WHY DOES CLOUD MATTER?
WHAT EVERY CBO NEEDS TO KNOW ABOUT THE CLOUD

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Why on Earth would you connect to the cloud through the Internet?

You should do it differently.
Market Specific Observations

• Mission-critical applications are currently or will soon be consumed as SaaS
  • Ex: Digital curriculum, LMS, SIS, etc.

• The number of devices on the network is increasing; IT staffing is not
  • 2700 to 1 and rising (post-SBAC-ready but pre-IOT)

• Cost, risk, and resources required to support legacy IT systems is increasing
  • Staff, integration, support, speed-of-business, etc.

• IT is not able to respond adequately to business needs on legacy systems & process
  • Integration limitations, support contracts, skill sets, costs of legacy hw

• Business leaders need IT working in the classroom to affect learning outcomes
  • Organizations are starting to understand the important of IT relevantly contributing to business outcomes – not just blinky lights
Macro IT trends

• Consumption-based economics of IT resources; this is cloud
• Transfer of operational risk from customer to service provider
• Buy what I want when I need it; only pay for what I use
• Support of SaaS consumption; contract renewal, co-term
• Line of business makes decisions about what IT applications to buy
Evolution of IT & Cloud
Cloud Market Segment/Consolidation

Source: Gartner (October 2012)
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Market Segment Cont.
The Macroeconomics of Cloud

• There’s two types of Cloud Strategies...
  • Push your applications to the Cloud.
  • Get pulled out by your hair.

• Every major software application provider has already moved to the cloud or will do so.
  • Why?

• We have to be prepared for this...
The Problem with Cloud Services

- Risk in consuming on commodity Internet connection
- Public sector customers can’t get the contracting done
- Additional resources to manage even more vendor relationships
- Politics and job protection
- Consumption model is different; don’t know how to procure
- Concerns about data living elsewhere
- “We can do all of this just as well by ourselves”

Past-Tactical: IT has responsibility for lots of systems
Now-Strategic: Need to bring business value to their organization
The Problem with Cloud Services (cont’d)

• Challenging to evaluate cloud services vs traditional solutions
  • Traditional hard-copy curriculum and training materials vs digital curriculum
    • What would be the business and educational impact to your school if the digital curriculum provider:
      • Failed to plan properly for demand?
      • Failed to secure their assets properly from security and bandwidth attacks?
      • Failed to execute an operational sustainability plan as they grow or advance service offerings?
      • Failed to maintain profitability?

We aren’t asking all of the right questions.

It’s not just about the service; it’s the service provider’s ability to profitably, securely, and reliably provide you with the proper experience.
Why Now?

• You are already consuming SaaS stuff (Cloud)
• Bandwidth cost per Mbps is down; Service quality is up
• Market consolidation in the cloud space has taken place
• Perfect storm of economic pressure, technology maturity and “Cloud” psychology
• Align Customer and provider economic and business interests for the first time ever
• Legacy IT services take lots of resources and are coming up on refresh cycle
• Time to Value is immediate
• Macro Economics: Software companies MUST move to the cloud to compete and survive

“Cloud” is not technology; it is an economic model.

There are only two cloud strategies in the world: Plan and push services to the cloud—or—Get pulled out by your hair.
Why the Platform Matters

• Users will have a better experience accessing resources through Cloud Connection Provider
  • Directly connected to content providers
    • SBAC, Edmodo, Blackboard, Moodle, Schoolology, Amazon Web Services, etc.
• Redundancy for your existing (solitary) Internet connection
• End-to-end Quality of Service (user experience)
• Activate services in hours/days vs. weeks/months
What does a Cloud Connection Provider do?

• Provides the customer a platform and marketplace for consuming cloud services
• Platform integrates different cloud products/services with security built-in
• End-to-End QoS to guarantee cloud service/application performance
• All services are OpEx not CapEx; use as much or as little as you want (elastic)
• Wrapped with managed and consulting services
• Invoice/contract consolidation services (per month)
• Customer doesn’t need to manage multiple vendors and complexity
Take-away

• IT services are migrating from CapEx to OpEx.
• Critical applications will inevitably move to the cloud.
• User and business expectations will not change; experience expected to remain or improve.
• Cloud services must be critically assessed for more than just the service you consume.
• Consumption through your existing Internet connection injects considerable risk.
• Consuming cloud services through a platform is required to facilitate experience and business requirements.
Thank you for your time today.

Upcoming Sessions:

- “Meaningful Bond Execution: Don’t throw away your shot.”
  - Thursday – March 30th – Noon to 2pm
- “Questions you didn’t know to ask when choosing Digital Curriculum”
  - TBA via CETPA
- “Preparing for the shift to the Technology-Dependent Classroom”
  - TBA via CASBO
- “Your Network Security Will Bite You”
  - TBA via CASBO

Let us know what you thought and if you’d like to get more information.

- contact@development-group.net
- Registered attendees will receive an e-mail to get this presentation and/or a copy of the webex.