Cloud Business Case

Kartik Velede

8672807

Cloud Migration and Management

INFO8850

Professor Srdjan Manojlovic

Date assignment posted: September 09,2019

Date assignment due: October 02, 2019

**TABLE OF CONTENTS**

[**DOCUMENT SCOPE STATEMENT** 3](#_Toc20946319)

[**REQUIREMENTS AND ASSUMPTIONS** 3](#_Toc20946320)

[**Requirements** 3](#_Toc20946321)

[**Assumptions** 3](#_Toc20946322)

[**CURRENT STATE COST** 4](#_Toc20946323)

[**FUTURE STATE COST** 5](#_Toc20946324)

[**COST COMPARISON OF CLOUD SERVICE VS LOCAL SERVICE** 6](#_Toc20946325)

[**CLOUD VS ON-PREMISES PROS AND CONS** 6](#_Toc20946326)

[**BENEFITS AND RISKS OF CLOUD MIGRATION** 7](#_Toc20946327)

[**RECOMMENDATIONS** 9](#_Toc20946328)

[**SUMMARY OF MIGARTION STARTEGY** 9](#_Toc20946329)

[**REFERENCES** 10](#_Toc20946330)

# **DOCUMENT SCOPE STATEMENT**

The main aim of the project is to develop a business case for a customer in order to understand the benefits such as lower upfront cost, flexibility, accessibility and various other factors and functionality of moving their core office services to a cloud service. This Document presents a framework to help decide which Cloud solutions are relevant and make financial and business sense.

# **REQUIREMENTS AND ASSUMPTIONS**

# **Requirements**

1. Ability to work and access files virtually
2. Intranet Website in order to get the company details
3. Large amount of data storage with security
4. An email and file sharing services
5. Backup of important files and 24/7 online support to fix the technical errors and general queries

# **Assumptions**

1. Uses office 365 installed in desktops
2. All Documents and contents are stored on a shared drive network
3. Office internet speed is 20 megabytes download and 2 megabytes upload.
4. Users access their email through MS outlook from an email pop/imap mail service
5. Company has 30 employees

# **CURRENT STATE COST**

The following table illustrates the cost of current scenario of VSN company when office 2013 was installed in the organizational desktop.

|  |  |  |
| --- | --- | --- |
| **SERVICE** | **COST FOR ONE EMPLOYEE PER YEAR** | **COST FOR 30 EMPLOYEES PER YEAR** |
| OFFICE 2013 BUSINESS | $219.99 | $6,599.7 |
| NETWORK ATTACHED STORAGE | $150 | $4,500 |
| EMAIL SERVICES(POP3/IMAP) | $50 | $1500 |
| INTERNET | $20 | $600 |
| HARDWARE AND MAINTENANCE | $300 | $9000 |
| SOFTWARE | $67 | $2000 |
| MISCELLANEOUS | $17 | $500 |
| TOTAL | $823.99 | $24,699 |

**­­­­­­­­­­­­­­­­­**

**FUTURE STATE COST**

The following two tables depicts the subscription-based cost of various versions of Microsoft office 365 and cost of VSN company once migration gets completed

|  |  |  |  |
| --- | --- | --- | --- |
| **VERSION** | **SUBSCRIPTION PRICE PER MONTH** | **SUBSCRIPTION PRICE PER YEAR** | **SERVICES INCLUDED** |
| OFFICE 365 BUSINESS | $13.20 | $126 | One drive |
| OFFICE 365 BUSINESS PREMIUM | $19.20 | $156 | Exchange, one drive, share point, teams |
| OFFICE 365 BUSINESS ESSENTIALS | $7.70 | $169 | Exchange, one drive, share point, teams |
| OFFICE 365 PROPLUS | $16 | $156.91 | One drive |
| OFFICE 365 E1 | 10.20 | 144.17 | Exchange, share point, one drive, teams, yammer, stream |
| OFFICE 365 E3 | 26.60 | 260.58 | Exchange, share point, one drive, teams, yammer, stream |
| OFFICE 365 E5 | 46.60 | 444.92 | Exchange, share point, one drive, teams, yammer, stream, power BI pro |

Table(1) subscription-cost of various version of Microsoft office 365

|  |  |
| --- | --- |
| **Services** | **Cost for 30 users** |
| MIGRATION COST | $300 |
| INTERNET SERVICE COST | $1000 |
| LOCAL STORAGE COST | $1000 |
| HARDWARE AND MAINTENANCE | $6000 |
| SOFTWARE | $900 |
| MISCELLANEOUS | $300 |

# **COST COMPARISON OF CLOUD SERVICE VS LOCAL SERVICE**

|  |  |  |
| --- | --- | --- |
| **REQURIMENT** | **ON PREMISES 30USERS COST** | **CLOUD 30USERS COST** |
| SOFTWARE | $2,000 | $900 |
| INTERNET SERVICE | $600 | $1000 |
| MIGRATION COST | NIL | $300 |
| EMAIL SERVCIES  (POP/IMAP) | $1,500 | NIL |
| NETWORK ATTACHED STAOTRGE(NAS) | $4,500 | $1,000 |
| OFFICE 2013 BUSINESS | $6,599.7 | NIL |
| OFFCIE 365 BUSINESS PREMIMUM | NIL | $156 |
| HARDWARE AND MAINTENANCE | $9,000 | $6,000 |
| MISCELLANEOUS | $500 | $300 |
| TOTAL | $24,700 | $9,656 |
| COST PER USER | $824 | $321 |

# **CLOUD VS ON-PREMISES PROS AND CONS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **FACTOR** | **ON-PREMISES** | | **CLOUD** | |
|  | **PROS** | **CONS** | **PROS** | **CONS** |
| COST | Can be cheaper in the long run | Significant upfront hardware and software costs | subscription based pricing | project costs out over the long-term |
| SECURITY | No third-party access to data | If organization lacks appropriate expertise, it risks significant exposure | High end data security is provided | Data cloud be accessed by third party |
| AGILITY AND SCALABILTY | Updates can be controlled when we have physical control over hardware | Need to plan well in advanced in order to meet the changes in demand | Cloud resources can be quickly updated to  specific demand | Cloud escalate when it is not properly tracked and maintained |
|  | Office 2013 is a onetime purchase | Once you purchased then there is no coming back | As required, storage can be added. Often on-demand solutions are available, so you only pay for what you need | Due to storage availability and cost organizations have limit to data that can be stored |
|  | No need of internet connection for accessing of data | May be more vulnerable to data loss during in case of catastrophe | With any computer, tablet or smartphone backup and restoring of data can be done from anywhere | When there is internet connectivity problem or disruption and server down from the cloud provider, company will not have access to data |

# **BENEFITS AND RISKS OF CLOUD MIGRATION**

When VSN company began to setup the business case, it observed some of the benefits which are as follows

1. Flexibility: Cloud migration provides flexibility to employees by providing accessibility of data from the servers outside the office and upgrading new technologies without high cost and risk
2. Reliability: Though the internet connectivity disruption is frightening fact of cloud migration, but it is still reliable compared to local premises in terms of cost and economy.
3. Cost Reduction and Increased Efficiency: It is very flexible due to the low entry barrier and pay-per-use model provided by cloud computing. It is scalable and inexpensive for large and small organizations. Because of the reduced cost and time organization can be more efficient.
4. Productivity**:** Automation is the main area that differs from virtualization in cloud computing. Developers do not need to call IT operations to gain additional capacity to develop or test when leveraging the cloud. Rather, they simply use a catalog of self-service to request that capacity and it is available immediately.

The following are some of the risks involved while migrating from local office to office 365

1)Network Dependency: Cloud computing is dependent on the internet. The major drawback is the need of internet to access the cloud which sometimes might lead to system outrages and service interruption at any time.

2)Data Security/Integrity: With the information hosted in-house, there is already a enormous danger, so its no secret that information off-site sits at even greater danger

# 

# **RECOMMENDATIONS**

I would like to recommend office 365 over office 2013 based on the following analysis made from the documented business model

* Easy setup and configuration of office applications
* Support from vendors regarding technical issue which reduces the number of expertise required in an organization
* Lower upfront cost
* Easily scale
* Accessibility of data from anywhere
* Reduce in no of employees required to maintain the data repository server
* From the cost analysis made on-premises costs way higher compared to cloud

# **SUMMARY OF MIGARTION STARTEGY**

1. Communicate the users of the change and verify ownership of the domain
2. Connect Office 365 to your email systems.
3. Create and start the cutover migration batch.
4. Migrate the mailboxes.
5. Provide the users with licenses.
6. Route your email directly to **Office 365.**
7. Delete the migration batch of the cutover, once the cutover routing has changed
8. Assign licenses to **Office 365** users
9. Send a welcome message with details about sign-in and training tips to new users.

# **REFERENCES**

For migration steps

<https://www.quest.com/register/117151/?gclid=Cj0KCQjw8svsBRDqARIsAHKVyqGkgC8_Ah-iB3w_r26KABHiV2HNpdXoaYibGdSw8rHQKIXqNoKPW2caAjzFEALw_wcB>

Benefits and risks of cloud computing

[**https://www.digitalistmag.com/technologies/cloud-computing/2012/10/25/risks-and-benefits-of-cloud-computing-020025**](https://www.digitalistmag.com/technologies/cloud-computing/2012/10/25/risks-and-benefits-of-cloud-computing-020025)

Pros and cons of services

[**https://blog.heroix.com/blog/cloud-vs-on-premises-pros-and-cons**](https://blog.heroix.com/blog/cloud-vs-on-premises-pros-and-cons)