




Business Perspectives on Cloud Computing

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Green ICT and Cloud Computing



Agenda

- Assessment
 - Financial, Risk, Strategic
- Adoption
- Challenges
- Guidance

Two views of technology evolution

No pivotal innovation

THEN

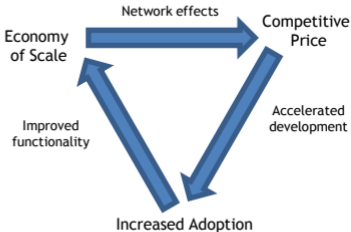
- Application Service Provider
- Web Hosting Service
- Managed Hosting Service

NOW

- Software-as-a-Service
- Platform-as-a-Service
- Infrastructure-as-a-Service

Multi-tenancy. Virtualization.
Utility billing. These aren't new -
just a gradual evolution.

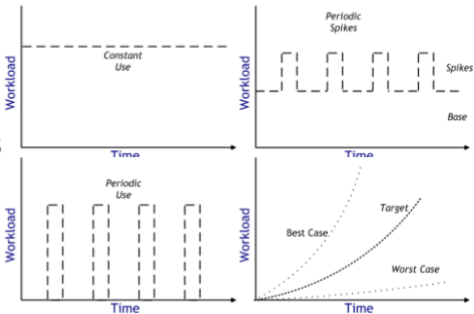
vs. Very disruptive impact



The right conditions can create market
disruption for evolutionary improvements.

Financial Assessment

- Software
- Hardware
- Facilities
- Operations



Risk Assessment

- Data leakage
- Data loss
- Service loss
- Compliance
- Lock-in
- Rogue clouds
 - Employee dissatisfaction
 - Unmanaged applications
 - Insecure data
- Competitive disadvantage
- Internal risks

Strategic Assessment

- IT Support
 - Intellectual Property
 - Knowledge Management
 - Service Delivery
- Agile Enterprise
 - Core competency
 - Modular services
 - Ecosystem

Mergers

Horizontal Integration

New Products

Joint Ventures

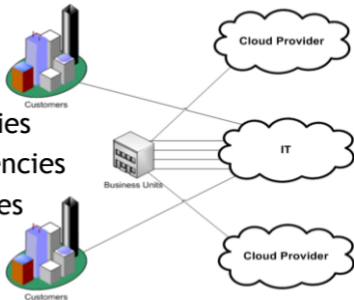
Outsourcing

New Markets

Vertical Integration

Private to hybrid evolution

- Resource Efficiencies
- Operational Efficiencies
- Sourcing Efficiencies



Candidate applications

- Low risk, high return
- Test and Development
- Externalised applications
 - Isolate threats, malware
- Redundancy
 - Geographical
 - Organizational
 - Technological

Design challenges

- Integration
- User management
- Reliability
- Governance / SLAs
- Security

The most common cause of failure is underestimating these challenges

Concerns and risk mitigation

Risk	Mitigation
Data leakage	Encryption
Data loss	Multi-source, backup
Vendor lock-in	Standards, multi-source, backup, exit strategy
Service loss	SLA, audit, certifications
Compliance	SLA, audit, certifications

New trust basis

- Personal observation
- Personal experience
- Human Insight



*Physical
Segmentation
Access controls*

- Public verification
- Contracts
- Compensation



*Virtual
Segmentation
Encryption
Access controls*

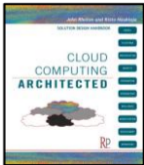
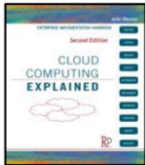
Words of Advice

- Start early
- Engage everyone
 - Users, HR, Legal, Procurement,...
- Be skeptical of the skeptics
- Find Quick wins
 - Cheap, low-risk
- Prepare for the long term

Summary

- Assess cloud computing from financial, risk and strategic perspectives
- Be prepared for disruption
 - Requires new trust strategy
- Don't underestimate the challenges
- Accept the inevitable

Thank you!



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