The private cloud: How to leverage governance into small environments

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Meliá Hotels International
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1st Spanish hotel company
17th largest hotel company worldwide

- +70% of hotel portfolio managed, leased or franchised
- 32 hotels in the pipeline
- More than 25 million stays per year

Contribution to EBITDA

- 350 hotels
- 87,000 rooms
- 35 countries
- 4 continents
Private PaaS Cloud to Optimize Outsourcing Strategies
Corporate environments vs. Small key solutions

- Every corporation has small teams with special needs
- Small teams are faster, probably with limited budget, and their needs don’t fit well in classical outsourcing models
- Multinational corporations struggle to be able to integrate this many small needs into their IT model and outside the outsourcing.
The need of agility

* Adapted from Sharifi and Zhang, 1999.
Classical outsourcing model

- Long contracts
- Very well defined services
- Operational processes excellence on the provider
- SLA based
- Volume based: The bigger the better
- Scaled economies: The smaller the most expensive
What is the cloud?

“Cloud computing is an operational model for enabling convenient, on-demand network access to a shared pool of configurable computing resources that can be rapidly provisioned and released with minimal management effort or service provider interaction.”

National Institute of Standards and Technology, August, 2009
Enterprise Private PaaS Cloud Roadmap

Silos
- Non existent or limited standards
- Inefficient resource utilization
- Many operational models

Consolidation and virtualization
- Infrastructures rationalization
- Improved efficiency
- Basic resource sharing

Operations optimization
- Resources are shared to the maximum
- Automation
- Matured operational processes in place
- Matured IT architecture
- Accurate capacity management

Cloud
- Physical resources virtualization
- Automatic provisioning
- Dynamic and programmatic resources control
- Dynamic resource allocation
- Pay per use
Flexibility  

Agility  

Insourcing  

Cost reduction  

Business alignment  

Cloud  

Consolidation  

Optimization  

Maturity  

Automation  

Agility  

Cost reduction  

Insourcing  

Flexibility  

Business alignment  

Cost reduction
Private PaaS cloud as a solution

- A mixed model with an outsourced private Platform as a Service cloud, and insourced application operations over that cloud, is a good solution to rationalize the outsourcing model for those little environment.

- To set up a pay per use model, strong capacity management processes need to be in place. Although agile provisioning must be ensured, the physical infrastructure supporting the cloud has to escalate at proper pace to support the demand.
What’s hidden?

- We need to build processes for application operations.
  - OT costs: Processes development.
  - Operational costs: Resources

- There’s a new layer to consider in our compliance processes
  - OT costs: updating requirements
  - Operational costs: Compliance maintenance

- A new model for high availability: Fast recovery vs. redundancy
What about public clouds?

- HUGE change. Are regulators ready? Are WE ready?
  - New compliance models need to be agreed
  - New IT architectural models need to be defined within the enterprise

- Distributed security vs. network costs
  - One (or limited) access points to the Internet mean high communications costs
  - Distributed access points to the Internet mean high control costs.
When public clouds?

- Efforts are in place by many groups as the banking association BIDS, the Cloud Security Alliance and the Enterprise Leadership Council to preempt regulation by developing standards.

- The Cloud Security Alliance

- ISACA has released:
  - IT Control Objectives for Cloud IT for Cloud Computing
  - Cloud Computing: Business Benefits With Security, Governance and Assurance Perspectives

- Already there for small business
  - Optimizing IT costs
  - Providing and unbelievable scalability for the price
The big side effect of public clouds

- BYOD (Bring Your Own Device)
- Corporate data is out there accessible from anywhere
- There’s a change in the information management paradigm that we must face
GRACIAS / THANKS

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