

## Back to the Future: Success in the Cloud

A [survey of 800 CIOs across Europe](#) we recently commissioned has uncovered a seemingly ambivalent attitude towards calculating the return on investment (ROI) of the Cloud. Only one third (31%) of the IT leaders we spoke to believed that they could accurately measure the financial returns they expected from their investments in a Cloud-based environment. In spite of this, almost half (49%) agreed they would be spending more on the Cloud in the coming year.

This trend is cause for some concern. It indicates that many businesses could be throwing money at Cloud computing without a clear idea of what they want to achieve, how to achieve it and how to measure the results. For the Cloud to realise its full potential – and it is clear from the study that most CIOs believe it will have a positive impact on their businesses – CIOs need to understand both the rewards they are aiming for, and the risks they need to mitigate.

In short, CIOs need to find more effective ways of showing what the Cloud can do for their businesses. Below are four straightforward suggestions that will help guide and inform an end-to-end strategy to achieve this.

### 1. What does success look like?

Everyone in the business will have their own response to this simple question, but it's an important one nonetheless. Reducing spend on IT was the number one aim for the respondents to our survey (voiced by over half of those polled), however, the next most valuable outcome was the ability to access business data from anywhere – voiced by 45% of respondents. In our view, the needs of end-users should take precedence over financial concerns; after all saving money is good, but helping the business get more out of its staff whilst saving money is a far superior achievement.

It's simple to see why this is important. The cost benefits form the ability to fund new IT projects out of operational expenditure as the business grows, rather than as a one-off capital project, and this is something any management team will welcome with open arms. However, if end-users find the new applications unwieldy, or find it difficult to access the data they need to do their jobs, any financial rewards will be a hollow victory. Perhaps even worse is the scenario where the new application has saved money, but due to quality issues with access to the application stalling the business any money saved could quickly pale into insignificance.

At Easynet we have demonstrated that the Cloud has huge potential to make employees' lives much, much easier, both in terms of where and when they work, but also in the systems that they use. However, having the right discussions with the right people early enough in the process could make all the difference.

### 2. Set performance criteria

Having determined what the business really needs from its IT, the next stage is to define what sort of performance characteristics each application requires. A key principle of Cloud computing is the ability to quickly increase or decrease the compute and storage resources available to an application. This means you can generally fine-tune to a far greater degree when compared to most in-house environments, and the balance between cost and performance is far more clear-cut.

For example, it's obvious that a little-used HR or marketing system doesn't need the same level of uptime or throughput as a highly transactional system like an e-commerce tool. Setting performance targets could be as straightforward as setting a maximum load time for a certain application, or an availability target for key services. Alternatively, one could measure the sentiment of users toward the services being provided.

More important is the ability to differentiate in the network type that accesses these applications. Whilst a HR application might be infrequently used, it could be used by a large number of people at certain times (for example the annual submission of Performance Reviews). Ensuring you have a flexible, application aware network that is intelligent enough to cope with this enables the compute resource to be finely balanced with the available network resources. A new breed of networks – SMART MPLS – deliver stable connectivity at all times. Should a fault occur the solution prompts the network to automatically locate the source and take remedial steps, this ensures the connection remains stable, services can be quickly switched and end-users are not affected.

### **3. Choose the right platform – public cloud, private cloud, or a mix of both?**

Our research showed that CIOs now have a strong understanding of the differences between different models of cloud computing (public, private and hybrid (or 'adaptive' as we have labelled them) clouds). As there are fundamental variations between each of these, choosing the blend of approaches that best suits your business is an integral part of making the most of the Cloud.

It came as no surprise to see that 58% of the CIOs we interviewed cited data security in public clouds as a concern. However that doesn't mean that everything should be kept behind the corporate firewall. Based on the experience we've gained deploying a variety of differing cloud-based solutions we know that businesses are increasingly opting for an 'adaptive' cloud model. This model is housed in shared, private data centres operated by specialist service providers on behalf of the customer. This style of solution provides the best of both worlds: the security and availability of in-house systems, with the flexibility and pay-as-you-go billing model of public cloud services, all kept under the watchful eye of your chosen managed service provider.

As in point 2) above, when an adaptive cloud platform is coupled with a SMART MPLS network, the benefits of an adaptive cloud strategy can be enormous, solving the cited issues around security; yet gaining from the macro economics of the public cloud bulk compute capability.

### **4. Choose the right provider**

Whilst it may sound straightforward, selecting a provider who is prepared to offer strategic counsel (as well as products, solutions or services) is often overlooked by many organisations. While many providers are able to deliver their service on time, on quality and on budget, it is those who are able get under the skin of a business, understand the challenges and talk the language of the stakeholders, who will become a true trusted partner.

Justifying expenditure is a key element of the business of any supplier, so providers should be well-positioned to help their customers prove the ROI of their Cloud spend.

Many decades ago, the prevailing model for IT was remarkably similar to the Cloud in many respects – expensive computing resources were shared amongst the businesses and end-users who paid for the time they needed. Today's 'cloudified' business environment is only different in the ubiquity of computing devices, and the sheer speed in which data changes hands. Businesses should not need to worry about purchasing expensive IT systems of their own to meet these demands: the Cloud can do the job just as well. All CIOs need to do in advance is to understand what they want to achieve, and ask the right questions.

**Justin Fielder**  
**Chief Technology & Planning Officer**  
**Easynet**