



Procurement Innovation for Cloud Services in Europe

Procurement of cloud services in Europe: How the PICSE Wizard can make a difference

Sara Garavelli, Trust-IT Services
s.garavelli@trust-itservices.com
@saragaravelli

www.picse.eu
[@PICSEPROCURE](https://twitter.com/PICSEPROCURE)



PICSE Mission

Driving PICSE forward:



CSA *cloud security alliance®*

Trust it Trust-IT Services Ltd
Communicating ICT to markets



Procurement Innovation for Cloud Services in Europe

TOP FIVE OBJECTIVES



Who is PICSE for?



Public Research Organisations



Libraries

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www.picse.eu
info@picse.eu



HORIZON 2020



PICSE Wizard: Cloud service procurement made easy

- An easy-to-use web-based service to help **public research organisations** make informed decisions about how to procure cloud services

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The screenshot shows the PICSE Wizard web interface. At the top, there's a dark blue header with the text 'PICSE Wizard'. Below the header, a light blue banner contains the title 'Cloud service procurement made easy' and a paragraph explaining that public research organisations and digital libraries are among the largest consumers of cloud services, and that the PICSE wizard is an easy-to-use service to help make informed decisions. Below the banner, there are two main sections. The left section is titled 'Find the best cloud procurement model for you' and includes a sub-header 'Answer just 8 questions and find out which cloud service procurement model is most suitable for you. Be it pre-commercial, commercial or public procurement of innovation, the PICSE wizard will equip you with the right information to make the best choices.' Below this text is a 'Start Now' button. The right section is titled 'Assess how suitable your current procurement process is for procuring cloud services' and includes a sub-header 'Complete our short interactive questionnaire and find out how you can enhance your current procurement process so that it suits the cloud environment. Compare your existing process with the PICSE best practice model to identify gaps and areas for improvement.' Below this text is another 'Start Now' button. Both sections feature icons: a cloud with a magnifying glass for the first section and a cloud with a wrench for the second section.

PICSE Wizard

Cloud service procurement made easy

Public research organisations and digital libraries are among the largest consumers of cloud services. Now more than ever, procurement officials, IT managers and procurement initiators need to know how best to procure cloud services. The PICSE wizard is an easy-to-use service to help you make informed decisions about how to procure cloud services.

Find the best cloud procurement model for you

Answer just 8 questions and find out which cloud service procurement model is most suitable for you. Be it pre-commercial, commercial or public procurement of innovation, the PICSE wizard will equip you with the right information to make the best choices.

[Start Now](#)

Assess how suitable your current procurement process is for procuring cloud services

Complete our short interactive questionnaire and find out how you can enhance your current procurement process so that it suits the cloud environment. Compare your existing process with the PICSE best practice model to identify gaps and areas for improvement.

[Start Now](#)

Why public research organisations?

- Commercial & public cloud services are suitable for scientific workloads
- PROs are now ready to procure cloud on a significant scale
- ... still too many unanswered questions





Who is the PICSE Wizard for?



Procurement officials



IT managers



Procurement initiators

Public Research Organisations willing to procure cloud services through a tender procedure



Two main functions



Find the best cloud procurement model



Assess how suitable your current procurement process is for procuring cloud services

Find the best cloud procurement model for you

Input: The user answers to 8 multiple choice questions

Output: **Cloud Procurement checklist & useful tips**

Examples taken from the
Commercial Procurement
process

Procurement Steps	Procurement Checklist	Our Tips
Planning & preparatory phase	Make sure you are procuring what you need	OUR TIPS
	Platform as a Service is the most suitable cloud service model for your needs	OUR TIPS
	Public cloud is the most suitable cloud deployment model for your needs	OUR TIPS
	Lower organisational/cultural barriers in your organisation and put in place change management strategies	OUR TIPS
	Run a preliminary needs assessment and disseminate a "Call for Interest"	OUR TIPS
	Make sure that technical, legal and financial competences related to cloud computing are covered by your procurement team.	OUR TIPS
	Define your procurement budget	OUR TIPS
	Draft a Procurers' Agreement	OUR TIPS
	Identify the technical, legal & financial requirements of the procurement action. Defining only technical requirements is not enough!	OUR TIPS
	Consider the need for a pilot phase	OUR TIPS
Selection of the most suitable procurement procedure	Carry out pre-procurement market consultation & engagement	OUR TIPS
	Select the most suitable procurement procedure that best fits your procurement & organisational needs	OUR TIPS
	Identify the most suitable joint procurement model	OUR TIPS
	Prepare tender documents	OUR TIPS
Tender request/evaluation	Define objective evaluation criteria & relevant eligibility criteria for Cloud Service Providers	OUR TIPS



Some examples (1/2)

Type of cloud services

Platform as a Service is the most suitable cloud service model for your needs

Skills of the procuring organisation

Make sure that technical, legal and financial competences related to cloud computing are covered by your procurement team.

Consider the need for a pilot phase

In addition, as you are performing a joint procurement action, you need to make sure that your procurement action is well coordinated.

There are two different procurement models that can be selected to perform joint procurement:

Identify the most suitable joint procurement model

Guidelines on joint procurement

As cloud procurement processes should be as short as possible, the lead authority model is suggested.

Draft a Procurers' Agreement



Some examples (2/2)

Service Level Agreements

Remember:

- You should attentively **read and analyze the SLAs**;
- You should also **verify whether the cloud service agreement provides for remedies to service levels breaches or if it sets out** (such as money back rebates or monetary compensation).

Check the compliance with laws and regulations.

Contractual arrangements regarding the jurisdiction and the applicable law.

Compliance with laws and regulations

- Check the **data protection roles** between the parties;
- Choose a cloud service provider who **guarantees compliance with European data protection law**;
- **Define the degree of autonomy left to the cloud service provider** – acting as data processor – in the choice of methods and technical or organizational measures;
- Bind the data cloud service provider – acting as a data processor – by means of a specific **data processing agreement**, or at least make sure that the boundaries of the data processing are clearly defined in the cloud service agreement and that the activities outsourced to the cloud service provider are adequately circumscribed;
- **Avoid providers who use a complex chain of sub-contractors located outside the EU.**

The contract should outline the governing law by which any legal disputes will be settled and the jurisdiction (place) where the dispute will be decided.

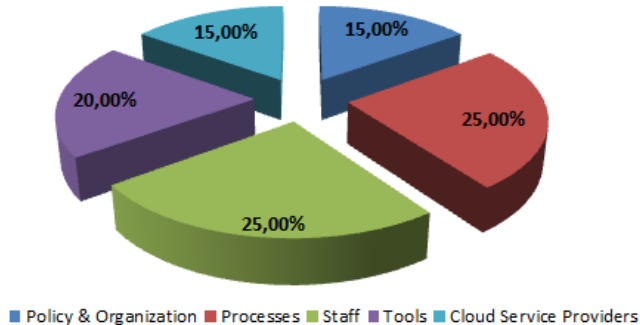
Aspects to consider when evaluating costs

How to assess cloud offers

Training costs

Assess how suitable your current procurement process is for procuring cloud services (input)

Input: The user does an assessment of its current cloud procurement process in 5 measurement areas



Policy & Organization

Select the sentence that best describes your current procedure.

Cloud strategy in place

- ☐ No cloud strategy in place
- ☐ Cloud strategy exists and is documented. The cloud procurement staff is unfamiliar with the strategy
- ☒ Cloud strategy exists and is documented. The cloud procurement team is familiar with the strategy
- ☐ Strategic plan exists and is documented. The cloud procurement team is familiar with plan; executive management has approved and resourced the plan

Procurement policy for cloud services

- ☐ No such document
- ☐ Document exists; incomplete or not updated
- ☒ Document exists even if not updated; the cloud procurement team is familiar with the document
- ☐ Document exists; complete and updated; cloud procurement team is familiar with the document

Procurement policy aligned with a consumption based model

- ☐ The procurement policy of the organisation only allows the procurement of software and hardware
- ☒ The procurement policy allows the procurement of cloud services
- ☐ The procurement policy allows the procurement of cloud services; the cloud procurement team is familiar with the policy
- ☐ The procurement policy allows the procurement of cloud services; the cloud procurement team is familiar with the policy and has demonstrated some degree of support

Example: Policy & Organisation

Executive support

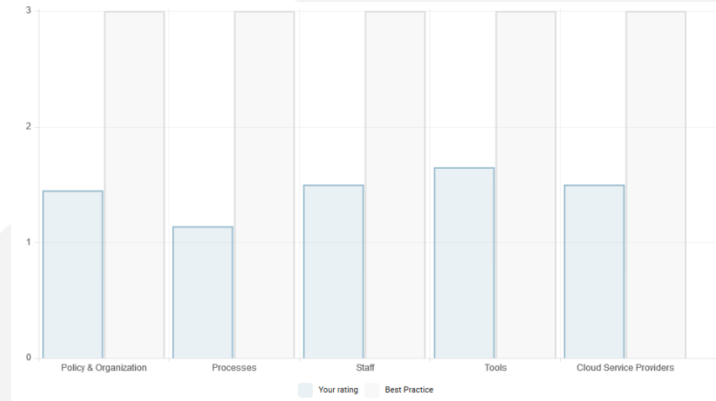
- ☐ Executive management is unfamiliar with cloud computing
- ☒ Executive management is familiar with cloud computing
- ☐ Executive management is familiar with cloud computing; has demonstrated some degree of support
- ☐ Executive management is familiar with cloud computing; has demonstrated some or substantial degree of support through budget, allocation of resources, or the like

Cloud best practices documented

- ☐ No cloud best practices to take as a reference
- ☒ Cloud best practices are present in the organisation but the staff is not familiar with them
- ☐ Cloud best practices are the starting point of each cloud procurement action
- ☐ Cloud best practices are the reference point for each cloud procurement action and are produced after each new cloud procurement

Assess how suitable your current procurement process is for procuring cloud services (output)

Output: Your total score compared to the best practice (for each measurement area)



Measurement Area	Your total score	Any gaps to fill?
Policy & Organization	1.45	Your procurement process must be improved! Download the report to understand the best practices you should follow!
Processes	1.14	Your procurement process must be improved! Download the report to understand the best practices you should follow!
Staff	1.50	Your procurement process must be improved! Download the report to understand the best practices you should follow!
Tools	1.65	Your procurement process is in quite a good shape for cloud. Download your report to understand what to improve
Cloud Service Providers	1.50	Your procurement process is in quite a good shape for cloud. Download your report to understand what to improve



What's behind the PICSE tool?

- An extensive consultation of existing use cases and best practices
- The advice of the PICSE Task Force
- The input from the Helix Nebula Initiative & its Procurement Task Force
- The CERN cloud procurement experiences (Nov 2014; Nov 2015)



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Closing remarks

- There are still a **set of challenges** in procuring cloud for PROs
 - Many existing procurement processes do not foresee **provisioning services on-demand**
 - Having the right **skill-set** is fundamental
 - Writing an **effective cloud tender** is challenging
 - Developing a standalone** test to verify the suitability and ROI is not easy
 - Things are clearer** for **procuring IaaS**, the level of confidence for SaaS/PaaS is not the same
 - Joint procurement** gives more opportunities
 - PCP** is a new instrument
- Changes to the procurement process in the public research sector are necessary to benefit from a dynamic Digital Single Market**
- The PICSE Wizard **collects in one place the most relevant recommendations & tools** (e.g. ENISA certification schema) that can support PROs in procuring cloud
- The Wizard cannot replace the legal & procurement advice provided by experts but **can facilitate** the approach of PROs to **cloud procurement**
- The self assessment tool included in the Wizard can help PROs **filling the gaps in their current procurement process**

What's next?

- ❧ December 2015: A **set of best practices** for cloud procurement
- ❧ **February 2016: A realistic roadmap for cloud procurement over the next 5 years**
- ❧ ...and what about sustainability?





Thank you

**Hit the ground running with the
PICSE Wizard! wiz.picse.eu**

Contact us:

Sara Garavelli
s.garavelli@trust-itservices.com
[@saragaravelli](https://twitter.com/saragaravelli)

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