Chances & Challenges

10 Years Open Source Strategy in a Midsize Company

Agenda

Introduction

On the Bridge

Lighthouse

Varieties

Platforms

Outlook

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Agenda

We are HAHN

> 1.500
employees

> 20
locations
worldwide

> 30
destination
countries

> 3.600
lines in
operation

> 900
customers

Frank Benke
Head of IT

Computer Science
University Tübingen

Since 1994 in IT Business

Entire Supply Chain

- Hewlett-Packard - HPe (1994)

- Certification & Training

- Supplier & System Integrator

- Magenta Service Provider

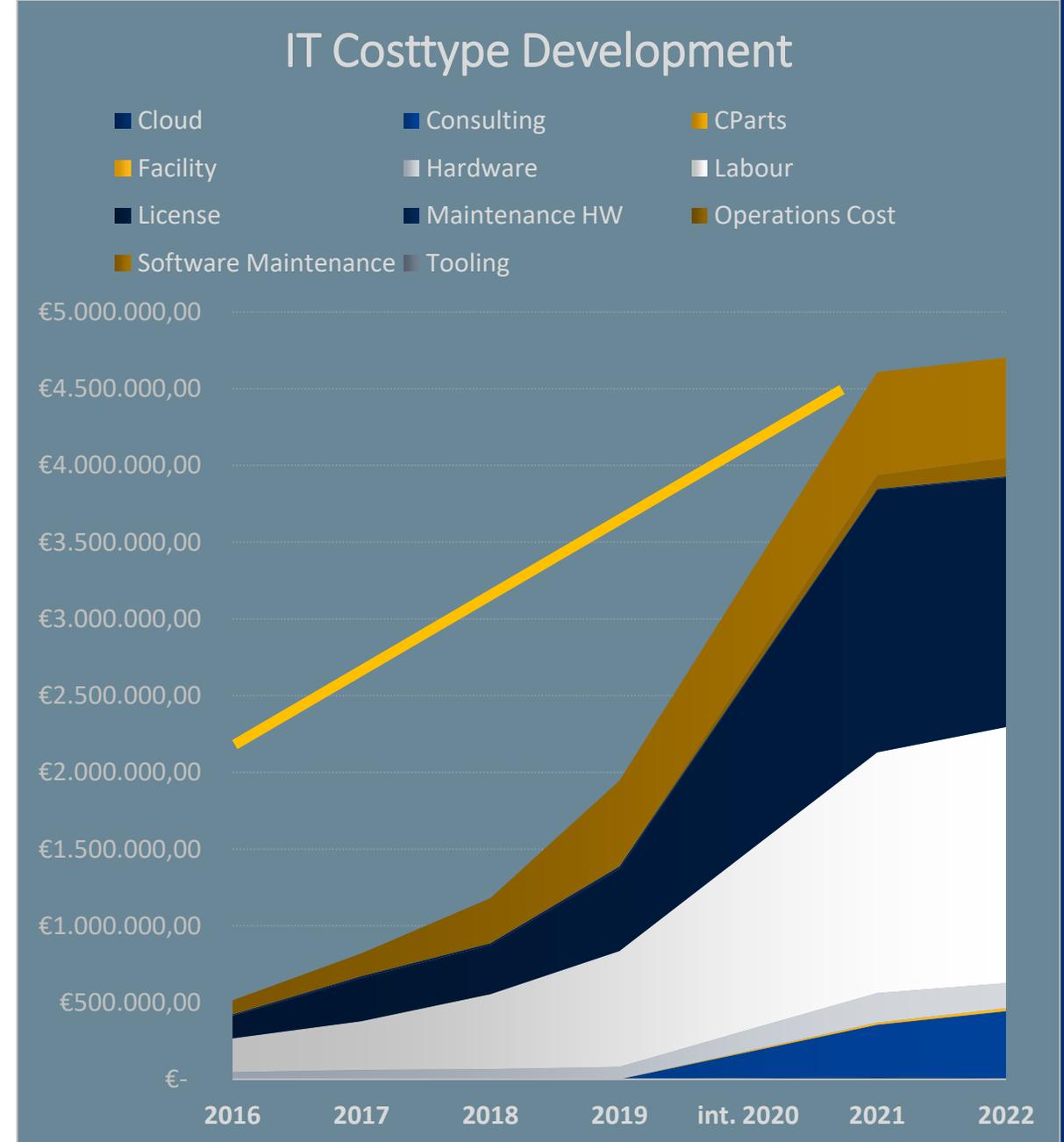- Finally End Customer (2014)

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On The Bridge
Motivation

Analyze Cost Development

- Organic & inorganic growth

- Cost transparency
  - Change in metrics & reporting (yl)
  - Service catalog development

- Hardware cost decreases

- Labor cost increases

- Software cost increases
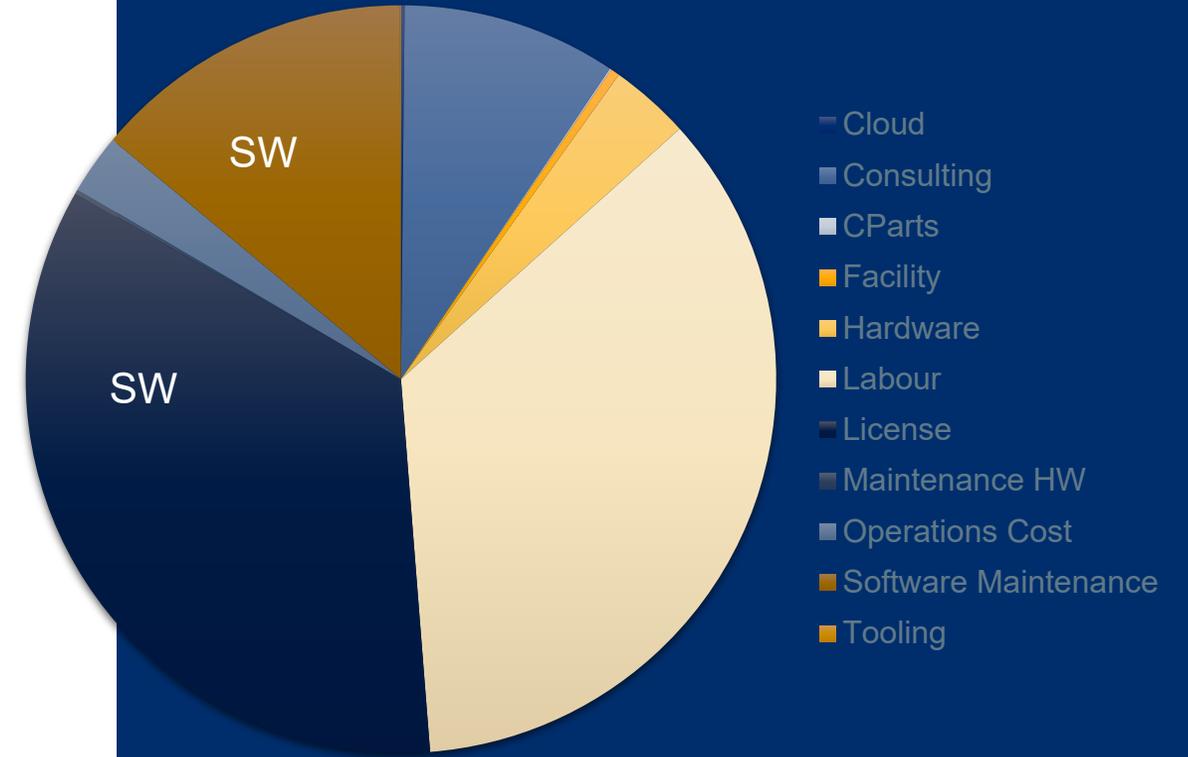 - Smears differentiation to cloud

IT Costtype Development

Legend:
- Cloud
- Consulting
- CParts
- Facility
- Hardware
- Labour
- License
- Maintenance HW
- Operations Cost
- Software Maintenance
- Tooling

Y-axis:
- €5.000.000,00
- €4.500.000,00
- €4.000.000,00
- €3.500.000,00
- €3.000.000,00
- €2.500.000,00
- €2.000.000,00
- €1.500.000,00
- €1.000.000,00
- €500.000,00
- €-

X-axis: 2016, 2017, 2018, 2019, int. 2020, 2021, 2022

Reviewed Budget 2022

- Budget analyzed 4.7 MEUR
- Reflected in service catalog

- Software related expense 49%
- Internal labor 35%

- Mitigation
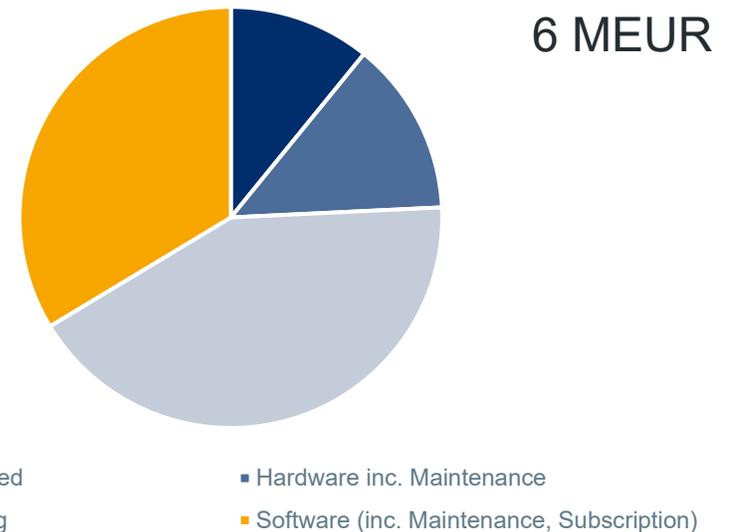 - Operations automation
  - Change software strategy

SW

SW

- Cloud
- Consulting
- CParts
- Facility
- Hardware
- Labour
- License
- Maintenance HW
- Operations Cost
- Software Maintenance
- Tooling

2025 Budget Challenges & Actions

- Predicted cost increase impossible

- Cover building extensions

- Cover exploding consulting needs

  - E.g. TISAX, NIS2, CRA & Security

- Software supplier demands

- Extegrate Teamviewer & Thales

- Cut CAD support

- Freeze Microsoft licensing

- Expand open source in infrastructure

2025 - projected

7.8 MEUR

Impossible

- Mixed inc. Unassigned
- Hardware inc. Maintenance
- Labor inc. Consulting
- Software (inc. Maintenance, Subscription)

2025 - as is

6 MEUR

- Mixed inc. Unassigned
- Hardware inc. Maintenance
- Labor inc. Consulting
- Software (inc. Maintenance, Subscription)
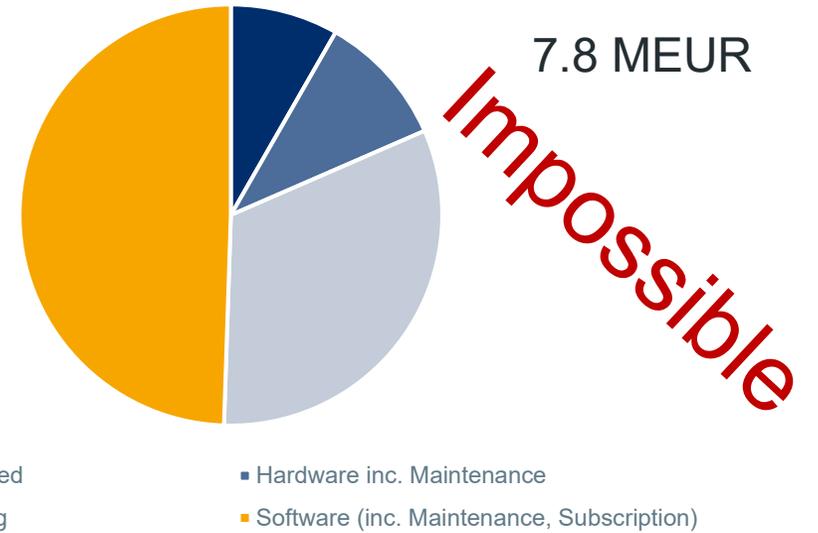
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Success Story

Example Storage Journey

- IBM DS & Fibrechannel

- Nexenta

- True NAS

- Open E

- Vanilla Linux OpenZFS
- Proxmox Ceph
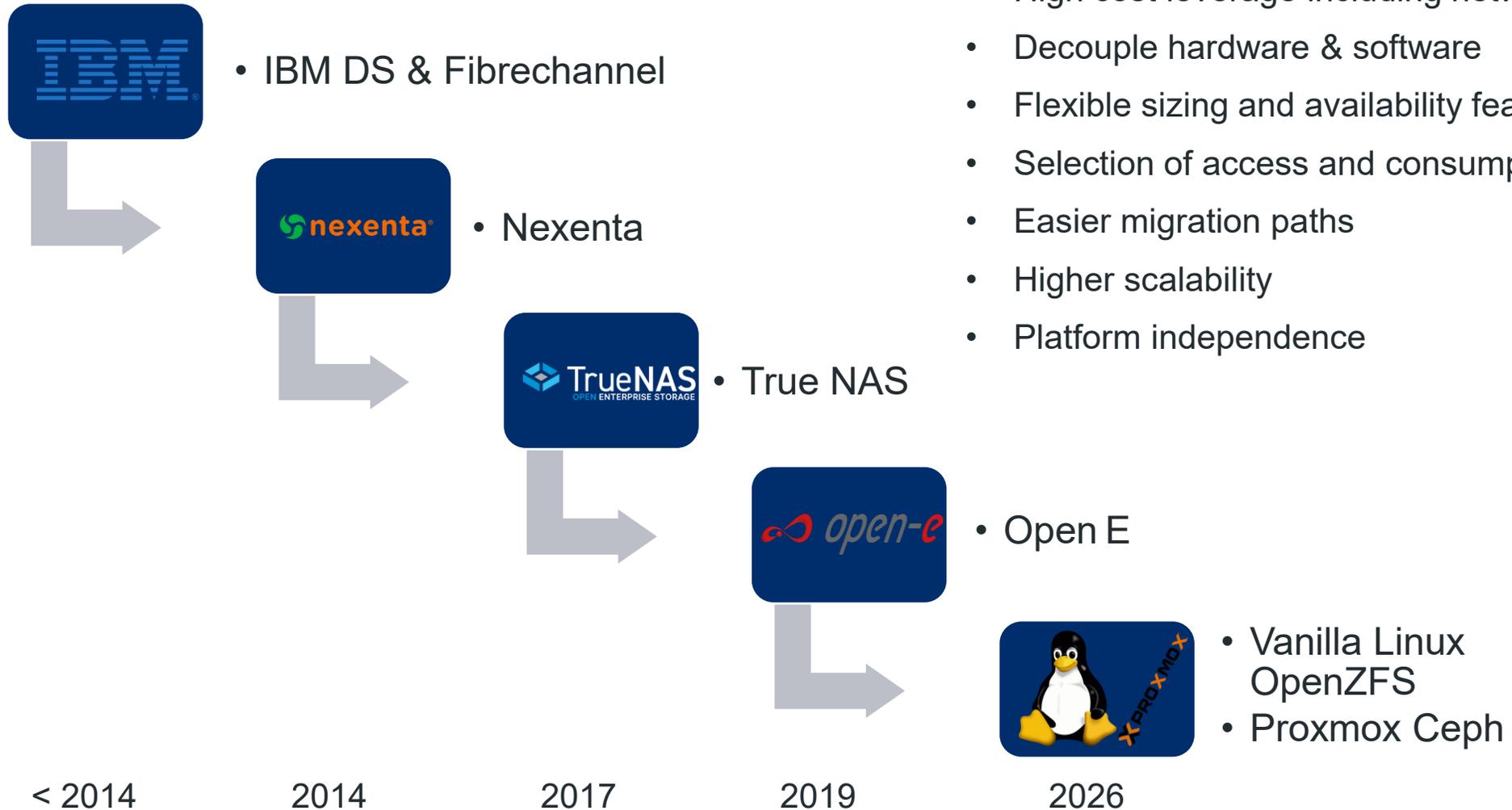
- High cost leverage including network changes
- Decouple hardware & software
- Flexible sizing and availability features
- Selection of access and consumption models
- Easier migration paths
- Higher scalability
- Platform independence

< 2014   2014   2017   2019   2026

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KPIs

- Growth from 30 TB to 7.6 PB Factor 260

- Reduce cost

  - Mitigate network optimization cost

- Eliminate migration cost

- Flexibilization of platform

- Eliminate vendor lock in

- Differentiate service offerings

- Savings vs. traditional quotes est. 7 MEUR in 10 years
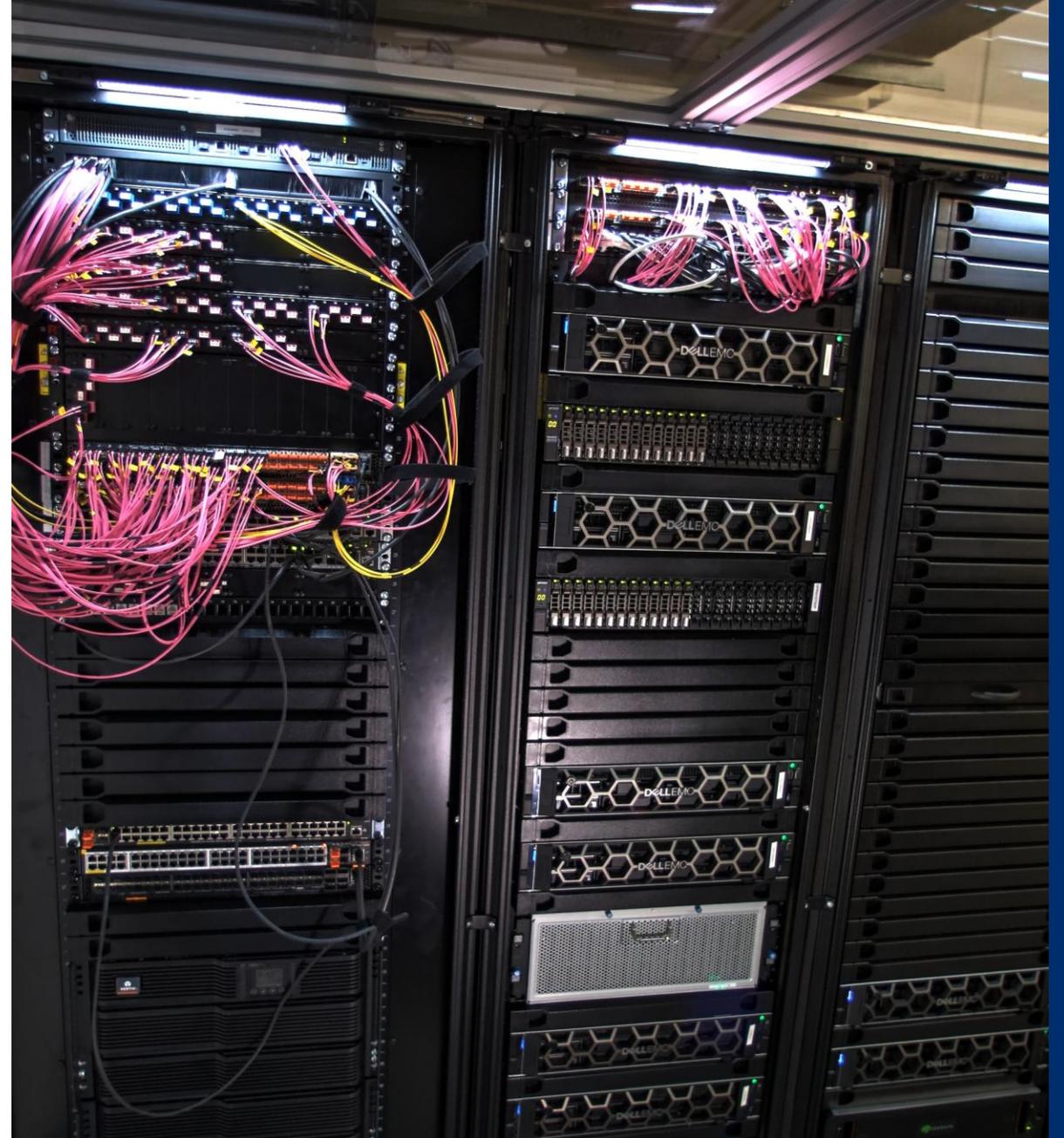
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Open Source Projects & Business Models

Open-Source Software Evaluation

- Of course: features & functions

- Project community health

- Open-source license flavor
  e.g. GPL, Apache, BSD, …

- Maturity & persistence

- Contribution culture & oversight

- Code quality & oversight

- Longevity & persistence
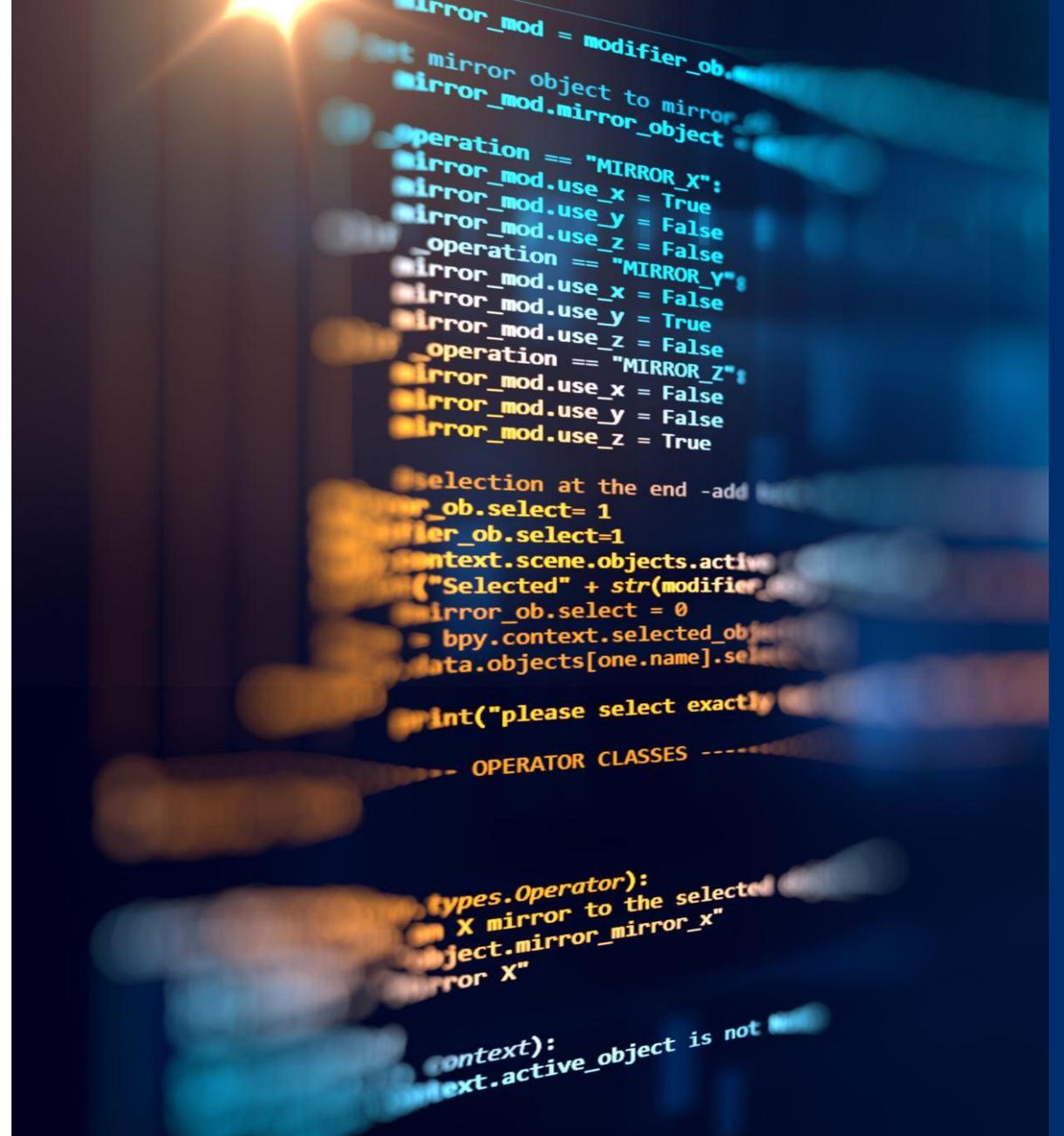
Four Open-Source Support Models

Community Only

- Participate in projects
- Train own staff

Independent Open-Source Supporters

- Freelance specialists
- General support companies

Commercially Backed Open Source

- Utilize open-source project
- Contract related company for support
- Struggles community-based features

Commercialized Open-Source

- Utilize open-source project
- Subscribe complete support

Operational Aspects

- Staff knowledge & acceptance

- Training resources

- Community & consulting resources

- Monitoring integration

- API options & formats

- Integration

- Update & distribution availability

Projects & Products
The Status Quo

Core Infrastructure

Operations & Support

User Related Systems

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Plattforms
Strategic

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Central Platform & Automation Stack

Central Collaboration Platform
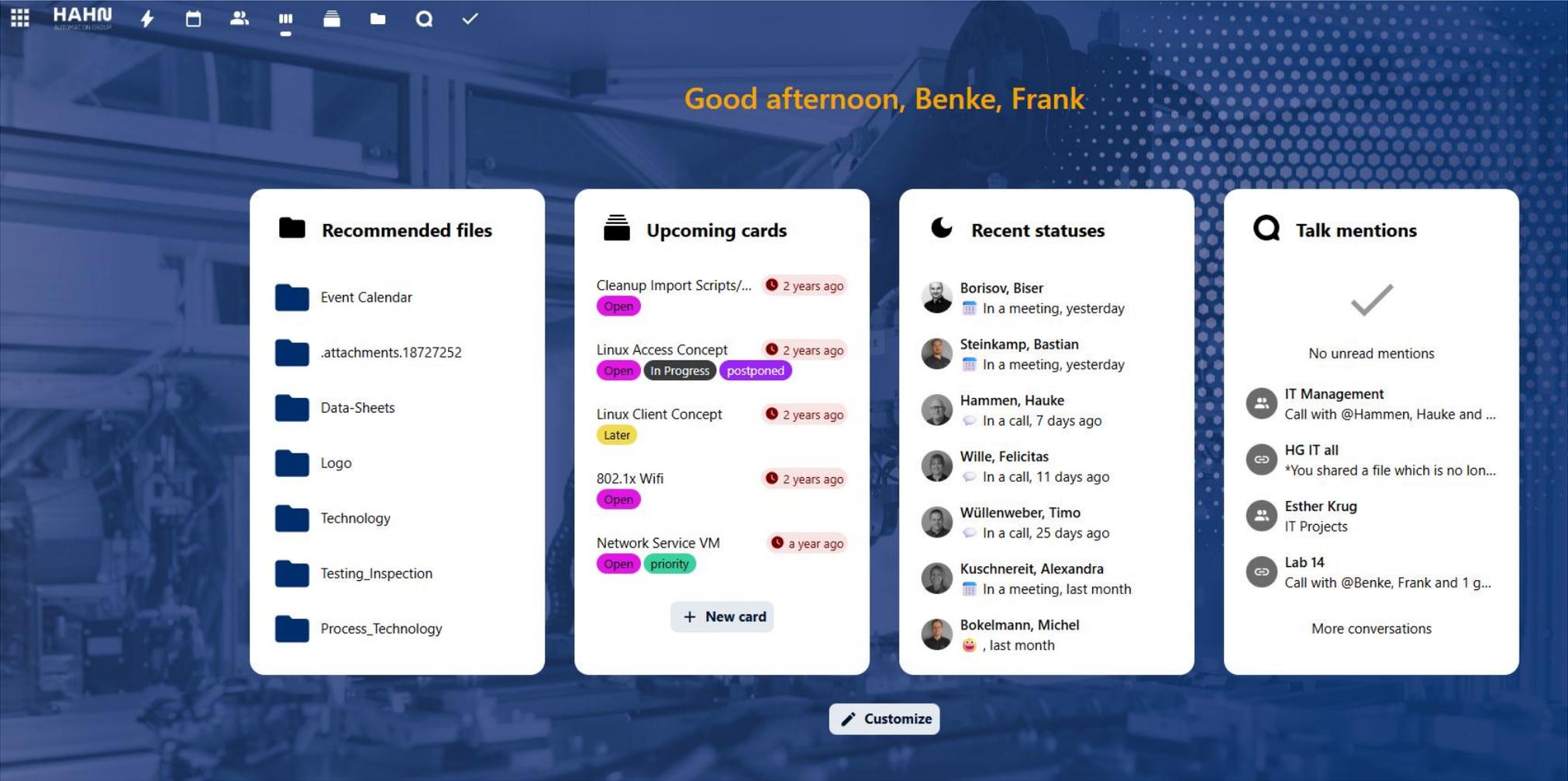
Private Compliant AI Platform

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Recommendations

- Infrastructure first srtrategy
  - Storage has often high leverage
  - Monitoring has high maturity
- GPL first strategy
- Start with commercial backed options
- Search for independent support
- Think big
- Train staff
- Automate

Outlook

- Digital souvereignty
  - Public paradigm shift
  - Taxpayer money

- Colaboration platform
  - Evaluation of "La Suite"
  - Lessons from Schleswig Holstein

- Artificial Intelligence
  - Local LLMs & RAG
  - Universal Meeting Bot
  - Coding Assistant

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