



In this **Sourcing the Cloud** seminar we will examine similarities and differences in cloud acquisition strategies. As the clouds continue to grow, it is important to choose cautiously. It is important to be strategic in an environment that has yet to mature. We need to execute tactically, with flexibility.

In this seminar you'll gain an understanding of some of the elements for acquiring cloud services while building risk mitigation strategies, including:

1. Making choices
2. Creating a set of sourcing cloud governances
3. Adopting a set of cloud sourcing principles
4. Sourcing based risks mitigation strategies
5. Organizing cloud sourcing teams
6. Exploring cloud-specific requests for proposal (RFPs)
7. Assessing the cloud provider market
8. Gaining alignment with internal stakeholders
9. Standardized auditing practices
10. Testing and assurance

Topics

- Sourcing cloud services
- Building cloud sourcing principles
- Balancing the benefits with the risks
- Mitigating risks through sourcing strategies
- Pricing and costing
- Building RFx
- What skills are evolving
- Exchange thoughts and experiences
- What others are doing
- What some of the experts are saying

Takeaways

- Abbreviated software as a service (SaaS) checklist and template
- Cloud-specific elements to include with RFxs
- Descriptions of cloud servicing teams
- Knowledge base to drive the selection process
- A list of suggested sourcing principles
- Strategies to manage costs
- Risk assessment matrices
- Sample pricing grids

Why Sourcing the Cloud Workshop

While the prospects of adopting cloud services are projected to rise, there is equal concern about the inherent risks of information security and identity protection. Sourcing professionals play an important role by facilitating processes that lead to the best in cloud service choices.



3 ways to register

- Phone 407.740.0700
- Fax 407.740.0368
- Register Online Today at www.DoBetterDeals.com

Content *Partial Outline*

Workshop Length: 1 Day

Introduction

- Sourcing — what is the same and different
- Internal alignment
- Executive expectations of sourcing team
- Custom build
- Adapt to culture

Examples of cloud services

New approaches

- Private clouds
- Public clouds
- Hybrid clouds

What we like about cloud services

- Nimble
- Elasticity
- Instant expertise
- Unlimited resources
- Available anywhere, any time
- Ease of entry
- Independence

- Paying for only what is needed
- Prompt access to latest versions
- Requests for services are satisfied immediately
- Cost savings

Success stories — savings

- Public eMail — 23% cost reduction
- Transfer to cloud reduced costs from \$90 to \$50 per employee
- 18% cost reduction with an IaaS platform
- Company avoided building new operations center

Providers are ebbing and flowing

- Influx of players
- Unstable
- Little standardization
- Confusing regulation
- Jostling for position
- Mergers and acquisitions
- Fragmented competition

Numbers — growing and changing

Review of 6 mergers and acquisitions

M&A focus

- Acquiring a capability
- Buying patents
- Removing competition
- Sunsetting a service
- Gaining market share
- Building critical mass

Embracing the future

- Not if, but when
- Many already are using it and do not realize it
- Need planning, execution and monitoring
- Strategic sourcing is a critical part of the journey

[Continued](#) ➔



New implications

- Cloud risk management
- Cloud operations management
- Human resources
- Staffing — jobs surfacing
- Sourcing strategies

12 Sourcing implications, including

- Public cloud services typically are a shared service comingled with other provider clients
- Protection strategies for data that is stored someplace else
- Creating competition
- Risk protection through contracting
- Negotiate clear M&A requirements

9 Stories, including

- Gmail — 70,000 emails intercepted and stolen
- Epsilon — \$4.5 billion loss of data
- Citi Group breach 360,000 credit cards
- Symantec confirms hacker theft of Norton AntiVirus source code
- Visa breach — 1.5 million credit card IDs stolen

Cost of cloud services — savings estimates

- Expert commentary varies
- 39%–68% savings
- 114% more
- Cloud model, usage levels, scope of what is being migrated... and more

Why the savings variance

- Still learning
- Providers continually changing pricing models
- Uncertainty
- Lack of accurate data
- Private or public
- Unclear on current utilization of resources
- Underestimating the increased costs to monitor and manage cloud services

Pricing models

- Consumption vs. fixed costs choices
- Resource choices (e.g. storage, speed)
- Number of users base
- Active users
- Subscriptions — sharing
- Capacity based
- Asset based
- Transaction based

Ease of entry — benefit or not?

- Is freedom of access a good thing?
- Are business users bypassing IT to sign up for cloud services?
- Does freedom of choice lead to the possibility of multiple service providers providing same service

Costing Issues, including

- Over spending
- Wanting to modify
- Service level drivers

Pricing and costing strategies

- Metering
- Designated user
- Data compression
- Shared servers
- Innovation
- What else?

Gain clarity with cost models

- What have we learned from past?
- What are we buying?
- Initial costs?
- Long-term costs?
- Maintenance cost?
- What are we getting?

Collaborate with finance, business units, IT and operations

- Financial management
- Simplicity — easy to compute and track
- Monitoring usage
- Forecasting who, how much, when

Threats and consequences

- Hacking
- Bot herders
- Viruses
- Theft
- Loss of customer database
- Interruption to operations
- Costly rebuild
- Damage to company reputation
- Loss of income

Other unexpected consequences

- Lack of version choice
- Exit difficulty
- Lack of disaster recovery/business continuity plan
- Maintaining regulatory compliance
- Never assume a service provider will treat your data as if it were its own
- Do not assume a service provider will back up your data
- Follow your data
- Where data is located

11 Ways to mitigate risks, including

- Adopt cloud policies
- Source team members
- Explore choices
- Security recovery strategies
- Cyber insurance

20 Guiding principles including

- Adopt cloud sourcing policies
- Archiving and storing information
- Authentication management
- Contracts
- Corporate adherence to security practices
- Data protection is everyone's job
- Deduplication
- Develop technology priorities in RFX
- Disaster recovery practices

Seek security recovery practices with RFX

- Emergency shutdown — delays can lead to theft
- Contingency plans for running in degraded mode
- Backup practices for information that is on a shared server in which other tenants become liable and the server is seized
- Liability to third parties if you introduce a virus
- Standardized auditing

General RFX cloud topics

- General
- Operations
- Certification
- Data protection
- Encryption
- Security
- Service levels
- Customer support
- Transitioning
- Ownership
- Pricing
- Reporting and monitoring
- Innovation

Closing thoughts, including:

- Strategic practices
- You cannot contract your way out of the cloud
- Risk management is more intense
- Reputational damage may not be able to be restored