Multicloud Answers The Enterprise Call For Scalable, Secure Infrastructure

Digital Transformation And IT Agility Top The List of Key Drivers Of Enterprise Multicloud Adoption At A Time When Skilled Resources Are Finite

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Multicloud And Private Cloud Gain Appeal As Firms Look To Improve Current Cloud Management

Firms looking to accelerate their digital transformation often update their data center infrastructure to increase agility and establish a higher level of control. Private clouds offer the promise of control, but firms often wrestle with managing, scaling, or securing the environment.

Will a multicloud approach enable firms to achieve agility and control with more consistent governance and compliance? To gauge interest in multicloud (including hybrid cloud), Dell commissioned Forrester Consulting in 2021 to interview global IT decision-makers with infrastructure responsibility. Three in four firms need flexibility in their cloud infrastructure mix today, and within the next 12 months, 83% of firms say they will have implemented multicloud.

Key Findings

Data Difficulties: Managing data in multicloud environments is perhaps the most significant cloud challenge for firms. Three in four firms say their IT team needs a more flexible cloud infrastructure.

Resource Constraints: Seven in ten firms face a lack of resources or expertise related to managing internal private clouds. This can prompt IT to shift workloads to multicloud for scalability.

Seeking IT Agility: Half of the firms are looking to multicloud to enhance their IT agility. They also want to boost capabilities such as self-service, provisioning, and scaling capacity on demand.

Accelerating Digital Transformation Is Chief Priority

IT digital transformation can enable various business or tech objectives, ranging from modernizing infrastructure to embracing as-a-service model solutions. No matter the form, at least one of these initiatives is a high or critical priority for more than two-thirds of all responding decision-makers.

Accelerating the process of digital transformation is a paramount concern, with 85% of firms naming it a high or critical priority and four out of five firms indicating that upgrading or transitioning to a private cloud is a high or critical priority.

While some firms plan to modernize traditional IT infrastructure or add automation, 70% of firms plan to shift to an infrastructure-as-a-service model (IaaS), acknowledging that business flexibility requires juggling multiple cloud options.

"How is your organization prioritizing each of the following technology initiatives over the next 12 months?"

Accelerating digital transformation

85%

Upgrading data center compute infrastructure or transitioning to a private cloud

80%

Modernizing traditional IT infrastructure

77%

Automating systems management

73%

Shifting to an infrastructure-as-a-service (IaaS) model

70%

Consolidating IT infrastructure

65%

Encountering Private Cloud Challenges

Many firms seek to build and manage private clouds, but they bump into obstacles. More than three in five respondents say their firms find managing their private clouds challenging or very challenging. The main issues are that 70% of decision-makers cite a lack of resources or expertise related to internal private cloud and two-thirds of them concede difficulties satisfying compliance and governance requirements. But that's not all: Scalability, management complexity, and flexibility also pose significant challenges for many respondents.

Many firms seek to scale up their use of private clouds but concede they lack in-house expertise — complicating their quest to manage scalability, boost flexibility, and tame complexity.

"How challenging are each of the following concerns with your organization's internal private cloud?"

(Responses include challenging and very challenging)

70%	66%	66%	65%	62%
Lack of resources or expertise related to internal private cloud	Scalability	Meeting specific compliance and governance requirements	Too complex to manage	Flexibility

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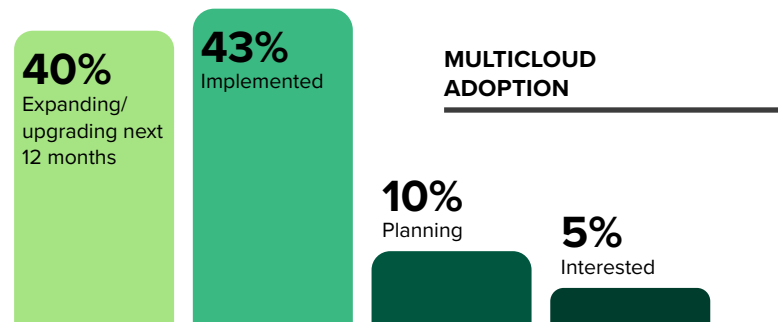
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As A Result, Companies Are Embracing Multicloud

Cloud strategies are evolving, often as a result of pandemic-induced business changes. Four of five decision-makers have implemented or plan to expand multicloud and nearly two-thirds of firms (64%) say they think multicloud first. Survey respondents indicate that preference for multicloud will rise to 72% in two years.

Why is this form of cloud adoption catching fire now, years into the great cloud migration? With hiring employees for on-prem work becoming harder because of the pandemic, seven in ten firms agree that multicloud provides their organization with scalable resources that are easy to deploy quickly.
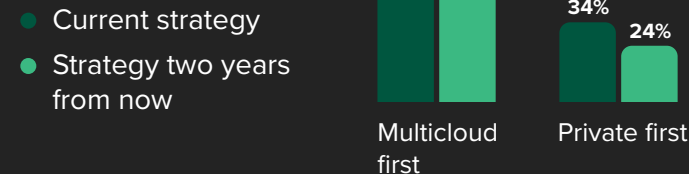
Half of IT decision-makers say they want multicloud management systems to support more agile infrastructures. Other desired improvements include optimized performance and more cost transparency.

"What best describes your organization's plans to adopt the following cloud platforms?"

40%
Expanding/ upgrading next 12 months

43%
Implemented

MULTICLOUD ADOPTION

10%
Planning

5%
Interested

"Would you describe your organization's cloud strategy to be multicloud first or private first? What do you believe your organization's cloud strategy will be two years from now?"

CURRENT/FUTURE CLOUD STRATEGY

● Current strategy
● Strategy two years from now

64% **72%**
Multicloud first

34% **24%**
Private first

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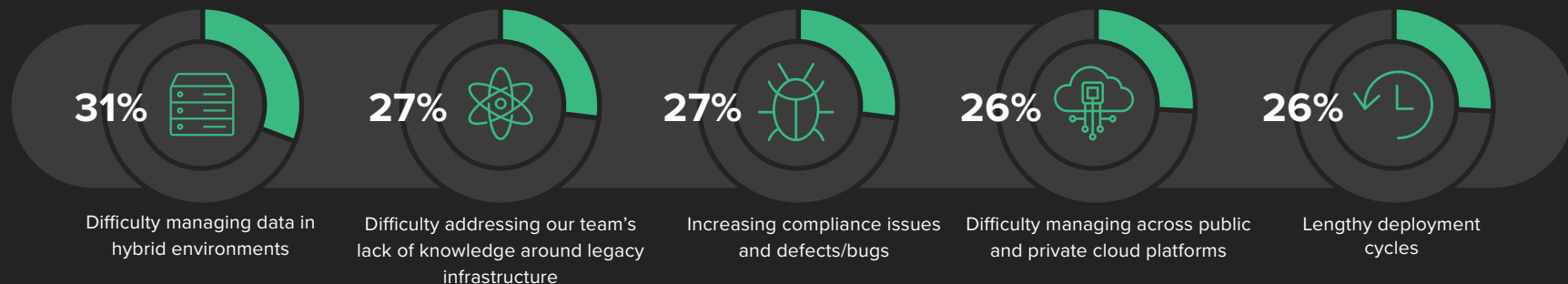# Multicloud Strategy Meets Implementation Obstacles

The greater the business benefits, the more complex the implementation challenges. Those charged with infrastructure strategy and decisions said they have or will grapple with a series of obstacles trying to implement multicloud. These challenges run the gamut of daunting business and technology issues, such as legacy infrastructure, compliance issues, and costly development cycles.

The top five challenges with multicloud strategy include difficulty managing data (31%), difficulty addressing team's lack of knowledge around legacy infrastructure (27%), increasing compliance issues and defects/bugs (27%), difficulty managing across public and private cloud platforms (26%), and lengthy deployment cycles (26%).

? Will upgrading in-house talent help organizations resolve multicloud and hybrid cloud challenges?

"What challenges does your organization face with its multicloud strategy?"

31%	27%	27%	26%	26%
Difficulty managing data in hybrid environments	Difficulty addressing our team's lack of knowledge around legacy infrastructure	Increasing compliance issues and defects/bugs	Difficulty managing across public and private cloud platforms	Lengthy deployment cycles

Concerns About Security, Compliance, And Governance

Managing cloud implementations is difficult for firms, no matter their operational model. A shortage of staff and underdeveloped skill sets spell complications for firms currently implementing or planning hybrid or multicloud deployments.

Root cause problems. Eighty-eight percent of respondents say they're challenged to analyze the root cause of security incidents and find staff with the proper security skill set.

Security vulnerabilities. Eighty-three percent of decision-makers find it challenging to track security vulnerabilities, and 86% face issues with remediation.

Compliance requirements. Four in five firms have challenges managing compliance and governance requirements, and 82% find it difficult to deploy resources in a controlled, governed way.

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"How challenging are each of the following items as your organization uses or considers multicloud environments?"

Analyzing the root cause of security incidents

88%

Finding staff with the right security skill set

88%

Remediating security vulnerabilities

86%

Understanding the organization's risk exposure

83%

Tracking security vulnerabilities

83%

Deploying resources in a controlled, governed way

82%

Managing compliance and governance requirements

80%

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Seeking Scalable, Secure Cloud Resources

IT decision-makers have long sought more agility, performance, and transparency. Cloud has the potential to deliver on these objectives, but only if firms adopt solutions that can merge the power of cloud platforms by being able to harness different platforms and domains to create a single platform.

Keeping data safe amid multicloud migrations is an operational imperative. Eighty-six percent of IT decision-makers agree that they need scalable and secure cloud resources.

Cloud operational concerns remain top of mind for IT decision-makers, particularly when failing to follow regulatory requirements carries stiff penalties. Three in four firms agree their IT organization needs to manage compliance and governance requirements with more consistency.

80% of firms will prioritize upgrading infrastructure or moving to a private cloud in the next year.

"Please indicate your level of agreement with each of the following statements."

● Strongly agree/Agree

86%
My organization needs scalable cloud resources that are secure.

85%
My organization wants a mix of public/hybrid and private cloud that is easy to manage.

75%
My organization's IT team needs the ability to consistently manage compliance and governance requirements.

75%
My organization's IT team needs flexibility in its cloud infrastructure mix.

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A Single Management Interface Will Improve Outcomes

Nearly one in three IT decision-makers (32%) wants a single management interface to manage public and private cloud platforms and believes it will alleviate many of their management and security challenges. This change won't happen overnight. Twenty-three percent say they will implement this dashboard within the next 12 months. An additional 39% are interested but have no implementation plans for the next 12 months.

This consolidation of operational tools for public and private cloud platforms is in keeping with the aspirations of one in four IT decision-makers to gain greater control of their cloud environment and monitor the health of resources in one place. Obtaining these capabilities may help firms address their multicloud operational concerns.

"What are the primary benefits of having a single management interface for public and private cloud platforms?"

48%
Improved IT infrastructure flexibility

42%
Improved data management

42%
Improved scalability

42%
Lower costs overall

39%
Improved security and compliance

Multicloud Offers Firms A Path To Achieve Operational Transformation

Enhancing IT operational agility is an oft-stated business objective because when firms improve their cloud management capabilities, business leaders have several more compelling options.

- **Easy To Manage.** Multicloud won't transform firms' operational capabilities if it proves unmanageable. Eighty-five percent of firms agree that they want a mix of multicloud and private cloud that is easy to manage.

- **Effective Resourcing.** As they contemplate multicloud adoption, 82% of firms say they have challenges deploying cloud resources in a controlled, governed way.

- **Multicloud Is The Future.** Nearly three in four firms intend to put multicloud first in their plans within the next two years.

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Methodology

This Opportunity Snapshot was commissioned by Dell. To create this profile, Forrester Consulting supplemented this research with custom survey questions asked of 272 global IT decision-makers responsible for infrastructure strategy and decisions. The custom survey began in September 2021 and was completed in October 2021.

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Demographics

COUNTRY	
North America	**40%**
United Kingdom	**20%**
France	**20%**
Germany	**20%**

INDUSTRY	
Retail	**10%**
Financial services/Ins	**8%**
Healthcare	**7%**
Manufacturing	**7%**

COMPANY SIZE	
20,000+	**14%**
5,000-19,999	**36%**
1,000-4,999	**47%**
500-999	**3%**

RESPONDENT JOB LEVEL	
Director	**61%**
Sr. Strategist	**24%**
VP	**10%**
C-level	**6%**

Note: Percentages may not total 100 because of rounding.