



Steering the cloud

Cloud adoption is getting a move on as more organizations understand the benefits of leveraging the benefits of cloud computing

Cloud services adoption may have just moved up a notch in the region over the past year. According to a study commissioned by EMC and conducted by Dun & Bradstreet for the UAE, 95% of enterprises surveyed have already implemented or plan to implement a cloud computing model. Further, 49% of enterprises stated to have currently implemented a private cloud model and 35% consider their environment to be a public cloud. Underlining the preference towards a hybrid model, 23% of respondents stated they have plans

to implement an Advanced Hybrid Cloud model. These are impressive numbers and just goes to show that cloud computing adoption is indeed gaining speed.

James Spearman, Principle Cloud Consultant & Head of Data Centre Infrastructure, Dimension Data that offers multiple cloud solutions on premise, in the public cloud or in a hybrid model says, "We're seeing a general acceleration in the discussions around cloud services with most CIO's either having a cloud strategy in place or looking at us to assist them in determining their strategy, in order to

ensure that they start realising the benefits cloud may bring and deliver against the requests business is now demanding. Clearly each area of the business has different requirements, so the infrastructure and applications teams have different cloud service requirements. This has brought about different cloud uptake levels within areas of the business."

For all obvious reasons like operational efficiencies and scalability plus access to infrastructure and solutions at optimized costs, there is an increased demand for private cloud services.

Shams Hasan, Enterprise Product Manager, Middle East at Dell Middle East says that a discussion about the Cloud needs a separation of the public cloud from the private cloud and believes the latter will see significant growth.

He adds, "We will see increased momentum in Private Cloud projects in 2015 as more and more organizations leverage benefits that range from cost-saving to security. Another key benefit, agility, will be a highlight for private cloud's continued success in 2015. The rise of converged infrastructure technologies and the ability to remove infrastructure modules as needed should make private clouds an even more agile and attractive option for CIOs looking to reap the other benefits of private clouds. Cloud computing offers tremendous untapped opportunities for MEA enterprises looking to develop agility and up-to-the-times business practices."

While private clouds are seeing significant traction, Gartner predicts that public cloud services in the MENA region will grow at 17.1 percent in 2015 to total \$851 million with Software as a service (SaaS), estimated to be the largest segment at \$205.7 million.

John adds, "SaaS and PaaS discussions are a little more mature than the infrastructure discussions with business putting pressure on IT to deliver against the IaaS discussions. There will be a continued push into cloud based solutions with more and more enterprises starting to explore Cloud solutions for non-critical workloads or alternative consumption methods for DR.

Forward thinking vendors are now starting to offer their key products in cloud based consumption models that show great appeal to the business."

The momentum is also being helped along by the fact that CIOs are noticing their peers moving ahead with implementation. Businesses in the region may have been all along circumspect about security issues related to cloud but there is a growing level of confidence with the availability of mature product offerings.

Rajesh Abraham, Director, Product Development, eHostingDataFort that offers both Hosted Private Cloud and Public Cloud options for businesses says, "The hype around cloud services is over and it is becoming a reality. The apprehensions around challenges of cloud adoption have reduced significantly and enterprises are now ready to leverage the advantages of cloud services. Cloud adoption challenges are slowly reducing as vendor offerings become more mature and organizations start noticing their industry peers implementing cloud services."

That is not to say that all bottlenecks on the way ahead have been cleared. Several challenges confront a growing adoption of cloud services but they may even be non-technical in nature.

"Even though the cloud computing has moved into the mainstream of IT, there are a significant number of non-IT challenges exist, number of non-technical issues, mostly revolving around people, processes, security challenges, contractual agreements and change management issues. These issues or challenges are usually harder to solve than technology problems. The cloud is the foreseeable future for IT but it will exist in many different forms and will evolve significantly over the next few years in UAE," says Rashid Al Shamsi, Chairman of IxTel, a next generation IT services provider that provides Enterprise Cloud Services.

Non-technology issues can slow down public cloud adoption even as more customers go in for private cloud infrastructure. Security will always be a paramount issue in the region.

Shams says, "As the region recoups from recent exposés in security and data privacy, Business and IT leaders and managers scrutinize cloud computing opportunities with a more prudent eye. In the Middle East there are still three mega trends influencing cloud adoption: trust; government regulations; and technology adoption. Some of these trends have less to do with technology and have also seen limited development over the past year in the region impacting to a larger degree the plans for adoption of Public Cloud services adoption. Dell's observation is that Middle East Customers are still wary with Public Cloud offerings, but are very interested in Private Cloud builds; Dell has had a few successful engagements with Customers with the latter."



James Spearman, Data Centre Head, Dimension Data

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Private to hybrid – the cloud accelerates!

A private cloud provides a distinct and secure cloud based environment where the computing power of the virtualized infrastructure is delivered only to the specified client organization that owns the cloud. So there is greater control and privacy vis-à-vis a public cloud and it suits organizations in some of the critical sectors like Banking, Government etc to have critical workloads run in such secured environments.

Rashid says, "Current adoption of private cloud computing is a work in progress for most organizations as they continue to implement server virtualization, automation and orchestration capabilities. Private clouds will dominate the most critical

functions. Many factors drive the decision over public or private cloud. Industries with the strongest adoption of private clouds are financial services, healthcare and Government services, with financial services and healthcare facing heavy regulatory and compliance issues that are exacerbated, though not impossible in the cloud."

Shams claims that the year has seen cloud adoption move from discussions in the board room to tangible adoption but there are many more opportunities in the cloud up ahead. Technology innovations including converged infrastructure, hyper-converged infrastructure, I/O virtualization, software-defined-networking, software-defined-storage, open-networking, and density-optimized servers have significantly reduced the barriers for Private Cloud adoption.



Shams Hasan, Enterprise Product Manager, ME, Dell

He adds, “We are starting to see enterprises in the region take advantage of Cloud opportunities in different ways. Larger traditional enterprises are testing Public Cloud offerings with non-mission-critical functions, temporary workloads, and administrative tasks while also implementing Private Clouds to leverage faster, more flexible, and more cost-effective ways to meet the technology needs of their organizations. Meanwhile young digitally native startups and SMEs are taking larger opportunities in the cloud to grow their businesses rapidly.”

However, he hurries to add that with the diversity of businesses in the Middle East, there’s a variety of comfort levels with the cloud ranging from large enterprises to SMBs, and from the public-sector organizations that operate in stringent verticals such as Defense to organizations (in both private- & public- sector spaces) that enjoy less stringent demands. So for business critical data and workloads, a large number of organizations, in his opinion will prefer to keep it in-house, they can.

James opines that there are many organizations that have delivered Private Cloud solutions within their organizations and while they may not have been full scale

deployments of cloud, should provide some key lessons moving ahead.

He comments, “In the past, these have tended to deliver against the automation and orchestration elements of cloud and have been designed to fulfil on one specific area of business – such as highly automated VDI. But nonetheless great learnings and strides have been taken by many organizations. It is rare to find a full true cloud deployment with granulated metering or self service capabilities delivering fully against the true cloud definition. These early adopters have, however, learnt some great lessons around what cloud can deliver and how by embracing the true benefits of cloud in public, private and hybrid usage, will really drive the future shape of how IT will start delivering and consuming in the future.”

Hybrid clouds bring the best of the two approaches and is winning over more customer confidence. That seems to be the case with the region in terms of deployments as well. As the study conducted by Dun & Bradstreet reveals, there is a growing interest in Advanced Hybrid cloud solutions with respondents stating they have plans to implement an Advanced Hybrid Cloud model that will allow greater flexibility.

As Mohammed Amin, Senior Vice President and Regional Manager, Turkey, Eastern Europe, Africa, and Middle East, EMC Corporation said, “IT organizations are striving to transform to deliver services that support the changing needs of their customers. Today, IT must leverage private cloud because it is trusted, controlled, and reliable, and public cloud because it’s simple, low cost, and flexible. This study clearly highlights the growing interest in adopting advanced hybrid cloud models to create a perfect blend of the two worlds.”

The hybrid approach allows a business to take advantage of the scalability and cost-effectiveness of public cloud services and at the same time makes sure that sensitive data is kept absolutely secure in the private cloud. Managing this in a seamless way without disruptions will be key.

Rashid says, “Many enterprises are opting for hybrid cloud when it wants to get the best of both worlds – private and public. For example it has a bunch of data that it doesn’t mind putting on the public cloud, and it also has some highly sensitive data that it wants to keep on-premises by using the private cloud.

However, the negative aspect when going for a hybrid cloud solution is that businesses will have to fine tune the lines of collaboration and communication between Public and Private cloud users.”

Globally, IDC predicts that almost half of the large enterprises will have deployed hybrid cloud by the end of 2017. All this clearly indicates that customers are more comfortable adopting a hybrid cloud. Enterprise customers are making sure they have a mix of strategies in place that provide them the best solutions. Several other factors including availability of public cloud services locally will have a significant role to play.

James says, “Most organizations will settle on a hybrid cloud architecture moving forward. The percentage of on/off site cloud usage will of course vary immensely based upon many factors and local availability of public cloud will be a driving factor that may also shift over time. We’re also seeing a big push from vendors to unlock the ability to transition to a Hybrid IT environment as they see this transformation happening within their customer base. In this region, we are seeing enterprises considering how they will enable this process moving forward and often ask how IT can integrate the public cloud environment with their on premise solutions to attain the efficiencies being promised by cloud.”

Security concerns are always a top priority when it comes to hosting the data in the cloud. Many customers seem to be more comfortable keeping their data in a datacenter that are local rather than have data stored in datacenters that located elsewhere.

Rashid says, “Not surprisingly, challenges relating to security and privacy continue to rank highly on the list of concerns for both IT and business

executives. However, the organizations are becoming more confident in the security of cloud providers if the data remains' in local datacenters. This does not mean that security is no longer a key issue for business. Of the possible security concerns, data loss and privacy risks are the main concerns along with legal and regulatory compliance which is often security related."

Security concerns will never go away and shouldn't according to James because that is an important factor of choosing your cloud supplier. Further, choosing the cloud supplier needs to be based around a more elaborate process rather than just basing the decision on where the data is going to be stored locally.

James adds, "Most global cloud suppliers have an extremely tight story around security and will normally over deliver on the security processes of traditional enterprise data center. Understandably most local organizations are more comfortable for their data to stay on shore. When a local cloud supplier is able to demonstrate the ability to deliver cloud services competitively to the same security level as the global cloud suppliers, then it would make sense to choose local suppliers."

He believe there is a degree of workload profiling that needs to be undertaken by enterprises to understand if there is any risk to moving some of the data out of country. That will made the decision making better.

"Many times you see enterprises making the decision around their entire data set rather than data for certain workloads. Data location is not just security and sovereignty though, there is also a network performance and outgoing bandwidth cost based decision. A comprehensive approach to assessing the security of cloud providers will mitigate concerns and, in certain cases, illustrate that cloud providers are able to offer more comprehensive security for a company's data."

The ability of the cloud provider to meet the organization's needs should be the key consideration.

Rajesh says, "Local players can provide enterprises with a local data centre and



Rajesh Abraham, Director, eHosting DataFort



Rashid Al Shamsi, Chairman, ixtel

24/7 bilingual local support. Low latency and faster access to applications is another advantage offered by local data center service providers. However, choosing a local data center provider over multinational companies and vice-versa depends upon the nature and size of the business and it does get tricky to determine the right services provider to best suit the company's needs. So rather than basing criteria on Local or Global, we suggest working with an experienced services provider, offering customized plans to meet customers' specific requirements."

The journey to the cloud is an ongoing task. Companies like Dimension Data are enabling organizations build the IT strategy around cloud, identify the necessary cloud migration projects, deliver the actual cloud capacity and assist transform the workloads to be cloud capable when required.

Eventually, a larger percentage of workloads in a typical enterprise IT infrastructure would shift to cloud but which will vary customer by customer but there will be ever growing confidence and also the conviction that cloud will enable the organization to be more agile and stay ahead. Shams believes that Cloud usage correlates with revenue growth as cloud

adopters see significant benefits – which are even greater for organizations with a deeper commitment to cloud – over those that have not adopted cloud solutions.

He adds, "According to findings of the Dell Global Technology Adoption Index (GTAI): nearly every IT decision-maker surveyed said their company either uses or plans to use cloud solutions; only a mere 3 percent of respondents are not planning to leverage cloud solutions. Exploring what drives this trend, the Dell GTAI observes: there's a strong correlation between cloud use and company growth. Of those using cloud, 72 percent of organizations surveyed experienced 6 percent growth or more in the last three years, with just 4 percent experiencing zero or negative growth. This is in sharp contrast with companies not using cloud, where just 24 percent have growth of 6 percent or more, and 37 percent had either zero or negative growth."

Rashid is optimistic that the typical enterprise may eventually run nearly as much as 70 percent of its infrastructure in the cloud in the next three years. While that number at the moment may look to be on the higher side, there sure is a strong case to believe that the journey to the cloud is in a higher gear now.