Navigating the Skies

Lessons Learned of Cloud Platform Adoption in Western Europe

November 2023

Richard Czéh
Principal, Technology Consulting

Introduction

Explosive growth of cloud computing over last decade, along with

- Constant evolution of platforms, capabilities and services
- Followed by the same evolution in the regulations
- Wide spread speed of adoption of cloud platforms at mid- and big sized enterprises
- Exponential birth rate in the market of amall and micro products
- Different pace of adoption of the new platform amongst Europe

Potential to extract value from Western European counterparts' cloud maturity progress

Market Growth of Cloud Service Providers
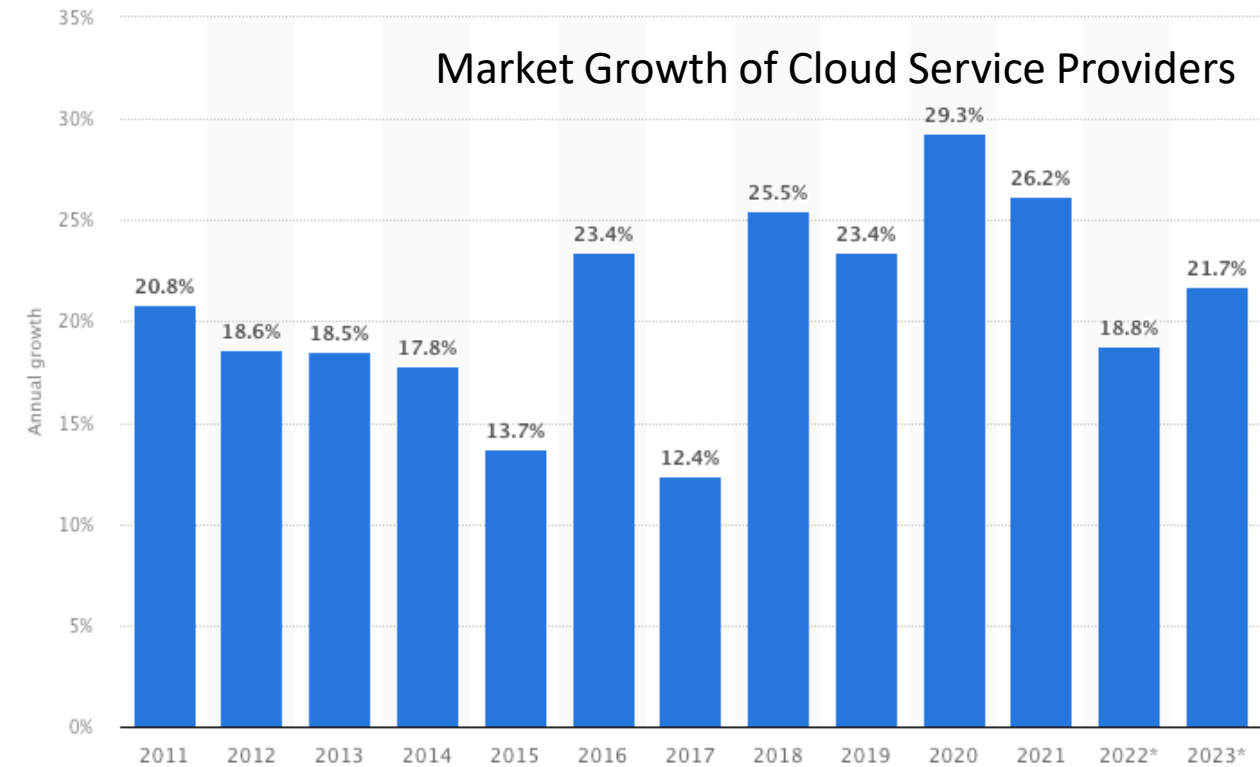
Strong Expertise & Relationship with Leading Cloud Providers

Our extensive sample covers the majority of European nations, enterprise sectors, and mid-to-large sized companies, providing comprehensive visibility into tactical shifts and historical trendlines surrounding adoption of cloud platforms.

Canada

United States

Mexico

Argentina
Brazil
Chile
Colombia
Dominican Republic

Belgium
France
Germany
Ireland
Italy
Malta
Netherlands
Portugal
Spain
Sweden
Switzerland
United Kingdom

Armenia
Georgia

Kazakhstan
Kyrgyzstan
Uzbekistan

China
Hong Kong SAR

Japan

Israel
Lebanon
Türkiye

United Arab Emirates

Austria
Belarus
Bulgaria
Croatia
Czech Republic
Greece
Hungary
Latvia
Lithuania
Montenegro
Poland
Romania
Serbia
Slovakia
Ukraine

India

Malaysia
Singapore
Vietnam

Australia

South Africa

*Countries and regions listed are as of October 2023.

Different maturity levels of Cloud Computing Adoption

- **Not started**:
  Only using basic SaaS, no large-scale cloud migration
- **Early Transition**:
  Trend/cost pressure, adopting cloud tactically, lack of unified strategy
- **Challenging Transition**:
  Moved core systems, facing surprises - cost, security, availability etc.. Considering revert to on-prem
- **Mature Strategy**:
  Hybrid/multi-cloud, unified governance, well-managed workloads & vendors, business continuity plans
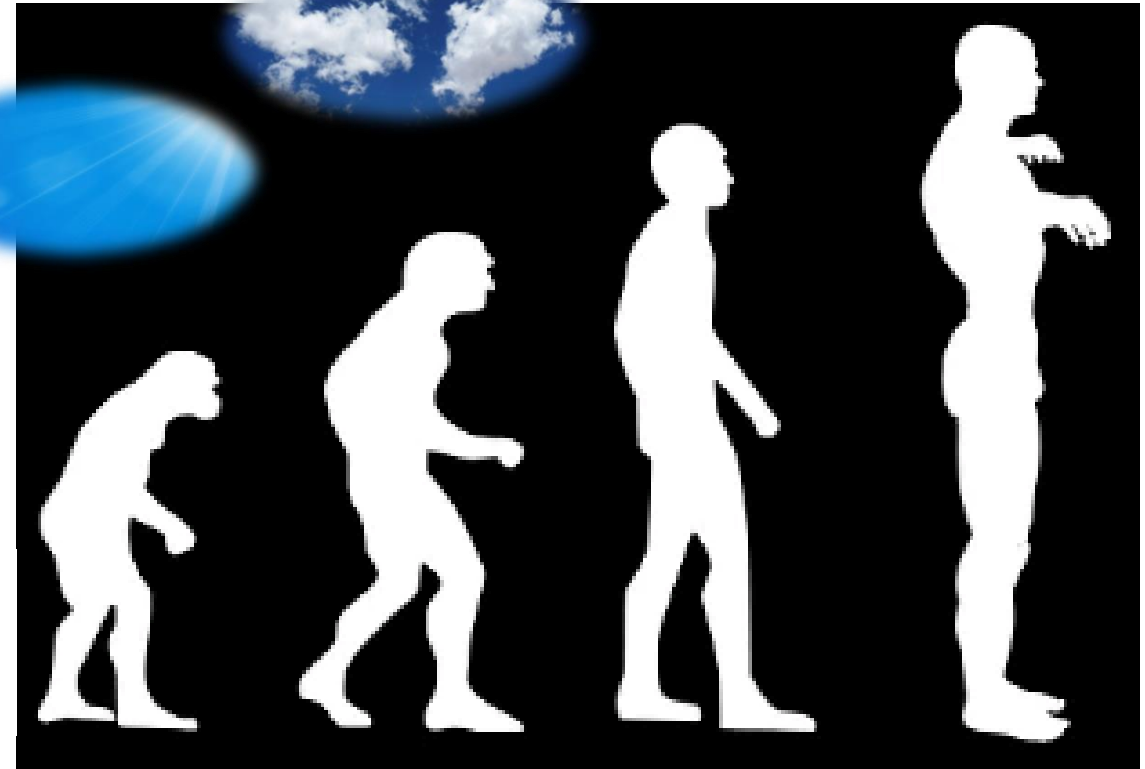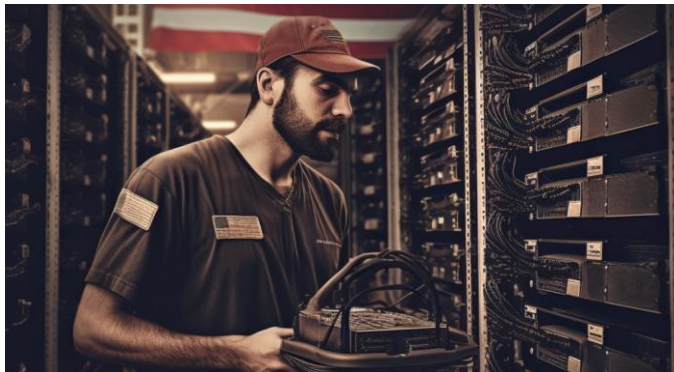
What makes the difference – Cloud Strategy

Key elements to keep control

- Governance Model & Policies: Cloud-first, cloud-also, cloud-only doctrines; standards & policies for procurement, data management etc.
- Financial Planning & Cost Optimization: TCO models, usage forecasts, budget allocations, automation tools.
- Security, Compliance & Risk Planning: Align to regulatory requirements, auditing, encryption, identity management.
- Workload Assessment & Migration: Analyze application portfolios, select R&M approaches, execute orderly migrations.
- Vendor & Contract Management: Evaluate provider ecosystem, negotiate terms, manage relationships and contracts.
- Backup, Disaster Recovery: Build in redundancy across availability zones, backup critical data, failover.
- OCM how to obtain the necessary skills, how to manage all aspects of the changed operating model.

The New Challenge – Geopolitical Factors and Data Sovereignty

Impacted areas of ongoing geopolitical polarisation:

- Legal/Regulatory aspect
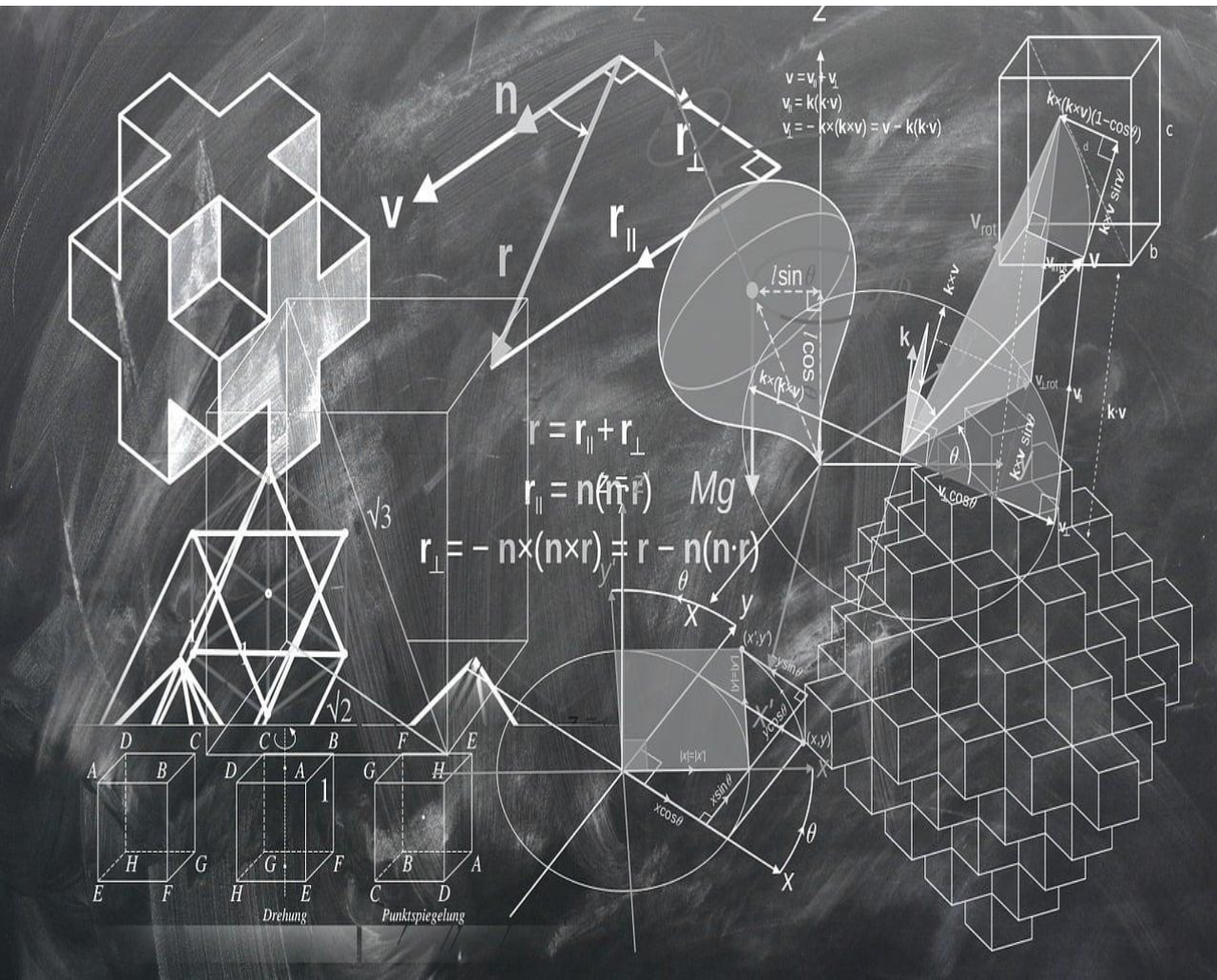- Accessibility
- Data
- Security

Main attributes of this change are unknown:

- Speed of change, timing
- Scale of change and scope
- Number of segments
- Remaining key players and possible transitions

What did we learn?
How to avoid pitfalls already seen

- Develop a holistic **cloud strategy** based on business priorities before migration
- Maintain vigilant **governance** across all aspects - financials, security, compliance, organisation
- **Invest in** cloud **skills** training for IT teams to **own cloud operations**
- Ensure solutions meet **Hungarian** and **EU regulatory requirements**
- **Leverage** cloud **vendor partnerships** to supplement expertise as needed
- Institutionalize change management for **continuous adaptation** to the vendors, services and regulator
- **Stay tuned** on new developments like edge computing to navigate challenges

Thank you!

For more information, contact

Richard Czéh

Principal, Tech Consulting