

How the **CIO & CFO** Can Both Get What They Want



Technical and Financial Benefits of the Cloud





Cloud is one of the most widely used terms in technology today. Like many common terms, the cloud is widely misunderstood and used to describe a lot of different things. Cloud can be broken down into three primary technologies, including public, private, and hybrid.

Public clouds are multi-tenant deployments, such as software as a service (SaaS), like Salesforce, or infrastructure as a service, like Amazon AWS or Microsoft Azure. Public clouds are typically viewed as less secure and are the lowest cost.

Private clouds are either based on-premise in an organization's data center or hosted in a remote data center. These cloud services are only accessed by a single client, thus making them the most secure and the most expensive.

Hybrid clouds mix both types of environments. They enjoy some of the pricing and scalability advantages of public cloud while providing enhanced security. Industry research firm IDC predicts that hybrid will continue to lead the way in cloud deployments.¹

For the purposes of our discussions, we will focus on managed hybrid cloud solutions.

1. Gaudin, Sharon. "Hybrid Cloud Adoption Set for a Big Boost in 2015." *Computerworld*. December 18, 2014. Accessed June 30, 2015. <http://www.computerworld.com/article/2860980/hybrid-cloud-adoption-set-for-a-big-boost-in-2015.html>

Do More with Less

Every server or workload that you move to the cloud reduces the operational overhead associated with implementation, ongoing infrastructure maintenance, support, and licensing renewals. Here are some of the additional benefits.

- **OpEx Versus CapEx** – Cloud allows you to move from a large upfront capital expense (CapEx) to operating expense (OpEx). You eliminate the large upfront capital expense and pay for only the cloud technologies that you use on a subscription basis. This provides you with a forecastable recurring expense, simplifying budgets. If the solution does not meet your needs in the future, then you simply move to another service or cancel the contract.
- **Efficiently Utilize Staff** – With a hybrid cloud backing, your existing technical staff are able to focus on strategic business initiatives instead of infrastructure support. Bringing IT closer to the business leaders aids in the adoption of technologies that can help you reach your goals. At the same time, you can avoid the cost of hiring and support new technology and infrastructure growth.
- **Flexibility and Scalability** – Grow at the speed of your customers without the burden of hardware and software acquisition. Your infrastructure should not be a limiting factor to your business success. With cloud, your infrastructure can scale with your business, and you only pay for the capacity you use.
- **Rapid Elasticity** – Without the burden of quoting, shipping, implementation efforts, recurring hardware and software purchases, companies can more effectively move at the speed of their business, the market, and their customers and not be slowed down by arduous internal approvals to scale their infrastructure. Cloud allows businesses to realize a reduced time to deploy, increased ability to provision capacity/workloads on-demand as the environment grows, and reclaim them easily if no longer needed. You deploy only what is needed. There is no more wasted physical resources or extended installation times.

The benefits of a hybrid cloud sound great in theory, but where do we start so that we can attain these business boosters?

Roadmap to the Cloud

There are some key attributes of functions that lend themselves to the cloud. Workloads that are not mission-critical to day-to-day operations, like application development, are ideal for cloud deployment. Here are some other aspects of your IT workloads that would be cost-efficient to run in the cloud:

- **Email** – According to a 2015 report by Radicati Group, the average office worker sends or receives 121 emails per day.² While mission-critical, email servers are typically the same. Migrating email to the cloud eliminates the headaches of maintaining servers, mailbox sizing, applying patches, and version upgrades.
- **Application Development** – App/Dev teams can set up temporary servers in minutes that mirror the future production environment. This speeds time to market while reducing the amount of labor that IT requires to process the request. When the project is complete, it can be shut down.
- **Backup and Retrieval** – Hybrid clouds make ideal backup targets. Easily scale storage space to save as many snapshots as required. Fully automate the process to eliminate human intervention and handling of physical media.
- **Disaster Recovery (DR)** – In the past, DR was beyond the reach of most organizations. It was too expensive to build a remote, duplicate data center. Today, you can create a virtual copy of your environment in the cloud. If there is a disaster, a cloud-based recovery plan could get you up and running in hours – rather than the weeks it could take to procure and configure new hardware.

Secure Your Cloud. Secure Your Business.

We know that data security is on the minds of everyone in a technology leadership position, especially when it comes to the cloud. ComputerWorld's annual forecast survey showed that two top priorities for IT spending in 2015 are security and cloud.³

Here is where a lot of confusion comes in about cloud. Not all cloud solutions are created equal. The solutions that we have been talking about are what we refer to as hybrid cloud. We are not referring to extremely low-cost, low-value public cloud. Most public cloud solutions have multiple security vulnerabilities.

A solid private or hybrid cloud solution needs to be hosted in a secure data center. Make sure that it is certified SSAE 16 SOC 2. What this means is that access to the environment is highly secured and the facilities are built for high availability. A hybrid cloud is a purpose-built environment meant to be an extension of your data center.

3. Collett, Stacy. "Forecast 2015: IT Spending on an Upswing." Computerworld. November 3, 2014. Accessed June 24, 2015. <http://www.computerworld.com/article/2840907/forecast-2015-it-spending-on-an-upswing.html>

Success Starts with a Plan

The benefits to the cloud are real. Companies are achieving amazing results like the ones listed above and many more. The cloud, like most new technology implementations, takes planning and forethought to maximize the benefits that your organization achieves. It is also important to note that not all cloud service providers offer the same benefits. Make sure that you understand the security features and business benefits from each provider.

Start by analyzing your business processes, IT operations, applications, and data. Understand which applications and data can easily be moved to the cloud, and begin with those workloads. Take a look at business processes and determine which ones may change with a shift to the cloud. And, of course, take a look at your IT operations to understand which tasks could be automated and streamlined with a move into the cloud.

To ensure you the best chances for cloud success, please contact Software Information Systems for a Cloud Assessment and Planning Workshop.

Your Cloud. Your Way.

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