

 Perspective

CLOUD CENTRE OF EXCELLENCE

Defining the Governance Framework

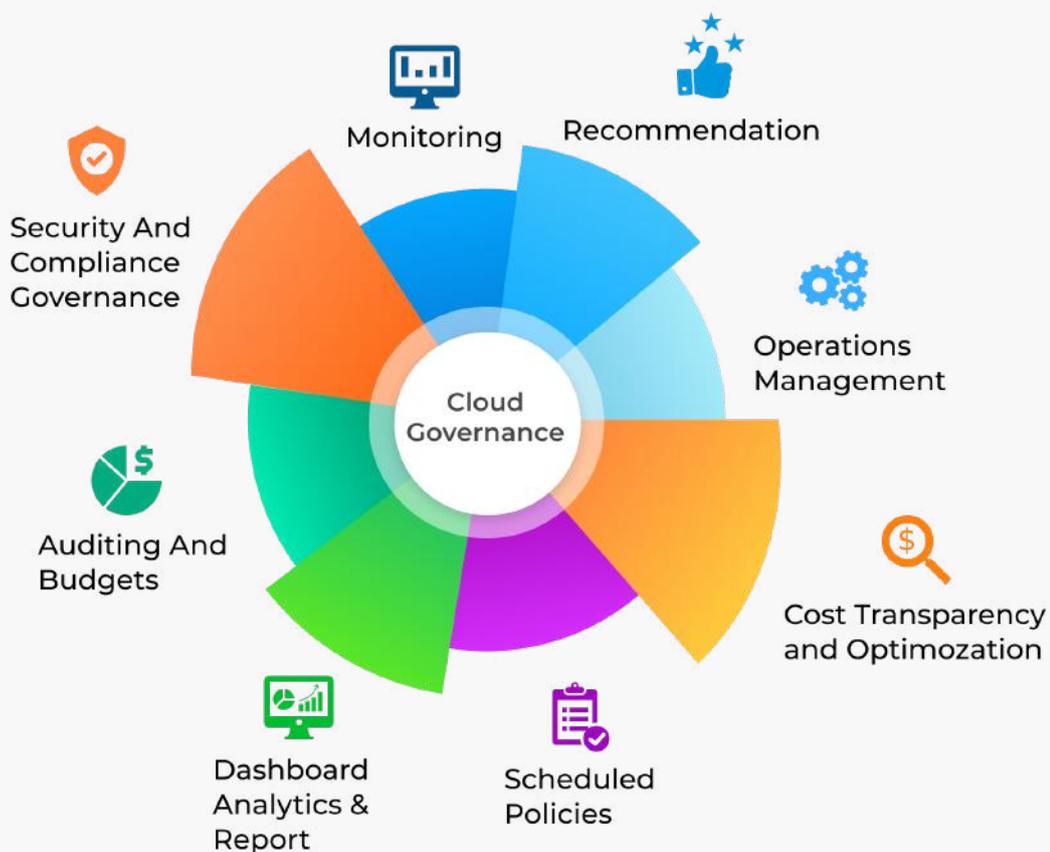
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Businesses today, require speed & stability to thrive and sustain the constantly evolving Markets specially with the advent of cloud in almost everything. Organizations are experiencing a major cultural shift in terms of getting well accustomed to cloud management practices. **Fortune Business Insights predict that the global cloud computing market size is anticipated to hit USD 760.98 billion by 2027.** With cloud markets moving at such a fast pace, how these operations need to be planned and defined are quite crucial and that is where cloud governance comes into the picture.

At its core, cloud governance refers to a set of policies and guidelines that dictate how cloud solutions are used. For business objectives to keep pace with modern technology and reformed business models, it is necessary to rightly incorporate cloud governance. To do so, organizations need to;

- Establish clear and measurable business and IT goals for cloud computing
- Design a cloud framework to align and enhance business objectives
- Minimize costs to boost organization's agility
- Integrate existing IT governance process, policies and tools with cloud governance
- Stabilize cloud governance model to guarantee successful outcomes



However, strategies alone cannot fully determine cloud usage. It is vital that the people who interact with these cloud assets along with the technology that supports cloud deployments collate together with defined processes to arrive at a comprehensive cloud governance structure.

To govern cloud at the onset and evolving continuously from there on is a must. For this, building a dedicated cloud centre of excellence (CCoE) becomes a must & needs to be established at the earliest.

Building a Cloud Centre of Excellence (CCoE)

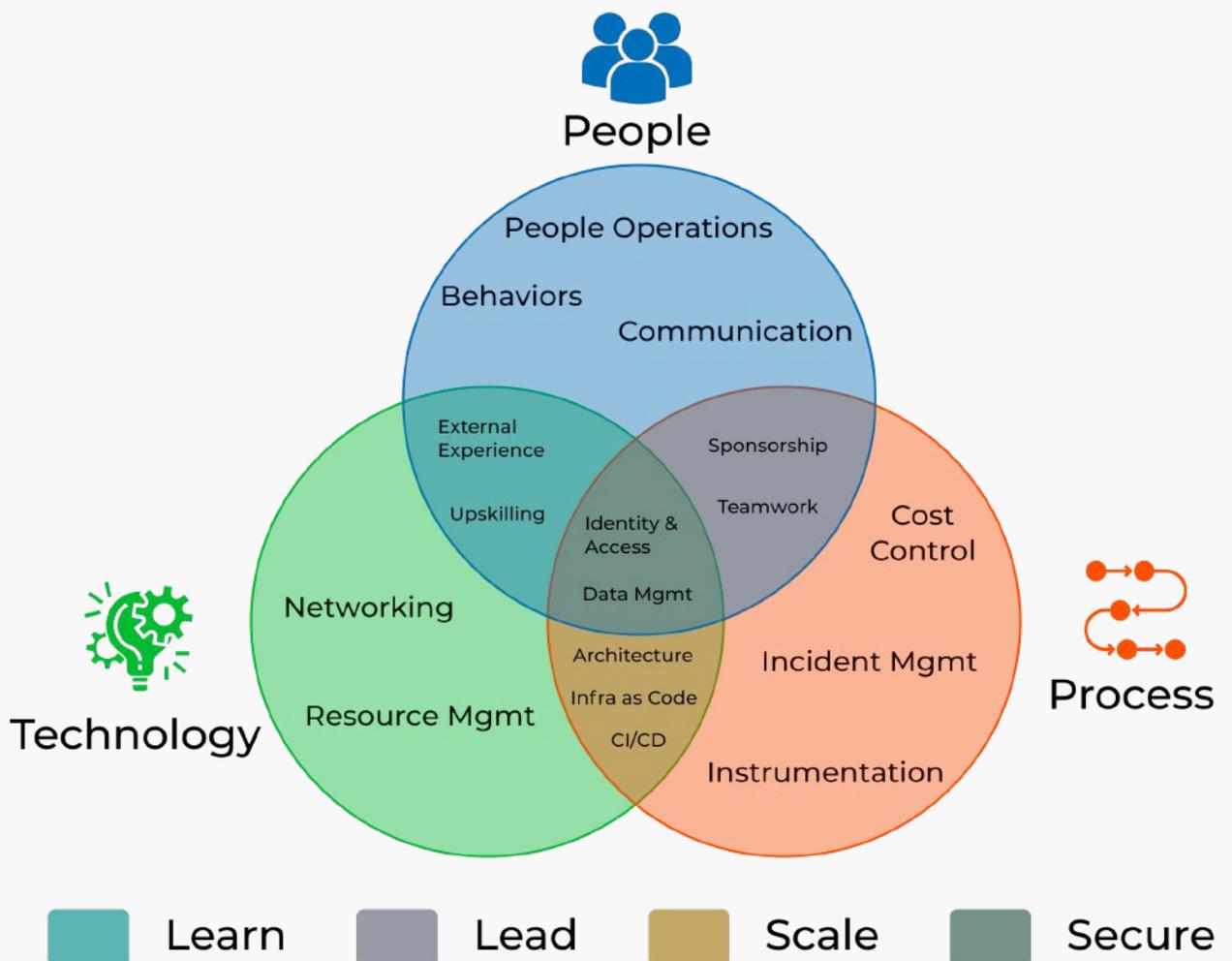
A CCoE is a cross-functional internal or external team comprising of stakeholders from all organisation functions such as business, finance, technology & operations, that helps lead organisations through cloud adoption, migration and operations.



A CCoE ensures that cloud adoption is not siloed and encourages repeatable cloud processes and standards to be incepted as best practices.

According to a recent survey, only 16 % of organizations have a fully-fledged CCoE, while 47 % were still working towards it.

The objective of a CCoE model is to help modernize IT structure and implement best practices that align with security, compliance and standards while also orienting cloud platforms with operational procedures & in the process making it cost optimized. Today, digital transformation is not about technology alone. For any organisation to expand and adapt to changing times, it must take its people, processes and technology, collectively into account.



Why PEOPLE?

Since businesses are fairly new to cloud governance, it is vital to build a befitting team. Assembling the right people from the right functions with the right experience, qualifications, and attitude is a must. The team typically comprises of CCoE leadership, solution architects, cloud security specialists, developers, analysts and cloud consultants. The lead is responsible to set clear objectives, expectations, visibility and impact of governance as people are what makes cloud strategy a sure success.



Why PROCESS?

Defining and standardizing a set of rules in line with business goals ascertains systematized business procedures within an organization. With the shift towards digitization, it is necessary to review and amend processes at intervals. Managing application dependencies, impact workflows, workflow integration and eliminating redundant or unused processes assist in increasing efficiency and consistency. Having a standard process ensures that everything is under control & the way it should be.



Why TECHNOLOGY?

Organizations today are investing heavily in cloud technology & tools for service management, contract management, billing, accounting, application design and development, monitoring and testing. It is important that tools are used efficiently in collaboration with the company's people and processes for businesses to function coherently. As organisations evolve tools will come to the forefront & definitely going to dominate the future in the long run



Significance of CCoE to the growth of cloud governance

Once the CCoE is established, it is responsible for building best practices, governance and frameworks that the entire organization can leverage, especially if they are planning on large-scale cloud migration or want to use cloud to drive innovations. A Swedish payment processing start-up, now with over 700 employees across 65 countries did exactly that by deciding to host multiple platforms on AWS that enabled them to enter new markets in an average of just 3 months which is far quicker than the industry average.

Over time, the CCoE team operations gain more maturity and experience, there is notable improvement in quality, security, reliability and performance. Organizations shapeshift towards agility, paving way for multi-cloud management, asset management, cost governance and customer satisfaction. That said, the future of cloud governance clearly appears to be tool led, digressing towards automation at a quick pace. Organizations would however, still need appropriate resources to work with these tools along with standards set by leading cloud service providers. The perfect mix for your organisation needs to be identified sooner than later.

Gartner predicts that **60%** of enterprises with proper Cloud Governance will experience **33%** fewer security lapses and by the end of 2020, public cloud IaaS will see at least **60%** fewer security incidents as compared to on-premise setups. Through the end of 2022, **95 %** of cloud security failures will be the customer's fault.

While a tool dominated cloud services looks promising and there is no one-right approach to this, it is important to strike a dynamic combination of people, process and technology to help more organizations build and maintain a holistic cloud governance frame-up. From the 33-33-33 model for CCoE we are definitely seeing the paradigm shift towards 50-25-25 in favour of technology, people, process. Thus it will be wise to conclude that usage of tools will steadily increase and surpass the people and process aspects of cloud governance practices. And the ones who adopt this will excel far better than others.

Technology & Tools

The future of governance

A leading global FMCG brand moved from their on-premise environment to a DevOps model enabling their marketing team to more efficiently deploy applications via AWS Elastic Beanstalk. With the help of AWS auto scaling, they could optimize performance and achieved 40% operational savings coupled with 80% reduction in IT help desk tickets.

In a recent study by RightScale, it was found that **84%** of enterprises have adopted DevOps practices, and **30%** have implemented DevOps principles across their entire organization.

In another instance, an American mobile technology company, with its smartphone app, enabled its users to earn cash back on purchases by embracing AWS-based cloud management tool to keep track of their usage and spending. They have not only been able to develop an automated AWS cost visibility and optimize processes but have also saved more than \$1 million in the process.

Industries like media, FMCG, education and IT/ITES are seeing an increased usage of cloud-based tools because of online entertainment, virtual classrooms and increased need for collaboration as a result of excessive remote work set up. According to (International Data Corporation) IDC's COVID-19 Impact on IT spending Survey, May 2020, up to 64% of Indian companies are likely to see higher demand for cloud computing to support the new normal.

Gartner forecasts **70%** of enterprises will adopt multifaceted cloud governance tools by **2025**

The firm sees the CMP space as part of the larger cloud management platform and tools (CMPT) market, which is expected to continue growing at an estimated 20 percent compound annual growth rate (CAGR) through 2022.



Tools help in the effective management of the private, public and hybrid cloud environments from a single reference point. Whether it is provisioning, Security, monitoring or reporting tools are playing a vital role in building a CCoE. They facilitate everyday activities, providing better user experience and therefore, organizations are & will keep opting for tools progressively.

Reference:

- [Data Governance in the Cloud](#)
- [By 2022, at least 95 pc of cloud security failures will be organization's fault](#)

Powerup (an LTI Company) is a born-in-the-cloud solutions provider and an AWS Premier partner with 6 competencies including Migration, DevOps, and Machine Learning. We enable cloud transformation journeys powered by homegrown accelerators and IP's, underpinned by our well-engineered philosophy. As a vanguard for the public cloud, we partner our customers in meeting varying business outcomes through the early adoption of world-class, cloud-based solutions. As a part of the Larsen & Toubro family, our unique heritage gives us unrivalled real-world expertise to solve the most complex challenges of enterprises across all industries.