking to colleagues in Canada and Tokyo, I am seeing how their municipal governments are driving change as well. I am also seen a number of businesses are using the green banner to strengthen brand image and to compete in the marketplace.

I have actually seeing some instances where the whole green agenda is creating brand new businesses. Take (inaudible) for an example. Its business model is about facilitating the trading of energy efficiencies certificates which have now been announced in a further 32 countries and this will be an exciting addition to the business cases for our customers as they undertake the transformational journey.

But what I am also seeing, from IBM studies, that there is only 25% of us CFOs who are actually pay for the electricity they consume and I think with all the legislation sitting in the UK that CFOs will become more and more aware of the increasing charges that they're having to deal

with and once they do that they will start to portion out through the lines of business and drive optimization as they can. I think that there is a title wave going to be hitting IT shortly.

So the immediate driver is one of cost-reduction or cost avoidance. I spoke to a number of large organizations who have taken folk out of the business as usual roles to look specifically at the wider topic of corporate social responsibility to formulate strategies, policies, plans, etc. Clearly these leaders are coming to IBM to explore specific solutions be that upgrading their data center cooling facilities to consolidating servers and storage or adopting new energy-efficient technologies and the list goes on. This is one of the strengths of our corporation.

But not all organizations, I find, have the luxury of being able to take folk of these business as usual roles and that's where the IT Carbon Strategy Study is really designed to help. It is intended for organizations who do not know where to start this journey. Maybe they're not confident that they fully understand the nature of the problem and do not want to commit to a specific avenue of improvement just yet.

Tim:

How does this relate to other energy assessments that IBM offers?

Colm:

Well, as indicated, there are many entry points into the green or environmental improvement journey. For some clients the IT Carbon Structure Study will be the foundation on which they can build. It will fast-track the IT executive team when formulating their strategic intentions and helps them understand their current level of maturity when establishing for themselves an executable project roadmap. Other clients will say “hey, we know where we're going and we need help with whatever”.

So the IT Carbon Structure Study takes a holistic view across all of IT. It does not simply focus on the data center which, as you know, there is an awful lot in the press about that. It really does look across and considers the distribution of the IT environments. Typically 40% of IT sits outside of the data center. Just think of large retailers and the kind of IT that is in their stores and within their distribution centers and even on their delivery trucks.

What we also do in this study is we don't just look at the technical map around IT but we also examine how green the client's management and control processes and practices are. So I see that this study is ideal for clients where IT has not yet set its own targets and plans for energy consumption and reduction but maybe IT is under pressure from the business to play its part or IT is concerned about its ability to address forthcoming registry requirements in certain geographies or where the IT management team has identified a green agenda as a key concern but they don't feel sufficiently informed as to the challenges and how to go forward.

So some clients might say “that sounds great but why should we pay for this?” Well my response is that in any organization that is offering to undertake a free assessment they are probably doing so as a cost of sale with a specific area of focus and invariably with some form of prescribed outcome. The proposition from IBM is truly holistic across the whole of IT and is open ended in terms of potential outcomes and recommendations.

Tim:

Interesting. So what type of improvements and results can this IT Carbon Strategy Study help a client achieve?

Colm:

Well, I think that the key benefit for those clients I've mentioned where we would target the IT Carbon Strategy Study at, it is about momentum and an agenda for change and it is the implementation of that change in agenda that actually delivers a value. You mentioned in your opening introduction how we have identified potential savings within the data center alone which is around 40% from optimizing the air-conditioning, reducing the infrastructure itself and making better use servers and storage. The real benefits come downstream.

Tim:

So is this service available worldwide?

Colm:

Absolutely. It's been announced as part of our Big Green 2 which is a Corporations initiative. It comes with a package of engagement materials for all of our professional folk and I am busy briefing IBM professionals from around the globe - from North America, through Europe and throughout Japan.

Tim:

How is the study executed? What can clients expect to be delivered?

Colm:

Well Tim, one of the key objectives of the study is to build momentum for change within the client so that the engagement is conducted very quickly. It will be conducted over three to four week period with two IBM consultants working very closely with the IT Executive Team. This is very much a strategic piece of work.

This commences with an IT management workshop where we share IBM's experience of the drivers and issues that organizations face around a whole green agenda plus we facilitate the IT Management Team develop their own set of green IT principles which can be used then to guide subsequent projects and programs.

Then through a series of interviews across the IT organization we will form a point of view about the client's level of green maturity and then using IBM's rule of thumb and the client's information we will form a view of their current levels of energy consumption and, most importantly, the opportunities for reduction and improvement.

We will then conclude the engagement where we will playback our findings to the IT Management Team, Executive Team, and then we will then facilitate them through an action planning piece of work to establish for them their own set of improvement projects.

So the study is non-disruptive in that we will not be measuring or examining any of their systems or infrastructure but we will be using their data to form our points of view and the IT Carbon Structure Study itself is built around IBM's tried and tested methods, tools and techniques. We will bring IBM assets to accelerate this whole exercise.

What does the client get? Well I prefer to think that it is more of a case of how IBM helps the clients determine that for themselves. The outcomes of the study are a set of projects or initiatives, a customized set of guiding principles that the client can then use to incorporate into the overall IT strategy and this can be used to communicate to their stakeholders. They will also have an assessment of IT's green maturity both in terms of its level of consumption and its level of management practices.

Tim:

Colm I am sure many of our listeners would like to learn more. Where can they go to get more information?

Colm:

I would recommend to any of our clients and potential clients that they go to www.ibm.com and under Services look under Strategy and Architecture and they will find out more about this offering.

Tim:

Great. Well Colm Feighoney, thank you for your time today. This is Tim Willeford for IBM.