



THINK CLOUD THINK BUSINESS

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The global trend continues. Organizations around the globe continue to adopt more and more cloud and digital IT services.

Global analyst firms continue to forecast growth in worldwide public cloud revenue and adoption. There are many reports indicating strong growth in other digital areas particularly those involving Internet of Things (IoT), big data, blockchain and artificial intelligence (AI).

Disruptive Innovation

Cloud is a disruptive innovation that challenges and changes traditional business and IT models. Cloud is disruptive because it changes how IT products and services are provided for both the cloud service provider and the business consumer.

Cloud has moved the organization away from the traditional software licensing model and on-premises and data centre hosting to 'pay-as-you-go' or utility-based pricing models. Service levels are based on availability of service as opposed to defined restoration of service times. These are welcome changes. If this is what you want.



As the adoption of cloud increases, the organization has seen a reduction in the use of the traditional IT infrastructure which they previously bought, operated and maintained.

Cloud Is A New Model

Cloud can be described as a revolutionary new model for technology and business services. Attributes of this new cloud model include:

- Cloud uses new and emerging technologies
- Cloud is provided to customers in a different way to traditional IT
- Cloud is bought, operated and maintained differently from traditional IT
- Cloud allows the organization to use IT infrastructure, platforms and software in new ways

Cloud As-A-Service

Cloud services are delivered under the 'as-a-service' model. Within this model features, services and service levels are defined by the cloud provider. The cloud business consumer accepts such terms or does not get access to the cloud service or application. While this might seem a little inflexible, there are benefits to the business.



Business Benefits From Cloud

Cloud enables organizations to realize the following business benefits:

- Reduces IT asset ownership
- Reduces overall capital expenditure costs (CAPEX)
- Reduces IT over-capacity
- Increases the capabilities of the IT organization
- Leverages newer technologies
- Provides utility-based charging
- Introduces real economies of scale
- Enables resources to be scaled up and down quickly to cope with increases and decreases in demand for IT services
- Reduces elements of the management of IT infrastructure and applications as the back-end IT infrastructure footprint for organizations is reducing. For the IT function this means less time building IT services and more time working with the business to understand their needs and how IT can deliver value to the organization.



So, are organizations and IT functions realising the benefits from their adoption of cloud and digital services?

Our continued research indicates that organizations are defining strategies for the adoption of cloud and digital technologies. **What is less clear is how effective these strategies will be** in delivering expected and required business results. It is not enough to just use cloud for the sake of it.

There must be clear reasons for adoption, and these reasons should be understood from a business perspective e.g. increasing competitive advantage, improving organizational agility, providing customers with new products and services etc.

However the IT function is struggling to keep up with the rate of change taking place. Many IT operations support the business in adopting cloud services but often fail to realise the full potential or value of cloud and digital services to the organization.

In addition, organizations are struggling to become agile in order to take advantage of all these agile-enabled cloud services.

Many organizations are now using a mix of Legacy IT, traditional IT, cloud and digital technologies. Some have little in the way of legacy IT and are considered to be digital natives. However, due to the current rate of change in IT and digital IT applications and services, what is non-legacy today could quickly become legacy or obsolete in a short period of time. This certainly is one area to watch carefully.



It is no surprise that organizations are now moving to a hybrid or multi-cloud model where some, or all, of these old and new technologies are in use. These models and strategies are becoming more popular and a standard approach for organizations to adopt.

However, to be effective with hybrid or multi-cloud requires more than just focusing on the technology and getting that right. Expect challenges with architecture and security design, interoperability of services from multiple cloud vendors, and a range of various subscription and billing options.

So are you looking at how cloud and digital services can provide value to your organization and improve your business prospects?

Do you understand the value that can be gained from adopting the right cloud and digital services to help achieve business goals and ambitions?

Or are you just investing in new technology for the sake of it?

To think cloud you have to THINK BUSINESS first.

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