

Touching the cloud

ACN looks at the Middle East's level of cloud readiness.

More than any other technology concept, cloud computing has captured the imagination of vendors as something that can totally revolutionise businesses. But how close to the truth is that perception and how much do organisations really understand about what it offers?

Many organisations think that the cloud is merely a public cloud like Google or Amazon, but vendors have the ability to show such companies the many characteristics that can help them from an IT standpoint.

“Historically, we have focused on the cloud for IT around virtualisation. In fact, many organisations think that by starting to virtualise their applications, they have deployed the cloud. However, the real advantage brings a lot more compelling benefits from an economic

standpoint,” highlights Ron Raffensberger, director of marketing, cloud computing, global markets at Huawei.

Indeed, the cloud means fewer servers can essentially do the same amount of work, ultimately reducing operational expenses. Simply put, real benefits from the cloud come in the form of allowing a company greater business flexibility and adaptability.

Clearly, cloud computing is very much in its infancy in the Middle East right now, but it looks like 2012 is set to be the year that sees interest ramp up, especially in the enterprise sector.

“We are at a very early, exploration phase,” says Alaa AlShimy, enterprise and networking director, HP Middle East. “Some enterprise players believe in the cloud as the future and are exploring the opportunity to lead – especially the service providers, some are waiting to follow only if it is a success and some think it is only a password!” Thanks to rising interest and

vendor support, more and more businesses are beginning to understand the benefits of cloud computing and how much it can offer to their organisation. Citrix, for example, is supporting organisations across a number of sectors including telecoms, oil and gas, education and banking and finance. It has found that these sectors were amongst the first to implement cloud computing solutions, but that opportunities are beginning to emerge across many other sectors now. It seems that today the question is less whether cloud solutions are implemented but more importantly, how.

Mervyn Kelly, Ciena's EMEA marketing director, highlights what trends he's seen appearing in the Middle East.

“A major new trend at enterprises, government bodies, banks and carriers in the Middle East is to harness the increasingly powerful economic benefits of consolidation and virtualisation of the network. That enables better utilisation of resources and



Sherry: IT managers need to see case studies.

assets as the physical infrastructure can be shared across multiple sites, providing common services for storage, security etc. Businesses in the Middle East are increasingly looking to provide cloud services over a shared, virtualised infrastructure for both B2B and B2C marketplaces,” he explains.

There are certain aspects of cloud computing that the Middle East is very much ready for – and embracing. It is popular mainly in three areas, which are infrastructure as a service (IaaS), platform as a service (PaaS) and software as a service (SaaS), and these look set to be the dominant ways of offering cloud services in the Middle East this year.

SaaS is popular, as it has been used for many years, especially for applications related to email and CRM, such as CRM solutions from Salesforce, Google Mail and Microsoft’s new Office 365. This is mainly because these applications are being used successfully on the public cloud. But the region still needs to change its mindset when it comes to adopting ERP and other financial applications in the cloud space.

“Due to the high level of acceptance of SaaS, other cloud services will see increased uptake in the region. We have also seen an increase in customer enquiries for these services,” notes Sachin Bhardwaj, head of marketing and business development, eHosting DataFort. “However, this year and the next will see increasing popularity for



Raffensberger: Cloud offers financial benefits.

IaaS as there will be more providers offering infrastructure services. Companies are cutting down budgets on infrastructure and are looking at IaaS as it is more viable and cost effective. “It has also been observed that companies are investing heavily in virtualisation,” he continues. “In virtualisation, you can divide a physical server into multiple virtual servers. There is also a positive impact on performance, which increases by 30-40 per cent due to the increased adoption of virtualisation. As companies are now adapting to this change, they are using more of IaaS where virtualisation becomes the platform for cloud.”

To pick one very important aspect, the Middle East is very much ready for a focus on cloud services that provide top class data protection and data backup.

“Data ownership and security is a prime concern for enterprises, so assurance of its security in the cloud is an appealing aspect,” notes Aaron White, regional director for Citrix Middle East and Africa. “Cloud services, such as ShareFile have been gaining traction in the region, these services ensure that users can securely share files as well as sync with other devices, thereby empowering users to share information safely.

“Cloud computing ensures the security and integrity of data in storage through to the safety of information that is accessed through a desktop or mobile device,” White continues. “In the Middle East, where there

PRIVATE OR PUBLIC?

The majority of cloud deployments in the Middle East today are private cloud environments, as these give enterprises fewer security concerns.

“Most of the cloud deployment models in the UAE fall under private clouds and therefore are not visible to the outside world because the cloud infrastructure is provisioned for exclusive use by a single organisation which might then serve multiple internal consumers e.g. business units,” explains Paulo Pereira, Systems Engineering manager, Cisco.

“Enterprises in the Middle East place a lot of emphasis on the security and management of company data, so the exclusivity of a private cloud is often the first choice for an organisation in this region,” adds Aaron White, regional director for Citrix Middle East and Africa.

However for smaller businesses, public clouds will most likely be a more realistic option.

“Whilst a large multinational organisation may have the structure and scale to create its own ‘private’ cloud within a global data centre network, ‘public’ clouds hosted by an external data centre provider make the cloud computing model accessible to smaller organisations,” White says.

“Both offer similar benefits in terms of protecting sensitive data and providing flexible delivery to mobile users and networked locations,” he continues.

“We believe a hybrid will emerge to combine elements of both. Large enterprises and government organisations may want to create their own ‘internal’ cloud to protect sensitive data and deliver services globally across a number of offices. However, smaller businesses and individuals can realise greater cost and flexibility benefits through an external service provider.”

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Deepak Narain, VMware EMEA.





Kelly: Virtualisation is driving cloud adoption.

is a spotlight on improving data management and compliance with international standards, this means that businesses can keep a firm handle on their data across multiple offices and support executives that travel or work from remote operations.”

But there are still major challenges facing the adoption of cloud computing in the region, including perception, especially when it comes to data integrity and security.

“When you look at data security, the kind of advances that have happened in cloud based or SaaS provisioning have been so significant in the last few years; you look at networks like MPLS/VPN or closed private networks which give you the benefits of hosted solutions within a network that is as secure as your internal networks. I think technology is absolutely ready for this to be delivered but the question is who is going to take the first step,” says Hari Padmanabhan, executive chairman, Encore Group.

“We need to have more and more local, regional and in-country cases where cloud computing has been adopted successfully and people talk about the benefits to other people; then, more people will feel comfortable and it will pick up,” he notes.

Plus there are other regional issues that still need to be ironed out, including the lack of well defined regulations and also an uneven access to bandwidth across the region.

“In the Middle East there are regulations that cover hosting, but not the cloud,” notes Deepak Narain, senior systems engineer at VMware EMEA. “(Also) ubiquitous high

JOB LOSSES, OR GAINS?

Most enterprises in the Middle East have large teams trained to maintain hardware and systems and these staff members account for the majority of maintenance costs. If cloud is truly cheaper than the current silo approach, will it mean job cuts?

It could do if employers feel that the staff aren't needed, but more likely it will free these staff up to contribute to other areas of the IT department that may well have been understaffed.

“It's a reality that current IT teams are typically unable to deliver on all their business requirements because they're understaffed versus the actual needs and this is a reality that is driven mainly by cost and lack of skilled IT workers,” explains Paulo Pereira, systems engineering manager, Cisco.

“As with any optimisation, we see cloud as an opportunity to be more productive, to deliver more with what you have. In which case, current IT teams would be able to scale to meet business requirements and contribute more to the business by being able to deliver faster and on more business initiatives.” Research EMC commissioned in 2010 looked at the economic impact of cloud



Haydar: The cloud will create lots of jobs.

computing to France, Germany, Italy, Spain and the UK and found that cloud computing would actually create thousands of jobs.

“We highly believe that the key findings of the research can be generalised across the EMEA region,” says Zaher Haydar, regional pre-sales manager, EMC.

“(They) showed that cloud computing could create 2,396,2000 jobs across EMEA by 2015, and that job creation from cloud computing could potentially be highest in the government, education and health sectors with 800,000 jobs being created. I would expect the Middle East to have a similar impact with variations on the numbers,” he notes.

speed access is still being worked out in this region. There are areas in the region where you can get blazing fast connections and others where you can't,” he notes.

Finally, there is the challenge of cost and change management when it comes to the transition and disruption caused by moving from a traditional IT infrastructure to a cloud based system.

“Enterprises will need to centralise their IT systems in order to move towards either a public or private cloud infrastructure. Additionally it can take some time to make the switch into the cloud – this is a considerable investment in change management,” notes Paul Sherry, regional director, Middle

East, Riverbed. “Furthermore, IT managers and CIOs looking to move into the cloud are considering it as a long term decision. Cloud based solution providers must show regional proof that the change is smooth and secure.”

In terms of approaches to cloud adoption, some enterprises will look at taking a step-by-step approach so that certain elements will be adopted first before moving to a complete cloud-based system. Perhaps beginning with utility aspects such as data back-ups or emails and moving onto productivity, collaboration and communication services as they gain confidence in the cloud.

We are seeing the initial movement in this area, but how long do the vendors believe it will be before using cloud computing is as common as using computers?

“Five to ten years, depending on the maturity and infrastructure readiness,” predicts AlShimy. “Cloud is the future.” **ACN**

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