



Return on cloud – why a razor-sharp focus on management is key

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[▶ Start](#)



Contents

Introduction	3
Eight key trends impacting digital transformation	4
The cloud catalyst	5
Challenges to opportunities	6
The management imperative	7
Tips to support management optimization	8
Good cloud management is the key to cloud that delivers a return!	10



There's been a big surge in cloud adoption across almost all sectors and geographies

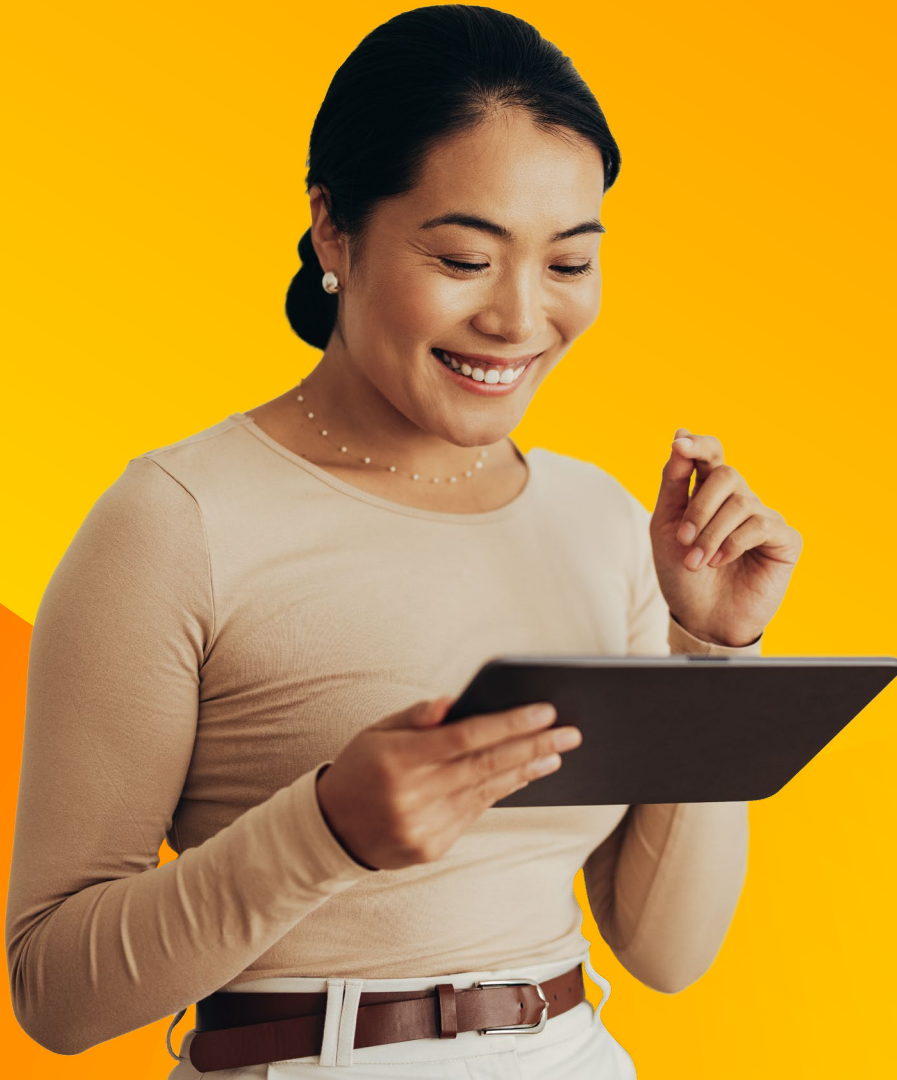
And of course, that's driving a similar surge in spending on cloud services.

That includes spending on both the hardware and components that underpin all the aspects of cloud, as well as professional and managed services needed to make cloud function successfully. Add it all together and it's estimated that spending is poised to surpass **\$1 trillion in 2024**.

Cloud is a priority for many organizations, and one they are willing to invest significant sums into getting right. That's because users welcome the agility and flexibility that it brings to their everyday, working lives.

But managing a fluid set of platforms is a challenge. It takes time and effort to ensure they work together properly. That's vital if spending on cloud is to generate a return.

To do that, it's important to understand that the cloud is not a singular static entity. Far from it, it is in fact a fluid collection of technologies, connections, platforms, and services, with an array of different data sources and interactions. Simply, it's complex. And that complexity brings with it a variety of options and possibilities that have been key to navigating, negating, or indeed enabling key business and societal changes that are happening around the world right now.



Eight key trends impacting digital transformation

The progress of digital transformation across the world is being impacted by eight key trends. They're well known, but come together neatly when talking about cloud:

1. A major shift in customer engagement personalization
2. The central importance of gaining and retaining **digital trust**
3. The transition to 'As-a-Service'
4. Technology convergence
5. The rapid expansion of compliance and regulatory demands
6. The application of digital platforms for agile business
7. A shift in platform users, notably citizen developers, non-IT trained employees who are encouraged to learn how to create business applications
8. The rise of the 'composable' or modular enterprise as an innovation strategy (Gartner 2022)



And if that's not all, there's the clear and significant effect (often negative) of today's increasingly interconnected and disrupted world.

A world that's characterized by diverse vectors of change including the lasting after-effects of the pandemic, widespread supply chain vulnerabilities, the rapid escalation of ever-changing security threats, a seemingly endless cycle of natural disasters, and most recently, the seismic effects of rapid global inflation.

We all need to deal with the fact that social, economic and market conditions can change quite literally whilst we sleep. And sleep we must, but the cloud and data never do!



The cloud catalyst

Activating data for impact

The acceleration in cloud computing has helped connect people and society across the globe. Through data, fueling the most popular workplace tools and resources today, and giving rise to competing but similar approaches like Data Lakes, Data Warehouses and Lake Houses.

It has made more data available and supported its exchange, enhanced agility, elasticity and scalability, advanced communication, collaboration, and cohesiveness – all fostering innovation, enabling ‘work-from-anywhere’ and accelerating all important cost effectiveness and time to value.

Cloud also represents an opportunity to make the most of emerging technologies like Artificial Intelligence, Machine Learning, Blockchain, and Advanced Data Analytics without the need for substantial upfront investment. That, coupled with the ability to utilize and optimize data stored on premise, in the cloud, or as part of a hybrid model, has literally helped change where, when, and how we make decisions. Supporting this further is the rise of Cloud Native – the architectures and technologies built to take advantage of cloud power and capabilities.



Challenges to opportunities

Architecting, integrating and managing cloud



With timely data-driven decisions at a premium there are still barriers to address. From data being too distributed or wrangling disparate sources, right through to disruption in migrations, and taking too long to either move critical data or analyze it (WAN disco 2022).

Additional examples include broken data pipelines after operational database changes and lack of holistic visibility and integration of IT infrastructure, especially when managing the vast variety of technologies and data sources.

Beyond this comes concerns around security risks. The scope, scale, and sophistication of cyber security threats have reached unprecedented levels. That's especially true of ransomware. The key factors include widely distributed endpoints, increasing bad actor collaboration, and 'invisible' threats from state actors. And the adoption of multiple security tools, techniques and vendors within organizations can actually result in data noise and decision paralysis. They add to the already exceedingly high workloads of operation teams.

Of course, cloud security tools are rich in features, but ensuring that they are properly configured and managed takes a team of skilled and experienced experts.

So, taken together these factors serve to create the complexity that can easily undermine your resilience, agility, and security. Naturally, that makes it difficult for organizations to create and maintain an accurate and holistic view of risk across the enterprise (cio.com)¹.

Levels of cloud waste (Flexera 2022)² are another challenge. According to Statista, organizations worldwide estimate they waste 30% of their cloud spending. Legacy methods of budgeting, purchasing, and tracking cloud spend simply do not work.

Talent gap challenges are also key to address, coupled with the team demands of building and maintaining a cloud data warehouse or equivalent. With many companies today lacking the internal skills and capabilities to effectively optimize their cloud management, looking externally to trusted experts can make a massive impact to your 'return on cloud.'

¹ <https://www.cio.com/article/350332/how-to-achieve-a-holistic-integrative-and-proactive-view-of-risk.html>

² <https://info.flexera.com/CM-REPORT-State-of-the-Cloud>

The management imperative

How to maximize cloud value

Excellent cloud management can make all the difference to your cloud strategy with a constant, consistent, trusted, and detailed approach key. This is where Fujitsu's Cloud Management Service (FCMS) becomes a good option.

FCMS is always active, almost invisible, always responsive, and mostly automated, delivering benefits across the three pillars of agility, resilience, and compliance.

Freeing your people to actively support your business through delightful experiences and service, empowering others, fostering innovation... the list just goes on! Here are the core benefits in focus, underpinned by the values of co-creation, constant cooperation, and trust.



Agility

Because FCMS takes care of your cloud infrastructure's end-to-end management and optimization, you're free to focus on creating and deploying new applications and solutions quicker. FCMS ensures that all elements of your cloud infrastructure are working together properly, and are orchestrated and visible. And the use of automated tools means that issues can be proactively identified and resolved quickly. Relying on Fujitsu's experts enhances your cloud's effectiveness by ensuring it is 'self-healing' and can constantly support your business.



Resilience

Constant and detailed cloud management is the catalyst for resilience, embedding attention to updates, patches, outages, and cyber security protection by design. With FCMS, the combination of integrated technology and automated tools alongside deep expertise is a key differentiator.



Compliance

Ensuring the right guidelines and guardrails are in place across systems and networks and utilizing AI to automate protection and reduce the noise of regulation overload. FCMS enables a compliance 'hygiene' foundation to be embedded by design, covering critical aspects such as patching and upgrades, which were often 'pushed back' during the pandemic.

Tips to support management optimization: Ensuring cloud value



In my opinion, when you work in partnership with Fujitsu's Cloud Management Service you will be better placed to achieve a good return on cloud value by following these recommendations:

1

Trust the data your cloud gives you and apply it - If your data demonstrates an over subscription on your compute configuration, don't delay on making changes. Trust the data! Cut back and do it immediately. Optimize your cloud spend because as fast as you can ramp down, you can ramp up just as quickly, quite literally in minutes.

2

Start simple and carefully allocate resources - For example using reserved instances and making longer term commitments or spot instances for more dynamic workloads, can enable significant cost savings. A good mantra is to think Z-I-O – Zombie, Idle, Overprovisioned.

3

- **Zombie resources** – Nobody is using them. But if you don't have a tagging strategy you may not even know.
- **Idle resources** – If you don't use compute 24/7 (for example a test environment) you should take it down and not leave it idle and simply adding to cloud costs.
- **Overprovisioned resources** – reducing an instance by one size means you can cut costs by an eye watering 50%. (Unisys 2021)³

Cloud visibility enables the best decisions - Cloud optimization tools provide more visibility for tracking expenses with dashboards and reports based on personalized criteria, alongside consolidation and planning of budgets month-over-month or over the entire year.

³ <https://secureoutreach.unisys.com/SinkorSoarSixKeystoOptimizingYourCloudInvestment>

4

Use tools which afford active intelligence instantly -

Establish a Cloud FinOps; that's an operational framework and cultural shift which brings technology, finance, and the business together to drive financial accountability that helps leverage cloud transformation to achieve cloud value. You also need to practice and apply Cloud Optimization and AI enabled tooling to reduce manual efforts, for example predicting and automating the rightsizing of your instances considering seasonal variations. Auto scaling and self-healing infrastructure also helps to take the human out of the loop wherever possible and appropriate to do so.

5

Cloud management enables sustainability benefits -

Active Intelligence on Cloud Consumption can afford broader ESG impact notably reducing data waste and energy consumption. Ensure these metrics are integrated into daily operations to demonstrate shared values benefits and secure further buy-in to your cloud investment.

6

Think beyond infrastructure - Rationalize your application portfolio, modernize applications, and adopt cloud native paradigms for your cloud transformation to enable superior business outcomes and cost savings alike.



Good cloud management is the key to cloud that delivers a return!

To optimize the value from any multi-cloud investment demands an effective management approach, applied both strategically and operationally.

With most organizations not having the people or the technology resources to do all that is needed across Agility, Resilience and Compliance to optimize business, technical and societal outcomes. Working with a trusted external partner can make all the difference, as exemplified by the benefits of Fujitsu's Cloud Management Service (FCMS).

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