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# GE To Save $20 Million With Push Off Corporate Network

## More than 600 offices will be moved onto internet-facing networks

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GE plans to move more employees to internet-facing networks. 'Why should we think about somebody working from home any different than somebody working from an office?' said GE CIO Jim Fowler, at the ONUG Fall 2017 conference in New York City, Oct. 17, 2017. PHOTO: SARA CASTELLANOS / WSJ

NEW YORK – General Electric Co. will save $20 million next year by taking employees off its corporate network at more than 600 global offices, as overall confidence in corporate networks wanes and ease of remote access to work applications becomes a priority, said Jim Fowler, GE's chief information officer.

In 2016, the company ran a pilot program at about 100 GE offices around the world in which employees were taken off the corporate network and securely accessed work applications on the internet. The test ended earlier this year, and GE "proved we could absolutely do it" on a larger scale, Mr. Fowler said. He spoke to CIO Journal at the ONUG Fall 2017 conference, hosted by GE, where enterprise IT leaders shared insights and learnings on networking, security, digital transformation and other issues. ONUG is an organization previously known as the Open Networking User Group and its members advocate for open hardware and software-defined infrastructure solutions.

GE expects to save $20 million from moving more than 600 outposts off of the traditional corporate network and onto internet-facing networks, Mr. Fowler said. The high-cost telecom lines, known as multiprotocol label switching, are being replaced with cheaper internet circuits from local cable and telephone providers, he said.

"We're finding that the local providers are providing a service that's close to equal the quality of having a dedicated network circuit," he said.

The cost savings are in-line with one of the global IT team's financial goals this year, which is to drive $750 million in IT costs out of the company, he said.

Security tools are also becoming advanced enough that GE can still secure its infrastructure and information in an internet-facing network, he said.

GE began transitioning all of its small, non-manufacturing sites, such as marketing and sales offices, to the new internet-facing network this year. The company has a total of about 5,000 outposts.

Manufacturing sites won't be impacted because GE wants to ensure that manufacturing systems will never be affected by a network outage, Mr. Fowler said.

Another reason for making the switch is to accommodate workers' habits, he said.

"We're seeing workers (are) more distributed anyway, so why should we think about somebody working from home any different than somebody working from an office?" Mr. Fowler said.

Chris Drumgoole, GE's chief technology officer, told CIO Journal last year that the goal of the pilot program was to improve user experience for employees by allowing them to access any work application on the internet, while guarding against potential security threats to the corporate network.

The corporate network used to be a "wall" that acted as a security perimeter, but it is no longer as trustworthy, he said.

"That wall was high and difficult to get over. Now, the guys at the other side of the wall have better ladders and tools to get over it," Mr. Drumgoole told CIO Journal last year.