



A LANWorx WHITE PAPER

Not every cloud has a silver lining: making informed decisions about Cloud Computing

Cloud Computing potentially benefits most organisations, but how can you avoid the hype and make informed decisions?

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In the hype phase

Everyone from giant global corporations to your old aunty with her smartphone seems to be using the 'Cloud'. You've all heard about it, know about it and if you are not already using it, you are probably contemplating it for your business.

Like many trends in the world of IT, Cloud Computing is going through a cycle of hyperbole where its benefits can (in some cases) be over exaggerated. What is important is not simply accepting that moving to the Cloud is the only logical avenue, but asking some questions about whether it fits your business, and what value it will bring.

It's nothing new

Bureau computing, ASP, Utility computing, On-Demand, Grid computing. They are just some of the terms that have been used over time to describe the approach of a service provider remotely hosting your computer systems or services. In fact many of our customers are already in a version of the Cloud and have been for many years.

What is causing this latest round of excitement with Cloud Computing? After all, network architects have been drawing clouds on their diagrams for 20 years.

Traditionally, hosting outside your own server or data centre has been focussed on applications. Vendors would offer the option of giving you access to a business application hosted on their premises. In this new era the offering has got deeper and broader – Cloud Computing covers everything from remote offering of processing power, application hosting and data storage to even hosting software code.

A real indicator of Cloud Computing's rise is the involvement of all the big industry players. Microsoft particularly has aggressively moved into the space with Office 365, enabling online access to email and calendars, the standard range of Office Web Apps (Word, Excel, and PowerPoint), instant messaging, conferencing, and file sharing.

Real gains can be made

Cloud Computing is growing because it can offer a lot of benefits to almost any kind of organisation, in terms of improving workforce efficiency, reducing IT costs and improving your ability to continue to operate should a disaster occur. For some organisations, particularly in Christchurch after their earthquakes, the gains (and peace of mind) have been significant from moving to the Cloud.

There is the ability to reduce your investment in computing hardware when all you need is reasonable desktop hardware and a good internet connection. You can also reduce (or at least spread) the cost of purchasing software, which is typically priced on a pay as you go model.

Potentially greater availability of systems and data is another benefit. Depending on your existing IT setup, the Cloud can offer more ability to access systems and data from all kinds of devices at any time.

A wide range of applications is another attraction. There is seemingly a web or mobile application for virtually anything you want to do.

Making informed decisions

The benefits of Cloud Computing are exciting, potentially making operating your business easier, faster and cheaper. But any organisation should ask some serious questions before adopting a Cloud strategy.

Apple co-founder Steve Wozniak was recently reported saying, “I really worry about everything going to the Cloud. I think it’s going to be horrendous. I think there are going to be a lot of horrible problems in the next five years.”

Like a number of people in the IT world, Wozniak was asking some questions about our headlong rush to the Cloud, and while acknowledging its power and potential, the need for a cautious approach.

Some questions our customers are asking include:

Can the Cloud work in our situation?

One size doesn’t fit all when it comes to the Cloud. You want to be clear about which of your systems can be logically moved to the Cloud, especially custom-built systems or those based on older technology. Whether your systems will still be able to integrate together is another important consideration.

On a practical level, understanding whether there are any technical or performance limitations is important from the start e.g. will you be able to easily access and modify large files?

Will my systems and data be safe in the Cloud?

Security is the obvious question. No IT manager wants to tell their CEO that a hacker has stolen their customer database from the vendor’s data centre. Of course in-house hosting may be no more secure, but the perception of risk with remotely hosted applications is an issue.

It is important to understand that Cloud Computing doesn’t have to mean your data is instantly shifted off to some remote server in the USA or Asia (and what does that actually mean). Data ‘sovereignty’ i.e. whether your data is subject to the laws of the country in which it resides, is another factor requiring consideration.

There are plenty of reputable data centres in New Zealand, with high standards of security. You need to be sceptical enough to ask who is behind the online service you are using, and have a solid back-up strategy in place.

Will I always be able to access my systems and data in the Cloud?

This is also the ‘deep diver’s umbilical’ issue. Just like those divers who brave super depths supported by a tube supplying air and communications, a business can be crippled if core applications are unavailable or at least performing poorly, for any length of time.

Availability for Cloud Computing is improving all the time, and for many services rivals the electricity or telephone network in terms of reliability. With a good back-up strategy there is little risk of losing data. Again you need to think and ask before you act – understand what tier the data centre involved is, their availability statistics, security technology and so on.

Will I get 'locked-in' to my Cloud Computing provider?

As for any IT system there is the fear that companies could become 'locked-in' by their Cloud Computing provider. There are concerns that Cloud Computing technology platforms are not always open, and it is much harder to extract applications or code and go to another Cloud Computing provider.

All Cloud Computing suppliers and technologies are not equal, and you do generally pay for what you get. The challenge is to understand what is being offered, by whom and what you get for your money. A free web app from an unknown vendor is a long way from a licensed and locally hosted system.

It is also important to understand that Cloud Computing doesn't have to be all or nothing. A hybrid approach of hosting on your premises and using the Cloud can be an effective strategy.

Ask the questions

IT advisers The Gartner Group are still labelling Cloud Computing the most hyped concept in IT today. The key to the Cloud is not accepting that every "Cloud" has a silver lining. Cloud computing can bring significant benefits for most organisations, but you must be careful about what technologies you adopt and what providers you choose.

LANWorx is involved in a number of Cloud Computing projects for public sector and other organisations. We would be happy to discuss how these clients have approached it and provide advice on whether it fits your organisation's strategy.

www.lanworx.co.nz

Further reading:

For a useful guide to Cloud Computing and the key issues to consider, refer to the New Zealand Institute of IT Professional's Cloud Computing Code of Practice (May 2012)

www.nzcloudcode.org.nz

Privacy Commissioner - Making the right choices in Cloud Computing - new Privacy Commissioner guidance.

<http://privacy.org.nz/making-the-right-choices-in-cloud-computing-new-privacy-commissioner-guidance/>