

Cloud Project Management

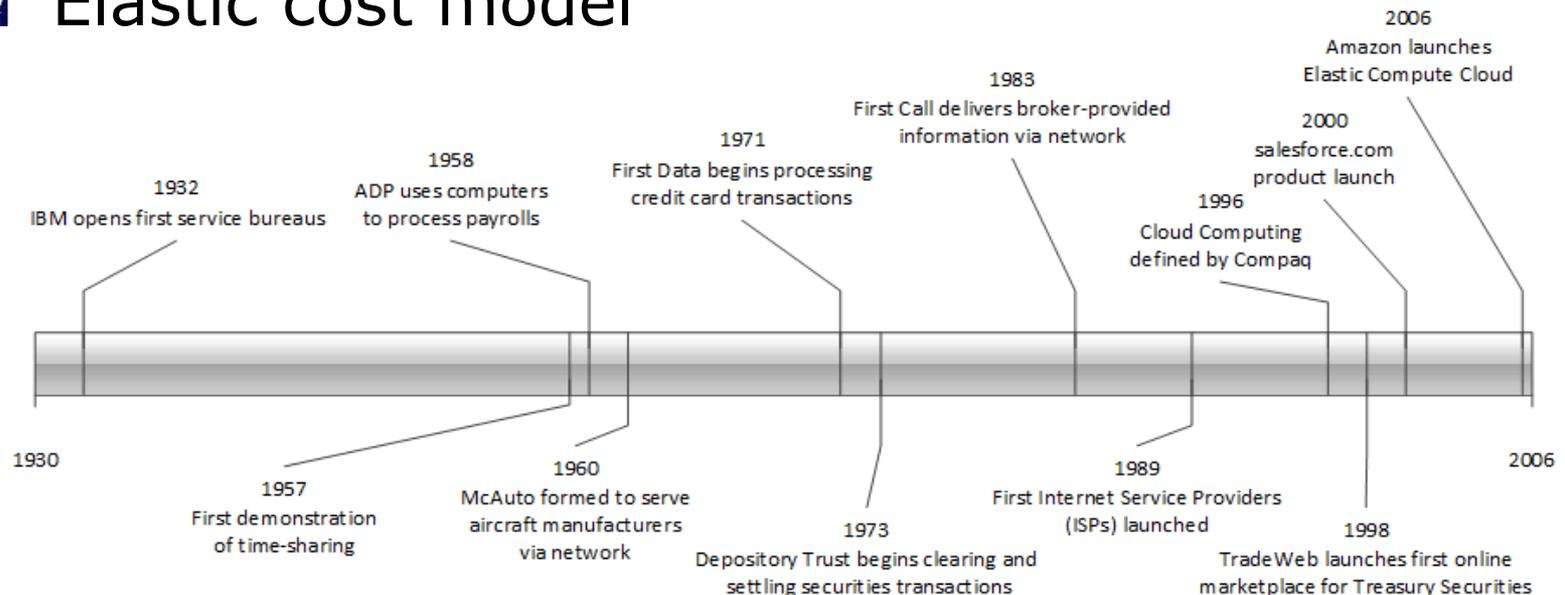
Effectively incorporating
Cloud Computing
into successful projects

Agenda

- ▲ Cloud model
- ▲ Speaker background in Cloud
- ▲ Key concepts and considerations
- ▲ Impact across the project lifecycle
 - ▶ Initiating
 - ▶ Planning
 - ▶ Executing
 - ▶ Closing
- ▲ Conclusions

Cloud Model Is Ancient

- ▶ Computational power pooled and standardized
- ▶ Service delivered from a remote location
- ▶ Shared resources to optimize efficiencies
- ▶ Elastic cost model



Speaker Background - Cloud

- Global technology and operations for Thomson Financial, delivering Capital Markets and FX products over global private cloud
- CTO and VP, Product Development at ADP operating LOB portals and corporate portlets; Six Sigma champion and green belt projects
- Developed a range of Cloud-based businesses
- Built Cloud-based product offerings using Lean / Agile
- Actionable Strategies has been engaged across the business and technology spectrum from Cloud Strategy, to Cloud product development, to Salesforce.com integration with Cloud services

CIO Technology Priorities

Please indicate your top three priorities for 2012 through 2015

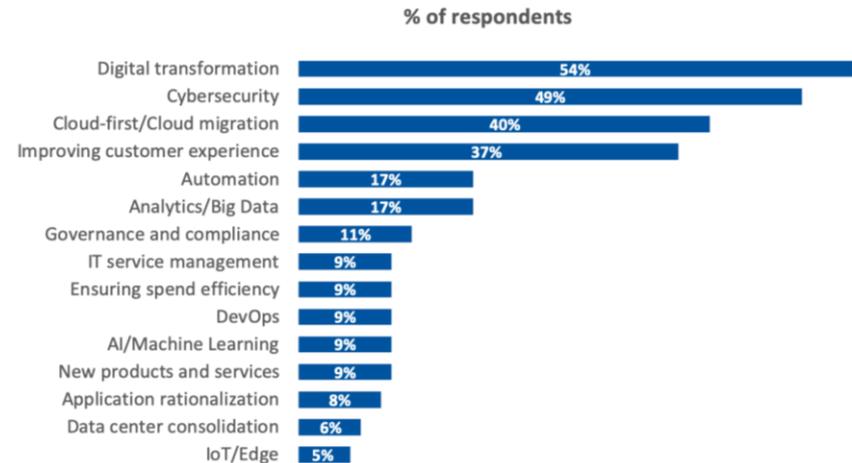
Analytics and BI	1
Mobile Technologies	2
Cloud Computing (SaaS, PaaS and IaaS)	3
Virtualization Desktop, Server and Storage	4
Collaboration Technologies (e.g., Workflow Mgmt., Team Collaboration)	5
IT Management Technologies (Program, Project Mgmt., Governance, Change Mgmt.)	6
Legacy Application Modernization, Upgrade or Replacement	7
Security Technologies (Access Control, Authentication, etc.)	8
CRM Applications	9
Enterprise Resource Applications (Finance, HR, etc.)	10

Note: Survey respondents identified their top three issues (not in any order). These priorities are ordered based on the percentage of respondents that included the issue in their top three.

Key Cloud Concepts

- Virtualized infrastructure changes both business and technology models
- Layers of technology stack can live in the cloud
- Cost elasticity
- Standardization
- Relinquished control
- Integration challenges
- Agility in setup and teardown processes fostering experimentation and business innovation
- Enterprises must consider on-premises interaction with cloud capabilities, including BYOD
- Consider the cloud as a building block for mobility and data

Top 3 Priorities for Technology Initiatives



Initiating



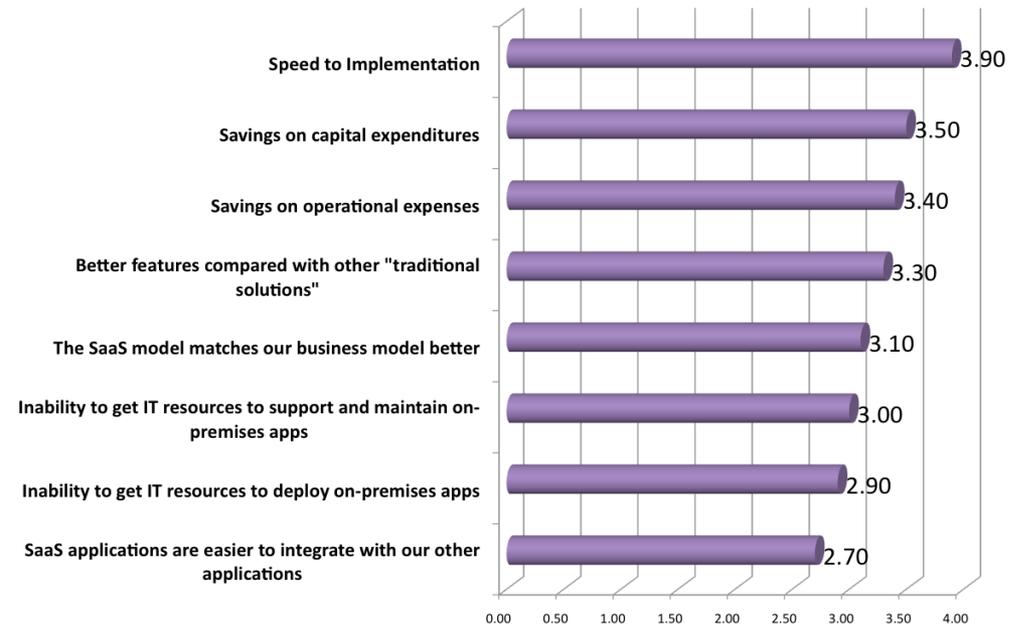
- Lower investment costs allow for more accurate business case development
 - ▶ Prototyping the user experience
 - ▶ Proof-of-concept of the technology
 - ▶ Market testing / pilots
- Earlier knowledge of infrastructure use allows for better lifecycle cost estimation
- Innovation is better supported by enabling trial-and-error
- Budgeting focuses on OpEx
- Mobile experimentation is well supported
- Transition from public to private cloud is a viable option

Business Alignment



- Attraction to cloud applications stems from shortcomings in value delivery from IT
- Focus on delivery of value sought by internal and external customers
- Embrace or be bypassed
- Consider the constraints of a cloud model that will impact customers / business

What Drove Your Move To A SaaS Model?



Planning - Integration



- ▲ Platform selection is often more rigid
- ▲ Interfaces must be well defined especially when integrating across vendors
- ▲ SaaS vendors may not update their underlying technologies as frequently due to customer impact
 - ▶ Example: Salesforce.com
- ▲ Some vendors may introduce new, incompatible versions that require migration and re-integration
 - ▶ Example: ADP HCM
- ▲ Vendor technology solutions may impact architecture
 - ▶ Example: SOAP/XML or batch vs. RESTful/JSON

Planning - Process



- ▲ For SaaS, processes are generally dictated by the vendor
- ▲ Process integration, especially exception handling require planning
 - ▶ Process mapping, especially for customer-facing processes
 - ▶ Walkthroughs / pilots are critical for project success
- ▲ OLA/SLA harmonization may be required as with any outsourcing contract
- ▲ Typical BCP/DR approaches may not apply
- ▲ Regulatory and compliance groups may need to be consulted after education/explanation

Planning - Data



- ▲ Data protection is a key consideration, especially with regulated or personally identifiable information
- ▲ Many organizations already have critical data off premises; examples:
 - ▶ Payroll and healthcare information at outsourcer
 - ▶ Customer information in Salesforce.com
 - ▶ Sensitive e-mails at outsourcer
 - ▶ Trading and position data at custodians and brokers
- ▲ The planning process should ensure that data in the Cloud is subject to uniform governance and compliance
- ▲ International projects must consider different laws in countries with more stringent frameworks
- ▲ Retrieval of data should be considered in contract evaluation

Executing



- ▲ Capacity ramp-up is dynamic
- ▲ Experimentation is simplified
- ▲ Branching of multiple software versions is simplified
- ▲ Support for simultaneous testing and development of next version
- ▲ Pilot testing is simplified and less costly without deployments
- ▲ Less progressive organizations might lag in IT support
- ▲ Variable cost models require more stringent budget control during execution
- ▲ Training and coercion may be required when switching from premises based systems

Executing - Challenges



- ▲ Data privacy and security are valid concerns no matter the model

- ▲ Enterprises may have more sophisticated total lifecycle cost models

- ▲ Integration is always a challenge

- ▲ Going to the cloud is not always the right answer

- ▲ There are enough negative experiences to warrant mindful and thorough execution



Closing



- ▲ Cost models for forward operations may need to be revised based on execution
- ▲ For SaaS, transitioning responsibility for managing upgrades is critical to ongoing success
- ▲ Updating the “exit strategy” if a vendor needs to be replaced must be an ongoing activity
- ▲ If volumes drive costs higher than predicted, an alternative provider (including internal IT) may need to be evaluated
- ▲ For enterprises developing a community of practice, documenting and sharing experiences is a beneficial contribution

Conclusions

- ▲ Cloud, as a conceptual model, is nothing new and should be considered as a planning option
- ▲ Viability of the model, including operations and sunsetting, should be considered
- ▲ Benefits are myriad but integration of the model requires planning and careful implementation
- ▲ In our experience, many business leaders are familiar with the concept but the details in an enterprise context can be very complex
- ▲ Vendor offerings continue to mature but seamless integration is often lacking
- ▲ Cloud implementation is no longer game-changing but a very useful foundational building block supporting mobility, consumerization and big data integration