

TOP TEN
Cloud
TRENDS FOR 2017



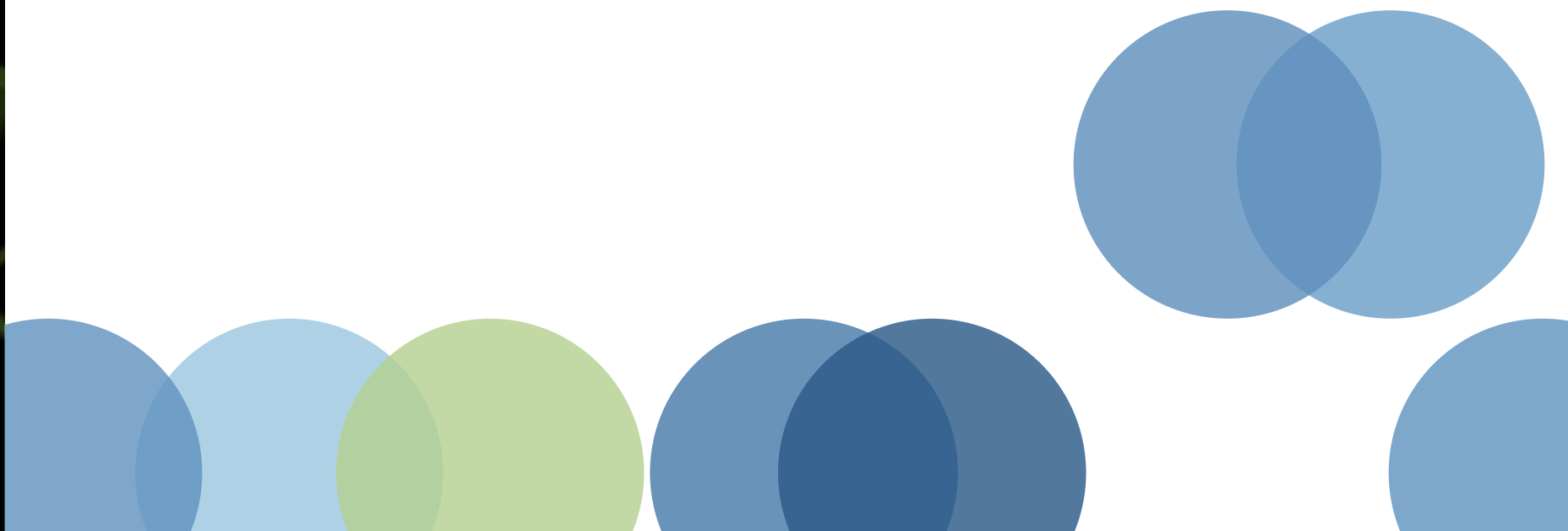


Many startups and small businesses will continue to go all-in on cloud. But enterprises will find success in a slow but steady move from on-prem. Hybrid ecosystems—of data, software, and infrastructure—will be the reality for most established organizations.

Top 10 Cloud Trends for 2017

In 2016, cloud technologies went mainstream. But with maturity came the realization that moving to the cloud doesn't happen overnight. CIOs are prioritizing hosted computing and cloud data storage. But they're approaching the shift as a gradual, multi-year journey. IT teams are gearing up for this shift as well. They are building expertise with new training priorities and recruiting employees with cloud experience.

Here are the ten trends we see shaping 2017.



CLOUD

1

IT shifts its skill set

Continued growth in cloud adoption is creating increased demand for cloud expertise. In response, IT is prioritizing cloud-focused training for both hard skills and new workflows.

In order to execute on their organization's technology roadmap, IT is shifting its skill set. Training programs are focusing on cloud security, hosted databases, and infrastructure as a service. And IT managers are stepping up their search for candidates with experience in DevOps practices and cloud platforms like AWS, Azure, and Google Cloud Platform.

IT is also reorienting their approach. Top-down waterfall methodologies for multi-year on-prem deployments have long been the standard. But with cloud, concerns like scalability and maintenance are all but taken care of. In their place, IT is adopting agile methods that provide continuous development and delivery of projects. Hosted servers supporting a POC, for example, are now seen as a disposable resource. They can be spun up and shut down in just a matter of hours, giving IT new bandwidth to drive more strategic projects.

FURTHER READING: [The new role of IT \(BetterCloud Monitor\)](#)

2

Organizations embrace a hybrid world

Many organizations are living a hybrid reality that includes both on-prem and cloud environments. The cloud is no longer isolated from locally stored data, nor from on-premises infrastructure.

Not able—or wanting—to move to the cloud in one fell swoop, CIOs have adopted a hybrid approach. But this can often yield significant challenges. Data is fragmented across local servers and cloud services. And many software applications are restricted to on-prem deployment or cloud-only use.

To stay efficient within a hybrid environment, businesses need solutions that work on-premise and in the cloud. And that's where hybrid software comes in. Hybrid software allows people to connect to data stored anywhere. It gives them the choice of deploying on-prem or in the public cloud or running as a fully-hosted service. And it allows CIOs to invest in a single solution for their entire business. For the end user, these solutions make complex hybrid environments function as one cohesive system. For IT, the benefits run even deeper: investments in hybrid software will remain fully relevant even as organizations shift operations toward an all-cloud future.

FURTHER READING: [Vendors acknowledge the hybrid reality \(CIO Dive\)](#)

IT actively partners with business users

Early adoption of software-as-a-service (SaaS) applications poses a challenge to IT. But IT is now making the first move and proactively vetting, securing, and supporting these applications.

Cloud solutions are often closely aligned with business requirements and frequently adopted without IT's knowledge. This can result in security loopholes, licensing issues, and a proliferation of unsupported applications. But with cloud becoming a strategic priority for many enterprises, IT is now working in close partnership with business users and proactively vetting popular applications. As a result, SaaS apps can be fully integrated into the business. IT can connect apps to relevant data streams, meet security requirements, and scale solutions across their entire organization.

But the benefits aren't restricted to IT; business users gain a vastly-improved user experience. Portals from IdPs like OneLogin and Okta simplify access. In-house IT experts offer technical support. And applications integrate with internal systems to become more useful. Business users get the apps they want—without needing to circumvent company policy.

FURTHER READING: [IT departments get a handle on shadow cloud \(ZDNet\)](#)

Software governance improves life for IT and the business

Locally-installed software makes it hard for IT to balance visibility of deployed applications with flexibility for the end user. But hosted services are now enabling IT to retain control of applications without locking down personal choice for end users.

As the guards of corporate policy and security standards, IT must often restrict download rights and application permissions for desktop software. But with growing adoption of IT-deployed cloud applications, the need to lock down software is falling away. Hosted applications allow administrators to monitor usage and manage features at any time. This allows IT to maintain fine-grained control of things like authentication, data security, and user permissions. It also helps reduce restrictions placed on end users. Business users now have the freedom to choose and customize their applications.

Access to cutting-edge technology is now recognized as **a top contributor to overall employee satisfaction**. And with newfound autonomy over their software, many employees are becoming more productive and satisfied with their workflow. Organizations making the shift to hosted applications are poised to win big as they fight for top talent.

FURTHER READING: [Making Sense of the SaaS Security Market \(451 Research\)](#)

Hosted applications streamline internal business ops

Business operations require significant investments in software, hardware, and people to manage it all. But enterprises are now looking to SaaS in their quest to cut costs and boost agility.

Massive on-prem enterprise applications account for large operational costs. These applications provide everything from CRM services to ERP and HR management. But they are expensive to implement, require months to plan, and can take years to deploy. Add in the additional challenge of software upgrades, and business agility becomes all but impossible.

But today, SaaS is beginning to replace these monolith on-prem applications. Hosted products from Concur, Zendesk, NetSuite, Workday, and Tableau, for example, help businesses gain operational flexibility by way of cutting deployment burdens and eliminating the need to manually maintain and upgrade software. With less time and budget earmarked for on-prem deployments, IT is now free to focus on business insights and innovation.

FURTHER READING:

[Is Enterprise SaaS Ready to Take Off? \(CIO Dive\)](#) | [Business @ Work \(Okta\)](#)

Long-term customer success and adoption are top priorities

Cloud platforms have eliminated many upfront challenges associated with on-prem deployments. In response, cloud software vendors are extending their focus far beyond the point of sale. They're working with customers to ensure product adoption and business value. In the world of cloud, software deployments require fewer initial investments of time and money. Customers evaluating software renewals no longer have to worry about large sunk costs. This shift is placing satisfaction rates and business value front and center.

Sales engagements increasingly span the entire lifecycle of a buyer's journey. Cloud vendors are focusing on their customers' long-term success and developing a strong working relationship with both IT and the business. They're offering higher levels of customer support, more robust training resources, and deeper guidance on product adoption. This new timeframe is leading to mutually beneficial partnerships. Enterprises realize more value from their investments, and vendors build long-term customers rather than one-time buyers.

FURTHER READING: [Cloud pushes vendors closer to customers \(ZDNet\)](#)

Cloud service providers remove the complexities of regional data regulations

New government policies regarding data privacy and sovereignty pose significant challenges for global companies. To comply, businesses are turning to major cloud service providers.

In 2015, the European Union ruled against Safe Harbor, requiring international companies to revamp many of their compliance efforts. Then in July 2016, the [Privacy Shield](#) agreement again demanded new efforts from businesses with data spanning the Atlantic. These regulations are proving to be a constant challenge, and many companies are looking to major cloud providers for help.

Cloud providers operate globally and maintain regional data centers that meet today's data sovereignty regulations. They also have teams dedicated to monitoring and planning for regulatory shifts, which often proves cost-prohibitive for individual businesses. By leveraging cloud services, organizations can avoid having to maintain expensive local data centers and instead focus on growing their business.

FURTHER READING:

[Privacy Shield \(Fortune\)](#) | [Cloud vendors adjust to new regulations \(CIO\)](#)

8

Flexible analytics solve IoT's last-mile challenge

With large quantities of IoT data now easily ingested into cloud storage, focus is shifting from capture to analysis. Organizations are demanding analytical tools that seamlessly connect to and integrate diverse forms of cloud-hosted data.

IoT data tends to be heterogeneous and stored across multiple systems, from Hadoop clusters to noSQL databases. It's no small feat to access and understand all that data. As a result, people need analytical tools that seamlessly connect to and combine a wide variety of data sources. These tools enable businesses to explore and visualize any type of data stored anywhere and maximize the value of their IoT investment.

Evidence is accruing around the world. New Zealand utility company MainPower has long struggled to draw insight from its IoT network's many disparate data sources. But today, MainPower has deployed a flexible business intelligence solution that allows the company to [analyze data from multiple sources and of varying formats](#). By joining together disparate IoT data into a single view, the company can quickly identify problem regions and underperforming services. With this solution to the "last-mile" of IoT data, MainPower can increase efficiencies and improve its bottom line.

FURTHER READING: [Solving IoT's last-mile challenge \(Tableau\)](#)



Service providers shift from software deployment to change management

The growth of hosted software is changing the game for service providers. No longer just deployment consultants, service providers are becoming trusted advisors for their customers as they move to the cloud.

Service providers have traditionally focused on technical support for complex software deployments, and rightly so. Enterprise-wide roll outs often entail IT hurdles that require the help of expert partners. But in the age of cloud, hosted software erases many of the deployment challenges associated with on-prem.

This shift is creating new opportunities for service providers. As subject matter experts, they are now providing guidance on cloud deployments that range from change management to best practices for cultural adoption of new technology. With these innovative new services, providers are increasing their value-add to cloud deployments and helping to support their customers throughout their move to the cloud.

FURTHER READING: [Evolution of the channel \(Channelnomics\)](#)

Collaboration comes standard with all applications

Collaboration takes time, and a lot of it. In fact, collaborative tasks have recently ballooned by **more than 50%**. But features baked into cloud applications are helping to streamline teamwork in the office.

Prominent **studies** and **thinkers** are telling the story of a modern workforce dissatisfied with collaboration. An intense corporate focus on collaboration has, it turns out, resulted in lower productivity and more stress as meetings fill calendars and email chains spiral out of control. But cloud applications are beginning to address these issues. And applications are leading the way with built-in collaboration tools like in-app chat, messaging, and commenting. The need for siloed, standalone collaboration tools is quickly falling away.

Collaborating with data is also becoming easier. Modern analytics tools seamlessly incorporate sharing and collaboration features. These self-service products are helping people easily share data and dashboards, all within their browser. Similarly, intelligent features like subscriptions and recommendations are taking the pain out of collaboration in large groups. This new cohort of cloud applications help people stay focused and productive, effectively transforming collaboration from a time-sink to a value-add.

FURTHER READING:

[Enterprise Collaboration: What businesses need to know \(ITProPortal\)](#)



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