The Top 5 Questions CIOs Ask About Moving to the Cloud

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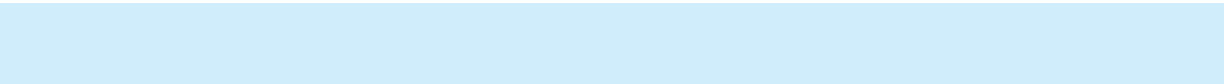UPGRADE TO HAPPIER.

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THE TOP 5 QUESTIONS CIOs ASK ABOUT MOVING TO THE CLOUD

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1. IS THE CLOUD SECURE?

As the world gets more and more connected, we are seeing an increase in data attacks. No organization, no matter how big or sophisticated is immune.

If this is the new normal, what's the safest path forward? Industry experts confirm that third-party hosting companies are better at keeping data safe, while simultaneously improving efficiency and capability.

> *"Cloud computing is more efficient, period. History has shown us time and time again that efficiency always wins out. Widespread adoption of cloud computing in the utility industry will be no exception, despite the risks—whether perceived or real."*
>
> – Bart Thielbar, Vice President, North American Utilities Practice Leader, Capgemini

VertexOne is a secure, private cloud CIS solution that you can count on to keep your data safe.

Vertex has been hosting and managing utility applications in North American data centers for 20 years. During that time, we've gained a deep understanding of what it takes to provide data security in a rapidly changing world. We partner with dedicated teams at Fujitsu and IBM to provide several levels of protection.

- **Intrusion detection services:** We monitor the network for malicious activity coming from both inside and outside.

- **Vulnerability scans and updates:** The network is regularly scanned for weaknesses and any needed patches are installed or updated.

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APPLICATIONS
- User Administration
- Application Database Management
- Self-Service
- PCI Compliance

NETWORK
- Firewalls
- Traffic Monitoring
- External Connections
- Change Management

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DATA CENTERS
- High Availability
- Backup
- Disaster Recovery
- Security

GOVERNANCE
- Security Assessments
- Vendor Management
- Incident Management
- Key Personnel

VertexOne cloud-based solutions include comprehensive data security.

To uncover any vulnerabilities in our environment, we work with a third-party team of ethical hackers who seek to discover exploitable vulnerabilities across the targeted environment. By pairing data analytics with human ingenuity and domain expertise, they are able to discover vulnerabilities that may not be programmed into security testing tools, which allows for a more rigorous examination of the security framework.

> **❝ In terms of the advantage, a cloud-based offering is going to be up-to-date. In general, the security will be top of the line. ❞**
>
> – Richelle Elberg, Principal Research Analyst, Navigant

Also, while a standard vulnerability scan or penetration test can point out weaknesses, reports from ethical hacking provide human insights on business-critical vulnerabilities, how they can be used against a company, and the best ways to remediate or address the problems.

The findings of this approach were used to develop remediation activities that addressed any vulnerabilities or weaknesses in key portions of the environment, which were implemented in the development of VertexOne. The net result is a secure environment for your sensitive customer data that has been pressure tested for today's world.

Get a free copy of our *Utility Data Customer Security White Paper* by emailing Pam.Jeffries@vertexgroup.com.

2. WILL I OWN THE SOFTWARE AND DATA?

Utilities that partner with VertexOne always own their data *and* their specific CIS configuration. While our platform provides the building blocks, your solution is yours and yours alone. Our job is to make sure your data is working harder for your business. If your utility decides to change in the future, you'll be 100% in control.

When you choose our industry-leading platform, which is built on the SAP® Customer Relationship Management and Billing Solution for Utilities, your utility will own the best-in-class SAP software necessary to run your business.

Why did we build VertexOne on top of SAP?

- Worldwide, over 770 utilities use SAP to run their CIS/billing solution.
- SAP has been ranked a leader in the Gartner CIS Magic Quadrant for 10 consecutive years.
- SAP drives innovation.
  - In 2015, SAP spent over $3 billion on research and development.
  - Nearly 21,000 employees were focused on development in 2015.

SAP R&D Investment Spend (in $USD millions)
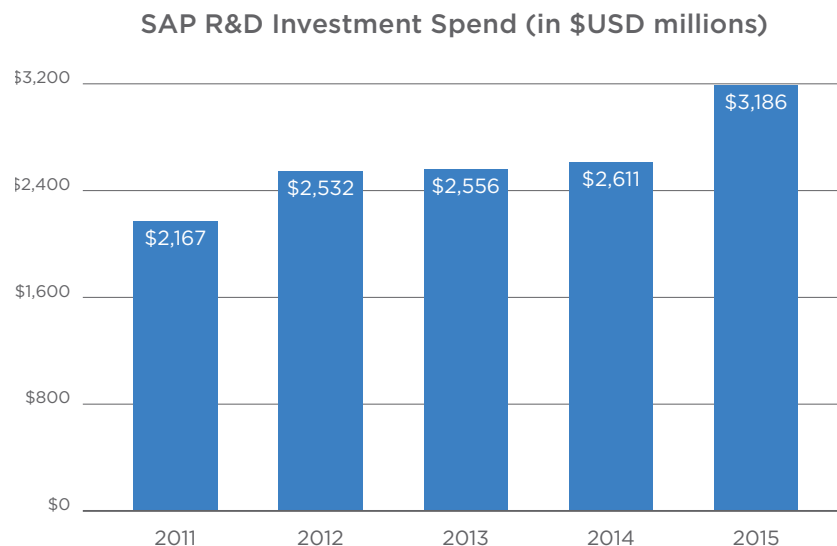
Best of all, if you need to make changes, you have more options. Thousands of vendors are connected to the SAP ecosystem and can provide the support you need.

3. CAN I CAPITALIZE A CLOUD SOLUTION?

With VertexOne, utilities can expect to capitalize about 50% of their TCO over five years. While your accounting department will ultimately determine which elements meet their capitalization policies, we are seeing departments look at a new accounting guidance as a means to capitalize some of the ongoing elements of a SaaS arrangement.

Currently, here are the items you can capitalize:

- Migrating your existing CIS onto VertexOne, just like a traditional implementation, is a capital event.
- Your utility will own the perpetual license to the underlying SAP software that VertexOne runs on, which makes this a capital expenditure.
- Routine and periodic upgrades that occur as part of VertexOne's SaaS offering can also be considered for capitalization.

With VertexOne, utilities can expect to capitalize about 50% of their TCO over five years.

Most importantly, because adopting a cloud CIS affords you the ability to lock into a predictable, ongoing payment structure, you'll have the budget confidence you need to invest in other critical updates and enhancements for your business.

Read how one of the benefits of a cloud implementation is a dramatically lower cost. http://hubs.ly/H03_Vyh0
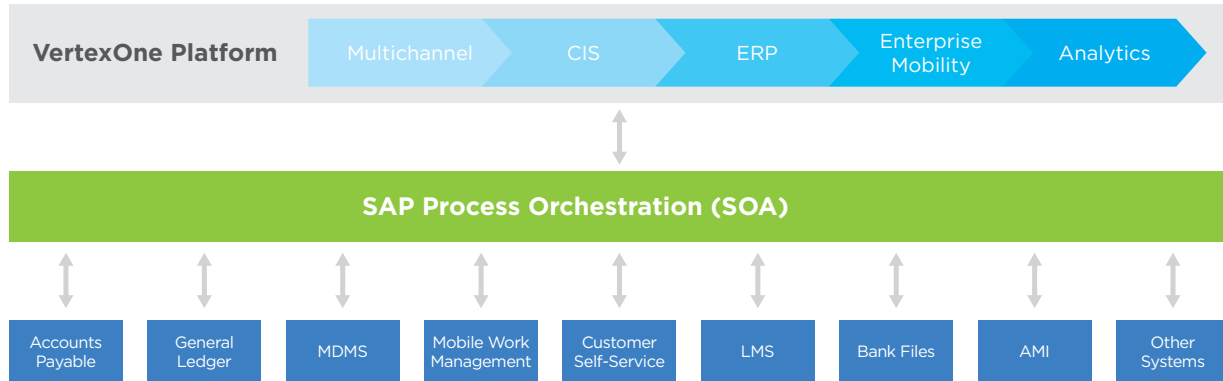
4. CAN CLOUD TECHNOLOGY BE INTEGRATED?

Absolutely. And it can do it faster and more easily than you thought possible. VertexOne is built using Service Oriented Architecture (SOA), which makes it quicker and easier for you to integrate with both existing and new technologies.

Integration Architecture

SAP Process Orchestration allows for integration between VertexOne and external systems.

VertexOne Platform	Multichannel	CIS	ERP	Enterprise Mobility	Analytics

SAP Process Orchestration (SOA)

Accounts Payable	General Ledger	MDMS	Mobile Work Management	Customer Self-Service	LMS	Bank Files	AMI	Other Systems

VertexOne integration is built on a SAP Process Orchestration (SOA) platform to provide contemporary integration, which facilitates end-to-end integration between SAP & SAP and SAP & non-SAP applications inside and outside of corporate boundaries.

VertexOne provides a library of pre-built interfaces within SAP Process Orchestration to many common systems.

Not only that, but VertexOne has an expanding library of pre-built integration with the industry's leading technologies, like general ledger, AMI and mobile work management. So your utility can connect to the tools that matter, and connect to your customers better, right out of the gate.

5. CAN I MODIFY CLOUD TECHNOLOGY?

Yes. The cloud enables you to take advantage of newer and better technology without the expense and struggle of buying and maintaining it yourself.

The truth is, 70% of CIS requirements are the same across all utilities. A SaaS offering like VertexOne makes it easy to modify the other 30% of requirements that are unique to your utility. Because we've already built the shared requirements into our platform, we can focus on your unique requirements immediately, which means better data migration and reduced risk in your implementation.

When business growth requires you to scale, VertexOne has you covered. The core of our platform—SAP Customer Relationship Billing and Management Solution for Utilities—is a Tier 1 solution that's scalable to accommodate from 30K-30M customers, which means you can be sure VertexOne will work for as many customers as you have now, or will have tomorrow.

Configuration Specification Billing/Invoicing
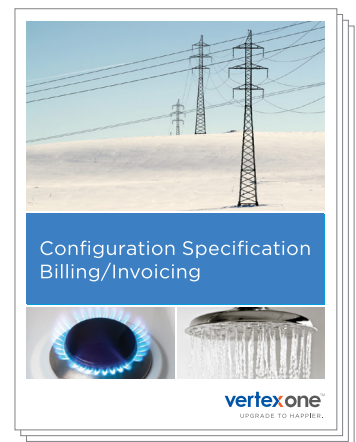
VertexOne provides configuration specification documentation and process maps to ensure our customers' specific requirements are met.

SUMMARY

Many utilities today have questions about moving to the cloud. But once they understand how a SaaS solution makes adapting to changes in the industry easy and affordable, and frees them from the business of running data centers, the benefits begin to outweigh an on-premise solution with its many constraints.

" The utilities industry can no longer afford to deny the advantages of 'going into the cloud.' As security concerns are further debunked, utilities expect to see a significant push in their cloud strategy maturity in the next 24 months, so much so that they expect to make up lost ground and even supercede other industries. "

– Gaia Gallotti, Research Manager, IDC Energy Insights

According to IDC Energy Insights, 74% of worldwide utilities consider the cloud their dominant long-term platform strategy. What's more, 76% believe that cloud providers offer better security than their own organization's IT security team. When viewed in combination with the ability of a managed platform to address IT skill set needs and ongoing management, a SaaS solution becomes a clear path to making better use of internal assets and delivering improved, modern customer service. With 87% of utilities recognizing that the cloud can provide better disaster recovery and 82% recognizing the TCO benefits, the biggest question about the cloud might be: What are you waiting for?

As a secure, private cloud CIS solution, VertexOne is designed to ensure your data is protected. Our platform is built on top of SAP, which means your utility will own the best-in-class software necessary to run your business. With VertexOne, utilities can expect to capitalize about 50% of their TCO over five years. Best of all, your technology will always be up to date, and will provide the scalability and agility you need no matter what the future brings.

ABOUT VERTEX

Dedicated solely to the utilities industry, Vertex has been hosting and managing CISs for utilities for 20 years. A recognized leader in customer experience, Vertex serves more than 30 million customers for 50 electric, gas and water clients across North America. Through a wide range of innovative services and solutions—from the VertexOne Software as a Service platform, to consulting and analytics, to BPO and customer experience outsourcing—Vertex helps utilities more efficiently deliver a compelling customer experience.

To learn more about future-proofing your utility CIS, call us at 214.576.1000 or visit us at www.VertexOne.net
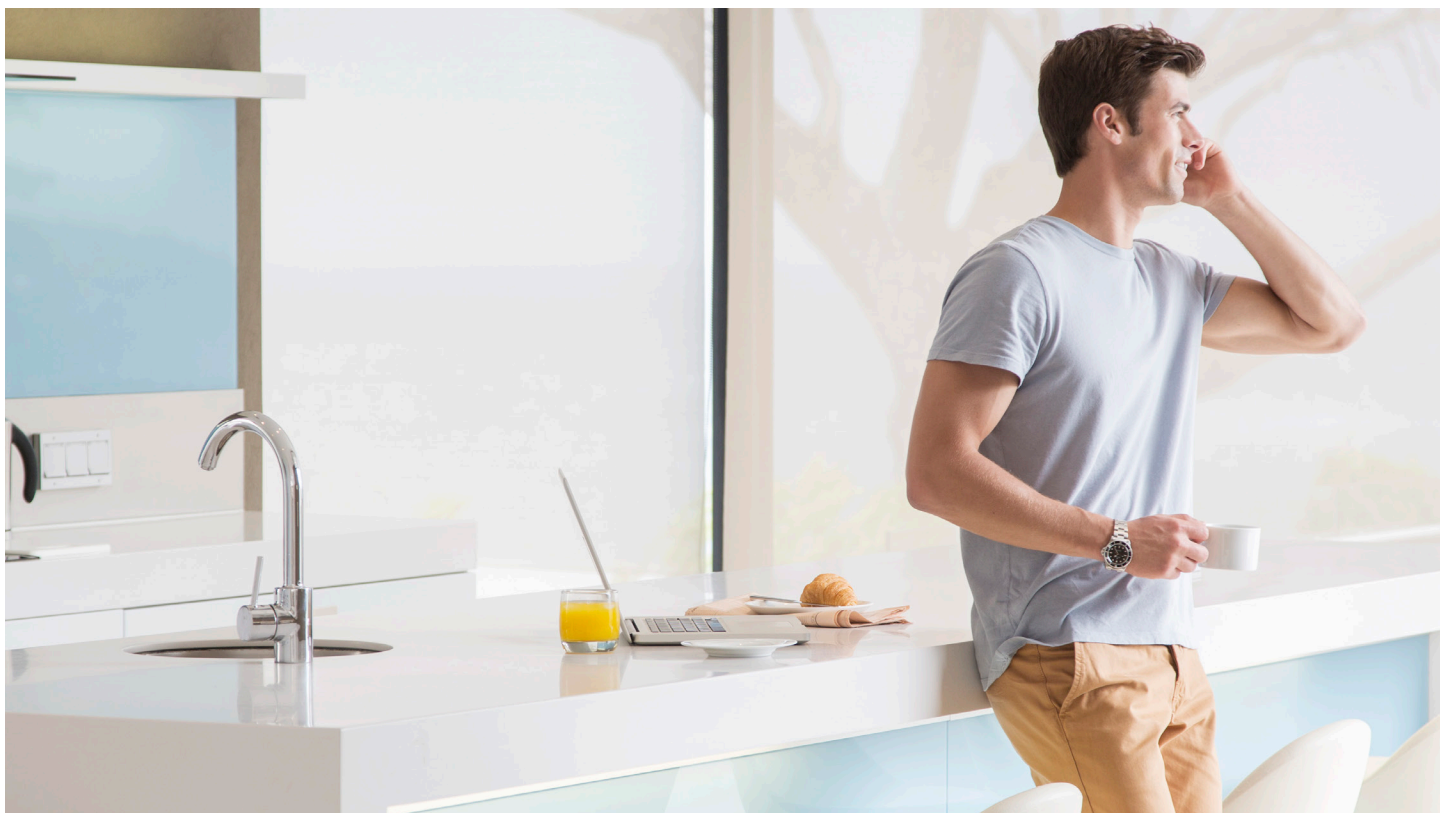
For more information on all the different ways VertexOne can upgrade your customers to happier, visit **VertexOne.net**

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