Hyperconvergence and Midsize Businesses: The Benefits Outweigh the Complications

Hyper Converged infrastructure (HCI) has improved in quality and decreased in price from past forms of infrastructure to the point that hyper converged is now in reach for small to midsize businesses (SMBs). An entry-level HCI cluster now costs on the order of $20,000, and since SMBs don't typically have decades worth of legacy infrastructure to worry about, the cost of implementation isn't much more than the cost of the unit.[1] Still, just because a technology is affordable for SMBs doesn't mean it's a good fit —so why should SMBs consider hyper converged solutions like the HPE SimpliVity 380, powered by Intel® Xeon® processors?

What are the Benefits of Hyper Converged Infrastructure for SMBs?

HCI has a large stack of associated bonuses that go along with it, and these advantages matter to small and midsize businesses as much as they do to large enterprises. In some cases, these advantages even favor smaller businesses more than their larger counterparts.

- **Greenfield deployments:** For those who don't know, a "Greenfield deployment" is when a company installs and configures a network where there has never been one before. Enterprises don't benefit from this as whenever they adopt a new infrastructure technology, they also need to adapt and consolidate their legacy infrastructure. Hyperconvergence makes this process faster for enterprises, but since SMBs don't generally have much legacy equipment, they can sidestep that process entirely and basically start from scratch. As a result, SMBs can implement HCI faster and more successfully.

- **Better application performance:** Applications perform better and faster under HCI according to 90% of adopters.[2] While this is an advantage that benefits both SMBs and enterprises, the latter typically have enough staff and budget to support high application performance no matter what infrastructure they're using. SMBs, on the other hand, can use HCI to achieve higher application performance without making an additional investment in manpower and training.

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- Cost Savings and ROI: A 2016 analysis of the HPE SimpliVity 380, powered by Intel® Xeon® processors, showed a stunning return on investment (ROI) for adopters. Companies could achieve a 424% ROI over three years, and the system would pay for itself in about 7 months.[3] While an individual company's mileage may vary, it's virtually certain that implementing HCI will increase revenue.

Simply put, while every company can potentially benefit from implementing HCI, the benefits of hyperconverged infrastructure are magnified in smaller companies. From the speed of deployment to the ROI benefits, these differences will make more of an impact when the beneficiary is starting from behind. The advantages of HCI will make more of a difference to companies that already have less built-in technical skill, legacy hardware, and revenue. As such, it's no wonder that HCI adoption among SMBs is projected to reach 30% in 2017.[4]

What Kind of HCI is Best for SMBs?

While HCI in the form of the HPE SimpliVity 380, powered by Intel® Xeon® processors, offers benefits for small businesses, not every form of HCI is going to offer those benefits to the same extent. In general, the more technical expertise HCI demands, the less immediately used it will be for SMBs. When shopping for an HCI solution, here are the characteristics that a small or midsize business should seek out:

- **Minimal skill required:** SMBs don't have much pre-existing expertise in IT, so their HCI solution should be operable by relatively unskilled staff.

- **Scalable:** A small upfront investment does no good if it needs to be replaced quickly. HCI is going to be the benchmark for corporate IT architecture for a while—so plan accordingly.

- **Cloud-compatible:** 94% of US small businesses are going to be using cloud services in 2017, up from just 58% in 2011.[5] When small businesses choose HCI, they should aim for maximum compatibility with the cloud services they're almost certainly using.

About HUB Tech

HUB Tech is a Hewlett Packard Enterprise Gold partner who can help you build a strategy for hyperconvergence that meets the needs of your users and your business. We partner with our clients to work as an extension of their IT team, transforming legacy infrastructures to meet current and future business demands. Our proprietary tools and strategies enable us to lower the cost and increase the quality of service to our clients, especially state agencies, municipalities, and school districts, where cost is a deciding factor in everyday decision making.

Questions?
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[1] Blog, "SMBs Warming Up to Hyperconvergence," ITBusinessEdge, June 2017

[2] Report, "How Leading Businesses Build An Agile Infrastructure With Hybrid Cloud," Aberdeen Group, April 2016

[3] White Paper, "HPE Hyper Converged 380 Business Value Analysis," Porter Consulting, May 2016

[4] Webinar, "The State of Hyperconverged Integrated Systems in Midsize Enterprises," Gartner, 2015

[5] Blog, "Small Businesses Are Embracing SaaS for Cloud Deployments, Survey Says," BizTech Magazine, Feb 2017

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