



// The cloud in focus.

How far have Strategic and Operational IT decision makers progressed towards building a cloud-based infrastructure?

//Separating myth and reality.

Slowly but surely, cloud computing is changing the face of business IT. But it's a subject that provokes strong opinions. Some see the public cloud as complementary to their existing infrastructure – an ideal platform for non-mission critical applications. Others believe that the cloud's near-infinite flexibility and scalability make it clearly superior to the traditional on-premise infrastructure model.

In Spring 2011, Richardson Eyres engaged market intelligence specialists CPB to invite over 11,000 IT decision makers to share their opinions on cloud computing.

The survey was designed to reveal how far organisations have progressed towards adopting cloud computing; and to explore the respective opinions of Strategic and Operational IT decision makers on this topic.

Finally, the survey aimed to uncover whether virtualisation is considered an end in itself – or a step on the journey towards a fully-automated IT infrastructure. At its most evolved level, an automated IT infrastructure allows services to be seamlessly deployed to the business via private (on premise), public (off premise) or a hybrid model of cloud computing services.

The survey targeted medium-to-large commercial organisations with up to 3,000 networked IT users.










In presenting the results of the survey, Richardson Eyres hopes to provide topical insight that will help all levels of IT decision makers to plan their individual cloud computing initiatives.

A virtualisation vision.

A remarkable 33% of survey respondents have yet to deploy virtualisation – an especially surprising figure given the size of the responding organisations. But the picture was markedly different when respondents were asked to describe what their IT environment might look like in two to three years time.

While 32% expect to have virtualised the majority of their servers, desktops, storage and networks, the same number anticipate delivering a fully-virtualised infrastructure via a private cloud. [Fig 1]

Which of the following best describes your IT environment?

Delivery of all IT services (inc. Apps) via Public and Private Clouds		
	Current	4%
	Planned in 3 years time	21%
Delivery of Virtualised Infrastructure via Private Cloud		
	Current	13%
	Planned in 3 years time	32%
Virtualised Servers and Virtualised Desktops, Storage or Network		
	Current	15%
	Planned in 3 years time	32%
Virtualised Servers		
	Current	35%
	Planned in 3 years time	15%
Dedicated Desktops and Servers, typically with separate pools of Storage		
	Current	33%
	Planned in 3 years time	0%

[Fig 1]

The view from the data centre.

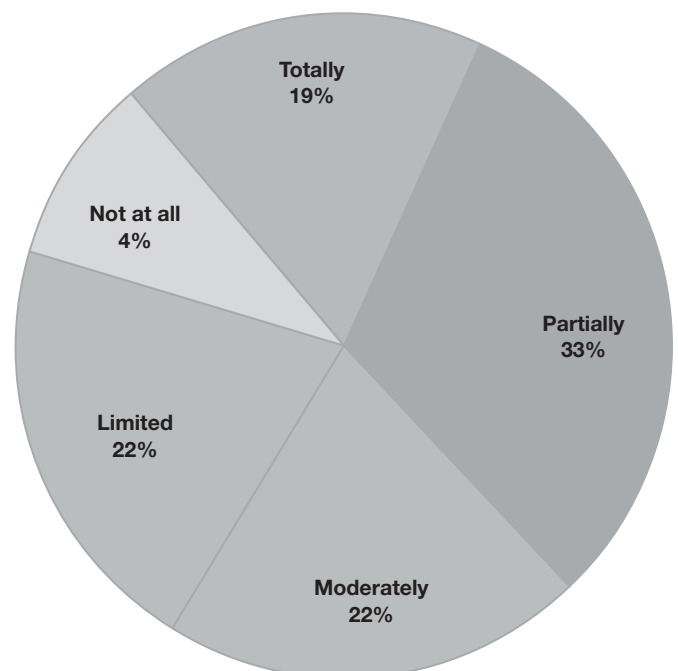
Many more Operational than Strategic respondents expect to create private clouds. 86% of those anticipating their organisation's infrastructure to go fully virtual are at the Operational level. In contrast, the majority of Strategic respondents expect to make far less progress, and to restrict virtualisation to servers, storage, desktops and networking.

The variance between the two groups of respondents is underlined by the Operational decision makers' commitment to achieving a cloud-based IT infrastructure. Over half believe the cloud will form some or all of their future IT strategy. A further 22% having not yet fully evaluated its potential. [Fig 2]

Are Operational decision makers on the ground more aware of the practical benefits of the cloud? And are the Strategic decision makers deterred by the cost and risk of a fundamental realignment of their infrastructure? Perhaps the Strategic-level respondents understand the business automation potential of the cloud but find it hard to look beyond the traditional Capex IT expenditure model.

Whatever the precise reason, one thing is clear: all respondents anticipate deploying virtualised infrastructure within three years. In doing so, all organisations will have taken the first step on their journey towards a cloud-based infrastructure.

How committed is your company to a cloud-based IT Infrastructure?



[Fig 2]

Cloud and cost.

Perhaps the most striking finding from the survey is that cost reduction is not considered a primary driver for adopting cloud-based infrastructure.

Although virtual environments typically demand less power and cooling, less human resource and less hardware on which to run, only 22% of respondents plan to transfer some or all of their IT infrastructure to the cloud as the result of budget reviews. And a surprising 44% of respondents report a desire to reduce costs having no bearing on their plans to deploy cloud computing.

However, the Operational respondents draw an interesting distinction between overheads and running costs.

Driving down overheads like systems management and support has only some or limited value for three quarters of Operational respondents. Yet 81% see some or significant value in the cloud's ability to reduce running costs like power and cooling or desktop and server upgrades.

Perhaps cost cutting should not be seen as a goal in itself. Extensive research by HP, for example, has shown how a fully-virtualised IT infrastructure can reverse the traditional IT expenditure ratio. As a result, 70% of budget can be invested in innovation – and just 30% in operations.

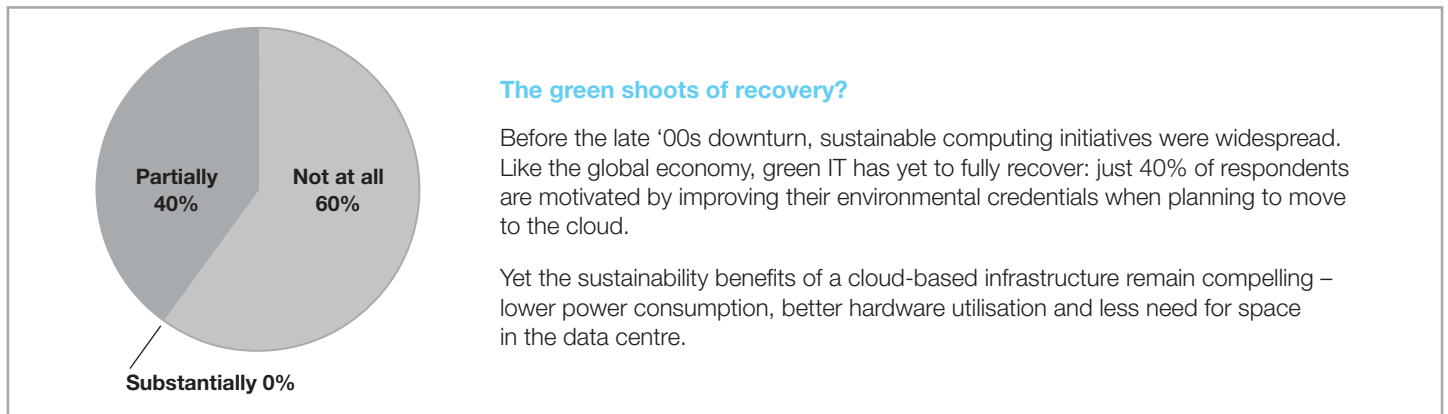
Tough yet flexible infrastructure.

If cost isn't the burning issue, what's motivating the drive to the cloud? The power of the cloud to transform IT's role is evident to half of the Strategic respondents – who consider repositioning IT from a reactive to proactive facility a significant or imperative driver. [Fig 4]

Two further issues are equally important. 62% of Strategic respondents rated enhanced infrastructure resilience of significant or imperative value. The same percentage want to provide a better and more flexible service to the business and its employees.

Perhaps these two issues are more closely connected than they seem. While a cloud-based infrastructure – in which computer power can be turned on and off according to business demand – is a more flexible option, it's also more resilient and recoverable.

A cloud-based infrastructure typically contains fewer of the hardware and software interfaces where systems so often fail. So downtime (or more serious disruption) is kept to a minimum; and stable, highly-available services can be provisioned to the business without interruption.



How important are the following drivers to your potential adoption of a cloud-based IT infrastructure in your company?

	Imperative	Significant Value	Some Influence	Limited Importance
Reducing overheads (i.e systems management, staffing, support and maintenance)	6.25%	18.75%	56.25%	18.75%
Reducing running costs (i.e power, cooling, server/desktop upgrades)	6.25%	31.25%	50%	12.5%
Provide a better and more flexible service to the business and employees	25%	37.5%	31.25%	6.25%
Provide a more resilient infrastructure – risk reduction	12.5%	50%	31.25%	6.25%
Move IT from a reactive facility to a more proactive service	6.25%	43.75%	50%	0%
Establish a better platform for utility charging across the business	0%	12.5%	25%	62.5%

Putting theory into practice.

With server and storage virtualisation partly in place at 48% and 41% of respondents respectively, just 13% of Operational respondents plan to take the next step and utilise the public cloud in 2011 – and 44% have no plans to use it in the future.

But looking at the bigger picture, and confirming the answers of the Strategic respondents, 63% envisage developing a private cloud in either the short, medium or long term.

However, there seems to be at least a modest disconnect between the respondents' enthusiasm for cloud computing and their plans for tangible IT projects. As yet, just 21% of respondents expect to exploit the application development and testing potential of Platform as a Service (PaaS), while a similarly small figure expect cloud to play a role in their disaster recovery strategy.

Let's not forget that while some organisations are wholeheartedly embracing the cloud, for others it remains a new and largely unproven approach. In particular, terms like PaaS and Infrastructure as a Service (IaaS) have yet to be universally defined, despite their underlying principles being well established. Small wonder then, that many respondents remain a little hesitant about these approaches.

A question of trust.

As the market embraces virtualisation and begins to evaluate the cloud, to whom will it turn to help realise its cloud vision? As yet, the single-line cloud computing specialists lag well behind established vendors like HP or IBM and their channel partners, who are preferred by 61% of respondents. In contrast, just 18% envisage partnering with online specialists like Amazon or Google.

In many cases, the Tier One vendors have earned customers' trust over numerous decades. Certainly, many decision makers value the reassurance of working with a proven partner as they adopt an innovative new computing model.

The future's full of possibilities.

These are exciting times in business IT. Uncertainties clearly exist about the granular details of transitioning to the cloud, as the CPB survey sponsored by Richardson Eyres proves. But with unprecedented flexibility, control and affordability on offer, every IT decision maker owes it to their business to investigate the benefits of a cloud-based infrastructure.

In reality, what's important isn't the name you give to your approach. What matters is understanding what's on offer. Then selecting what's right for you and your business.

// **Richardson Eyres** provides solutions for data centre consolidation. It works with its customers to streamline IT infrastructures, freeing up time, resources and ultimately saving its customers' money.

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It has partnerships with HP and VMware, and is one of a small number of HP Professional Services Partners (PSP) in the UK. It also provides solutions for companies globally, from offices in the UK and the US.

With over 20 years experience as a data centre consultant, Richardson Eyres has extensive technical knowledge and the know-how to apply this knowledge to help organisations run their IT infrastructures more efficiently. Established in 1986, the company is privately owned and its headquarters is in Chesham, Buckinghamshire. www.richardsoneyres.com

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About the survey.

The CPB survey sponsored by Richardson Eyres targeted over 11,000 Strategic and Operational decision makers in UK businesses. The survey targeted commercial organisations that have between 250 and 3000 desktops.

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