# Cloud computing: the good, the bad, and the ugly

Chenxi Wang, Ph.D.

Principal Analyst

Forrester Research Inc.

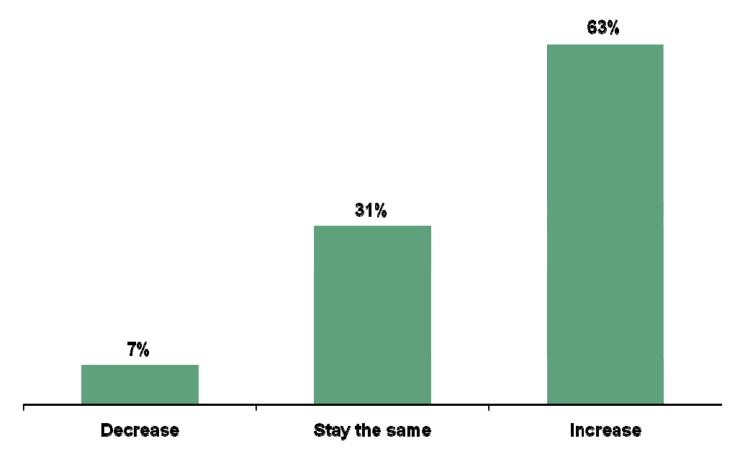


## Cloud computing: what is it?

Applications/functionality delivered via the cloud

- Accessible via standard Internet protocols
- Always available and scale to demand
- Programmable interface
- "Pay as you use"
- Full self-service features

# "How do you anticipate your organizations use of Web 2.0 applications to change in the next 12 months?"



Base: 253 global IT decision makers

Source: A commissioned study by Forrester Research on behalf of Secure Computing, November 2008.



#### **Cloud computing classification**

Rich Internet applications (Flickr, YouTube, Zillow)

Application offered in the cloud (Exchange online services)

Web-based services

Software-as-a-service

App-components-as-a-service

Software-platform-as-a-service

Virtual-infrastructure-as-a-service

Physical-infrastructure-as-a-service

API for specific services or integration

Development platform as a service, App server, File sharing, Object data store

Virtual servers, logical disks, System management

Datacenter hosting

(Yahoo! Map API, Flickr API)

( Google App engine Amazon SimpleDB )

(Savvis Virtual intelligent hosting, Engine Yard, Amazon Elastic compute cloud.

( Godaddy, Rackspace, Savvis)

August 2008 "Future View: The New Tech Ecosystems Of Cloud, Cloud Services, And Cloud Computing"



#### FORRESTER Benefits of cloud services

- Cost Reduced TCO ?
- Flexibility Dynamically scaling resources?
- Availability Always on, always available
- Community computing beyond local information
- Speedy provisioning of services (expedite time to market, maybe a competitive advantage).
- Enabling collaboration Provide a platform for easier and faster sharing and collaboration
- Core-based services?



#### FORRESTER Security concerns of cloud computing

- Data protection (confidentiality, privacy, personnel control)
  - How is my data stored and handled?
  - What about data leak risks?
- Operational integrity
  - Will my computation be done correctly and timely?
  - Multi-tenant, but non-interfering
- Compliance and regulations
  - Can you help me achieve compliance goal?
  - What about laws and regulations that impact operations? (e.g., data location)



#### FORRESTER Security concerns (continued)

### Transitive trust issues

- Do you use other cloud providers?
- Can my trust (and SLA) with you be carried over to their providers?
- Security trust
  - Is your application secure? Are your systems free of vulnerabilities and holes?
- Auditing
  - Can you be audited and how?
  - What support (if any) do you provide for investigative initiatives?



#### FORRESTER Security concerns (continued)

- Disaster recovery and business continuity
  - What is your BC plan? Can I continue to have access to your services during disasters and how?
- Loss of seamless user-level integration
  - Cloud services typically keep its own user accounts
  - Typical organizations have 5-15 cloud apps
- End-of-service support
  - Can you prove that you have cleansed my data?
  - What support, if any, can you provide to package up my data/app to move to another location?
- Intellectual property
  - Who owns what data/app in the context of collaboration?
- Liability & assurance
  - Who is liable for what?



#### FORRESTER How do clients handle security concerns today?

- SLA is the only weapon that clients have
- Very little internal visibility is afforded
- "SLAs are often confusing and nonstandard"
- "It's difficult to compare and contrast service to service"
- "Difficult to map SLA items to all required enterprise controls



#### **Enterprises' needs for control**

- Policy enforcement in a centralized manner, using scalable, auditable, repeatable methods
- Maintain control over information
  - Keep confidential information confidential
  - Proper access control for privacy and security reasons
- Compliance and regulation needs
  - PCI, SoX, GLB, ITAR
- Obtain visibility of activities



# This is in fundamental conflict with the essential values of cloud computing

- At the core, cloud computing is about being
  - Convenient & easy to use
  - Flexible, available, scalable
  - Efficient interaction between individuals, data, and applications
  - Personable & richly interactive



## What should we do as a community?

- We need standardization
  - Metrics: to measure and contrast vendor services
    - This includes security metrics
  - Auditing methods: to understand the inner works of cloud services and gauge trust
  - SLAs: help users understand agreements and their rights
- This needs vendors and users work together



#### As a user organization, what should you do?

- Do not go to cloud for pure cloud sake
- Avoiding it for fear of loss of control is not a solution either
- Exercise caution in choosing cloud services
  - Business driver is number one
  - Security and compliance concerns follow
- User communities can drive standards adoption and vendor strategies

#### **Questions?**

Chenxi Wang, Ph.D. Forrester Research cwang@forrester.com

Download these slides and a free research report from http://www.forrester.com/sandiegospc09