

How to Persuade Your CEO to Make the Cloud Investment

By Jason Cowie, vice president of product management at Embotics

Chief information officers (CIOs) are often left with the task of deciphering very complex technical ideas and concepts for their company's senior leadership to digest. Their latest challenge is explaining how transitioning to the cloud will benefit their respective companies, which may seem counterintuitive given proof of cloud's ability to reduce capital spending and IT operational workload. Although many executives claim to understand the cloud, there seems to be a gap between what CIOs and CEOs believe it to be. For their part, CIOs acknowledge the agility and automation benefits associated with the private cloud but, in an effort to be convincing, they must sometimes "think like" a CEO in order to make these attributes more compelling.

Selling the virtues of cloud technology isn't the first time that CIOs have faced decision making hurdles. In the early 2000s, they were dealt the task of selling x86 virtualization, internally to their CEOs and CFOs. The proliferation of virtualization was met with a great deal of skepticism from many executives so to overcome this, IT administrators and CIOs had to demonstrate that virtualization actually meant flexibility, agility and cost savings through the consolidation of hardware. This resulted in CTOs and CIOs uniting to evolve the opinions of company leaders. Despite this, many CEOs remained unconvinced that virtualization translated into good value for money.

Moving to the cloud is perhaps a bigger undertaking in that it requires people, processes and technology to unify to make it truly successful. Although many companies have migrated to virtualized environments, the task of evangelize it still falls on CIOs, whomustcontinually explain that the deployment aspect is only the first step in their company's evolution to deliver infrastructure as a value-added, on-demand service to the business. Ironically, it is a "clouded" view of how cloud technology can evolve a business, which is likely to impede its successful adoption.

However, once the CIO has successfully defined the benefits of cloud technology, they must then demonstrate to senior leadership how its attributes of on-demand Infrastructure-as-a-Service (IaaS) translates to improved operational efficiencies.

Below are five tips that CIOs can consider in making a case for cloud with their CEOs.

- 1) Highlight cloud's competitive advantage. In addition to being an infrastructure investment, the cloud drives down costs and provides a repeatable, standardized and highly optimized process. CIOs can progress infrastructure conversations by addressing the competitive advantage that cloud delivers through speed to market. By spearheading company-wide cloud readiness assessments of their people, processes and technology, CIOs can determine total cost of ownership, gaps, process improvements, tools and roadmaps to implement cloud service delivery capabilities and related benefits.
- 2) Provide answers. CIOs can attend meetings with their CEOs armed with the aforementioned gap analysis to make the case for how the cloud delivers solutions to company inefficiencies. Examples of these solutions include self-service provisioning, its associated request and approval workflow automation, IT costing and showback (reports on the costs of all virtual assets, allowing business and application owners to increase awareness, understanding and accountability of actual costs required to support the business) and service catalogs associated with the private cloud. Documenting cloud benefits, which align to company goals and provide answers, can be a convincing strategy.
- 3) Promote performance improvements. CIOs can take this opportunity to discuss the value of speed, agility and the simplification of data center management. Cloud management solutions can calculate costs, automate routine administrative tasks and help optimize the performance and configuration of the virtual data center. Therefore, CIOs must highlight how the private cloud builds on the flexibility and cost savings the company can gain from moving to a virtual environment.
- 4) Focus on energy efficiency. CIOs can also explain how monitoring, measuring and managing IT consumption is a benefit that comes with cloud deployments. CIOs can also educate their leadership about how cloud's smart provisioning of resources enables IT to be more productive.
- 5) Explain how the right solution makes transitioning to the cloud painless. CIOs can provide their CEOs with answers on how to select the right cloud management platform, and then use the opportunity to develop business and technical justification. It's important to emphasize that transitioning to the cloud can be done painlessly, if a company uses the right solution.

By following these steps, CIOs can expect their fellow executives to agree on the business case for moving to the cloud. Cloud hype can turn to a promising reality once everyone is on the same page.

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Jason's extensive management background spans sales, business development, consulting, and product marketing at various companies including EMC, Configuresoft, Microsoft, Scalable Software and Mission Critical Software (merged with NetIQ in 2000).