



CCoE-as-a-Service:

Part 2: How to Position your CCOE?

Table of Content

1. Introduction	3
2. The concept of a centralized CCoE	4
3. Factors that establish an effective CCoE	5
3.1 Align the goal and purpose of CCoE to business needs	5
3.2 Ascertain the CCoE team structure	5
3.3 Create the cloud governance roadmap	6
3.4 Set a long-term vision	6
4. The key challenges in building a CCOE	7
5. Where can CCOE be hosted?	7
6. Conclusion	9
About the Author	10



1. Introduction

According to RightScale, 66% of enterprises already have a central cloud team or a cloud CoE and another 21% plan on having one in the near future.

A CCoE is a team of experts whose objective is to provide organizations with guidance and governance around cloud systems.

Cloud CoEs are focused mainly around technology, business concepts and skills in order to gain the right structure and expertise within enterprises.

It helps bridge the gap between the available knowledge and skills vis-à-vis what is required in order to establish matured cloud centric operations for businesses.

With the previous blog revealing what a CCoE is and why is it important and necessary, we now move on to this second blog in the series that will emphasize key components required to form a CCoE and where should organizations implement it.



2. The concept of a centralized CCoE

Let us first understand that the CCoE is an enterprise architecture function that aids in setting up organization-wide cloud computing policies and tools to protect businesses and mainstream cloud governance. Establishing a centralized CCoE is the optimal way to sync people, process and technology and a centralized cloud center of excellence, supported by an advisory committee and community of practice, is a best-practice approach to ensure cloud adoption success.

Some organizations are reluctant to form CCoEs either due to lack of priority or the belief that their level of cloud usage doesn't justify the effort or they have a cloud set up that moves too quickly to operationalize the process.

However, a centralized CCoE is a must as it monitors the overall governance directing cloud-computing policies, selecting and managing the right cloud providers, provisioning cloud solution architecture and workload deployment, regulating security and compliance, optimizing costs and bringing in best practices to drive organizations towards cloud maturity.

Thus, such well-structured CCoE frameworks help companies to not just minimize and manage their risks better but also help them become more result-oriented and agile in their cloud-lead IT transformations.



3. Factors that establish an effective CCoE

3.1 Align the goal and purpose of CCoE to business needs

The cloud migration strategy will mainly influence the objective of the CCoE based on which the CCoE will identify the stakeholders that need to come together to ensure cloud objectives are defined, measured and aligned to business goals. For example, the CCoE for an organization that largely replaces applications with SaaS will be different from the CCoE of an organization that is rewriting applications, where the latter will focus on application engineering and the former on application integration.

It is also vital that organizations assess themselves in terms of cloud security, compliance, finances and operations so that the CCoE knows what areas need maximum focus to begin with.

Once a set of goals is defined and aligned to business needs, it should be able to answer questions like who should be part of the CCoE, what are the outcomes being targeted, how mature is our functioning and who should lead the CCoE. The intent of a CCoE must orient with the type of business strategies and its needs.

3.2 Ascertain the CCoE team structure

The executive sponsor and a group of cross-functional leaders who form a steering committee drive the CCoE leadership activities. They aid in strategizing and decision making processes, approving roadmaps, adopting standards and defining compliance policies, thus adding visibility and structure to the cloud migration program. They also have the authority to initiate, build and communicate with an association of CCoE representatives and various stakeholders across the enterprise to define and create models of the CCoE structure, roles and responsibilities.

For complex organizations, apart from a high-level model like a head CCoE team, there will be individual roles and responsibilities defined for each functional area within the organization that will report into this high-level model. The CCoE roles will evolve over time as the organization as a whole matures in its cloud capabilities. Therefore, it is important, especially in large organizations, to set maturity goals and roadmaps, define the cloud maturity model and measure it with KPIs, to ensure cross-functional teams also progress incrementally towards the desired state of maturity after which a cloud governance model will have to be defined.

3.3 Create the cloud governance roadmap

As the team grows, it is essential for companies to draft a vision, guidelines and strategies pertaining to governance policies.

The roadmap must cover objectives that cater to the people, process and technology.

The first step would be building a community of practice to culturally change people within organizations to adopt better to cloud while taking responsibilities and ownership to fulfill the purpose of a CCoE. Reforming the processes would include identifying workloads that can be migrated, establish architectural standards and best practices, implement monitoring as well as reporting systems, handle disaster recovery, business continuity strategies, and configuration management practices.

Lastly but most importantly, introducing tools to define and ensure security and compliance policies, automate workflows, optimize capacity and enhance architectural implementations.

3.4 Set a long-term vision

Once the CCoE team establishes itself as an effective resource across the business, consider a longer-term roadmap that involves driving a “cloud-first” approach, migrating more complex applications, gaining credibility by enhancing the existing policies and practices and obtaining funding and sponsorship to optimize cloud governance.

Establish cloud best practices for organizations to create knowledge and code repositories and learning material for trainings that would act as a guide to speed up the cloud operations while ensuring security, scalability, integrity and performance.



4. The key challenges in building a CCOE

The most common structural CCoE issues are:

- **Lack of directives** – It is essential for enterprises to define and understand CCoE goals and intentions in order to stay focused.
- **Incorrect scope** – Goals must match the expertise of the CCoE team. It is best to begin with a small team with minimal set objectives and eventually scale up as the team becomes more efficient. Unreasonable expectations may compromise projects and team's performances.
- **Delays in cloud adoption** – As CCoE drives cloud adoption, it is imperative that there are no delays failing which the team's ability and efficiency might get questioned.
- **Focus on governance rather than control** – CCoE can guide and contribute constructively if they adopt a flexible and adaptive cloud approach. Rather than focusing on control, CCoEs must provide businesses with apt processes to maintain and upscale cloud practices through governance strategies.
- **Lack of flexibility** – Most organizations are diverse when it comes to innovation and are willing to experiment with emerging technologies. CCoE must not adopt a one-size-fits-all approach to cloud computing guidelines and technological preferences. Organizations should be open to embracing a dynamic and flexible outlook to keep pace with cloud advancements and the ever-changing governance needs.

5. Where can CCOE be hosted?

As per the latest reports from [CloudCheckr](#), an advanced technology partner in the AWS Partner Network (APN) program, 47 % of organizations have formed a CCoE of some kind and 63 % have added new roles to customize and improve their CCoE practices.

CCoEs can be hosted depending on the type of organization, its size, and the capability of its resources. If resources are cloud proficient and are technically sound and engaging, then cloud CoE team members can be staffed internally.

If the organization is a small or mid-sized set up with minimal or zero cloud expertise, it can host an on-premise centralized CCoE team that serves as a cloud service agent or a consultant acting in an advisory role to the organization's central and distributed IT and cloud service users.

Furthermore, if the scope of cloud migration is part of a large enterprise conglomerate's digital transformation, then the scope of CCoE will also broaden and must comprise of cross-functional business units and stakeholders across the enterprise. Such organizations may opt to outsource the

CCoE functions entirely to external vendors or adopt a hybrid approach.

In a hybrid CCoE set up, the centralized CCoE team comprises in-house technologists and resources from cross-functional teams across the organization as well as external cloud consultants to look after its entire cloud practices.

A single consolidated team is not enough to cater to such a vast set up and would require business unit-wise (BU-wise) CCoE teams to manage and look after their respective BUs. These independent CCoE teams can then collectively account for one chief CCoE team.

A recent study reveals that the hybrid cloud is the weapon of choice for 45% of enterprises and 60% of government agencies use internal resources to lead their cloud migration projects while 40% hire an external service provider.

AWS Head of Enterprise strategy, Stephen Orban, explains that creating a CCoE in his past role as the CIO helped him dictate how he and his team could build and execute their cloud strategy across the organization. He said, “I knew from seeing change-management programs succeed and fail throughout my career that having a dedicated team with single-threaded ownership over an organization’s most important initiatives is one of the most effective ways to get results fast and influence change.”



6. Conclusion

CCoEs play an essential role in the development and measurement of the cloud business success.

83 % of the organizations admit that with a CCoE in place, their business productivity has significantly flared up and 96 % believe they would benefit from it without doubt. The top reported benefits of a CCoE include reducing security risks (56 %), reducing costs (50 %) and improving the ability to be agile and innovative (44 %) cloudcheckr report.

Thus, if CCoEs are built in an appropriate manner, organizations can –

- Use its resources in a more efficient way,
- Provide quality services and products to customers,
- Reduce costs by eliminating inefficient practices and
- Cut the time required for the implementation of new technologies and skills. It can help achieve consistency, as well as reduce complexity.

Stay tuned (follow us) for the next blog in this series, where we will have a look at the detailed structure of a CCoE with the roles, responsibilities, resources, and technical requirements.



About the Author



Vinay Kalyan Parakala

Vinay is the Principal Director for Cloud Practice at LTI, he has 25 years of experience in growth enablement, sales enablement, account management, advertising & marketing. Vinay has helped us identify some of the complex business problems of our customers enabling us to package our services strategically to provide simplistic solutions through cloud transformation, strategy, and consulting.



LTI (NSE: LTI) is a global technology consulting and digital solutions company helping more than 435 clients succeed in a converging world. With operations in 31 countries, we go the extra mile for our clients and accelerate their digital transformation with LTI's Mosaic platform enabling their mobile, social, analytics, IoT and cloud journeys. Founded in 1997 as a subsidiary of Larsen & Toubro Limited, our unique heritage gives us unrivalled real-world expertise to solve the most complex challenges of enterprises across all industries. Each day, our team of more than 36,000 LTIites enable our clients to improve the effectiveness of their business and technology operations and deliver value to their customers, employees and shareholders. Find more at <http://www.Ltinfotech.com> or follow us at **@LTI_Global**