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Do we need another cloud?

By Jaap Scholten, Head of Group Hybrid ICT Strategy at Datacentrix and COO of eNetworks, a Datacentrix company

Amazon Web Services launched its cloud services in 2006, followed shortly by Microsoft's Azure offering in 2010. Three years later, the word 'hyperscaler' entered our lexicon – meaning large cloud service providers that can provide offerings such as computing and storage at enterprise scale – and #CloudFirst became *the* buzzword amongst everyone, from developer to CISO.

Systems integrators were unsure how to measure the potential threat of cloud business, compared to traditional hardware and infrastructure sales. However, the groundswell of cloud adoption was not to be ignored, despite raising so many questions.

Business benefits and costs under the spotlight

One of the biggest shifts in executive think-tanks centred around ICT results versus business outcomes. Spurred on by the COVID-19 pandemic, cost-saving efforts were being applied at all levels of the business, and ICT – known for its ever-increasing price/performance indexes – was put under the spotlight as an easy target for cost saving.

The question being asked was how a cloud-first strategy would align to business outcomes: was this a pure-play in technological evolution, which would only benefit the new economy – the Ubers and Airbnbs of this world? And would the cost of modernising mainstream businesses into a cloud-first era outweigh the benefit?

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Early results posed questions

After witnessing the mass-migration of numerous large customer workloads, the first rounds of feedback were not as euphoric as the technologists had hoped for. More questions were raised, and yet another word entered our vocabulary: 'bill-shock'.

Compliance officers also raised concerns over the sovereignty of company data. Patient records, student marks, financial information and intellectual property… where exactly was all of this data being hosted? And why do organisations have to pay to retrieve their own records?

As the dust settled, customers began moving some workloads back, in an attempt to regain control, both financially and in terms of compliance. A serious re-think of the cloud-first strategy was required.

Dollar-based billing resulted in IT budgets experiencing unprecedented cost increases, without realising any associated operational benefit. The cost of extracting data, as well as the compliance issues around data sovereignty, rapidly led to a new approach. Given that almost all of an organisation's records – customer, supplier, product and financial records, applying to entities both large and small – now lived as data somewhere, it became paramount to place data at the centre of such a strategy.

And so, the #DataFirst concept was born.

Jaap Scholten, Head of Group Hybrid ICT Strategy at Datacentrix

New solutions, better results: 'Data First'

A healthy data-first approach results in a strategy that supports the fundamentals of where data is hosted, how it is transported, and how it is secured. These underlying principles must be supported by a 360-degree approach, encompassing assessment, implementation, support, modernisation and continued gap analysis to assess the strategy's execution progress. Ultimately, a data-first strategy is aligned to business outcomes and outperforms a pure ICT strategy.

Systems integrators started building smaller private/public clouds, hosted in sustainable data centres where power is guaranteed, with easily accessible sub-millisecond onramp paths and high levels of physical and cybersecurity, while addressing Rand-based billing and locally-based data sovereignty. These clouds offer organisations Infrastructure as a Service (IaaS) as well as Platform as a Service (PaaS) options, which often mean a happy home for many applications that are not hyperscaler native.

With multiple availability zones, users of these services address their disaster recovery needs and can start to realise large-scale, long-term savings compared to their pure hyperscaler or on-premises deployments. Systems integrators and cloud providers tend to concentrate top skills in these areas, thereby providing their customers with innovation, strategy, financial modelling and managed services all year long, while the customer can focus on their core business.

Multi-cloud adoption between different providers has proven to be both cost-effective and risk averse, now that multi-cloud management tools are readily available – even 'as a Service' – simplifying cost management, reporting engines, and optimisation efforts. Tools ensure that business outcomes are enhanced and realised. As to the question “do we need another cloud”, the answer is therefore a resounding “yes!” – and there will be many more clouds to follow, almost moving into the boutique-genre of clouds designed for specific classes of workloads.

For more information on Datacentrix's Hybrid ICT approach, which encompasses a data-first strategy, please visit https://www.datacentrix.co.za/hybridit.html