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Lessons Learned as Disaster Strikes LAAgain!!!

Many disaster recovery plans are put into operation but are lacking in pragmatism.

Now that the earthquake that hit in January and the November firestorms are behind us, we have an opportunity to look at how various disaster recovery plans worked in getting businesses back on line. As a first step we will look at the impact of PSR's plans for our Santa Monica.

Our offices in Santa Monica are approximately 5,000 square feet in a new complex (owned by the IBM Pension Fund). During the earthquake our building moved as it was designed. The only problem was that the sprinkler system did not flex -- it broke. We arrived in our offices three hours after the quake and were greeted by a rain forest. It seems no one turned off the water until significant damage had occurred. When we finally drained the offices three days later they sucked twenty-five (25) 55 gallon drums of water out of our carpet. It is with this background that we will discuss lessons learned.

We were able to get our network out of our offices quickly and within six (6) hours we had it operational in another facility. Our losses for physical damage of computers, furniture and office supplies was almost \$200,000. Given the extent of damage we were fortunate to be able to be back up and in limited operations with less than our full complement of equipment. We set priorities early in the process and people

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Myths of Client / Server Architecture Are Impacting Many.

Are they really more cost effective and are they too complex and difficult to implement?

A number of recent surveys indicate that almost two-thirds of the new applications planned for implementing will not be on the Mainframe. No surprise. The most frequently cited benefits of going Client / Server are:

- ✓ System scalability
- ✓ Responsiveness to business requirements
- ✓ Portability
- ✓ Lower costs.

These four components are the great myths of Client /Server architecture.

Reduced complexity does not make the benefit list. It is the reason for the others being myths.

With steady growth in the number of firms committing to a Client / Server implementation there is an important question: How does the lack of standards impact complexity?

Too often we are surprised to see that the touted Open System architecture is not a cure all for portability. The typical vendor definition of openness is one that points out that an organization "will no longer be committed to a single manufacturer's hardware and software." This is the root of the complexity issue.

Incompatible versions of Unix, SCSI, multitudes of peripheral device drivers, what have you cause much frustration. In my opinion things are too complex today because of the total lack or disregard of standards. Let's face it, it was a challenge making it work when it was all blue. Now with the LAN from one vendor, the server from another, and software

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Disaster Recovery for the Home Computer

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took responsibility for tasks that needed to be completed.

The most important lesson learned is that there is nothing that you can do after the disaster that will minimize your exposure unless you planned for it. After the fact does not work.

Insurance coverage

There are some unique issues associated with losses due to earthquakes. The first and most critical is no insurance policy covers earthquakes automatically. When they are covered there are major exclusions as well as inclusions.

By choice we did not have earthquake damage insurance. The cost was prohibitive and the deductible amount was too high. We did have three very important riders.

1. Computer equipment repair and replacement - all perils
2. Sprinkler water damage - all perils except earthquake
3. Earthquake sprinkler water damage - only earthquake.

This on top of our normal business interruption insurance provided the best form of security. With this behind us we were able to repair and replace critical computer and network equipment without having to worry about the financial impact on our firm.

First Order of Business

When we walked into our suite water was POURING in. Our first point of business was to remove as many of our critical network components and files as possible. This was done at the risk of life and limb as after shocks were frequent and strong. Simple necessities such as lights, construction hats, and elevators to move equipment were not available. Everything that we used was in place and ready for us to use immediately.

A generator backup system implies that the wires that feed the power were intact. This was not the case for at least three major data centers in the valley.

As quickly as we could we accounted for all personnel and made sure that everyone knew what they were to do. This included limiting the number of people involved with the implementation of the recovery plan.

Telecommuting

In order to facilitate the on-going operations of the business, we stabilized our voice mail system and used it as a primary means of communication. Second, we provided our staff with the capability to dial into a remote location for access to our file servers. With this accomplished we were able to see that 80% of our staff was focused on providing our customers with service. In one case, one of our consultant's drove a water truck for a client who distributed bottled water. That seemed to be a much more appropriate task than completing an AS 400 conversion.

Voice mail and cellular telephone technology are a god send. Without them we would not have been able to do half of what we accomplished.

Customer Support

Two of our suppliers were at our site the day after (standing in water) getting things fixed -- AT&T to repair some minor water damage to our telephone switch (which continued to operate in 90% humidity through the entire period of time) and Canon who came to wrap our copiers in case we had to move them out.


We can only say good things about most of our suppliers. Having good relations with all of our suppliers allowed us to focus on getting operational.

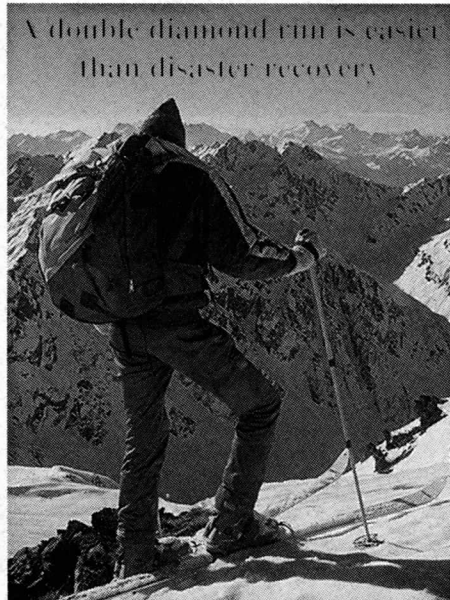
Standards

Standards are the road to success. Everything that was standard worked or was replaced quickly. Everything that was not standard - or not current - was a problem. Some items that caused us the most difficulty:

- IBM - Micro Channel Computers (Limited options and supply of replacement parts)
- Microsoft WFW 3.11 (Not responsive to problems and replacement documentation lost due to water damage)
- DEC Alpha Chip computers (Nonresponsive to getting replacements for damaged documentation)
- Non-3Com network cards (Not responsive to problem)

Some items that were no problems at all:

- AT&T Telephones and Voice Mail
- HP Printers and plotters
- Disaster Recovery standards that were followed 



Myths of Client / Server Architecture Are Impacting Many.

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from a multiple of sources it is no surprise that making it work is so difficult. Welcome to the multi-vendor world of Client / Server.

One more complicating factor is the seeming lack of quality control standards from both hardware and software vendors. In the last several months there are been a number of occasions in which both hardware and software has been released by the industry giants of Client / Server only to have almost universal acknowledgment of major system and component failures. This is compounded by the fact that these same vendors take several months to get "maintenance" releases developed and shipped.

An orientation visit to a new client pointed out the difference of today's application development world from the Main-frame world. The project requirements were completed, the project was funded and the tasks well defined yet the project was stalled. Why?

...waiting on two different vendors to finish inventing the future.

The project was stalled because developers were waiting on two different vendors to finish inventing the future. In one vendor's case the Server code did not work because of unknown incompatibilities with the network and the Client Windows environment. In the other vendor's case the promised feature was not available yet (the next release was delayed): Unusual circumstance? Too much faith in the vendor? Poor planning?

Look at the case of Windows for Workgroups 3.11. Microsoft shipped the product and ignored the fact that the requirements for drivers for every peripheral device had to be altered. Out of seventeen critical application packages sixteen did not

work without having new device drivers down loaded. In fact Microsoft's products within the office suite did not even work together. If IBM had operated in a similar manner in the late 1960s RCA would still be in the computer business.

One thing to always remember is that size pollutes. As systems and companies become larger and complex, they become more inefficient and unresponsive.

...size pollutes.

These events and others are all too typical in today's Client/Server development world. For those of you involved with the foundation years of data processing (that is the IBM 1401 years) its deja vu. Want a more recent example of technological discord, how about network management after the AT&T breakup. We are back to waiting for the technology to catch up with the real business need.

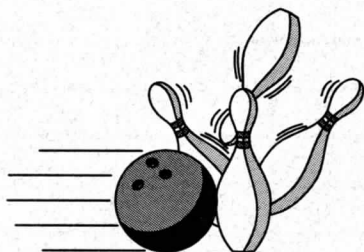
What can you do to minimize the impact of complexity?

- ✗ Pilot the application first. Do not take Mr. Blue Sky's version of what the future will be like.
- ✗ Create performance based clauses in your vendor contracts. Specifically define the operating environment in writing and make the vendor commit to performing within this environment.
- ✗ Develop the skill sets internally with your own development staff to minimize the impact of vendor surprises.
- ✗ Stay away from the bleeding edge if you do not want to take the risk, or at least have an in-depth risk assessment performed.

Granted these approaches work well when dealing with large vendor contracts. They obviously will not work when dealing with shrink-wrap software and/or smaller dollar project commitments. Complexity is a given for any project but you can try to minimize it by working with as few vendors as possible, even at a cost of deferring a more robust solution. The eighty percent solution is often the safest harbor. ☛

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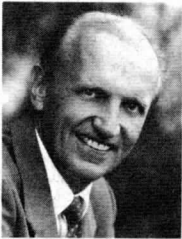


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Forecast for the National Information Systems Market

\$10 - \$15 Billion dollars added to the California economy will do wonders.

by M. Victor Janulaitis

In the last issue of PSR Reviews I said, "...a number of natural disasters have pumped a lot of money into the West coast economy. Strange as it may seem, the fires, floods and other disastrous events have spurred consumer demand." Little did I know that the 6.8 quake would add even more onto this growth "opportunity".

The major rebuilding effort that is taking place is going to be a positive contributor to our revitalization efforts. For example, our firm's loss, which is insured for all but a few thousand dollars, will be a positive asset since we will be positioned to take advantage of new opportunities as they occur in the next several quarters. This is because we have replaced most of our infrastructure with new, better and faster tools. This will give us and others in Southern California a real competitive advantage.

That is not to say we are out of our slump, rather we are better positioned to take advantage of opportunities as they appear.

In the Northwest, Boeing and Douglas have just received some nice large orders that will give them the backlog they need to move ahead. Some new

technologies such as Chicago, Dayton and Cairo from Microsoft will cause many firms in that region to invest more than they have in the last several quarters. This added to the fact that better tools are available to the down-sizers and re-engineers will be a driver of that region. Some tool company stocks to watch are Gupta and Powersoft. (FYI Powersoft has jumped from the low 20s to the high 50s in less than six months).


The Salt Lake area is booming with many small to medium sized companies growing by leaps and bounds. The real unemployment rate there is less than 3% and even negative in some key industries as people have to be moved into the area to meet the needs of these rapidly growing companies. That is not to say that it is all great there. WordPerfect has laid off hundreds in it efforts to stop its earnings losses.

From Chicago through the Ohio Valley business is moving ahead slowly and steadily. The resurgence of the American automobile industry is a great sign. This added to the new get tough policy towards Japan will be good for the job market there. Finally many people are realizing that the productivity of American workers is better that most

were willing to admit. The New York Times has even run a few articles that say good things about our work force and economy.

There is some softness that is now starting to appear in the South and Southeast. Companies no longer want to invest in areas where law and order are key issues of the day. NAFTA will give many of these companies a chance to locate elsewhere. The great job "sucking sound" will be highest in the deep South and especially Texas. Add to this the drain on the economies from illegal aliens in Texas, Florida and California and you will see softness in many entry level positions. I feel sorry for all of those new college graduates that will have to compete for fewer and lower level positions.

The stock market will continue to reach new highs and interest rates are staying near historic lows. With all of this, it still is not clear to me that this engine of industry can move ahead with the increase in the tax rates that are just now being felt by many.

It looks like we may dodge the bullet of a national health insurance program funded by a "hidden" tax increase that only employers will have to pay. Overall, for the next several months things will continue to be upbeat in many parts of the country. 

Vic



Published by:

M. Victor Janulaitis

Location	Prospects Short Term	Prospects Long Term
Northeast	Good	Good
Mid-Atlantic	Good	Good
Southeast	Poor	Poor to Worse
South	Good	Good to Poor
Midwest	Very Good	Good
Southwest	Very Good	Good
West	Good	Good to Very Good
Pacific Northwest	Good	Good to Very Good
Best Location	West	West / Northwest