



WHY SMBs SHOULD USE WINDOWS SERVER 2003 MIGRATION AS A LAUNCHPAD TO IT TRANSFORMATION

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F R O S T  S U L L I V A N

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Lynda Stadtmueller
Vice President – Business Services

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If you are part of a successful small or mid-sized business (SMB), chances are you are adept at prioritization. Faced with limited budgets and over-stretched staff, you and your team likely know how to make the tough decisions that will maximize revenue and increase productivity, while minimizing costs. This includes prioritizing activities that move the business forward, over those that involve routine maintenance.

However, sometimes the right investment choice is not an either/or decision. Consider, for example, the need to migrate the server operating system to Windows Server 2003. It may seem prudent to defer the effort as long as possible—after all, SMBs may assume that activities geared toward maintaining legacy systems and software are less valuable to the business than investing in next-generation technologies. But that thinking is wrong, on two fronts. First, neglecting to migrate your Windows Servers can place the business at tremendous risk. And equally important to a growing business, the Windows Server migration project can actually propel business growth, by serving as the launchpad for an overall technology refresh.

What about the business with such budget and staffing constraints that it simply cannot find available resources to move forward? Many SMBs have discovered a surprisingly cost-effective solution: hiring an expert consultant to oversee the migration effort and set the business on the right path toward overall IT transformation.

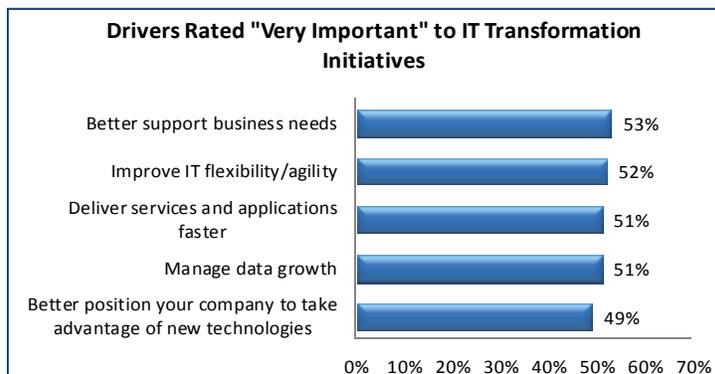
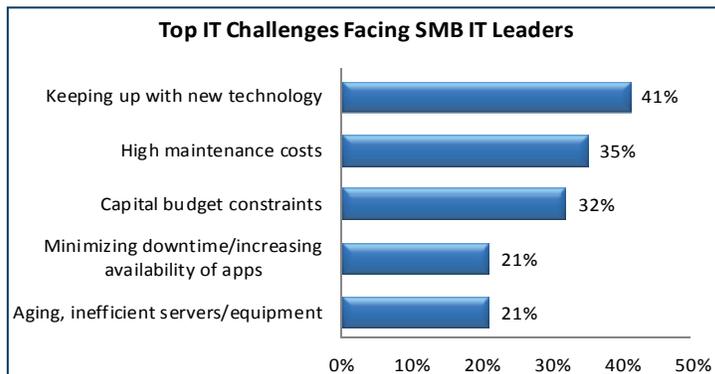
This paper looks at the Windows Server Migration effort in the context of broader IT and business goals. It also steps through a decision process for SMB IT leaders who are considering hiring professional consultants to shape the project.

IT CHALLENGES FOR SMBs: JUGGLING PRIORITIES

In a 2014 Frost & Sullivan survey of IT leaders, SMB respondents revealed the unique struggles they face in balancing limited resources. Asked to select their top IT challenges, 41% of SMBs cited “keeping up with new technologies” (versus just 25% of respondents from larger businesses).

Rounding out the top five challenges are high maintenance costs (cited by 35% of SMBs); capital budget constraints (32%); minimizing downtime and aging inefficient servers (21% each). These selections indicate that SMBs are challenged to deal appropriately with the day-to-day tasks of keeping the business running.

At the same time, IT leaders in SMBs have embraced their role as enablers of business growth. Fully 66% of SMB respondents say their companies “will embrace new technologies immediately or before others in our industry.” Asked which drivers would be most important to their decision to transform the IT department, half of IT respondents cited strategic goals, including supporting



Source: Frost & Sullivan Survey

business needs (53%), improving IT flexibility and agility (52%), and delivering services faster (51%).

Thus, the challenge remains for SMBs: how to minimize the effort involved in routine maintenance activities, while freeing up budget and resources to enable IT to support strategic business goals. Suppose the answer lies in developing and executing an IT transformation strategy that supports both goals? For smart SMBs, the Windows Server Migration strategy is a step to doing just that.

PUTTING WINDOWS SERVER 2003 MIGRATION IN CONTEXT

There are several strong reasons to migrate from Windows Server 2003. The most practical, of course, is that the operating system has reached the end of life, and will no longer be supported. Taking no action leaves your data center infrastructure and your workloads vulnerable to failure and attack.



Windows Server 2012 is designed to support the new technologies that impact how business is conducted, including cloud and mobility.



The second strong reason is that Windows Server 2003 functionality has long since been superseded by next-generation Windows operations systems. As the date rapidly approaches for discontinuance of support, it is wise to consider how much the Windows operating system has evolved since 2003, and how the evolution parallels changes in your business. Windows Server 2012 is designed to support the new technologies that impact how business is conducted, including cloud and mobility. Thanks to the flexible and scalable Microsoft Cloud OS, migrating to Windows Server 2012 R2 introduces important benefits such as:

- **Data center efficiency:** Windows Server 2012 R2 allows you to optimize the capacity utilization of your data center components, especially when loaded onto a high-performance server built for convergence.
- **Security:** Windows Server 2012 R2 supports policy-based security profiles, enabling you to protect corporate assets while providing users with flexible access.
- **Resiliency:** The multi-tenant, cloud infrastructure offers automated backup and recovery, supporting your business continuity plans across your data center and cloud workloads.
- **Functionality:** Windows Server 2012 R2 -----supports the creation and deployment of high-performance Web-based and cloud applications. The Cloud OS platform includes tools and APIs for deploying and scaling Microsoft applications in a hybrid cloud environment.
- **Compliance:** Windows Server 2012 R2 provides features that support your company's compliance obligations, including federating and managing user IDs in a policy-based framework. The OS helps you protect company data while providing users with appropriate access to their data and workloads.

The third important reason to begin migration activity is that it will trigger an overall IT assessment and

technology refresh, which will position your company to respond faster and more cost-effectively to changing business needs. We explore this concept in the next section.

LEVERAGING THE SERVER MIGRATION PROJECT TO BUILD A MORE RESPONSIVE, EFFECTIVE IT ORGANIZATION

In today's hypercompetitive global business economy, businesses are holding all organizations, including IT, responsible for driving outcomes that align with business objectives. For IT organizations, this means delivering critical business needs, including:

- **Agility** – Respond quickly to changing market conditions; deploy applications and services rapidly.
- **Performance** – Deliver application-specific service level agreements to internal clients.
- **Cost-effectiveness** – Ensure investments are commensurate with results.



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Making the transformation from a reactive, asset management organization into a collaborative, service-based organization requires a complete assessment of processes, infrastructure, and even workloads—a potentially overwhelming task that may seem beyond the near-term abilities of resource-strapped SMBs.

By utilizing the Windows Server 2003 migration as a starting point, the overall transformation effort becomes more manageable. For example:

- **Workload transformation:** Labor-intensive legacy workloads inhibit agility, because they require highly manual tasks to test and deploy. As you inventory workloads as part of your server migration effort, look for ways to lighten the load—via re-tooling for cloud delivery, virtualization, or even outsourcing to a trusted partner via managed application services.
- **Infrastructure refresh:** Servers, storage, and network infrastructure is the foundation that keeps your company's workloads running. As you perform scheduled hardware refreshes during the Windows Server Migration effort, look to optimize workload delivery by choosing the right hardware. A high-performing converged cloud infrastructure solution that is specifically engineered for Windows Server 2012 workloads can cut time, effort, complexity, and costs.
- **Process realignment:** To become a service-oriented organization, IT needs to build interfaces with Line of Business (LoB) colleagues, and ensure visibility into components for end-to-end workload delivery. The Windows Server 2003 migration provides a compelling reason to start a conversation with LoB managers. Focus on Windows Server 2012 features that will make it easier for them to do

their jobs, such as faster deployment of new applications and easy access to workloads from any device, using a single password.

GETTING STARTED: WHEN SHOULD YOU ENGAGE AN EXPERT PARTNER?

Despite the excellent strategic and tactical reasons to get started with the Windows Server 2003 migration, many SMBs still struggle to come up with available and qualified in-house resources to drive the initiative. To get started on the right track, does it make sense to turn to an outside expert?

For too many SMBs, the question does not even arise. They incorrectly assume that consultants are too costly for their business, or that their needs aren't complex enough to warrant a consultant. Reflecting that thinking, 30% of SMBs in the 2014 Frost & Sullivan survey say they plan to develop and execute their IT transformation strategy on their own (without relying on a consultant or partner), compared with just 5% of midsized and large businesses. However, that means 70% of SMBs understand that hiring the right partner can be a smart business investment.



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But how can you determine if it makes sense for your business to seek a third-party partner? Here are some considerations:

- **Scope of project:** Your own technical staff is probably able to handle routine upgrades as part of their job descriptions. But consider whether you have scoped the project properly for maximum value and efficiency. Treating the server migration project as separate from your inevitable transformation efforts is like re-seeding your lawn a week before you install a new sprinkler system. An expert partner can help you define the desired “end state,” and the sequence and prioritization of steps to get you there.
- **Time and resources:** Few SMBs have idle technical staff available to take on major projects like server migration and transformation. In fact, few SMBs even have sufficient staff to spend time researching the impact of short-term inactivity, much less what it will take to meet long-term business goals. With just a few months until support ends for Windows Server 2003, your smartest move may be to turn to an expert partner to develop the project plan and work with your team to manage the project.
- **Expertise:** Your team certainly knows your business and your existing infrastructure. But even the best technical employees cannot be expected to have the necessary knowledge of the latest infrastructure solutions and industry best practices to assess the scope, develop the strategy, and execute on the plan. An expert partner who has actually run multiple projects for companies like yours is best positioned to guarantee that the project is executed successfully, on time and budget, and that your business is set up to continue on the path toward transformation.

- **Cost:** A key factor for budget-constrained SMBs is always cost. You need assurance that the business value justifies engaging a consultant. But how can you assign a dollar value to anticipated business gains, and how can you measure the results afterwards?

To determine whether it makes sense to engage a partner to lead your migration effort, create a business case that looks beyond top-line costs. Base your business case on the specific workloads your business relies on. Include calculations such as:

- **Cost- and time-savings** associated with less burdensome infrastructure maintenance, including live migration of virtual machines. Such a calculation may include a simple hourly savings on labor (for example, for slicing routine maintenance time by 50%), savings on overtime costs (since live migration of VMs means maintenance does not have to be relegated to “off-hours”), as well as productivity gains achieved through continued uptime of workloads.
- **Competitive benefits** of faster development and deployment of applications and workloads. Your LoB colleagues will be able to supply solid estimates, based on past experience. For example, Marketing may be able to cite an uptick in Web sales following a product enhancement; including how much more revenue could have been realized from earlier deployment. Customer Care may point to dissatisfied customers who might have been retained if system errors had been fixed more quickly (or had been caught during the testing phase).
- **Business risk and compliance** gains associated with high availability and strong service level agreements. Regulatory compliance and industry best practices generally dictate procedures for handling sensitive data, in primary and backup databases, as well as reporting requirements. Be sure your business case calculates the time savings associated with testing compliance of your primary and backup systems, and preparing for audits; savings from avoidance of fines; and cost savings from avoidance of customer SLA payouts. In addition, an infrastructure designed to provide secure, resilient, high-availability workloads can decrease your risk of a highly public outage. Be sure to include the incremental savings such that “insurance” can provide on your balance sheet.
- **Cost and productivity gains** for employees. When employees are unable to access the applications they need to do their jobs, the business suffers. In a 24x7 work culture, employees and partners are negatively impacted even when downtime is scheduled during off-hours. You can calculate productivity gains based on the availability gains associated with the upgraded operating system and new, efficient infrastructure. The calculations should reflect labor cost improvements, based on employee salaries, as well as any added revenue derived from increased uptime of customer-facing sales and service sites.

For many SMBs, the comprehensive business case proves out the value of engaging an expert partner to spearhead the migration effort—and beyond.

CHOOSING THE RIGHT PARTNER

If your business case analysis indicates you can benefit from a partner, to whom should you turn? While many Value-Added Resellers and IT consulting firms may be happy to spearhead your migration initiative, you will be best positioned for success if you research your options to find the best partner. Look for a partner that demonstrates:

- **Expertise in multiple technologies** – Including legacy and emerging hardware, software, services. If a provider's expertise is restricted to the Windows Server operating system, you will miss the opportunity to assess your overall infrastructure and workloads for improvement. Seek a provider that is able to look at your IT needs holistically; one that will ensure the new Windows 2012 R2 operating system is deployed on the right hardware to meet your workload requirements today, while also helping you build a roadmap for the future.
- **Expertise in working with SMBs** – While SMBs have many of the same technology needs as larger enterprises, they tend to be very different in terms of IT budget, specialized knowledge, and decision-making processes. Be sure your vendor understands how to work in the fast-paced, agile environment of a growing SMB (fewer slide decks, more action, please!).
- **Expertise in managing projects, on time and on budget** – The partner you select should be able to anticipate potential bottlenecks and budget drains, and work around them. Ask the partner for examples of work projects they have completed in the past, with examples of how they were able to keep the project on track.
- **Experience across a continuum of professional and managed services** – Even if your initial engagement is focused on server migration, make sure your partner is qualified to work with you on associated IT challenges and processes. These include pre-migration efforts such as assessment of your environment; strategy development; evaluation and recommendation of migration path options; as well as post-migration efforts such as training, testing, and ongoing support. A partner with broad experience will give you the flexibility to re-scope the relationship to meet changing business needs.
- **Proven methodology, visionary ideas** – Your partner should incorporate industry best practices in designing and executing the Windows Server 2003 migration plan, including providing regular reports of progress against agreed-upon metrics. Furthermore, you should expect your partner to be proactive in helping you to see beyond your current infrastructure and processes. While it is unlikely you will choose to do a total transformation of your IT infrastructure and processes at once, you should walk away from the engagement with a solid, workable roadmap, to be implemented on your own timeline.

THE LAST WORD

There's an old story that illustrates the folly of shortsightedness in achieving a goal: a lumberjack was in such a rush to cut down trees that he didn't take time to sharpen his saw. Of course, the dull saw made his job take much longer and require more effort than if he had taken a break.

When it comes to providing IT support for your SMB, a similar danger exists. You may have your eye on the important goal of keeping your business competitive through implementing new technologies. But if you neglect important maintenance tasks, like migrating your Windows 2003 servers to the next-generation operating system, you will be hurting yourself more than helping.

Fortunately, IT leaders do not have to choose between legacy and new technologies, or between maintenance and growth activities. By migrating to Windows Server 2012 R2, SMBs not only add efficiency, scalability, and cost-savings to the data center, but also start to build a foundation for tomorrow's flexible, cloud-enabled, service-oriented IT organization.

The good news for resource-constrained SMBs is that you don't have to go it alone. The right consulting partner can design and execute your server migration project, at a cost that can be justified by the increased savings and efficiency. Furthermore, the right partner can incorporate the server migration into a roadmap for IT transformation that will keep your business competitive.

A new year, a new server operating system, a new foundation for future business success: for growing SMBs, these are solid reasons to start investing in your Windows Server 2003 Migration initiative today.

Lynda Stadtmueller

Vice President – Business Services

Stratecast | Frost & Sullivan

lstadtmueller@stratecast.com

Silicon Valley
331 E. Evelyn Ave., Suite 100
Mountain View, CA 94041
Tel 650.475.4500
Fax 650.475.1570

San Antonio
7550 West Interstate 10, Suite 400
San Antonio, Texas 78229-5616
Tel 210.348.1000
Fax 210.348.1003

London
4, Grosvenor Gardens,
London SW1W 0DH, UK
Tel 44(0)20 7730 3438
Fax 44(0)20 7730 3343

877.GoFrost • myfrost@frost.com
<http://www.frost.com>

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331 E. Evelyn Ave. Suite 100
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