Hybrid Harmony

5 Recommendations for a Balanced Cloud and On-Prem Approach for Your Enterprise Content

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ABOUT THE RESEARCH

About this eBook

As the non-profit association dedicated to nurturing, growing and supporting the information management community, AIIM is proud to provide this research at no charge to our members. In this way, the entire community can leverage the education, thought leadership and direction provided by our work. We would like these research findings to be as widely distributed as possible.

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About AIIM

Here at AIIM, we believe that information is your most important asset and we want to teach you the skills to manage it. We've felt this way since 1943, back when this community was founded.

Sure, the technology has come a long way since then and the variety of information we're managing has changed a lot, but one tenet has remained constant — we've always focused on the intersection of people, processes, and information. We help organizations put information to work.

AIIM is a non-profit organization that provides independent research, training, and certification for information professionals.

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About ASG Technologies

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ASG Technologies is an award-winning, industry-recognized and analyst-verified global software company providing the only integrated platform and flexible end-to-end solution for the information-powered enterprise. ASG's Information Management solutions capture, manage, govern and enable companies to understand and support all types of information assets (structured and unstructured) and stay compliant. ASG's IT Systems Management solutions ensure that the systems and infrastructure supporting that information lifecycle are always available and performing as expected. ASG has over 3,500 customers worldwide in top vertical markets including Financial Services, Healthcare, Insurance and Government.

5 RECOMMENDATIONS FOR A BALANCED CLOUD AND ON-PREM APPROACH FOR YOUR ENTERPRISE CONTENT

Introduction

Cloud-based systems and applications are popular across enterprises in all industries today, often serving as platform for process innovation and improved organizational performance. According to a 2018 IDG Cloud Computing Study[1], 77% of enterprises have at least one application or a portion of their enterprise computing infrastructure in the cloud. And global spending on public cloud services hit $160 billion in 2018, an increase of 23.2% over 2017.
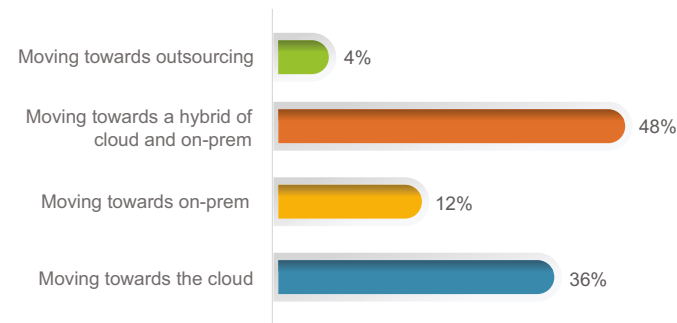
Yet despite the intense interest in the cloud, not every business has made the jump. According to Forrester[2] the cloud's impact has been global, yet fewer than half of all enterprises use a public cloud platform. And a McKinsey survey[3] noted that many companies that have adopted the cloud are far from complete operation in it: "While almost all respondents are continuing to build sophisticated cloud programs, there is a clear gap between the leaders (those who have migrated more than 50% of their processing workloads) and the laggards (those who have moved less than 5%)".

> The cloud offers many compelling benefits. However, many organizations see added value in a hybrid approach.

In our AIIM 2018 State of the Industry[4] study we pursued the issue of 'cloud vs. on-prem' by asking participants which direction they felt that their organization would be taking over the next 12 months. Over 35% said they were moving "more to the cloud," while 46% said "more towards a hybrid of cloud and on-prem." It seems that, at least for some time to come, most will be operating somewhere along that continuum; with some new applications and services being delivered and managed via the cloud, while systems and processes will continue to be maintained using on-premises systems and solutions.

IN GENERAL, in which direction are your organization's delivery/deployment methods for information management changing over the next 12 months?

Direction	Percentage
Moving towards outsourcing	4%
Moving towards a hybrid of cloud and on-prem	48%
Moving towards on-prem	12%
Moving towards the cloud	36%

Recommendations in this ebook

This eBook will present five recommendations that will aide in the design of strategies to make the most of a hybrid approach to the cloud for your enterprise content and unstructured data.

1. **A hard look assessment**
   Before you do anything it is important to thoroughly evaluate your existing topology, integration points, and current processes.

2. **Prioritize and decide on migration strategies based on your assessment**
   With an assessment in hand you are in position to make better decisions.

3. **Ensure flexibility**
   Needs may change, so ensure flexibility that offers faster time-to-market and less upfront investment.

4. **Build an organizational strategy for dealing with metadata**
   Establish a governance strategy that transcends where the information is located.

5. **Establish a Center of Competency**
   You can better leverage your investments, efforts, and expertise by working cross-functionally.

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A Hybrid Approach

Despite the compelling possibilities, it is not realistic to assume that organizations will wholly replace their current in-house content repositories overnight in favor of a cloud-only approach. A hybrid approach leverages the best of both worlds in what could be called a mash-up of on-prem and off-prem resources. The advantage is that it allows workloads and data to move between on-prem repositories and private or public clouds in a flexible way as demands, needs, and costs change, ultimately giving the organization greater flexibility and more options for content deployment and use.

When operating in a hybrid environment it becomes even more important to have seamless access to information no matter where it is located. What is needed, is a truly federated environment using both cloud-based and on-prem systems.

Best Practices

So where do you start using a hybrid cloud approach that will fit into your overall digital transformation journey? Here are a few best practices to consider.

Federate What You Have Now

It may seem like digital transformation is all about collecting more and more data, but the key to gaining real advantage is using that information in more agile and more profitable ways. One way to start is by federating the information you already have, no matter where it is stored or located. Combining access to information across multiple systems so that end users have a single pane of view is a tremendous advantage that increases end user efficiencies for searching and finding pertinent information to complete their daily work tasks.

> **Digital transformation is about using technology and information in new and more profitable ways.**

One specific example is the case of a large life-insurance company. With hundreds of offices and billions of records, you can imagine the complexity of the systems they must manage. Vendor repositories were tightly coupled to business applications making it difficult to adapt to changes in the technical environment. Migrating to the cloud resulted in significant savings and stability improvements. Using a hybrid approach allowed the firm to leverage their legacy systems but also adopt new technologies and applications to compete with startup competitors – to modernize processes related to customer onboarding, submitting and reviewing of new claims, as well as commissions for internal and external agents.

Take Advantage of Auto-Scaling

One of the benefits of using cloud-based resources is the ability to scale up or down depending on demand. Auto-scaling can result in lower costs, because most cloud providers charge based on total usage rather than maximum capacity. Even for companies that cannot reduce their total compute capacity, auto-scaling helps by allowing you to run less pressing workloads on machines that get freed up during times of low traffic.

Consider a Fortune 100 financial services company at tax time when demand from customers requesting financial reports and other tax-related information peaks. Workflow slows to a crawl as servers and systems struggle to keep up. Moving to a hybrid cloud environment provides greater capacity when needed and results in more nimble response when workloads are high.

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Boost Business Recovery

Any business continuity analyst will tell you it is essential to store disaster recovery data offsite. But even this proven axiom fell short for businesses in Puerto Rico during Hurricane Maria in September 2017. The category five storm devastated the entire island. Total losses exceeded $92 billion, ranking it as the third-costliest tropical cyclone on record.

Many businesses were caught off-guard when they discovered their recovery plans had failed to account for an island-wide disaster. Their data was backed at a separate data center, but both locations on the island were impacted by the hurricane. As rebuilding of the island continues, businesses are looking to the cloud as a tool for business recovery to avoid a similar data-disaster in the future.

Bridging the Strategic Gap

If what Forrester says is true, and fewer than half of all enterprises use a public cloud platform, the question is why? One reason may be cultural, not technological. A gap in perception and priorities can exist between IT organizations and business units when it comes to the cloud. Technology professionals often favor the idea of consolidation and migration to the cloud for its' potential cost savings and scalability. Business units often wonder "what's in it for me?" and worry about the risks surrounding access, security, and information governance.

> **Adopting a hybrid-cloud approach requires strategic planning that should extend beyond typical process-centric or IT-only considerations.**
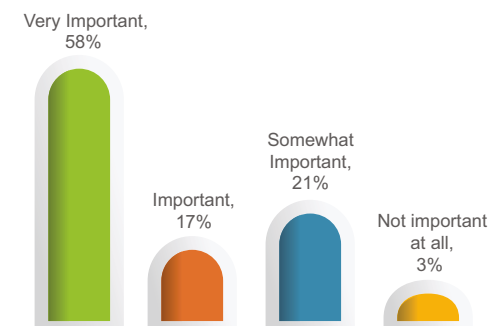
It is possible to bridge that gap. One example is where a company sets up a process rule that directs that all accounting files that have not been accessed in the past twelve months are automatically moved off-premises to cloud storage. From an IT point of view, this saves cost and reduces the amount of storage needed on-site. From a business process point of view, the content is still available; just no longer stored on local systems. The rules can be defined to fit an organization's specific strategies, workflow, and information governance policies.

Drivers for Innovation

In a 2018 AIIM Industry Watch report called "Digitalizing Core Business Processes,"[5] our research found that 75% of the organizations we surveyed view process automation as "important" or "very important" to their organization.

> Process automation is a must do in the business models of 75% of respondents; making it more of a requirement than a nice-to-have.

On a scale of 1 (very important) to 4 (not important at all), please rate the overall importance of process automation to your organization.

- Very Important, 58%
- Important, 17%
- Somewhat Important, 21%
- Not important at all, 3%

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Recommendations

Once you begin to target opportunities to use a more hybrid approach for your content and unstructured data, the question becomes: how should you move forward in ways that will ensure your success? Here are five recommendations to consider.

1. **A hard look assessment** – Before you do anything it is important to thoroughly evaluate the current process. How does it perform today, where are the bottlenecks and roadblocks, and in what ways will a change in approach make a difference? It is critical to involve IT along with cross-functional teams consisting of business unit personnel and other stakeholders. It ensures your efforts not only address the technological changes that may need to happen, but the business-focused and organizational aspects needed for improvement as well.

2. **Prioritize migrations based on your assessment** – With an assessment in hand you are in position to make better decisions regarding which systems should remain on premises and which ones are good candidates for migration to the cloud. It is here you can identify quick wins, assess the potential impacts of mergers and acquisitions, anticipate changes or future adoption of systems, and evaluate long-term implications from both a business and a technical view.

3. **Ensure flexibility** – Needs may change, so ensure flexibility that offers faster time-to-market and less upfront investment. Once you migrate content to the cloud it is important to ensure that you can move it back again, or from one cloud provider to another. Establish the flexibility to try new applications to "test the waters." Some providers make it difficult to reclaim ownership of your content once it's migrated, so look for solutions that remove those roadblocks and constraints.

4. **Build an organizational strategy for dealing with metadata** – One way to enable broader transformation is through the thoughtful use of metadata management, establishing a governance strategy that transcends where the information is located. This approach overcomes the physical barriers regarding whether or not the data is housed within the organization or in the cloud, and it also bridges the gap organizationally between IT practitioners and records managers. As a result, organizations are adjusting to and exploiting the variety and extent of the metadata supported in cloud-based systems and services to create a shared understanding across multiple domains.

5. **Establish a Center of Competency** – You can better leverage your investments, efforts, and expertise by working cross-functionally to replicate the capabilities and techniques found to be effective in one area to other applications within the enterprise. One way to do this is by establishing a Center of Competency which at its core is both a planning methodology and a cross-functional forum where business analysts, IT support, and executives all work together on common goals and steps to leverage the advantages across the enterprise. In this way, organizations reuse the architecture of the solution and the expertise involved rather than reinventing the wheel each and every time.

Moving Forward

Organizations that benefit from the cloud will be the ones who are successful at adopting a hybrid approach using thoughtful strategies that bring together the business needs of the organization along with the technological transformations that need to take place. Look for providers and partners with the right mix of expertise, capability, and vision that will help you make the most of your efforts.

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Notes:

[1] IDG 2018 Cloud Computing Survey https://www.idg.com/tools-for-marketers/2018-cloud-computing-survey/

[2] Ibid. IDG https://www.cloudcomputing-news.net/news/2018/jan/19/idc-forecasts-global-spending-public-cloud-services-hit-160bn-2018/

[3] McKinsey https://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/leaders-and-laggards-in-enterprise-cloud-infrastructure-adoption

[4] AIIM 2018 State of the Industry – State of Intelligent Information Management https://www.aiim.org/Resources/Research/Industry-Watches/2018/2018_May_2018-State-of-Intelligent-Information-Management

[5] AIIM 2018 State of the Industry - Digitalizing Core Business Processes https://info.aiim.org/digitalizing-core-business-processes-in-2018

CERTIFIED INFORMATION PROFESSIONAL

What's Next?

The CIP Can Help You and Your Organization Navigate the World of IIM.

Now is not the time to wait on your Digital Transformation initiative. IIM practices and methodologies are critical to your success, and AIIM can help. Digital disruption calls for digital leaders with the skills and experience to optimize information assets and transform business. Become that leader now through AIIM's Certified Information Professional (CIP) program.

AIIM worked with industry experts and focus groups to define the body of knowledge necessary for information professionals understand core IIM practice areas and methodologies, built a certification and test based upon this body of knowledge that is available at locations around the world, and created a set of training courses and materials to help information professionals prepare for the examination.

The path to CIP should be fairly simple for information practitioners who already have expertise and work experience. AIIM has a number of resources that can help practitioners at all levels prepare to become a Certified Information Professional:

- CIP Data Sheet
- CIP Exam Outline
- CIP Study Guide *(free to professional members; nonmember fee is $60 USD)*
- AIIM Training Courses
- Online CIP Prep Course
- In-Person CIP Prep Classes
- Practice Exam

CIPs reflect a more integrated, more holistic view of information management. Changes in one process, technology, or practice invariably affect others in the organization. CIPs are able to see the forest and the trees and understand and plan for these outcomes. Because of this, CIPs will identify and understand changes that could cause compliance issues, thereby reducing liability.

Organizations that manage their information more effectively enjoy reduced costs, faster time to market, increased revenues and cash flow, and increased business agility. CIPs are uniquely positioned to help organizations achieve these benefits because they understand the interactions between different information intensive processes and activities.

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