CloudFucius Investigates: The Comeback Cloud

Peter Silva, 2010-28-07

Not that it was ever down and out, but the whole cloud computing concept has gotten off to a grand but challenging start. It was all the rage when first 'conceived' as the new way of hosting applications with the promise of cost savings, automation, flexible/dynamic architectures, fast and repeatable deployment and a pay-as-you-go model. The Coin Operated Cloud but with very little understanding of all the buttons, functions and risks. As IT started to comprehend the nuances of the cloud, then some very serious questions regarding it's ability to protect and secure information came to light. This arrived at a time when the economic downturn could have vaulted the shared, less expensive infrastructure offerings to the top of any IT list since budgets were tight and resources scarce. It was the perfect storm of tight budgets and cost effective computing. However, the risk of data loss kept folks questioning the viability of putting sensitive data in the cloud. Plus, no consent on standards kept the mix of cloud offerings all over the place while limiting the customer's ability to mix and match.

As cloud offerings matured and *some* security concerns addressed along with IT having a better grasp on risks and mitigation, the cloud is gradually becoming more attractive to enterprises. Like anything else that suddenly bursts on to the scene, the hype outweighs the reality and it takes time to fully understand and realize the benefits.

It seems that almost weekly a shiny new cloud computing survey is released and this week, Vanson Bourne (commissioned by Savvis) released a report that ties cloud computing to the economic recovery. Specifically, '*68 percent of respondents said cloud computing will help their businesses recover from the recession*.' The survey found that 54% of respondents said cost cutting and more flexible IT provisioning is the biggest issue they face and they are optimistic with the prospect that cloud computing can cut costs. A significant number of IT decision makers, 96%, said they are as confident or more confident than they were last year that cloud computing is enterprise ready. Yankee Group also released a report that says *cloud computing is on the cusp of broad enterprise adoption*. They also indicate that the concept of cloud computing as a business enabler has jumped from 37% to 60% of respondents in just a year.

But can cloud computing save the economy?

That's a stretch, according to David Linthicum in this article. The logic goes, if companies can save money with cloud computing and are more optimistic about the prospect of cloud computing, then they will start spending IT dollars for cloud deployments. This will, in turn, boost the cloud economy since providers will have to prepare and hire for the influx of customers. Since accelerated growth would occur, that would attract public and private investments in cloud computing technologies. The 'catalyst,' as Linthicum notes, is to get more investment dollars back into the technology industry, which should fuel the tech economy at least. Betting that cloud computing will turn the entire economy is a huge long-shot and unrealistic. The survey also revealed that even with all that confidence, *security remains as the key adoption barrier*. 52% of those who do not use cloud computing said 'security of sensitive data' as a top concern.

In a slightly related story, LimeWire Planning A Serious, Cloud-Based Comeback.

And one from Confucius: *And remember, no matter where you go, there you are.*

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- *Who's actually spending on cloud computing?*
- *Yankee Group: Sky clears for cloud computing*
- *Cloud Computing's Effect on the Hosting Industry*
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