## **Executive Viewpoint**

## A CONVERSATION WITH GARY WANG AND ATTILA BOGNAR

Wang and Bognar discuss how the Army is leveraging the cloud to improve its IT services and support its data consolidation efforts.



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## How does the cloud fit into the Army's larger IT strategy?

Wang: First, we're making great strides to reduce the IT infrastructure. One of the ways we're doing that is by moving to a cloud-based as-a-service enterprise computing environment. The cloud also is helping enhance the security of our IT environment.

And moving to an as-a-service model with a commercial provider in some of these areas gives us added flexibility and agility to respond to the changing environment. In the past, when the government would own the hardware and employ people to run the data center and provide services, we were constrained by what I like to call "colors of money." You would use one color of money to buy the hardware, and then another color of money to actually pay for the labor. That is no longer the case when we take an as-a-service approach and contract it out.

Bognar: And there's a nexus between closing legacy data centers and developing a cloud-enabled environment. As we shut down data centers, we want to use the cloud as a final resting place, if you will, for the applications.

### How big of a shift is this, and how are you getting the buy in you need?

Wang: It is a big cultural shift. I tell folks we have both a carrot and a stick as motivating factors. For us the stick is the Army's recent directive mandating the consolidation of data centers and the move to cloud. The carrot is the potential cost savings and the other benefits we talked about earlier.

Bognar: We've been in what you might call a server-hugging environment, where owners perceived they had to have this tight control of the environment in order to be successful. Now data center owners need to realize, "Hey, we can let go of that ownership and still get great services and even better services." Because with industry best practices, we know that once we get into cloud, we're going to be able to deliver great benefits at a lower cost to our customers.

## What are the most important benefits/gains you've seen with the cloud so far?

Wang: One of our early adopters was the Total Ammunition Management Information System, or TAMIS. They have seen the benefits in terms of cost savings, ease of use,

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the transparency of data—and being able to receive reports from their cloud service provider. These quick results have aided their decision-making as they look to the future.

**Bognar:** We're still really in the initial stages of trying to establish the benefits. To help us do that, we are creating an on-premise, private cloud pilot at the Redstone Arsenal. This will be contractor-owned and contractor-operated, so we can really see the benefits that come with this model.

#### Has the broader adoption of the cloud required some shifts in governance or management strategies?

**Bognar:** This goes back to what we talked about on some of the challenges we have. We have to figure out the roles and responsibilities between the Army and the vendor for managing security in the cloud, so the vendor and the government can properly interact with one another.

And so we're going to need governance processes put in place to help resolve this challenge. As a matter of fact, the directive in place tasks ARCYBER to help resolve and manage this challenge.

We also have to ensure we have a way to manage application migration to the cloud, so we stood up the Army Application Migration Business Office or AAMBO. This helps the mission owners, those commands out there understand what environments their applications would be best hosted in from enterprise perspective, including the commercial cloud. And lastly, the directive that was signed off by the SECARMY established an Army level Migration Implementation and Review Council (MIRC) which oversees the compliance with the directive and drives us toward an enterprise hosting environment with the cloud being at the forefront.

## How do you see the cloud affecting the Army's IT acquisition strategy?

**Wang:** Acquisition is still the biggest issue we need to address with the cloud. What I've already seen is once we have contract vehicles in place for the cloud—in terms of

Large Multiple Award Contracts or indefinite delivery, indefinite quantity contracts—we are able to get those services more quickly. For example, last year with Redstone Arsenal pilot, we put out a request for proposals in May and made by award by the end of September. Requests for information are also helpful in getting a dialogue between industry and government about more effective ways of acquiring IT acquisition strategy.

Another significant issue is the idea of doing a cost benefit analysis or cost set-up analysis. Doing a CBA forces us upfront to look at the benefits and costs involved in migrating to the cloud. There are some cases where the CBA might show it doesn't necessarily make sense to move to the cloud. You might be perfectly fine just staying in a data center.

## What are some of the longer terms gains that you expect cloud to bring?

Wang: I always talk about economies of scale. As we have an increasing number of enterprise applications in the cloud environment, it does give us some purchasing power, so we can lower our costs that way. Also, as I said earlier, we can take advantage of emerging technologies more quickly, using the cloud as a kind of on-ramp in the IT world. One example is the use of analytics. It's much easier to apply analytics in the cloud environment, so we'll probably see more of that down the road.

Bognar: Also, here's what it will let us do: If I'm a customer [of a cloud service], I have the ability to scale up and down on demand. I can set up a development server in the morning, and that evening I can tear it down. And guess what? Because it's a metered service, I'm only paying for the time I had that server up. I think that as we begin to use the cloud more and take advantage of its capabilities, we're going to see a greater demand for it. I'm real excited about that.