

changes as compute shifts from product to utility. What was once a positive investment can quickly become a technical debt and a source of inertia. The act of computing might be becoming more defined, ubiquitous and certain but our past investment in assets can quickly turn into a liability.

In practice, the early adopters of one stage of evolution (e.g. buying compute as a product such as servers) can quickly find themselves as the laggards to the next stage of evolution (e.g. cloud) because of their past investment and choices. The same change appears to also happen up and down the value chain. For example, with serverless (a shift of platform from product to utility) then often the first movers into the world of cloud (i.e. utility infrastructure) and DevOps (i.e. co-evolved practice) exhibit the characteristics of laggards to the serverless world whilst some companies that many would describe as laggards to cloud are the early adopters of serverless.

These changes in the value of a stock are problematic because in accountancy and financial reports we rarely reflect the concept of evolution. At best, we use the idea of depreciation of some form of static stock but fail to grasp that the stock itself isn't static. The balance sheet of a company might look healthy but can hide a huge capital investment that has not only been depreciated but is now undergoing a potential change in the stage of evolution e.g. data centres, servers and related practices that will quickly become a huge financial burden requiring massive investment, retraining and re-architecting.