

# Case study on no backup generator for marion data center

[Economics](#), [Money](#)



Despite the fact that all the hardware installed in the data centre is protected by an Uninterruptible Power Supply (UPS) for soft shutdowns, lack of backup generator for electrical backup is risky to the organization. To analyze the power outage risks, it is prudent to understand the frequency with which electric fault occurs. Determining the number of power feeds operating within Marion Data Center is also of essence.

Lack of Backup Generator is likely to result in either; power disruption, data systems power off, data system down, telecommunication failure, and desktops power off in the long run. Basically, these have both financial and non-financial impacts. A data systems power off for instance adversely affects the data systems. Besides, failure in data network as result of power supply cut brings down an organization's network devices and links.

Categorically, the non financial impacts for lack of backup Generator for Marion Data Center are:

### **Failure in distribution and delivery of vehicles**

Without a generator backup, power supply cut in the long run will imply a general delay in production forecasts, vehicle orders and follow ups and reception and transportation to dealers. This is likely to have a negative impact on the revenue. This is because all the data relating to orders and production forecasts is lost or lack of power to process the same.

### **Sales jeopardy due to extinction of dealer help desk**

Power supply cut means that computer-based dealer system is likely to be down. But since it's used to order new vehicles and replacement parts, the

700+ ACA dealers are likely to be lost hence delay in receiving new cars and repair parts. This negatively affects sales.

## **IT and Base Support**

Power supply cut is likely to inconvenience the maintenance of ACA's computer systems, including data center hardware/ software and desk top PCs. Power failure thus causes inaccessibility to computer systems, barring dealers.

There is likelihood of foregoing the support provided by the help desk. Help desk comprehensively support computer applications used by employees in Marion campus, Ann Arbor and Southfield. Therefore, employees would have problems working if help desk is not available as a result of power supply cut.

Also, intangible costs like lost opportunities in case customers switch to competitors, loss of reputation, and similar factors are likely to occur.

Financially, lack of backup generator would result in installation of power conditioning equipment to curtail the situation. This consequently increases the downtime costs.

## **No Disaster Recovery for Marion Data Center**

Lack of disaster recovery strategy for both hardware/software in the data center implies that in the event of a disaster, none would be in existence in the long run. This consequently results in downtime costs like the ones discussed hereunder.

Major risks associated with poses negative impact to vehicle sales system, VCI remarketing, internet web server and the human resource SAP systems. Besides, it will be almost impossible to access the agreements signed for quick replacement of the failing components. Since there is high dependence on these systems, the major operations is likely to stall in an event of a disaster.

Lack of disaster recovery will negatively affect the LAN users in the organization. They are prone to lose data. Also, critical risks in the exchange systems, Ceridian payroll, ACA remarketing, and customer relations systems is likely to take place. Since there is no any agreements with vendors to quick ship hardware during a major disruption and ACA does have agreements in place for quick replacement of failing components, processing of such systems will be almost impossible. This is a complete loss to the company as downtime costs will be more than revenue. These systems are useful for processing of ACA remarketing tools as well retaining customers.

Besides, depot operations are likely to be affected. Depot department ensures availability of repair parts at the dealers repair centers. Without data recovery system, it would be impossible to identify which customers and dealers demand to fully satisfy as there would be no past records to show the same. Customers' dissatisfaction is likely to arise as a result of dalliance repairs.

In the treasury; banking activities, liquidity assurance documents, funds movement, cash flows, and cash management as well as investment records

will be inaccessible. Therefore, it would be impossible to track the inventory and the cash flow of the ACA. It's more dangerous since it would mean putting in place more funds begin the recovery efforts. Without the operation of these systems, ACA is deemed to be with no available cash to conduct and maintain the business.

With respect to taxation demands, ACS might find itself losing the already established systems relating to sales tax returns, excise taxes, individual and consolidated tax returns; state returns, US tax audit reports and special reports. Lack of reference systems or reports may make the ACA incur substantial fines in case returns are not available or returns are late. In essence, these costs increase the downtime costs met by the organization.

## **Reference**

Disaster Recovery: Best Practices. Retrieved at: [http://www.cisco.com/en/US/technologies/collateral/tk869/tk769/white\\_paper\\_c11-453495.html](http://www.cisco.com/en/US/technologies/collateral/tk869/tk769/white_paper_c11-453495.html)