

Is it time to reboot your cloud strategy?

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With proven business benefits for adopting cloud computing, the prediction of the global marketing intelligence firm, International Data Corporation (IDC) that 90% of businesses will use multiple cloud services and platforms by 2020, comes as no surprise.



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However, many businesses have dabbled in the cloud whilst retaining their legacy infrastructure or have taken a tactical approach to it, without making the necessary changes to their operating models to sustain long-term growth.

Accenture agrees that the cloud is indeed ready for fully committed, enterprise-grade computing, and we believe it's time for businesses to future-proof their businesses by rebooting their cloud strategy accordingly. We also understand that migrating to the cloud is a journey, but this journey is not impossible, and it does not have to be overly long. However, it does require the use of appropriate approaches, subject to each business' unique circumstances. Most importantly, the chosen approach should be strategic, rather than tactical.

Examples of companies who successfully adopted cloud computing through such a strategic approach include Exxaro and Mercedes-Benz.io.

Exxaro unlocks new revenue streams and ways of working with cloud

Accenture collaborated with Exxaro to help digitally transform its business and unlock new revenue streams by managing the migration of its SAP solutions, and other centrally-run applications used by Exxaro business units, to Microsoft Azure. This supports Exxaro's ambition to establish a secure, agile, cost-effective and scalable platform that will improve business processes and continuity.

Accenture created a cloud transformation strategy for Exxaro that defined the business case for migration to a public cloud, a move, which offered the lowest total cost of ownership, improvements to core systems resiliency, and the agility needed to meet customer demands.

In line with Exxaro's requirement for a swift and secure transition, Accenture designed and built a cloud platform in the South African Azure data centres. This included optimizing Exxaro's SAP systems to take advantage of cloud architecture benefits and building a more resilient and available architecture to improve business continuity. Accenture then seamlessly migrated Exxaro's enterprise applications, which included more than 280 Microsoft Windows virtual machines, onto Azure with minimal disruption, while also integrating multiple remote mining locations in South Africa.

Mercedes-Benz.io drives innovation and enhanced customer experiences through cloud

As Mercedes-Benz's internal digital services provider, one of the responsibilities of Mercedes-Benz.io, is to help Mercedes-Benz reimagine how the company delivers digital marketing and sales solutions for customers globally. To that end, Mercedes-Benz.io sought to consolidate Mercedes-Benz's fragmented online presence with a cloud-based solution dubbed "OneWeb."

Mercedes-Benz.io teamed with Accenture to build and deploy a powerful Infrastructure-/Platform-as-a-Service solution on Amazon Web Service (AWS), which was subsequently rolled out to 22 companies initially (with 30 more in the queue).

With OneWeb's rapid provisioning of compute power, Mercedes-Benz can now quickly respond to customers' demands for information and functionality, thus delivering better customer experience. Currently, more than three million unique visitors' access OneWeb every month, and traffic continues to grow as new markets are added.

Establishing a business case to justify the cloud's value proposition

From a business case perspective, there are many such case studies that demonstrate that cloud computing and as-a-service business models can create new and differentiating capabilities that can help enhance a company's business strategy, drive competitive advantage and improve financial models.

It is, however, critical to develop a solid business case for your cloud computing strategy right up front and to justify the cloud's value proposition, especially as it relates to existing large investments in legacy technology infrastructure, including data centres. This should include evaluating traditional financial measures such as total cost of ownership, return on investment (ROI) and payback period. To maximise shareholder and business value, companies should also evaluate cloud benefits, key performance indicators and value realisation.

Common signposts on the cloud migration journey

As soon as you're ready to embark on your cloud migration journey, it is important to note that the journey to cloud isn't linear and that one phase doesn't necessarily build on another. The journey can be an intricate and multi-disciplinary exercise with many organisational dependencies. Every enterprise is unique and has different short- and long-term goals.

Nevertheless, some common signposts on the journey to cloud can help guide you on the way. These include strategy and business case, operating model, applications, infrastructure, security, organisation, management and governance, and operations and managed services. Thinking strategically about cloud also involves a number of imperatives, including desired business outcomes, investment priorities, deployment model, service providers, talent sourcing and cloud policies.

Best approaches for implementing an enterprise cloud technology strategy

From an IT perspective, cloud technology requires IT teams to approach enterprise technology strategy in an entirely different way, focusing on three layers: infrastructure, applications and operations.

It's important to bear in mind that, when one transforms one layer, those actions then impact the other layers. The middle layer, the application layer, is a good place to start because of the positive ripple effects on the other layers. When one migrates operational applications to the cloud, that results in less demand for data processing and frees up server space.

So, infrastructure is impacted (fewer servers are required), which then impacts operations (less effort and costs are required to maintain servers, effort that one can then redirect to more strategic business activities).

During their journey to cloud, organisations should consult experts in the particular domains of each layer, who also understand the interdependencies among those domains. Essentially, moving to the cloud is a complex endeavour and should be thoughtfully planned and executed. Companies need to carefully consider each component of the enterprise cloud journey both separately and in relation to others, because components can intersect at many different business points.

Such an integrated approach enables companies to create a unique and successful cloud roadmap; ensure their plans are executed based on a strong foundational strategy; and ultimately experience an efficient and timely transformation that is aligned to their business goals and desired outcomes.

To outsource, or not to outsource

Companies should also determine where it makes business sense to bring in outside help during their enterprise cloud journey. An experienced partner with deep and broad cloud expertise can help develop an effective strategy and provide critical execution capabilities to get companies to the cloud rapidly and then continuously optimise their operations, once there.

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