

Financial services firm turning to a private cloud

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By Patrick Thibodeau

Munder Capital Management decides that public cloud-based systems aren't enterprise-ready

Computerworld - GRAPEVINE, Texas -- Jeffrey Lass, network operations and virtualization engineer at Munder, said that the firm felt that public clouds aren't yet a good option because of regulatory issues around the control of data, a lack adequate service level agreements with cloud providers, and an absence of standard agreements that "allow freedom of movement between providers."

Lass also cited a lack of IT control when a company relies on public cloud services. "We really don't want to be in a position to have to shrug and say 'I don't know' when a system is running slowly," he said at the Storage Networking World conference here this week.

Munder decided to create "a private cloud that has many of the same characteristics of a public cloud but with much higher control, security and availability," said Lass.

Villars did note that only a small fraction of spending on cloud systems is for private cloud development.

He said the primary issue IT managers face in creating a private cloud is whether to invest in needed converged infrastructure so that all the IT assets -- such as storage, servers and networks -- are treated as a common resource pool that can be metered and managed in coordinated fashion.

The cost of such an infrastructure is substantial and may be the top obstacle to creating private clouds, according to an IDC survey of users earlier this year. IT departments have money for servers and storage, but not converged infrastructures, said Villars.

At the same time, public cloud computing remains a difficult sell, particularly in regulated industries. It's true that many companies are using hosted services and some infrastructure services, such as testing and development. But it's still a challenge for cloud vendors to convince enterprise IT managers to broadly expand use of cloud technologies.

John McGee, a data center manager for regional hospital system, said he's attending Storage Networking World to learn more about the cloud environment. At this point, though, "we're not thrilled about [public clouds]," he said.

McGee said his IT environment is still "one throat to choke, mine."

Munder's move to a private cloud is a result of years of work with virtualization technologies, a move to collocation facility, and a hardware refresh. He described that new system as a hybrid approach.

"Ideally, a hybrid solution that can scale to [accommodate] high demand, that's secure, that's reliably delivered and can be seamlessly provided by multiple hosters, allowing customers to utilize and switch among the providers," said Lass. "This rigidity, we feel, reinforces our choice of on-premises hosting," he said.