Business Impact Brief

Managed Services Accelerate Enterprise Adoption of Hybrid Cloud

The 451 Take

A majority of enterprises describe plans to adopt hybrid cloud deployment, which 451 Research defines as a delivery model integrating multiple execution environments (application or infrastructure) in the seamless delivery of a single business function, frequently including automation and management via a 'single pane of glass'. However, research conducted by 451 Research and commissioned by NTT Communications in partnership with Dell EMC indicates that although two-thirds currently have a hybrid strategy or pilot program, fewer than a quarter of organizations (24%) have a hybrid cloud environment in place today.

Hybrid cloud plans are driven by the desire for faster deployment of functions, improved cost optimization, increased agility, added choice and more compliance capabilities. But according to survey respondents, an effective hybrid implementation is difficult to execute. The challenges and pitfalls commonly encountered by businesses working toward hybrid cloud (relating to migration and integration, security, end-to-end service management and the application of governance and compliance) can increase cost, introduce risk and slow down deployment overall.

In moving from early-stage cloud adoption toward more complex hybrid cloud deployments, enterprises frequently enlist the enablement work of managed service businesses, with 68% of European companies surveyed indicating that they have a third-party partner that will support their hybrid cloud plans. The managed services of these partners can begin to benefit the hybrid cloud adoption process early by helping businesses identify which workloads can be placed in cloud environments (and into which environments they can be placed), and which workloads will require refactoring. Partner managed services continue to add value throughout adoption and into providing operational support and security for the hybrid cloud environment.

Most Important Third-Party Support Capabilities for Hybrid Cloud
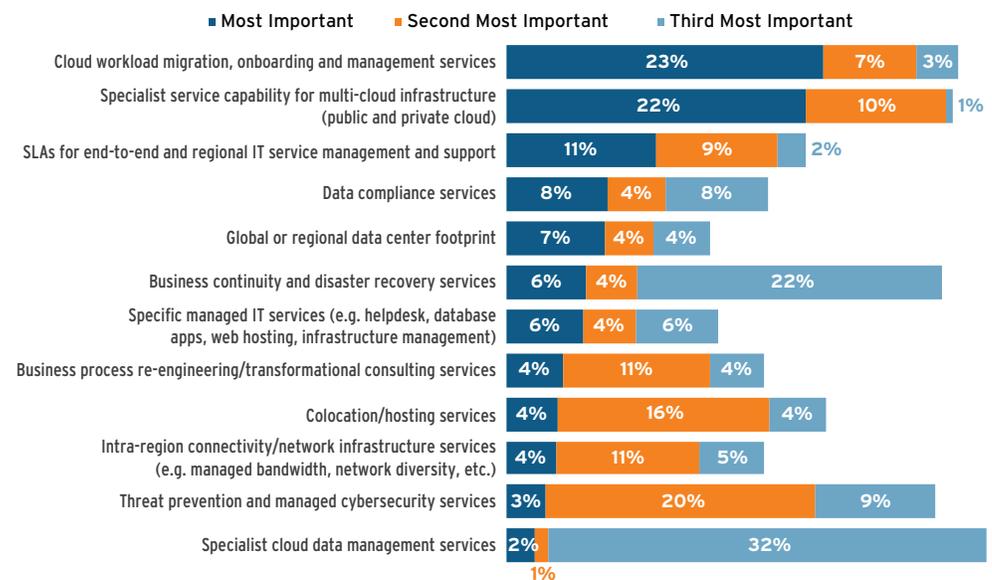
Source: 451 Research

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The 451 Take (continued)

Many of the managed services most sought by enterprises from third-party partners in connection with hybrid cloud (see figure above) directly address the execution challenges mentioned previously. The most in-demand services include migration and onboarding services, specialist capabilities for multi-cloud infrastructure, normalization and assurance of service levels across environments, specialized services for cloud data management, and managed cybersecurity services.

These services accelerate implementation of hybrid cloud by providing experience with the specific risks and challenges associated with implementation, and tools and practices designed to address them. This is in addition to expertise and certifications associated with the specific platforms in question, such as Amazon Web Services, Microsoft Azure public cloud or Azure Stack, and OpenStack, as well as specialization in the client's applications and industry.

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CONCENTRATION OF EXPERTISE IN AN ENABLEMENT LAYER. Cloud platform technology advances at an incredible rate. Hiring, maintaining and retaining cloud expertise within the IT organization is costly and difficult for enterprises, and delivering hands-on support at scale is nearly impossible for the public cloud vendors. The existence of a market of enablement specialists is a force multiplier for the cloud services, and provides enterprises with access to expertise outside of their own organizations.

MANAGED SERVICES NORMALIZE CLOUDS TO DELIVER AGILITY. Agility and the ability to respond faster to business needs are among the most important factors driving adoption of hybrid cloud. By creating performance consistency across a hybrid environment (across multiple vendors and disparate SLAs), third-party partners can improve agility and, thereby, the effectiveness of hybrid cloud.

INFRASTRUCTURE CAPABILITY IS A HYBRID-CLOUD-ENABLEMENT FEATURE. The capability of a managed service partner to operate its own infrastructure, such as a private cloud environment, can provide an anchoring infrastructure point for connected cloud services, and an additional IT environment from which to select the best execution venue. Many enterprises will seek out partners with infrastructure capabilities.

Looking Ahead

451 Research regards hybrid cloud as a long-term strategy for many businesses, making the role of managing these environments critical to business success over the long term. In cases where businesses engage third-party partners to support hybrid cloud adoption, these managed service providers will assume critically important roles to the business.

Engaging with managed service providers to tap into the range of cloud platform expertise and specialized capabilities possessed by third parties is a step that will help to accelerate – and to ensure the success of – hybrid cloud implementation by avoiding common pitfalls.

Beyond the initial implementation, however, hybrid cloud is an ongoing process of cost and performance optimization, a security and compliance challenge, as well as a permanently complex task of cross-vendor and cross-platform operational management. Enterprises that put these tasks in the hands of expert partners stand to gain the most from their cloud deployments.

What do enterprises want from hybrid cloud? How are decisions being made about its suitability, and which issues are influencing the extent of its adoption across European businesses? To answer these questions and examine other criteria shaping the way enterprise executives are planning for hybrid cloud deployment – and what this means for the service provider community – read our commissioned report 'Going Hybrid: What Enterprises Want From Cloud Service Providers,' based on an independent study of over 1,500 IT decision-makers representative of Europe's largest businesses and key vertical sectors.