Procurement and IT

IT SYSTEMS AND SUPPORT are often identified as an independent area in large organizations and not linked with procurement – at least until the procurement of an IT system or services is required. Then it enters the realm of procurement with a vengeance and the record of success has been spotty at best. IT systems and services are best seen as a tool for the organization and its staff to rely on to be productive.

Procurement professionals can offer much to the procurement of IT tools and systems. Procurement officers need to understand the requirements of the organization and staff in terms of managing information before launching a procurement. In an April 2008 article by Dan McLean in *Network World Canada*, Rebecca Jacoby, CIO of Cisco Systems, explains that "she previously worked in supply chain management and retail – an area of experience, she says, that makes her uniquely qualified to manage information." She says, "I think the smartest CIOs I talk to come from a supply chain background… My theory is that IT is all about moving around data."

There is much to be said for procurement professionals who focus on the IT sector and who can apply their professional expertise to providing their organization with the best and most useful information technology tools. You will find examples of how procurement makes a difference in the short case studies below.

– *Anne Phillips, Editor*

IT security – another place for procurement expertise

Source: Synopsis of article by Chandler Harris, *Government Technology*, June 9, 2008

ACCORDING TO the June 2008 article by Chandler Harris, in *Government Technology* magazine, "government was the top market sector receiving denial-of-service attacks in 2007" and "topped the list for the number of identities exposed and was the second highest for the number of data breaches." His source was the latest Symantec *Government Internet Security Threat Report.*

The article offers advice for 5 IT security threats:

1. *Manage risk at a higher level.* Organizations have begun to shift security resources and decisions to higher-level decision-makers such as chief information security officers or a combination of professionals focused on security and privacy.
2. *Protect portable data.* One of the biggest government IT security issues is the protection of secure data from portable sources like laptops, PDAs etc. Recent security strategies include using data-encryption software, network access control software and increasing wireless IT security.
3. *Secure Web applications.* The Web is often used as a primary vehicle for intrusion and security breaches therefore.
4. *Secure your endpoints.* Measures taken to secure endpoints within an organization, including laptops, PDAs and other personal-computing devices, is as an important tool to protect the organization's internal network.
5. *Don't forget the basics.* Use common sense. Start with the basics found in many security best practices, such as keeping security programs current and performing basic IT security maintenance.

Open source

Source: Synopsis of "Open source makes inroads" article by Greg Enright, *CIO Government Review*, April 11, 2008

LOOKING FOR a system to help consolidate some of its payroll data and to standardize a number of databases onto one platform, Brantford, Ontario opted to use open source software, downloaded from Talend, a company based in France. Talend offers Talend Open Studio for data integration; Talend Integration Suite, a subscription-based service; and Talend On Demand, a data integration software. Brantford is doing real-time integration between several applications using a combination of direct access to the applications and Web services to try to keep several systems for the management of the city's assets in sync. Open source is cost effective, not proprietary, can be customized to suit the user and is flexible enough to import data from the city's Oracle database.

According to the article, *Open source makes inroads*, "Environment Canada is using an open source model for its model of the environment and temperature of roads (METRo) forecasting system, in an effort to help provide the community of meteorologists and road maintainers with accurate forecasting software.

METRo 3, the newest iteration of software released last year, inputs atmospheric forecasts, road composition and observations from road weather stations to produce a local road forecast ranging from up to a 48-hour period. The system, designed for winter road forecasting, was created in the python programming language and can perform its forecasts on a standard desktop in less than two seconds… The system, which had been used on an operational basis from 1999 to 2005 in Ontario and New Brunswick, has recently been freely distributed by Environment Canada under General Public Licence (GPL)."

Virtualization case studies

1. **Ryerson University (Ontario) saves $500,000 over 3 years (power, cooling, hardware, etc.).**

RYERSON UNIVERSITY, known for its career-focused approach to education, kept buying dozens of servers a year. In late 2006, they maxed out their two campus data centres and needed a way to address the continually increasing server demand and control its server sprawl, while keeping costs down.

With VMware Infrastructure 3 Enterprise, 130 servers are consolidated onto 13 physical hosts, while providing faculty and students with an unprecedented level of service, including dramatically fast and inexpensive server provisioning, better backup and comprehensive disaster protection.

Results at a glance:
- 90 percent reduction in physical servers
- Dramatically lowered hardware, systems administration and power costs, for an estimated $570,000 savings over three years

a blooming relationship

- 80 percent reduction in the amount of floor space devoted to servers and storage
- Power and cooling costs slashed 80 percent
- The cost of provisioning servers reduced 65 percent
- Virtualization and mirrored SANs at the university's two data centres offer full disaster recovery for the first time, with estimated recovery time cut from months to minutes.

2. **Interior Health Authority (British Columbia) creates a greener data centre: 76 percent power savings for servers and 84 percent reduction in cooling requirements**

Interior Health Authority (IHA) was looking for ways to reduce hardware, power and cooling costs at an overtaxed central data centre. To achieve that, IHA migrated physical servers scheduled for replacement to virtual ones, saving money, offering high availability and creating a greener data centre. Plans are that every dollar saved on IT will be used towards better patient care.

Results at a glance:
- Currently 160 physical servers virtualized on 6 VMware ESX Servers
- By end of 2008 will have 250 servers on 7 new VMware ESX Server - this will equate to 76 percent power savings for servers and 84 percent reduction in cooling requirements, which is estimated to save some $70,000 per year.
- Won VMware's 2007 Virtual Vanguard Award for energy savings
- Improved data centre efficiency, which enables systems administrators to manage hundreds of virtual machines within one program (VirtualCenter), including CPU, RAM, network connections and storage resources
- Maximized utilization of both physical hardware and software licenses
- Simplified and hastened cloning and procurement of new servers

IHA green savings
Before:
Physical servers
Total power supply wattage: 31,900 W
Total max BTU heat output: 156,060 BTU

After:
Virtual farm
Total power supply wattage: 7,800 W
Total max BTU heat output: 24,318 BTU

Compiled by Summit staff

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