The IT Department of a State Government Agency

The Employment Development Department (EDD) is one of California’s largest government agencies, with hundreds of service locations throughout the state. The EDD provides vital employment-related services to tens of millions of individuals and businesses in California every year. It manages numerous statewide programs including unemployment insurance, disability insurance, and job training.

The EDD is also the state’s largest tax collection agency. Each year, it processes more than 30 million employer tax documents and payments, and collects nearly $50 billion in payroll taxes.

Challenge

A Lack of Consistent Virtualization Across Multiple Data Centers

The EDD operates three data centers and, until recently, each of the data centers hosted its own unique virtualized environment. The EDD analyzed its data center operations with the goal of streamlining IT service delivery and strengthening its network security. Its conclusion: The best solution is VMware NSX.

The EDD’s vote of confidence for VMware NSX faced several hurdles. Not only would 2,000-plus virtual machines in its main data center need to be switched over to VMware NSX, but the data center staff would need to become proficient with the new software. Also, nearly 250 virtual machines at a second data center hosted a bundle of legacy software. It was essential that VMware NSX be able to support and protect these crucial business applications. Finally, the EDD’s data centers store the personal and financial information of tens of millions of workers and businesses in California. Protecting this data from cybercriminals, state-sponsored hackers, and other malicious actors is one of the EDD’s top priorities.

Summary

Challenge

- Strengthening the data centers’ network security
- Streamlining IT service delivery
- Supporting and safeguarding legacy software
- Educating and training data center staffs

Solution

- VMware NSX
- On-site VMware NSX education, training, and knowledge transfer
- Kovarus Proven Solutions Center-based education and training
- Managed support, including 24/7 phone and remote assistance

Key Business Benefits

- Advanced network security
- Faster delivery of IT services
- Significantly lower operating costs
- VMware NSX-proficient staff
SOLUTION

Software-Defined Data Centers

With VMware NSX implemented in each of the EDD’s data centers, the environments are reaping the benefits of a software-defined data center, such as including hardened security, improved service delivery, and lower operating costs.

The EDD data centers have achieved an advanced level of security against emerging cyberthreats, as VMware NSX’s micro-segmentation restricts network traffic to small subsets of IT assets, making it difficult to access and gather data.

The EDD has also improved its delivery of IT services. The data centers’ virtualized environments monitor themselves and make policy-based decisions about workload requests based on what is happening in the environment. Thanks to VMware NSX’s automated policies, a new application can now be launched in hours, not weeks.

With VMware NSX’s virtualized IT services and automated operations management, the EDD’s data centers have reached new levels of resource allocation and staff productivity. Currently, the software-defined data centers have achieved an operational savings of 56%, and are on track to save tens of millions of dollars in annual savings.

KEY BUSINESS RESULTS

The integrated IT solution delivered by Kovarus has enabled the Employment Development Department to transform each of its three data centers:

• **Hardened network security** — Cybercriminals seeking to access valuable information will encounter a stronger network defense as NSX’s micro-segmentation restricts network traffic to small subsets of IT data.

• **Improved IT service delivery** — The EDD is now providing a faster delivery of IT services. A virtual network, for instance, can be launched, saved, deleted, and restored on demand, courtesy of VMware NSX’s automated policies.

• **Dramatically lower operating costs** — With consistent virtualization in each of its data centers, the EDD has slashed its data center operating costs by 56%. This year, it expects to save tens of millions of dollars.

The bottom line, thanks to VMware NSX, the Employment Development Department’s three software-defined data centers have enabled the government agency to better-serve the needs of tens of millions of workers and businesses in California each year – and fulfilling its crucial role as the state’s leading collector of taxes.