

Six Projects To Move Enterprises Toward the Clouds

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How exactly is the enterprise migration to the clouds progressing?

In 2010, the Cisco® Internet Business Solutions Group (IBSG) sought answers in a wide-ranging [survey](#). At the time, the path to cloud was just beginning for many enterprises. Today, with cloud evolution accelerating into an increasingly essential process, we decided to capture the [current state of cloud migration](#).

To gain these insights and to better understand this “enterprise journey to the clouds,” we interviewed CIOs, IT general managers, and cloud initiative directors at 45 organizations around the world, many of them Global 50 companies. Our in-depth interviews focused on five industry verticals: government, manufacturing, financial services, professional services, and retail.

In short, a majority of executives are embracing cloud and feel that it helps them meet some of their biggest challenges. As in our 2010 survey, fears persist – with privacy and technology concerns foremost among them – but today they are seen as inhibitors to cloud adoption, not deal-breakers. Key drivers include cost savings (which outweigh trepidations about initial investment); agility; and “bring your own device” (BYOD), which is driven by employees but enabled by cloud.

Key Adoption Dynamics Open the Door to Cloud

Our latest survey reveals just how the journey to cloud is occurring in most enterprises. Each organization follows its own path to the cloud, but few begin with a large, company-wide cloud adoption program. Instead, a hybrid approach between public and private cloud is often employed. The process begins in-house and is driven by smaller, well-defined individual projects, what we call “early adoption dynamics” (see Figure 1).

Here are six typical cloud projects that constitute the Enterprise Journey to the Clouds:

1. **Next-generation workspace:** Cloud can transform work environments through mobility, BYOD, virtual desktop, and collaboration tools.

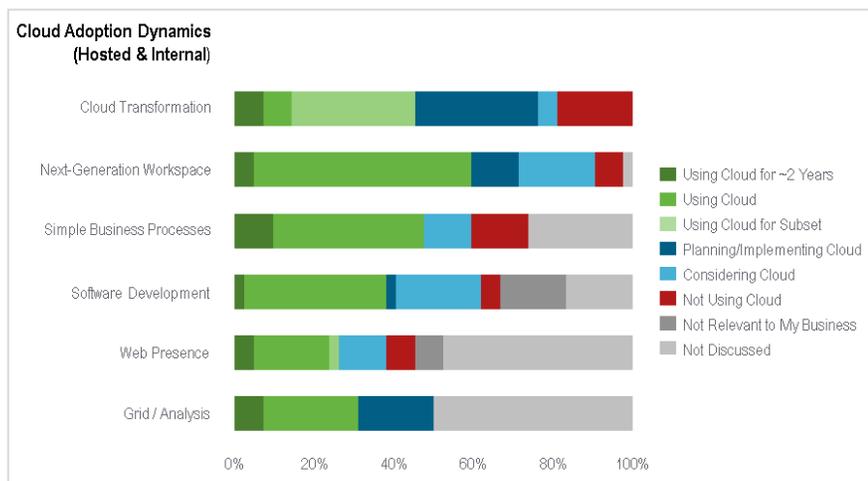


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Many IT executives count on external software-as-a-service (SaaS) to address mobility and BYOD challenges.

2. **Simple business processes:** Cloud can help improve back-office business processes such as customer relationship management, human resources, financial management, messaging, and payroll. Often, such processes are carved out and implemented via SaaS.
3. **Software development:** Companies with significant activities in software development transform their development processes with cloud. This covers the use of infrastructure as a service (IaaS) and platform as a service (PaaS), and is carried out internally and in hosted environments.
4. **Web presence:** Cloud can help companies deliver an agile and scalable web presence. Interestingly, cloud competes with “old world” efficiency programs such as outsourcing. And web presence, with its inherent mix of stable and volatile workloads, is a natural candidate for hybrid cloud, since work can be offloaded during usage spikes.
5. **Grid/analytics:** Data analytics have been performed by large clusters of computers (grids) in the past (for example, in credit scoring). Cloud services can be used to transform grids and analytics capabilities that require large amounts of processing power. Companies often use their grid experience to drive companywide cloud transformation programs.
6. **Cloud transformation:** Instead of starting with any of the previous application domains, companies can work “bottom-up” through their portfolio of IT resources to consolidate production platforms into cloud. This process usually starts at the facility level with data-center consolidation, followed by server virtualization, and then automation. The next step, to a true self-service, IT-utility model, frequently proves a challenge for enterprises.

Figure 1. Early Dynamics Open Door to Cloud Transformation.



Source: Cisco IBSG, 2012; N = 42 interviews

There is no single path to cloud, and enterprises often implement one or more of these adoption projects in parallel, in no particular order.

Concerning industry verticals, we found that despite their obvious differences, cloud projects across industries are bound by the same drivers and inhibitors, and can be categorized along the same adoption dynamics. For the most part, a financial-services cloud and a manufacturing cloud do not differ all that much.

Regardless of *how* they are doing it, companies *are* moving to the clouds, even if they are just beginning the journey. More than a third of the companies represented in our survey run cloud to improve general IT efficiency; another third are planning or building clouds. And interestingly, we found that solutions never converged in a single cloud; rather, they produced a multitude of clouds.

The benefits of this game-changing technology are ever more obvious, and the Enterprise Journey to the Clouds is gaining unstoppable momentum.

For more information on the path to cloud adoption, download the full white paper, "[Enterprise Journey to the Clouds](#)."

More Information

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