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The Unisys Cloud Success Barometer™
Global study highlights how making cloud a core part of a business transformation strategy is key to success
CHAPTER ONE
EXECUTIVE SUMMARY

There is no denying the critical role that cloud computing plays in today’s workplace, as more organizations rely on the cloud to realize business advantages, competitive differentiation and technological improvement.

Nearly all organizations (93%) in this global Unisys study reported being in transition to the cloud for their critical IT applications and computing systems. However, the way in which organizations go about transitioning to the cloud plays a big part in whether or not the cloud migration succeeds – and many are not migrating the right way.

33%

One-third (33%) of organizations have seen no improvement or only slight improvement to their organizational effectiveness as a result of cloud adoption.

Question: How much has your organizational effectiveness changed due to cloud computing?
However, companies that made cloud core to their business, i.e., by integrating an adoption plan into their broader business transformation strategy at the outset, were more than twice as likely to see great or moderate improvements to their business compared to those for which cloud was a minor part of their business strategy.

Question: How much has your organizational effectiveness changed due to cloud computing?

The Unisys Cloud Success Barometer™ was conducted for the first time in 2019, rating how well cloud transformation performed against expectations across six dimensions: revenues, costs, agility, competition, security and productivity. On a scale of 0-100, the current global score is 49, indicating a “middling” level of success, suggesting room for cloud growth and the need to better integrate cloud into existing IT infrastructure.

<table>
<thead>
<tr>
<th>Country</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>49</td>
</tr>
<tr>
<td>Brazil</td>
<td>66</td>
</tr>
<tr>
<td>Mexico</td>
<td>60</td>
</tr>
<tr>
<td>Colombia</td>
<td>59</td>
</tr>
<tr>
<td>USA</td>
<td>49</td>
</tr>
<tr>
<td>Malaysia</td>
<td>48</td>
</tr>
<tr>
<td>Germany</td>
<td>47</td>
</tr>
<tr>
<td>UK</td>
<td>44</td>
</tr>
<tr>
<td>Netherlands</td>
<td>43</td>
</tr>
<tr>
<td>Australia</td>
<td>43</td>
</tr>
<tr>
<td>Belgium</td>
<td>42</td>
</tr>
<tr>
<td>New Zealand</td>
<td>40</td>
</tr>
<tr>
<td>Chile</td>
<td>39</td>
</tr>
<tr>
<td>Singapore</td>
<td>39</td>
</tr>
</tbody>
</table>
The respondents comprised 728 Information Technology (IT) leaders and 317 senior business leaders. This combined group of IT executives and senior business leaders is referred to as ‘business leaders’ in this report.

We asked business leaders about their experience with and attitudes toward issues related to cloud computing. In this study we define cloud computing to be the on-demand delivery of computing services, such as processing, storage, applications, data and other IT resources via the internet.

The majority of the data is based on those familiar with cloud computing. Weighting has been applied to country-level data so that each region – the U.S., Europe, Latin America and Asia Pacific – has an equal weighting 250 respondents in the global report.

The data in the first-ever Unisys Cloud Success Barometer report is taken from 1,045 online interviews that were conducted across 13 countries during August and September 2019.
The Unisys Cloud Success Barometer is a 0-100 score of organizations rating how well their cloud transformations have met expectations across six dimensions:

- **BUSINESS**
  - INCREASED REVENUE
  - COSTS REDUCED / MANAGED

- **COMPETITIVE**
  - AGILITY TO MATCH DEMAND
  - COMPETITIVE ADVANTAGE

- **TECHNOLOGY**
  - CLOUD SECURITY
  - HIGHER PRODUCTIVITY

Business leaders were asked the question, ‘How well have your organization’s cloud transformation expectations been met?’ In relation to each of these benefits, points were assigned based on the degree to which expectations were felt to have been met:

- **100 points**
  - Expectations exceeded

- **50 points**
  - Expectations mostly met

- **0 points**
  - Expectations somewhat met or below expectations
CHAPTER THREE
KEY FINDINGS

Nearly all are migrating to the cloud, but many are not migrating the right way

Nearly all (93%) of the 1,045 senior business and IT leaders interviewed for the first Unisys Cloud Success Barometer study said that their organizations are migrating IT applications and computing systems to the cloud.

Question: To the best of your knowledge has your organization already moved any of its services, applications, work functions or IT infrastructure to the cloud?

Respondents categorized themselves as saying that cloud was a core part – meaning fully integrated – into the business transformation strategy; a “major” or big part of their transformation strategy – but not fully integrated into the business strategy; or a minor/insignificant part of the strategy. And even though it appears as though the majority of businesses are embracing the cloud, the truth is that many are still struggling to meet expectations.

Less than one-third (32%) of those business leaders surveyed said that their organizations had made cloud transformation a core part of their business strategy.

Though 49% reported that cloud was a major part of their business strategy, that still put them at a disadvantage: those who said cloud was core to their strategy were 30% more likely to succeed compared to those who said it was a major part of their strategy.

Many organizations are going it alone: 59% of respondents managed their cloud adoption internally.

On average, 30% of organizations found that a range of expected cloud benefits has not been met.
As a result, businesses are both selling themselves short and putting themselves at risk compared to their competition. In fact, four in ten (41%) business leaders reported being concerned (extremely or very) about competition innovating first, and 30% say their organization has already been impacted by a competitor using cloud innovations.

**Question:** Have you been impacted by a competitor who leverages cloud innovations?

![Pie chart showing the percentage of businesses impacted by cloud innovations](chart.png)

Most of the top business concerns center on threats to future performance. Specifically, business leaders fear that not moving to the cloud will leave their organization trailing behind others in the marketplace: that they will be left behind (41% concerned), outperformed by the competition (40% concerned) and miss new business opportunities (41% concerned). One-third (34%) believe this could even lead to their organization going out of business.

**Question:** How concerned are you about the business risks of not moving to the cloud?

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Extremely Concerned</th>
<th>Very Concerned</th>
<th>Somewhat Concerned</th>
<th>A Little Concerned</th>
<th>Not at All Concerned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Using legacy systems without the security to deal with today’s hackers</td>
<td>23%</td>
<td>27%</td>
<td>23%</td>
<td>16%</td>
<td>11%</td>
</tr>
<tr>
<td>Being left behind, becoming technologically laggard</td>
<td>16%</td>
<td>25%</td>
<td>25%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Missed new business opportunities</td>
<td>15%</td>
<td>26%</td>
<td>25%</td>
<td>20%</td>
<td>14%</td>
</tr>
<tr>
<td>Competition innovating first</td>
<td>14%</td>
<td>27%</td>
<td>25%</td>
<td>19%</td>
<td>15%</td>
</tr>
<tr>
<td>Outperformed by competition: reduced market share</td>
<td>15%</td>
<td>25%</td>
<td>26%</td>
<td>18%</td>
<td>16%</td>
</tr>
<tr>
<td>Inability to attract and retain top talent</td>
<td>13%</td>
<td>26%</td>
<td>26%</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>Current employee frustration over old technology</td>
<td>11%</td>
<td>26%</td>
<td>26%</td>
<td>20%</td>
<td>14%</td>
</tr>
<tr>
<td>Going out of business</td>
<td>16%</td>
<td>18%</td>
<td>18%</td>
<td>17%</td>
<td>31%</td>
</tr>
</tbody>
</table>

What is worse is that more than one-third (33%) have seen slight or no improvement to their organizational effectiveness as a result of the cloud transition, and 30% report that their expectations from cloud adoption have not been met. Indeed, for these organizations, cloud has not been the panacea that was promised.
Despite slow uptake, the future is multi-“cloudy”

Despite nearly all respondents saying they had migrated to the cloud to some degree, multi-cloud solution adoption – the practice of using multiple public cloud services – is still nascent, with only 28% of respondents saying their organization leveraged a multi-cloud architecture. However, multi-cloud users are more committed to transitioning, as multi-cloud users were 9% more likely to say that cloud was core to their organization’s business strategy than non-multi-cloud users.

Question: Where do your organization’s data, IT applications and/or processes reside?

- Private cloud: 82%
- On premise physical data centers: 71%
- Public cloud - cloud resources operated by a third-party and delivered over the internet: 56%
- Community cloud, i.e., a private cloud share by multiple organizations: 50%
- Multi-cloud – multiple public cloud platforms: 28%

Question: Have you been impacted by a competitor who leverages cloud innovations?

- Don’t know: 6%
- Yes: 42%
- No: 52%

Of course, there is an added layer of complexity that comes with utilizing multiple cloud providers, which explains why multi-cloud users were also more likely to cite the need for third-party support.

- Six in 10 (62%) of multi-cloud users believe they have the relevant in-house skills to design, build and run cloud solutions, down eight percentage points from the global average of all respondents (70%).
- As a result, 73% of multi-cloud users (versus 68% across all respondents) have used third party vendors to help with cloud transition.

Those who utilized multi-cloud also viewed the cloud as essential to staying competitive.

- Three in four (75%) said that if they didn’t move to the cloud, they would be somewhat to extremely concerned about a competitor innovating first;
- 74% would be concerned about being outperformed by a competitor;

58%

More than half (58%) would be concerned that they could even be forced to go out of business as a result of not innovating.
Improving the likelihood of success

In addition to making cloud a core part of an organization’s business transformation strategy, the survey found a correlation between cloud migration successes related to three key areas:

**Integrating cloud into IT infrastructure:** The extent to which an organization’s IT environment resides in the cloud made a notable difference. In organizations where more than half of the IT environment has been moved to the cloud, 76% of business leaders say organizational effectiveness has moderately or greatly improved – making them **41% more likely to see increased organizational effectiveness** than those who have less than half of their IT environment in the cloud.

**Question:** How much has your organizational effectiveness changed due to cloud computing?

**Investment in cloud migration:** How much an organization plans to spend on the cloud in 2020, relative to the amount spent in 2019. Eight in 10 (80%) of those who plan to spend substantially more on cloud computing in 2020 have already seen their organizational effectiveness moderately or greatly improve, making them **40% (80% vs. 57%) more likely to report improvement vs. those who plan to spend the same on cloud in 2020 as they did in 2019.**

**Question:** How much has your organizational effectiveness changed due to cloud computing?
**Utilizing third party support:** Whether an organization managed the move of data applications and processes to the cloud internally or engaged a third-party vendor for support. While the majority (59%) of organizations managed their cloud transition internally, investing in additional support appears to bring additional benefits. **Organizations that worked with a third party to help with cloud transition were 27% (71% vs. 56%) more likely to succeed compared to those that manage the process solely in-house.**

**Question:** Have you used or do you intend to use a third party to help you manage moving to and optimizing the cloud?

Although a minority of organizations have made cloud transformation core to their business strategy, awareness of its business benefits are more widespread. In particular, the cloud is seen as creating significant competitive advantage – and not moving to the cloud is associated with various business risks that affect the very core of the organization’s success.
Global Unisys Cloud Success Barometer results

The global Unisys Cloud Success Barometer 2019 score is 49 out of a possible 100, indicating a “middling” level of success as it relates to realizing the benefits of cloud migration.

The technology benefit of security performed best, with 32% saying their expectations were met or exceeded. The benefits of competitive advantage and increased revenue also exceeded expectations for nearly a third (29%) of business leaders; however, a similar number also reported that their expectations were not completely met on these benefits.

**Question:** How well have your expectations been met?

<table>
<thead>
<tr>
<th>Factors</th>
<th>Below expectations</th>
<th>At Expectations</th>
<th>Exceeding Expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud security</td>
<td>22%</td>
<td>46%</td>
<td>32%</td>
</tr>
<tr>
<td>Higher staff productivity</td>
<td>33%</td>
<td>25%</td>
<td>27%</td>
</tr>
<tr>
<td>Being agile to match demand</td>
<td>29%</td>
<td>41%</td>
<td>29%</td>
</tr>
<tr>
<td>Competitive advantage</td>
<td>30%</td>
<td>42%</td>
<td>29%</td>
</tr>
<tr>
<td>Increase revenue</td>
<td>32%</td>
<td>39%</td>
<td>29%</td>
</tr>
<tr>
<td>Manage or reduce costs</td>
<td>35%</td>
<td>42%</td>
<td>23%</td>
</tr>
</tbody>
</table>

In particular, business leaders most frequently cited the following areas where their cloud migrations fell short of expectations:

- Managing or reducing costs (35% said expectations were somewhat met/below expectation);
- Improved staff productivity (33% said expectations were somewhat met/below expectation); and
- Increased revenue (32% said expectations were somewhat met/below expectation).

However, when an organization makes the cloud core to its business strategy, business leaders saw a far greater likelihood of success: the Barometer score for these organizations jumped to 60, compared to just 28 for those that consider the cloud a minor part of the business strategy.

**Question:** How well have your expectations been met?
Regional comparison

While there is a strong global trend toward businesses moving to the cloud, Belgium in particular lags behind other countries, with just 65% of business leaders reporting that their organization has transitioned and only 13% making it core to their business strategy.

Latin American markets, by contrast, have invested more in cloud infrastructure and applications than all other regions, and Brazil leads the way with 48% of total IT spend going toward the cloud. Brazilian organizations are also the most inclined to make the cloud core to their business strategy, at 67% -- more than double the global average.

The Asia Pacific and Latin American markets are more aware of the risk of falling behind if they do not transition to the cloud. Around half of business leaders in Asia Pacific (49%) and Latin America (55%) reported being (extremely or very) concerned about becoming technologically laggard compared to competitors. This peaks in Colombia, with 79% concerned. In Asia Pacific, fears of being left behind are reflected in leaders’ experience, as 55% of business leaders in Malaysia and 54% in Singapore said their organizations have been impacted by a competitor that leverages cloud innovations.

Low levels of improved organizational effectiveness following cloud transition are particularly notable in Belgium, where only 35% have seen a moderate or great improvement in effectiveness -- not surprising given the below-average number of Belgian organizations that had transitioned or made cloud core to the business strategy. This is also true of New Zealand, which has low public cloud penetration: 59% have seen little or no improvement in organizational effectiveness.

Latin American leaders said they were concerned about being left behind on cloud technology but the transition to the cloud appears to be gaining momentum with two-thirds of Latin American organizations planning an increased spend in 2020.
Business leaders in Singapore have the highest expectations of any country surveyed, potentially explaining why business leaders are less satisfied following transition with the lowest (along with Chile) Unisys Cloud Success Barometer score of 39.

**Question:** How well have your expectations been met?

Business leaders globally recognize cloud transition as a business-wide issue rather than a CIO issue, but this is particularly true in Colombia (91%) and Mexico (86%). Both Malaysia (94%) and Mexico (93%) feel strongly that the IT organization will need to transform to succeed in the cloud.

When considering the most important aspects of cloud transition, business leaders in Singapore emphasize the importance of cost management (51%) and security (62%) compared to other countries. Colombia is more focused on the need for a strategic roadmap (51%), while Brazil highlights scalability and IT architecture (50%) and Europe places relatively more importance on having the right culture and expertise (25%).
Security as both a change driver and a barrier to adoption

Moving to the cloud is not just about survival or keeping up. Organizations expect a range of benefits from making the transition – most of which influence overall business success, not just the organization's IT function.

**Question:** What benefits did your organization expect(ed) to see by moving your organization's data, IT applications and/or processes to the cloud?

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Expectations mostly or exceeded (top 2)</th>
<th>Expectations somewhat met (top 2)</th>
<th>Performance well below expectations (top 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT and data security</td>
<td>45%</td>
<td>32%</td>
<td>31%</td>
</tr>
<tr>
<td>Improve supply chain</td>
<td>44%</td>
<td>45%</td>
<td>29%</td>
</tr>
<tr>
<td>Drive innovation</td>
<td>45%</td>
<td>41%</td>
<td>32%</td>
</tr>
<tr>
<td>Better customer experience</td>
<td>42%</td>
<td>42%</td>
<td>27%</td>
</tr>
<tr>
<td>Faster time to market</td>
<td>44%</td>
<td>41%</td>
<td>27%</td>
</tr>
<tr>
<td>Being agile to match demand</td>
<td>44%</td>
<td>44%</td>
<td>27%</td>
</tr>
<tr>
<td>Competitive advantage</td>
<td>41%</td>
<td>41%</td>
<td>29%</td>
</tr>
<tr>
<td>Increase revenue</td>
<td>39%</td>
<td>41%</td>
<td>29%</td>
</tr>
<tr>
<td>Higher staff productivity</td>
<td>43%</td>
<td>43%</td>
<td>25%</td>
</tr>
<tr>
<td>Manage or reduce costs</td>
<td>42%</td>
<td>42%</td>
<td>23%</td>
</tr>
<tr>
<td>Reduce headcount</td>
<td>30%</td>
<td>30%</td>
<td>32%</td>
</tr>
</tbody>
</table>

Security is, naturally, top of mind for business leaders who want to avoid potentially damaging customer or regulatory fall out from data loss or hacking issues. **Ultimately, when it comes to security, the majority (60%) of business leaders agree that the cloud is a safer and more secure place to keep data.**

The need for better IT and data security is a key rationale for business leaders transitioning to the cloud. In particular, they want to avoid exposure to the hacking or data security risks associated with traditional data storage platforms. **Among those who made the transition, improved security is considered the leading benefit of cloud transformation, as almost two-thirds (64%) of business leaders cite it as an expected benefit and three-quarters (77%) report that their security expectations have been mostly met or exceeded.**

**Question:** How well have your expectations been met?
Interestingly enough, however, for those that have not made the transition, security concerns are their main reason for not doing so.

Building trust is therefore essential for removing the barriers to cloud transition. Familiarity and big-name brands are essential for this, with the most well-known platforms (Microsoft Azure, Amazon Web Services, Google Cloud) also considered the most secure.

<table>
<thead>
<tr>
<th>Platform</th>
<th>Extremely Secure</th>
<th>Very Secure</th>
<th>Moderately Secure</th>
<th>Not Very Secure</th>
<th>Not at All Secure</th>
<th>Don't Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Google Cloud</td>
<td>36%</td>
<td>39%</td>
<td>18%</td>
<td>3%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Microsoft Azure</td>
<td>33%</td>
<td>41%</td>
<td>19%</td>
<td>2%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Amazon Web Services</td>
<td>28%</td>
<td>43%</td>
<td>20%</td>
<td>4%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Salesforce Service Cloud e.g., CRM</td>
<td>24%</td>
<td>38%</td>
<td>25%</td>
<td>4%</td>
<td>1%</td>
<td>8%</td>
</tr>
<tr>
<td>Private Cloud e.g., Rackspace</td>
<td>23%</td>
<td>39%</td>
<td>22%</td>
<td>5%</td>
<td>2%</td>
<td>9%</td>
</tr>
<tr>
<td>ServiceNow</td>
<td>15%</td>
<td>30%</td>
<td>29%</td>
<td>6%</td>
<td>2%</td>
<td>18%</td>
</tr>
<tr>
<td>Alibaba Cloud</td>
<td>13%</td>
<td>31%</td>
<td>29%</td>
<td>11%</td>
<td>4%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Question: How secure do you believe the following cloud platforms to be?

27% One-quarter (27%) of business leaders at organizations that have not transitioned to the cloud specify security as a barrier to change.

All of this suggests that senior IT and business leaders recognize that there are security advantages to the cloud but may not feel confident or have the expertise in-house to confidently achieve secure cloud adoption. Indeed, security was the top reason cited by IT leaders for seeking additional support.

Question: With which part of optimizing its cloud transformation does your organization need third-party support?

Respondents also cite third parties as offering value when it comes to the strategic planning and processes involved in the initial transition as well as ongoing management, particularly in relation to migration (44%), cloud assessment and planning (36%), and the management of complex hybrid environments (34%).
Considerations for cloud migration

Business leaders who successfully transitioned to the cloud highlighted security as a key consideration for managing the change. While this group referenced security as the main benefit of cloud transformation, they also acknowledged that it does not happen automatically. Work is required during the vulnerability of the transition period to ensure that security and compliance measures are in place that will successfully establish the cloud’s long-term security benefits.

Security is also important because of how challenging it is.

Almost half (46%) found security concerns to be a challenge during the time of transition, when organizations may feel vulnerable while between platforms.

Other difficulties included changes to new processes (34%), as well as a lack of in-house skills (29%).

Leaders also cited a range of other important considerations, including scalability (40%), flexibility (32%), automation (30%), a strategic roadmap (29%) and cost management (28%). In this sense, business leaders who have already undergone cloud transformation are aware that successful transition depends on a variety of factors, each of which require careful management.

Question: What challenges did your organization have in moving to the cloud?
Recommendations from business leaders considering their next transition reflected these challenges. **Security is, unsurprisingly, a key focus area (14%); but more important is the need to improve in-house skills through employee training (16%).**

**Question:** Is there anything your organization should focus on next time to make cloud transformations more successful?

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee training &amp; upskilling</td>
<td>16%</td>
</tr>
<tr>
<td>Better security</td>
<td>14%</td>
</tr>
<tr>
<td>Agile processes</td>
<td>12%</td>
</tr>
<tr>
<td>Better strategy &amp; planning</td>
<td>12%</td>
</tr>
<tr>
<td>Cloud provider/ apps/ tech/ infrastructure</td>
<td>10%</td>
</tr>
<tr>
<td>Better communication</td>
<td>8%</td>
</tr>
<tr>
<td>Change management/ external consultants</td>
<td>6%</td>
</tr>
<tr>
<td>Realistic timelines</td>
<td>6%</td>
</tr>
<tr>
<td>Manage costs &amp; expectations</td>
<td>4%</td>
</tr>
<tr>
<td>Customer needs; quality products</td>
<td>3%</td>
</tr>
</tbody>
</table>

With this in mind, leaders also stressed the importance of a cross-functional dashboard to aid management and automation. **The overwhelming majority of business leaders (81%) cited such a platform as being critical** to their being able to measure, track and control the complex change involved in cloud transition.

**Question:** How important is it to have a cross-functional platform that manages or automates the operational dashboards across your organization’s cloud environment?
CHAPTER FIVE

THE UNISYS PERSPECTIVE

The fact is that cloud computing has dramatically transformed the way businesses operate in the 10+ years since it first entered the mainstream. Given the potential rewards across the business, it is not hard to see why there have been thousands of think pieces over that period describing the inevitability of the cloud. Today, almost all organizations have embraced the cloud in migrating at least some critical IT applications and computing systems. However, migrating apps or data to the cloud does not necessarily lead to business rewards. Indeed, Unisys believes that the underlying theme that runs through the Unisys Cloud Success Barometer research is that cloud is a business issue, not an IT issue.

Indeed, this survey found that more than three-quarters of senior business and IT leaders (77%) agreed with that assessment. Of course, making cloud a business issue is easier said than done, which is why less than one-third (32%) of respondents said their organization had made cloud a core part of its business strategy.

Everyone is migrating, but not everyone is seeing the benefit

Based on its deep domain expertise and experience in building better outcomes securely for its clients across the Government, Financial Services and Commercial markets around the world, Unisys understands that committing to the cloud is a business-led imperative.

The survey found that four in 10 (40%) of those for whom cloud was not a core part of their business strategy saw no change or a change for the worse in their organizational effectiveness. By contrast, more than four in five (83%) of those that said that cloud was core to their business strategy saw great or moderate improvements to their business as a result of their cloud adoption.

“Committing to the cloud is an imperative. When we say that cloud should be a core part of your business strategy, that means assessing and developing a clear roadmap at the outset, defining how the cloud can help you boost revenue, gain competitive advantage, improve productivity and manage costs,” said Raj Raman, Chief Technology Officer of Cloud, Unisys. “The question for many is, how do I go about cloud adoption? And that’s often where the failure most frequently lies.”
Incorporating cloud into a complex IT environment

The survey demonstrated that while most everyone (93% of respondents) had migrated to the cloud in some capacity, the overall IT environment is still very complex. On average, 41% of current IT environments are either utilizing on-premise data centers or legacy systems.

Unisys Chief Technology Officer Vishal Gupta said, “While there is an understandable move to the cloud, on-premises applications and assets aren’t going away. That creates a “double bubble” challenge. Most businesses aren’t able to pop their on-premises bubble completely. It also can delay an organization’s ability to move to the cloud. And as this research shows, it’s those organizations that are dipping their toes in the cloud water slowly, without a clear roadmap in place, that are more likely to struggle with their cloud implementation.”

Many organizations recognize this struggle, and how well they navigate this complex environment can correlate with the likelihood of cloud success. The survey found that organizations with more than half of their IT on cloud report were 41% more likely to report that their organizational effectiveness changed greatly or moderately for the better compared to organizations who were less than 50% in the cloud.

This is not to say that businesses should expect to be at 100% cloud adoption; understandably, for many organizations, especially government and financial services organizations, there are regulatory and business constraints that inhibit such a scenario. However, as part of a cloud strategy, organizations should incorporate a plan to, where possible, reduce their data center footprint.

Said Gupta, “As part of their cloud migration plan, businesses should include a plan to sell off or shut down legacy equipment and locations where it makes sense. For example, let’s say a business has 40 data centers at the outset of its cloud effort. The strategy might be to reduce that to five data centers once the cloud effort is complete. By creating such a plan, the organization can optimize spending in the interim and beyond. The key is to ensure that there are no stranded assets or legacy applications so that cloud benefits can be realized as soon as possible. Also, it is important to focus on a hybrid cloud strategy for many organizations, given they will have investment in both public cloud and their own data centers.”
Multi-cloud offers benefits, but adds complexity

Though it might seem complicated, the idea of using multiple cloud services to house your organization's applications, software, assets, etc. is relatively straightforward, and presents several notable benefits.

“Organizations that adopt multi-cloud strategies can design applications to run across any public cloud platform, expanding their marketplace power,” said Raman. “Additionally, a multi-cloud strategy helps businesses spread their risk in case of downtime for a public cloud provider, and it can increase the business’s negotiating leverage – as well as offering potential cost savings by allowing your business to shop rates for different service needs from multiple vendors.”

Interestingly, multi-cloud users were more likely to see the cloud as essential to staying competitive. More than two in five (42%) of multi-cloud users have been impacted by a competitor that leverages cloud innovations, 40% more likely than the overall global average. Additionally, 75% of multi-cloud users would be somewhat to extremely concerned about the competition innovating first if they did not move to the cloud, and 58% would be concerned about going out of business.

Despite those potential benefits, the survey results showed that only 28% of organizations surveyed had embraced multi-cloud solutions, suggesting room for cloud growth and the need to better integrate cloud into existing IT infrastructure.

Security is both the biggest draw toward and obstacle to migration

The results of the 2019 Unisys Cloud Success Barometer found that security takes on a unique role, as both the leading driver of cloud adoption, but also the leading barrier to cloud adoption. The survey found that 64% overall said they expected IT and data security benefits from their move to the cloud, while at the same time, 27% of respondents also said that security issues delayed their move to the cloud. Of note, that inhibition is not related to security concerns with the cloud itself, as 60% of respondents agreed that data is more secure on the cloud compared to in-house, with just 14% who disagreed.

Security as an inhibitor centered on the need for third-party support to ensure proper security was part of the implementation. In fact, security was the top-cited area of need for third-party support, with 53% of respondents reporting the need for third-party help with security.

“The level of concern is understandable, because when you’re leveraging emerging technologies there is a degree of risk that can be intimidating for any team,” said Raman. “Many organizations have thousands of legacy applications that need to be migrated in some fashion, while trying to keep on top of multiple critical factors like cost control, speed of implementation and assured security, along with the imperative to keep operations up and running during the transition.”

Conclusion

The implications of the Unisys Cloud Success Barometer research findings are evident. There are, indeed, significant benefits that can be realized from migrating to the cloud. However, there are key elements related to business strategy, investment, resources and support that truly define the difference between success and failure. Failure to migrate the right way increases both the likelihood that expectations will fall short and that a company will be left behind, suggesting that the time to build the cloud into your business transformation strategy is now.
1. Thoroughly plan your cloud adoption before you execute.
When it comes to planning a cloud migration, in addition to looking at the cloud itself, organizations must also look beyond the cloud level, which includes application availability and performance. The first step toward optimizing and automating cloud applications and processes involves understanding how applications behave.

“Organizations must start with a thorough planning assessment. As part of that planning, we recommend conducting a “discovery process” that reviews their applications using a portfolio approach to understand business requirements, app dependencies, financial investments and stakeholder expectations,” said Lakshmi Ashok, VP, Application Services, Unisys Federal. “Armed with the results from the discovery process, the migration teams need to work with stakeholders to determine the right treatment path for cloud migration. Factors influencing treatment path decisions include business requirements, application dependencies, anticipated ROI, staff training and security. Following this, the team needs to establish move groups, perform operational integration with existing framework and processes and then execute migrations.”

Calls to action
So what can organizations looking to make the most of their cloud adoption do? While there is no silver bullet, Unisys believes there are tangible steps they can take.

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2. Embrace the benefits of automation.
Automation not only enables optimal application and data center migration and operation and compliance control, but it is also a driver of cost savings. Given the cloud is fundamentally a software-defined infrastructure, it is built to be an automation-enabled architecture. Cloud native automations with Infrastructure as Code, Compliance as Code, and DevSecOps can make a big difference in whether or not an organization can fully realize the cloud benefits.

“Cloud automation solutions can provision and operate cloud workloads, enforce governance policies, and implement cloud service best practices at scale and with minimized human intervention,” said Gary Wang, vice president of cloud and infrastructure services, Unisys Federal. “It ensures organizations are continually optimizing cloud service configurations and cost management, addressing compliance and security risks in real time, and enabling continuous integration and continuous delivery. It enables a cloud organization to keep on top of cost, security, operations, performance and availability.”

3. Visibility is key.
As cloud continues to grow in serving as the foundation for many critical business functions, assuring uninterrupted services both throughout the adoption journey and beyond is of critical importance. For businesses to take advantage of the vast array of opportunities brought on by the cloud, it is imperative to provide visibility into all the data, interrelated applications, networks and servers in between.

“Having a cloud management portal provides several benefits designed to help organizations securely manage their cloud architecture,” said Raman. “From allowing businesses to take advantage of cloud consumption, including day-zero availability of new services, as well as helping configure accounts, perform cost-modeling and what-if analyses, a cloud management portal is critical to providing end-to-end visibility for better governance, security and performance.”

4. Don’t overlook security or compliance.
For most organizations, cloud initiatives start with test workloads. To gain maximum benefit from the cloud, businesses must also migrate their development and production workloads. Businesses need to ensure proper security and compliance to give everyone the confidence to do that. That entails creating cloud security controls that are consistent with existing company security and compliance policies and support standards like PCI, FedRAMP and GDPR.

Additionally, Gartner, Inc. estimates that up to 95% of cloud breaches occur due to human errors such as configuration mistakes. If cloud breaches are typically due to misconfigurations, then organizations must implement controls that quickly – and automatically – prevent or detect and remediate these errors.

“We look at security and compliance investments as an enabler of trust,” said Tom Patterson, chief trust officer, Unisys. “Such investments engender trust throughout the ecosystem. For instance, when people have that trust, they’re better able to leverage the benefits of moving their applications and workloads to the cloud. In this case, we extend trust with a secure cloud configuration that has a dynamic and continuous process that leverages security best practices like encryption, cloaking and microsegmentation, lowering both costs and risks for everyone.”

5. Keep future-facing by partnering with a trusted technology provider.
The survey illustrated a clear disconnect: despite many organizations struggling to realize the benefits of cloud adoption, seven in 10 felt that they had the relevant skills internally to design, build and run cloud solutions. However, given the complexity involved with integrating cloud into an existing IT environment, it is no surprise that those organizations that utilized third-party support were 27% more likely to achieve great or moderate benefits to their business.

“There is a plethora of cloud options – private, public, hybrid, multi and other combinations,” said Raman. “However, those choices can create unforeseen complexities that can easily derail expectations. Those organizations that plan their cloud migrations carefully, drawing on the expertise of established partners where it makes the most strategic sense, are best positioned to realize operational, financial and competitive success from cloud transformation.”

For more information, please visit https://www.unisys.com/cloudbarometer.
For more on Unisys cloud and infrastructure offerings, visit: https://www.unisys.com/offerings/cloud-and-infrastructure-services.
About Unisys

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