

# SA businesses gains access to key global platforms in 2018

By  Brian Timperley

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While 2018 has certainly been a seesaw year for South African businesses, there have been significant - and very positive - developments on the IT and connectivity front.



Source: [pixabay.com](http://pixabay.com)

Chief among them is the fulfilment of Microsoft's intention to open two data centres in South Africa, which are scheduled to go live towards the end of this year. This will provide highly available, scalable and secure cloud services across Africa, with the option of data residency in SA.

According to Microsoft, the data centres will be used to augment the delivery of cloud services, including Microsoft Azure, Office 365 and Dynamics 365. These new Microsoft cloud regions will offer enterprise-grade reliability and performance – delivering a much-improved online experience for local businesses.



New Microsoft data centres to boost enterprise cloud adoption

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## Need for Speed

Looking ahead, the introduction of the new data centres will drive uptake of cloud computing among SA businesses, which have shown increasing interest in various cloud services. Notably, IT consultancy World Wide Worx has reported that in 2017, 90% of local companies increased spending on cloud computing - and 83% of firms planned to increase their cloud budgets in 2018.

From a connectivity perspective, the new data centres will unlock efficiencies within local business environments and drive productivity. As it stands, SA businesses have to contend with high network latency between South Africa and Amazon, Google or Microsoft data centres situated in Europe or North America.

Essentially, this means that there is a delay in the time it takes for local users to interact with data that sits within the physical borders of another country. However, when company data is stored within the new SA-based Microsoft data centres, business users will have a much quicker and more seamless interaction with key cloud services.

## **Local data, global services**

For SA businesses within industries such as financial services and healthcare that store and manage sensitive data (banking details, personal health profiles, etc.), the new data centres will also unlock opportunities to access world-class cloud platforms that have previously been out of the question because of data sovereignty laws.

For example, given that banks and other financial services providers deal with highly sensitive information, laws require that this data is stored on local servers, i.e. that the data remains within the physical boundaries of South Africa. This has limited many companies to locally hosted solutions and on-premises applications/workloads, which put them, in some ways, at a disadvantage to their global counterparts.

Now, with the imminent access to Microsoft's new SA data centres, large companies that deal with volumes of sensitive information will be able to harness global cloud platforms and services while remaining compliant with data sovereignty laws and new regulations such as the Protection of Personal Information Act (POPI).

## **Managed migration**

While the new data centres will be a massive driver of growth, productivity and innovation for the local business ecosystem, it is important to note that businesses will need to take charge of the migration from international data centres to local ones.

Customers that sign on to services such as Microsoft Azure, Office 365 and Dynamic 365 after the data centres have gone live will automatically have their data stored locally, but other businesses will have to seek experienced IT partners to manage the migration of data from overseas servers. Arguably, the sooner this process takes place, the better for the business.

## **Artificial Intelligence creeps closer**

As the local business environment gains access to world-class connectivity and cloud services, it is also edging closer to an artificial intelligence (AI) enabled ecosystem.

Merriam-Webster defines artificial intelligence this way: the capability of a machine to imitate intelligent human behavior.

Increasingly, there are fears that smart machines (i.e. robots) will replace human tasks and take away jobs. Naturally, in developing economies such as South Africa where we are facing unemployment rates above 27%, this is a well-grounded

fear. Yet as many experts are noting, the point behind much of AI innovation is to free employees from mundane and repetitive tasks - giving humans more time to focus on innovation, strategy and ideation.

AI will also introduce radically efficient ways of training and upskilling. According to a report from research firm Gartner, artificial intelligence is currently creating more jobs than it destroys, with a net increase of over two million jobs by 2025. This includes not only the techie jobs such as software engineers but also lower-level roles such as training AI to recognise objects or human activity.

While it is still very early days for AI in South Africa, we are already seeing many use cases emerge (particularly with machine learning) and this technology will have a major role to play in the enterprise in years to come...

## ABOUT BRIAN TIMPERLEY

Brian Timperley is managing director and co-founder of Turrito Networks and managing director of Dial a Nerd.

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