CASE STUDY

COMPANY

NAME: Blue Shield of California

HEADQUARTERS: San Francisco, California, USA

INDUSTRY: Healthcare

REVENUE: US $17.7 billion (2016)

EMPLOYEES: 6,800

WEBSITE: blueshieldca.com

DATA CENTER ENVIRONMENT

Blue Shield of California (BSOC) is a non-profit health plan provider based in San Francisco, serving over 4 million health plan members and nearly 65,000 physicians across the state. BSOC has virtualized significantly in the past few years to reduce its data center footprint. BSOC used to have four data centers before migration in 2015 but now hosts everything in two colocation facilities: one in Sacramento with 60-70 racks and another in Las Vegas with 50 racks.

BIGGEST BUSINESS CHALLENGE: TRACKING

For seven years, Jay Fallon, Senior Data Center Engineer, has managed 57 server rooms and IDF rooms on top of the two large colocations at BSOC. Previously, the data centers were handled by multiple teams such as network, application and server operation teams. Requests and demands were handled on an ad-hoc basis with no efficient way to account for power, space, supplies and assets. Realistically the only way to assess the feasibility of racking 10 specific servers was to physically walk into the data center and check.

In fact, different teams were keeping track of servers on spreadsheets that also tracked appliances and hardware. Each team had its own set of spreadsheets. Under this siloed approach, personnel weren't aware of what assets other

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Jay Fallon
Senior Data Center Engineer, Blue Shield of California

departments had without a physical visit. It was later decided that a freeware package called Racktables would be used to track hardware. However, user/record limits and the lack of product support under this approach became evident. Worse still, this method could track only physical assets, but not power usage and other resources.

Not surprisingly, many inquiries from upper management pertaining to cost analysis went unanswered. How much was each rack costing? Was a particular type of rack, storage or high density servers costing more than others? What was the space utilization rate? How much remaining availability was there in the data centers?

THE JOURNEY FROM WILD CARDS TO PREDICTABILITY

The free-for-all approach quickly caused scalability, consistency and accuracy issues for a multi-billion dollar company going through steep learning curves in managing data centers. After evaluating Schneider and Vertiv, among other solutions, BSOC chose Nlyte in 2015. Looking back, it was an easy decision to justify based on four major factors:

"Dock to Decom" asset lifecycle management: Reduced "Dock to Decom" time from 6-9 months to 30 days

Why was this money spent? Why was this equipment not implemented? What project was it for? Who was the project manager?

Prior to Nlyte, hardware management was often opaque, resulting in some hardware and servers and network appliances sitting unopened on the dock for 6-7 years. Because many assets were essentially invisible, the mantra became "if it runs, don't fix it", thus delaying replacement cycle with some equipment running 8-9 years old. With Nlyte, BSOC can now conduct accurate inventory and cost analyses, answering the previously unanswerable. A dock report can now be quickly run to generate answers. As a result, BSOC drastically reduced its equipment implementation timeline from 6-9 months to within 30 days.

The clarity to manage asset lifecycle has further enabled BSOC to accelerate its tech refresh, launching a virtuous feedback cycle. For instance, BSOC is on target to achieve its goal of "N-1", meaning having hardware no more than one version behind the latest release. A recent analysis of equipment with warrantees turned up dozens of old servers that were 3 years behind the replacement cycle. Now they are all being either refreshed or removed.

By setting up a workflow in Nlyte to automatically notify hardware owners six months ahead of new version releases, BSOC now has a reliable and foolproof way to update its hardware portfolio – and keep costs low. This new visibility also facilitates consolidation, making it possible to go from one application on one server to three applications per server, further reducing footprint, power consumption and resource expenditure.

Robust integration: Reduced issue resolution from hours to 5 minutes

Integration into ITSM systems seemed a luxury in the days of management by spreadsheets. Previously, a domain controller outage would have caused much head-scratching with limited ability to trouble-shoot.

With Nlyte's connector to ServiceNow, BSOC has gained cross-system visibility into domain controllers. At the onset of a recent incident, network operators used Nlyte to pinpoint the exact location to diagnose power and related issues. They were able to quickly validate the findings and sent support teams to the remote site, narrowing down the scope from downstream server to the chassis to the network switches and external routers. These personnel then resolved the issue within 5 minutes, saving hours of manpower from going down the proverbial rabbit holes looking for the problem.

Ease of use with the ability to generate reports at will: Can run a report in 30 seconds

"It's very user-friendly. I haven't had to explain it too often to people using it," says Fallon, who had used Nlyte's Bulk Data Manager (BDM) to load 20 appliances, all within 8 minutes. In fact, Nlyte is so intuitive to use that 300-400 BSOC employees now access it to self-serve for information they need.

After implementing power monitoring, the data center team ran a report of colocation sites for upper management. Now they can easily track how much the power draws on a daily or monthly basis, querying all the cabinet power strips every 15 minutes and reporting that data. If new hardware needs to be placed in a high-density rack, BSOC can look up the specific racks in Sacramento, generating front, back and rotational views to pinpoint the precise slot for placement. Within 24 hours, it's installed, up and running. Previously, people would arrive with equipment not knowing whether there was space, which slot to place it in and whether it was even going to work in the new configuration.

Now? "Somebody asks about a particular type of server, and they can run a report in 30 seconds getting all their locations and related data etc," Jay adds.

Superb support and post-sales service: Nlyte Team always on

"I've worked with other vendors and sometimes it's like pulling teeth to get an answer. I have never had that with Nlyte. Every Nlyte support person I interact with is always responsive, always there. They are always following up with me, making sure things are resolved," says Fallon. During the ramp-up stage, the Nlyte Team cross-referenced, re-formatted data and eliminated duplicates for data migration. They made sure the assets were in the correct physical room locations after uploading them into the app. An initial audit validated every site, closet, server room and colocation site to ensure everything matched with the record. Now going forward, BSOC simply performs a quick quarterly audit.

ON THE WAY TO REACHING GOALS

The BSOC data center team's main goal was to track every asset from "dock to decom" with a 99% accuracy rate. The other 1% would allow for other teams installing hardware beyond the purview of the data center team, uncovered only during audits. With Nlyte in place, those other teams can no longer install at will, bringing accountability ever closer to 100%.

Now that BSOC is capable of tracking more than 10,000 physical assets with attendant records, it can furnish ready proof to auditors, such as a certificate of destruction for a decommissioned asset. This "dock-to-decom" visibility has positioned BSOC well to evolve its processes into other areas to harvest even more efficiency gains.

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Jay Fallon
Senior Data Center Engineer, Blue Shield of California

ADVICE TO OTHERS SEEKING DCIM SOLUTIONS

Reflecting on the before-and-after scenarios with Nlyte, Fallon has words of advice in the form of a series of questions for those in a similar situation:

- How expandable is the solution?
- Who will be using it?
- How many people can adopt it and how quickly?
- Can upper management get the custom reports they need?
- What will it be capable of integrating with?
- Does it manage capacity planning?
- Can it track virtual machines, power, cooling and space?

FOR MORE INFORMATION

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- Visit Us: **www.nlyte.com**

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About Nlyte

Founded in 2004, Nlyte Software is recognized as the industry leading data center infrastructure management (**DCIM**) solution provider. Nlyte's DCIM provides unmatched functionality that supports all data center processes across the entire "dock to decom" lifecycle. With a 98% customer retention rate, Nlyte's DCIM solution is used by many of the world's largest and most sophisticated data centers, as well as many small and medium sized organizations. Customers can quickly deploy the Nlyte DCIM solution and begin to immediately enjoy reduced costs and increased efficiency across all data center processes. For more information, visit **www.nlyte.com** or follow **@nlyte** on Twitter.