

Internal cultural shift critical to cloud success: ANZ Wealth and Westpac

by Melanie Timbrell

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The cloud journey is much more than just the technology, according to our local banking chiefs.

The theme was broadly discussed at FST Media's *Future of Cloud Computing* conference last week. Speakers uniformly identified the necessity for organisational recognition that 'cloud' is a business-enabler rather than a technology driver. Equally important is the early engagement of external and inter-divisional stakeholders in cloud-related considerations.

"Many organisations underestimate the investment they will need to make in people," said ANZ Wealth CIO Greg Booker, who identified the finance, risk and legal functions within financial organisations as "absolutely critical to the journey and how it will play out."

Legal teams need a strong understanding of cloud in order to negotiate new forms of contracts and service level agreements (SLAs) with new parameters and greater flexibility, said Booker, while finance teams require an understanding of new investment and pricing models.

"You move from service level to business level agreements," said Randy Fennel, General Manager, Engineering and Sustainability for Westpac. "You start focusing on the services provided, not just the individual component SLAs... Technology-centric moves to business-centric."

Booker cited an appreciation of the agility required to adapt to the still-evolving cloud capabilities as a key lesson from ANZ Wealth's experience. "It requires an internal cultural shift. Executives have to agree up-front programs may have to have mid-course corrections," said Booker.

Vendor selection

Vendor selection and the new level of integrated and detailed agreements necessitated by the nature of cloud was a talking point explored in detail.

"It takes a team," said Randy Fennel. "To enable IT cloud and enterprise cloud services you need to care about your partner's partner."

Technologists should be asking their service providers who else they are partnering with in order to ensure the software chosen is compatible with the platforms and the principles on which you want to operate, now and into the future, according to Fennel, who sees partnership on cloud as a business-level undertaking.

"The immaturity of the offering and ability to enact the offering in its entirety, whether it's the feasibility around scale-up, scale-down or licensing options are things at this particular point in time vendors are really struggling with," said Greg Booker.

Fellow in Engineering and Information Technology at the University of Technology Sydney, Rob Livingstone spoke similarly on the key factors organisations should consider when selecting a vendor partner and the importance for financial managers to understand their cloud service agreements – what is included and what it means should you need flexibility within contracts.

Among the factors identified by Livingstone were privacy and the assurance an overseas-based vendor would be able to meet Australian Privacy legislation into the future without service disruption should mandates change. Guaranteeing the authenticity of records 'born digital' that are never on paper is also an issue for consideration should you change providers, as is record discovery and destruction capability if required, jurisdictions where some Government agencies are able to demand access to your system and the level of protection and recourse offered under your cloud contract for service outages or damages.

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