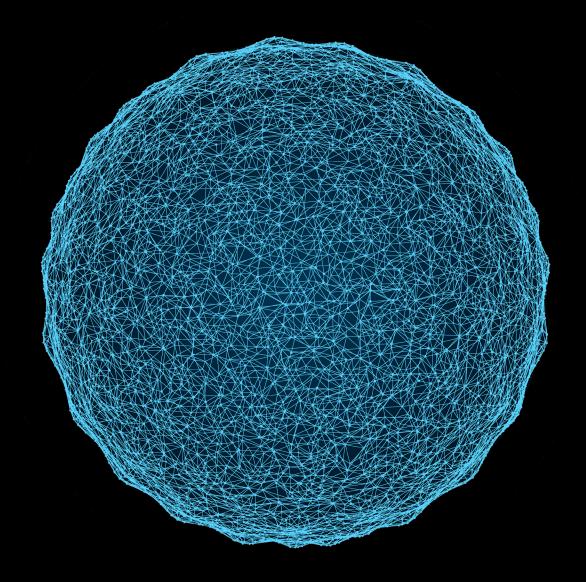
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Connectors

Shared services, outsourcing, global business services—and the cloud

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Are leaders in shared services, outsourcing, and global business services avoiding the cloud? Not really—even if most have not yet made huge strides toward adoption.

In reality, many are finding it difficult to identify their first move in the cloud. Some have lingering concerns with cyber security, others are more focused on traditional improvement areas in workflow, process, and location and many still are hamstrung operationally with "technical debt"—legacy investments they have already made, often years ago, which have yet to deliver their full return

on investment (ROI), and have not yet reached the end of their utility. These leaders—and their peers in the C-suite are understandably reluctant to jettison those investments in favor of something new, especially if they still work well enough for the business.

Meanwhile, though, the business is beginning to clamor for the types of capabilities that the cloud can deliver in a shared services/outsourcing/global business service environment. Improved agility, resiliency, and flexibility (to name a few)—all the benefits that they have seen from cloud investments elsewhere. And in a "shadow IT" world, where it is easier than ever for business leaders to

make an end run around IT to make their own cloud investments, particularly with SaaS (Software as a Service) they are already finding ways to get what they need regardless of bigger-picture goals.

As a result of these fast-moving changes, the cloud is here—not next year, not next quarter, but right now—and service delivery leaders need to start making decisions on the cloud or they could find that the decisions have effectively been made for them. Here are some ways to get started.

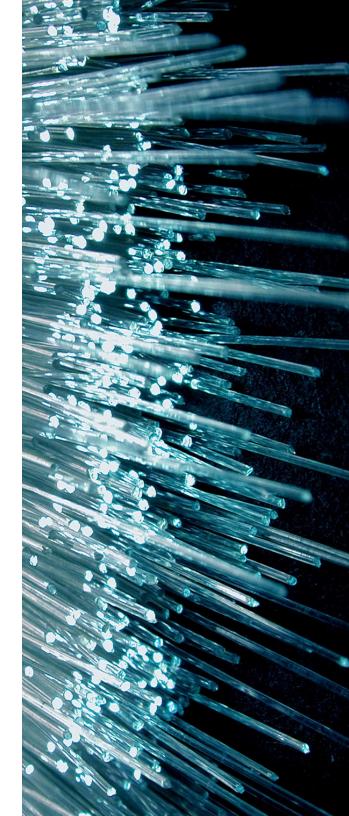
Think like a startup

A matter of focus

It is difficult to be objective about the cloud when you are surrounded by a legacy of decisions from years past. You have to change your frame of reference. Many find it useful to take a startup mentality to identifying new opportunities—bringing a laser focus to decision making and acknowledging that those decisions need to be made quickly. What does your service delivery environment look like through the lens of a startup?

For example...

If your service delivery organization were a startup, you would likely focus on two things: Clients and profit. You probably would not pursue an expensive data center, or, really, anything that required big up-front investments and locked the organization into long-term commitments. You would probably rent a lot, from technology to talent. You would focus on "as-a-service" capabilities. Lean and mean. Startups can grow and shrink in the blink of an eye. Your service delivery model should mirror this business elasticity.



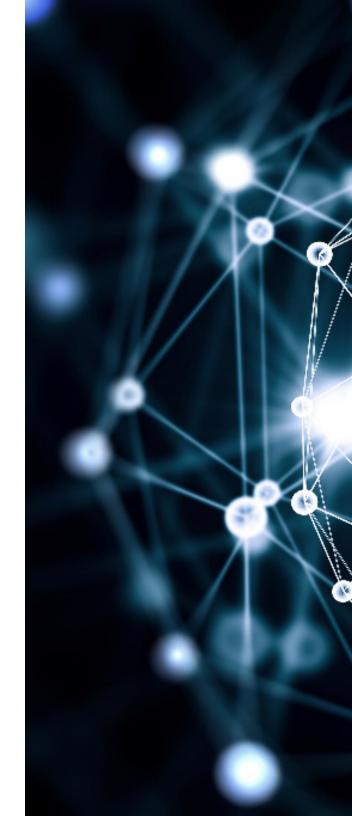
Identify which applications could move to the cloud *right now*

You do not have to move everything

The beauty of cloud services is that they invite a consistent, one-step-at-a-time approach. As a practical matter, that means you can test cloud capabilities with a handful of applications with less risk. Move only what makes the most sense for starters, then expand out as warranted. These options can provide balance in your service delivery model and allow you to scale and move at the pace of business.

Actively change your development cycle

Moving to the cloud on any level will lead to changes in your development cycle. Exactly how your development cycle will change is up to you, however—if you actively guide the process and start to better understand the demand velocity and desired outcomes of the business—you can change the game.



4 Connectors Shared services, outsourcing, global business services—and the cloud

Use transparency to make the case

"What we have works already. Why change?"

Expect to hear variations on that theme at every step of a move to the cloud. While many parts of the business may be clamoring for cloud-enabled capabilities, many others are aware of the technical debt already being carried in the service delivery organization and are understandably reluctant to commit to a new twist in the technology investment strategy. You will have to make the case.

It is about the total cost of ownership

How much does your current portfolio of investments actually cost the service delivery organization? It is extremely difficult to know on any given day. Meanwhile, imagine a scenario where virtually everything is run through the cloud—at a moment's notice, it would be possible to know how much storage is being used, how much computing power is being expended, which parts of the business are using the most services, how much it all costs, and a lot more. It is the equivalent of a power bill for technology capabilities. And it is a powerful potential benefit for the business.

Lead smarter conversations

Your peers in the C-Suite are looking for more insight into the inner workings of the business, on every front. The transparency delivered by cloud offers a chance to have smarter, more informed conversations with those peers on issues that are only going to get more important as the speed of decision-making accelerates. Cloud is not the only answer but when it is bundled with enhanced analytics capabilities and integrated into your complex service delivery model with shared services, outsourcing and a "nextgen" talent strategy, it can drive value from top to bottom in the organization.



To transform your business, transform your service delivery model

There are big changes afoot in shared services, outsourcing, and global business services. It is difficult to imagine these changes taking place without cloudbased capabilities playing a growing role.

In fact, there is already plenty of evidence that cloud is already changing things, as new cloud-based services have experienced widespread adoption over the past couple of years. There is no more time to wait and see how this all plays out. It is time to dive in. If you want to know more about how cloud computing could be put to work by your service delivery organization, we can help.

Let's talk

Cloud computing is changing business today—and service delivery transformation is no exception. If you want to learn more about how cloud capabilities can help transform your global services, outsourcing, or shared services, we should talk.

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Learn more about Deloitte's Service Delivery Transformation practice

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