

What is the use of a Private Cloud?

Pilot with a Public Cloud Service

Many writers are making a distinction between Public and Private Clouds. Public Clouds deliver standard services to business users and consumers. Private Clouds are in-company clouds that deliver services to a specific company and its stakeholders e.g. customers and business partners.

The theoretical distinction sounds logical, but why should you invest in a Private Cloud when Public Cloud services are available? The Cloud provider invests in a secure and reliable service, makes its shared platform available and takes care of high speed Internet connections. Are you sure you can do a better job in terms of higher quality and lower costs?

Main Characteristics of a Public Cloud

In a former article I mentioned the following 6 main characteristics of a Public Cloud:

1. Virtualization
2. Shared Platform
3. Pay what you use
4. Flexibility
5. Automatic scaling
6. Standard solutions and conditions

Let's have a quick look at your in-company IT infrastructure.

In-company infrastructure

I assume that you have your own data centre or data centres with a motivated professional staff and a CIO with a clear vision. That you have looked at different Outsourcing possibilities and that you have come to the conclusion that your cost of ownership is a competitive one. So you are in a good shape. Nevertheless let's have a closer look at the main characteristics of Cloud services.

Virtualization

To benefit of the economies of scale the Cloud providers have built a complete virtual platform. Ask yourself what percentage of your servers and data are really virtualized? Twenty may be thirty percent?

Shared Platform

A shared platform is necessary for scaling up and down within a box and scaling out. Do you have realized a shared platform by strong standardization or do you have many different hardware and software platforms?

Pay what you use

A nice benefit of Cloud services is that you only pay for what you really use. Is this already the case within your company? Do you have a service catalog from which you can choose and order the service you want? Are you sure you don't pay for the overcapacity of your data centre?

Flexibility

The Cloud providers are flexible in offering the services to you. You can easily scale up but also down, even till zero. Is this also the case within your company? Can you stop the service today and don't get a bill anymore from your IT department?

Automatic scaling

Depending on the traffic level, Cloud providers scale automatically up and down. Does your internal provider the same for you? Or is this only possible with an elapse time that is too long and costly?

Standard solutions and conditions

Do you have standardized your application infrastructure or has every department its own 'bespoke' solution?

Private Cloud?

My careful estimation is that the majority of the companies have a 'diversified' infrastructure to put it mildly. So you need first to clean up your infrastructure and invest in a shared platform with adequate collaboration software. Get the right expertise in house and train your staff. A nice investment in a direction you are not complete sure of at this moment in time.

One of the advantages of Public Cloud Services is that it transforms your Capex into Opex. You will not have this advantage when you built up your own Private Cloud. Your operational costs will go up, because you need to invest in an upgrade of your infrastructure while your old stuff is still running.

So why should you experiment with a Private Cloud when there is a good alternative. Despite all the pro's for Cloud Services you have to find out if it works for your company. You need to build your own business case in order to form a considered opinion and take a wise decision.

A pilot with a Public Cloud Service provider would be my first step.