
The strategic upside of power accountability

Every cloud has a silver lining

By Dale Vile, July 2009

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Research conducted by Freeform Dynamics a year ago suggested that the majority of IT departments were not accountable for the power used within the systems infrastructure. The context at that time was [green computing](#), and the speculation was whether environmental related pressure would, over time, lead to more CIO's having the electricity bill dropped on their desk for action.

Since then, the green agenda has been somewhat overshadowed by the [economic downturn](#). If the truth be told, the link between the greening of IT and cost savings has always been instrumental to facilitating action, it's just that the fiscal motivation is now the one that's front of mind. Whatever prompts the move to put the CIO in the electricity hot seat, though, it can be a little uncomfortable. While all kinds of things can be done, as we discuss in our ['Green IT for Dummies'](#) book, having another set of metrics and targets to manage just adds to the already considerable delivery pressure CIOs are under.

But there is an upside. Apart from helping to protect the planet and potentially being able to redirect some of the money saved to other areas, there's an interesting spin off benefit to IT being made accountable for power. In order to appreciate this, we need to take a step back and look at how a traditional practice is getting in the way of progress from an IT modernisation perspective.

What we are talking about here is the systems ownership culture, in which the division or department that funds an investment in a new application expects to 'own' everything associated with running it. This typically includes the server(s) and sometimes even the storage. Meanwhile, technology vendors and service providers are increasingly introducing solutions that break the link between hardware and software. Whether it's basic [virtualisation](#), or more dynamic approaches that some are now referring to as ['cloud computing'](#), this decoupling of layers can potentially lead to significant benefits in terms of efficiency (via better hardware utilisation) and responsiveness to new or changing business requirements (through improved flexibility).

The trouble is that, while it is now reasonably straightforward to decouple components at a systems level, decoupling them from a political and cost accounting perspective can be much more of a challenge. It might make absolute sense to make better use of an under-utilised server originally bought to support a specific requirement within the marketing department, for example, but how will

the head of that department and the finance guys feel if you suggest it is now shared to support another department's needs? Worse still, what if you want to take that server and make it an anonymous floating asset within a resource pool from which capacity is allocated to requirements dynamically on demand?

Sadly, trying to deal with such questions is often more trouble than it's worth, so many assets continue to sit there ticking over at criminally low utilisation rates, with all of the RoI, power and management related inefficiencies that come with that.

So what's this got to do with power accountability?

Well, as one senior IT manager we spoke with recently from a large financial services organisation put it: "The sudden appearance of an \$11m dollar electricity bill for IT that needs to be accounted for tends to force you down the cost allocation route." The point is that IT is left in an impossible position if departments within the business don't accept some of the burden and responsibility, and with a lot of power being consumed by shared infrastructure, the only way of achieving this is through some kind of charge back mechanism.

And from a strategic perspective, this can be the start of a mindset shift away from the notion of everyone owning their own piece of the IT infrastructure, to one of collective ownership which, in turn, eases the path to implementing dynamic IT in general.

In practical terms, it's actually not just power accountability that can trigger this transformation. Another catalyst can be the discussions around real-estate requirements as space, both within and taken up by data centres, which is increasingly becoming an issue. Just as with electricity, if IT is made more accountable from a space and facilities management perspective, then this too would drive funding and accounting down the chargeback/allocation route.

While all such developments are likely to stress many organisations both culturally and procedurally, this really is a necessary part of IT maturing as a service function within the business and to unlocking the full potential of technology development, allowing a more dynamic approach to IT delivery. So, while having the electricity bill thrust upon you might seem like an unwelcome burden at first, it can provide an opportunity to drive some much needed rebalancing of how IT responsibilities and costs are distributed.

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