NNIT moves to the cloud to transform its service delivery

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—Jens Maagøe, senior architect, NNIT

Objective

Move to a cloud environment to lower operating costs, automate processes and create new value-added services

Approach

Created a 54-point Proof of Concept document, allowing HP, IBM and a consortium of Cisco, EMC and VMware one week to provide answers

IT improvements

- Simplified management through automation of many functions, saving time and cutting costs

- Increased consistency of deployments, leading to greater stability of systems and less downtime

- Empowered IT staff to focus on unique and specific customer requirements, creating greater business value

Business benefits

- Reduced costs, enabling NNIT to address new markets and sell services to smaller enterprises

- Created scalable infrastructure capable of servicing international growth, supporting core business objectives

- Reduced validation costs by 80 percent through faster, more agile deployment of solutions and IT process optimization

- Delivered standard processes, ensuring consistent deployment and compliance in tightly regulated industries

NNIT is a Danish IT services provider, with its headquarters in Lyngby, a suburb of Copenhagen. It is a subsidiary of the healthcare supplier Novo Nordisk and has approximately 1,500 employees in five countries. In terms of market sectors, its largest revenue generators are life sciences, public sector and finance.

The corporate mission is to be a preferred international IT consulting and service company in regulated industries. NNIT's life sciences service is the best example of this. It is becoming increasingly international and offers the greatest opportunity for growth. It started serving the Chinese market in 2006 and currently employs 250 staff; it is to open a North American office in 2012. As an IT service provider, and as a global organization, the business challenge is to reduce costs and offer a wide range of value added services.

"The traditional thinking has been to outsource like-for-like to a lower cost environment, such as China or India," says Jens Maagøe, senior architect, NNIT. "To go up another level the next step is not to source, but to automate these processes. Automation beats sourcing."

Maagøe's goal is to reduce manual work to zero, where possible: "Where we do things again and again, put it into script and automate it."

This creates a virtuous circle, he points out. More customers are prepared to buy standardized services, which means NNIT has the scale to create more automated processes. Automation brings the price down further, making the service more attractive still. It also means faster delivery times and less risk (with fewer human errors), resulting in an even lower price.

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Testing cloud functionality

In 2008, the IT team made a presentation to the management of NNIT outlining the advantages of moving to cloud-based solutions. Their argument centered around lower initial costs for solutions, lower running costs, greater agility, high audit and approval trails, and repeatability. These elements would apply to NNIT itself, and the new generation of services for its customers.

With senior management buy in, the next step was to create a proof-of-concept. The team devised 54 criteria that had to be met: "At that stage, a Request for Proposal would have created what we thought we needed, and that might not be right. We wanted a standard solution."

HP, IBM and a consortium of Cisco, EMC, VMware and BMC Software were given a week to provide answers. "HP scored highly in use case scenarios. Also, with HP it was just one company, one phone number. The consortium couldn't say the same. IBM could, but their use cases were weak."

Maagøe was impressed with HP CloudSystem, and its unique approach through an integrated and open platform. With CloudSystem Enterprise, NNIT was able to unify management across private, public and hybrid clouds. With the full integration of HP Cloud Service Automation, CloudSystem Enterprise adds advanced infrastructure-to-application lifecycle management.

"With HP CloudSystem Enterprise, the heterogeneous support offered in a complete solution with the seamless integration of provisioning and automation is what cloud is all about."

NNIT's existing data center already included HP Converged Infrastructure, allowing for a simple onramp to a richer cloud environment.

NNIT was looking for a way to automate IT and application provisioning, while automating and provisioning across services, increasing server utilization and improving IT efficiency. This was vital with NNIT operating in strictly regulated industries. Through the seamless integration of HP Converged Infrastructure with HP Cloud Service Automation, HP CloudSystem Enterprise helped to make Maagøe's vision achievable by overcoming its siloed blades, storage and networks operations.

Maagøe says he was unconcerned with being the first: "Failure was not an option for HP. They're already selling servers to us; if they messed up this deal, they'd lose the lot. What they showed us was the future of the server and storage business with converged infrastructure. This is how the future will be sold: an automation suite across servers, storage and network."

There have been both immediate and long term benefits. The deployment of virtual servers has been reduced from three days to one hour; deployment of physical servers from five days to two hours.

HP CloudSystem Enterprise has enabled NNIT to preconfigure certain solutions, which in turn has created lower, more predictable costs. More predictability means stronger guarantees, which is a crucial component of NNIT's service delivery. Such certainty has allowed NNIT to open up a brand new market. Automation means it can now create solutions for customers with smaller budgets (less than DKK 1 million, $180,000), previously priced out of NNIT's offerings. "It's a more efficient option for them and, hopefully, they'll grow to be the size of our traditional customers," says Maagøe.

The bigger picture is that NNIT can now build a community of its life science customers in the cloud. It has developed the GxP cloud, "the first cloud solution dedicated to the life sciences," designed to meet the stringent standards of the pharmaceutical industry; the European Medicines Agency and its US-equivalent, the Food and Drug Administration. This enables NNIT to supply cheaper, standardized services via the cloud, making the customers more agile and faster to market. Independent Software Vendors will be allowed to use the secure GxP platform to create tailored applications for NNIT customers. NNIT itself is now more closely involved in HP's community of life sciences and pharmaceutical customers.

Maagøe says GxP cloud may reduce validation costs by 80 percent through faster, more agile deployment of solutions and IT process optimization. In addition users are better prepared for regulatory visits. GxP compiles and retrieves the relevant documents, saving time and easing management concerns.

"Leveraging the lower costs and scalability of cloud is just the start," Maagøe says. "Cloud is not the goal - the goal is more value."

Development of the life sciences market will lead NNIT's growth, he says, but the same criteria that apply here (particularly regulation and data security) will also be increasingly significant in two other key markets: finance and public sector. "The financial market is in the same place life science was at in the 1950s. There were some terrible problems in the pharmaceutical industry; now you have a fully traceable system in place. I expect the financial market to require the same. Our life science model can be replicated there."

Growth opportunity in China

The Chinese pharmaceutical market is already huge, but domestic manufacturers have not yet been able to dominate global markets. For Chinese manufacturers to access European and North American markets, they must prove their credibility. To do this their products need to be registered by the European Medicines Agency and its US-equivalent, the Food and Drug Administration.

This requires a huge amount of work and is one of the reasons NNIT has set up an office in Tianjin. Drugs need to be tracked throughout their lifecycle, from development to clinical trials, to marketing, production and distribution. Every step needs to be logged and stored. If there is a problem, it needs to be traced immediately.

Commercially, manufacturers will want a stable IT platform, delivered with a consistent price and quality. The cloud-based environment made available by NNIT, based on HP CloudSystem Enterprise, provides a compelling advantage.

"China has to build its credibility, they need their processes under control," says Maagøe. "This is global opportunity for us, particularly being able to use a platform that is fully-compliant with industry regulators."

Customer solution at a glance

- HP CloudSystem Enterprise:
  – HP Cloud Service Automation (CSA)
  – HP CloudSystem Installation Services
  – HP BL465 blade servers
  – HP Matrix Operating Environment (MOE)
- HP EVA 4400 virtual array (SAN-based)
- HP Server Automation (SA)
- HP Network Automation (NA)
- HP Operations Orchestration (OO)
- HP SiteScope
- HP BSM9

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