Aligning hybrid cloud strategy with business-wide goals leads to better and faster results

Tim Moody, Head of Portfolio & Strategy at Fujitsu

The need for a hybrid cloud strategy

Once the concept of cloud computing was out there and starting to be understood, there was a period when it seemed possible that some businesses might make the shift and become totally cloud-based.

At the turn of the millennium, about the time when Salesforce was advocating cloud-based CRM, skeptics said connectivity would never be reliable enough to sustain what we now call cloud apps. But some advocates got it, saw through the temporary public broadband infrastructure limitations, and believed.

And it happened. Some born in the cloud companies utilized a 100% cloud model. However, certainly not as many as many as was once predicted. The proportion today stands at a relatively low x%, after two decades driven in no small part by the complexity of migration

To a greater or lesser extent, everyone uses public cloud services. It's just that they also choose to use on-premises infrastructure to deliver some services. In some circumstances this can be a private cloud delivering similar capabilities as public cloud.   This combination of public and private cloud, deployed by xx% of businesses, is what we call hybrid cloud.

When you align your hybrid cloud strategy to specific business outcomes, you're more likely to succeed

There are many reasons why companies elect to continue maintaining their on-premises infrastructure. One of the main ones is that it is required by specific regulations. For example, data privacy laws prevent the transfer of personal information to cloud servers that are likely to be hosted or backed up somewhere outside the relevant regulator's jurisdiction. Other reasons include avoiding the latency of a round trip of data packets to a distant cloud data center or the sheer impracticality of migrating aging but vital applications with numerous code revisions.

But no matter how pervasive the hybrid cloud, you can't just spin up public cloud capabilities alongside a private cloud and expect everything to work out just fine. Gartner's recent research predicts that 60% of digital infrastructure and operations leaders will experience public cloud-migration cost overruns in the next three years — highlighting the pitfalls of inadequate planning.

For a hybrid cloud strategy to succeed, it must be closely aligned with broader business objectives. Otherwise, there is a severe risk of disconnected thinking and, as a consequence, poor outcomes.

Although that seems a predictable point, not everyone is on board. Recent [research from Fujitsu](#) has identified that about a quarter of 300 global companies did not conform to best practices in this regard, leaving them exposed to greater risk of substandard performance.

However, the same report identified a group of companies, a third (33%) of the sample, that have a holistic and cohesive strategy that focuses on building capabilities across [four key pillars](#) of hybrid cloud success. Recognized by the report's authors as "leaders", one of the ways these firms excel is by ensuring their hybrid cloud strategies are aligned with business-wide transformation agendas. Unsurprisingly, this group all agreed they had accelerated their business transformation. This was in stark contrast to just 24% of those classified as "followers".

What's on the business-transformation agenda?

The research found that organizations' top priorities are innovating and creating seamless digital experiences, improving speed, and growing revenue from emerging technologies. It turns out that the hybrid cloud leaders can also unlock these goals more effectively than the rest. For example, almost half (49%) of the leaders have enhanced their product innovation in the past year, compared to just 39% of followers.

In search of further insights, the authors also spoke to several senior digital execs, including Reto Urs Sahli, Chief Information Officer at Asahi Europe and International. His company worked hard to align its hybrid cloud strategy with the goals of the wider business. "We created a digital plan that allowed us to align our IT portfolio with our strategy," he explained. "We are now creating a new digital core, and with that comes a strategic investment into building our hybrid cloud."

Seek support from the C-suite

The shift to a hybrid cloud environment usually requires significant investments of time, money, and resources. Executive buy-in is, therefore, critical to its success.

Traditional approaches have placed IT in an implementation role only after senior management came up with the strategy. However, this dynamic is no longer feasible — and any businesses clinging to this antiquated model will be left behind. The risk is that a strategy uninformed by IT's insights on digital possibilities and pitfalls may well under- or over-reach, with dangerous consequences for the business.

Miao Song, Global Chief Information Officer at GLP, says that CIOs must overcome this. "It's important for the CIOs to be always at the frontend of technology development," she says. "That makes a huge difference, specifically in the hybrid cloud area. They need to understand the details of how things should be done in this space, to be able to give the right direction to the team on how to move forward."

Create a transformation roadmap

Getting buy-in from the C-suite is crucial to enabling companies to create a detailed roadmap for transformation success, ensuring alignment of the IT function and the business as a whole.

GLP's Miao Song says transformation cannot be achieved by a single department and needs to be considered a company-wide mission. "It has to be a program," she says. "It can't be [a single, isolated] effort; it must be a well-thought-through program for the entire organization.

"It's very important to define a roadmap on how you achieve those things. You must consider how you optimize your application portfolio before migrating to the cloud."

Download the full report, "[Unlocking the Secrets of Hybrid Cloud Leaders](#)" and take your business to the next level.

Tim Moody, Head of Portfolio & Strategy at Fujitsu

Tim is a collaborative and enthusiastic technology leader with a depth of experience designing and delivering enterprise class services across both public and private sector. As a Fujitsu Fellow and Fujitsu Distinguished Engineer, he has a demonstrable record of accomplishment, delivering business innovation as both an individual contributor or leading large teams across a broad range of leading-edge technologies.