Navigating the Cloud with Accenture

High performance. Delivered.
Cloud computing is a big idea that can revolutionize the way most companies, large and small, do business.

As with most big ideas, the opportunities may seem endless. The cloud’s potential to help your organization accomplish its goals, to do things not just faster and cheaper but exponentially faster and cheaper, is exciting. Its promise to help you do things that previously were just not possible, beckons even the skeptical. Yet, if not handled strategically, cloud’s potential remains just that—potential.

You need a collaborator; one who sees cloud’s possibilities for achieving high performance and marries them with a tailored practicality that suits your organization. Enter Accenture.
Cloud formation

Cloud computing, in its simplest form, allows companies to access IT-based services, including infrastructure, applications, platforms and business processes, via the internet.

Cloud has come to the fore as three interconnected worlds have evolved: information technology, business and the consumer sector.

Technology

A number of new and evolving technologies have contributed to cloud formation, among them: the continued commoditization of hardware, virtualization, service-oriented architectures, open-source software, the automation of technology management, bandwidth capacity increase, enhanced mobility and social computing platforms. These technologies are being combined in ways that provide rapid access to massive capacity and flexible functionality at dramatically lower price points.

Business

In Cloud and the Future of Business: From Costs to Innovation, an Accenture-sponsored report from the London School of Economics, more than 50 percent of respondents believed that cloud would help them transform their business, not just their IT. Cloud computing’s ability to foster rapid, relatively inexpensive innovation assists senior executives in addressing the ever-increasing demands from board members, shareholders and customers. Handled strategically, cloud computing can potentially help you create competitive advantages for your organization. Cloud computing is a tool that can assist executive teams in keeping costs down. Corporate leaders are also using cloud computing to help them find innovative ways to move ahead in their markets and leapfrog competitors who are not taking advantage of cloud’s benefits.

Consumers

The rise of virtual consumers and the explosion in social networking have created ubiquitous and personalized services that consumers expect to be the norm. The current generation of “digital natives” expects technology to be simple to use, low-to-no cost and available when they want it, where they want it. They are now purchasing actual cloud services such as iCloud and Dropbox en masse, no longer just services enabled by the cloud.

The collision of these three worlds means that David vs. Goliath scenarios are becoming more commonplace between business competitors. Why? Because use of an IT resource no longer depends on having the capital to own that IT resource. Companies can now source, scale and deliver capacity unbound by physical location or labor, thanks to the cloud.

And that changes the game.
A market changer...

Cloud computing has the potential to create new markets and drastically alter others. It is a disruptive technology that is already bringing change in a variety of industries.

Banking

Ordinary citizens are borrowing from and lending to each other online in the cloud, completely sidestepping traditional banks.

Government

Microsoft’s Campaign Ready offering is helping politicians change the election game, allowing them to access interactive townhall-type applications in the cloud to connect to voters on their iPhones, Facebook and the like. Traditional campaigns are a thing of the past.

Consumer products

Almost a third of consumers have stopped buying and renting DVDs because they can now access entertainment in the cloud.* In a typical week, 33 percent of consumers now watch shows, movies or videos on their PCs, and 10 percent are watching such programs on their smartphones. Sixteen percent of younger consumers had terminated or were considering terminating TV subscription services, again preferring entertainment in the cloud. While market impacts are starting to be felt by what used to be the industry key players, the full repercussions have yet to play out in the consumer electronics arena.

Cloud greens your IT

To assess the environmental impact of cloud computing, Accenture participated in a study with Microsoft and WSP Environment & Energy—a global consultancy dedicated to environmental and sustainability issues—to compare the energy use and carbon footprint of Microsoft cloud offerings for businesses with corresponding Microsoft on-premise deployments.

The team compared the environmental impact of cloud-based vs. on-premise IT delivery on a per-user basis and considered three different deployment sizes—small (100 users), medium (1,000 users) and large (10,000 users). The study report, Cloud Computing and Sustainability: The Environmental Benefits of Moving to the Cloud, cites that Microsoft’s cloud solutions can reduce energy use and carbon emissions by more than 30 percent for large deployments when compared to their corresponding Microsoft business applications installed on-premise.

The benefits are even more impressive for small deployments: Energy use and emissions can be reduced by more than 90 percent with a shared cloud service.

*Always On, Always Connected, the 2012 Accenture Consumer Electronics Products and Services Usage Report
Real-time information sharing in healthcare

Patients may see multiple doctors at a variety of locations. Currently, the majority of doctors are not able to share patient information with ease. Medical records in the cloud are now being used to help medical teams in disparate locations view the same information about a patient, update it and work in real time together to save lives and promote optimum health.

Capturing omni-channel consumers in retail

Customers are choosing to engage with their favorite retailers via multiple channels, driven by convenience, location, ease of use, availability of technology and other factors that were not taken into account even a few years ago as many core retail systems, processes, and capabilities were being developed. Whether it’s social media platforms, e-commerce engines, search optimization services, or mobile computing solutions, these capabilities all exist “in the cloud” and are now making it easier for retailers to engage with customers in unique and novel ways without the level of capital investment typically required to build and support a new channel.

Standardization in government

The Japanese government has a plan to create the Kasumigaseki Cloud, a nationwide cloud computing infrastructure that could eventually host all Japanese government IT systems. It is part of a larger government project designed to help spur economic recovery with the influx of new IT market revenue and new jobs. It is planned to be deployed in stages through 2015.

Advanced analytics in the pharmaceutical industry

Eli Lilly uses the Amazon cloud to provide computational pipelines for its professionals worldwide to speed drug development. The company’s scientists use the cloud for discovery and development tasks like sequence database searching and virtual screening. During one drug development process, Lilly effectively paid $89 to its cloud provider to analyze the relevant data. If performed internally, the same task would have required the purchase of 25 servers.

Instantaneous scaling in media and entertainment

Animation website Animoto launched a Facebook-related program that went “viral” overnight. Due to demand for the application, the company had to scale up from 50 to 5,000 servers in a matter of days. Cloud computing made it possible. Cloud also handles peak loads for online social media events such as Facebook holiday photo posting and fantasy football drafts.
Our services

While the concept of cloud is simple, determining how cloud best fits with your organizational needs can be incredibly complex. From strategic mapping to identifying the right vendor collaborators, there are hundreds of decisions to be made. Through it all, Accenture is with you, a provider who speaks your language and helps you not only sort through the complex choices presented by the many vendors, services and technologies in the market, but helps integrate your new IT landscape for high performance.

Cloud strategy

Key driver: What impact will cloud have on my business? What roadmap should I follow? What changes should I make to IT and my operating model?

A classic disruptive technology, cloud computing was first adopted by small and medium-size companies for simple and low-cost solutions. Its significance, however, lies far beyond cheap computing. Its Web-enabled, variable cost model is a clear departure from existing practice and holds long-term significance for IT providers and users alike.

While many organizations today are adopting cloud computing for the potential cost-cutting and speed-to-market benefits, one of the key factors to reaping maximum results is the creation of a roadmap for integrating cloud technologies into a broader IT strategy.

Accenture’s cloud strategy solution focuses on three main aspects of the C-level concerns about cloud:

- The business value of cloud adoption
- The organizational impact and required actions for the enterprise to benefit from cloud computing
- The possible scenarios of implementation, and their risks and benefits

Accenture can help your IT and business teams create a cloud strategy and governance plan that works in the near term but plans for achieving high performance in the long term.

Agile infrastructure services

Key Driver: My IT is too cumbersome and slow. I want to include cloud services in my business. How do I go about it? How do I avoid an integration nightmare?

Forward-looking organizations know that service-oriented infrastructure helps save money, reduce lag times and is, quite simply, better business than the siloed, unintegrated, location- and technology-dependent environments of the past.

Most are now operating in, or aiming to operate in, a heterogeneous, integrated IT environment—sourced from both within and outside the firewall—that is dynamically provisioned using proactive predictive operations, rather than the outdated reactive model. Services are provided based on distinct needs of different parts of the organization.

The Accenture agile infrastructure solution encompasses:

- Public and private cloud migration (for enterprise and government)
- Cloud infrastructure services (for service providers)
- Cloud Enterprise Services

Accenture helps organizations transform and operate their infrastructure, including servers and storage, networks, security and workplace services, to a virtualized, automated, service-based model. This is the starting point for integrating cloud services, which add another layer of complexity to the IT environment.

Our Cloud Enterprise Services (CES) provide automated provisioning, as well as service management and governance for hybrid IT environments through an online storefront. Provided as a managed service (i.e. a service integration broker), or as an asset for private deployment, CES helps your organization reap the cost savings and speed to market benefits of cloud without compromising quality, standards or security.
Software as a service (SaaS) implementation

Key driver: How do I implement a SaaS solution or transition my current application to a SaaS model?

Organizations today maintain an acute focus on ROI, in part due to cost pressures; they need to do more with the same or less. Yet, executives are being asked to integrate multiple applications and systems, strike the right balance between standardization and customization and maintain a tactical focus while building a strategic foundation. Specifically, our clients tell us they are looking for financial and operational flexibility, lower total cost of ownership, improved sales force and/or employee productivity, improved customer experience and a more symbiotic flow between business need and solution development.

The Accenture SaaS implementation solution helps address these challenges by enabling organizations to plan, implement and manage a SaaS solution.

By using a field-tested Accenture SaaS Business Solutions suite—an iterative approach for delivering SaaS and cloud technologies—Accenture provides clients the agile methods and tools needed to help them implement SaaS solutions that create a fundamentally faster way to achieve business value. They also help improve ROI with the flexibility to iteratively improve capabilities and adapt to changes in the market. It also helps lower the total cost of ownership via reduced IT infrastructure, lower up-front and run/maintain costs. The Accenture solution offers a better user experience, with higher levels of adoption, as well as access to a broad array of enterprise-ready functional and business capabilities.

Agile application and platform services

Key driver: How can I streamline and reduce costs to run my legacy applications? How can I build new applications using the cloud?

Changing your applications, whether building new ones or rebuilding/replacing existing apps, can be expensive and time consuming. Designing, building, testing and deploying the technology platforms and architectures that will underlie the application requires a significant budget. As CIOs and their business clients grapple with issues of IT cost, legacy complexity, speed and agility, they are increasingly considering cloud application and platform technologies as a vehicle for change to keep costs and downtime to a minimum.

Accenture believes that cloud will become the primary platform and enabler for application development and management and replatforming in the near future (for some industry leaders, it already is). Our agile application and platform solution focuses on the use of cloud in three ways: first, platform as a service (PaaS), second, application modernization, and, third, cloud-enabled systems integration. In each case we are able to leverage assets, methods, delivery capabilities, and alliance relationships that in combination provide Accenture with a uniquely differentiated client value proposition, including potential reduced infrastructure costs, reduced total cost of ownership and improved speed to value.
Accenture as a cloud provider

Accenture not only helps implement services from the growing ecosystem of cloud providers, but is a provider of software as a service and business process as a service.

Accenture Software

For years Accenture has used its deep industry experience to build software that meets specific industry needs. Now, Accenture is working on bringing this same technology to clients as a service.

Businesses face a myriad of challenges in their drive to greater profitability and growth. As organizations look for solutions to these challenges, software-based IP is an increasingly important component of the capabilities needed to achieve high performance.

Accenture Software provides both proprietary industry-focused applications and "third party enhancers" that complement most leading software products. Our portfolio spans multiple industries and business process domains with a strong focus on business outcomes. Each product is designed using industrialized global development capabilities and Accenture’s deep industry knowledge and understanding of high-performance business processes. The result is a portfolio of products that helps clients reduce total cost of ownership and time to market, improve customer experiences and enhance employee productivity.

Accenture Software provides customers the power of choice through on-premise, managed service, or software as a service—our delivery model is flexible. Accenture Software delivered through a SaaS model is based upon cloud technology and cloud solutions from Accenture. Among the offerings are:

- Accenture Software for Insurance—Claims and Policy Components
- Accenture Software for Life Insurance—Accenture Life Insurance Platform
- Accenture Software for Freight and Logistics
- Accenture Software for Consumer Goods—Accenture CAS

These solutions and others being developed are backed by the Accenture Software enterprise cloud, which combines services, tools and methodology to meet specific needs for security, reliability and performance.

Business Process Utility (BPU)

Outsourcing can help cut costs and create a more flexible workforce. Cloud is the next iteration of outsourcing, adding to the beneficial economics many companies already experience. Unlike traditional BPO, which often requires the service provider to take over an existing software installation, the process cloud uses a common, one-to-many platform to automate highly standardized processes. It differs from application clouds in that it provides end-to-end process support, covering not just software but also people processes such as contact centers. Accenture’s experience in this area includes Accenture Premium Technology Services, which gives communications companies and retailers industrialized tools, systems and processes needed to offer cost-effective, rapid home-technology support services.
We take our own medicine

Within Accenture, we are deploying cloud technologies to meet the needs of our own more than 200,000 employees, improving their ability to be skilled collaborators for our clients. Before many business executives had even heard of the cloud, Accenture was using it for our own employees, testing its limits and benefits. Some of our earliest uses included:

- SaaS procurement, analytics, recruiting and learning solutions provided to clients by Accenture’s Business Process Outsourcing (BPO) business
- Platform clouds for web conferencing, email, and team collaboration solutions
- A cloud-based IP call center and telephony solution for Accenture’s IT and business process support locations around the world
- PC backup for employees through a network-based cloud service
- Employee candidate identification, recruiting and tracking in the cloud
- Compensation planning and administration through a cloud software provider
- Infrastructure as a service to support application processing requirements

We use real-time experience to adjust our strategy, investments, sales approach and operating models to help clients realize the greatest value from cloud technologies.
Why Accenture

Many providers will claim to be uniquely positioned. Accenture has a multitude of projects to back up that claim and is delivering high performance for our clients every day, thus earning our place in the market over many years.

Industry knowledge

Accenture provides perspective in this industry-driven market. We have solid points of view, based on research and real-world experience, on how cloud will impact your industry, as well as a host of others. We bring those points of view to the table when working with you. Accenture combines its deep technology experience with team members who are well-versed in the industries in which our clients compete. Both types of knowledge are necessary to reap the potential benefits of cloud computing.

Independence and objectivity

Accenture is one of the few providers who can help you sort through the complexity of sourcing that cloud entails. We are well-placed at the center of a broad and deep ecosystem of cloud providers. We bring an objectivity to the selection of vendors that best fits our clients’ individual needs. We also help break down the barriers put up by “walled garden” providers, while helping to instill an organizational discipline that fosters success in the cloud.

A wealth of integration experience

Cloud is a disruptive technology but as with any technology, it must be considered in a measured manner. Many companies can help you implement cloud for a quick fix. Accenture will help you deliver rapid, measurable results in your business also. The key difference at Accenture is that we believe cloud should be considered as part of your overall IT roadmap or you risk having a jumble of disparate technologies and systems that do not play well with each other. The risks associated with cloud play to Accenture’s areas of strength: security, reliability, compliance, integration. We’ve spent years developing these strengths, honed through work on thousands of integrations. We bring that knowledge to the table when helping your enterprise launch into the cloud.

Global delivery

Accenture has built specialized cloud delivery centers consisting of skilled, cost-effective resources, tools and methodologies to help clients take full advantage of new cloud-based applications and development platforms. Part of the Accenture Global Delivery Network that has for years applied common methodologies, architectures and metrics to industrialize the delivery of new technologies, these teams are focused on the quickly advancing services from Internet innovators such as Amazon, Google, Microsoft, Salesforce.com and more.
Accenture addresses your key concerns

Savvy executives know that disruptive technologies such as cloud computing must be met proactively. They also know that no new technology comes without some challenges. Accenture discusses those challenges upfront with our clients to ensure they are addressed appropriately. Our clients usually ask:

Security

When data resides outside of your organization, how do you keep it secure?

Good security practices are good everywhere. As they have done in previous situations, IT leaders need to develop and practice a thorough understanding of the threats and levels of assurance that affect a given application or capability so they can establish a “risk baseline” for their adoption of cloud computing. Not only do they have to revisit their processes for tracking employees’ handling of data, but they must learn which cloud service providers they can trust most—for example, which ones go through frequent and detailed customer security audits in accord with standards such as ISO 27001. At a minimum, it is necessary to know what and how sensitive the data in question is, how it should be moved and stored, and what specific assurances the cloud computing provider makes in the service level agreement. Accenture serves as an unbiased independent evaluator for many of our clients in the cloud computing space, matching their cloud security requirements to the appropriate provider. We take both a broad and highly specific view of cloud security due to the breadth and depth of technology and industry-specific projects we work on with our clients.

Reliability

When the servers are not yours to maintain and run, how do you ensure business continuity?

Many companies use multiple replication stand-by resources that mirror their primary cloud sites. They translate business continuity requirements into a virtual infrastructure for disaster recovery. Similar to security, a good business continuity plan has the same basic elements, regardless of where your servers and infrastructure reside. Accenture has worked with our clients for years to help them achieve business continuity through natural disasters, the threat of malware, power outages and the like. The cloud is just another iteration of a business need that requires a comprehensive business continuity plan.

Compliance

How do you navigate the legal and regulatory maze with cloud, which includes the possibility of offshore servers?

When companies outsource their data processing to a third-party service provider, they do not release ownership and responsibility for internal control. The controls of the service provider effectively become the controls of the user organization, and must fit into the user organization’s internal control framework. HIPAA, SAS, and the like will pose challenges to cloud users. But, the same would be true with almost any major business or technology change in an affected industry. Accenture works with our clients to create a solid internal control framework that takes into consideration regulatory challenges. We help clients comply, choosing the least painful and most effective means for their industry and particular situation.

Integration

How will cloud work with your existing IT systems?

One size does not fit all when it comes to cloud computing. Some organizations choose to migrate a portion of their total applications to the cloud while continuing to leverage existing infrastructure. Other enterprises decide to move all infrastructure to external sources. Either way, the move to cloud can be smoothly integrated with your existing systems. Do not think of cloud as a complicating factor; think of it as a business move that opens up new markets and makes your organization fleeter of foot at a lowered cost. Working with a collaborator such as Accenture that has integrated thousands of IT systems over the years will help make the transition as smooth as possible.

Market immaturity

Is it better to meet cloud head-on or to wait until the technology becomes more mature?

Accenture’s position on cloud is that it is here to stay. It is a game changer. We recognize that some organizations will want to test the waters and others will want to dive into the technology. There is no one right answer. Each organization is unique in its needs, its clients’ needs, budget, timeline and readiness for the technology. Regardless of the choice an enterprise makes, rapid adoption or staged implementation of cloud, it is a technology that must be built into your overall IT strategy, governance and operating model sooner rather than later. Cloud computing is a disruptive technology. It changes markets and drives some competitors completely out of business by making business models obsolete and exponentially saving time and/or cost. You may not have to meet cloud head-on from day one, but you do have to meet cloud—and soon.
About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 244,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$25.5 billion for the fiscal year ended Aug. 31, 2011. Its home page is www.accenture.com.

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