

# New Ways to Get the Biggest Return from Your Cloud IT

Is your capital expenditure (CapEx) budget shrinking? Are you looking to get the most out of your operational expenditures (OpEx) and spread your IT expenses out in predictable monthly payments? Learn how you can take advantage of cloud services to achieve the greatest possible efficiency from your IT resources, lower capital costs, and enhance productivity.



## CLLOUD SERVICE USE CASES:

- Disaster Recovery in the Cloud
- Application Migration in the Public Cloud
- Hybrid IT in the Cloud

It's become clear that cloud computing in its many varieties is being embraced as a strategy by IT and business decision makers around the globe. A March 2014 Forbes magazine article<sup>1</sup> shared some of the recent studies that show widespread cloud adoption. A report by IHS Technology forecasts that enterprise spending on cloud computing will triple from 2011 to 2017, going from \$78.2 billion to \$235 billion. The Computerworld 2014 State of the Enterprise survey found that 42 percent of C-level executives are increasing their investments in cloud computing this year, and IDC predicts that cloud expenditures in 2014 will surge by 25 percent, reaching over \$100 billion.

But the question is, as you evaluate your cloud strategy, are you making the best decisions for your business?

### How Businesses Are Benefiting from the Cloud and Cloud Providers

As part of its cloud research,<sup>2</sup> IDC has worked with IT departments to identify the benefits they derive from cloud computing, which include reducing the size of their IT budgets, improving IT staff productivity, and simplifying and standardizing IT infrastructure. For other departments, benefits include improved resource utilization, enabling business units to control IT solutions more directly and to launch revenue-generating services faster.

Hiring cloud service providers further amplifies these benefits. When you don't have to do it yourself, what are the benefits? You can rely on providers for the flexibility and agility the cloud brings for scaling applications, services, and capacity up or down. As cloud specialists, these providers manage cloud environments at maximum efficiency to keep costs down. They lighten the load for your internal IT staff, enabling them to focus on mission-critical and strategic initiatives. And cloud providers let you pay for cloud services as needed, using an OpEx versus a CapEx model that lets you plan for and purchase what you need without the expense or hassle of maintaining aging or out of date infrastructure.

With these features and benefits becoming top-of-mind among many companies, the focus is on creating an effective cloud strategy that encompasses the needs of all stakeholder organizations. That means determining which cloud services will provide the most value across the business while addressing your specific IT and resource needs.

Here are three use cases that demonstrate the CapEx and OpEx benefits of managed cloud services.

<sup>1</sup> "Roundup of Cloud Computing Forecasts and Market Estimates, 2014," by Louis Columbus, Forbes magazine March 14, 2014.

<sup>2</sup> "Midsize Organizations Leading the Way with Cloud Adoption," Cisco infographic based on IDC research.

## 1. Disaster Recovery in the Cloud

Large multinationals historically have maintained physical servers in multiple locations to serve large and distributed employee bases. One of the reasons that they often take this approach is because there are efficiencies in building and maintaining large infrastructures in a common environment. These companies use multiple implementations in order to replicate application environments and their associated data to provide failover in the event of a disaster or service disruption. For midsize and smaller companies, this type of physical redundant infrastructure is far too expensive. And even many large companies are starting to reach the same conclusion. Enter cloud services for disaster recovery.

Disaster recovery as a service (DRaaS) is among the fastest-growing cloud services. A 2013 study of DRaaS by Markets and Markets<sup>3</sup> forecast that the global market will grow from \$640.8 million in 2013 to \$5.77 billion by 2018, an incredible compound annual growth rate (CAGR) of 55.2 percent. The reason that DRaaS is gaining so much traction is because cloud providers that specialize in the service employ state-of-the-art tools that ensure two key metrics of disaster recovery and business continuity. These metrics, in turn, determine the cost of DRaaS plans:

- Recovery time objective (RTO) is the speed of recovery of an application, network, and user base affected by an outage. For some applications that manage key business transactions (such as enterprise resource planning systems and e-commerce sites), this is a vital recovery metric. RTOs must be as short as possible. For other organizations, hours or even an entire day for the RTO will not cause a catastrophic loss of business or reputation.
- Recovery point objective (RPO) is the precise point in an application's processing where a recovery occurs. Like RTO, RPO is a vital metric, as it sets the restart point at which the restored application will be interfaced by the user community, and the data associated with that restart point can be vital to business operations. From a business perspective, RPO should be evaluated based on how much data loss the business can afford.

These two DRaaS metrics are flexible, and the service-level agreement (SLA) and cost for each plan is based on a combination of the RTO and RPO times and the scope of the network infrastructure, user base, and applications. Smart disaster recovery planning will call for tiering and prioritization of applications based on RTO and RPO, given the criticality of the application to the business process it supports.

## 2. Application Migration in the Public Cloud

A typical use case for cloud services is to use a public cloud to perform development and testing of use cases in the early stages of the application lifecycle. Many developers and businesses use a public cloud multitenant environment to produce and test new applications because it is flexible and agile and the business needs to pay only for what it uses. But when it is time to migrate the application or load it into production, the requirements shift to include certain uptime thresholds based on SLAs and stability of configuration. The business can then transition to more of an outsourced, managed cloud model to enable it to focus on what it does best.

For corporate users today, the location of the infrastructure stack hosting the software is irrelevant. Once the migration or upgrade is complete, the application traffic and subscribers are redirected to the managed service provider's cloud.

---

<sup>3</sup> "Disaster Recovery as a Service Market [RaaS, Cloud DR, Disaster Recovery as a Service, Business Continuity as a Service]—Worldwide Forecasts and Analysis (2013 — 2018)" by Markets and Markets, March 2013.

Here cloud services span the continuum of the IT lifecycle, satisfying both the short-term need of development agility and the long-term needs of service levels and change control. The benefits of incorporating these cloud components into your strategy include a higher return on investment (including faster time to market, less work for internal IT staff, and less internal infrastructure required) and predictable spending on key cloud assets.

Companies usually lack the expertise to choose and deploy DRaaS tools and infrastructure, which are also extremely expensive. Aside from their expertise and off-site infrastructure, cloud service providers also provide customers with additional monitoring and service assurance capabilities. They have pay-as-you-grow plans that are flexible as companies grow and consume greater amounts of cloud compute and storage.

### **3. Hybrid IT in the Cloud**

No one architecture works for everyone. Many companies have acquired IT assets or have applications running in various environments, both virtualized and physical. With this proliferation of applications comes increased complexity. And many cloud providers are helping customers consolidate some or all components of their IT as part of a mixed or hybrid ecosystem.

Many cloud providers can support a migration to the cloud for a fully virtualized environment, but what if your needs are for outsourced IT services for both cloud and non-cloud-enabled applications?

Most public cloud service providers enable organizations to maintain specific virtualized applications and infrastructure in a cloud provider's data center. But for nonvirtualized applications, or applications that cannot run in a multitenant cloud environment due to performance or compliance requirements, the benefits of a managed service provider capable of managing under a common administrative and interconnected networking layer can be significant. This centralization of an outsourced application environment for virtualized and nonvirtualized applications can provide companies with several assurances. Standard management governance is one. Management of application uptime performance is another. Both are backed by SLAs.

### **Embrace Service Diversity in Selecting Your Cloud Service Mix**

New technologies and cloud architectures have brought new options for IT departments that are entrusted with managing their portfolios of applications and services. You don't have to rely on hosted services or cloud services alone. You can purchase services as you need them and then expand, contract, or eliminate services as they become obsolete. Cloud service providers can give you a menu of services that blend your in-house resources and data with externally hosted resources and data. Private cloud. Public cloud. Hosted. It's all there for you to mix and match with services and SLAs that provide the most value. And with the stringent security and high availability that have come to define the new era of cloud services.

## For More Information

Explore the many ways cloud services can help you maximize your IT budget, accelerate strategic initiatives, and take advantage of the latest technologies and network, compute, storage, and management architectures. As a leader in cloud services, Sungard Availability Services has a range of services to meet the needs of diverse companies. Sungard AS data centers are based on the industry-leading Cisco Unified Computing System™ servers, EMC vStorage arrays, VMware virtualization technologies, and VCE Vblock™ Systems. Sungard AS was recently cited as a Cisco partner in the creation of the world's largest global Intercloud—a network of clouds—and was identified as one of the leading DRaaS providers by Forrester Research<sup>4</sup>.

---

<sup>4</sup> "The Forrester Wave™: Disaster-Recovery-as-a-Service Providers, Q1 2014—A Dozen Cloud-Based Resiliency Players Battle It Out For Top Honors," by Rachel A. Dines with Stephanie Balaouras and Heather Belanger. January 17, 2014.