Cloudy skies

How to bring clarity to your cloud platform in order to optimize your investment

September 2016
The benefits of the cloud are clear

<table>
<thead>
<tr>
<th>Flexibility</th>
<th>Scalability</th>
<th>Accessibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decreased initial investment</td>
<td>Reduced development costs</td>
<td>Increased speed to market</td>
</tr>
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</table>

Transformed business processes

But what is next?
The benefits of cloud technologies are clear, but now that you have deployed your capabilities into the cloud, there are new worries that must be handled.

Some organizations may have enabled their capabilities in silos, but the desire is to implement them consistently across the enterprise.

Your technologists are now having to revamp their standards that were initially focused on premise-based solutions in order to address the advantages that the cloud brings, like governor limits.

The cloud allows you to deliver capabilities incrementally to meet market demands and increase your speed to market, but to fully realize this potential, the traditional governance models have to evolve and become more agile.

Getting this wrong will increase your risk to deliver and drive up your cost.

Cloud industrialization challenges

- **Engagement** – How will our IT and business teams interact to promote growth?
- **Organizational** – How will we structure our organization to enhance and support the platform?
- **Standardization** – Which standards will we put in place to manage the evolution of the platform?
- **Governance** – How do we foster innovation while balancing risk and cost?
- **DevOps** – Should we merge our delivery and support organization?
The cloud’s potential = greater expectations

The fear of migrating your customer relationship management capabilities into the cloud is behind you, and now with the early successes, more business capabilities are targeted to be enabled. The cloud promises you the ability to innovate, optimize your return on investment, and deliver with speed. Companies that are able to understand how the cloud has changed their traditional views of delivery and operations are able to achieve the promise and meet the greater expectations.

Engagement model

The ease of making changes in the cloud has blurred the traditional lines between the business and IT and how they interact. Determining the right engagement model for your company relies on the resources available, skill sets, and roles and responsibilities to support the different enhancement types needed to support the business capabilities requested. There is a spectrum of potential models that could be put in place, but which model is the best model for you now and as you evolve in the future?

Centralized

- The business is focused on providing the requirements for the capabilities requested.
- IT is responsible for making the changes needed to enable the capabilities requested.

Hybrid

- The business is able to make some of the changes requested to meet its need without IT involvement.
- There are still some changes that require IT involvement in order to meet the need requested.

Decentralized

- The business is responsible for making all of the changes needed to support the capabilities requested.
- IT provides the standards to support the platform.
Aligning your organization

Building the right organization to optimize the cloud relies on determining the right mix of business and IT resources, the engagement and delivery model, and the roles and responsibilities between the organizations.

Developing the skill sets required to optimize cloud base delivery will require an understanding of who is doing what, training and a standard certification approach.

Opportunities to refocus resources into higher-value-added activities like innovation and citizen development exist as a cloud-based approach requires fewer resources to maintain.

So, how do the changes impact your current organizational structure?

**Illustrative – agile delivery**

<table>
<thead>
<tr>
<th>Business and IT team roles</th>
<th>Sprint team roles</th>
<th>Sprint team support roles</th>
<th>Extended team roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own the product and interact with the sprint teams to help align the product to the vision</td>
<td>Resources who lead and execute sprints in order to deliver incremental business value</td>
<td>Resources will support sprint teams in the delivery of business capabilities</td>
<td>Part-time resources brought in to support development or maintenance factories</td>
</tr>
</tbody>
</table>

**Cloud Center of Excellence**

Some roles like release management, architecture and build management reside within a CoE and are shared.

**Standardization**

Creating standards for your cloud platform will enable you to manage the evolution of the cloud in a manner that maximizes simplicity, flexibility and effectiveness and minimizes risk across multiple programs over time.

**Environment strategy (single vs multi-production instance)** – A decision framework to help you optimize your capability build-out in the right environments must be put in place in order to fully realize the value that the cloud promises.

**Metrics and key performance indicators** – Creating metrics for cloud value realization justifies increased cloud investment while also providing insights into potential opportunity areas.

**Integration** – Developing integration standards and approaches that account for the differences between cloud and non-cloud challenges is a must to minimize delivery risk.

**Coding and toolset standards** – Establishing coding and toolset standards will help drive consistency in delivery, minimize risk and reduce operational cost.

**Data** – Developing a high-level common logical data model taking into account the business model of key business units will help enable common understanding of business data, prevent duplication and help with reuse of standard capabilities.
Putting in place the right layer of governance will be key in helping to mitigate delivery risk while leveraging the nimbleness and speed-to-market potential that the cloud brings. In large organizations, the proliferation of cloud services without IT oversight creates growing security, privacy and financial risks. Worse yet, it introduces complexity, cost and confusion. Governing these areas will help IT successfully manage the cloud entities in use and turn the Cloud into an organizational advantage rather than a liability. However, traditional governance models can negate the value that the cloud brings. Which model is right for you?

The role of the Cloud CoE is to help establish and prioritize IT and business initiatives.

The role of the Architecture Council is to set the platform direction, determine the integration and data strategy, and set and enforce platform standards.

The role of the Delivery Council is to manage delivery of approved projects and manage vendor and supplier relationships on the cloud platform.
How EY can help

Our experienced practitioners have helped other clients address many of these issues. We typically propose a two-step approach that is approximately eight weeks long. The initial three weeks will be focused on understanding your current business capabilities, architecture and governance landscape and looking for opportunities for improvement.

<table>
<thead>
<tr>
<th>Eight-week engagement</th>
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<tbody>
<tr>
<td>I. Current state review</td>
</tr>
<tr>
<td>Three weeks</td>
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</tbody>
</table>

### Week 1

**Business**
- Interview business leadership
- Understand business vision and objectives for CRM
- Understand existing capabilities and desired future capabilities and constraints by line of business (LOB)
- Understand likely demand for new CRM initiatives
- Assess business sponsorship across programs and nature of decision-making

### Week 2

**Architecture**
- Interview key business and tech architects and key tech stakeholders
- Establish high-level understanding of existing CRM organization
- Review existing integration architecture
- Understand architectural strategies and priorities

### Week 3

**Governance**
- Review existing project portfolio related to CRM
- Understand project prioritization and funding processes
- Understand approach to project management and delivery
- Review existing governance model(s)
- Review existing governance processes within and across LOBs
- Use maturity model to capture observations of current and desired maturity across the key dimensions of governance

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Finalize and refine outputs
- Capability to environment mapping
- Current state architecture
- Governance and delivery finding
- Future state considerations
How EY can help

With an understanding of the current state established, attention will shift to developing an appropriate engagement, operating, organizational, delivery and governance model that is right for you and your organization and positions you to realize the value from the cloud that you desire.

### Eight-week engagement

<table>
<thead>
<tr>
<th>Week 4</th>
<th>Week 5</th>
<th>Week 6</th>
<th>Week 7</th>
<th>Week 8</th>
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</thead>
<tbody>
<tr>
<td><strong>I. Current state review</strong></td>
<td><strong>II. Target model Cloud CoE Design</strong></td>
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### Five weeks

#### Define operating model, organizational model and governance model
- Define the governance model and roles and responsibilities
- Define how the business will engage with you, how work will be prioritized and who will make the modifications
- Define the CoE target state, including roles, responsibilities and the supporting team structure
- Define the CoE organizational model and the gaps that currently exist to meet the desired state
- Define the approach to institutionalize the new governance model and implementation road map
- Socialize the models with executive stakeholders

#### Define architecture model
- Establish architecture guiding principles
- Define the integration approach and principles recommendations
- Develop the CRM organizational strategy and decision framework
- Define the environment strategy

#### Define delivery model methodology tools and templates
- Draft the implementation methodology and supporting playbook
- Define the toolset and delivery functions to support the recommended delivery methodology governance processes, tools and templates

#### Finalize and refine outputs
- Operating model
- Organizational model
- Governance model
- Define organizational strategy decision framework
- Define environment strategy
- Define delivery methodology and toolset
- CoE implementation road map
# How EY can help

Our practitioners bring deep skills and understanding of the challenges that you are facing. We will bring a lean but senior team to help you assess the current state and define the future state that will help you industrialize your delivery and achieve your value from the cloud.

## Program leadership

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<thead>
<tr>
<th>Executive sponsors</th>
<th>Project management</th>
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<tbody>
<tr>
<td>Client sponsors</td>
<td></td>
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<tr>
<td>Principal/ED, EY</td>
<td>Project Lead, EY</td>
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</tbody>
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## Project work threads

<table>
<thead>
<tr>
<th>Governance and CoE definition</th>
<th>Solution architecture</th>
</tr>
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<tbody>
<tr>
<td>Business SME for each division with planned usage of CRM</td>
<td>Client Solution Architect</td>
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<tr>
<td>Client PMO/Governance Lead(s)</td>
<td>Client Data/Integration Lead</td>
</tr>
<tr>
<td>Governance and CoE Lead, EY</td>
<td>Client source system and existing technical SMEs</td>
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<tr>
<td>Staff support, EY SMEs</td>
<td>Technical Lead, EY</td>
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<td>Staff support, EY</td>
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## Legend key

- Client resource
- EY resource