

EXECUTIVE INSIGHT – WHY CLOUD COMPUTING MAKES GOOD BUSINESS SENSE

Venturing in to the world of cloud computing can be daunting given the apparent risks of losing control of your physical computing assets, security concerns and potential outages.

These are all reasons companies cite in their reservations with moving to the cloud. For those who have made the transition, however, much like the reaction to voice mail, e-mail and mobile phones, true converts can't imagine a world without it. Real-time capacity planning, no more large IT capital expenditures on server infrastructure, or increase performance and minimize downtime are highlighted as key reasons for making the transition. In this Executive Insight we will drill down on these concerns and benefits in detail. Much like any major shift in technology, there are lumps experienced by early adopters that are smoothed out over time to serve the purposes of the mainstream, which is where we are with public cloud technologies.

True public cloud has only garnered widespread acceptance in the past few years as their offerings have reached full maturity. Coincident with this shift to public cloud, private cloud providers have experienced significant challenges as they attempt to keep up with the performance and scalability of public cloud options such as Azure, AWS and Google Cloud. No other alternative has the deep pockets and resources to deliver on the promise of a successful cloud solution.

Understanding the Myths:

1. Losing control of physical assets

By accessing your physical infrastructure in the cloud, it is believed you may lose control of valuable technology assets. The reality, however, is quite the opposite, particularly in distributed environments with multiple locations. Putting your infrastructure in the public cloud you have access



across the enterprise to just the right amount of hardware and processing capability required for your needs versus having to manage multiple servers at multiple sites. In addition, with centralized control in the cCloud, you don't have to worry about rebooting a remote server and experiencing downtime at an office location thus causing business impact. In addition, because of the "evergreen" nature of cloud infrastructure you don't have to worry about servers that might have outlived their useful life or holding on to assets for too long in order to fully depreciate them. With pPublic cCloud, business leaders can be assured their costs are aligned with their usage and their infrastructure and network is truly being architected at the enterprise level.

2. Security Concerns

Many companies feel that by subscribing to the public cloud their information is being shared across the network or there is the potential for a security breach that does not exist in a private cloud or on-premise environment. Fortunately, this is not the case at all. Public cloud has greater internal security, scalability and performance because the servers are locked down in strategically placed data centers across the country that are fully redundant, and managed and owned by the service providers themselves. In addition, these data centers are fully distributed to ensure reliability and scalability across the network. This offers significant security benefits to an on-premise solution in particular where companies risk a potential direct security breach, downtime or single point of failure across the network. As a part of an overall “Cloud Solution”, a well architected public cloud infrastructure can lead to standard and centralized security across the enterprise which creates greater control versus potential security breaches locally or in a remotely distributed on-premise environment. With the proper security infrastructure in place, a public cloud alternative can provide greater security than any private cloud or on-premise solution.

3. Potential outages

Because of the distributed, virtual and redundant nature of a public cloud environment, the potential for outages decreases significantly across the enterprise. Unlike a local server that might go down at your headquarters because of a power outage that could lead to downtime across the enterprise, a well architected public cloud solution would allow the enterprise with minimal disruption despite such an event. Such an event could also lead to the need for a server reboot once the power is restored leading to further delays getting back up and running.

Why Move to the Cloud?

1. Capacity Planning

Because cloud computing has unlimited capacity, there is limited need for long-term capacity planning. Often referred to as “utility computing”, the public cloud performs much like any other utility where you can access just the capacity required “on-demand” and adjust it accordingly up or down as needed based on the changing needs of the business.

This allows you to adjust in real-time based on seasonality or growth rather than having to plan in advance or potentially overengineer the system, creating the need for more capital outlay to accommodate these changes. With the cloud you only pay for capacity you use on a monthly basis, with unlimited capacity to grow or retract depending on the condition. You also don't have to worry about processing power or disk space as these are part of the scalability and “evergreen” nature of public cloud computing.



2. Minimize Capital Outlays

In the “on prem” computing world, you must have an equipment room for centralized switches, firewalls, gateways and servers, and continually make investments to upgrade as you grow or to come up to the latest version of software and processing power. This approach often leads to over investments as IT departments and legacy Managed Service Providers attempt to avoid any negative impact based on unforeseen changes in the business. There may also be issues with power, cooling and physical space or other costly expenses as capacity scales. These investments can lead to sizeable “unforeseen” cash requirement to the business that could otherwise go in to those investments that generate direct returns or growth in the business such as new product development, acquisitions or marketing and sales.

3. Performance Problems

Because IT teams are always trying to anticipate the needs of the business and build out accordingly, traditional build-out and refresh strategies often miss the mark leading to performance problems or in the worst-case downtime. This can have a direct impact on the business based on downtime or performance degradation, and recovery time waiting to purchase additional capacity which can significantly impact productivity. With public cloud, its as easy as “turning up” capacity or “increasing processing power” in real-time to accommodate these changes without any impact to the end users.



Throughout this Executive Insight we have tried to offer perspective to both business leaders and technology professionals as to the benefits of thoughtfully considering a migration to the public cloud in addition to addressing common myths that could have been issues in the past or serve as defensive tactics to service providers that need to defend their investments and territory in the market. The fact is that given the maturity and investments made by Microsoft, Amazon and Google, no other third- party service provider or internal IT department can meet the price, performance and scalability of a public cloud solution. What is required by companies to support these public cloud infrastructures is a specialized provider of public cloud solutions who can architect, manage and support the business needs through migration and on an ongoing basis. By engaging with a specialized and trusted advisor companies can achieve the price, and performance benefits of the public cloud, while shifting resources to more strategic initiatives to positively impact business performance.