

Introduction

Cloud adoption is critical for successful IT modernization to support digital transformation initiatives. Competing in the global economy for customers, investment, and talent requires instant access to relevant data and IT resources that don't compromise on speed, scale, security, or costs. A well-thought-out cloud strategy and consistent execution of this strategy delivers the flexibility and scale that underpins digital business success and data transformation.

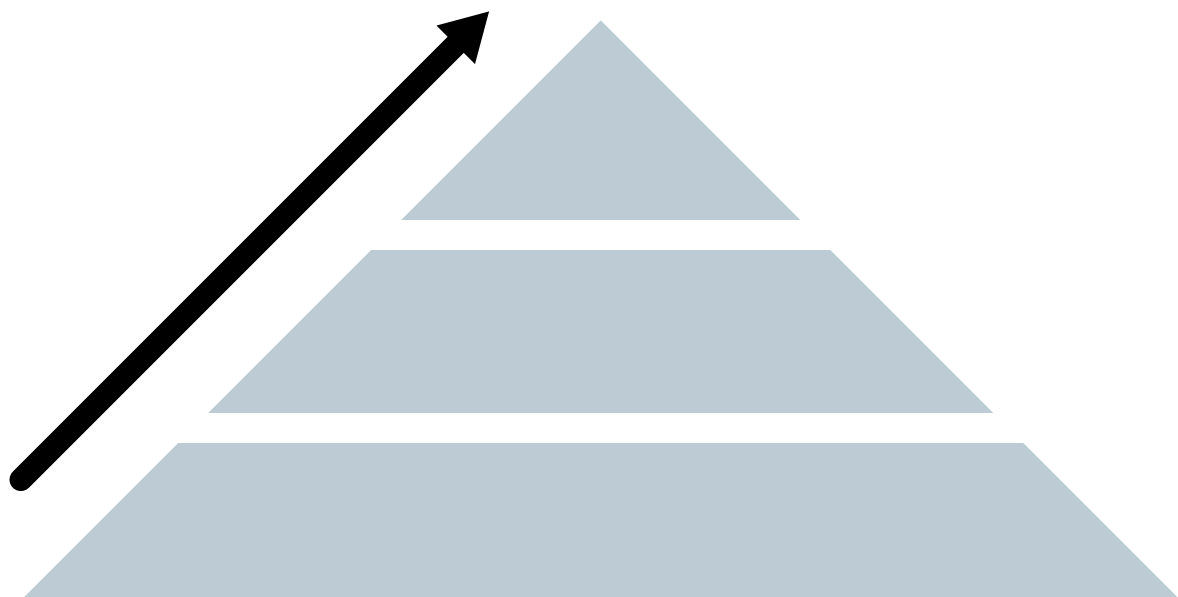
To assess cloud adoption maturity, IDC has developed a Cloud Strategy Assessment tool to understand digital business ambitions, cloud strategies, and execution challenges. Based on the results, we have grouped the respondents into three categories — **Cloud Starter, Cloud Practitioner, and Cloud Master** - to understand what sets the masters apart from their competitors and which best practices we can learn from them in making the cloud and data transformation journey successful.

The key priorities for organizations accelerating their digital transformation journeys are IT modernization, successful cloud adoption, and progress in becoming data-driven. They want to use cloud and data transformation initiatives to improve efficiency, business performance, and the speed of innovation. Delivering on digital business mandates requires a well-thought-out cloud strategy and set of technologies to drive innovation, all without compromising on cost control, security, or regulatory obligations. Providing a flexible IT delivery model and relevant data at speed, while aligning with business needs, is critical. Developing a successful cloud and data strategy will form the bedrock on which to digitally transform your organization in a scaleable and agile manner.

Executive Summary

Now that you have completed the IDC Strategy Cloud Assessment, this customised report has been created based on your answers and will help highlight some of your organisations key strengths and potential areas for development, in relation to your Cloud Strategy. The report covers the same three key sections as the assessment - cloud migration and application modernization, multicloud status, and data value realization; making the insights focused and highly actionable.

Knowing how you score in relation to the IDC model and where improvements can be made, helps to focus your efforts, resulting in a quicker time value from your cloud and data monetisation investments.



Ranking Explanation

Organizations who view cloud as a critical technology and the foundation of their digital transformation, as opposed to just a tactical way to save costs, will be in a better position to capitalize on new digital initiatives, yield higher returns and ultimately make your cloud strategy a success.

The key to successful digital transformation is the ability to make IT a business enabler by leveraging cloud and business data. The better an organization is in its vision, execution and overcoming challenges along the way, the higher they are in the maturity curve giving them a competitive differentiation.

The IDC Cloud Strategy Assessment ranks organisations by three maturity levels - **Cloud Starters, Cloud Practitioners and Cloud Masters**.



Cloud Starter

organizations rarely view cloud as a vehicle for competitive differentiation and just see it as a tactical tool for cost savings. Their key priority is to carry on as is in their IT journey and dedicate little budgets to core IT and application modernization strategies. These organizations also don't regard data value realization as critical for digital business success.



Cloud Practitioner

Cloud Practitioners understand the value of cloud as a digital business enabler and have ambitions to become a data-driven organization. While these organizations are well into their cloud adoption and IT modernization journeys, they are facing stumbling blocks to make that cloud transformation end-to-end and achieve all business objectives. They certainly have the cloud vision and determination to make progress and will be focusing on overcoming the challenges to graduate to the next stage of maturity.



Cloud Master

Cloud Masters have successfully overcome most of the challenges in achieving their cloud migration, application modernization, and data-driven strategy objectives. But as business dynamics, cloud services and security needs are constantly evolving, as are business needs, their key priority is in maintaining their competitive edge by keeping their cloud and data-driven strategy current. They are not taking their eyes off the goal and

bottlenecks, security postures and new data-related opportunities to remain the masters.

Your Ranking

Organizations can only successfully compete in the global economy if their cloud and data-related strategies are world-class and the execution is consistent, adaptive, and takes advantage of the relevant cloud and data-enabling technologies. IDC's Cloud Strategy Assessment scores organizations on their cloud strategy maturity by looking at three core elements — **cloud migration and application modernization, multicloud status, and data value realization.**

Based on your responses to IDC's Cloud Strategy Assessment, your organization has been rated at the earliest level of Cloud Strategy maturity — a **Cloud Starter**. This means you are at the beginning of your cloud and data-enabled journey, and there will be much to do and much to gain. Having the right guidance, leveraging industry best practices, and working with specialist vendors and partners, you will catch up quickly. You need to define a starting point, set short, mid- and long-term priorities, and start to drive incremental improvements. With the amount of potential complexity and a shortage of digital skills, seek outside assistance where possible to accelerate your move to a cloud-enabled and data-driven organization.

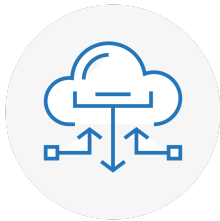
The key priorities for organizations accelerating their digital transformation journeys are IT modernization, successful cloud adoption, and progress in becoming data-driven. They want to use cloud and data transformation initiatives to improve efficiency, business performance, and the speed of innovation. Delivering on digital business mandates requires a well-thought-out cloud strategy and set of technologies to drive innovation, all without compromising on cost control, security, or regulatory obligations. Providing a flexible IT delivery model and relevant data at speed, while aligning with business needs, is critical.

Developing a successful cloud and data strategy will form the bedrock on which to digitally transform your organization in a saleable and agile manner.

You are off to a start. You are at the beginning of your cloud journey. Based on your responses to IDC's Cloud Strategy Assessment, your organization has been rated at the beginner level of three levels of cloud maturity — **Cloud Starter**.

	Cloud Starter	Cloud Practitioner	Cloud Master
Your Result	<div></div>		
Cloud Migration and Application Modernization	<div></div>		
Cloud and Multicloud Status	<div></div>		
Realizing the Value of Data	<div></div>		

Your results indicate that there are many areas to be addressed to successfully develop your cloud and data strategy. This report will give you advice on some key areas to prioritize as you look to progress to the next stage of cloud adoption. Let's turn to the next page and dig into the tangible actions you can take to progress.



Cloud Migration and Application Modernization

Welcome to the cloud migration and application modernization chapter of this report. IDC research shows that an effective cloud adoption and legacy application modernization strategy, built on the right fundamentals, is a critical element of a successful digital transformation strategy. A consistent and planned strategy to migrate to cloud-like, services-driven infrastructures and to transform legacy applications enables enterprisewide digital transformation. This section will assess your maturity and progress in key areas of cloud migration and application modernization and help determine where you need to focus to yield the best results.

This section of the report assesses the status of your organization's cloud migration and application modernization strategy. It is based on what's driving your key investment decisions, the challenges you are facing, and how initiatives are being prioritized within your cloud strategy.

	Cloud Starter	Cloud Practitioner	Cloud Master
Overall Performance	<div></div>		
Cloud Migration and Application Modernization	<div></div>		

Your overall score for this section indicates that you are in line with your Cloud Starter peers. You are at the beginning of your journey, so there are many areas you need to address. You can look into individual assessment areas within this section to understand what changes you could make to improve your cloud migration and application modernization maturity.

Question 1

What is the key driver of your cloud migration and application modernization strategy?

Focusing on cost savings as the key driver for cloud migration and application modernization efforts might initially seem like the most sensible approach ... but is it? Early stage cloud adoption was often driven by the expectation to save costs when moving from a capex model on-premises to an opex model in the cloud. However, the business case in the cloud does not stack up if you are not also changing your processes so that you scale your application usage up and down according to demand. In addition, cloud as an operating model provides so many other benefits like access to innovative services and support of an agile working culture, which provide more significant advantages than "only" cost savings. To get to the next level, you should think more broadly about the benefits that a cloud and application modernization strategy can provide for your organization.

Question 2

To what degree are these challenges impacting your cloud strategy?

As a Cloud Starter, you are still dealing with many challenges when implementing your cloud strategy. The move to the cloud is more than a simple technology upgrade — it is transforming not only your technology platform but also your processes, your staffing requirements, your security procedures, and how you collaborate with other parts of your business. To move to the next stage of cloud maturity, you need to define the starting point for your cloud journey. Do an audit of the challenges you encounter in implementing your cloud strategy, rank them in order of importance, cost, and complexity, start with the easy ones to achieve some quick successes, and plan to address the more complex challenges. Reach out to an experienced partner for additional resources, support, and guidance.

Question 3

Looking at your 2-3 year strategy, please rank the importance of the following initiatives?

You are only prioritizing a small number of cloud-related initiatives. This is typical for Cloud Starters. A typical cloud journey starts with creating IT efficiencies within the datacenter, freeing up IT resources and satisfying security, regulatory compliance, and data governance requirements. As a next step, organizations are typically looking to implement an agile, cloud-based application architecture using microservices and containers. Finally, they are building an intelligent core to implement and scale analytics, machine learning, and artificial intelligence. To do that, they need to automate and orchestrate the exchange of data within their ecosystem to develop new digital experiences that drive customer satisfaction and revenue.

As a Cloud Starter, you are doing well to focus on a few initiatives to start with

and work your way up to the more complex projects ahead.

Question 4

To which degree are these cloud migration challenges faced by your organization?

Where to start your cloud journey and which workloads to migrate is not an easy decision. First, you need to establish if there is an organizational need to move to the cloud. While we are seeing a broader trend in the industry, with an increasing number of organizations moving to the cloud, it might not be a good fit for your organization to have every workload and application in the cloud; it all depends on your specific workloads, performance requirements, data sensitivity, regulatory compliance concerns, etc. Once you have decided that cloud is going to be part of your IT infrastructure mix, you need to determine which applications are a good fit for the cloud, which migration strategy fits to which application class, how complex the migration is going to be, and, last but not least, if you have the right cloud skills internally or if you need to select an appropriate external partner for support.

As a Cloud Starter, you have already defined your starting point and understand the migration complexities of the different classes of applications. You are ahead of your Cloud Starter peers. As a next step, you need to devise a migration strategy (lift and shift, refactor, transform, etc.) for each application class and choose an experienced cloud migration partner if you don't have the skills in-house.



Cloud and Multicloud Status

Cloud is the launchpad for digital transformation, with 69% of organizations operating a multicloud environment today, according to IDC's 2019 Multicloud Survey. Given the advancements in cloud solutions and the importance of security, resilience, cost transparency, and compliance, cloud adoption is more nuanced today.

Successful enterprises are committed to enterprisewide IT transformation in a sustainable and compliant way, making multicloud and hybrid cloud a natural evolution. How they navigate through the multicloud complexities and develop unified monitoring, workflow management, cost management, and compliance determines their multicloud success.

The realization is dawning among savvy enterprises that there is no "silver bullet cloud" that answers all IT issues. Organizations therefore seek to build an interoperable, hybrid, and multicloud IT infrastructure to gain the benefit of cloud without compromising on core IT values of security, resilience, and compliance. Cloud is seen as an operating model rather than a destination.

This section of the report assesses your organization's cloud and multicloud status by evaluating your cloud usage, maturity of hybrid or multicloud environments, and the objectives you have set in relation to your multicloud initiatives — that is, how aligned are your multicloud strategies with business outcomes? Lastly, it explores how well you are executing on your hybrid and multicloud strategies.

	Cloud Starter	Cloud Practitioner	Cloud Master
Overall Performance	<div></div>		
Cloud and Multicloud Status	<div></div>		

Your overall score for this section indicates that you are in line with your Cloud Starter peers when it comes to cloud and multicloud maturity. You are at the beginning of your cloud and multicloud journey, with many areas still to be addressed. You should look into individual assessment areas within this section to better understand what changes you could potentially make to improve your cloud and multicloud status.

Question 5

Which of these environments represents the majority (>50%) of your IT estate?

Your IT environment still represents a traditional IT environment that is mostly reactive to business needs. As business needs change rapidly, there is a risk that the business views IT as a scapegoat and an inhibitor rather than a business enabler. Traditional on-premises IT is complex, hardware-driven, monolithic, and slow to respond to agile business needs. Traditional IT also forces business to adopt shadow IT practices and renders traditional security policies inadequate, exposing the business to risks. You need to strategize an IT modernization plan, using cloud to progress in your business transformation.

Question 6

Which one of these cloud benefits is the most vital to your business?

Question 7

To what degree are these challenges faced around cloud operations and management

Getting cloud operations and management right is critical for running a successful cloud practice

Your score for this question indicates, you still face many of the early stage challenges in setting up an efficient cloud operations and management practice.

To improve further, you need to ensure good visibility and control of your IT infrastructure, both on-premises and in the cloud, invest in multicloud monitoring, management, automation, and orchestration tools to reduce the need for error-prone manual tasks, set up a strong security, data governance, and regulatory compliance framework, and make sure that you manage your cloud expenses tightly. Once the foundation is in place, you can look at API management, integration, and interoperability, as well as implementing a CI/CD pipeline to automate cloud operations



Realizing the value of data

Data is at the heart of digital transformation and gives enterprises a competitive advantage. Data on its own doesn't mean anything — it is how enterprises treat it as a valuable asset, work with it, manage it, and capitalize on it that brings about the real difference.

Data-driven organizations are more confident about delivering better customer experiences and take confident business decisions.

Capitalizing on and monetizing data is a journey and requires organizations to consider the full data life cycle, from collection to storage to management to analytics. Is there a culture in your organization of treating data as an asset? Are IT confident of delivering the right data to the right hands at the right time without compromising on security and privacy?

"Creating the right foundation to share, manage, and collaborate on data is critical to innovate and improve decision-making capabilities in the digital era"
Carla Arend, IDC, 2020

This section of the report assesses the stage of your organization's data capitalization vision and strategies based on the maturity of your data-driven objectives and your progress in the data value realization journey.

	Cloud Starter	Cloud Practitioner	Cloud Master
Overall Performance	<div></div>		
Realizing the Value of Data	<div></div>		

Your overall score for this section indicates that you are in line with your Cloud Starter peers with respect to the progress you have made so far. You are at the beginning of your journey, so there are many areas you need to address. You can look into individual assessment areas within this section to understand what changes you could make to improve your cloud maturity.

Question 8

At what stage are you on your data value realization journey?

Your IT environment still represents a traditional IT environment that is mostly reactive to business needs. As business needs change rapidly, there is a risk that the business views IT as a scapegoat and an inhibitor rather than a business enabler. Traditional on-premises IT is complex, hardware-driven, monolithic, and slow to respond to agile business needs. Traditional IT also forces business to adopt shadow IT practices and renders traditional security policies inadequate, exposing the business to risks. You need to strategize an IT modernization plan, using cloud to progress in your business transformation.

Question 9

Please indicate how critical these data driven objectives are to your data strategy / organization?

IDC research indicates that the cloud strategies and data strategies of organizations are increasingly converging. To build a great data strategy, you need to create a data map to gain visibility and control of your data, and improve the quality and speed of your data delivery so that you can use the data to create a competitive advantage. You also need to hire data experts to gain new insights from your data and deliver new data-driven revenue streams.

As a Cloud Starter, you are at the beginning of your data value realization journey. There is a long road ahead, and working with a strong partner can help to accelerate your data realization journey.