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Towards utility computing

THERE were global uncertainties this year that affected industries across the board, among them the war in Iraq and the effect of severe acute respiratory syndrome (SARS) on people and economies in parts of Asia and North America.

Computer Associates Malaysia experienced a good year; in fact, a better year than we had expected because as a software management company, our services were much in demand to remotely manage installations in SARS-hit countries.

Some clients who decided to go the remote management route because of the SARS epidemic have continued to use our services, finding them to be more cost-effective and efficient.

Security concerns were the most visible for organisations as the Slammer and Sobig viruses wreaked havoc despite early warnings.

However, security will continue to be a concern next year and beyond, as more organisations find that protecting data and information requires more than a defensive line-up.

Storage was big business this year, as predicted last year. And storage will continue to be a major consideration for organisations next year as well, with demand for storage and the challenges of managing storage requirements foremost in the minds of planners.

Local organisations continued to be cautious in their information technology (IT) spending, as mergers and consolidations continued pre-Asean Free Trade Area.

The transition of leadership from Tun Dr Mahathir Mohamad to Datuk Seri Abdullah Ahmad Badawi also encouraged an overall wait-and-see attitude among organisations.

Factors such as the need for on-demand computing, the growing adoption of open source options for enterprise computing, the announcement of the Basel II Capital Accord, increasing globalisation, mobile computing and delivery of mobile services, not to mention the emphasis on corporate governance and various business improvement methodologies, caused organisations to take stock of their IT spending and planning.

Overall, 2003 has been a time of gathering information, evaluating product and service offerings, and of tentative adoption of new technologies.

We foresee 2004 will be a time of decision, and of implementing and upgrading technologies for better business results. Some decisions will be made willingly as organisations seek to grow, consolidate that growth and ultimately expand while others will be forced upon organisations which want to remain competitive. Either way, local organisations will need to focus on technology in these three areas next year - security, storage and utility computing.

UTILITY COMPUTING

2003 is a year when all the IT heavyweights talked about utility computing. Research firm Gartner Inc says utility computing will become part of the mainstream by 2005, and International Data Corp indicates there's strong interest in utility computing now.

However, according to a recent survey by IT market strategy firm Saugatuck Technology, IT buyers are interested in utility computing, but don't really understand the concept - at least not as well as they should.

Hence, vendors in 2004 will need to demonstrate to end users how utility

computing will bring immediate benefits to them. They should continue to educate their customers and prospects on the utility computing concept, and to develop workable models that demonstrate the aspects of pay-as-you-go computing and business processes.

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