

Welcome to the Ready. Set. Transform. Podcast where you have a seat at the table with CEOs, industry leaders and tech experts. The topic business transformation. No sales pitches or marketing talk. Just real stories from companies of all sizes and industries. You'll hear business executives inside view of their company's transformation journey. They'll share examples and concepts that can help you and your business thrive. Get unique perspectives on how leading companies tackle the biggest challenges facing businesses today? Ready. Set. Transform. is brought to you by RISE with SAP.

Bonnie: Welcome to Ready. Set. Transform. Presented by RISE with SAP. I'm Bonnie D. Graham. We're here with another panel of very interesting, very savvy people. We have a hot topic that's important to our listeners all around the world moving to the cloud. How do you prepare and more important than that how do you succeed. Before I have my two esteemed guests introduce themselves let me start out with a couple of buzz quotes. I'll set us up for our topic.

Buzz quote number one is from Daniel Bell, American sociologist, writer, editor, professor at Harvard University and here's the quote. Listen up. Technology like art is a soaring exercise of the human imagination. Just let that sink in for a second. Buzz number two is from the futurist, famous also Alvin Toffler. He was responsible for being one of the world's outstanding futurists. That's his claim to fame. Here's the quote. The great growling engine of change technology and I think we can add in the cloud also to that Mr. Toffler if you don't mind.

Now buzz number three. This is from Sir Arthur C. Clarke. You all may recognize his name. He co-wrote the screenplay for the 1968 film 2001 A Space Odyssey. That's considered one of the most influential films of all time. Here's the quote. Any sufficiently advanced technology is indistinguishable from magic. I love that quote.

What are we talking about today? Technology investments are a big part of the budget for companies in all industries. We're talking to you our listeners around the world. Under that tech umbrella, one of the top priorities today is to move your legacy systems to the cloud. Just let that sink in. You know about it. You may already be on your way in your cloud journey. We're going to talk about how to get there. The advantages of cloud are tremendous. 24/7 access from anywhere, good. Flexibility to get more computing power, wonderful and always up-to-date software, amazing are just a few. There's no question about it. It is a smart decision to move to the cloud.

However there are several options in the market in different types of cloud deployment. How do you choose the best one for your organization? What are the first steps of a successful transformation journey? How does the roadmap look like? What does it look like? Who makes that roadmap for you? Finally, is your organization really ready to drive that transformation? We have Clay Caldwell. Clay and somebody sees the video just wave hello. There he is. We are recording this video. We will look at that later. We might get some clips on

social media. We're going to ask Clay Caldwell at SAP and Harish Chava. Harish, please wave hello at Weill Cornell Medicine. We're going to ask them to share the concepts, the drivers and the requirements that can help your company move to the cloud. Our episode today is called Moving to the Cloud: How to Prepare and Succeed Ready. Set. Transform. Presented by RISE with SAP.

Welcome, welcome, welcome. Let's get our guests to introduce themselves. Clay Caldwell, you're up first. Please do me the honor of telling our listeners who you are, what you do. Clay, why are you here? What's your passion for this topic and welcome?

Clay: Okay. I'll do my best. Thanks for having me Bonnie. Clay Caldwell here. I am the chief revenue officer for SAP with our RISE business. We all do this at SAP. I'm close to 20 years around SAP. Varying roles. I've been really lucky to hold a couple of entrepreneurial type roles at SAP building up businesses. This is the latest of them. RISE is our business transformation offering. Prior to this let's see I was doing worked around our private cloud, with HANA enterprise cloud running the Americas. I've also started and built the engagement side of the business for our private cloud, done some unique things around rapid deployment services at SAP. It's been a really fun run Bonnie.

As far as passion I don't know. I was here at the inception of our private cloud business at SAP, probably the longest tenured member. I am absolutely passionate about moving customers to the cloud. I wake up in the morning thinking about it. I go to bed figuring out how to adapt improve and do things better for our customers. I am excited to be here today. Thank you Bonnie.

Bonnie: Thank you very much and Clay just to level set. I know that RISE with SAP launched in January of this year 2021. You approaching the one year, is it a birthday? Is it anniversary? Is there a big celebration planned Clay?

Clay: We'll do something pretty significant at the beginning of the year.

Bonnie: I want to be there for that. That's going to be something interesting because I know it's helping lots of companies around the world in their transformation journey to the cloud. We're very honored to have you and we know you're busy. Thank you for your time Clay. We have a special guest invited here today by Clay. We have Harish Chava. Harish at Weill Cornell Medicine in New York. Harish, welcome. Please honor us with your bio. Who are you? What do you do? What does cloud mean to you and what's your passion for being here today? Welcome.

Harish: Thank you. Thanks Bonnie and Clay for giving me this opportunity. I man this is great to know especially this topic is quite interesting for me right now because this is the mantra. I mean you hear cloud everywhere. The perception of cloud is entirely different from every individual. Just to introduce

myself I'm Harish Chava. It's been 22 years I've been working on SAP platforms for quite some time. I've been with Weill Cornell since 2010. It's been an amazing journey with Cornell especially with the industry we are in. It's a higher ed, higher education space and it is extremely challenging in that environment. The passion for me is obviously the missions of the college are extremely important obviously healthcare, education and then we look at research as well. That's an extremely important area where I am and I'm passionate that I'm working with Weill Cornell.

Now on the SAP side and why I'm here I like to take up challenges and especially this is an important journey. We've been partnering with SAP since a decade now especially with Weill Cornell. In 2014, we took up the I think we were the first in North America when we moved our entire business suite into the private cloud which Clay is talking about HANA enterprise cloud. That was extremely challenging and we were able to do it in like five months with the partnership with SAP. I like to take up more challenges because now especially with cloud helping the business move to the cloud and ensuring that there is a lot of improvement from a business process standpoint. That's extremely challenging working with business stakeholders while working with vendors to understand the right technology. It is extremely challenging and that really drives me and that's my passion.

Bonnie: Thank you very much. I was looking up some background on Weill Cornell. It's the medical college of Cornell University. Very, very interesting. Been around for years. Great reputation and we're very honored to have you here. I don't think I've ever spoken to anyone from your organization before in any of these shows. Harish, thank you very much. We have two very passionate people about cloud here today. Now let's find out how passionate they are through the quotes.

I've asked Clay and Harish to send me a quote from a movie, a song, a fictional TV character that has absolutely nothing to do with the topic. If they did it might be something like I've looked at life from both sides now in the cloud by Judy Collins. Yes but we didn't get those quotes. Clay has sent us a quote from the character called Captain who is the prison warden, I think people are saying I think I know the movie, played by Struther Martin the actor in Cool Hand Luke, 1967 American prison drama film. This is the number 11th film on the American film institute's 100 years, 100 movie quotes. Interesting the quote you picked Clay. Here's the quote. Iconic. What we've got here is failure to communicate. I didn't attempt to do it in the actor's characteristic accent. Clay, who is failing to communicate? What does this have to do with our topic about getting to the cloud? Talk to me.

Clay: I was wondering whether you were going to do that with my accent or not. I could pull that off for you Bonnie.

Bonnie: Please do.

Clay: No, I'm not. I'm so embarrassed. I can't do that here. I love the movie. Cool Hand Luke is just a classic for me. Paul Newman was just a class act. How it equates to the cloud? I talked about it a while. Communication is just a vessel. It's free. It's one of the things that's most underrepresented. It's one of the biggest failures which I mean to really quote it. It's one of the biggest failures I see in cloud deployments is a lack of communication. Lack of communication between companies and their vendors. Lack of communication inter company. Lack of communication with proper steering. It's something that's so easy to fix and it's just always been wholly applicable. I start some of the projects with the quote Bonnie.

Bonnie: Thank you very much. What's interesting is Clay is there a failure to communicate in terms of getting to the cloud? I know there are lots of definitions for the cloud. What is cloud? Harish is smiling. To our listeners, I have the privilege of being on Zoom video with my guests so I can see them as they speak which adds to our conversation but Clay, is there a failure to communicate? Yes, we're going to go to the cloud. Well I talked to our CFO. I talked to our CTO. I talked to our CMO. What are we talking about? Are they all talking or is it a tower of Babel when it comes to talking about getting to the cloud? Just quickly what do you think?

Clay: I think we'll get the chance to unpack that more over the course of this podcast. I mean it was no accident that I partnered up with my friend Harish here. I wouldn't say Harish and I have always had the friendliest communications. We've had breakdown in communications but I think we have a good interaction because he's going to be able to expand a little bit on where we have broken down and where we've done well over the last years. It's a critical piece.

Bonnie: Thank you very much. Very important. Let's go to the quote Harish has sent us. This is from a character named Thaal Sinestro. It sounds sinister played by the actor Mark Strong sparring with Hal Jordan played by Ryan Reynolds who seems to be in every movie today. The movie Green Lantern, 2011 American superhero film based on of course the DC Comics character of the same name. Here's the quote. This is a long one. Fear is the enemy of will. Will is what makes you take action. Fear is what stops you and makes you weak. You must ignore your fear when you are afraid. You can't act. Wow, this sounds like a lesson to be learned here. Harish, how did you find this interesting quote and what does it have to do with our topic about moving to the cloud. Go ahead.

Harish: This is interesting and it resonated pretty well with the situation we are in right now. If you really look at it I mean there's a saying don't fix something which is not broken. I mean if you really look at it if you ask any of the business stakeholders or any IT leaders they would probably say the same thing. I mean we've been working in a particular platform or a particular

solution for quite some time. There's been a lot of technology changes or custom changes which has been running pretty well for them. The will of change doesn't come easily for those organizations which have been running pretty smooth with a status quo and everything has been comfortable.

That's where I think a change of this magnitude especially when we talk about cloud software coming in or are we moving to the cloud or migrating to the private hosting or anything of that nature. It comes with a little bit of disruption. I mean I can say a little bit. It depends on how good you're planning it but it can be a big disruption as well. Nobody would want to take up that until and unless you really have a strong will to work with business stakeholders and IT leaders to basically sell the idea and really talk about the benefits of moving to the cloud. Obviously being very transparent about the disruption it's going to cause and getting a buy-in to make sure that we're making that move. That takes a lot of effort. I think that is where it really resonated with me in terms of really if you really have to act you really need to have that strong will to push this forward and make sure that that happens. Eventually it's going to benefit the organization you're working for.

Bonnie: Thank you very much. Very interesting quote. Those are very strong words in terms of underpinning the move right. It goes beautifully, I have to tell our listeners. These two gentlemen I don't think sat down in the room and said okay, let's pick quotes that go together but failure to communicate, the quote that Clay shared with us and being strong and being able to say this is what we're going to do. We will have disruptions. Things will happen along the way but we are committed and we will communicate it clearly. The two quotes go together very well. See how this works Clay? Clay, you want to say something. Go ahead.

Clay: No, no, keep going.

Bonnie: Okay, all right. I'm going to go now to the part of the show where my guests have each sent me six discussion statements about to help flesh out our conversation today. This is how we will drive it. I'll read a statement from Clay first. Clay, I'm going to ask you to unpack it. Take a couple of minutes and then I'm going to ask Harish. Harish, I have only known Clay very briefly but he's a very nice person. I'm going to ask you to agree or disagree and he told me before the show it's okay if you disagree with them. Just do it nicely okay? There we go. We don't want a failure to communicate.

Clay told me the following. Clay, I'm looking at your statement number two. This looks really interesting for to me as an entry point. You say in short your cloud strategy follows your customer and business strategy. It's one thing if you're a unicorn and you have a brand new business model but it's another to create a cloud strategy that disrupts instead of supports your business strategy. Interesting as a follow-up to what Harish just explained about

disruption. Clay, I'm putting you on speaker view for our video. Go ahead and unpack this please Clay Caldwell.

Clay: Super. Thank you. What I mean by ensuring your cloud strategy follows your business strategy is a lot of companies the net new customers, the disruptors out there, the unicorns, those that are on the upswing they don't have the mature business strategy. They are in a position where they can adopt a cloud strategy and parallel that as a best practice to what's already been considered best practice in the cloud like that's a neat scenario.

For many of the enterprise customers in the world that have business strategies that a company that makes widgets I see them going in and I see many companies making the mistake of trying to set a cloud strategy and then trying to adapt their business model around it instead of forcing their vendors, their partners to adapt around their business model. Another way to look at it is if you juxtapose it against even just us personally like we don't buy or solve the same things like how we used to 10 years ago. Everything's changed like we all, everybody on this on this podcast right now has a personal consumption-based plan for your phone or for your entertainment purposes like this wasn't around 10, 15 years ago and we've adapted personally. I think the same thing is a lot of our more mature customers really try and go adapt themselves to what vendors view as the proper cloud strategy instead of forcing the cloud strategy to adopt to what's gotten these companies to be great so far.

Bonnie: Thank you very much. Let's see what Harish has to say. Harish, talk to me. Agree or disagree?

Harish: I think I agree to Clay to an extent. It's extremely, sometimes it becomes a catch-22 situation. If you really look at it I mean you generally hear IT teams talking about cloud strategy, the first cloud. The reasons probably are a little different from the business planning to move to the cloud especially when you talk about IT talking about moving to the cloud. It's more about infrastructure requirements and making sure that systems are available 24x7 and all of that.

The business transformation is something which comes from the business. If it's a pretty much lift and shift it's easy for IT to talk about that language and say let's just move it but I think if everything needs to fall in place it's working with the business and making sure that you're partnering with them moving and creating a cloud strategy. It's not one team versus the other from an organization standpoint. Holistically you have to come up with a cloud strategy and make sure that you're transforming the business along with the IT side of things. That's where I'll leave it but I think I do agree to Clay's statements but this is just an addition to that part of it.

Bonnie: Thank you. Clay, anything you want to say back to Harish before we move on?

Clay: No, thanks Bonnie.

Bonnie: Okay good. Now Harish, I'm looking at your statement number three you sent me and I think that we can expand what's been said so far. Educate, communicate. There's that word again communicate. You say once the decision to move to the cloud has been made it's important to socialize the road maps with the business stakeholders that educate them on the path forward, important to talk about current challenges and what you plan to achieve by moving to new solutions. Let's talk about road maps. Who creates this road map? Who is the source? We often say we or you need to have a road map. Does IT make the road map? Does the flag waver, Clay, that's an old term we used to use in business. Who is the banner waver for this new project? Who is the flag waver? Where does the main energy sit? Where is the fire in the belly? Okay, who makes the road map and is this something that's a work in progress? Go ahead Harish.

Harish: It's a very interesting question and I think there's no one-size-fits-all especially with the org structures in place. I mean every organization has a different org structure. Sometimes IT organizations especially with ERPs who are supporting it they fall into the business bucket sometimes. In certain cases IT is independent than the business units itself. At least if I can speak for my organization it's a part and parcel of it. IT sits outside of the business areas but when we look at it we understand the technology constraints. We understand what is the, I would say end of life for certain products. Sometimes those become drivers for us to initiate the conversation.

That being said what we tend to do is work with the business to understand their existing challenges and also understand the trends which are happening outside of what we have and really map that together and really come up with a cohesive plan to say hey, let's create a five-year roadmap or a seven year roadmap which clearly depicts what is our environment look like today and eventually how does our environment look like in five years from now. It is a step-by-step process. It is not like you just turn on the switch and say okay, let's just move everything to the cloud. It doesn't happen that way.

You really have to piece together everything and make sure that you're causing the least of disruption to the business and ensuring that there is a corrective mechanism of how you're going to transform your business as well as move to the cloud together. That is what you need to start socializing with the business stakeholders to make sure that there's an agreement and they understand the kind of disruption it's going to cause and the value it is going to bring as we move forward to the cloud. That's where it's extremely important that we keep that engagement going and communicate with our stakeholders.

Bonnie: Thank you Harish. One of the key words I picked up from all of the wonderful insights you shared. You said together. Going there together,

socialize, educate, communicate, roadmap, plan, all about doing it together cohesively. Clay, thoughts on what Harish just shared?

Clay: Harish, it's interesting. I think that the role of IT, as we watch as we watch the cloud mature I think the role of IT has morphed but I would say it's probably more important than ever like what's you talked about with education, communication, developing road maps. I don't know that these were necessarily items that IT was responsible for 10 years ago. You see sometimes a fear in the IT department that adaptation of bringing more and more cloud in multi-cloud vendor contracts, etc. is going to take away some of the strength that the IT organization had before.

I would argue that it's exactly opposite. It's just what I've seen going on with your business you've evolved. You guys play the coach now more in that sense from a from a roadmap perspective. I think you've nailed it here. Just communication with your various stakeholders. A lot of things that you didn't have to do prior. You've evolved and that's my observation.

Bonnie: Evolving is another good word. Harish, anything you want to say back to Clay. Clay, I put our next statement in the chat for you. Harish?

Harish: I totally agree with Clay. I mean it's a mixed bag. Every organization is a little different. You just have to adapt. Sometimes it's the IT teams which have a little bit of advantage because they're looking at it from a technology standpoint rather than the business standpoint. It's a very thin line sometimes it becomes like IT driving certain things which probably is not the case but again as I said it's more about a partnership between all the three folks which is the business stakeholders, the IT vendors who we need to work with as well as the IT team.

Bonnie: Thank you very much and let's move on. Clay, I have picked a statement from you that's provocative in itself. Statement number four. You say utilize your migration to the cloud to consolidate current commercial complexities. Clay adds enterprise companies, customers more often than not have War and Peace contract documents. Take the opportunity to radically simplify. Anybody who doesn't know what War and Peace is Clay forgive me but there might be some people out there. It was the greatest work by Russian author Leo Tolstoy first published serially then in its entirety in 1869. One of his finest achievements and one of the classics of world literature. It's a big book.

I was recently watching a drama on Netflix where somebody said make a list of what you have to do today. She said well how do that. He said well give me the ten things top of mind. The woman's going on and on. The person making the list said I didn't ask you to rewrite War and Peace. I just asked you to give me a list of ten things. I just heard that last night so reading this Clay brings that to

mind. Clay, talk to me. What are you talking about commercially complexities and simplifying how do we do that?

Clay: Bonnie, remind me never to play trivial pursuit with you either. Consolidation and aggregation there are great opportunities here. There's different stakeholders and companies that can benefit here. It's not just like we can consolidate what we're doing with infrastructure provider, what we're doing with software provider, what we're doing with a managed services provider. We can consolidate an SLA. Like we can get into that in a little bit but just purely commercially for the benefit of the CPOs around the world let's really take a close look at the 20, 30, 40 years of commercial agreements that enterprise companies like SAP and others have with companies and an opportunity to simplify those commercial vessels.

I'm not myopic. There's other enterprise providers out there and all of our companies out there have multiple agreements like this that can go on and on. Now these are for the more mature businesses that have been around for a long time but my point is take the opportunity to simplify like we as much as anybody want to simplify with you on the commercial construct. Outside of consolidation aggregation being great opportunities it's in a form or better relationship at the end of the day to have the simplification done. Harish, any inputs on this?

Bonnie: I have to tell you Harish War and Peace was 1225 pages in its original edition in 1869. Clay, I just know all this stuff. I just know this. Harish, talk to clay. It's interesting the mantra of simplification is very tricky. I agree 100% percent of what Clay had said. It all boils down to relationships with vendors and partnerships with vendors and how we basically trust each other in what we're going to be doing. I mean if you don't trust each other, if we don't partner together and then we're bound to fail. I think that is the key to success.

The contractual side of it and the complexities unfortunately sometimes it's the legal stuff which needs to happen for various reasons. I hope we never get into that but as Clay said if you don't simplify it is extremely complex. The devil is in the details unfortunately when you're doing certain work. Especially at this magnitude it is very difficult to basically put a scope together and say okay, this is what it is. Things start moving when you really start working on sessions with individuals and start working on understanding what do we need to do and what the product does. It's more about partnership rather than anything else. It's unfortunate that the legal contracting and the complexities do arise but I think we only succeed because of the partnerships and the trust we have.

Bonnie: Thank you very much. Clay, anything you want to say back to Harish.

Clay: Good, thank you.

Bonnie: Oh, you're good. Okay, a lot of agreement here. A lot of good buzz words are coming out of this. Harish, I'm going to your statement number six. We're amplifying in a way what each of you are saying I think we've agreed. It's a big deal to go to the club but it's good. You have to prepare. You got to share. You got to socialize. You got to collaborate. You got to simplify but let's talk about a very human part of all of this so we get it down to the people level. Looking at statement number six Harish change management. Adoption. It's all good to say what we've said but people have to buy in. Adoption is a major success criterion. Effective change management is the key to success. Engaging the user community as early as possible. Involving them at key stages, educating them about process changes. I'm going gonna stop there. This is a great packed statement. Harish, please unpack it for me. Go ahead.

Harish: However good we do as part of the implementation or the core group but eventually when the rubber meets the road you really want to make sure that everybody is all in with it. The only way you can do it is through an effective change management. The reason why I state that is today most of the success you gain is when there is enough adoption. People know what they're gonna get and what they're gonna lose because obviously to be fair I mean though we say that we have to move to the cloud it doesn't mean that every user has a say in it and every user is going to get exactly what they're doing today. Things change and they need to understand what's going to change and how is it going to benefit from them for them or somebody else.

Today, there might be a business process change which is driven out of this cloud migration. That severely impacts a particular user community in terms of how they do stuff. I think knowing that ahead of time and planning for it and making sure that you're able to demonstrate to them about the benefits and what the outcome is going to be it is the key to success. If you don't have a proper change management strategy you're not going to succeed. I mean you might have done a phenomenal job in terms of how you're configuring the system and how you're designing the system and everything else but eventually when you put it in front of the end users you want to make sure that they're properly trained, they are well informed ahead of time of what is coming and it's not a surprise to them. That's how you succeed and that's why I think effective change management is the key to success.

Bonnie: Very important. Clay, thoughts about what Harish just shared? What do you think, agree or disagree?

Clay: I would neither going to agree nor disagree. I would just caveat. That's a nice way of saying it. I mean certainly critical for major transformational type projects but wouldn't you say more than half of what you do you're sliding it in underneath the user's eyes like they have no idea that something so radical has happened in the back end but it was really seamless to them.

Harish: I totally agree Clay and those happen for certain aspects. You bring up a right point the way we do things like the technology shift especially in our example when we moved from an on-prem environment to HEC or HANA or when we moved the database platform from our traditional Oracle database to HANA database. There was no impact to the end users. There was no change to their business processes. There were no changes to their user experience and all of that. It was totally under the radar and you basically don't need to inform them because it's not really impacting them.

The flip side to it is when you're really moving the user interface into the cloud and the entire system is changing and the business processes are changing. That is where it becomes effective when you have to really come up with a change management strategy but your point is spot on. It depends on what migration are we talking about. Is it a technology migration or is it more purely a solution migration? That is what drives what you want to do through change management.

Bonnie: Very, very interesting. Thank you for that. Clay, I'm looking at your statement number six here. This is interesting. Talking about a caveat. You say hardware fails. Ah and while you may never run into a true disaster don't underestimate your organization's preparedness for such an event. You even add heck even the definition of what is and isn't a disaster is often questioned. We need to introduce this to our conversation. This isn't the happy part. Yes, we're going to socialize. Everybody's going to adopt. They're going to buy in. this is you know what happens and I'm not going to use that word here on the podcast. Things do happen. Clay, we're talking about preparedness to go to the cloud and to succeed in the cloud. What's your advice here please?

Clay: We assume. We collectively, this is not just me speaking like in the IT world, in the cloud world, we assume that failure occurs constantly. That's for example the nature of hardware. It will fail at some point. The idea is you engineer around the failures with backups, with standbys, with high availability etc. the best analogy to use is think about it like you're flying a plane. Planes have multiple redundant systems. Can you say multiple and redundant? Anyway you guys know. Planes have redundant systems.

The strategy on flying is that there's layers of defense. They don't put all their eggs in one basket to say just this has to work 100% of the time. They have multiple levels of defense. I think the same thing applies for the cloud world. What I meant in the second part of the statement around what is a disaster like honestly we have that that conversation with companies all the time. What is considered a disaster? Is it a veritable nuclear event like is the data center off the map or is the disaster that production has been down for a few minutes? I get there's varying levels of discussion on the duration and intensity. It's an important conversation like it's a candid conversation that you have to have as cloud vendor and as company to talk more about the what-if scenarios.

Bonnie: Thank you very much. Very interesting. Before I ask Harish to comment I want to add in your statement number five Clay. I think these go together nicely. You say the cloud world moves quickly. Prepare yourself to adapt and adopt technological advancements that happen in the middle of a transformation project. Now this may edge for some people kind of sneak into what it's a disaster. We thought we were doing this and now we're doing that but again back to the topic of change management. In terms of the tech changes, is this something that would come into, if you socialize a project say, here's what we're going to do. Oops, everything changed overnight, the cloud changed. Anything you want to add there before I get Harish to respond?

Clay: Well I mean before to connect those two statements when you talk about adaptation and what happens with technology in the cloud world and how fast it moves even from the beginning of a project things changing. I mean you could say that there's advances in metro DR possibilities and other options like that but more as you start a multi-year cloud transformation project as an example most certainly virtualization capacities are going to increase. What you used to have to actually buy physical hardware for that they're going to increase. There's going to be greater automation from the platform.

There's going to be any company may acquire other companies during the middle of the transformation project and that will require adaptation from what was originally conceptualized at the beginning of the project. Just be prepared as always. The cloud world moves quickly. Be prepared in the middle of especially a lengthier project that you may have to adapt and morph. then back on the disaster side I'm sure I'm going to have that earful here from Harish on what is and isn't a disaster and ways to prepare yourself for it.

Bonnie: That's what we like is provocative statements Clay. That's why I added those two together. Harish is ready to pounce. Go ahead Mr. Chavo. We're ready.

Harish: Thank you Clay for actually giving me that hint but I think it's interesting. I mean we have to talk about two aspects of what one is the public cloud solutions we're talking about. The three levels of it when you really look at it it's internally hosted systems within your own data centers. Then you moving to a private hosting or a private cloud solution which is like HANA Enterprise Cloud. Then the third piece of it is actually moving to a public cloud solution where most of it is already built in, the technology from an IT or from a business standpoint you really don't understand where this solution is hosted, what is the underlying technology, what is the disaster recovery strategy.

You hardly get into those aspects in a public cloud environment but when you come to something like a HANA Enterprise Cloud which is more a private, I mean I would say a private hosted organization. That's where you talk about

these disaster recovery concerns and to the statement which Clay had made we had a typical example we can talk about and that's where I would like to stress a little bit from a customer standpoint. In a private hosted environment you have multiple customers who have their infrastructures in that particular data center. From an organization which is basically supporting that particular infrastructure for them a disaster is something like the entire data center is inaccessible or there's flooding in that zone. No customer is able to basically access any of their systems.

It's going to take time for them to bring up those environments. That's why they basically invoke a disaster and they basically move everything to a disaster recovery solution which is basically the secondary data center. That's where you access the systems from but from a customer standpoint it is very difficult to understand that mechanism because if the business is down for about eight hours. For them that's a disaster and they would want to invoke a disaster recovery plan because that's how we've invested in saying that hey, if something goes wrong to our environment in a particular data center you would be able to call in and say I want to invoke DR. I can't stop my business. Let's move me to the secondary data center and let's get my business running.

Unfortunately it's a different thought process from a I would say a data center operation standpoint because it's not easy for them to just move one customer to the secondary data center rather than move everyone to the secondary data center and which is extremely time consuming. It has its own operational issues with that. That's where the concern is. I think it's extremely important for organizations to think about it from a business standpoint and really invest in saying can we give the flexibility to the business users or to organizations to pick and choose hey, something I'm trying for my servers I want to just move to the secondary data center and operate from there. That kind of flexibility will basically allow the business to run uninterrupted I would say or at least with minimal interruption.

Clay: Harish on that though. I mean there's one piece you didn't mention whether a vendor and cloud, whether a vendor and company will ever 100% agree on what is and isn't a disaster. I mean if you're at the point of force majeure, etc. the one piece missing is communication. That I've noticed because you run into this situation. I'm not going to say a disaster as it were but you have production down situation. I mean you have board members to report to. As a leader in IT have a responsibility to report board members and you're speaking with your cloud vendors going hey, I need an update. Is there something you see that the world would like to know about best practice for communication in such scenarios?

Harish: I think it's extremely essential to have that two-way communication. It basically allows the customer to talk about the concerns they have. For example in our organization payroll is extremely important. We have to pay on a certain date. If let's say unfortunately the system has gone down on a pay

date it is a disaster for us. That is what is a driver for us. I think having a two-way communication to say that hey, is it okay for us to have a system outage for about you know 14 hours or so or is it extremely important the way the situation is should we basically invoke a DR.

I think it is extremely important to have that kind of two-way communication and based on the understanding allow for what should be considered as a DR and invoke the DR strategy. I think that's the key. I mean as you rightly said we have to communicate. We have to understand each other in terms of what the concerns are.

Bonnie: Thank you and by the way Clay, I just want to level set for our listeners who may not know the French term force majeure. It's often written into a contract and it frees both parties from fulfilling the contract in the case of unforeseeable circumstances that cannot be circumvented or walked around, driven around or gotten around even through the cloud. I think we've covered a lot of territory here in our conversation today. What I'd like to do is have you each give me a wrap-up statement. We're talking about how to prepare to move to the cloud, how to succeed as you move in the cloud and how to make your business better when you're in the cloud. We're on the getting there apart. Clay Caldwell, any final advice you have for companies that will be listening to us around the world?

Clay: I mean it's a simple discussion Bonnie. Even the thought of what we've talked about here for the last 30 or 45 minutes. It's silly to talk about adopting a cloud strategy and just seeing how cliché it is anymore that people are talking about going to the cloud quite honestly. What other discussion is there to be had like nobody is going another direction these days? I enjoyed the conversation. There was a lot more that we wanted to discuss. I was surprised that we got into so much detail on the DR topic. Maybe that's something that we come back to at a later point you and I Harish and have a part two. Learned a lot of things here. I really appreciate you having me today Bonnie.

Bonnie: Oh, it's been a wonderful discussion. Harish Chava, final words. You get the last word.

Harish: Thanks Bonnie. It's not a matter of if. It's a matter of when. I mean everybody as Clay said we have to move to the cloud. There's no question about that. There's a lot of technical debt every organization has sustained over the past decade or so but eventually now everybody's realized that cloud is an option. Everybody has to adapt because as I said organizations who've been with a particular solution obviously they've built a lot of customizations around it. The moment you start talking about cloud strategy and you fitting your business processes into the cloud it is going to be challenging.

I think everyone has to go with an open mindset to understand that there is going to be disruption. There is going to be change to the business process.

They have to take an opportunity for business process improvements and simplifying business processes as we're taking that leap. This is an opportunity to ensure that we're building future, better solutions for us.

Bonnie: Thank you very much. I want to thank both of you and I want to do a couple of shout outs here. A shout out to Lucas Escudo at SAP. Let's give a round of applause. He organizes these. He's our showrunner if you will, our sponsor and a shout out to Brian Duffy, the president of RISE with SAP.

Clay Caldwell, it has been a privilege getting to know you and thank you for sharing so many words of wisdom and insights. Harish Chava, thank you so much. We loved having you here and also real world reactions to what we're talking about, real world insights into what's really happening with a company. That is so important to all of us. I'm Bonnie D. Graham signing off for another episode of Ready. Set. Transform. Presented by RISE with SAP. Wave goodbye. Bye bye Clay. Bye bye Harish. Don't go away.

Thanks again for tuning in to Ready. Set. Transform. Presented by RISE with SAP. To keep the conversation going tweet your questions and comments using the hashtag #risewithsap or e-mail bonnie.d.graham@voiceamerica.com. Please join host Bonnie D. Graham again on the Business Channel. We wish you a great week.