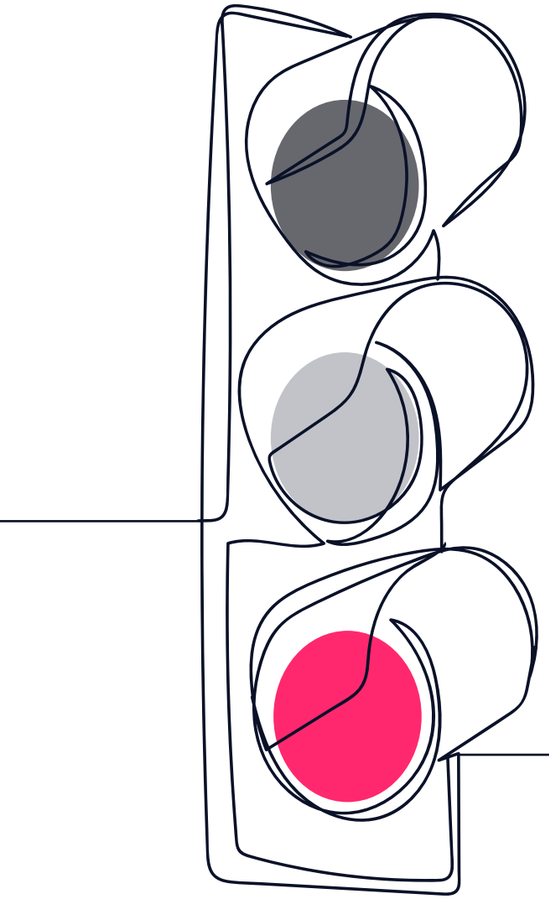
Pause, Retreat, or Resume?

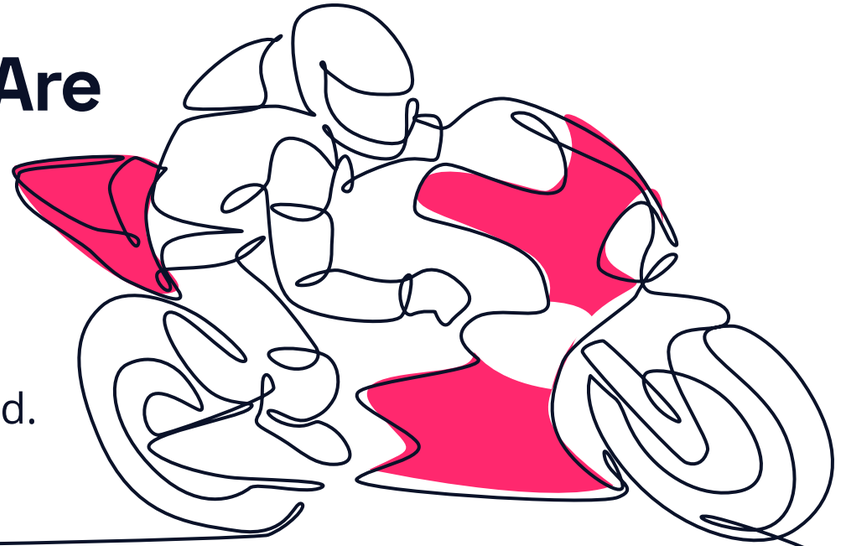
How Economic Uncertainty is Impacting Cloud Migration



Experts seem to be divided on whether we're heading towards a global recession in 2023 or not. In response, many business leaders are taking a conservative approach and cutting expenditures including personnel and projects. Given the strategic importance and potential expense of cloud migration projects, increased scrutiny is to be expected.

In this ebook, we'll look at survey results from Silk and NewtonX of senior IT professionals on how the economic downturn is affecting cloud migration plans and how you can keep up the momentum at your own organization.

Chapter 1: What Senior IT Professionals Are Doing with Cloud Migration Plans



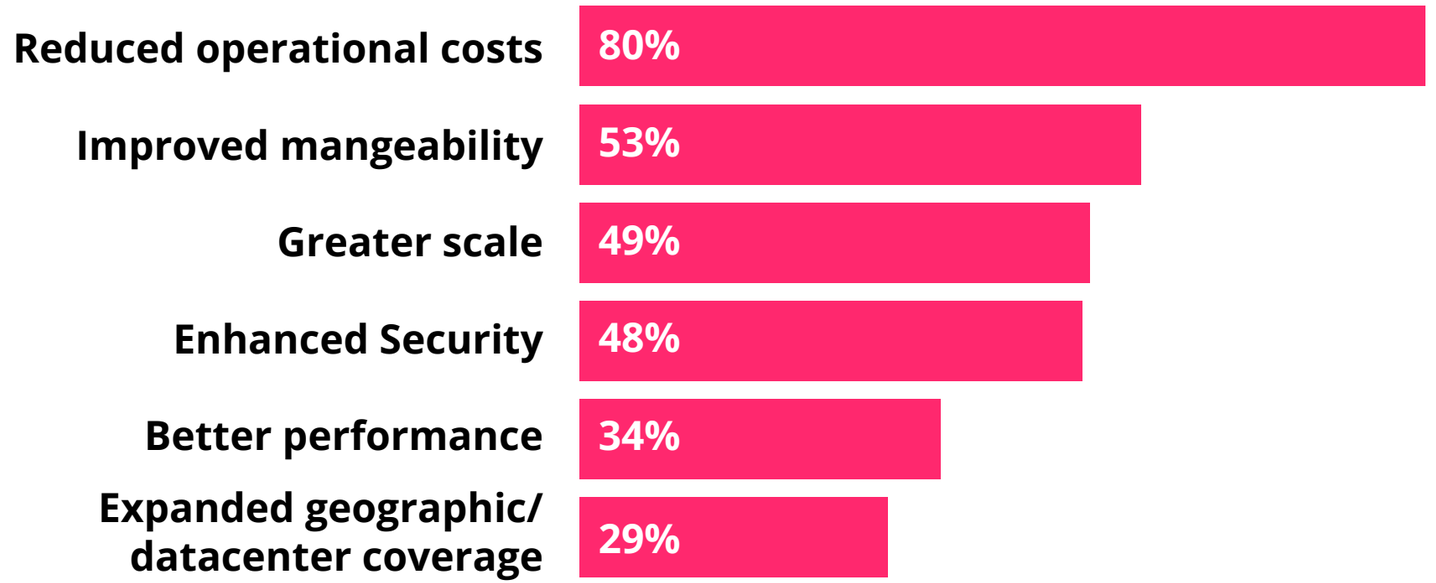
While the economic downturn has triggered some organizations to cut their staff and "tighten up the purse strings," most surveyed senior IT professionals are seeing no impact to their plans to migrate to the cloud. How is that possible?

NewtonX surveyed over 100 senior IT professionals across industries and functions to get their insight into current cloud migration plans. And what they found was very interesting.

While 34% of respondents are halting -- or at least slowing down -- plans, 43% are seeing no impact to their timelines and a surprising 24% are accelerating their plans.

This is probably because priorities have shifted with the recent downturn. 80% of respondents stated that reducing operational costs is more important now than before the start of the economic uncertainty. Many organizations see cost-savings potential in the cloud, whether it's pay-as-you-go flexibility or reduced maintenance and operating costs, but the survey shows that cloud cost savings are more elusive than many expected.

What Benefits Of the Cloud Are More Important Than Ever



Refactoring? Fuhgeddaboudit!

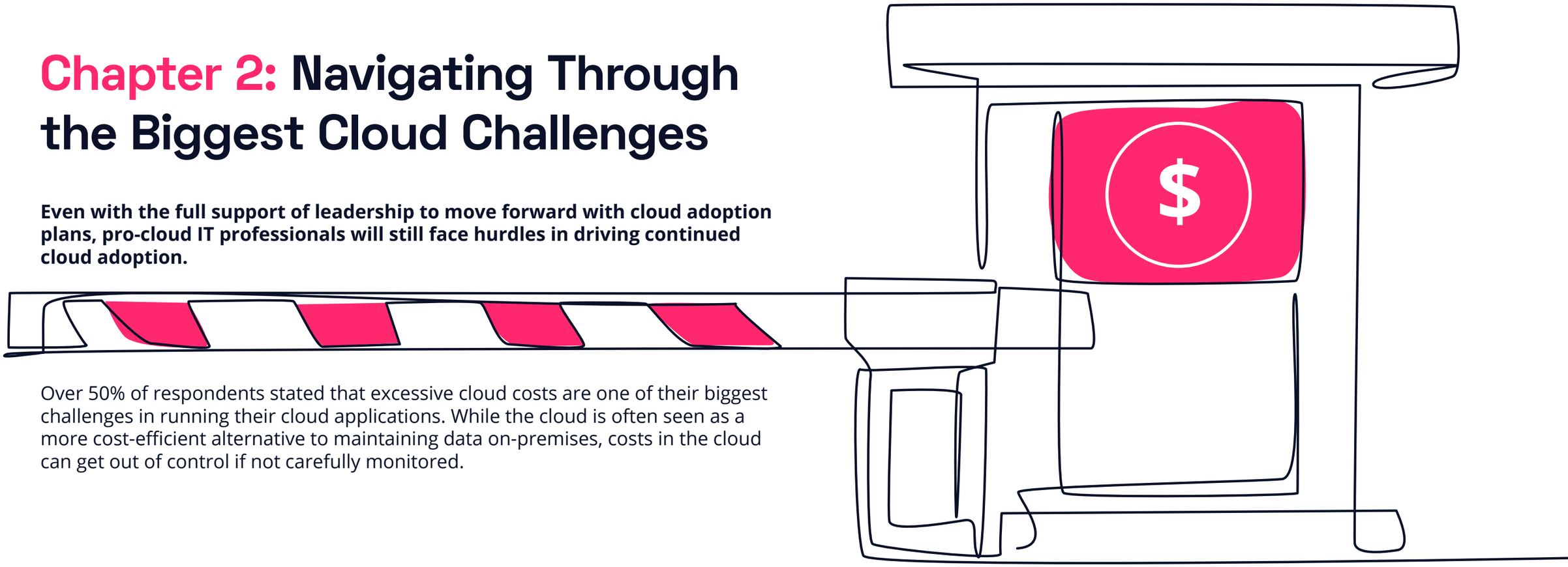
What has changed is the way that organizations are looking to move their workloads to the cloud. While the cloud providers typically recommend that applications be refactored to be cloud-native, 57% of survey participants indicated that they were trying to avoid refactoring unless absolutely required.

Why? Because while the cloud providers tout that refactoring offers the best experience possible for applications that have been migrated to the cloud, it also is costly and time-consuming. 49% of those surveyed cited costs as the biggest risk and reason for avoiding refactoring. This is along with a slower time-to-market (21%) as organizations go through the tedious refactoring process.

Business and IT leaders want to get to the cloud – and they want to get there now – without completely blowing through their budget rewriting or reimplementing functionality that they already have.

Chapter 2: Navigating Through the Biggest Cloud Challenges

Even with the full support of leadership to move forward with cloud adoption plans, pro-cloud IT professionals will still face hurdles in driving continued cloud adoption.



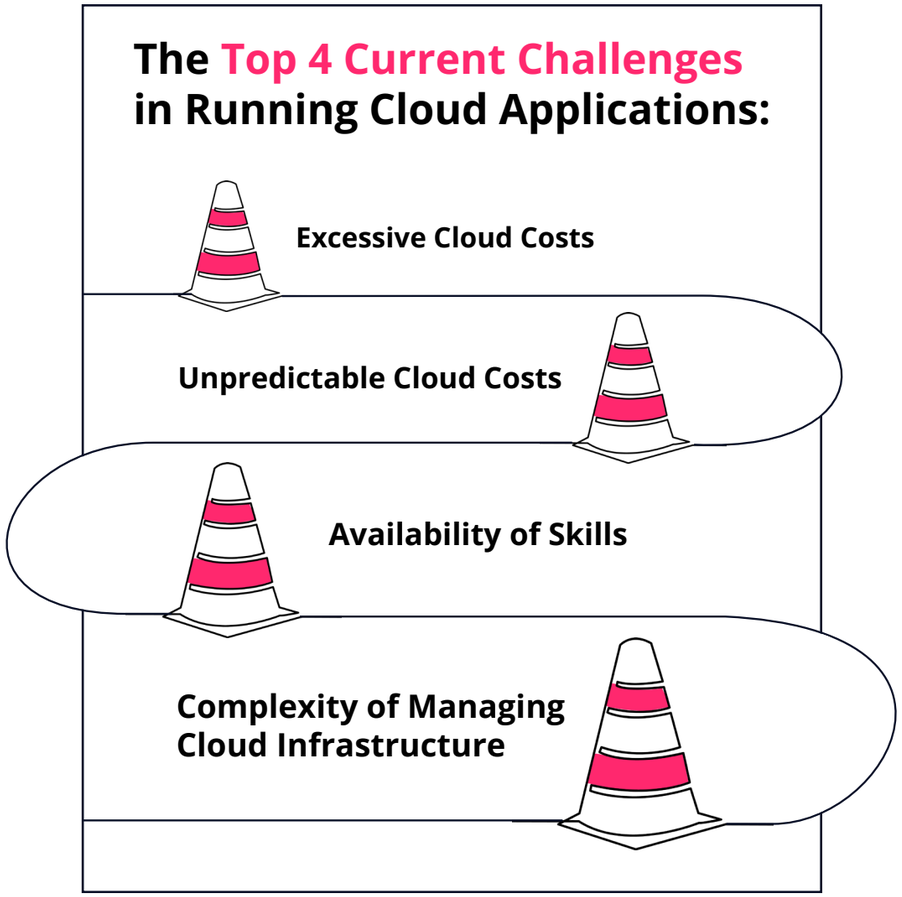
Over 50% of respondents stated that excessive cloud costs are one of their biggest challenges in running their cloud applications. While the cloud is often seen as a more cost-efficient alternative to maintaining data on-premises, costs in the cloud can get out of control if not carefully monitored.

How Cloud Costs Can Get Out of Control

1. **Set it…. But Don't Forget It** – Most cloud users like the notion of "pay for what you use" and assume that's enough to deliver long-term savings. But "the meter is running" 24x7 for active workloads. Many organizations only find out after a surprisingly large cloud bill that they have wasted spend on inactive workloads. This complexity increases when you start replicating data, taking snapshots, and deploying Dev/Test environments. Costs can add up quickly if you're not continuously optimizing.

2. **I feel the need. The need… for speed** – The cloud offers near-limitless performance if you can handle near-limitless costs. For newly migrated applications, overprovisioning cloud infrastructure is a fast path to performance. But that means you're paying for extra storage and network resources just to get the additional compute resources needed for your workload. Overprovisioning is financially untenable and should be used only for short-term performance emergencies.

3. **Show Me Your License. Do You Know How Fast You Were Spending?** – Like overprovisioning cloud instances, organizations often overprovision their databases, paying a license for each cloud vCPU. You shouldn't have to pay for additional database licenses just because your cloud infrastructure isn't optimized.

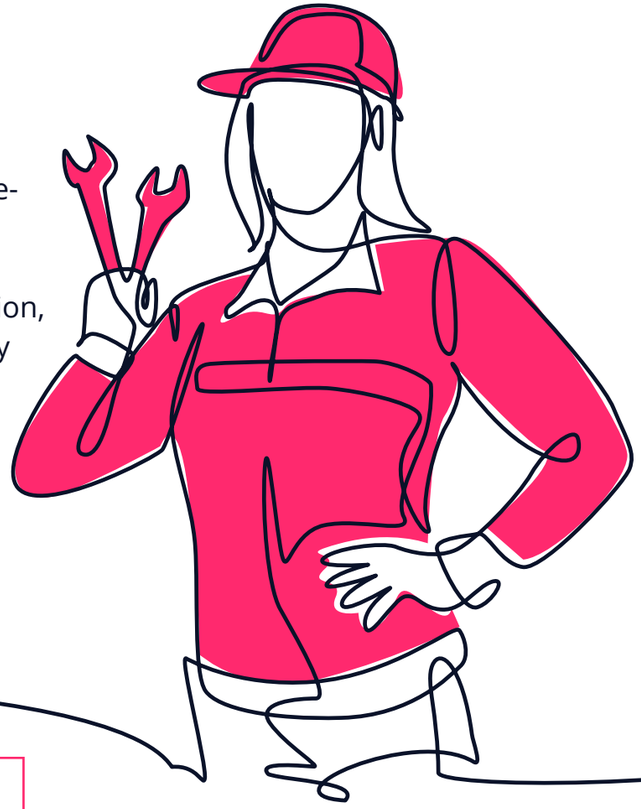


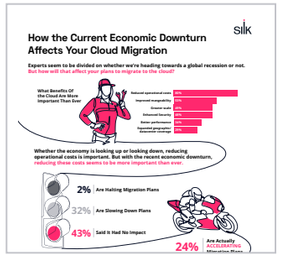
How To Keep Cloud Costs Down: Meet Silk!

Many organizations have turned to Silk in good economic times and bad to provide maximum cloud performance and reliability while simplifying management and containing long-term cloud costs.

The Silk Cloud DB Virtualization Platform is a virtualization layer between your underlying cloud infrastructure and your workloads. It helps you get the fast performance your mission-critical applications need. Because Silk can uniquely decouple cloud performance from cloud capacity, you don't need to spend money for extra cloud resources just to hit performance targets for your workloads. Silk connects with compute VMs over a higher performance compute network rather than the limited-capacity data network typically used for cloud infrastructure.

This makes it easy to support the most performance-intensive workloads, such as database workloads, without oversizing or overprovisioning VMs. Furthermore, by eliminating the need to overprovision, you can right size your VMs and reduce unnecessary database licenses. Finally, Silk includes a suite of enterprise data services, such as instantaneous zero-footprint snapshots, that make it easy to replicate data and deliver high availability without creating a full physical copy of data that takes up valuable (and costly) cloud resources.





If you're worried about how a looming global recession might affect your plans to migrate to the cloud, take solace in the fact that business leaders are leaning into these plans now more than ever. But to keep plans on track, it is important that you make sure that your plans stay within budget.

Curious to see what other results we found in our survey of senior IT professionals?

Check out this infographic of the report.