BUILD THE BUSINESS CASE

Justifying the Investment in Enterprise-Grade Cloud Computing Architecture

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There isn’t an IT professional on the planet who hasn’t thought, “There’s so much more I could do if only I had more budget. I could modernize our infrastructure, onboard new users faster, scale our capabilities to meet new business demands and deploy transformative applications. If only I had the money.”

Well, for most IT organizations, getting extra budget simply isn’t an option — even for successful, fast-growing organizations. But that doesn’t mean IT leaders can’t achieve all their desired goals without breaking the corporate bank. In fact, more and more IT professionals are making the case to business leaders that enterprise-grade cloud computing is the foundation upon which those initiatives should be built and executed.

Of course, cloud computing has quickly become well established as an important part of the IT leader’s toolkit, and for many organizations, it has become the deployment and management platform of choice for a variety of projects and applications. But it’s also clear that organizations need to identify and align the best cloud model for their workloads and applications — especially if they are intent on moving mission-critical infrastructure and applications to the cloud.

Public clouds — often called consumer-class clouds — have grown rapidly due to their relatively low prices and the familiar names of public cloud service providers, such as Amazon, Google and Dropbox. But these and other public clouds have experienced high-profile, embarrassing service outages and security glitches, resulting in costly downtime and even the loss of essential business data. Whether it’s a simple outage caused by bad weather or a global denial-of-service attack, the result will be the same: lack of availability of key data, applications and services, which often ends up costing thousands, or even millions, of dollars.

**Growing Demand for Enterprise-Level Cloud Computing**

As a result, many organizations — from global Fortune-class enterprises down to even relatively small businesses — are deploying and running important IT functions and, in some cases, entire data centers on enterprise-grade clouds. A study from Chadwick Martin Bailey noted that 80% of IT professionals are already using cloud services to at least some level. Research firm Gartner said IT organizations are shifting their cloud focus from software as a service
and infrastructure as a service to an important next step — platform as a service — in order to support the move of enterprise-class applications to a more robust and secure cloud environment.

A private study conducted by Technology Business Research uncovered an important proof point to support the increasing reliance upon enterprise-grade cloud computing: organizations’ desire to migrate more mission-critical applications to the cloud. The study highlighted that, while current users on average have migrated 5.6 workloads to their private clouds, adoption rates are expected to grow by 20%, with strategic workloads such as supply chain management, ERP and data warehouses leading the way to a projected average of 10.8 workloads being migrated in the next 12 months.

Building the Business Case

As part of this strategic push to enterprise-grade cloud architecture, IT organizations are building their business case to not only justify the cost of such a move, but more important, to highlight the model’s recurring and long-term business value. Experts agree that building the business case revolves around four major issues:

- **Economic and financial validation.** Enterprise-grade cloud computing shifts the financial model from capital expenses to operating expenses, dramatically reducing in-house infrastructure spending. It also saves money by reducing downtime, speeding compliance audits and lowering ongoing maintenance costs, while providing a predictable cost structure.

- **Risk mitigation, primarily security and compliance.** Working with a proven service provider for enterprise-grade cloud solutions allows an organization to leverage its experience and expertise far beyond simple antivirus and malware provided by consumer-grade cloud solutions. Another important benefit is the wide range of compliance expertise typically provided by enterprise cloud service providers, not only for annual audits, but also to ensure ongoing compliance throughout the year. Enterprise-grade cloud computing service-level agreements (SLAs) typically meet and even exceed the “five nines” (99.999%) availability that has become standard for mission-critical applications.

- **Staff resource utilization.** All IT leaders know how difficult it is to get approval to hire additional staff to support existing applications and functions, let alone take on new, transformative projects. Working with an
enterprise-grade cloud service provider essentially frees up internal staff from routine, day-to-day management, monitoring and problem remediation so they can work more closely with business stakeholders on new applications and strategic initiatives.

- **End-user experience.** Swift, expert onboarding of new users is a critical factor in helping the business to become more efficient and better leverage its existing IT resources. And perhaps most important, a robust, high-performance and resilient enterprise-grade cloud goes much further to ensure availability of mission-critical data and applications. If end users aren’t able to access data, applications and services in a timely manner — or worse, are not able to access them at all in the event of an outage — it will literally bring the organization to a grinding halt.

### Characteristics of the Enterprise-Grade Cloud

As a key part of the process of building the business case, it’s important to keep in mind the characteristics of a truly enterprise-grade cloud. As popular as consumer-class clouds from suppliers such as Amazon and Google have become with individual users and smaller organizations, they typically lack the hardened infrastructure, automated failover processes, compliance expertise and multilayered security typically delivered by enterprise-grade cloud solutions.

An enterprise-grade cloud must:

1. Be purpose-built for business users’ needs, especially those with demanding requirements such as high transaction rates and support for mobility solutions.

2. Provide enterprise-grade security from the data center to the edge of the network in a global, multilayered approach.

3. Support the organization’s full range of regulatory and compliance needs — financial, geographic and industry.

4. Deliver consistent, real-time, around-the-clock support. Since downtime can cost organizations money, customer confidence and brand reputation, enterprise-class service and support is a must.

5. Ensure adherence to corporate governance practices, from billing transparency to event reporting and SLA compliance.
Leveraging the Iterative Approach for Long-Term Transformation

Cloud computing, like all other major IT infrastructure and architecture trends over the past decades, is rarely implemented in a “big bang” methodology. Smart organizations plan their migration to the cloud in a way that makes the most sense for them, based upon factors such as workloads, governance policies, legacy systems complexity, competitive environment and, of course, financial considerations.

With budgets and other internal resources tighter than ever, many organizations are taking a deliberate, iterative approach to cloud migration, beginning with relatively simple deployments to gain experience with the cloud and then using cost savings to fund more ambitious programs over time. An experienced enterprise-grade cloud service provider can help organizations visualize the staging of their workloads, over time, to the cloud. While few would debate the need to migrate workloads to the cloud, many IT departments need a roadmap to help them determine which to move first and how quickly that should take.

For instance, CSC, with a large, active footprint of cloud data centers on four continents, works with companies and agencies to assess and prioritize workloads that can be transformed with the cloud and applications that can be modernized for the cloud. CSC uses a management approach called the WAVE, which looks at the workloads and applications that reflect value for the enterprise. Initial opportunities might include migrating x86 workloads to the cloud, upgrading and consolidating ERP applications, streamlining management of mail and collaboration, or quickly provisioning new applications to better enable the business. Using the WAVE as a guide, companies can extract subsequent savings in infrastructure and then reinvest the savings for new projects.
In each case, provisioning and management are dramatically simplified, and in many cases, the organization is able to fortify its security defenses while ramping up its compliance capabilities by utilizing the experience and skills of CSC’s team.

Conclusion

Today, very few IT organizations find themselves having debates about whether to migrate applications, infrastructure and even strategic platforms to a cloud environment. The real discussion now centers on two primary questions: How fast and widespread should that migration be, and how does IT build a compelling business case with management and business stakeholders to green-light the move?

The answer to the first question depends, of course, on the unique circumstances, needs and resources of each organization. But as a general rule, it’s plain to see that organizations have become very comfortable moving most of their x86-based applications and tactical workloads to the cloud. While consumer-grade public clouds initially garnered significant attention and business from individual users and smaller businesses because of their relatively low price points and ease of onboarding, a number of high-profile service interruptions and security breaches with lower-cost cloud service providers have pushed medium and larger organizations to focus upon enterprise-grade clouds. This has become particularly the case as these organizations have warmed to the idea of moving strategic applications and mission-critical workloads to the cloud and are seeking the performance and hardened security defenses of enterprise-grade cloud solutions.

In order to gain management support for the move, IT and business stakeholders often team to build compelling business cases for migration of more and more infrastructure, workloads and services to an enterprise-grade cloud architecture. Naturally, much of the business case for that migration centers on financial and economic benefits, such as potentially huge savings in infrastructure purchases, as well as a reduced need for additional staff resources to support new initiatives. Also, organizations can use an incremental approach to cloud migration, starting with relatively easy and inexpensive projects that yield savings that can fund more wide-scale and strategic initiatives.

Another key element in building the business case for enterprise-grade cloud computing is understanding what to look for in a potential partner. This is important not only to ease the migration to an enterprise-grade cloud, but
also to develop a long-term roadmap for migration that fits the organization’s budget limitations, technical profile and workload demands. Be sure to look for a cloud service provider with extensive experience in enterprise security, Tier 1 application development and deployment, global service and support with real-time monitoring and event remediation, and proven expertise in IT governance and myriad compliance mandates.

Your enterprise-grade cloud partner also should have its own global network of cloud-ready data centers, each with state-of-the-art compute, storage and networking infrastructure to ensure resilience, enable automated failover for sustained business continuity, and provide the highest possible levels of application availability.