Four Myths and One **Truth** on the Journey to Cloud First

Around the world, in organizations large and small, there is a shift occurring. Enterprises are moving from owning and managing computing infrastructure to rent and subscription-based models for computing resources. ServiceNow's 2016 Cloud Tipping Point survey, for example, showed that the majority of enterprises were now "cloud-first," where new apps were hosted in the cloud instead of the data center.

The shift requires work and adjustments, and IT sits at the foundation of this shift. IT must help coordinate the shift and, in the process, become a strategic partner for the organization to help manage enterprise services. At first glance, this shift may seem like a daunting task, but is it as hard as we think?

To find out, ServiceNow performed a survey at Pink Elephant 17, an annual IT Service Management conference held in Las Vegas in Feb. 2017. We surveyed 85 IT professionals on a variety of questions pertaining to this shift. We divided the responses into "*first-movers*," those who had started early and were at least 25 percent through making the shift, and "*late-movers,*" those who had not yet reached 25 percent completion.

What we found were key insights that challenge many pre-concieved notions on what it takes to move to a cloud first approach.

Late-movers

First-movers

Less than
25%
through making the shift

At least
25%
through making the shift

Not as Hard as it Looks

39%

17%

Late-movers
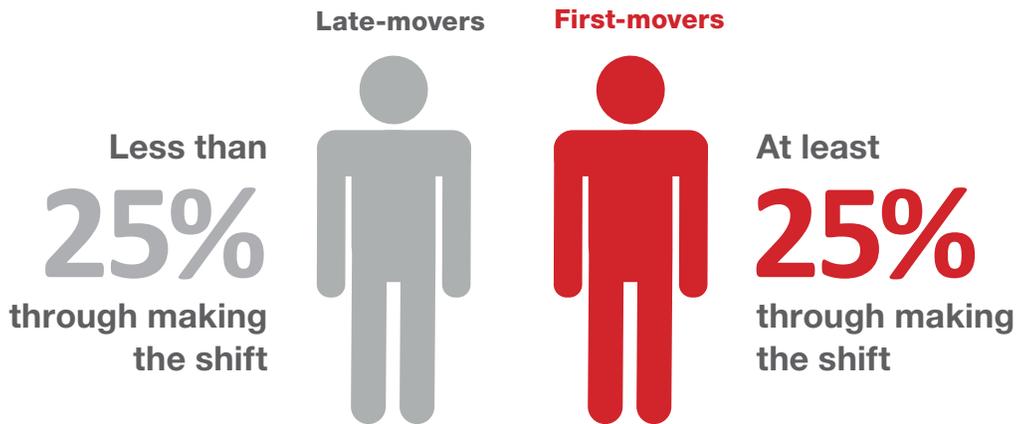
First-movers

## Finding #1: First-movers say it will take less time

It turns out that once an organization has gotten underway (or finished) making the shift, their perception of how long the shift will take moderates. For example, while 39 percent of late-movers predict the shift will take 4 or more years, only 17 percent of the first-movers think that. In fact, 61 percent of first-movers believe it will take less than 2 years.

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Only 17 percent of first-movers think that.

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20%

9%
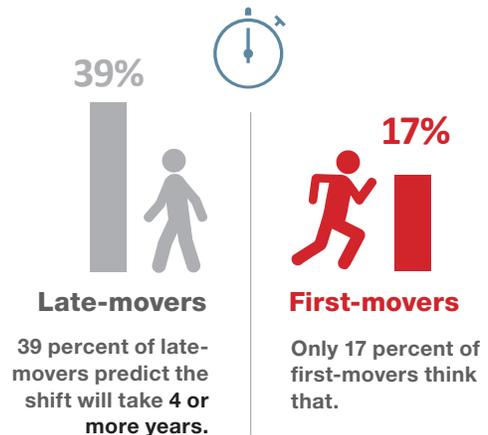
Late-movers

First-movers

## Finding #2: First-movers estimate shift to be less difficult

First-movers also say the shift is (or was) less difficult than what late-movers perceive. 20 percent of late-movers think the shift will be extremely difficult to make versus just nine percent of first-movers. In fact, 91 percent of first-movers viewed making the shift as somewhat difficult to easy

20 percent of late-movers think the shift will be extremely difficult.

Only 9 percent of first-movers say the shift is (or was) extremely difficult.
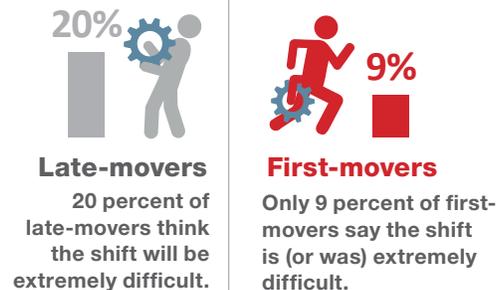
In fact, 91 percent of first-movers viewed making the shift only somewhat difficult to easy.

59%

39%

Late-movers

First-movers

Finding #3: First-movers estimate shift to be less costly

While 59 percent of late-movers fear the shift will be "somewhat to extremely" expensive, only 39 percent of first-movers say it will be. In fact, 61 percent of first-movers now view the cost as either a non-issue or somewhat inexpensive.
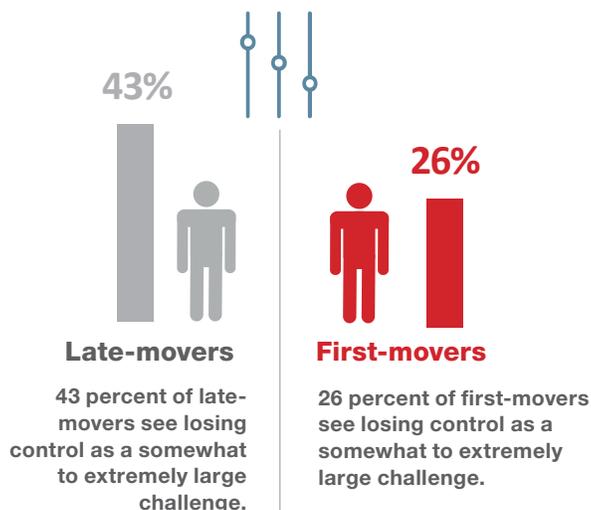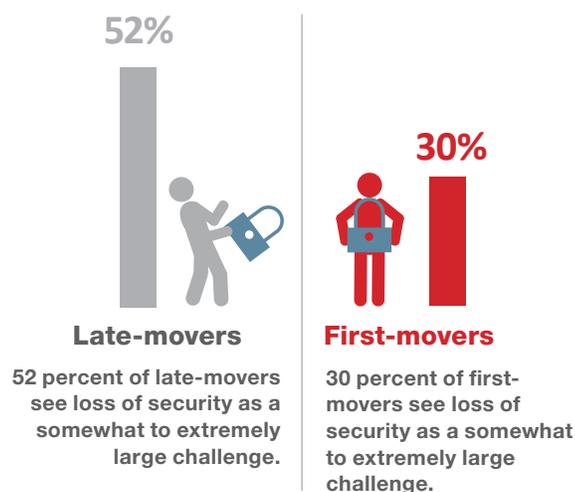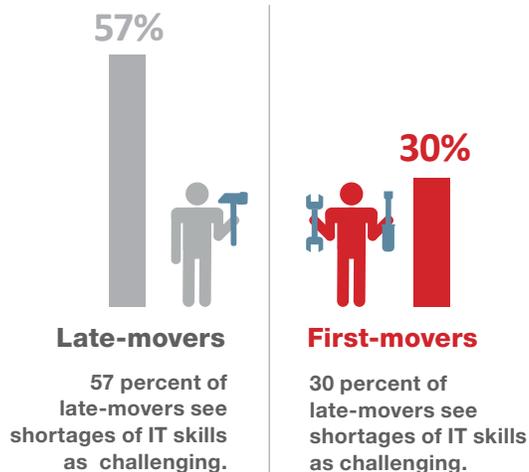
59 percent of late-movers fear the shift will be expensive.

Only 39 percent of first-movers say the shift will be expensive.
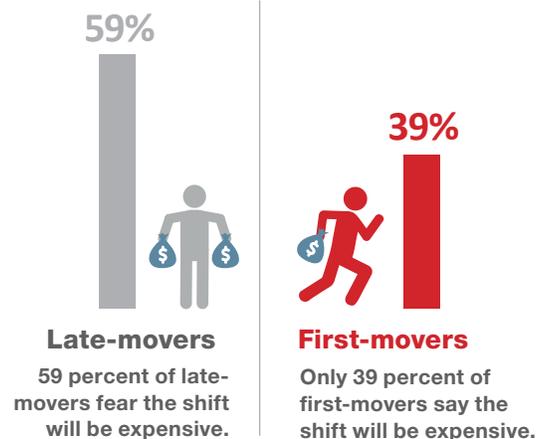
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Challenges Differ

As IT goes through the shift, they also change their perception of just what is or isn't challenging. For example, most late-movers see shortages of necessary IT skillsets as being a somewhat to extremely large challenge, yet only 30 percent of first-movers still believe that.

The same holds true for security fears and a fear of losing control of projects.

57%

30%

Late-movers

First-movers

57 percent of late-movers see shortages of IT skills as challenging.

30 percent of late-movers see shortages of IT skills as challenging.

52%

30%

Late-movers

First-movers

52 percent of late-movers see loss of security as a somewhat to extremely large challenge.

30 percent of first-movers see loss of security as a somewhat to extremely large challenge.

43%

26%

Late-movers

First-movers

43 percent of late-movers see losing control as a somewhat to extremely large challenge.

26 percent of first-movers see losing control as a somewhat to extremely large challenge.

Inertia – Still the Biggest Barrier

One area that both first-movers and late movers agree on is that inertia is the biggest challenge they would face when making the shift to the cloud.

In today's world, where disruption is the norm rather than the exception, doing things as they have always been done can drive IT to become a less relevant player in the enterprise's digital agenda.

57%

59%

Late-movers

First-movers

Both agree inertia is the biggest challenge.
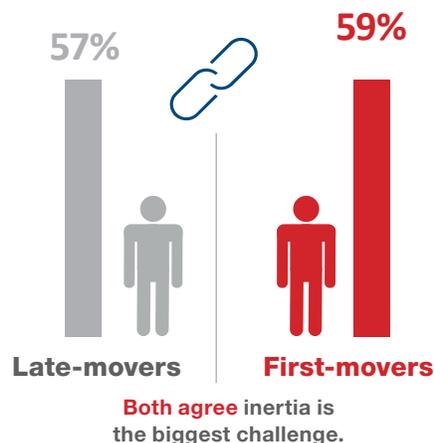
Lessons From the First-Movers

So, what can IT do? What should IT do? Following are some recommendations:

Shifting to cloud is a journey. Take the first step.	Break things down into small, consumable pieces. Don't become overwhelmed and take it one step at a time. Think about the outcomes, and make them measurable. That's the only way to show your success.
Start with low-hanging fruit and show leadership.	One way for IT to demonstrate leadership is by moving critical applications to the cloud. ITSM is a low-risk, yet high-impact area where many have successfully made their first steps in the cloud shift. By creating early success you'll gain the required experience and credibility to move on to the next phases of the journey.
Inertia is the #1 obstacle to change – tackle it head on.	The shift to the cloud is inevitable and our mindset is the first thing that needs to change in order to embrace it. To use the excuse "this isn't how we do things around here" isn't just unacceptable, it can be harmful to the entire business.
Create an environment of change.	You can't turn this change into a success on your own. You need to work with others around you: LOB stakeholders, DevOps and other service functions. You are no longer the single technology voice in your company. Be open to hear what others experience and expect. That's your opportunity to transform and thrive not as a technology custodian but rather a service broker.
Be committed to change.	There is no straight line to this path, but success will be found if you are moving forward. One of the great things that come along with shifting to the cloud is lowering the cost and therefore the risk associated with failure. You can course correct faster and improve. You will not anticipate every risk, but if you don't move, you're waiting to be disrupted.

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