WHY CLOUD WILL BE AT THE CENTRE OF ENTERPRISE TECHNOLOGY, THE RISE OF CLOUD COMPUTING, HOW CLOUD IS TRANSFORMING BUSINESS

Business Connexion

Connective Intelligence™

Andy Brauer
Chief Technology Officer
Business Connexion

Future Business and Delivery Models in the Cloud is Radical Innovation

Innovation supported by IT

It is all about – WHY?

Agility
Speed
Adoption
Consumerization
Capacity in abundance
Apps at the palm of your hand

And NOT always about

Money
Technology


I TRIED TO GO TO THE APPLE STORE TO COMPLAIN ABOUT APPLE MAPS– BUT THE STORE WASN'T WHERE APPLE MAPS SAID IT WAS!
© D.Fletcher for CloudTweaks.com

How does the Cloud support your business in a radical new way?

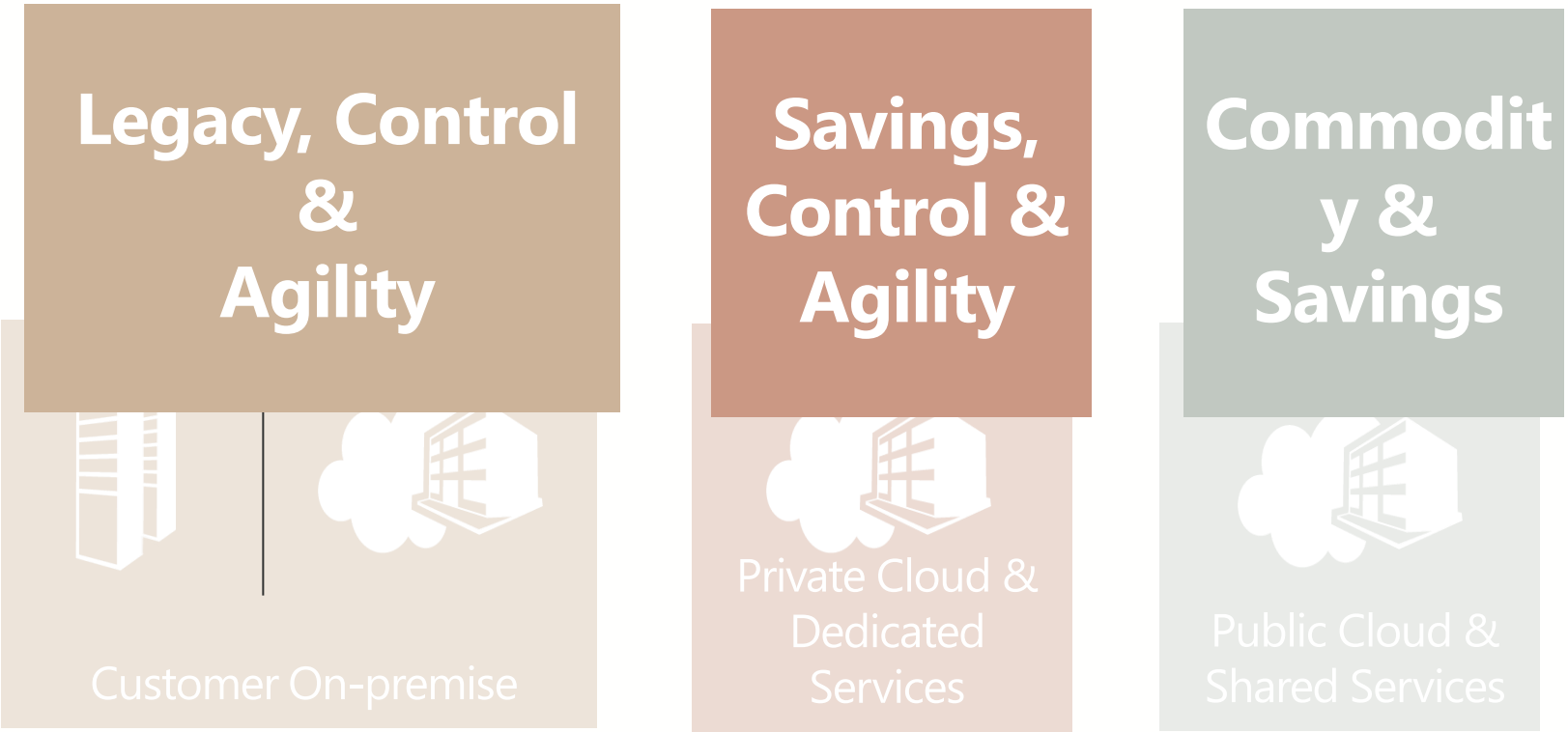
Marketing drives the misunderstanding

You will not survive without the Cloud
We give you Cloud Power
You need a Cloud Strategy to survive
Cloud will be the only choice for the future
Etc. Etc….

You need think different

The future is here – make use of it

How does it fit?



From the customer's view

Software as a Service

IT-services delivered;
on-premise
off-premise
independent of the traditional perpetual licensing models with focus on the services delivered as a
subscription based expense
and not the licenses or technology required to deliver the services.

Cloud Computing – one definition

Cloud Computing is a production method where the Services are presented;

on-demand

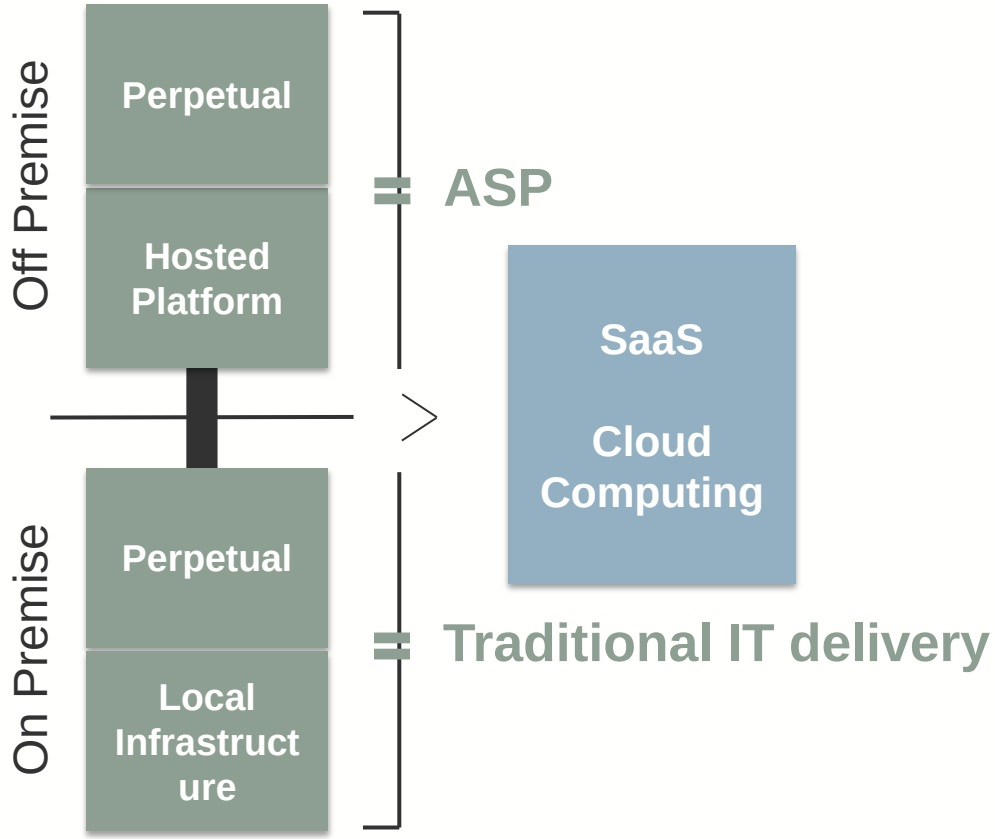
self-provisioned

scalable

And;

billed per logical unit used

The Hype of the Cloud



SaaS
IT-services delivered;

- on-premise
- off-premise

independent of the traditional perpetual licensing models with focus on the services delivered as a

- subscription based expense

and not the licenses or technology required to deliver the services.

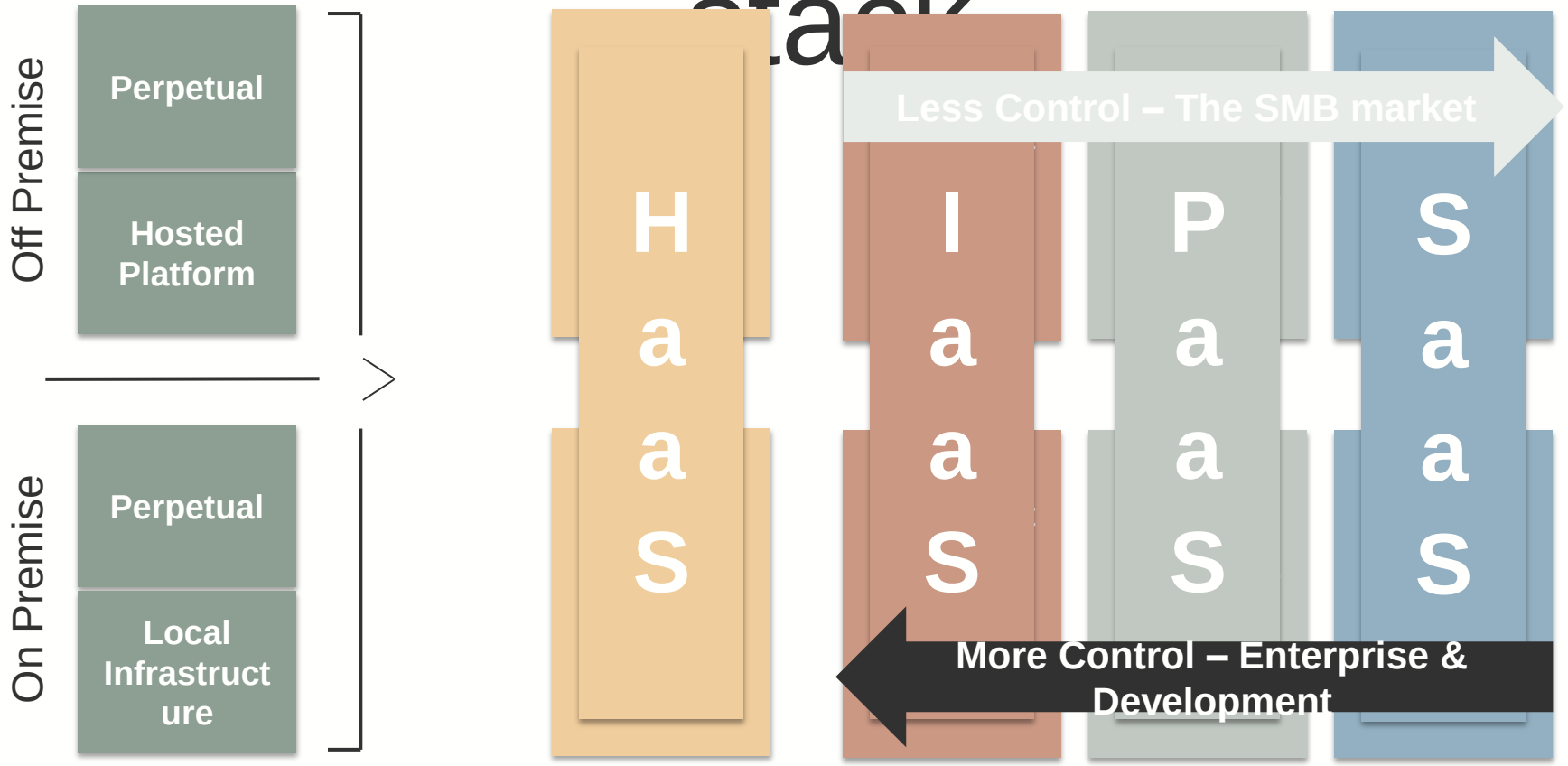
Cloud Computing
A production method where the Services are presented;

- on-demand
- self-provisioned
- scalable

And;

- billed per logical unit used

It’s all about control of the stack



- SMB is driving adoption

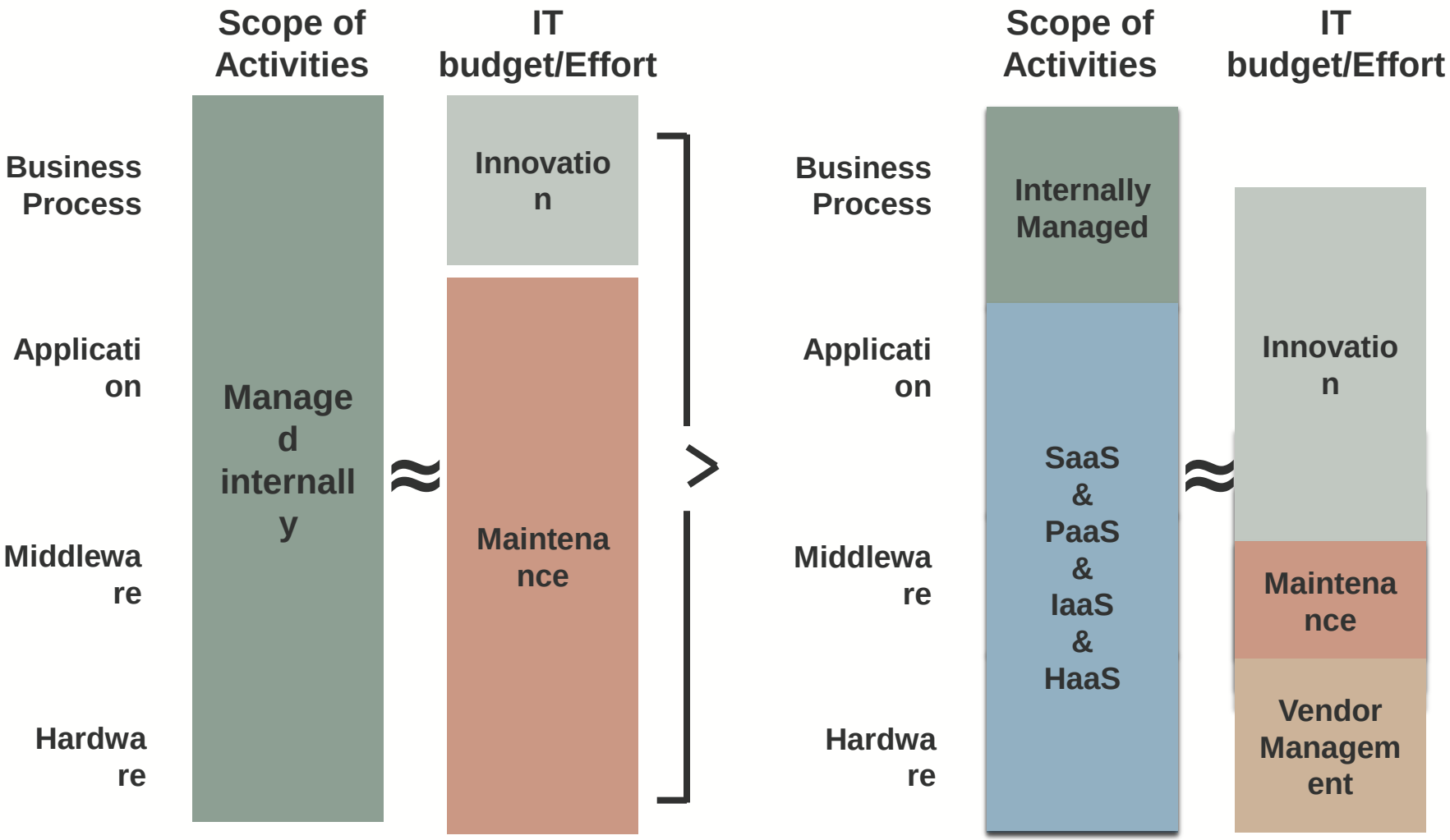
Moving towards the Hybrid IT Model

Traditional On-premise Delivery Sold to customers as projects and Perpetual licenses	Private/Public Clouds from Hosting/Service Providers Sold to Customers as XaaS and delivered as Cloud Services	Public Clouds from major vendors like: Amazon Microsoft Google Terremark
Customer On-premise	Partner Hoster & Public Cloud	Public Cloud

Customer's future consumption

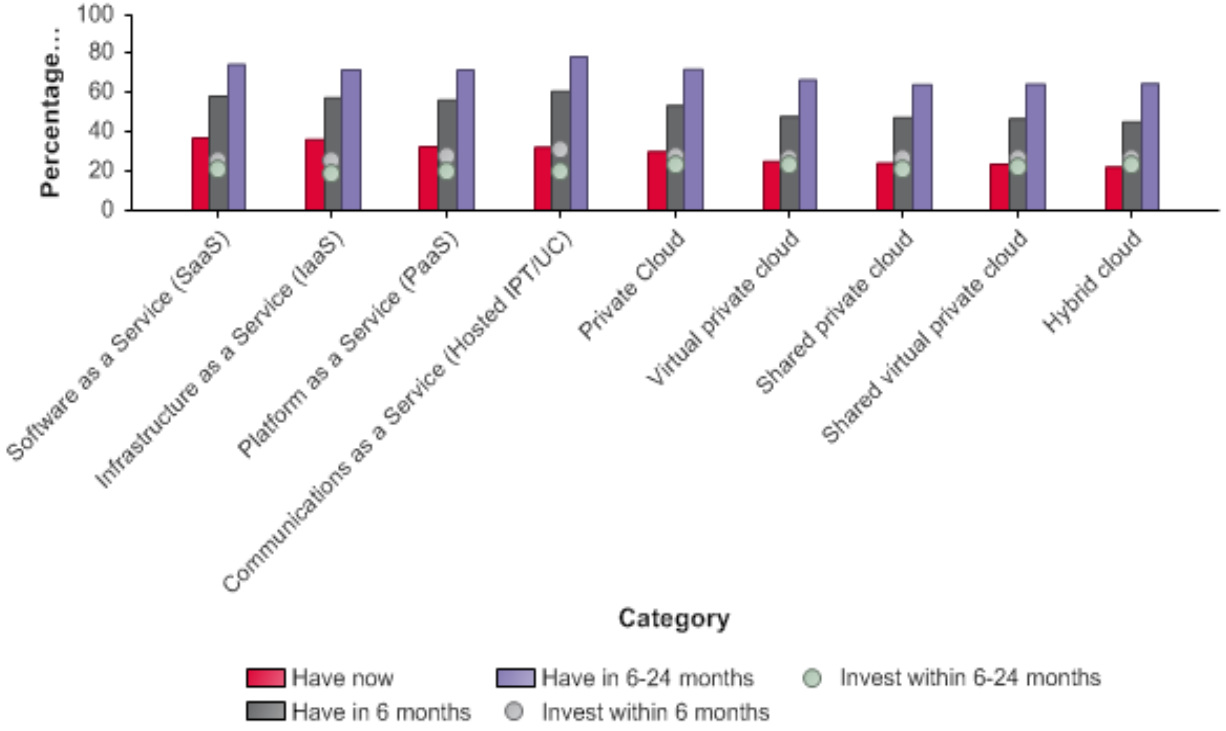
What drives the adoption of "as a Service"

Why “as a Service”



THAT'S WHY CLOUD WILL BE AT THE CENTRE OF ENTERPRISE TECHNOLOGY, HENCE THE RISE OF CLOUD COMPUTING, AND HOW CLOUD IS TRANSFORMING

Cloud Computing technologies that enterprises currently have or use and are prioritizing for investment in the future (source OVUM)



5115 respondents

We need to learn from.....

In Cloud Services we will see What Coca-Cola does

DataCenters

Distributors/ Aggregators

Offline/online Channels

Sales & Marketing support

Outsourcing/ Syndication

Nobody knows how it is made

Where does SMB and Cloud fit?

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The Market Opportunity

Customer's future consumption

Where does Enterprise and Cloud fit?

The Market Opportunity

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Customer's future consumption

What will the “Cloud” deliver?

Speed and transformation of your business
Agility and innovation
Cost savings (to some extent)
Predictability
Security (can you do it better?)
Scalability and use as a service
Resilience and capacity when you need it
Less license compliance and piracy issues

BEYOND THE INFRASTRUCTURE: THE NEXT STAGES OF CLOUD INNOVATION
Innovation and Cloud Mobility is the cornerstone of African Cloud

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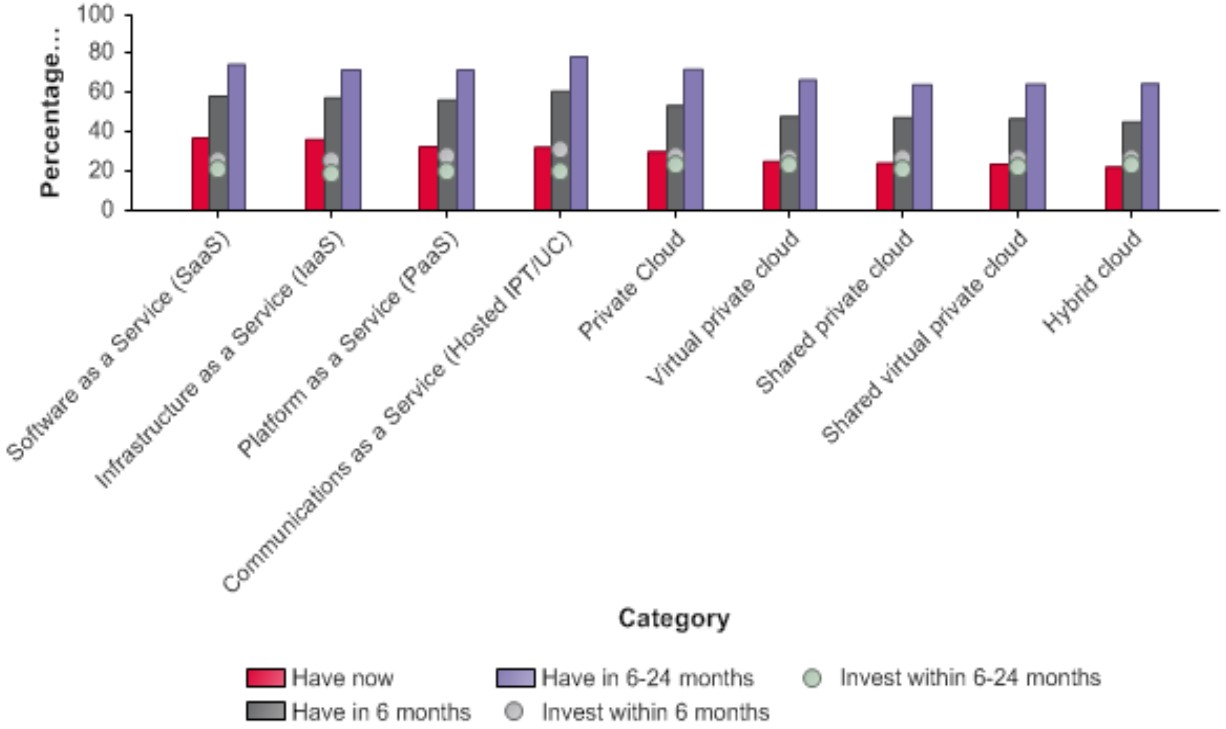
Cloud Computing technologies that enterprises currently have or use and are prioritizing for investment in the future



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Cloud Computing technologies that enterprises currently have or use and are prioritizing for investment in the future

Category	Have now %	Have in 6 months %	Have in 6-24 months %	Invest within 6 months %	Invest within 6 to 24 months %
Infrastructure as a Service (IaaS)	36.42	57.73	72.16	24.90	18.70
Communications as a Service (Hosted IPT/UC)	32.31	61.07	78.92	31.20	19.90
Virtual private cloud	25.16	48.21	66.98	26.50	23.10
Shared virtual private cloud	23.79	46.98	64.79	26.10	21.50

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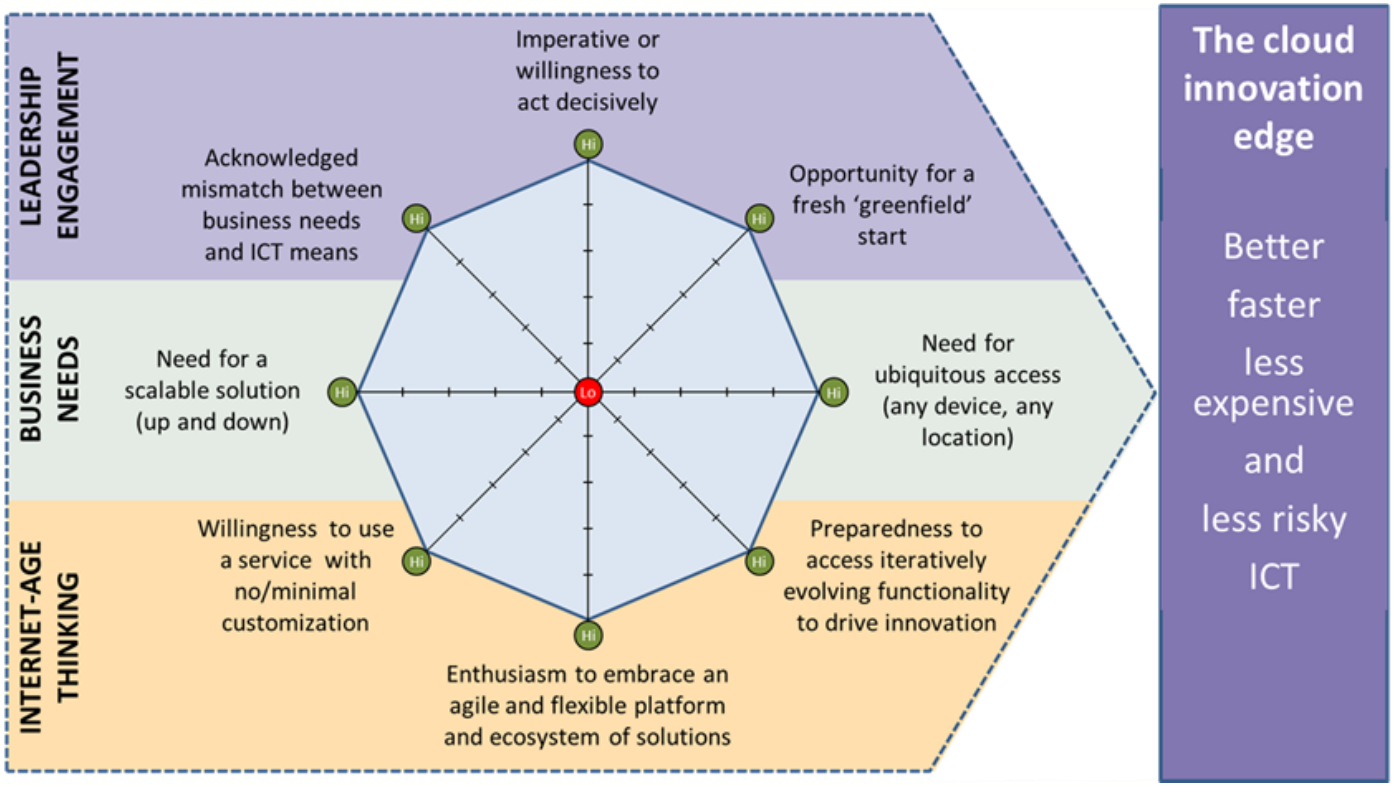
Customer's future consumption

Enterprise Cloud Services Catalysts Framework

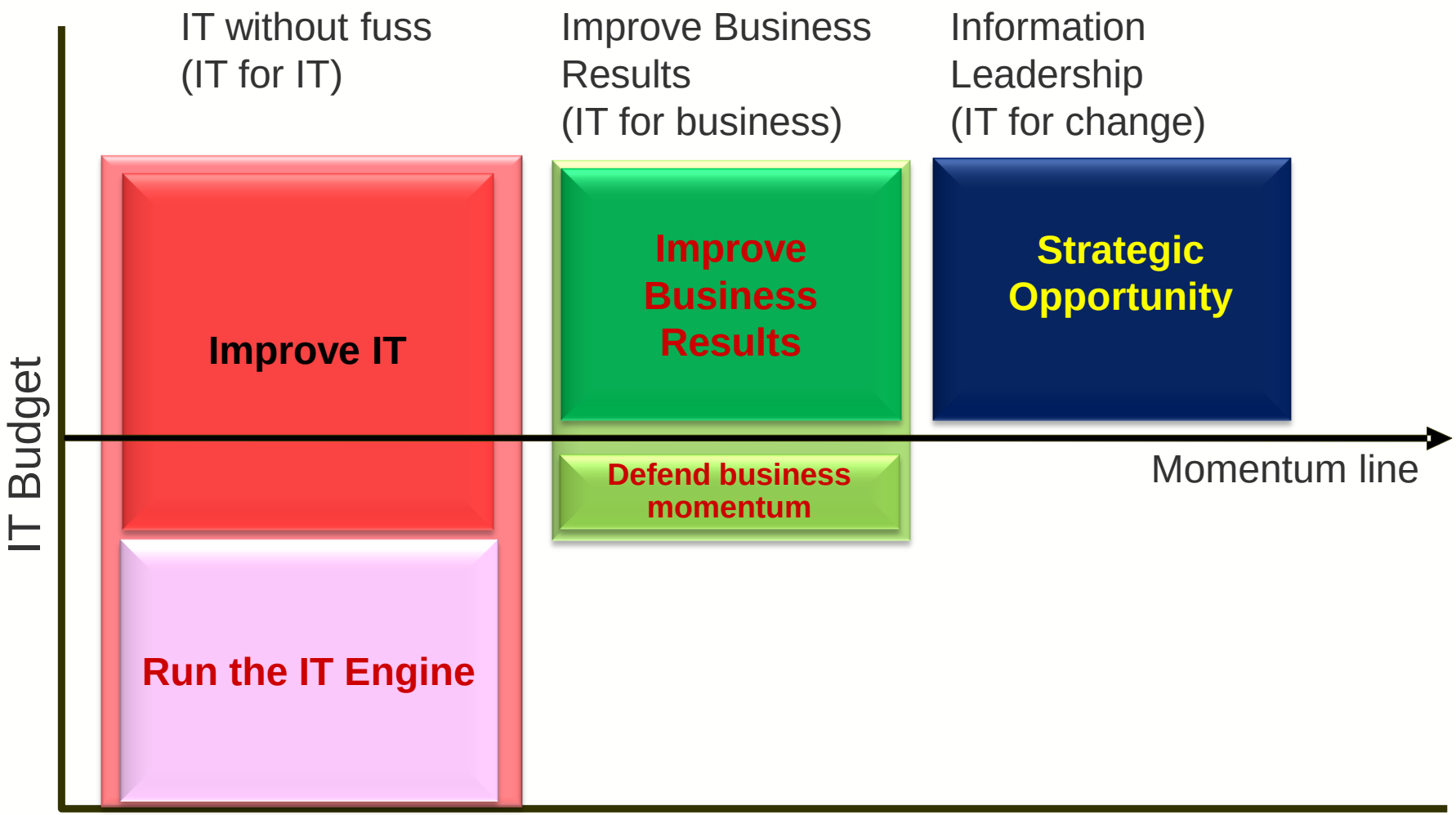


Return on business agility

Our approach	Imagine	Innovate	Impleme nt
Your Business	What& Why should we do?	How should we do it?	Do it!
Accelerated Results	Innovation inhibitors and opportunities	Agile Ressourcing	Assure and measure

Change will never be as slow as it is today - the rate of change is increas

Broad categories for planníng-3RoleModel



What is your business structure

Low ..... Business integration..... High

COORDINATION Shared customers, products or suppliers Impact on other BU transactions Operationally unique BUs Autonomous business management Common view of company demanded ---------- Shared customer / product / supplier data Consensus for designing IT infrastructure IT application decisions made in BUs	UNIFICATION Globally integrated business processes BUs with similar or overlapping operations Functional / process / BU matrices High-level process owners Integrated customer interface & supply chain ---------- Shared data Centrally mandated databases Central IT decisions made Linked and standardized processes
DIVERSIFICATION Few shared customers or suppliers Independent transactions Operationally unique BUs Autonomous business management ---------- Shared technologies Few data standards across BUs Most IT decisions made within BUs	REPLICATION Few shared customers or suppliers Transactions aggregated at a high level Operationally similar BUs Centralized control over business unit design ---------- Standardized processes Automating and linking technologies Standardized data definitions Centrally mandated IT services

Different ..... Business processes ..... Similar

Source: Ross, Weill, Robertson: Enterprise Architecture as Strategy. Harvard Business School Press 2006

Cloud Services Business Trends Survey: US results

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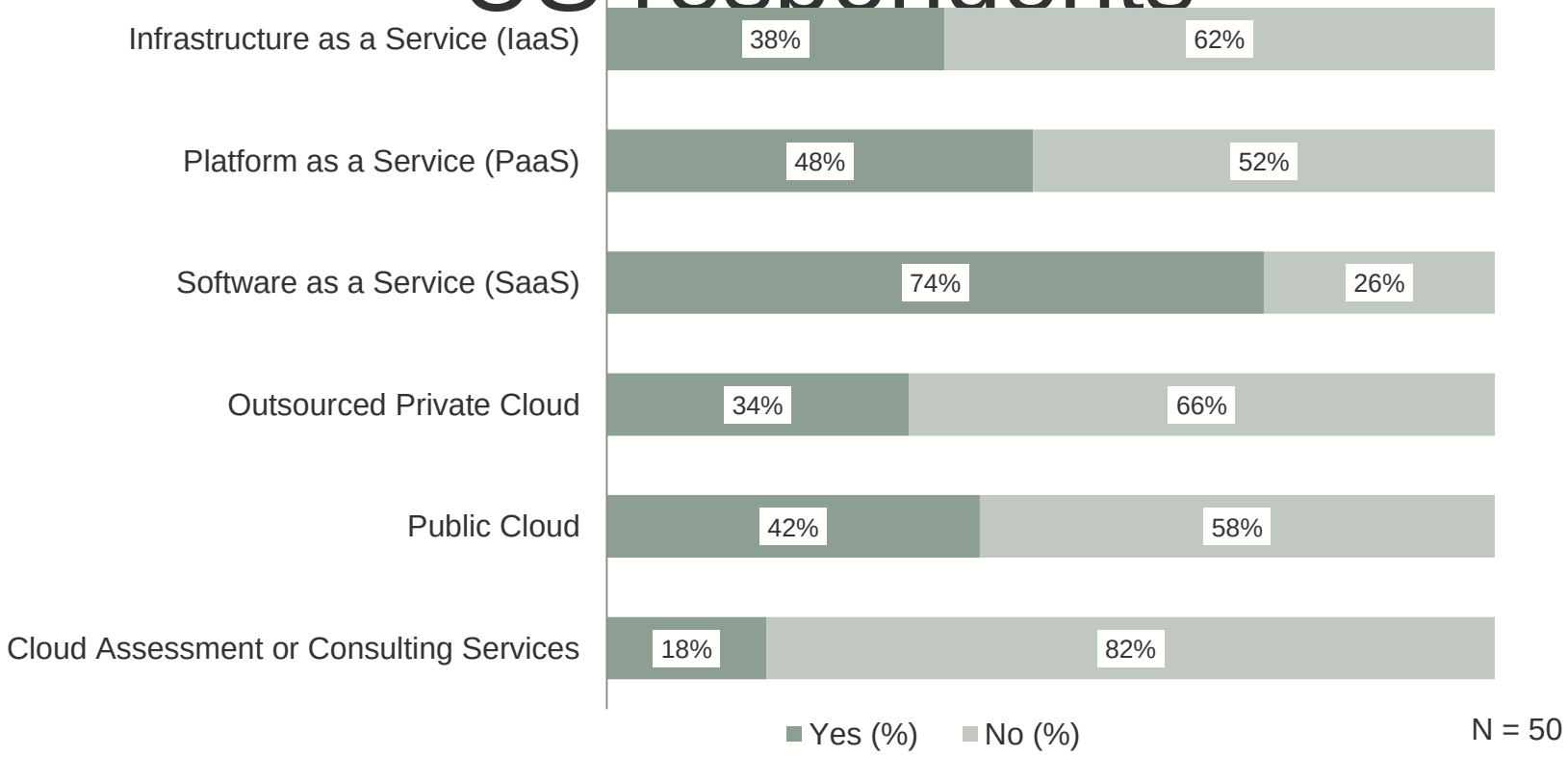
Current cloud services investments: US respondents

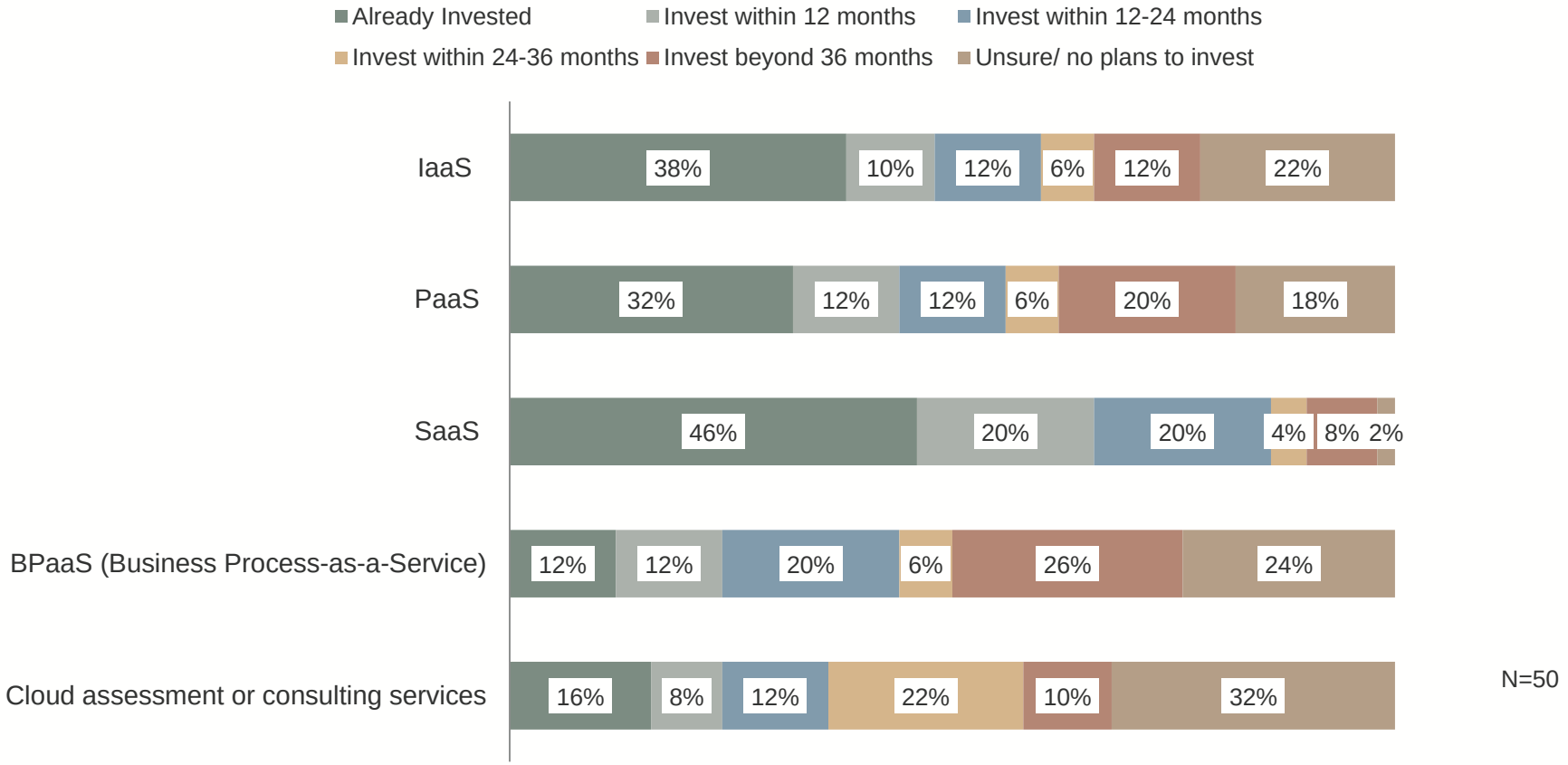
Which of the following cloud services do you use in your organization?



According to our survey results, US respondents have more aggressively adopted PaaS and public cloud compared to the other surveyed countries. Many PaaS vendors initially targeted US-based companies, which explains in part the higher rate of adoption. Public cloud adoption is also accelerating, among both commercial and public sector clients.

Future cloud services investments

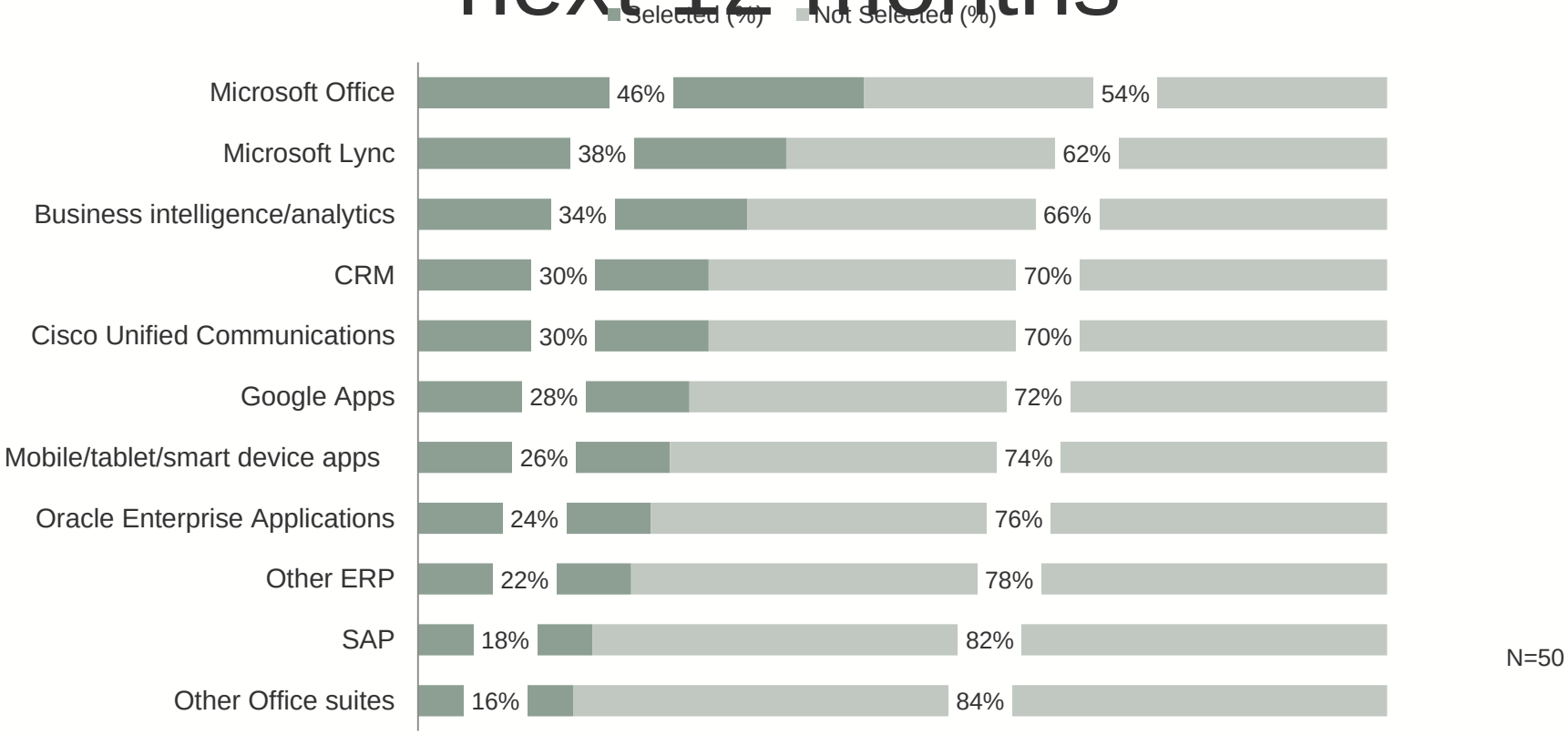
Please indicate when you plan to invest in any of the following during the periods indicated:



SaaS deployments are clearly accelerating among US respondents, as more than 80% said they either have already deployed SaaS or intend to within12–24 months.

Planned SaaS deployments in the next 12 months

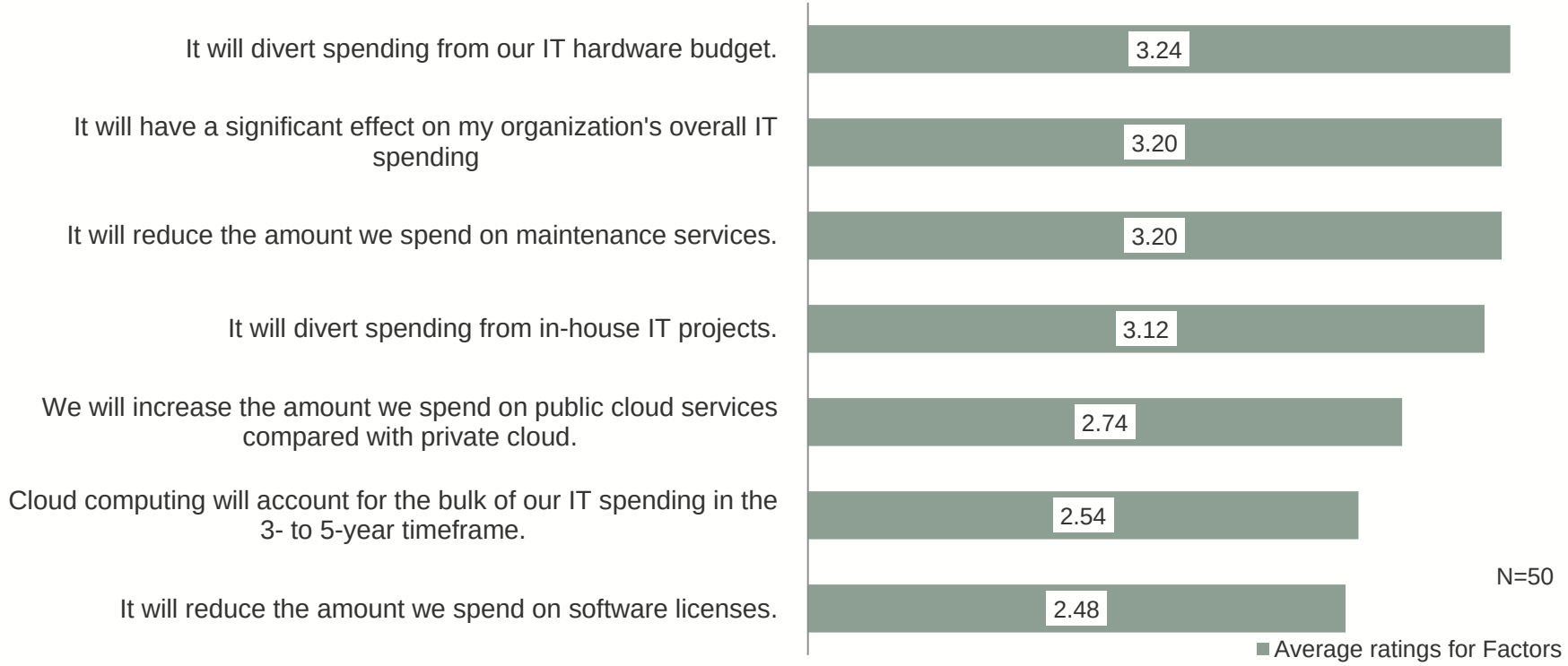
If you currently use or intend to use or deploy SaaS services within the next 12 months, please indicate whether you plan to use any of the following:



As with respondents in other countries, office productivity suites were the most popular type of planned SaaS deployments. However, US respondents indicated that they will be far more aggressive than other surveyed countries in deploying BI/analytics in a SaaS model.

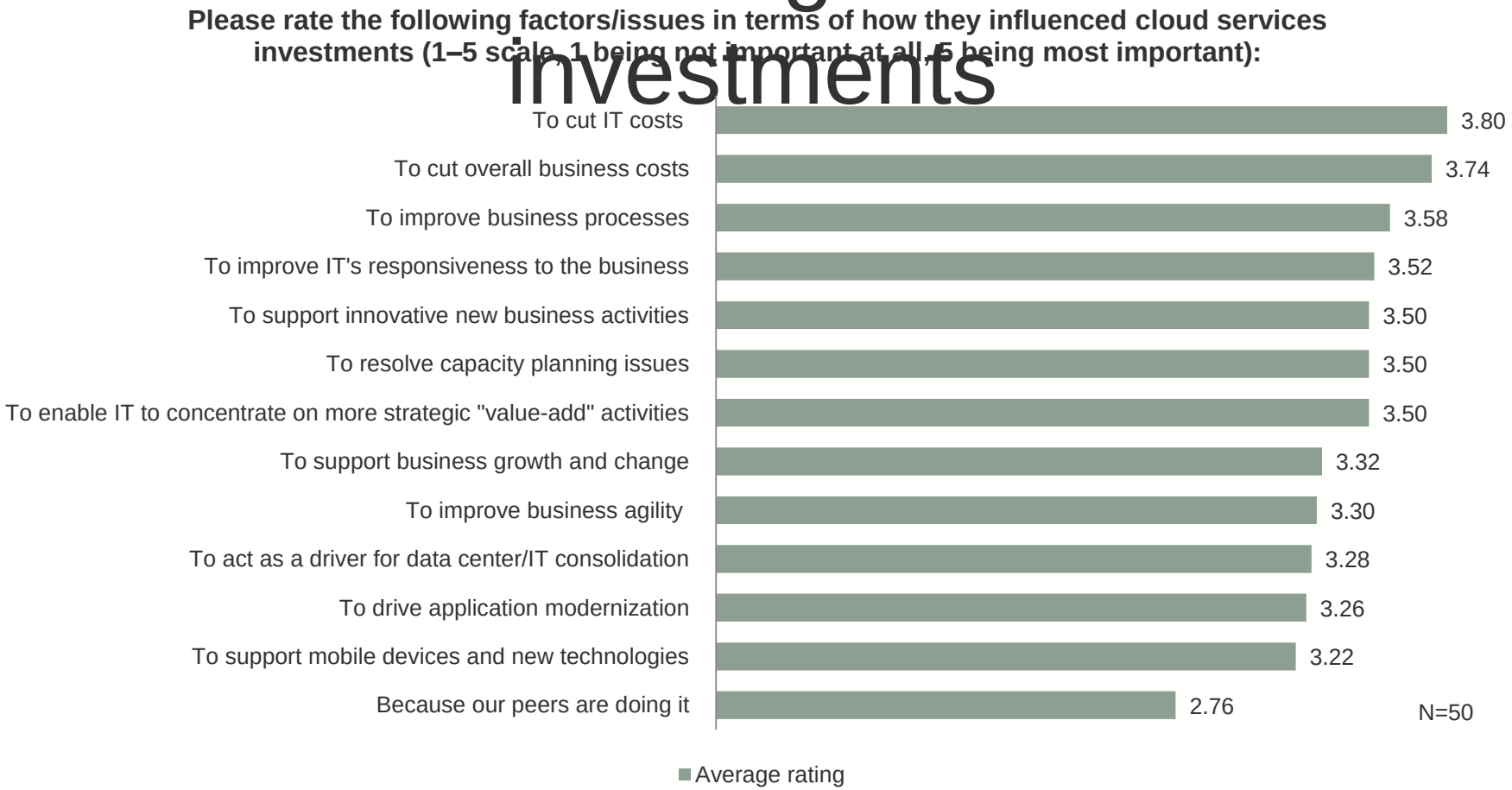
Impact of cloud services on IT spending

How will cloud services impact your IT spending in the next three to five years (1–5 scale, 1 being not important at all, 5 being most important)?



Compared with last year's results, US respondents are more confident that investing in cloud will result in lower hardware and IT costs, but they are less confident when it comes to the impact on software licencing costs.

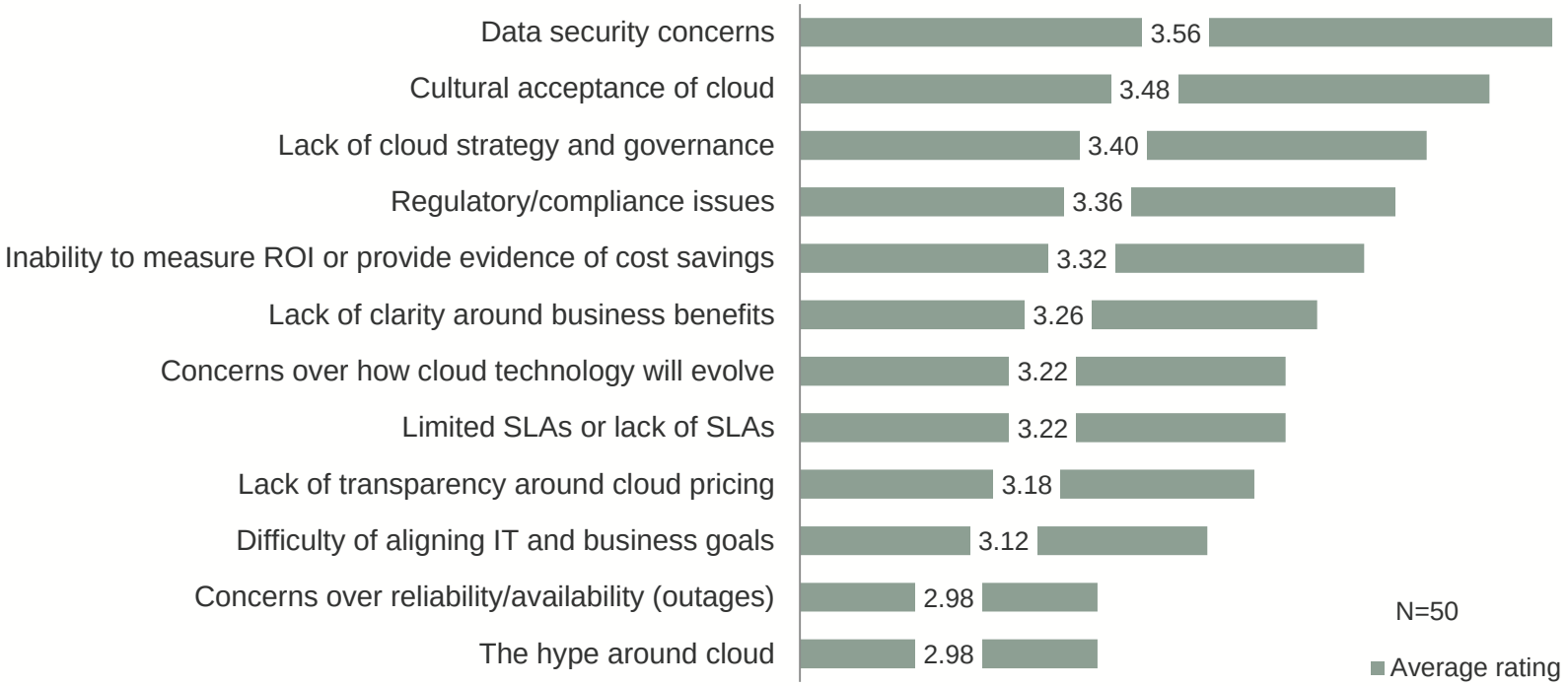
Factors influencing cloud services investments



Cutting IT and business costs rated highest among the US respondent base for factors influencing cloud investments. However, data center consolidation rated much lower compared to the total respondent base, which reflects the maturity of the US market when it comes to cloud.

Challenges to cloud services adoption

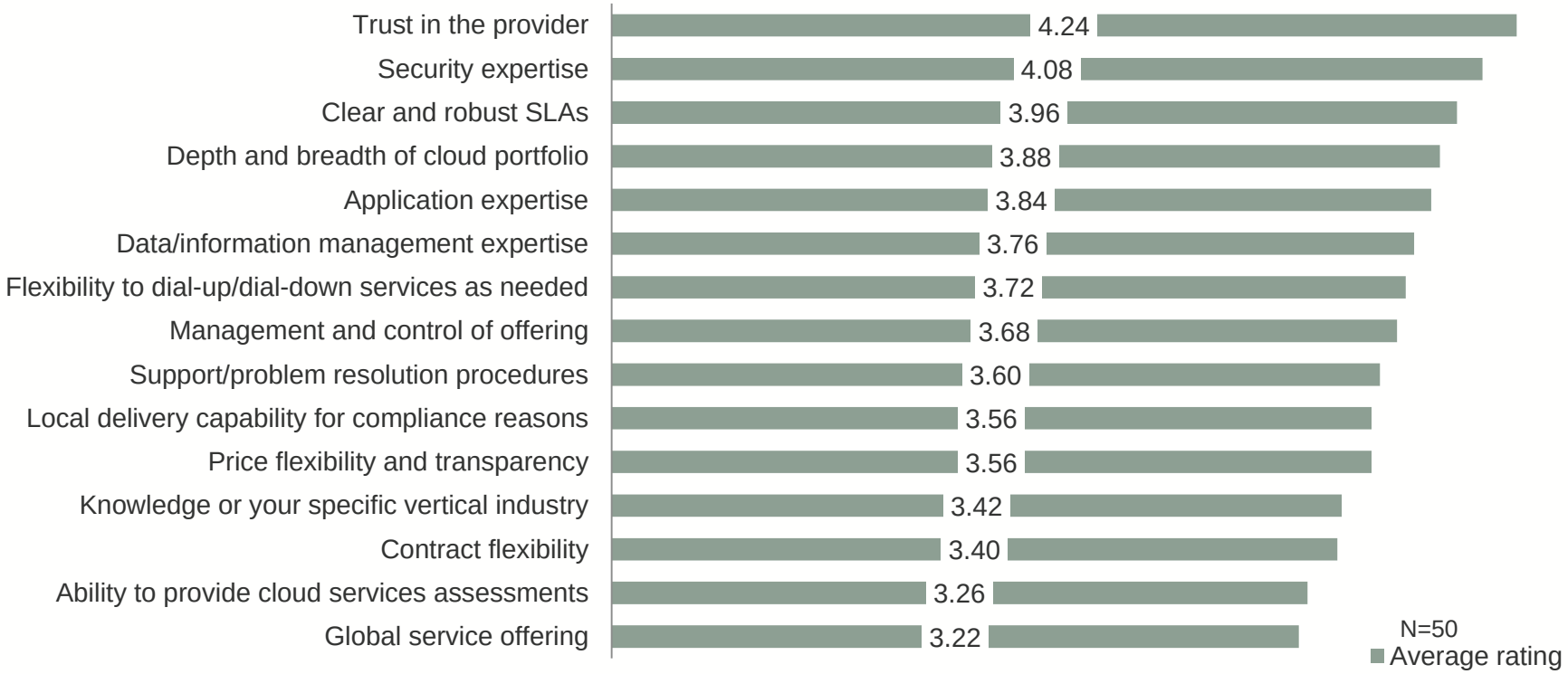
Please rate the biggest challenges or impediments to using cloud services in your organization (1–5 scale, 1 being not important at all, 5 being most important):



Data security topped the list of challenges to cloud services adoption. However, cultural acceptance of cloud was rated much higher as a challenge among US respondents than among the total respondent base, indicating that successful cloud deployments rely just as much on culture change as IT change – at least among US respondents.

Selecting a cloud services provider

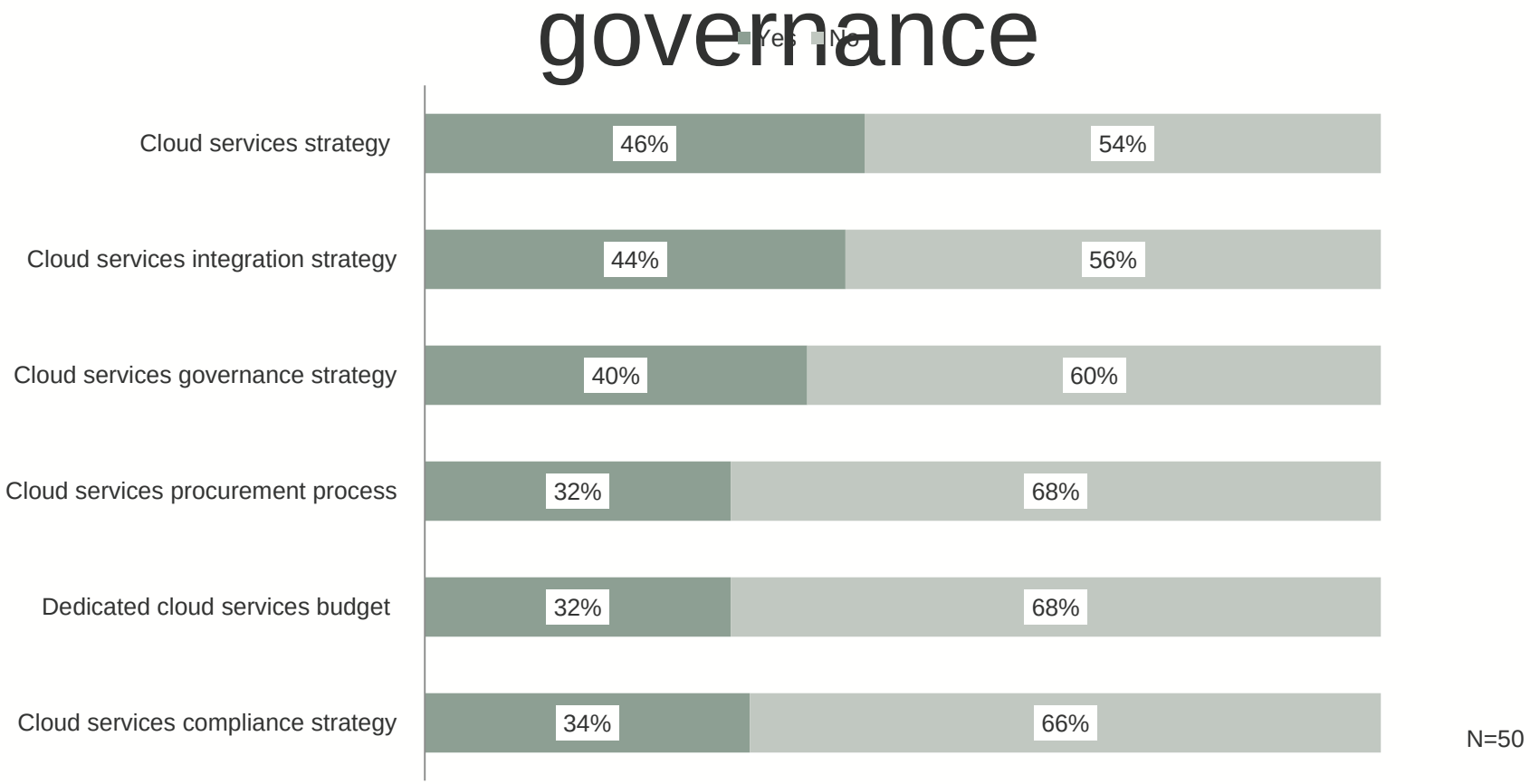
When selecting or evaluating cloud providers, how important are the following characteristics (1–5 scale, 1 being not important at all, 5 being most important)?



Although US respondents rated trust in provider, security expertise, and clear SLAs highest among selection factors for a cloud services provider, these respondents rated all of the selection factors at 3 or above, indicating that they believe all of these factors have merit.

Cloud services strategy and governance

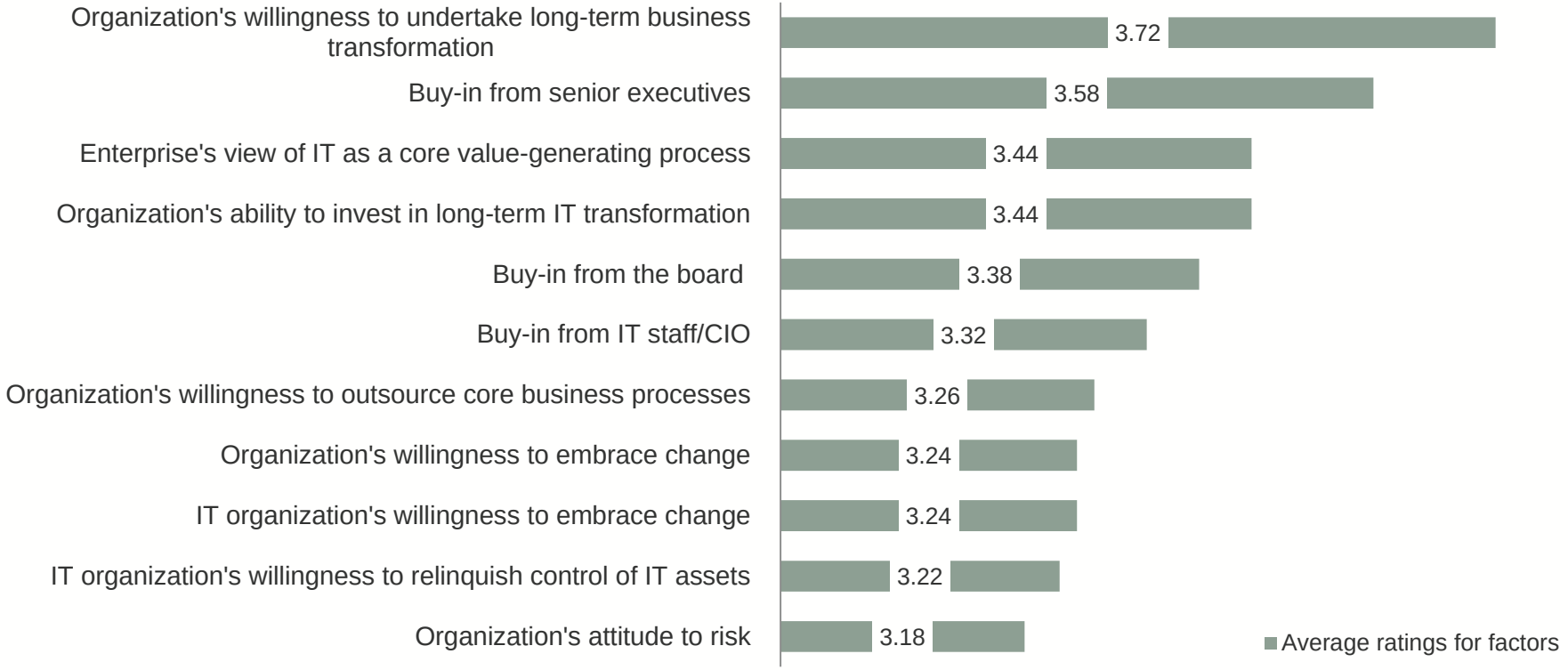
Please indicate whether or not your organization has any of the following:



Compared to the other surveyed countries, US respondents had higher adoption of an overall cloud services strategy, as well as a cloud governance strategy. However, with these results at less than 50%, the reality is that many organizations have a long way to go.

Elements of an effective cloud services strategy

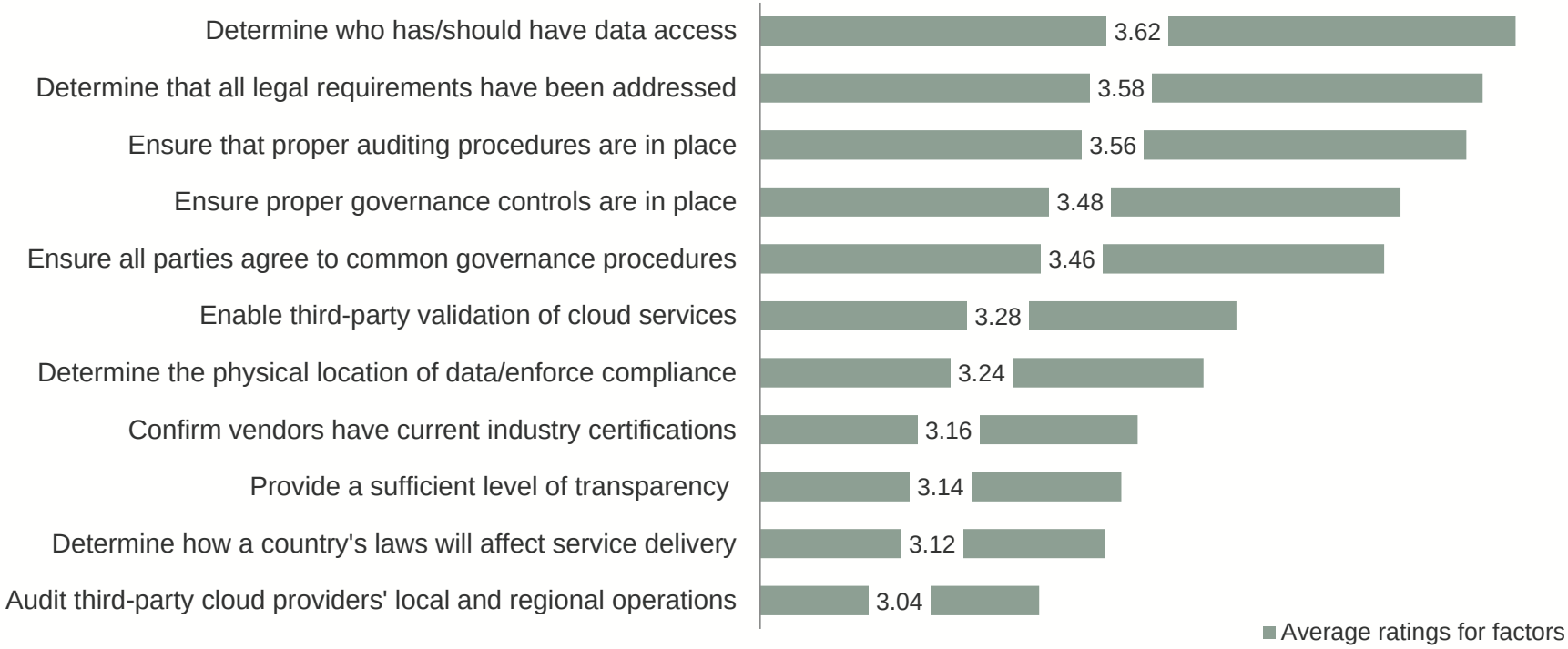
How are important are the following in developing an effective cloud strategy (1–5 scale, 1 being not important at all, 5 being most important)?



When developing a cloud services strategy, US respondents cite long-term business transformation as the most important factor. As a result, buy-in from the IT staff/CIO was rated lower. The bottom line is that respondents view cloud as more of an IT-business issue than an "IT-only" matter

Elements of effective cloud services governance

How important would you consider the following elements for an effective cloud governance strategy (1–5 scale, 1 being not important at all, 5 being most important)?



Determining who should have data access rated higher in importance than other factors among US respondents, and this was much higher than either the total respondent base or the other surveyed countries.

Recommendations for enterprises

Many US companies are already thinking about cloud both tactically (for short-term gains) and strategically (for longer-term transformation).

All enterprise customers should view cloud services in this manner and realize that cloud will bring costs savings and opportunities to tap into new market trends, such as mobility, BI/analytics, and social networking.

Building a case for cloud services investment is not just about cost.

Cloud services can deliver business benefits and new degrees of agility and flexibility.

Cloud can bring benefits to an enterprise's customers, employees, partners, and suppliers.

Enterprises should not ignore the need for an overall cloud services strategy and a governance strategy to ensure that data access, security, and legal requirements are met.

Recommendations for vendors

Cloud is a small part (but one of the fastest growing) of customers' IT investment plans.

Cloud services providers have plenty of opportunity, with SaaS continuing to be among the most active spaces in the US.

Customers need help to map out cloud services investments and, more importantly, a cloud governance strategy.

Providers will need to prove their worth with more than just competitive pricing.

Customers want to work with cloud services providers as true partners.

Differentiation among providers is becoming increasingly difficult:

Trust and experience, strong security and management credentials, and expertise in cloud governance are an absolute must.

Vertical industry expertise and credentials are increasingly

Return on Agility

Agility drives adoption and innovation
Differentiate by showing business value and NOT IT value
Cloud is an enabler not a value in itself
Customers and users want the promise delivered today
YOU need to ensure you are doing the right things
YOU need to know your entire application portfolio and know what you can cloudify to improve innovation
YOU need to deliver new business value very fast

FREEING YOUR ICT TO INNOVATE IN THE CLOUD

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Main focus areas

BEYOND THE INFRASTRUCTURE: THE NEXT STAGES OF CLOUD INNOVATION IN ZIMBABWE

Know why you want to use cloud and software as service

Hardware (Commodity)

Operations (DevOps)

Data Center Transformation and planning for Private Cloud

Mobility and faster development cycles

Software as a Service

Moving towards the Hybrid IT Model

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Customer's future consumption

What business really wants from IT

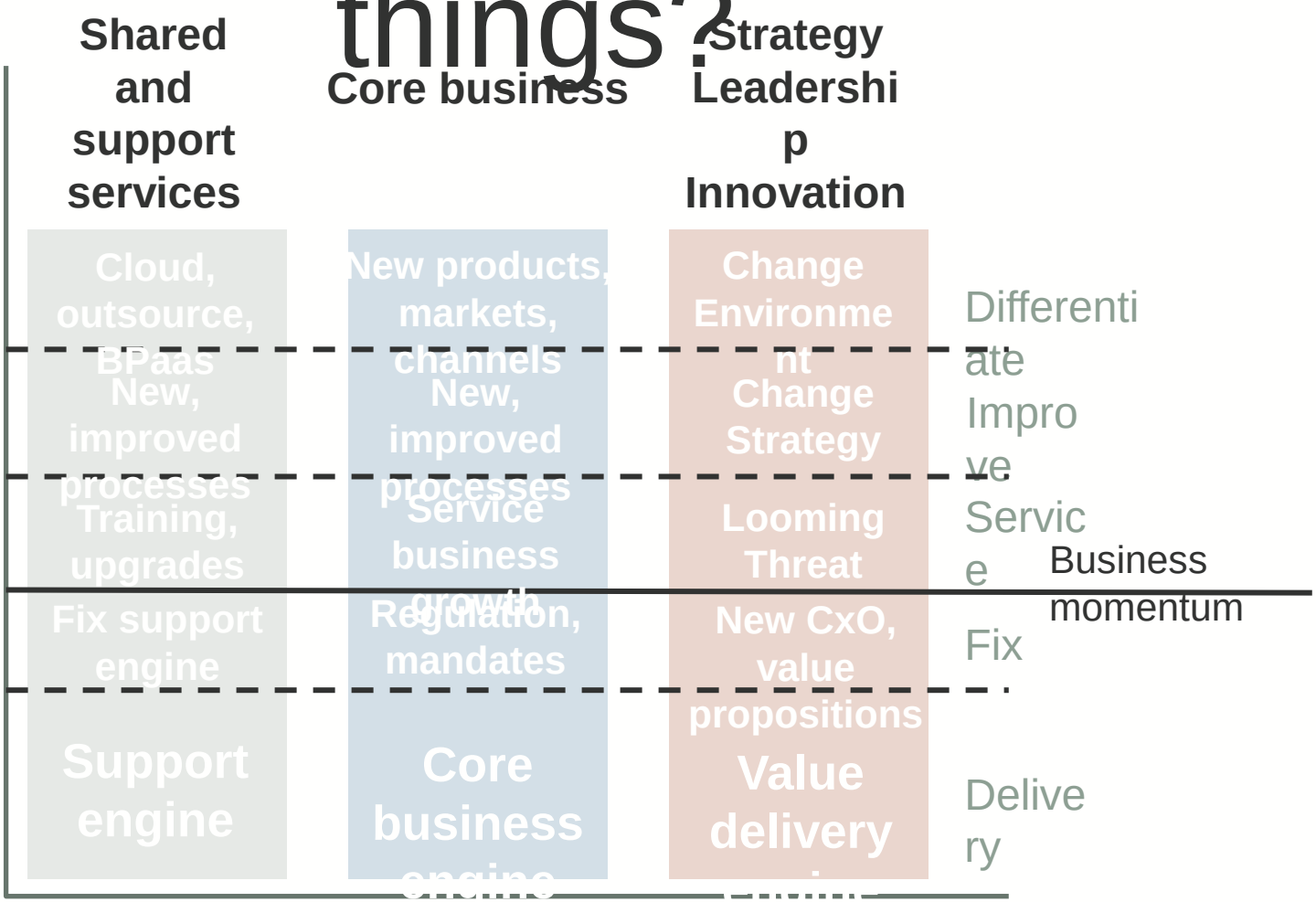
CEOs and General Managers say:

"Deliver IT without fuss,
get involved in business improvement
and gives us appropriate leadership"

This forms the basis of the 3 Role Model:

- IT without fuss (ITWF)
- Improve business results (IBR)
- Information Leadership (IL)

Are we doing the right things?



3 Key Elements of IT

Application Portfolio Rationalization

Keep only the apps you need to run your business

NEED: Align & Visualize Business & IT

- What apps support my different business functions?
- Do I have application functionality redundancy?
- Are my applications built to support

Cloud Readiness / Enablement

Plan & Design your cloud journey

NEED: Business oriented Cloud Assessment

- Which apps are best suited for Cloud?
- Which Cloud is the best fit?
- How much Cloud capacity do I need?
- How do I get started?

Data Center Transformation

Migrations & Optimizations

NEED: App centric assessment & planning

- How do I get aligned from the business to the core infrastructure?
- What things need to move together?
- What to I optimize before I move?

Software Accelerating IT Transformation (example EMC)

Inputs

Business Drivers & Alignment:

- Business Value Chains
- Business Demand Characteristics
- Key Performance Indicators
- Desired State

Outputs

Fit for Purpose Platform Blueprints:

- Application-centric alignment
- Ensemble-based deployment patterns
- Workload-driven placement

Visualize

Plan

Business Application Centric

- Business Relevance (Revenue, Risk)
- Lifecycle
- User Demographics (type, geo, access)
- Business Continuity (RTO, RPO, Tier)
- Current Deployment Infrastructure
- Security
- Data Usage
- Workload Types / Volumes
- SLAs (availability, performance)

Design

DATA

KNOWLEDGE

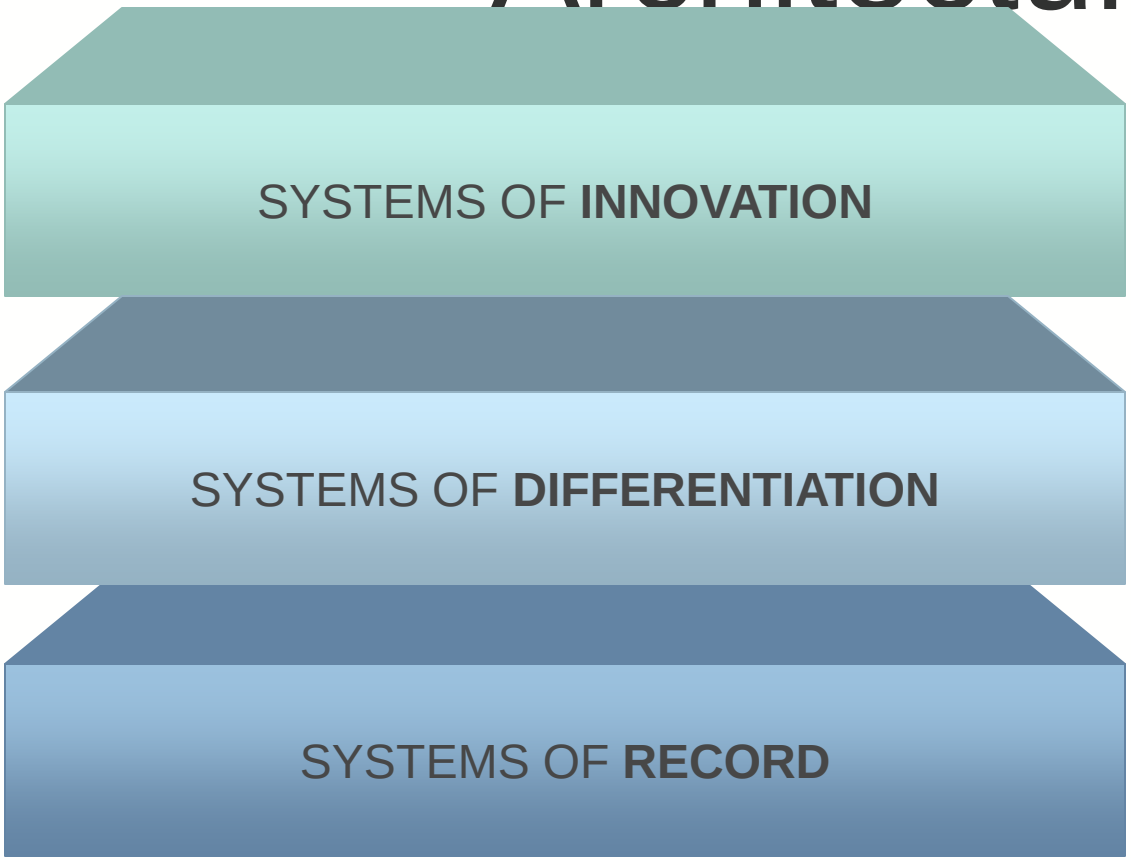
Blueprints for IT Transformation

- Aligned
- Accelerated
- Actionable
- Accurate
- Always current
- Ready to execute
- Fit-for-purpose

Current State Infrastructure:

- Discovery Tools (IBM TADDM, BMC ADDM, HP DDMa, CA Config Auto)
- CMDB (BMC, IBM, HP, CA)
- Performance & Monitoring (CA, BMC, IBM, HP)

Pace-Layered Application Architecture



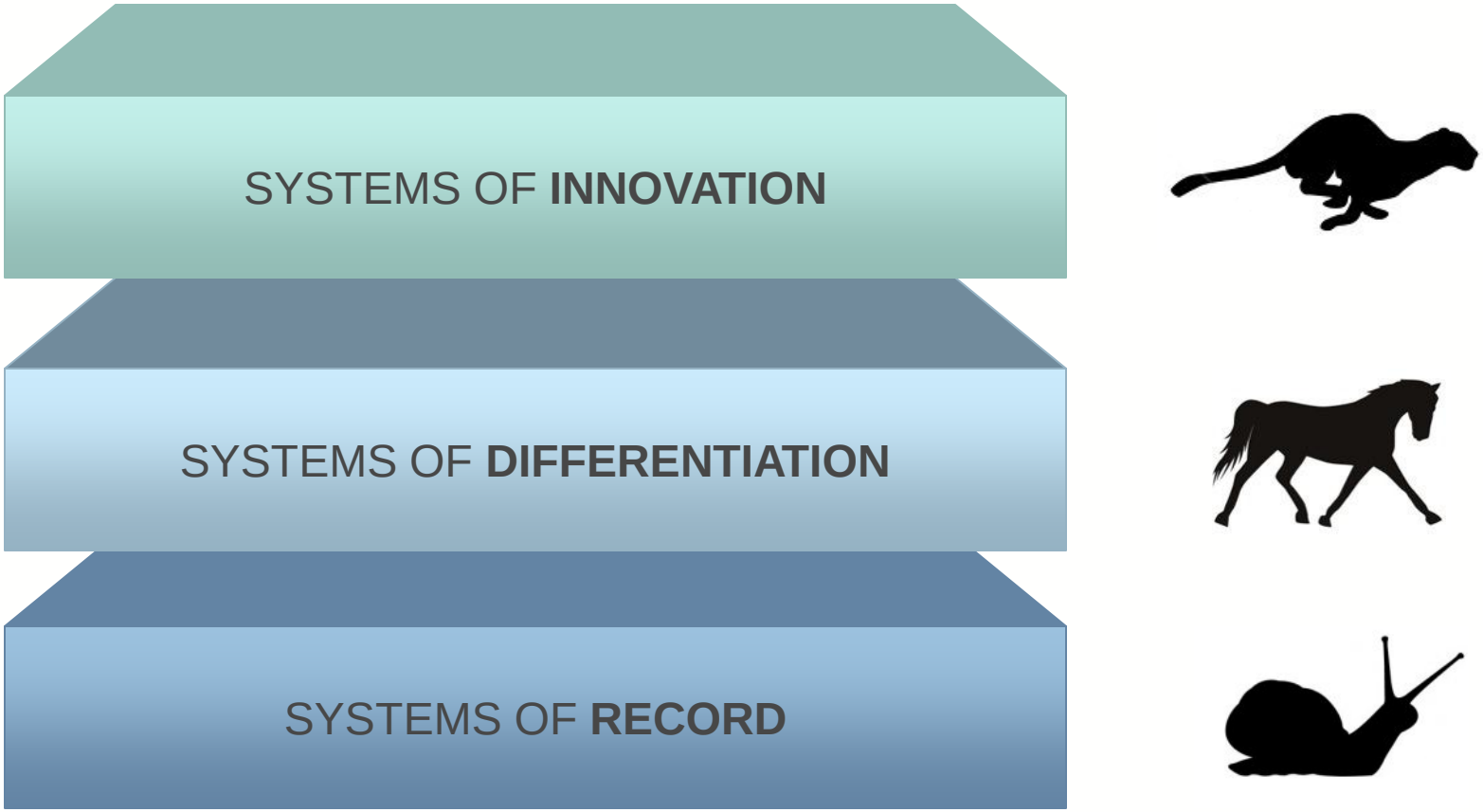
Mobile, Social, New Product, Agile

HR, Order Management, Supply Chain, Iterative

Payroll, Financial, “ERP”, Waterfall

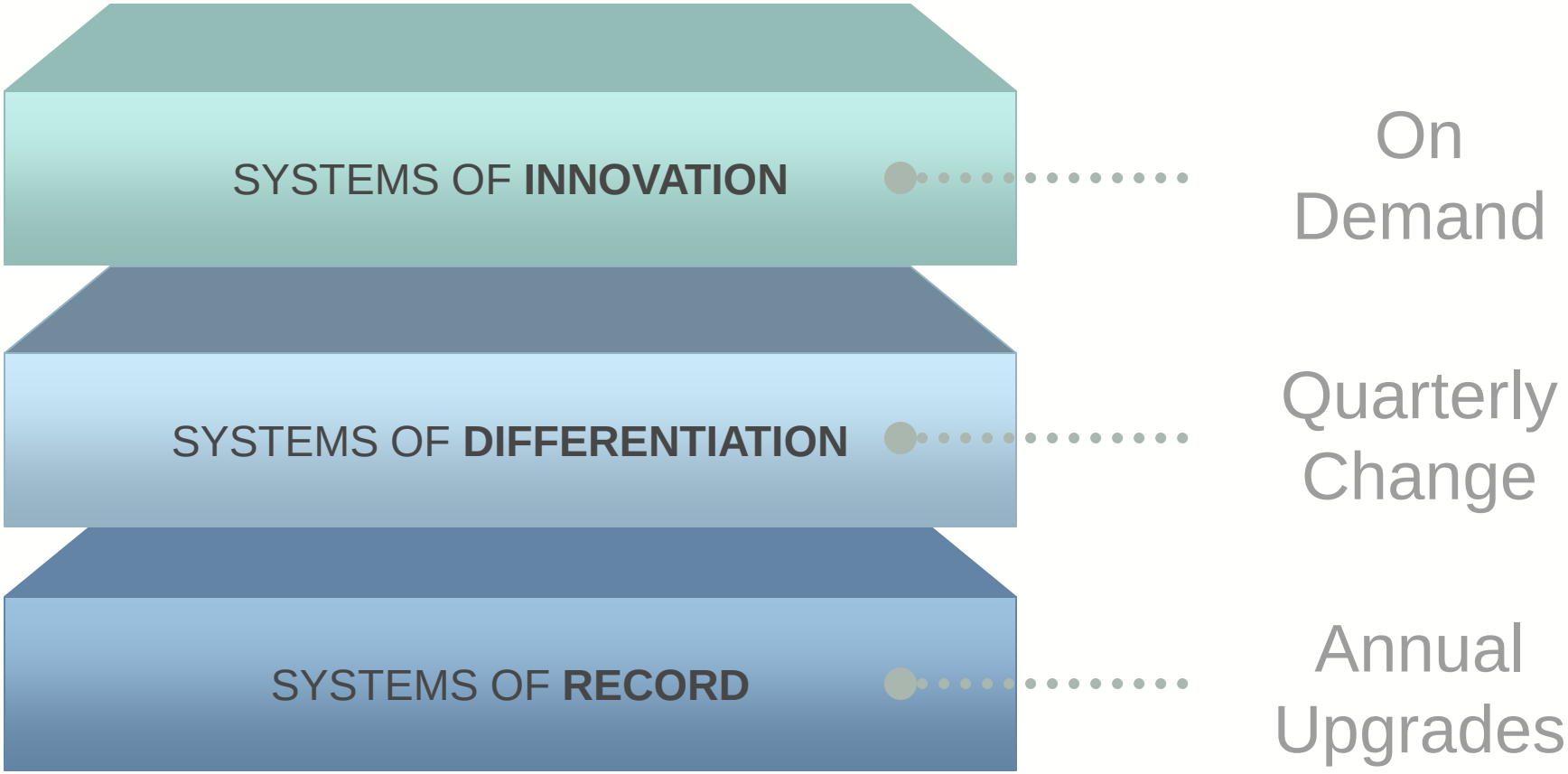
Pace-Layered Model

Rate of Change



Application Model

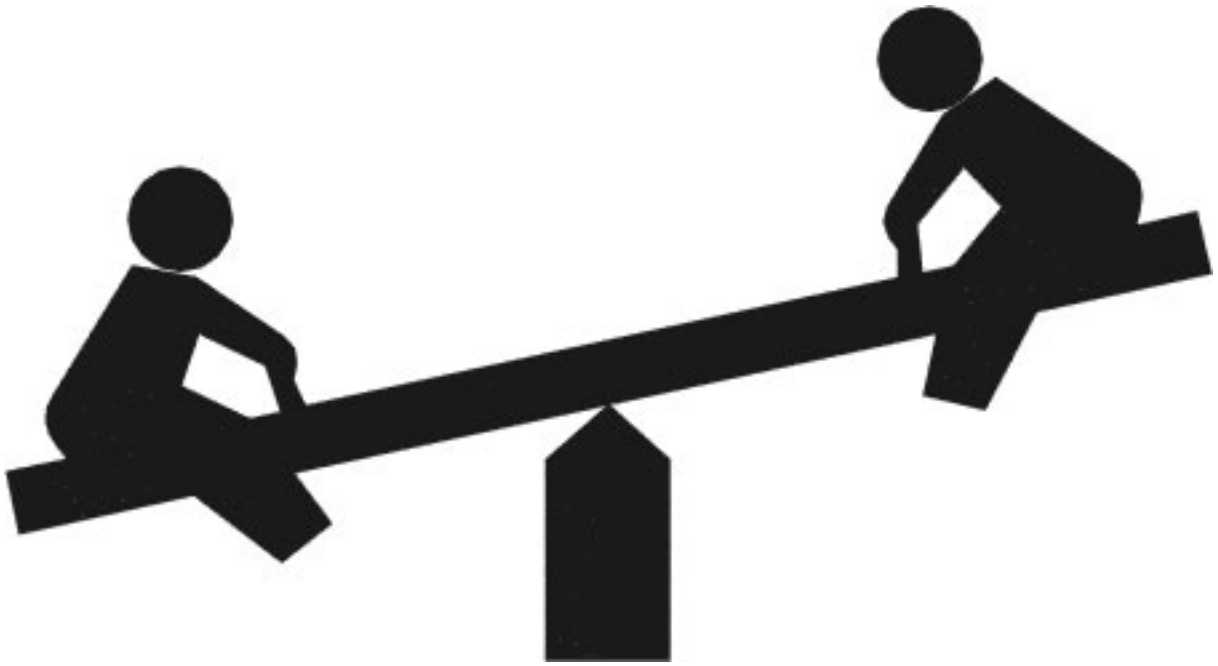
Rate of Change



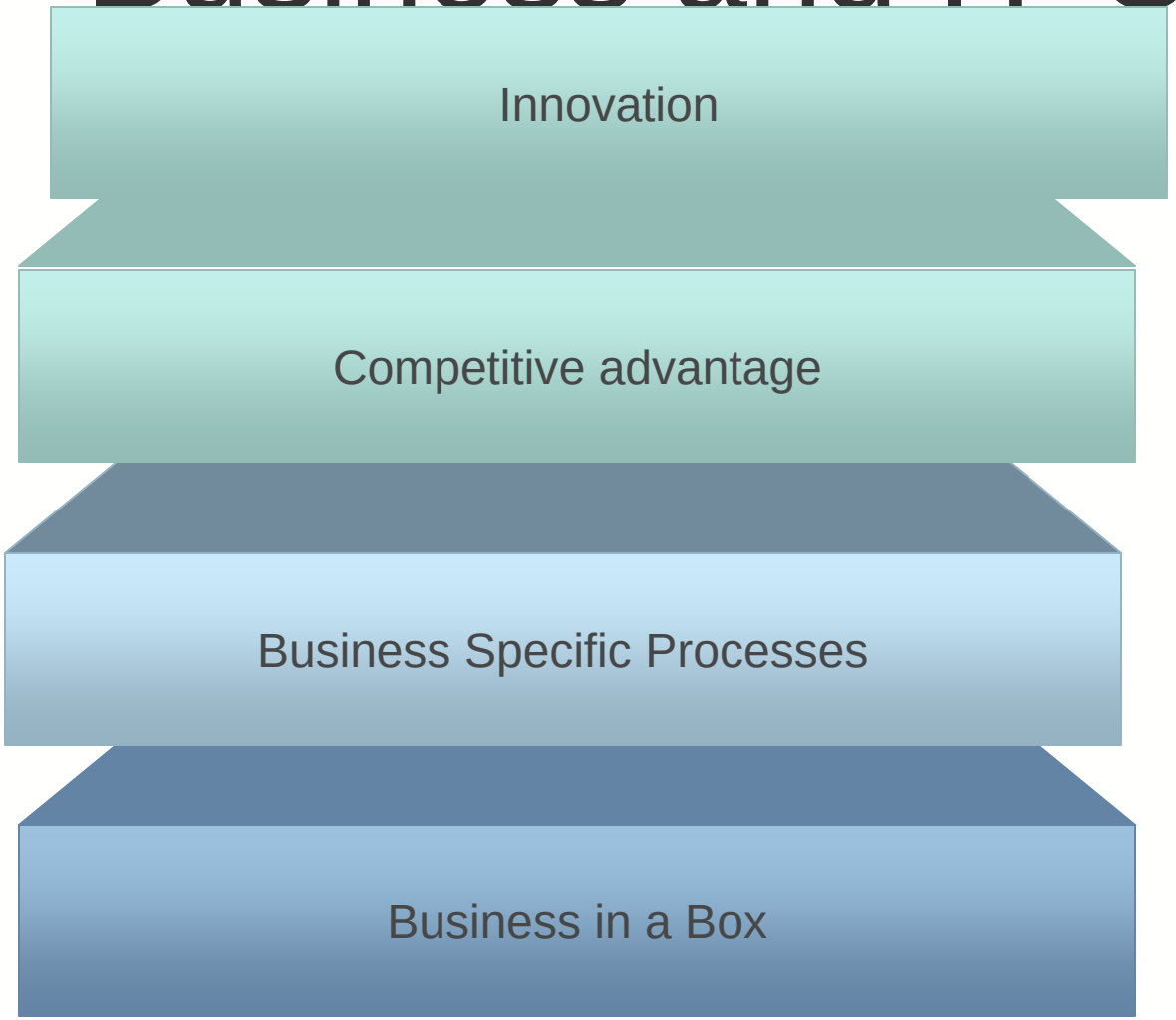
Cloud development Model

Pace of Change

Risk of Change



Business and IT Common



Top Scenarios and Uses - Outsystems

1

Web Apps

Portals
Call Centers
Extranets
Intranet apps

Enterprise Workflows

Extensions of existing systems

2

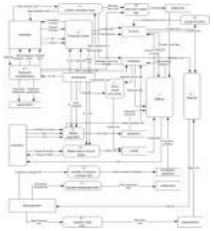
Mobile Apps

Mobile Portals

Mobile Web Sites

Hybrid Web/Mobile apps

3



Core Systems

Billing
Fraud Detection
Credit Scoring

Product Creation
Contract Provisioning
CRM

4

Migrate 100's of apps

Migrate large number of tactical, departmental, aging apps for 25% of the cost

5

Avoid Cloud Sprawl

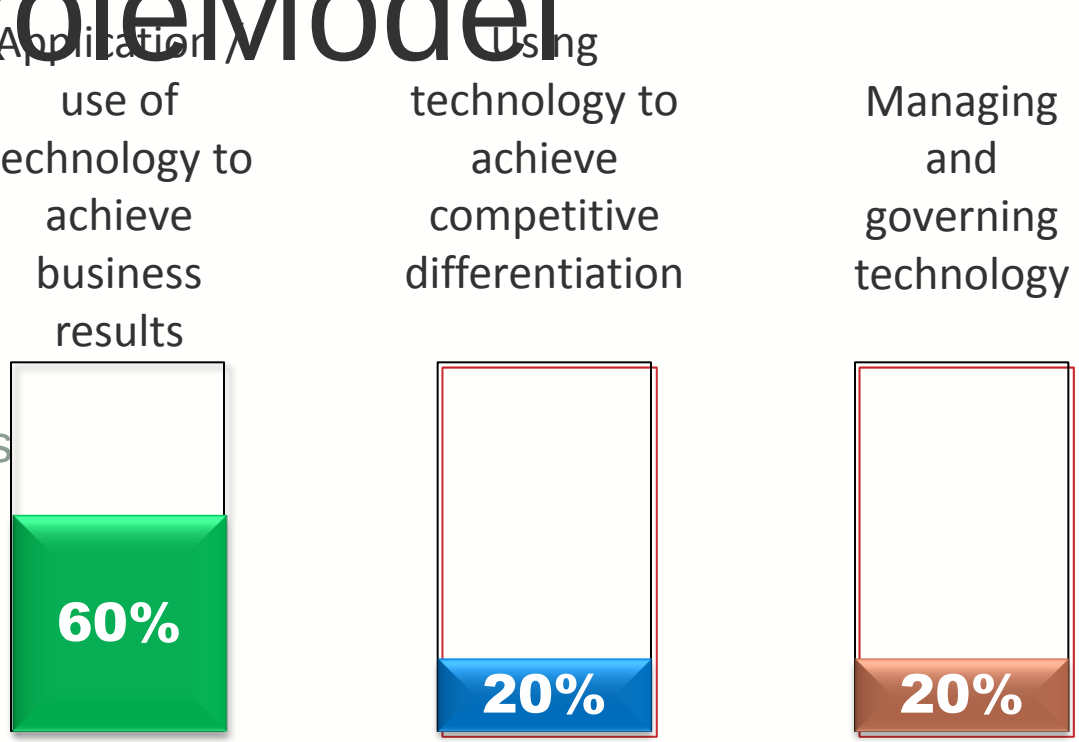
Create a better alternative to Public Clouds, with a Private PaaS

Managed by IT and retaining Data inside the enterprise.

So what should IT do? 3RoleModel

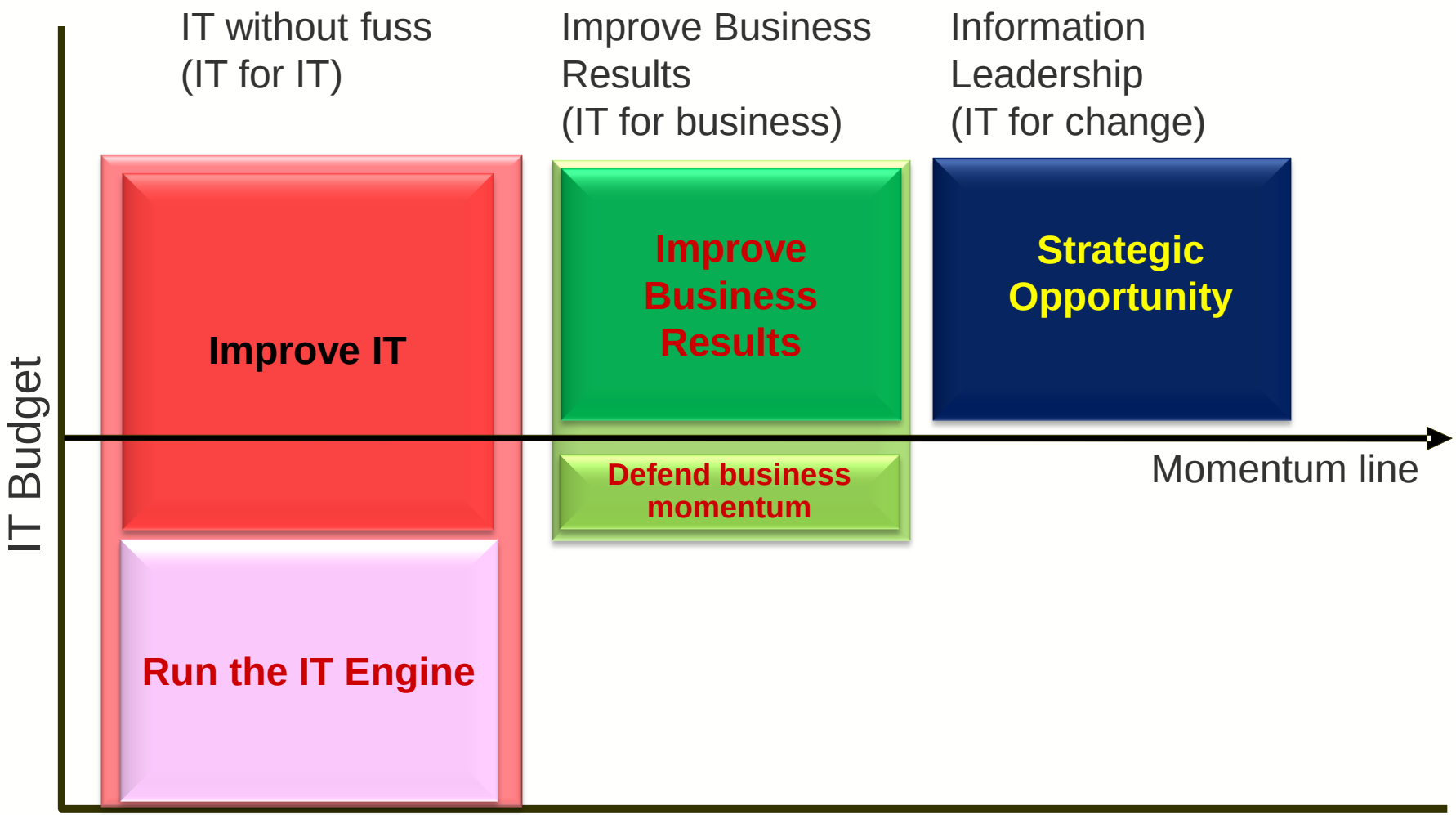
ACT!
Applied Competitive Technologies

All according to business executives outside IT, this is wrong-
20-60-20 is business expectation
Cloud can change this



Technically focused CIOs have a limited future

Broad categories-3RoleModel



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Different ..... Business processes ..... Similar

Source: Ross, Weill, Robertson: Enterprise Architecture as Strategy. Harvard Business School Press 2006

How is your business and IT view

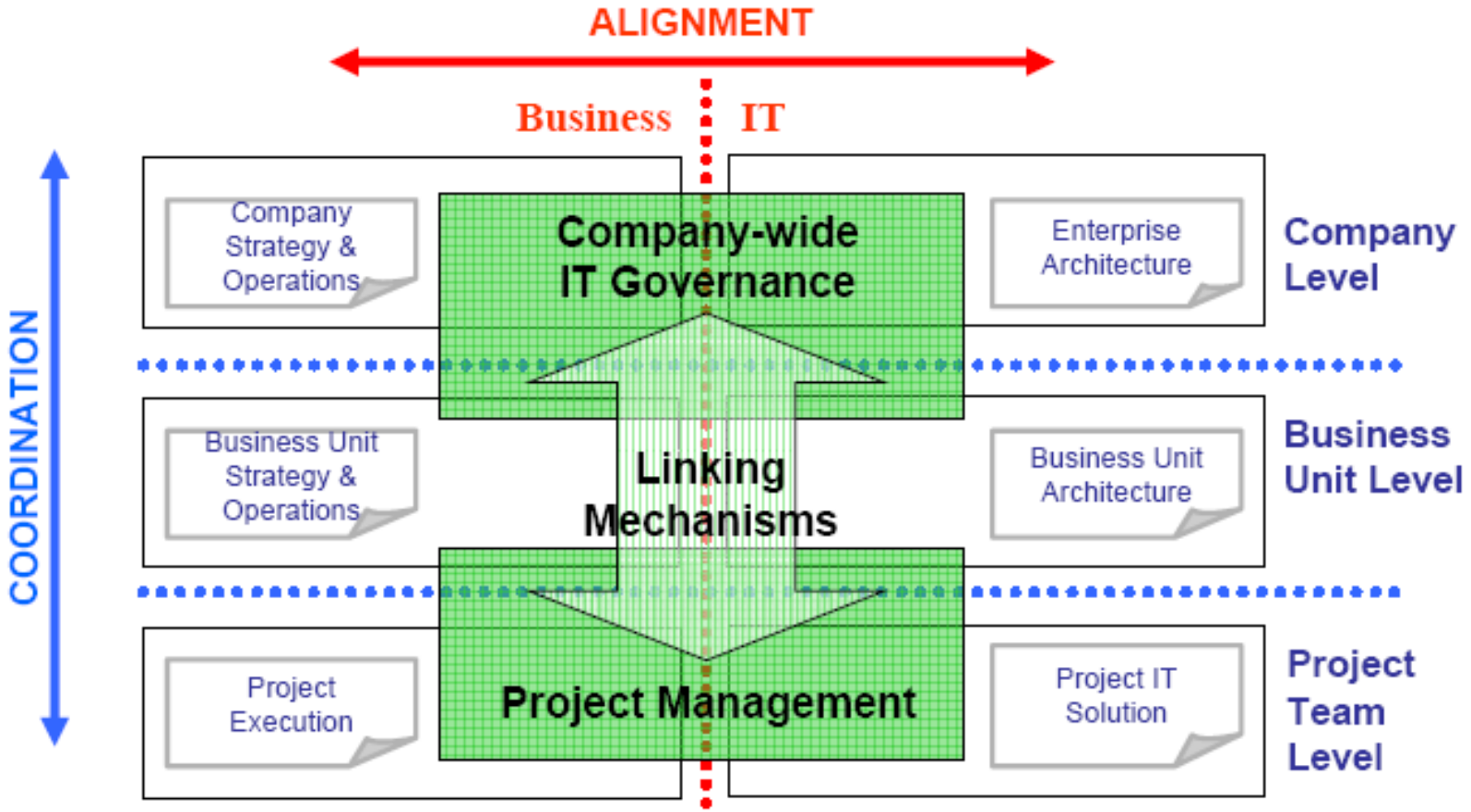
	Business silos	Standardized technology	Optimized core	Business modularity
IT capability	Local IT applications	Shared technical platforms	Companywide std processes / data	Plug & play business process
Business objective	ROI of local business initiatives	Reduced IT costs	Cost & quality of business operations	Speed to market, strategic
Funding priority	Individual applications	Shared infrastructure services	Enterprise applications	Reusable business process components
IT investment	100%	85%	75%	120% (?)

Requirements for development

- Well defined architecture governance
- Well defined roles for each of the business applications
- Modular applications with service interfaces
- Enterprise integration service
- Common master data
- Realistic implementation schedule

Diagram source: Ross, Weill, Robertson: Enterprise Architecture as Strategy Harvard Business School Press 2006

Typical EA Governance Model



Source: MIT/SLOAN: Weill, Ross, Robertson

Next Wave

Mobile
E-Commerce
Office and email software
Big Data and Social Media
Governance
New Agile model for innovative projects
Unified Call Centres
Integration as a service
IT & Software is the competitive edge supporting business

Return on Agility

Agility drives adoption and innovation
Differentiate by showing business value and NOT IT value
Cloud is an enabler not a value in itself
Customers want the promise delivered today
YOU need to ensure you are doing the right things
YOU need to know your enitre application portfolio and know what you can cloudify to improve innovation
YOU need to deliver new business value very fast
Free up your ressources so they can help business innovate

That is Cloud for Radical Innovation

Business Connexion

Connective Intelligence

Thank you

Andy Brauer
CTO
Business Connex

Questions

Business Connexion

Connective Intelligence™