



Dispelling 7 Myths of *Enterprise* Cloud-based Contact Centers



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MYTHBUSTERS

Mythbusters, Enterprise Cloud Edition

There is an entertaining series on the Discovery Channel called Mythbusters, which “mixes scientific method with gleeful curiosity” to test long-held, but often erroneous, theories. A typical recent experiment evaluated whether when you “get cold feet,” your feet really get cold.

In 2011, I decided to take a similar approach and evaluate a number of unsubstantiated myths that had been developed around cloud-based communications services. One such myth was that “the cloud is not secure.” These myths were often propagated by vendors with premises-only offers. In a series of blogs, I discussed some of these myths – and using less exciting methods than available to the Discovery Channel – offered logical arguments that “bust” the myths.

I recently came across the paper I wrote six years ago and was surprised at how much of the themes remain the same. Security and reliability remain key talking points for those that continue to be mired in legacy, premises-based solutions. The industry still talks about public versus private cloud solutions, but the definition of how “public cloud” is defined has certainly morphed.

But while some issues remain the same, others have been “put to bed” with the experience of time. With some myths disappearing, industry luddites without proven cloud solutions have created new issues in their attempts to hold on to existing customers.

Perhaps the biggest new myth is that cloud-based applications are only good for small- and medium-sized businesses. In this paper, we will not only bust the SMB myth but re-examine the myths from 2011 using the 2017 lens.



PRIVATE

PUBLIC

Myth 1: There's No Difference Between Public and Private Clouds

Then

What does the term private cloud mean? In 2011, it meant locating applications and services in a company or service provider datacenter.

But cloud computing implies attributes that typically aren't provided just because applications are moved to a datacenter, e.g., elastic scalability, payment models linked to usage, and transparent support and maintenance of the software application. These are aspects of cloud-based services that aren't addressed by private cloud solutions.

With private cloud the payment model isn't linked to usage. There is no elastic scalability as there is only as much capacity as the enterprise has purchased and installed. Support and maintenance are certainly not transparent as company personnel must purchase and arrange for the installation of software as well as perform maintenance as required.

In summary, private cloud does not include many of the worry-free attributes that CIOs are looking for.

Now

Six years ago, the distinction between private and public cloud was synonymous with the difference between single-tenant and multi-tenant solutions. The public cloud was defined as computing services offered by third-party providers from data centers, available to anyone who wanted to use or purchase them.

But a market transformation was underway. In 2006 Amazon launched Amazon Web Services (AWS). Today, they dominate the market by delivering not just computing services but also storage, databases, analytics, application, and deployment services that allow application providers to move faster, lower IT costs, and scale applications.

If in 2011 legacy premises solutions were a generation behind cloud-based contact center solutions, in 2017 applications designed to be delivered in AWS are the new benchmark and those remaining on premises equipment are TWO technology generations behind.



Myth 2: Moving to the Cloud is a Forklift Upgrade

Then

What could be scarier than envisioning walking into the CIO's office and recommending that everything that was purchased and installed in the contact center be thrown out and replaced with a cloud-based solution? Vendors trying to fend off the onslaught of business moving to competitors with cloud-based solutions use this particular myth to discourage IT decision-makers from considering such a move.

The truth is that cloud-based offerings co-exist with traditionally purchased and deployed applications all the time, in any number of ways. In the contact center specifically, cloud-based routing solutions can work with an existing workforce management application. A cloud-based contact center often integrates with an on-premises PBX.


In summary, moving to the cloud is not incompatible with “sweating existing assets,” and does not imply a forklift upgrade. Vendors that provide only on-premises solutions are using these and other myths to create “fear, uncertainty and doubt” about moving to the cloud.

Now

The past few years have shown us that often, companies are not afraid of a forklift upgrade – in fact they embrace it!

The reality is that many contact centers today operate on-premises systems that haven't had a material upgrade since the Y2K scare of 1999. Since then, we've seen financial downturns during which upgrade budgets all but disappeared. This has created a situation where companies are waking up in this age of customer experience and seeing very dated infrastructure.

So while the option to gradually migrate to the cloud – location by location or application by application – still exists, companies running aged, often discontinued hardware systems are finding that complete rip and replace is the *best* answer for their business. Increasingly, the move to the cloud is getting dictated in the contact center market, by obsolete infrastructure.



“Cloud computing is often far more secure than traditional computing, because companies like Google and Amazon can attract and retain cyber-security personnel of a higher quality than many governmental agencies.”

-Vivek Kundra, EVP Salesforce

Myth 3 : The Cloud Isn't Secure

Then

Six years ago I wrote, “First let me rush to say that I don’t pretend that every cloud deployment is secure enough for every communications application.” It is important to investigate thoroughly any vendor that you would use for a cloud-based contact center application because the level of security and adherence to standards varies.

When it comes to aspects of customer care that are highly regulated, e.g., PCI compliance, cloud contact center providers can often provide a much higher level of security than specific businesses are able to afford on their own, especially smaller businesses. Why? PCI compliance raises the cost of a solution; in a multi-tenant hosted environment these costs are spread amongst multiple users and economies of scale drive down the cost to each company.

Also, where a cloud provider can be more secure than CPE is in its ability to deploy the required staff resources to keep up to date on shifting security requirements, particularly with changes in regulations (PCI, HIPPA, etc.).

Now

Data security is such an important issue that it continues to drive people to the extremes. There are those who continue to believe that multi-tenant cloud applications are systemically unsafe, and those who believe that they are impenetrable. They’re both wrong.

Less penetrable does not mean impenetrable. Security requirements need to be matched with what is available. The fact is that, if a company takes precautions – that is, spends time picking and implementing the right contact center cloud services – the data in the cloud will likely be more safe than it was in the traditional system where the data came from.

The lesson of the past few years is that vulnerabilities still exist but when examined, they typically result from human error. The causes are users who share accounts, admins who write passwords on sticky notes, firewalls that are not updated, etc. And events like these can occur regardless of deployment technology.

Myth 4 : The Cloud Isn't Reliable

Then

In April 2011, every type of media (social, print, online, broadcast) was consumed with the story of the Amazon Cloud failure. In the lead sentence of its story The New York Times said the failure highlighted, “the risks involved when companies rely on so-called cloud computing.” Some rush to generalize this shut down of business web sites, small and large, to a condemnation of all things cloud.

But as is true in the case of security, reliability comes at a price that can be more palatable in a cloud-based setting than in the CPE alternative. To avoid a major shutdown, the business would need to set-up, administer and pay for a duplicate operation, with duplicated carrier connections— at a significant cost. The cloud alternative is to choose a contact center vendor with geographic and carrier redundancy.

Can, and do, some companies build and pay for completely redundant operations to hedge against disaster? Absolutely. Can every company afford that luxury? Clearly not. And for those that can't, a cloud-based contact center solution provider becomes a more, not less, reliable alternative.

Now

There is perhaps no greater testimony to the reliability of the cloud than a list of the flagship customers that have moved significant workloads to the major public cloud providers:

- Amazon Web Services: Airbnb, Autodesk, BMW, Canon, Capital One, Comcast, GE, Intuit, Zillow and Zynga.
- Microsoft Azure: Citrix, Carmax, Geico, Heineken and Ricoh.
- Google Cloud Platform: Colgate Palmolive, Disney, eBay, Home Depot, HSBC, SAP and Verizon.

Why are enterprise companies increasingly comfortable moving to the cloud today than five years ago? One reason is that they have made sure that the SaaS vendors they are using provide information about the uptime and performance of each of the services it offers. They have confirmed that the information is accurate, up-to-date and easy to locate, both current and historical.

When searching for a cloud contact center provider, make sure to ask questions about service-level agreements (SLAs) which lay out both the uptime and performance characteristics that customers can expect, as well as the compensation customers will receive when these commitments are not met.

**Stop whining about shadow IT
and do something about it.**

-Jon E. Mittelhauser,
a founding father of the web browser



Myth 5: With Cloud Solutions, Companies Lose Control

Then

A commonly heard argument against choosing cloud-based communications services is that companies lose control of their operations – that they are at the mercy of the application provider for everything, from making day-to-day changes to configurations to an inability to control access to company data.

The first of these arguments could not be less true. One of the key advantages of cloud-based applications is the robust interfaces developed by providers to put control over day-to-day operations into the hands of functional managers. In fact, in discussions with companies that have “crossed the cloud chasm,” an oft-cited plus is the fact that required changes can be made without the need to involve IT management.

When it comes to contact centers, control equates to giving supervisors and managers the ability to more closely manage their own centers – something that cloud enables significantly better than traditional on-premises applications.

Now

The increased deployment of cloud applications, often implemented by business departments versus IT, has created a new element in the control conversation. The term “shadow IT” is used to describe situations where employees and departments leverage tools and resources – typically cloud-based - without the expressed approval of IT administrators.

Shadow IT is becoming increasingly prevalent due to demands for increased workplace efficiency, the widespread availability of cloud-based solutions that can be easily implemented by the average business consumer, and what’s often perceived as IT’s slow response to the needs – or demands – of the modern user.

The answer is to support the needs that drive users to the cloud. For example, public clouds, like AWS, Azure, Google, have servers located all around the world. That makes them ideal for applications which are going to have geographically dispersed users. Most IT shops shouldn’t be trying to duplicate that capability or prevent its usage. They should embrace it instead, where appropriate.

“If someone asks me what cloud computing is, I try not to get bogged down with definitions. I tell them that, simply put, cloud computing is a better way to run your business.”

-Marc Benioff, CEO, Salesforce



Myth 6: Cloud Applications are Difficult to Integrate

Then

The difficulty with integration is another “red herring” myth. I’ve been in technology long enough to remember the nightmare of protocol conversion that kept many IT efforts from being successful in the 80s and 90s. However attempting to compare those experiences to the cloud world of today is absurd.

In fact, it’s the currently deployed premises-based contact center solutions that require complex and expensive CTI integration. By comparison, the cloud-based applications of today were typically built using the latest web-services technology, making them easier – not more difficult – to integrate with both premises-based and other cloud applications.

Now

If the cloud was the preferred choice for companies needing to integrate various software applications in the early part of this decade, developments in the past few years have only boosted the rationale.

Today’s multi-tenant cloud contact center solutions are being built using microservices. Microservices are business processes deconstructed to their most basic level by creating small, separate processes that take the place of large, single applications. New systems and applications can be quickly composed by combining functionality from a collection of services. Reliability is then increased by limiting the impact failure any one service will have.

Each individual microservice communicates with every other microservice in the architecture as well as with the applications and web sites they power. They also communicate with databases from which they draw real-time information, essential to their functioning. In the case of microservices-based cloud contact center solutions this might include CRM or industry-specific applications.

Increasingly, contact center applications will be called upon to integrate not only with CRM applications, but also artificial intelligence engines like IBM Watson, or Internet of Things systems. Most of these next-gen, innovative technologies are built using cloud microservices and will be inherently easier to integrate with like applications.



Internal Resistance to Cloud Adoption

Myth 7: IT and Contact Center Staff Resist Moving to the Cloud

Then

When considering a move to cloud-based services, the impact on employees is often seen as a deterrent. IT management will fear the loss of their jobs and agents will resist the change.

Yes, there are definite impacts on several contact center and related job titles. But happily they are positive.

Most IT staffs are over-whelmed with major projects, and something as simple as a routing change would have very low priority to IT. One of the key benefits of a switch to cloud-based contact center solutions is the ease with which changes can be made without having to wait for IT.

For contact center agents and management, cloud-based services allow the easy enablement of home-based workers. Easy web-based access to workforce management applications allow supervisors and managers to make schedule changes on the fly more easily than is typically possible with most premises-based solutions.

Now

Cloud is the new contact center normal. But even the biggest cloud proponents will admit that not all cloud projects succeed. The overwhelming issues are never the technology – those issues are easily fixed. It's the people issues.

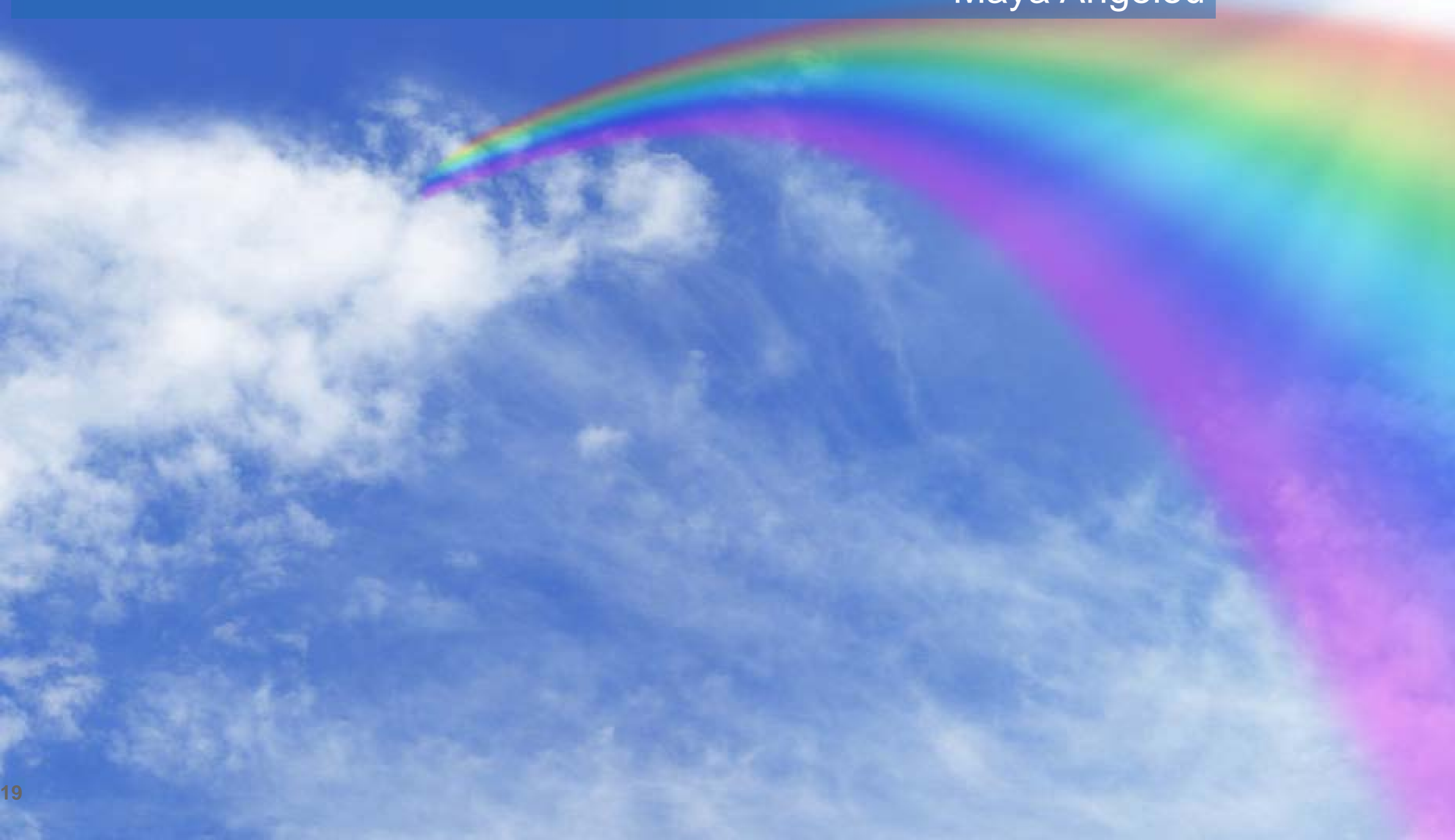
Most cloud computing projects threaten someone in the organization. No matter if they admit it or not, or if their lives will actually change or not, the core idea of public cloud computing is to remove some of the control that IT colleagues perceive they have. At the heart of cloud resistance is insecurity.

People demand that you get their approval and then don't show up to meetings. Budget dollars are removed that were earmarked for the cloud. People go to company leadership to scare them to death about the imaginary threats that cloud computing will bring.

If there is anything that can fix political issues, it's providing information early and often. A bit of knowledge will soften up the people who are on the fence about cloud computing.

“Try to be a rainbow in somebody’s cloud.”

-Maya Angelou



The Mythical Cloud

We've explored different myths that are used to deter companies from thoughtfully considering whether a move to cloud-based communications applications makes sense for their business. In 2011 the answer to the question, "Is the cloud right for every company for every application?" was not always an unqualified yes. But as companies have struggled to address consumer demands for better mobile access to customer care and improved social media communications, it has become clear that the cloud is an important part of the answer.

Organizations large and small understand why cloud migration has to occur. They understand that postponement isn't an option. Regulated industries, non-regulated industries, verticals, institutional accounts, government agencies, it doesn't matter. They get it.

Because at the end of the day the cloud is a business driver, not driving technology for its own sake. Taking the step of moving from typically dated premises applications to the cloud will enable an enterprise to take advantage of all the wonderful technologies that will change customer care over the next few years. Artificial intelligence, the Internet of Things, chatbots, etc. – the tools that will enable the digital transformation of customer experience – are almost by definition created and delivered from the cloud. It's never too early for your enterprise to start the journey.

About the Author

McGee-Smith Analytics, LLC, is a leading communications industry analyst and strategic consultant. With a practice focused on the contact center and customer experience markets, Ms. McGee-Smith works on a daily basis with both solution providers and enterprises to help them develop strategies to meet the escalating demands of today's consumer and business customers.

Ms. McGee-Smith has spent thirty years in the communications industry. Prior to founding her own firm in 2001, Ms. McGee-Smith spent 12 years with the New Jersey-based analyst firm The PELORUS Group. Earlier in her career, she held sales management, market research and product management positions at AT&T and Dun & Bradstreet.

Ms. McGee-Smith received a bachelor's degree from Barnard College, Columbia University and an MBA from the Kellogg Graduate School of Management at Northwestern University. Her views on the contact center market can be read online at [No Jitter](#) or by following her on Twitter [@mcgeesmith](#).



About NICE inContact

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