

5 questions  
your business  
should ask  
about migrating  
to the cloud.

Cloud computing is now well established in organisations from small and medium-sized businesses to large-scale enterprises. It offers the fast and dynamic provisioning of compute power, applications, storage and security services. In essence, it gives you more control and flexibility in the deployment and management of your IT services.

However, these benefits are not achieved without challenges, especially within the larger organisations using multiple cloud solutions and infrastructures:

- Why are we doing it?
- What are our options?
- What will it cost?
- Will it be secure?
- How will it affect our IT service delivery?

This article discusses the five critical questions that form the basis of every cloud computing strategy.

## 1. What are your organisation's core reasons for implementing cloud technology?

It is critical to understand your core business drivers such as time to market, cost reduction, improved IT operations, research and development or scalability.

How will a cloud technology strategy map to your business requirements and goals?

Without a commitment to an over-arching cloud strategy, you are in danger of building siloed cloud solutions across your organisation that can neither share data or infrastructure and will present an ever more complex environment to manage.

*This is a situation that most companies are trying to leave behind.*

## 2. Which cloud solution best suits your business?

**There are three main cloud computing environments:**

- Public Cloud – a third-party hosted cloud computing environment using a shared infrastructure for all customers. Two examples of public cloud services are Microsoft Azure and Amazon Web Service (AWS).
- Private Cloud – a cloud computing environment built and hosted within the boundary of a corporate firewall. There is no public accessible or shared infrastructure. The most common implementation is on-premises, but can also include an off-site, single-tenancy facility at a third-party vendor.
- Hybrid Cloud – multiple cloud implementations with a mix of Public and Private cloud computing environments. Most organisations end up adopting a hybrid strategy to meet the business and technical requirements of the enterprise applications they deploy.

As part of your cloud strategy, you need to identify the mix of private, public and hybrid cloud implementations appropriate for your organisation and the technology platforms to support the strategy.

**3.**

### What is the Total Cost of Ownership (TCO) of your cloud implementation?

For any application or infrastructure migration to the cloud, you must have a clear understanding of the future TCO. This helps avoid any issues with unexpected or excessive service charges due to unforeseen network or storage requirements.

Understand that capital expenditure is likely to drop (or disappear altogether) as the burden of infrastructure provisioning falls to the cloud service provider. However, operating expenditure is likely to rise due to the increase in service related costs.

NetSuite issued a four-year TCO study comparing a cloud-based implementation of its software with a similar on-premises deployment. It found an elimination of IT infrastructure costs (11% of overall spending) with a 50% reduction in overall TCO.

**4.**

### How do you manage IT security across the cloud?

The perception of risk in using a cloud environment often holds organisations back. The Cloud Security Alliance (CSA) has identified nine key security threats to cloud implementations. These include data loss, data breaches, and denial of service. The challenge for every organisation is to address these security threats in a manner consistent with corporate policy across all their environments, whether hosted or on dedicated infrastructure.

Data sovereignty (ownership and location of data) has long been an inhibitor to cloud adoption by some organisations. Legal restrictions on storage of personal and sensitive information overseas apply in Australia, which means you must ascertain from cloud service providers where your data (and its backups) will be stored.

**5.**

### How is IT service delivery impacted by cloud?

In 2014, storage vendor EMC released a report estimating customers lost \$1.7 trillion in business revenue due to service outages at Software as a Service (SaaS) vendors.

With increased use of third-party services from SaaS vendors – Salesforce, SAP, Microsoft to name a few – an organisation becomes increasingly dependent on links to the vendors' SaaS infrastructures and their associated vulnerabilities.

Disaster recovery is no longer confined to recovery plans for a corporate data centre but now includes a mission critical application, provided by a third-party vendor, going offline.

#### Having asked the questions...

Cloud technologies offer some significant benefits to organisations that want to become more agile by reducing capital expenditure and making their IT systems more responsive and scalable to business needs. However, only once you have understood the specific challenges your own organisation will face on the journey will you be ready to develop a successful strategy for leveraging the power of the cloud.

If any or all of these five cloud technology questions – or any other aspect of your cloud strategy – remain unanswered within your organisation today, contact Ricoh IT Services to discuss how our cloud technology experts can help you move ahead with confidence.



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