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SURVEY FINDS PRIVATE CLOUD IS HOLDING FEDS BACK

Migrating Applications to the Cloud Could Save \$18.9 Billion Annually in Federal IT Costs, Survey Reveals

Alexandria, Va., July 23, 2014 – [MeriTalk](#), a public-private partnership focused on improving the outcomes of government IT, today announced the results of its new report, “Cloud Confusion: Is Private Cloud Holding Feds Back?” The survey, underwritten by [AT&T](#), found that the Federal Government could save \$18.9 billion annually by migrating services and applications to the cloud. The survey also found that many Federal agency leaders believe their agencies are missing the benefits of non-private cloud models and many have not made cloud adoption a strategic priority. In addition, the study finds that 44 percent of Feds believe their agency is missing out on potential savings by using private clouds over public, hybrid, or community clouds.

Among the survey’s key findings: Agencies that fully incorporate cloud into their overall strategy saved an average of 18 percent, 50 percent more than those with a limited cloud strategy approach. However, the majority of respondents said their agencies are not yet making cloud a priority. Only 41 percent said their agency is considering cloud as part of their overall IT strategy, and 51 percent have used cloud only for a limited number of specific applications. Further, the majority of Feds give their agency a C-grade or below on progress toward cloud.

“While cloud computing delivers a variety of efficiencies, there is no ‘one-size-fits-all’ cloud solution. Every organization has its own unique mission, security requirements, data sensitivities, and operational parameters. Helping agencies address those considerations is critical to the Federal Government realizing the full benefits and potential of cloud,” said AT&T Government Solutions Vice President-Technology Chris Smith, AT&T. “While cloud is not appropriate for every agency, in every instance, there’s no question it can deliver compelling efficiencies for many, if not most, applications and we’re seeing increased appetite from government customers for cloud conversion strategies – especially around community cloud solutions, which, for many agencies, represent an appealing mix of the cost, security, and feature choices that exist around cloud.”

With the range of security and integration concerns that exist, how can agencies break through this cloud barrier? Feds believe they should lean on FedRAMP. The report finds that 41 percent of Feds say they are more likely to consider and select a hybrid, community, or public cloud solution because of FedRAMP certification.

Looking at the skies ahead over the next two years, Feds plan to move CRM systems, email, logistics, and procurement applications to the cloud. When agencies consider which applications to move to the cloud, primary dependencies are security (71 percent) and data sensitivity (57 percent).

“Is private cloud really cloud?” said Steve O’Keeffe, Founder, MeriTalk. “The intent is to facilitate government-wide services. Feds need to look at all of the flight options before they hop on the plane.”

In order to make the most of future cloud transitions, Feds recommend agencies:

- **Put Cloud First:** Make cloud adoption a priority and begin evaluating cloud solutions as part of the overall IT strategy
- **Go Beyond Private Clouds:** Educate IT and senior leadership about the shared benefits and potential savings with other cloud models like public, community, and hybrid clouds
- **Leverage FedRAMP:** To address security concerns, agencies need to leverage the FedRAMP PMO process and security authorization requirements to review and grant security authorizations for cloud

“Cloud Confusion: Is Private Cloud Holding Feds Back?” is based on an online survey of 159 Federal IT executives in May 2014. The report has a margin of error of +/- 7.74 percent at a 95 percent confidence level. To download the full study, please visit www.meritalk.com/cloudconfusion.

About MeriTalk

The voice of tomorrow’s government today, MeriTalk is a public-private partnership focused on improving the outcomes of government IT. Focusing on government’s hot-button issues, MeriTalk hosts [Big Data Exchange](#), [Cloud Computing Exchange](#), [Cyber Security Exchange](#), and [Data Center Exchange](#) – platforms dedicated to supporting public-private dialogue and collaboration. MeriTalk connects with an audience of 85,000 government community contacts. For more information, visit www.meritalk.com or follow us on Twitter, @meritalk. MeriTalk is a [300Brand organization](#).