

## **Agile Clouds**

Buzzwords abound in the Business IT world. You can't ignore these words because they come at you from all sides. To help you cope with the possible hype you've been hearing, I offer you a brief overview of the realities of two of them- "Cloud" and "Agile".

### **The Cloud**

Everyone touts "the Cloud" as the latest thing, yet many aspects of the Cloud have been around for years. If you're using *Salesforce.com*, for example, you've had software as a service (SaaS) for as long as you've been a subscriber. In my office, we use a CRM (customer-relationship manager) service named *Highrise* by a company called *37Signals*. There are many satisfied users of these cloud services, but it's best if you understand the tradeoffs and pitfalls. Here's a quick summary:

**What's most unusual about the Cloud?** – it accommodates temporary load variations

Using software that's running "in the Cloud" gives you the capability to radically change your usage of the computers. So if you have a temporary load that is 100 times your average load, you can "provision" a bunch of servers and cover your needs in just a few minutes' interaction with the cloud service.

**What's the biggest caveat about using the Cloud?** – you have to be using standardized services

Cloud service providers can give you what you want in a moment's notice. But unless you're using a service that is standard – that is, not much different from everybody's else's service – you will not find it economical. So don't look to cloud services to differentiate you from your competitors, because they are probably using the same or a similar service, too.

**What's the payoff of using the Cloud?** – OpEx, not CapEx

You pay only for what you use, and it's usually a lot less than the cost of provisioning your own data center and buying the software. So using the cloud lets you get IT work done efficiently on operating expenses alone.

**What else could be a problem in using the Cloud?**

1. **Security** – don't plan to put your most confidential data into the cloud. For the data you do put in the cloud, make sure you have adequate backup and restore capability, or suitable data duplication.

2. **Availability** – be sure to check on service level agreements (SLAs) from your cloud providers. Think about how many minutes of downtime a year you can afford, then compare the offerings.

3. **Competitive services** – there aren't many cloud service standards yet, so moving from one cloud provider to another can be a problem.

4. **Rogue IT** – If you're managing IT for a large organization, you may discover that department managers are buying their own cloud services. This may be efficient and effective for them, but it could undermine your efforts to get IT to be consistent and effective across the organization. Get out in front of your users' needs, and offer consulting on cloud services to your departments.

For a longer essay on the ups and downs of cloud services, I recommend you read Robert Keahey's article titled, "The CFO's Guide to the Cloud" at [http://issuu.com/rkeahey/docs/cfo\\_guide\\_to\\_the\\_cloud/1](http://issuu.com/rkeahey/docs/cfo_guide_to_the_cloud/1)

## **Agile**

Agile software development originated with the "Agile Manifesto" in 2001. I like to describe it as a bunch of software developers who got together and said to themselves, "We've been so badly managed for so long, surely we can do better ourselves." So they laid down 4 values and 12 principles for software development. Since then, Agile has proven to be 2 to 3 times more efficient than previous "waterfall" methods for many types of software development. And the Agile principles have begun to be taken into other areas of management. Here are a few key things you should know about Agile:

**What's most unusual about Agile?** – progress is more visible

Agile methods work by dividing up a large project into increments that can be done in short intervals. The interval chosen is usually 2 or 3 weeks. At the end of each interval, the project team *demonstrates working software*. Since you can see the software working sooner and more often, you get more confidence that the claimed progress is real, because you can see it.

**What's the biggest caveat about using Agile?** – it requires more involvement by business people.

A development team in an Agile project requires daily access to a business person who is responsible for the results. This guarantees that software developers can talk over what the requirements really mean. It also requires the business person to be on-call every day, as well as present in person at the end-of-iteration reviews every 2 weeks. Don't expect an Agile team to be

effective if you don't provide for this level of time commitment by one of the business leaders.

**What's the payoff of using Agile?** – you can keep up with changes in the market and in your business priorities.

At each interval the priorities are set for what should be done in the next iteration, so you can adapt the project to changing conditions as you go. This helps to keep you from paying for a lot of work on the wrong thing. In fact, this could allow you to kill a project after only 10% of it is done, rather than having to wait until 60% to 80% of it is done to find out it's the wrong thing.

**What are other benefits of using Agile?** – Agile could infect your company's project management system and make everything you do more efficient. At the very least, using Agile for software development in IT will make your business people and your IT people work closer together on major developments. And that couldn't be bad, right?

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**Getting business value from every dollar spent in IT** is not easy. You need a guide who is knowledgeable about technology and also speaks the language of business. John specializes in rapidly getting IT to align with business strategy and to contribute efficiently to the success of the enterprise.

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