

Cloud as an Investment Strategy

With growing data, shrinking budgets, and a goal to close **52%** of all data centers by 2018¹, Feds are turning to cloud, “as-a-Service,” and OpEx vs. CapEx dollars. Agencies can “buy what they use” vs. “buy what they forecast,” improving cost control, asset management, and capacity planning across the enterprise.

Priority: Innovation

80%

of the \$80B Fed IT budget is spent maintaining outdated, duplicative systems

JUST 55%

of Feds believe their IT department is respected and valued by their agency’s line of business professionals²

66%

of Feds say their agency needs to move to the cloud faster to meet mission and constituent needs³



Why Are Some Stuck at Go?



Cloud Concerns⁴

Security

Culture

Network Infrastructure Requirements

Acquisition Expertise

Implementation Funding

Key Cloud Procurement Questions

- Which cloud model is right for the mission – private, public, or hybrid?
- Where is the data physically located?
- What does it cost to remove data from the cloud/change vendors?
- What performance and service metrics are established by the SLA?

1 <https://datacenters.cio.gov/policy/>

2 “A FITARA Future: What’s Next,” MeriTalk, October 2015

3 “The Agile Advantage: Can DevOps Move Cloud to the Fast Lane?” MeriTalk, May 2015

4 “The Business of Cloud,” VION/Hitachi Data Systems, February 2016

Cloud Procurement **Best Practices**

- ☁ Statement of Objectives vs. Statement of Work
- ☁ Single Year Contract Awards
- ☁ Multi-Year Contracts With Options
- ☁ Quality Assurance Surveillance Plan Including: Operating Level Agreements, Service Level Agreements, and Escalation Procedures
- ☁ Best Value vs. LPTA



Follow the **Leaders**



\$2.8B⁵ Total FDCCI/Cloud Savings to Date

\$8.2B⁶ Total FDCCI/Cloud Savings and Avoidances Projected by 2019

84%

of Feds Comfortable Moving IT Services to the Cloud Say Cloud Makes Data Management Easier⁷

The Business Case for **Cloud**



Align Spending With Needs



Innovate Faster – Reduce Procurement/Deployment Time



Scale as Needed



Reduce Shadow IT



Maintain Data Control



Gain Lifecycle Support



Avoid Lock In

Learn More

eBook: The Business of Cloud

www.meritalk.com/category/fed-cloud-silver-lining

Contact: info@vion.com

⁵ <http://www.gao.gov/products/GAO-16-323>

⁶ <http://www.gao.gov/products/GAO-16-323>

⁷ "The Fabric of Your Data," MeriTalk, 2015