

## Cloud adoption - forget Moore & Metcalfe, think Murphy

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### Quocirca Comment

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Two recent events with rather different audiences reveal that not everyone is convinced that the benefits of technology adoption will be evenly shared. In particular, what was highlighted were some disconnects between organisational gain and personal risk.

At a gathering of senior IT executives at a CBR dining club dinner sponsored by Riverbed and Dimension Data, a number of CIOs voiced their thoughts regarding the IT industry's current apparently all-enveloping rising star - 'cloud'. While there was widespread appreciation of the possibilities and potential for the deployment of IT resources into the cloud, there were some significant reservations about the reality.

Vendors and service providers have been keen to promote the benefits of cloud, but they need to appreciate how implementation will affect their customers, in particular one part of the decision making process; the CIO, IT director or individual IT manager most directly responsible.

This is the person that gets it in the neck when something goes wrong - irrespective of who in the external cloud ecosystem is really to blame.

The selling job elsewhere in the organisation is slightly less daunting. Those involved directly on the financial side recognise the cost savings of pushing (human and/or IT asset) resource demands into a virtual infrastructure provider, especially if they can cut precious capital expenditure at a time when borrowing is difficult.

Many users recognise the flexibility of 'on demand' access to IT, storage and services especially while on the move. Mobile and remote access, fuelled by consumer behaviours and social media have become a regular expectation and a perceived necessity.

However, IT managers, whose jobs depend on the reliability, fidelity and robustness of the services being delivered, see risk. And who can blame them when recent downtime and outages

from what seemed unshakeable cloud service providers - Google, RIM, Amazon, Microsoft - demonstrate that even large and well planned IT systems can fail?

Quocirca regularly advocates the use of a total value proposition to understand the wider benefits and drawbacks of technology adoption. This goes beyond a simple RoI or TCO financial proposition, to encompass the less tangible positive and negative impact on the organisation, its competitive positioning, and crucially on the individual or individuals making a technology implementation decision.

In this context the total value proposition also considers an element often missed out by those looking at technology change in an organisation - a "total liability proposition", perhaps - to understand the potential negative consequences, as these weigh most heavily on those making the decision, as it is their neck on the line.

The second event indicated where a respectful approach to risk might emanate where other critical players in the value chain discussed where they might contribute and benefit from cloud adoption. This was a gathering of diverse telecoms companies and service providers at the NetEvents, Italy conference. Here the interest in cloud as potential new sources of revenue and enterprise influence was strong, but it was dosed with a heavy realisation that significant credibility would be at stake if something went wrong.

Telecoms providers, unlike some of the IT industry, have a healthy respect for Murphy's Law (if something can go wrong, it will), in addition to the more famous ones that are attributed to the value and growth of Moore's Law of transistor numbers doubling every eighteen months and Metcalfe's Law of the increasing value of connectedness.

They know that their survival is dependent on fundamental attributes that some vendors in the

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IT industry like to portray as differentiated marketing benefits, like security, availability, interoperability and predictability.

The telecoms industry's measured approach and involvement in the blossoming cloud market is to be welcomed, and should over time start to allay the understandable fears of those within enterprise who are responsible for delivering IT services. As well as trusting them to provide resilient networks, CIOs and IT directors might look to their telecoms providers to supply computer power. Then maybe Sun Microsystems (and Oracle, through its acquisition) was right after all, the network really is the computer?

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Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with first-hand experience of ITC delivery who continuously research and track the industry and its real usage in the markets.

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation's environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca's mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

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