Hard earned lessons from the Cloud

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As many of you know, “Silver Linings Playbook” was a wildly successful film from last year. We chose to use it as our title for several reasons, but most importantly because in that movie, the main character’s disorder leads him to say socially unacceptable things. He’s the guy who says the thing that is true but awkward. He doesn’t have a filter that tells him what is polite and what is not. And frankly, today the three of us are going to do the same thing…

We hope that the items we bring up will challenge you and provoke you. There may even be an awkward moment when you think… they shouldn’t say that. Most importantly we want this discussion to inform. We recognize that we don’t have all the answers, so we’re counting on you to raise questions and challenge us along the way.
It’s a BYOA kind of world.

*Image: http://mashable.com/search/?t=stories&q=globe%20apps&page=4
Bring Your Own Application*
Bring Your Own Applications

Consumers are more and more in control

IT decisions are increasingly being made by non-IT professionals

Big, long software selection processes are a thing of the past
If no one follows, are we leading?

IDC forecasts that by 2015, 46% of new IT spend will be on cloud solutions (mostly SaaS), giving cloud providers a lead role in relationships with your internal customers. Does this mean “IT will never lead again”?

photo: https://plus.google.com/100237182727019941157/posts/gwC7koziwiq
In this rapid consumer-driven world, we can’t lead with our business as usual approach, but, we can lead in a **new** way...

- Partnering
- Inspiring
- Coaching
- Brokering
- Enabling

Fortunately, non-IT staff still value sound guidance from internal IT experts, but the relationship is based on a very different dynamic. Cloud has democratized IT. Non-IT groups are no longer dependent on IT, and they’re making **critical** IT decisions without you. So, IT groups must look for new ways to add value to cloud acquisitions. In order to retain our seat at the table, we need to make a customer’s experience with **externally provided** IT even better because of our participation.

Bill: At Michigan one of Central IT’s role is to make cloud easy. That is, people will do what is easiest for them, so if we can reduce the barriers we can help make them more effective at the same time we help them make the right decision from a University perspective.
Slow central IT ...
... means no central IT

Be on the train, or under it.

Generally, central IT has been known to deliver its value slowly. Increasingly, that’s a losing proposition.

In the time it used to take us to define requirements, select a product, staff a project, and finally deploy just one IT system (with a huge sunk cost and a HOPE that the solution will succeed), IT consumers can now use a credit-card to quickly deploy multiple solutions addressing the a business need, then later cancel and end the monthly fees for any solutions that didn’t deliver.

IT consumers no longer need to wait for us. It’s we who need to keep up with them!
If you can’t take risks...
... end users will do it for you

photo: http://johnsoncook.com/cliff-jumping-or-puddle-hopping-crazy-dramatic-decisions-that-arent/#.UoZulvnkzyw
Users take risks... often without even realizing it

No longer is risk managed through a single central decision / contract

We don't have to be reckless, but we have to rethink how we look at and manage risk

Perfect is the enemy of good. Trying to get one “perfect” university-wide contract may be impossible or take forever. In the mean time, users aren’t waiting. They are just agreeing to click through agreements.

We can’t completely stop risk-taking by non-IT leaders, and yet you as IT leaders may still be held accountable for the outcome of cloud risks. If we are willing to leap with them, we’ll at least have some input on how/when the risks are taken.
On-premise systems are too risky

They're bigger targets, but they also make bigger security investments

Your IT security officer may soon be leading the charge to the cloud!

Our IT security strategies need to evolve in ways that accept that our most sensitive data will live outside of our firewall, sometimes in services that campus didn’t tell us they are using.
Big vendors rock!
Big vendors suck!

images:
Big vendors offer stability. Also deep pockets for innovation... though not always in the direction we need

Small vendors are nimble, and will actually listen to higher education.

Mastery of vendor management has become a critical IT skill
Candlestick Makers usually don’t invent lightbulbs

Transformative changes rarely come from someone immersed in operations

It's hard to see over the horizon when you're in the weeds

Liberate your change leaders so they can focus on change

The skills profile of those who are most able to lead change in this new frontier may not match the profile of those who previously led our projects. Cloud is still a bit like the wild west. It often takes someone who can work with only partial information and figure things out on the fly… kind of like an inventor!
You need to be more flexible than your SaaS provider

Customization creates lock-in, “version-freeze”, and raises the cost of updates

Alter your business processes not the SaaS app

The days of customization are coming to an end

Consumer culture is the new form of standardization. When we customize we create non-standard SaaS solutions. You need to use SaaS solutions as-is to reap the greatest benefit.
Watch your wake!

James W. Hebert
Cloud adoption, like any change, disrupts lives of real people

Find ways to support those affected by your transformation efforts

Help people work outside their comfort zones, but keep it out of their fear zone.

Change of this magnitude isn’t just a matter of technical change. It’s creating pressure for organizational change. You may want to bring HR into the discussion, labor (if you’re unionized), etc.
Experience can be a boat anchor

Andy Clark/Reuters
Most of what we have learned about procurement, risk management, project management, financial models and staffing is changing

Old: "What problem are we trying to solve?"
New: "What new opportunity does this present?"

Here’s how to lose a modern IT consumer’s trust in only four words: “What are your requirements?”

This is the era of opportunism and of consumer culture in IT. Who spends a month defining their requirements for an impulse buy from the on-sale rack? No one! We see it on the shelf, it’s cheap, we want it and the only question that matters is “Which color goes best with my new shoes?”. Yes that’s frightening, but it is increasingly the mindset of IT consumers. We need to adapt, if we want to remain relevant and by remaining relevant we earn the opportunity to introduce at least some measure of IT discipline in IT acquisitions.
Don’t fight redundancy and don’t fight redundancy.

Your cell phone, tablet, laptop, and desktop all have text editors. Your cell phone and your camera both take pictures. Both your toaster oven and stove can broil and toast things, but you may still have a separate toaster and even a bagel toaster.

If any one of these cost $millions to purchase and 3 years to implement (like on-prem ERP components), then we’d avoid duplication. But since they don’t, the only thing we worry about is finding a place on the counter to keep all this handy stuff.
Welcome to the Hotel California...

...You can check-in any time you want, but you can never leave

photo: http://mantrarock.files.wordpress.com/2008/03/hotelcalifornia.jpg?w=450
Make an “exit strategy” part of the selection and on-boarding process.

Getting your data isn’t hard, getting your meta data is

Architect to control key integration points, to minimize lock-in

This is a big problem that we should see as a big opportunity. Most of our customers won’t figure this out without our help. Yes, it’s really hard, but this is where we continue to earn a seat at the table.
Questions?
Rotten Tomatoes?