

CLOUD ADOPTION SUPPORT

Technology leaders are coming under increasing pressure to maximise the benefits of cloud, based on positive experiences from migrations driven by the pandemic.

Accurately identifying the benefits, assessing existing applications and planning cloud adoption can be a significant challenge, as can setting expectations.

This paper offers some thoughts to help address these.

COEUS CONSULTING
A WAVESTONE COMPANY

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Introduction

The huge potential benefits of Cloud services to the business are well documented, ranging from flexibility, agility, reliability of service and freeing up capital by moving to an Opex model.

However, it is more difficult to get these benefits than might be expected - particularly for larger, established companies.

For organisations that have yet to start their Cloud journey, the first challenge lies in securing backing to adopt Cloud (or another solution) in the first place.

Many existing applications can be picked up and 'dropped' into a cloud environment, but many others require much more planning to ensure a seamless move and to enable the benefits.

Organisations also need to consider other impacts of cloud, such as how to manage integrations between cloud-hosted applications and those retained on-premise. Or, organisations opting for a 100% cloud approach need to consider how this could impact existing project and change processes.

Understanding the full impact of any move to cloud is key to accurately describing the opportunities and benefits and hence securing appropriate backing.

KEITH THOMAS,
ASSOCIATE
DIRECTOR, COEUS
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OUR EXPERT'S ADVICE

"It is important to think of cloud adoption as an ongoing agile delivery process, rather than a single project."

It is also important to understand and confirm the expected benefits and impacts at both an individual app level as well as across the organisation. However, adoption should be considered as a strategic portfolio change, rather than just 'one app at a time' in isolation."

Cloud Feasibility

The first step on any journey to cloud is to conduct a feasibility assessment, to see where there is real value to be gained from moving to Cloud.

For example, if your organisation uses 10 apps, it needs to assess feasibility on an app-by-app basis to identify the individual benefits of moving to cloud (e.g. scalability, evergreen solution and future proofing etc.). These individual assessments can then be built into a full cloud assessment which considers the overall benefits as well as impacts and dependencies to help identify priorities and a timeline.

The overall feasibility needs to consider the obvious opportunity to change hosting but also existing integrations, workflow and data. It should also consider skills availability and, particularly for SaaS, the impact of moving to a supplier-led change roadmap.

Risks of 'Not' Moving To Cloud

If IT resources are on-premises then the risk of service disruption is often higher. This can be from incidents to physical IT (e.g. natural disasters) but also from increased downtime when planning upgrades.

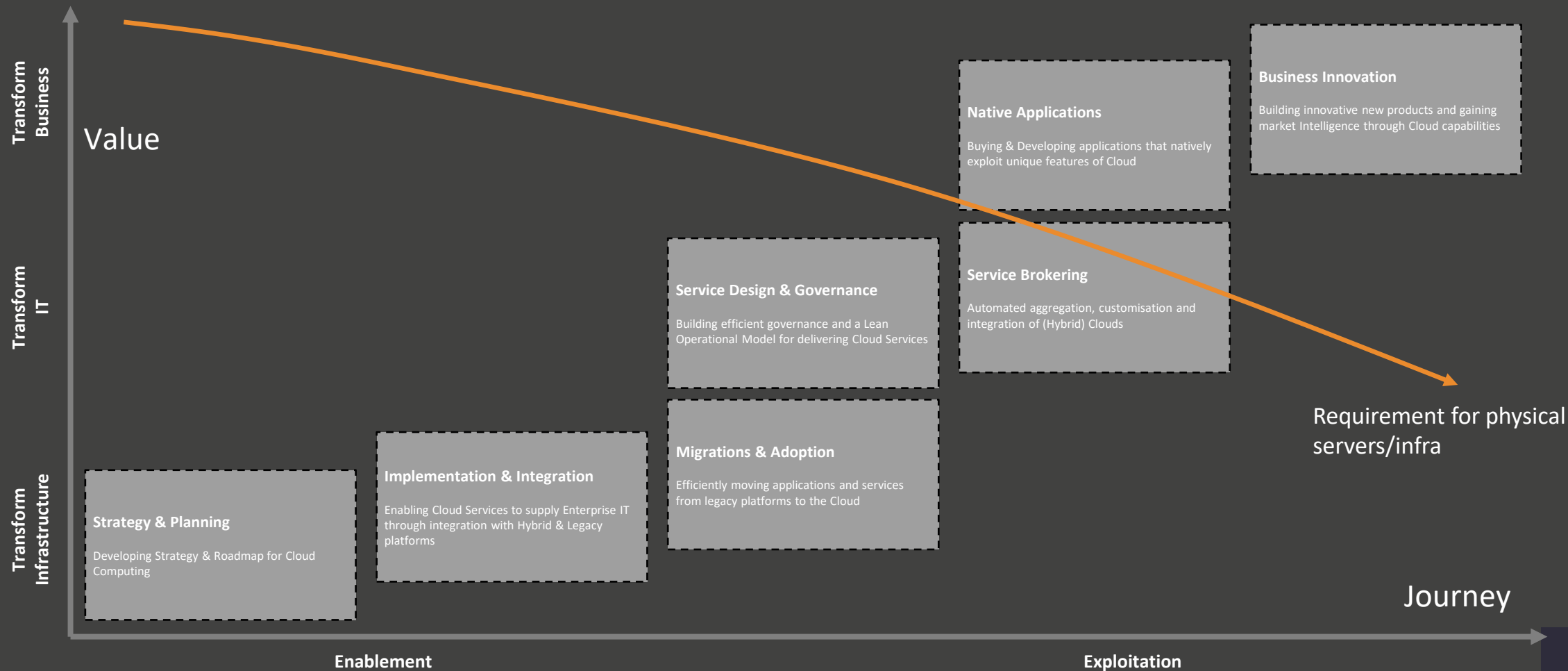
By not migrating to the Cloud there is a risk of reduced agility and flexibility which can result in the organisation being slower to respond to opportunities. It also impacts the ability to allow flexibility on remote working for employees.

Another risk of not moving to the cloud is a lack of the inherent security benefits the cloud can bring. Instead, organisations will be responsible for their own security measures.

Building The Business Case

Business expectation often far exceeds maturity

Often, the first hurdle in cloud adoption is building the business case since cloud migration is not a guaranteed cost saving. Whilst organisations will reduce the need for expensive on-premise IT, they will likely increase spend elsewhere. Therefore, the business case is often built on the more tangible benefits of cloud.



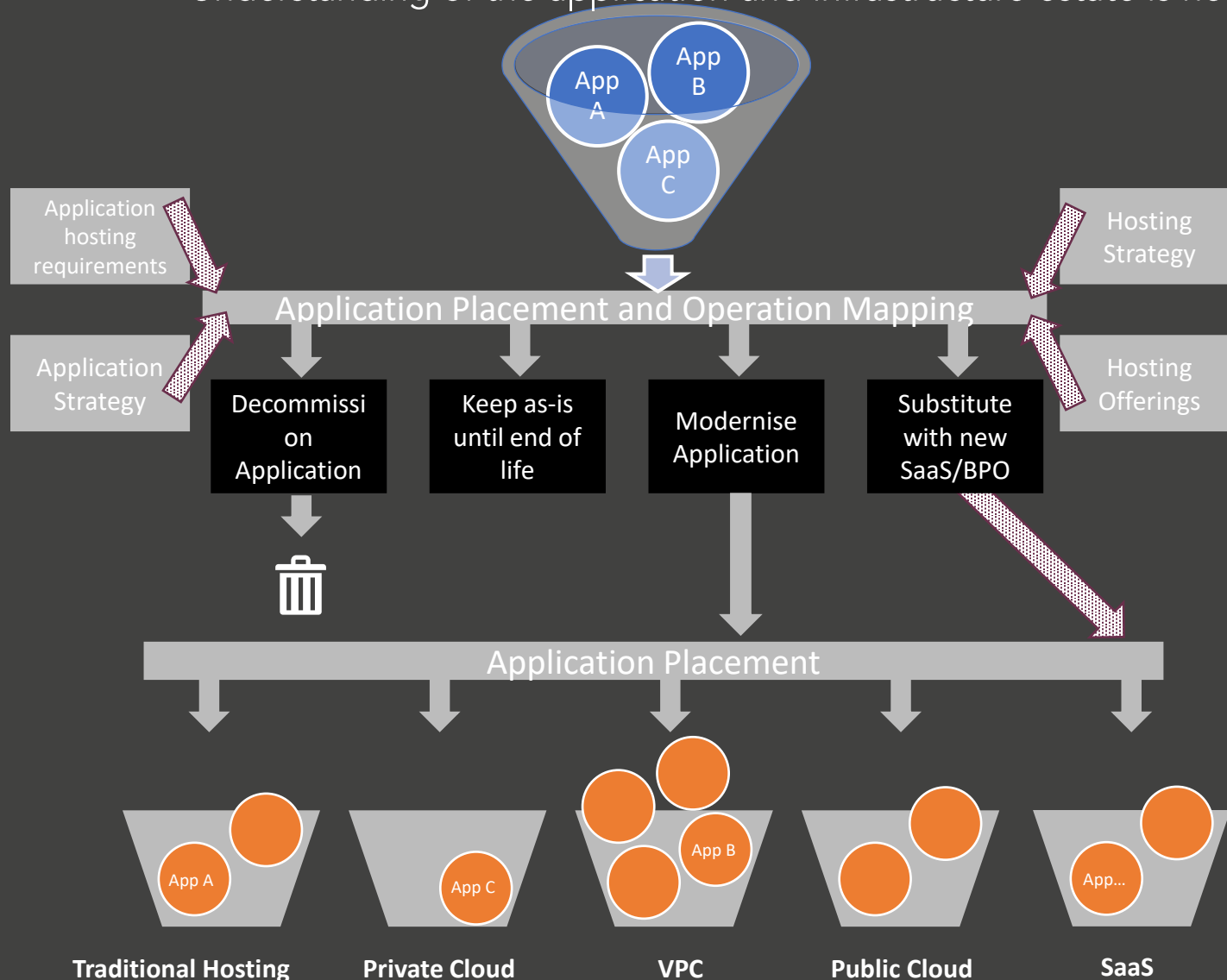
Cloud Strategy & Investment Case

Investment cases are complex, relying on wide understanding of the technology landscape

- Investment cases rely on a solid model and **understanding of the current state** of applications, infrastructure, costs and contracts
- There are many routes to optimise the use of infrastructure driven by both application roadmaps, and infrastructure understanding
 - Re-platform of applications to SaaS
 - Migration or re-platform using PaaS
 - Migration of applications to IaaS
 - Optimisation of owned infrastructure through consolidation / virtualisation / SDDC technologies
- Cost benefits that can be realised fall into multiple buckets that should be considered:
 - Facilities and power costs/contracts – Any costs of owned facilities, power,
 - Direct costs of infrastructure – direct costs of servers, storage
 - Interconnectivity – costs of interconnectivity if this is not optimised
 - Support and licensing – Licensing and support OS, monitoring different elements, especially older/EOSL with a premium
 - Resources – breadth of resources required to retain knowledge and manage top to bottom stack
 - Risk – “Do Nothing” costs that will be incurred against aging infrastructure if nothing is done
- Strategy must consider what needs to be done actively and what will happen passively
 - **PASSIVE** – Wait for natural points to make the move to cloud
 - **ACTIVE** – Drive migrations outside of other business drivers such as application or upgrade cycles or replacements
 - Understanding what will be delivered via passive migration, will driving tipping points where active migrations are called for
- Having a **placement strategy** and set of principles is vital to drive towards the organisation towards a common goal

Placement Strategy

Understanding of the application and infrastructure estate is needed



Organisations need to understand where applications are currently hosted & associated costs – this is often a complex exercise but will build a base line for investment case modelling.





An idea of when and where the application can be migrated then gives an idea of the cost benefits.

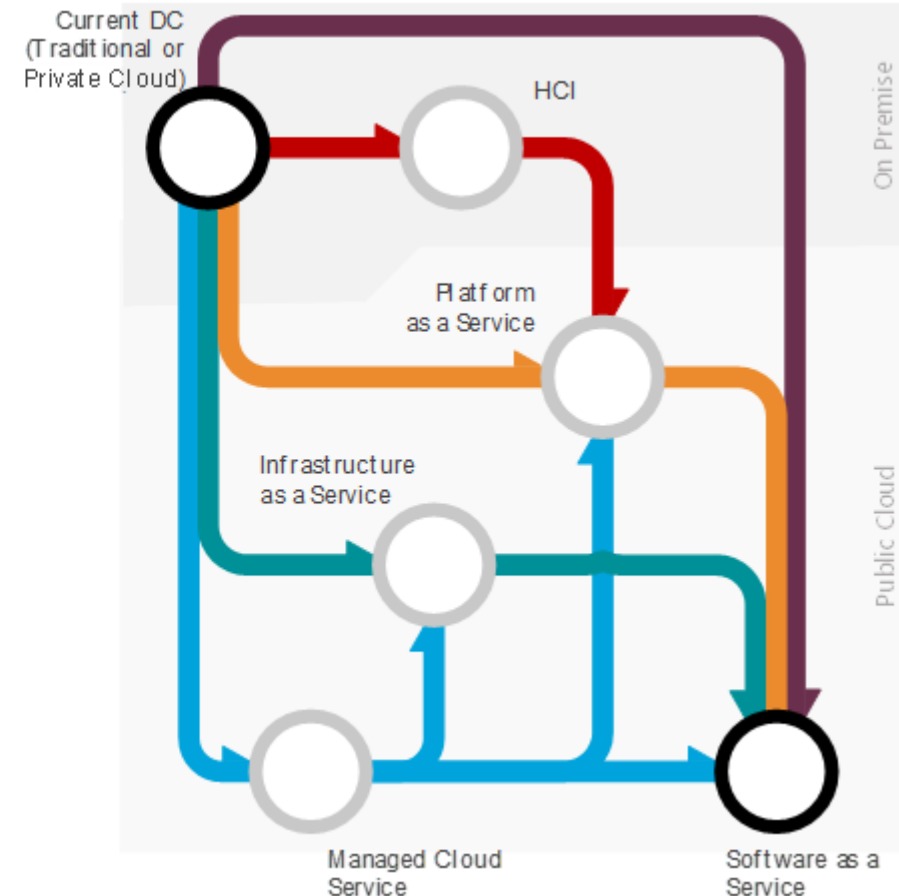
All target platforms and ease of delivery must be in place as an enabler

Realisation is often a challenge – data centres can only be decommissioned when empty – so this is where active migration programmes must be considered.

Different Flavours of Cloud

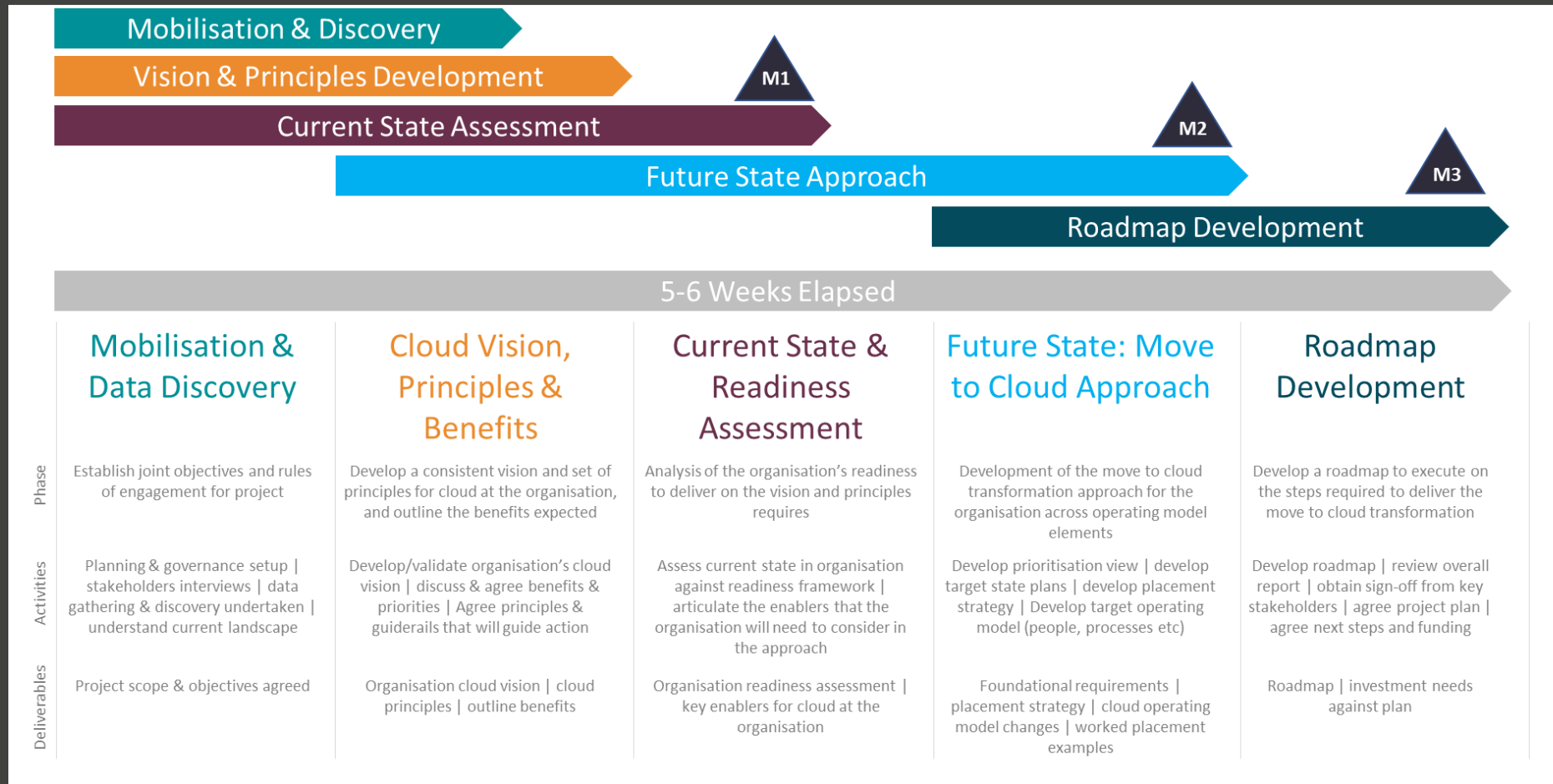
By ensuring that the full set of cloud options is understood, organisations can make sure their cloud provision meets their needs around flexibility, legacy support, integration, supportability and speed of deployment. These decisions will also impact TCO of the technology systems.

Route	Description	Subsequent Destinations	Why Choose?
 Migrate to SaaS	Application is moved to SaaS solution (Example: CRM, FigShare)	n/a	<ul style="list-style-type: none"> Transformation benefits Suitable SaaS solution Acceptable business risk
 Migrate to PaaS	Application is replatformed to a PaaS solution (Example: Research Environments)	Migrate to SaaS	<ul style="list-style-type: none"> SaaS is not suitable
 Cloud Managed Service	Application is moved to an IaaS or PaaS solution but managed by a 3 rd party on our behalf (Example: Moodle)	Insource service wrap (to IaaS, PaaS) Migrate to SaaS	<ul style="list-style-type: none"> SaaS is not available We don't have the skills or resource availability Compelling case to source
 Migrate to IaaS	Application is rehosted in the cloud (Example: Research Environments)	Migrate to SaaS	<ul style="list-style-type: none"> For compute service needs e.g. teaching Cannot move to SaaS (suggested migration path from vendors)
 Move to HCI or private cloud solution	Moved from traditional on prem to a cloud stack hosted locally	Migrate to PaaS	<ul style="list-style-type: none"> Business risk e.g. data confidentiality Commercial constraints (e.g. ingress charges for rapidly changing data)



Three Milestone Approach

By visualising a complete set of planning stages for Cloud Migration, it is easier to understand where opportunities to address or avoid these symptoms may have been missed.



Cloud Centre of Excellence

Key to success is having someone to drive the programme. Setting up a Centre of Excellence is the best way to make the Milestones actually happen.

A Cloud Centre of Excellence is...

A cross functional team responsible for driving the migration to cloud. They are responsible for ensuring the cloud strategy is executed in a way that allows for flexibility but still maintains good practice and meets regulatory and security standards.

The core tenets of a Cloud Centre of Excellence are:

1. Community: using effective comms to share best practices, training opportunities, maintain and publicise a knowledge base and generally keep teams motivated about the cloud.
2. Brokerage: focus on the sourcing of services (working closely with architects from CCoE), procurement of these services and negotiating contracts.
3. Governance: creation of policies, tools and processes to manage the cloud migration and minimise risk.

Choosing Vendors

Ensuring you are working with the right partners is also critical.

For example, with SaaS, it is mainly a case of picking the right product.

With anything Infrastructure or Platform-related, how do you choose between the vendors such as AWS, Azure and Rackspace?

An independent partner who knows the difference between the vendors, knows their strengths and weaknesses – and their suitability – can be invaluable.

For instance, Google Cloud Platform (GCP) is currently seen as the leader around AI and Analytics whereas AWS and Azure can be easier to implement.



CASE STUDY

GLOBAL ENERGY COMPANY



Revenue: €30bn+
Employees: 78,000+

HIGHLIGHTS

Hosting Vision

Clarity on benefits of hosting approach that led to decision to increase use of public cloud and outsource applications

Clear fit with Renewable vision

Coeus highlighted the benefits that fitted with the divestment including reduction of hardware through improved data and lower on-premise footprint by utilising cloud

Hosting vision & strategy aligned with company divestment

The Challenge



- Following the decision to dispose of a major business unit, the client requested Coeus to assist in creating a vision, strategy, and investment case for hosting across the whole of the company
- The current estate of over 7,500 servers was largely over 5 years old and spread across over 100 sites
- The client had a lack of transparency in terms of data – including volumes, servers and application costs
- The client wanted help in defining a clear vision of the future hosting landscape or how to get value, required savings and environmental improvements by investing in cloud technologies

Key Deliverables



- Delivered a fully formed hosting vision and strategy analysis to IT and Business audiences that included:
 - Business requirement summary and assessment of current state against this
 - Full summary of current hosting landscape including volumes and locations
 - Hosting vision covering target locations and platforms (Cloud, Private Cloud, SaaS etc.)
 - Full OPEX cost model of current and future state and investment modelling over 5 years

Our Approach



- Coeus conducted a full current state review to fully understand architectural aims and strategic requirements, to drive recommendations that met the future needs of the business:
 - Understand current business challenges with respect to IT and hosting landscape
 - Understand legislative and performance constraints driving hosting decisions
 - Assessment of the current state hosting vs current best practice for the sector
 - Determine future vision for hosting

Benefits



- Deliverables formed an entire programme definition, and case for investment aiding long term strategy
- Fully documented data landscape that could be reused across multiple programmes
- Multiple cost models to assist in rapidly developing full business case with operational and capital savings
- Clearly articulated strategic requirements and vision relating to business need

CASE STUDY

UTILITY COMPANY



Revenue: £458m
Employees: 1,900
Customers: 5m

HIGHLIGHTS

Enhanced capability and reputation of IT

The leadership team recognised the significant step forward that Coeus delivered, which enhanced the capability and reputation of IT within the business

Reduced lifecycles

Investment in proactive planning and business engagement improved understanding of business needs and reduced development lifecycles

Reshaping IT to deliver next-generation services

The Challenge



- Changes in patterns of electricity generation and consumption have set the industry challenges for delivering a reliable service via an aging infrastructure
- The client recognised IT was key to meeting this challenge. The IT Leadership Team (ITLT) could see the need for a fresh look at the operating and sourcing models to ensure the right capabilities are grown or acquired to deliver the future services
- The need to adopt current best practice and challenge of current ways of working was recognised

Key Deliverables



- Consolidated architecture function to enforce standards and reduce waste
- Investment in Vendor Management to drive better supplier performance
- Extension of SIAM capability to manage an increasingly multi-supplier future
- Investment in digital apps and analytics
- Consolidation of multiple governance, communications, finance and reporting roles into a lean "Business of IT" function

Our Approach



- Development of the clients sourcing strategy to deliver the capabilities and additional flexibility required at lower cost whilst leveraging supplier value-add
- Functional segmentation analysis which examined service maturity, priorities for transformational change and suitability for sourcing
- Identify and address areas where change was needed, e.g. gaps in current delivery model as well as areas of unclear responsibility or authority including resourcing and capability issues
- Comprehensive RACI model of target organisation for IT

Benefits



- Logically dissected and re-built the Operating Model to ensure key challenges were met
- Proposed changes approved by board due to the quality of analysis and clarity of the recommendations
- Implementation of the Sourcing Strategy taken forward by the client, with the support of a legacy of collateral and guidance developed by Coeus that will ensure ongoing success.

CASE STUDY

MULTINATIONAL TRANSPORT COMPANY



Revenue: £1.3bn
Employees: 4,000+

HIGHLIGHTS

Programme Stopped & Reshaped

Coeus provided clear assessments that led to the programme, in its current form, being stopped and fully reshaped

Vendor Changed

Coeus assessment of vendor delivery performance lead to the vendor being asked to step down from delivery

Digital transformation programme architectural review

The Challenge



- This transport company had embarked on a large scale ERP transformation, covering all parts of the business that had been underway for several years, using vendor resources to deliver
- Despite £10m in costs incurred, and 3yrs time elapsed, the solution and plan from the vendor was not clear, and no functionality had been placed live
- The company sought external support from Coeus to review the programme and the architectural approach to assess if this was fit for purpose

Key Deliverables



- Interview transcripts and outlines
- Document assessment against key documents for content and clarity against expectation
- Assessment of actual progress made for spend incurred, versus what should be expected
- Full recommendations report

Our Approach



- Coeus conducted a series of interviews across the business to understand the status and approach of the programme and the technical solution
- Coeus conducted a document read-in of all available materials in relation to the programme
- Coeus assesses the evidence and materials against our proven programme and architectural delivery approaches to understand gaps, and then assessed the severity of these to delivery of the expected outcomes
- Coeus collected all recommendations into a single report for playback to the management board

Benefits



- Coeus provided a clear set of recommendations to radically change the course of the programme and approach
- The support Coeus provided in facts lead to the company stopping the programme in its current form
- The company also decided to stop engagement with the current vendor due to lack of value delivery

How Can We Help?

We can support across both strategy development and execution

Change & Communications

To ensure your journey is successful we can support you with change management, robust and impactful communications and effective stakeholder management.

Application Assessment

We can provide bespoke application assessment tools to help your product teams carefully decide on the end state of their individual applications.

Developing a Strategy

We can support you through collaboratively creating your cloud migration strategy. This will consider where you are currently, where you want to get to and how you can get there.



Migration Planning & Support

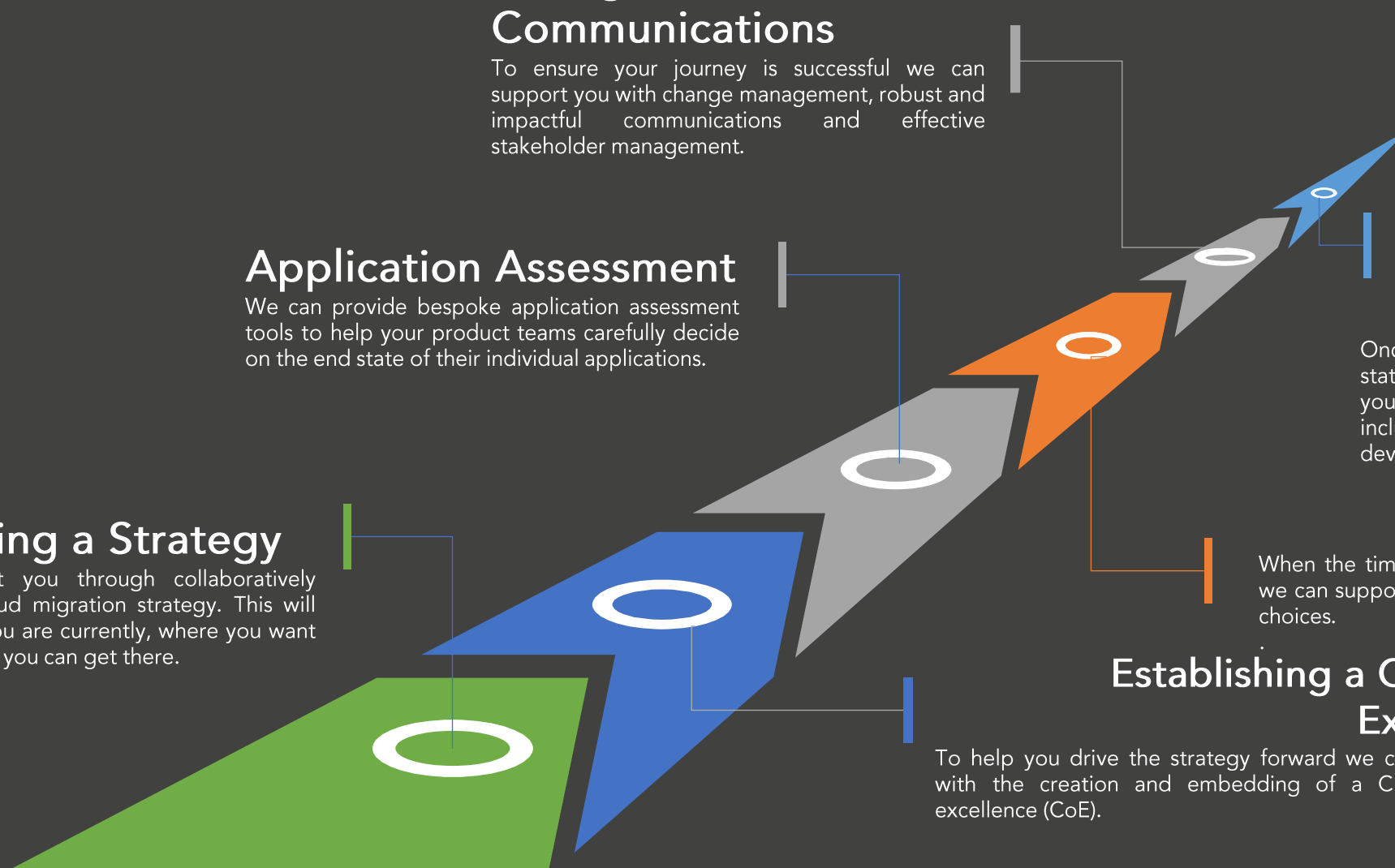
Once decisions are made on application end states and cloud providers, we can support you with planning your migration. This includes business case and roadmap development support

Cloud Sourcing

When the time comes to source cloud providers, we can support you to ensure you make informed choices.

Establishing a Centre of Excellence

To help you drive the strategy forward we can support you with the creation and embedding of a Cloud centre of excellence (CoE).



About Coeus Consulting

Coeus Consulting, a Wavestone company, is an award-winning, independent IT Advisory that stands alongside technology, business and procurement leaders to deliver strategic change.

We help leaders deliver more to the organisation across the four stages of the IT lifecycle: Strategy, Sourcing, Change and Architecture.



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