| Target Profile |
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* New prospect with limited Cloud Experience
* New prospect with extensive Cloud Experience but using CE/Native tooling/Scaffolding/Competitor
* Customer with established HCP Terraform in silos but not adopted as a shared service
* Customer using a subset of enterprise features in Terraform and not realising full extent of business value

| Definition & Strategic Vision |
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As enterprises deploy and manage infrastructure across diverse environments—including on-premises data centers, private clouds, and public cloud providers—fragmented silos emerge, increasing operational complexity and slowing innovation. By introducing a cloud-agnostic control plane, teams gain:

* **Consistency** – Common workflows and tooling across on-prem, private, and public clouds.
* **Governance** – Centralized policy enforcement and compliance, eliminating drift and configuration sprawl.
* **Visibility** – Single point of insight into resource usage and health, ensuring optimal performance and cost management.

**Cloud Foundations:** Establishing a true hybrid cloud automation platform enables a wide range of use cases for the customer, which can be overwhelming at first. We propose selling “Cloud Foundations” to establish core integrations and essential workflows. Cloud Foundations is powered by HCP Terraform, the industry-standard Infrastructure as Code (IaC) platform, which automates the entire provisioning workflow and enforces consistent practices across all infrastructure endpoints. As the cornerstone solution, it enables additional use cases that deliver significant, tangible value to customers.

| Customer Problem Statement |
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As an organization's cloud adoption grows, managing and provisioning infrastructure at scale becomes increasingly complex. Many face challenges like uncontrolled cloud sprawl, where teams independently adopt one or more cloud providers without a cohesive strategy. This ad-hoc cloud adoption leads to inconsistent architectures, heightened security risks, reduced productivity and mounting technical debt.

Customers start with leveraging Terraform CE (in some cases there will be pockets with Cloudformation/ARM and other competitors such as crossplane) with scaffolding or embedded into CI/CD pipelines in most cases. Very soon customers realize that the scaffolding they have created puts them in a tough situation where end users do not experience the agility and the platform team is struggling to manage costs and enforce guardrails.

There are also cases where “unicorn[[1]](#footnote-0)” engineers have built very good scaffolding - that they are proud of their work - but on deeper analysis has a number of security and operational deficiencies.

Key concerns for customers

| Security and Compliance | Ensuring data security and adhering to industry-specific regulations like HIPAA or GDPR when moving to the cloud |
| --- | --- |
| Vendor Lock-in | Becoming overly reliant on a single cloud provider, making it difficult to switch or negotiate better terms |
| Governance and Control | Establishing clear policies and procedures to manage access, security, and compliance across the cloud environment. |
| Compliance Concerns | Navigating different regional data privacy laws when storing data in the cloud. |
| Cost Management: | Difficulty in accurately tracking and optimizing cloud spending to avoid unexpected costs. |
| Lack of Visibility | Difficulty in monitoring and understanding cloud usage, potentially leading to security risks. |
| Multi-Cloud Management | Managing applications across different cloud providers, creating additional complexity. |
| Skills Gap | Lack of internal expertise to effectively manage cloud operations and migrate applications |
| Data Migration Complexity | Challenges in transferring large volumes of data to the cloud while maintaining integrity and accessibility |

| Sales Problem Statement |
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* Effort to land Terraform deals
  + Sales motion is expensive for HashiCorp
* Customers “satisfied” with scaffolding built around TF CE
  + Not understanding the value of enterprise
* Post Sale
  + Not migrating Greenfield cloud to enterprise
  + Not establishing a shared platform
  + Application teams not onboarding
  + Not adopting core enterprise features

| Maturity Model Components / Sub UseCases |
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The following sub-usecases are applicable to realize the value provided by ILM: Cloud Foundations

Since we have granular demos in DDR - we recommend an end-to-end demo that encompasses the important use cases - please see the [demo script](https://docs.google.com/document/d/12gYEsN96sW957LVSrfdeoJcgg5BvH0yvri9kIVYitss/edit?tab=t.0#heading=h.a0oq1kurrs7q) for what we propose.

| Sub UseCase | HVD | Workshop | DDR |
| --- | --- | --- | --- |
| * Infrastructure as code | [IaC and Cloud Provisioning](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-adoption/iac-and-cloud-provisioning) | Landing zones: [ws](https://play.instruqt.com/hashicorp/tracks/terraform-landing-zone-provisioning-workflow), [slide](https://docs.google.com/presentation/d/12o7jzSzZVgvZyETgTUdGIih3029C2NKlkSiBqBZNn7E/edit#slide=id.g2bb36b3b868_0_640) |  |
| Remote Operations | [Terraform Workflows](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-adoption/terraform-workflows#terraform-workflows) |  |  |
| Role Based Access | [Access Management](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-adoption/configuration-for-1st-use#access-management) | Control Workspace: [ws](https://play.instruqt.com/hashicorp/tracks/terraform-control-workspaces), [slide](https://docs.google.com/presentation/d/15xrD6DwxyuLlBWDW1VjfHFj5O80-KwSSXls5Z253OVk/edit#slide=id.g2bb36b3b868_0_640) | [Link](https://app.terraform.io/app/hashicorp-wwtfo-demo-platform-prod/registry/modules/private/hashicorp-wwtfo-demo-platform-prod/workspaces-projects-rbac/terraform) |
| VCS Integration | [VCS Driven workflow](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-adoption/terraform-workflows#vcs-driven-workflow) |  | [Link](https://app.terraform.io/app/hashicorp-wwtfo-demo-platform-prod/registry/modules/private/hashicorp-wwtfo-demo-platform-prod/vcs-workflow/terraform) |
| Secure Variables | [IaC and Cloud Provisioning](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-adoption/iac-and-cloud-provisioning) | Cloud Variables: [ws](https://play.instruqt.com/hashicorp/tracks/terraform-cloud-variables) | [Link](https://app.terraform.io/app/hashicorp-wwtfo-demo-platform-prod/registry/modules/private/hashicorp-wwtfo-demo-platform-prod/dynamic-secrets-with-aws/vault) |
| Private Registry | [Private Registry](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-standardization/private-registry) | Module Registry: [ws](https://play.instruqt.com/hashicorp/tracks/tfc-private-module-registry), slide |  |
| Event Notifications |  |  |  |
| Cloud Providers |  |  |  |
| Policy as code: Sentinel & OPA | [Policy as code](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-standardization/policy-as-code-sentinel) | Sentinel Intro: [ws](https://play.instruqt.com/manage/hashicorp/tracks/policy-as-code-introduction-terraform), [slides](https://docs.google.com/presentation/d/1vf481Plc4aXGkepTk9dH3vG5AI5ysmGnyCIdNExYjvk/edit) Sentinel Author: [ws](https://play.instruqt.com/manage/hashicorp/tracks/sentinel-pac-lifecycle-management), [slides](https://docs.google.com/presentation/d/1KsL46rBaxrIQjgtQWocvn-4MW3bUF5PvIqQHZCKj_z0/edit#slide=id.g2bb36b3b868_0_640) | [Link](https://app.terraform.io/app/hashicorp-wwtfo-demo-platform-prod/registry/modules/private/hashicorp-wwtfo-demo-platform-prod/policy-as-code/terraform) |
| Drift Detection | [Infrastructure Health Monitoring](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-standardization/infrastructure-health-monitoring) |  | [Link](https://app.terraform.io/app/hashicorp-wwtfo-demo-platform-prod/registry/modules/private/hashicorp-wwtfo-demo-platform-prod/health-assessments/terraform) |
| Continuous Validation | [Continuous Validation](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-scale/continuous-validation) |  |  |
| * Run history & audit logging | [Observability](https://developer.hashicorp.com/validated-designs/terraform-operating-guides-adoption/observability) |  |  |
|  |  |  |  |

| References |
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* [Cloud Repatriation is Real and it Doesn't Matter](https://www.youtube.com/watch?v=BE-N6mze7Fk)
* [Building a durable hybrid cloud for AI](https://idcdocserv.com/US52592924_IG)
* [Gartner Forecasts Worldwide Public Cloud End-User Spending to Total $723 Billion in 202](https://www.gartner.com/en/newsroom/press-releases/2024-11-19-gartner-forecasts-worldwide-public-cloud-end-user-spending-to-total-723-billion-dollars-in-2025)

1. Unicorn - Term used for high performance engineering talent who believe they can build scaffolding around TF CE to get what they would need - they are not looking at the long term issues with maintenance of the scaffolding and other concerns such as security. [↑](#footnote-ref-0)