

The Business Case for Consuming Cloud Technology

IT Management for everyone



Introduction

As the prevalence of technology grows across industries and around the world, how we consume IT is a focus and consideration for all organisations. Cloud Computing has risen in prominence as the umbrella concept for the different models through which companies can manage their IT, with a range of responsibilities outsourced.

Gartner defines Cloud Computing as 'a style of computing in which scalable and elastic IT-enabled capabilities are delivered as a service using internet technologies'. Essentially, consuming Cloud technologies looks at outsourcing different elements of your IT management, with four different options: On-premises with a Private Cloud or actually not consuming Cloud technology, Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS).

On-premises: Your internal teams manage everything, including servers, storage, networking and applications.

IaaS: Your provider manages the servers along with the backend, whilst you retain management of data and applications.

PaaS: You still handle your data and applications, but your provider now manages the servers, backend and operating system.

SaaS: This outsources the handling of almost everything to your provider. You still need to configure things, maintaining a level of customisability, but the vast majority of your IT is moved to a Data Centre that you don't have to run.

Around these options, choosing between Public or Private Cloud environments must happen. Often, different environments are better for different applications and elements of your IT. This can create a Hybrid Cloud environment, with Public and Private Clouds utilised, perhaps alongside some in-house management as well.

This document will explore Cloud technology, discussing the benefits and considerations, looking at how your end users can have their day-to-day bettered and what you should look for in a Cloud Services Provider.

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Public Cloud and Private Cloud

Cloud Computing environment is considered a Public Cloud when the services used from the external Data Centre(s) are open for public use. A Private Cloud is operated for a single organisation, with management and hosting either internal or external.

Architecturally, there is little to no difference between Public and Private Clouds.

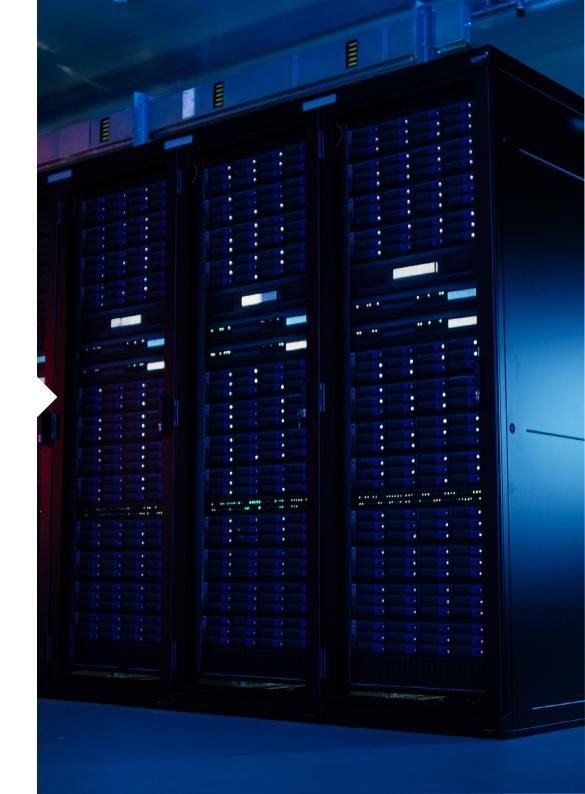
However, security can be a concern for some when considering a Public Cloud. Providers including market leaders Microsoft and Amazon, offer services in addition to the use of their platforms, Azure and AWS, to ensure security. These services include direct connection which is a private connection straight to the Data Centre.

Using external Data Centres, Public or Private, moves from strict Capital Expenditure to more flexible and cost-effective Operational Expenditure. You can right-size your IT resources based upon your needs, confident that you're only spending what you need to.

By moving to a Cloud Consumption model, a lot of the IT headaches you are currently facing are removed. The maintenance, updating and monitoring of your hardware and the software that relies upon it can be outsourced to trusted providers who are experts in technology in ways that your organisation isn't.

Providers include those who own the hardware such as Amazon and Microsoft, but also those who offer subscription SaaS products such as Netflix or Spotify as well as those who attach Managed Services to the accessing of platforms, like Advanced.

At Advanced we utilise both Public and Private Cloud environments to deliver our customers with an end-to-end experience that enhances how their organisation uses technology.



Is Cloud technology suitable for my organisation?

There are five main categories of company types: Public Sector, Private Sector, Third Sector, Small/Medium size and Enterprise. Each of these can benefit from consuming Cloud technology.

Particularly in the UK, there has been an increase in Cloud consumption throughout the Public Sector. In 2011, plans were announced in which the Government aimed to shift 50% of new IT spending to Cloud-based Services by 2015. In line with this, the G-Cloud framework was created to support Public Sector procurement teams in making their Cloud technology decisions. At Advanced, we have experienced this first hand alongside our customers. We have SaaS applications thriving across the Education sector while our Managed Services teams are working closely with Central Government bodies as they meet technology targets and revamp how they engage with end users and citizens. In an area of society that especially necessitates cost-efficiency, scalability and security, Cloud technology is consistently meeting needs.

The Private Sector is somewhat lacking in this influence that the Public Sector has received from the Government. For example, Financial Services institutions are holding onto the traditional ways they are proud of, confident that they meet the strict regulations of their sector and are reluctant to update their operations. Times are changing however. With the onset of remote working, demands from employees and expectations of anytime, anywhere services from clients, Cloud technology cannot be ignored any longer. The high availability and scalability required of IT to meet those demands and expectations is best assured with Cloud, as our customers are finding out. A mixture of the two above, the Third Sector has Law firms battling with tradition and regulations while Not-for-Profit organisations must always be concerned with how much they are spending. A significant, timely, return on investment is a necessity for all. Our Managed Services teams and SaaS solutions are currently working right across the Third Sector, delivering a true Client to Courtroom experience while efficiently connecting and supporting Charities so that they can focus on the cause that is central to their existence.

In terms of the size of an organisation, Cloud technology is a unifying factor. No matter the size of a company, there are benefits to be achieved. No matter how many IT responsibilities you outsource to a Cloud Services Provider, SaaS Provider or Managed Services Provider, each will be one less focus for your internal team. Their day-to-day will be streamlined and in many cases, end users can be empowered to manage aspects of the technology they use, only changing what they currently do for the better. This will return focus to your organisation's operations, keeping the lights on whilst moving into a bright future. "The promise of Cloud Computing represents more than just a faster, more efficient version of everything we did before... thinking and working across any environment" Google – Future of the Cloud Report 2019

What about the legacy applications in my IT estate?

Nearly all large companies that have existed for many years are facing this current issue. It might be that you have reviewed your estate and have managed to migrate the majority of applications to the Cloud or have purchased off-the-shelf SaaS applications. You're now at a point where there are a couple of business-critical applications left on-premises, and you don't know how to handle them. They can't migrate 'as is', but your organisation can't lose the functionality. Perhaps their interoperability, or lack thereof, with newer applications is highly disruptive, or the people who truly understand them are retiring with incomers not being proficient in the necessary language, database or environment.

In such a situation, working with a specialist partner is highly advisable. These projects are complex, therefore experience, strategic partnerships and learned expertise are needed to ensure success.

There are a number of different options to handle such applications. These include rehosting, refactoring and reengineering. <u>Before</u> <u>choosing which option, it is vital that your organisation fully reviews</u> <u>the IT estate.</u> In doing this, it can be decided which servers and applications can be retired. Next steps for remaining applications that are on mainframes and/or written in monolithic CICS and batch COBOL can be determined, such as transforming them to Java or C#. Our expert team will be able to work with you to decide how best to refactor or rehost your application(s), reaching your preferred Cloud destination whether that be Cloud-Ready, Cloud-Optimised or Cloud-Native. In our experience, Advanced have seen first hand the range of situations in which this question is asked. We have worked with customers that have already begun to consume Cloud environments, redistributing their IT estates, but have come up against problems in their journey. This has meant that they have struggled to truly benefit from the Cloud and are left at a loss. Our Managed Services and Application Modernisation teams have been able to take stock of the situation and perform the actions necessary – managing applications in Public and Private Clouds whilst handling legacy ones in a way that means functionality is retained and the company isn't held back.

We have also streamlined the estate of a prominent healthcare organisation, ensuring their IT spend is paying for what they use and we have refactored applications for global news corporations so that their business-critical applications can be hosted on the scalable, secure, available Cloud platforms they want.

In all, there are certainly applications and situations. That will mean a simple 'lift and shift' or replacement with off-the-shelf SaaS isn't possible. However, that doesn't mean that those organisations should think Cloud technology isn't suitable for them, it is, and working with the right specialist provider will prove that. Through it all, IT teams and the end users are considered. All changes are made with them in mind, making sure their working is eased, not complicated.

94% of workloads will be processed in the Cloud by 2021

Hosting Tribunal research from 2019

Communicating Cross-Business Value

- Making the move to the Cloud can be daunting:
- How can you be sure your organisation will benefit?
- How long until there is a worthy return on investment?
- What if it goes wrong?
- What if productivity decreases?
- Will and how the current culture of your company change?

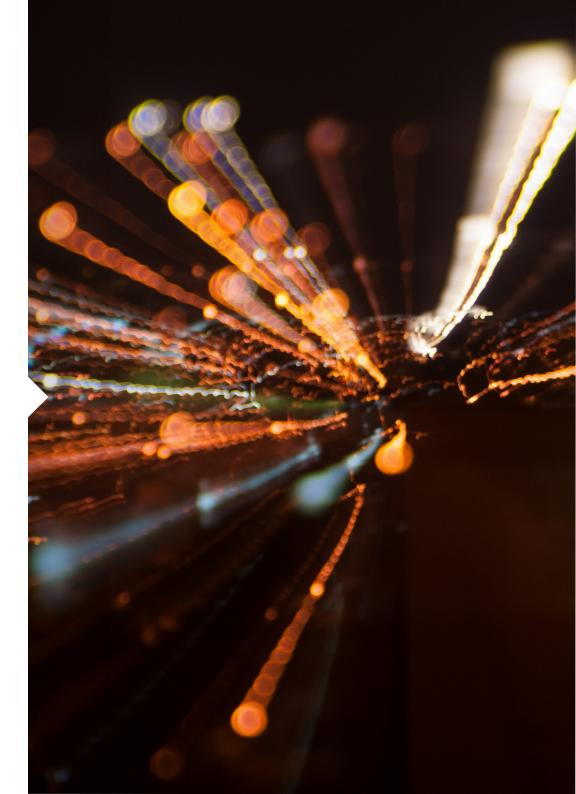
These are the types of questions you're likely to be asked by the rest of the organisation when you put forward a Cloud proposition.

The benefits of Cloud technology really do apply across an organisation. The customisability of solutions, available cost-savings, improved end user experience and outsourcing of certain headaches will have a positive effect on all.

Below and overleaf details the different benefits that specific areas of your organisation will receive from the Cloud.

Organisation Owner

There is no sector that has not seen an increase in Cloud consumption in recent years. By looking to adopt Cloud technology into your organisation's IT estate, you can be confident that you are keeping up with the market and making strides into getting ahead. Within this, the broad use of Cloud means that technology gained from acquisitions will be more easily absorbed into your estate, simplifying a difficult process. Whatever happens to your company, Cloud environments can flex and scale with it, ensuring you're continuously and consistently supported.



"Advanced has successfully built a really strong, resilient and flexible platform that offers versatility and scope for many years to come"

Adam Sewell, IT Director, The Copyright Licensing Agency

Finance

Cloud Computing is based upon subscription models. This means that you can easily forecast spend, with costs only likely to fluctuate in response to your organisation's needs and consequent demands upon the services. Moving from Capital Expenditure to Operational Expenditure realigns your costs to what your requirements are – you will pay for what you use. Also, the support required for modern Cloud technologies is less expensive than the support required for old hardware. Even with any upfront costs included, overtime, consuming Cloud and outsourcing some of your IT responsibilities makes financial sense.

Operations/Development

The continuous updating of SaaS applications keeps your organisation working on the latest versions at all times. This will keep your organisation moving forward digitally. More broadly, a Cloud platform can be the foundation for innovation, with DevOps teams empowered by an environment that is more responsive and easier to operate and develop in. In terms of handling more modern technology, the resources to do so will be more readily available than those to handle older applications, databases and environments. This will ease the management of your IT for your teams.

Procurement

Choosing to consume Cloud technology means you are trusting companies who are experts in this area. Microsoft, Amazon and Advanced are all examples of businesses who focus on providing IT solutions. Even if you're only looking to consume one SaaS application and not transform your whole estate, talking to an IT expert through the process will help. They can tailor the list of benefits of the Cloud to your organisation specifically, projecting when you will begin to feel a return on investment. Their planning and involvement can also ensure success with training and advice readily available either from their help teams or online resources.

HR

By looking into adopting Cloud technology, you're investing in improving the day-to-day experiences of employees. Collaboration and communication tools work across organisations to drastically improve how well a company works together. This includes involving colleagues and partners across dispersed locations as well. Having tools that can be available anytime, anywhere, on any device, firmly connects your employees with IT that works for them and supports them when they need it. Such changes will encourage a cultural change across your organisation, transforming you into a modern, digital workplace that retains and attracts talent.

41% of business leaders say the Cloud is their biggest spending priority in the next 12 months Advanced Annual Trend Survey 2019 - 2020

How do I pick the right SaaS application for my organisation?

Particularly if technology isn't your expertise, choosing a SaaS application can feel like a difficult decision, but it doesn't need to be. The fact that you are choosing a SaaS app shows that you've done a lot of the difficult decision-making already. You have decided to move to a new way of consuming technology, the benefits of the Cloud are things you want your organisation to experience. From then on, the process of choosing an application is relatively similar to selecting one that you would host on-premises.

Take this opportunity to look beyond replacing the old with the same functionality but different infrastructure. Of course, you don't want to lose current functionality when moving to new apps, but this is an opportunity to add capabilities. For example, moving from the desktop-based Microsoft suite to the web-based version gives you access to Teams, enhanced security and increased storage. Think about what your goals and requirements actually are, and be open to achieving better. By using Cloud-based applications, you can plan confidently, knowing that they can scale to grow with you. Choose a company that has experience and can prove an understanding of your specific requirements. Though the benefits of SaaS apps are sector agnostic and will work for organisations of all sizes, purchasing Cloud technology is a different vendor/consumer relationship to the traditional model.. Instead of buying something, downloading it to your desktops, then having minimal interaction with the vendor until something goes wrong or you need an upgrade, the relationship is more constant. As upgrades happen on a more regular basis, and you work to review your licences more often as the flexibility of the Cloud makes doing so less arduous, you're going to be working more closely with your vendor then before. Pick one you like, that knows and understands you. As much as your experience will always be individual to your company, it's good to have someone to work with that has faced similar situations before.

In support of both of the above points, it is advisable to do your research. Reading materials like this, attending webinars and roundtables with your peers and industry experts will help you come to the right decision for your organisation. And don't forget to reach out across your different departments to see what they're hearing about and what they think could work.

For larger projects, how do I pick the right Cloud Services Provider?

For large migration projects, or a full transformation program based on a review of your estate, working with a Cloud Services Provider is advisable. But how do you pick the right one?

Microsoft in particular, is a leader in Cloud technology who is encouraging end users to work with third parties. The size of the Microsoft business means that it can be difficult for it to culturally fit all clients and be able to engage with them as they require. Working with a smaller Cloud Services Provider delivers the cultural fit your organisation deserves with globally recognised and proficient technology.

Certifications can be acquired by IT teams in different environments such as Azure and AWS. Look out for these when choosing a provider so you can be confident that they have the right knowledge to operate on your behalf effectively. Some providers also have rankings and awards for those that they partner with. For example, Advanced is a Gold Partner of Microsoft, which shows that we have agreed to a close working relationship with Microsoft and have earned the highest standards in the partnership program.

Experience is key in this area and really displays capabilities. Many companies will be able to replace on-premises applications with SaaS, or manage applications in their own Data Centres. Those are valid skillsets that you definitely need to work with. However, it is rare that a business can also offer the effective handling of legacy applications, difficult technology that is considered not 'Cloud-Ready'.

Your individual situation will ultimately dictate what you require from a partner, so do your research and ask all of the questions that you have to.



Summary

As the world continues to develop digitally, it must be acknowledged how much technology decisions affect our people, the end users of services. This means that they are very impactful and important decisions to make, and that can be daunting. We all want to do the right thing.

Having confidence in areas we are unsure of is difficult but partnering with a specialist provider can really help that. You can be sure that the availability, scalability, cost-efficiency benefits of the Cloud can be experienced by your whole organisation when you take your journey there alongside a company equally committed to your success.

At Advanced, we have tailored our IT solutions to include the most up-to-date technology and offer a range of world class environments that will work for you.

To talk to an expert about how we can help your organisation, contact us by leaving a message here and we will be in touch shortly. Alternatively, if you are currently an Advanced customer, ask your Account Manager for more information.

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