Using the Cloud for Business Resilience

June 20, 2011
Agenda

- Why resiliency matters
- A successful cloud-based approach to resiliency
- Moving forward: Considerations for building a cloud strategy
Who cares about resiliency?

71
Percent of CIOs are concerned about risk management and compliance

It takes 18 months for data generated to double in size

Technology users expect 100% availability of their applications and their information

53% of organizations would experience significant revenue loss or other adverse business impact after 1 hour of downtime

Source: Enterprise Strategy Group, April 2011
The continuous flow of information is inseparable from the operational performance of the business.

**The Facts**

- Information technology is often at the epicenter of how a firm interacts with its clients
- Information technology is always a lever to produce highly efficient supply chains, operations and workflows
- In combination, these two dynamics generate an explosive growth of managed data

**The Implications**

- Business resilience and information risk management are commonly on the agenda of the board of directors
- Firms must assess: Are we compliant? Are we reliable? Can we be trusted?
- Firms must decide how resilient they wish to be – contextualized in the availability, security and recoverability of their business operations
- Firms must evaluate the extent to which competitive advantage or disadvantage is influenced by their chosen resilience standing
The world is riskier than it used to be.

**Changing environment**
- Expanding risk exposures
- Increased global and regional interdependencias
- Supply chain disruption

**More complex regulations**
- Changing industry and regulatory standards
- Geographic dispersal requirements
- Varying regulations per country

**Heightened impact of business disruption**
- Greater financial implications of downtime
- Brand vulnerabilities
- Data integrity requirements

**Impact of coping with the financial turmoil**
- Loss of critical personnel
- Loss of key knowledge
- Reduction in attention to significance of risk
- Reduction in testing recovery plans

Disaster recovery and business continuity is one of the top IT spending priorities for many businesses.
So what is business resilience?

Business resilience is the ability to...

... rapidly adapt and respond to risks, as well as opportunities, in order to maintain continuous business operations, be a more trusted partner, and enable growth.
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What is Cloud Computing?

**A user experience and a business model**
- Cloud computing is an emerging style of IT delivery in which applications, data, and IT resources are rapidly provisioned and provided as standardized offerings to users over the web in a flexible pricing model.

**An infrastructure management and services delivery methodology**
- Cloud computing is a way of managing large numbers of highly virtualized resources such that, from a management perspective, they resemble a single large resource. This can then be used to deliver services with elastic scaling.
Cloud computing allows companies to rethink IT and reinvent the way they do business

Economics of Computing are Changing

Rethink IT
- Rapidly deliver services
- Integrate services across cloud environments
- Increase efficiency

Reinvent Business
- Faster time to market for new services
- Focus on differentiated processes
- Meet changing customer expectations, real-time access to technology
CIOs see Cloud Computing as a key driver of business innovation

2010 CIO Magazine Survey:

• 69% of respondents agreed that the cloud is very or somewhat important as an enabler of business innovation at their organizations

• The majority (54 percent) say cloud technology investments are actually shaping overall business strategy.

• 79% of respondents cited the enablement of business continuity as the top benefit driving investment in cloud computing.

Source: CIO Magazine, CIO Cloud Computing Survey, November 2010
The Evolution of business resilience leads to the Cloud

- **Centralized Computing**
  - IT: reactive
  - Business: reactive
  - Recovery Time: days/weeks

- **Distributed Computing**
  - IT: reactive
  - Business: reactive
  - Recovery Time: minutes/hours

- **Cloud Computing**
  - IT: proactive
  - Business: proactive
  - Recovery Time: seconds/always up

- **Disaster Recovery**
  - Mainframe model: centralized control, standardization, batch reporting

- **Business Resiliency**
  - Hybrid model: connectivity, data sharing cross-bu, re-standardization

- **Business Continuity**
  - Virtualized model: extended supply chain, mobility, direct customer access
Cloud Services can drive business resilience

Resulting in:

- Reduced costs
- Improved Flexibility
- Shortened Recovery Times

1. Increase resilience capabilities by providing additional resources when needed
2. Reduce costs associated with business resilience by contracting for only what you need
3. Improve the reliability of recovery by utilizing virtualized resources
4. Obtain greater flexibility by quickly transforming recovery profiles as production changes
5. Reduce the need for additional facility build-out and/or power consumption requirements
6. Shorten recovery time objective (RTO) and recovery point objective (RPO)
7. Avoid the need to travel to recovery site
8. Utilize resources for multiple purposes
9. Increase skills cost savings and valuable time saved during an outage
10. Enable improved geographic risk mediation
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When deciding about cloud options, managing the transition and choosing a provider require a comprehensive approach.

### Moving to the Cloud

**Standardization across these four elements**
addresses inhibitors to cloud adoption and enables a more seamless transition.

Before moving to the cloud, consider standards and policies related to:

- **Workloads**
- **Infrastructure**
- **Security**
- **Service Management**

### Choosing a Provider

Does the provider have the resources and expertise to work with you on all key elements?

- Does the provider have the depth of services to address all my needs?
  - Server and PC Recovery
  - Onsite and Offsite Protection
  - Archiving
  - Virtualization
  - Do they have the geographic reach to ensure my company is really protected?
  - Does this provider have the history of service and track record of success that assures me they can perform as advertised?
  - Is mitigating risk core to their business or is it a side line business?
  - Is there a company that has the resources to really support me in the cloud?
The IBM SmartCloud includes a robust set of services

Built on IBM SmartCloud architecture standards, our SmartCloud Resilience services help you to keep your business on the move

- IBM offers the full range of cloud delivery models to meet customer needs, including end-to-end, cloud-based business resilience, using IBM SmartCloud technology
- IBM SmartCloud provides a platform for running “everything as a service”
- IBM SmartCloud is built to provide the options and control to maximize service delivery and economics through choices relative to customer requirements
In 2011 we launch IBM SmartCloud Resilience, focusing on three key cloud services

IBM SmartCloud Resilience can help your business leverage cloud services technologies to quickly and cost-effectively recover in the event of a disruption or disaster. Our solutions, which include server recovery and data protection and backup services, can help you efficiently manage risk, reduce costs and meet regulatory compliance mandates.

- **SmartCloud Virtualized Server Recovery**
- **SmartCloud Managed Backup**
- **SmartCloud Archive**

This suite of cloud and virtualization services is designed to efficiently support your end-to-end resilience needs.
Our cloud-based service can help you to quickly and affordably recover critical business data during times of disruption.

With IBM SmartCloud Resilience, we help you to keep your business on the move by:

- Offering a combination of server recovery and data protection and backup services
- Providing a “self-management system” that can considerably reduce the need to travel to recovery centers
- Providing round-the-clock availability of technical resources to facilitate on-time recovery
- Offering virtualized and non-virtualized servers to help streamline recovery processes and minimize the impact of an outage
- Identifying gaps in your current resilience solution and leveraging IBM tools, expertise and cloud capabilities to build an optimized resilience solution
- Supporting your IT recovery, availability and business continuity needs with a cost-effective, cloud-based resilience solution
Next Steps

- Establish roadmap for your cloud journey:
  - Assess where you are and where you want to be
  - Define roadmap of initiatives and projects
  - Establish business value metrics

- Select and scope a cloud project:
  - Determine your starting point
  - Plan for implementation
  - Implement, Test and Deploy

- Determine the value realized through your journey

IBM can help
- Proven tools, assessments and workshops by key initiatives to measure business impact.
- Deep business and technical architecture, and data center and data center strategy expertise
- Open standards based approach
- Experience from Cloud client engagements and technology incubation projects
- Structured architecture approach
- Experiences from our own transformation
- The broadest systems, storage, software and services portfolio in the industry to find the right fit for your business
- Unparalleled research organization and extensive patent leadership
IBM Business Continuity and Resiliency Services

- 160+ BCRS DR Facilities in 53 Countries
- > 6000 customers with 12000 contracts
- 2,500 Sales, Consulting, and DR Service Delivery Professionals
Thank You!