



Choosing the *Right*
Cloud Service Provider

A guide to asking the right questions



Online Business Technologies

T 1300 886 889
E info@obt.com.au

www.obt.com.au

Table *of* Contents

Choosing the Right Cloud Service Provider, page 3

The Obvious: *The obvious 7 questions most people think to ask*, page 4

The Real Questions: *The 10 questions most people don't think of asking*, page 6

Final Considerations, page 8



Choosing the *right* cloud service provider

A guide to asking the right questions

Cloud delivery is very much the technology emerging as the preferred choice of increasingly more businesses. Seemingly every week, a new service pops up, offering something bigger and better than the one before. But with so much choice, how do you choose the service provider that's right for you and your business?

At OBT, we have been at the forefront of cloud hosted services in Australia for over a decade. As pioneers in this service delivery model, we believe there are a number of critical factors that underpin any successful relationship between a service provider and their client.

This document aims to highlight some of those factors. It's an insider's checklist of things to look out for as you do your due diligence before appointing your future partner.

We've included a number of points you may already have thought of, as well as a few more probing questions. Together, they're designed to give you the right insight when it comes to assessing providers and their ability to deliver the highest levels of service.

Remember, the quality of the answers is only as good as the quality of the questions asked.

The Obvious

The obvious 7 questions most people think to ask

1. “How long have you been in business?”

In theory, anyone can set up a cloud service (and many companies have done so to capitalise on its recent popularity). But what’s important is track record. Ask your provider when they were established and specifically, how long they’ve been providing cloud services.

2. “How many contracts have you renewed?”

A provider that delivers high service levels and value will retain clients – and satisfied clients will normally be all too happy to recommend a good solution. If clients didn’t renew their contracts, try to find out why.

3. “What levels of security are in place for ... “

a) Personnel

- How are company employees/contractors screened?
- What measures are in place to prevent unauthorised access to client data?
- What technical experience and qualifications are staff required to have?

b) Physical security

- Where is the data stored?
- What physical protective measures are in place?
- Is the data centre monitored by 24 hour security?
- Is the building fire and bomb resistant?
- What is the cooling infrastructure like (is it robust and fully redundant)?
- What kind of back-up power generators are in place in the event of a power failure?

c) Privacy and confidentiality

Ask your provider:

- Is my data stored on the same servers, network or backup devices that other customers use?
- How do you isolate my data from those customers?
- Do you meet data privacy requirements in my industry and location?

e) Backup and recovery

How often does the provider test their back up and recovery procedures? Find out how quickly your data can be restored in the event of a problem. Additionally, can they recover emails from specific mailboxes from a year ago?

f) Uptime

Ask when scheduled maintenance is performed – how often and for how long. It helps to know which services are affected during those times. Then ask:

- What are their redundancy systems like?
- Does the system work continuously, even if there's a fault somewhere in a critical part of the infrastructure?
- What is their record for uptime?
- Do they provide a contractual guarantee for uptime?

(Note: Even if you don't currently use cloud services you should regularly ask your own IT staff or contractors all of the above security questions)

4. “How scalable is your system?”

Their current service and set-up may suit your business now, but if you double your numbers in the next 12 months, can the provider still meet your needs? Find out if they have the capacity to increase your storage – and how much they will charge for the privilege?

5. “What issues are covered in the Service Level Agreement?”

Ask what level of support comes as standard and how much you'll be charged for it.

Ideally, you want a provider that is willing to take responsibility for all IT related issues and won't pass the buck, ensuring you don't get bounced around between various parties who each claim “another party is responsible” for the problem you may be experiencing.

6. “How and where is my data stored?”

If you're in Australia, you want to know that your data is stored in Australia. Therefore wherever you are based, make sure your data is stored securely and backed up within the country.

7. “How do you handle provisioning?”

Ask your provider:

- Is there an automated process for adding, changing and revoking employee accounts and data access rights?
- Am I in full control of the nature and timing of such changes?
- If the process is manual, what steps are in place to limit human error?

The Real Questions

The 10 questions most people don't think of asking

1. "Have you withstood multiple economic downturns?"

The fall out from the dot com crash in the late '90s affected even the biggest IT companies, as did the global financial crisis. It's vital to make sure that your provider has a proven track record in being able to survive a significant downturn in the economy. Understand that if you're dealing with a large enterprise, you should seek clarity as to whether they have a long term strategy around cloud services, or whether it is the introduction of a new service because of its popularity in the marketplace. These are often the first to be pulled when times get tough. Knowing their internal KPI's to ensure the longevity of the platform will be invaluable.

2. "Do you have a pioneering spirit?"

In a few years' time, your business will have moved on. So will technology, and you'll want the benefit of that. It pays to check that your provider adopts a progressive approach when it comes to embracing technologies. Find out what your provider's policy is with regards to testing and piloting new technologies. The last thing you want is to be stuck with an out of date system or a provider that only has the same offering year in and year out. Has the provider pioneered new offerings/technologies?

3. "What is your risk management policy?"

Ask your provider:

- Do you have a disaster recovery plan in place?
- Does this cover all vital areas such as operations, communications and links, equipment, and key personnel?
- What happens if your phone lines are down? How do you communicate with us and vice versa?
- Can you contact me if you don't have access to the Cloud service?

4. "Do you have ongoing investment plans?"

Try to find out how up to date your provider's infrastructure is. Ask what plans and policies are in place with regard to upgrading and renewing equipment? These are good indicators of your provider's vision for the future, as well as their capacity plans and growth expectations.

5. "What level of contact can I expect?"

Look for personalised contact on a number of levels. Different people have different responsibilities in your own organisation. The same can be said for your service provider. The more levels you can engage at, the more you minimise your risk.

Examples of this would be mutual relationships at a senior management, operations, administration and technical level. Although only one contact is nice, it does have a high level of risk associated with it.

6. “Do your values align with our own?”

Finding a provider that is the right match with your own organisation goes a long way towards ensuring longevity of the relationship. The better a provider understands your business, the better they can adapt to your changing needs. If you are a fast-growing professional services provider, for example, you don’t want a provider who only offers fixed solutions. Is it acceptable for you to call and receive an automated message, or be directed to an off-shore call centre?

7. “Do you work with specialist software?”

A provider that excels in working with software that has been adapted and tested to run in an online environment is a huge advantage for any company. It indicates an ability to work outside the box and a willingness to tackle complex situations head on. On a practical level it removes many of the technical issues associated with the installation and running of software on your own system.

8. “What responsibility do you take for communication links?”

A good cloud solution is only as good as the communication links put in place to make it work. Your provider should have a team of telecommunication specialists on hand who know how to implement the right communications links, at the right price, supported and backed-up appropriately to minimise risk of disruption. Also, ensure the service provider offers multiple-vendor communications options as some times a backup from the same vendor could be futile.



9. “What kind of training do you offer?”

Most businesses know the positive impact the right training can have on staff, especially when it comes to the introduction of new hardware and software. That’s why it’s important that your solution provider can provide the right level of training – to ensure you and your staff get the most out of your cloud services.

10. “Can you supply references?”

New technology often sounds good in theory, but as a prospective client you need to know that what’s being offered works in practice. A reputable cloud provider will be more than happy for you to speak to existing clients about their own experiences. For larger companies, an on-site visit is highly recommended so that you can get a hands-on feel for the service in question.

Final Considerations

...and finally, two last considerations.

The questions above are all designed to help you evaluate the physical, financial and technical capacity of your potential cloud provider. But there are two final questions worth asking yourself before embarking on the cloud route.

1. “Will moving to the provider benefit my bottom line?”

If you can, evaluate cloud solutions on a total cost of ownership basis. It can help to look at the savings you make in terms of employee time, licensing schemes and risk mitigation – it is far more than just comparing the cost of hardware.

2. “Is my provider easy to do business with?”

As it's likely you'll be working with the technical and administrative staff of a solution provider on an ongoing basis, it makes sense to gain some kind of insight into what dealing with them is like day to day. Often you only deal with the business development or sales team, however meet and get to know the support and administrative team as they are the people who will carry out what needs to happen for you. Testimonials and references from current (and previous) clients are an invaluable way of doing this.



