Verticalization of Cloud Computing
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Topics

• The Evolving Environments
  • Horizontal
  • Vertical
  • Geographic
• Microsoft Strategy
• Programs and Resources
Increasingly Demanding Environment

CONSUMERIZATION OF IT

11%
of information workers visit social networking sites for work

INFRASCTURE COST AND COMPLEXITY

70%
of IT budgets is spent maintaining inflexible & siloed data center equipment

RISE OF THE CLOUD

80%
of large enterprise IT managers are at least in trial stage for cloud computing initiatives

MULTIGENERATIONAL WORKFORCE

4 million
millennial enter the workforce each year

MOBILE AND DISTRIBUTED WORK

84%
of organizations have a remote workforce
<table>
<thead>
<tr>
<th></th>
<th>ON PREMISES</th>
<th>HOSTED</th>
<th>PUBLIC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DaaS</strong></td>
<td>Client Applications</td>
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<td>Client Applications</td>
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<tr>
<td></td>
<td>Client Operating System</td>
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</tr>
<tr>
<td><strong>SaaS</strong></td>
<td>Messaging, Collaboration, ERP, CRM, LOB Server Applications</td>
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<td>Messaging, Collaboration, ERP, CRM, LOB Services</td>
</tr>
<tr>
<td></td>
<td>IM, Presence, Voice</td>
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</tr>
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<td><strong>PaaS</strong></td>
<td>Database, Message Bus, Developer Server Applications</td>
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<td>Database, Message Bus, Developer Services</td>
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<tr>
<td><strong>IaaS</strong></td>
<td>Virtualization, Management, Security, Automation, Orchestration and Server OS</td>
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<td>VM Role, Management, Security and Automation Services</td>
</tr>
</tbody>
</table>
DaaS Benefits for Hosting Service Providers

• High-value and high-margin service
• Service stickiness (security, management, and data)
• Provides a foundation to offer additional services such as
  • Backup
  • Antivirus
  • Disaster recovery
• Leverage tools to automate deployment and reduce operational costs
Let’s play guess that OS
Operating System Quiz

Session Virtualization (e.g. RDS)

Virtual Desktop Infrastructure (VDI)

Session Virtualization has up to 5x the scalability over VDI
Among cloud services, many executives expect to increase their use of SaaS, then infrastructure as a service (IaaS).

Government IT Sourcing: Survey Highlights, Gartner, May 2011

Smaller jurisdictions, niche agencies or traditional application areas are more applicable to SaaS implementation.

Market Insight: The Impact of Cloud Computing on US State and Local Governments, Gartner, November 2010
Enterprises Migrating to Cloud

Will your enterprise be pursuing a cloud computing strategy by 2012?

- Yes: 76%
- Maybe: 20%
- No: 4%

Through 2012, how will your IT organization invest in cloud computing?

- More public: 8%
- More private: 75%
- Neither: 11%
- Don’t know: 6%

Gartner, Private Cloud Computing Plans From Conference Polls, Thomas Bittman, 4/30/2010
Why End Customers are choosing Partner Hosted Private Cloud

- Data Sovereignty Issues
- Want the Business Model of Public Cloud without the feature limitations
- Recent changes to certain software vendors Licensing Use Rights to permit mobility to Partner Hosted Clouds and hence protection of investment in software
- Want vertical applications that aren’t in the Public Cloud
- Require tight application integration
  - Horizontal to Vertical, Vertical to Vertical
  - CRM to Collaboration, ERP to Online Presence, …
Vertical Solutions: ERP

Business Need
- Simplified setup of ERP
- Easier pricing model
- No upfront commitment
- Flexibility for fluctuating employee base

Solution
- Dynamics GP
  Hosted
- Windows Phone 7 integration

Benefits
- 30 minute setup times
- 30 day evaluations without commitment to buy
- Integration to collaboration services

“Traditional ERP implementations require several days at a minimum to configure all the settings,” says Rose. “But, myGPcloud streamlines that process so that customers can start using the solution almost immediately.”
Vertical Solutions: Tax Compliance, Tax Planning, Practice Management, …

**Situation**
- Tax compliance, tax planning, practice management, fixed assets
- Increasing costs maintaining software code
- Need for integration with other applications
- Explosion in security regulation
- Social trend where people do not want to be geographically constrained

**Solution**
- ProSystem FX implemented as SaaS
- Centralized Data
- Integration across Suite to collaboration
- Personalized to needs to specific needs of customer

**Benefits**
- Increased Productivity
- Removed geographic boundaries
- Minimized Burden on IT Resources
- Predictable Monthly Costs
Vertical Solutions: Car Dealership Franchisor

**Situation**
- Used car dealership with 130 franchisees across 30 states
- Local IT system to each franchisee was burden
- Several weeks lag on decision making
- Long lead time for consolidation of reports

**Solution**
- Overhaul of Discover Software system to SaaS
- Leveraged Dynamics AX for ERP
- Browser delivery to dealers
- Unified database
- Easier to apply updates and enhancements to all

**Benefits**
- Lowered IT maintenance and development costs by 30%
- Zero need for IT resources at franchise
- Improved profitability
- Increased consistency across franchise network
- Dramatic improvement in reporting and decision making
Public Policy Issues and the Cloud

Regulatory, political, and risk considerations
• Data sovereignty
• National regulations and audit requirements
• Labor-related issues
• Universal access to government services

Datacenter/cloud computing policy and standards
• Data protection, privacy, and security
• Liability, protections, and expectations of operators/cloud providers
<table>
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<th>Government solution area</th>
<th>Benefits and examples</th>
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<tbody>
<tr>
<td><strong>Workplace modernization</strong></td>
<td>Service delivery and engagement</td>
</tr>
<tr>
<td>Improves information workers’ productivity through innovative technologies and optimized process management</td>
<td>Customer benefits</td>
</tr>
<tr>
<td></td>
<td>☺ Information publication and dissemination to constituents</td>
</tr>
<tr>
<td></td>
<td>☺ Automated transactions through form-based applications</td>
</tr>
<tr>
<td></td>
<td>☺ Robust identity and verification services to support secure transactions</td>
</tr>
<tr>
<td></td>
<td>☺ Participation and consultation through social media tools</td>
</tr>
<tr>
<td><strong>Service delivery and engagement</strong></td>
<td>Example cloud solutions</td>
</tr>
<tr>
<td>Helps government agencies deliver improved service and engagement through the use of online and multiple channels to enable publishing, transactions, and engagement through social media tools</td>
<td>☺ SharePoint 2010, Microsoft Dynamics CRM Online, or Windows Azure</td>
</tr>
<tr>
<td></td>
<td>☺ Provide citizen portals</td>
</tr>
<tr>
<td></td>
<td>☺ Windows Server 2008 R2 Hyper-V with Microsoft System Center solutions</td>
</tr>
<tr>
<td></td>
<td>☺ Provide citizen identity infrastructure</td>
</tr>
<tr>
<td><strong>Insight and accountability</strong></td>
<td></td>
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<tr>
<td>Improves the quality of government in order to build and maintain a high level of public trust</td>
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## Health collaboration

Supports delivery of higher-quality care and services to more patients and citizens in less time and at a lower cost.

<table>
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<th>Healthcare solution area</th>
<th>Benefits and examples</th>
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<tr>
<td><strong>Health information modernization</strong></td>
<td>Supports decisions and helps deliver more efficient and cost-effective health information and services</td>
</tr>
<tr>
<td><strong>Secure and connect the infrastructure</strong></td>
<td>Helps connect systems, data, processes, and devices to improve information management and communication</td>
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### Health collaboration

**Customer benefits**

- Processes for effective and efficient clinical communications and collaboration within an organization, teams outside the organization, as well as with patients and citizens
- Interoperable and integrated solutions to connect systems, devices, data, and processes to help people collaborate real-time and get the information they need when they need it

**Examples**

- Office 365/Lync 2010 – Enable secure and cost-effective communication between clinicians and patients regardless of location and time zone differences
- Partner-hosted SharePoint 2010 – Enable healthcare providers from multiple organizations to provide greater levels of coordinated patient care

• Key Elements
  • Cloud Computing for Health
  • Microsoft Office, Exchange Server, Sharepoint Server, Lync Server, Hyper-V, System Center and Parallels Automation
  • Parallels core member of board

“As the hosting provider for MyHospitals.gov.au, and a number of other high profile public sector customers, Uber has made significant investments in technology developed by both Microsoft and Parallels. By managing the technology and customer experience through Parallels Automation, while completely satisfying the requirements of enterprise deployments through the reliability and performance of Microsoft solutions, UberGlobal is uniquely positioned to benefit from the HCCA partnership announced today,” said Brian Sharpe, CEO UberGlobal Enterprise.
Health Solutions Through Parallels Automation Enabled Channels

Microsoft HCCA Cloud Services
- Hosted Desktop
- System Center
- Windows Server 2008 R2
- Hyper-V
- Collaboration
  - Lync Online
  - Exchange Online
  - SharePoint Online
- Hosted Cloud Servers
- Productivity
  - Office Professional Plus
  - Office 365

PA Enabled Providers

PA Enabled Channels
- VAR
- SI
- Vertical Hoster
- Small Hoster

HCCA Health Customers
A relative lack of sunk costs in traditional solutions gives IT leaders in emerging economies more permission to look at potentially disruptive cloud services. …

Few global cloud service providers have established significant presence in emerging economies, increasing challenges associated with Internet latency and introducing risks associated with foreign data domiciling and asset ownership. …

*Cloud Computing and Emerging Economies: A Mixed Opportunity, Gartner, February 2011*

Competition in the cloud vendor space is increasing, with newcomers such as telecommunications carriers and ISPs offering public cloud services, along with the "cloud natives" — Amazon, Google, Microsoft and Yahoo. The newcomers have the potential to become major cloud providers locally and throughout the region. …

Current involvement by the channel community, primarily local system integrators (SIs), helps increase awareness and accelerate cloud adoption in Southeast Asian countries. SIs must prepare for a different business model as cloud service providers. …

*Market Insight: Is Southeast Asia Ready for Cloud Computing?, Gartner, October 2010*
Microsoft Cloud Platform Strategy

PUBLIC

Identity ▪ Virtualization ▪ Management ▪ Development

COMMON

Identity ▪ Virtualization ▪ Management ▪ Development

PRIVATE
(On Premise or Partner Hosted)
Winning in the Cloud

Microsoft’s Strategy is PARTNERSHIPS

Differentiate
Optimize for Agile Infrastructure
Adopt New Business Models
Develop Strategic Partnerships
Program and Resources

- Technet
- Microsoft Developers Network (MSDN)
- Microsoft Partner Network (MPN)
- Microsoft Platform Ready for Hosters (MPR-H)
- Microsoft Service Provider License Agreement (SPLA)
- License Mobility for Software Assurance
- Monthly APAC Region Service Provider Live Meeting
  - email philme@microsoft.com to receive invitation
  - http://www.microsoft.com/hosting