Key drivers for cloud migration

Understanding how migration triggers can drive business outcomes in the cloud
Migration triggers and related strategies

One crucial part of building a cloud migration strategy for an organization is identifying which triggers are driving the need for cloud adoption. Some triggers may prompt quick action, while others may call for a more involved, hands-on approach.

Understanding the challenges a business is facing and how migration triggers map to those challenges can help determine what strategy to take when moving to the cloud. In some cases, it might be best to lift-and-shift (rehost) your workloads while in other cases re-platforming of your applications might be necessary.

Migration triggers

**IT-oriented triggers**
- Based on timelines; migration to the cloud is driven by the need to quickly reduce on-premises costs, stay secure and simplify operations.

**Modernization triggers**
- Application-oriented triggers; migration to the cloud is driven by the need to scale, enhance productivity and innovate to stay competitive.
Business leaders must find ways to address new challenges

In these times of uncertainty in the market, there are many organizations facing both the immediate and long-term challenges of how to stay productive, build resilience for the future, and ensure opportunities for growth and innovation.

Many business leaders are concerned with how to enable their remote workforce, ensure operations are running smoothly, protect their employees and resources, and reduce costs – but aren’t sure whether cloud migration is a viable enough solution.

Common questions from business leaders include:

• How do we address immediate needs and prioritize operational improvements?
• How can we keep running our business without interruptions?
• Should we reconsider operating our datacenter, given resource constraints?
• How can we secure our employees, network, and assets from cyberattacks in the midst of growing uncertainty?
• How do we build a case for investing in the right areas so we’re better prepared in the future?

Understanding the triggers that drive cloud migration and how they might apply to your organization sets you on a path to building an effective migration plan that creates opportunities for savings, growth, and innovation in the cloud.

1 Addressing datacenter contract expiration
2 Improving cash flow
3 Managing constrained budgets
4 Ensuring business continuity
5 Defending against cybersecurity threats
6 Scaling resources and infrastructure
7 Application innovation
Addressing datacenter expiration

The expiration of datacenter contracts can be viewed as a good opportunity for beginning the cloud migration journey, since many organizations may consider if it’s worth continuing to run their own datacenter if they’re facing resource and cash flow challenges.

Eliminate recurring expenses

Owning and managing physical datacenters can be expensive, both in terms of financial cost and effort.

Datacenter contract expiration can be an inflection point to consider cloud migration, as it can provide almost immediate benefits in the form of cost reductions, better performance, and simpler management.

Moving datacenter operations to the cloud frees you from recurring contract expenses, and provides built-in scalability and other key management features that make it much easier to run your datacenter efficiently.

$10M¹ in savings with Azure from avoiding hardware, software, and staff costs

Ensuring business continuity

Moving to the cloud can help ensure security and resilience for business-critical workloads, as having day-to-day operations interrupted by issues like network connectivity and data loss can result in productivity losses and increased risk of losing critical data.

Resilient apps and operations

By moving core business applications to the cloud, you can minimize the amount of disruptions and more easily maintain operations, which are often among the top concerns for organizations.

By taking advantage of native disaster recovery and high availability services, you can ensure that applications are not only resilient, but can also scale up or down to meet performance demands.

Azure provides options for replicating key workloads across different regions, so their uptime is maximized, and built-in recovery options so the risk of losing important apps or data is severely reduced, if not eliminated entirely.

66%\(^2\) reduction in recovery time on average for data hosted on Azure

Defending against cybersecurity threats

The growing evolution of cybersecurity threats, increased need to protect people and resources wherever they are located, and difficulty finding security talent has many security teams feeling overwhelmed. The cloud provides a suite of comprehensive security options that can address many of their challenges.

Suite of cloud security solutions

Traditional IT solutions are incapable of keeping up with the evolving threat landscape of advanced cyberattacks, and many businesses feel more vulnerable. The cloud offers built-in security solutions which provide comprehensive protection against advanced threats.

Azure is secured with a variety of physical, infrastructure, and operational controls that allows organizations to take actions that ensure their applications and data are protected, backed up, and compliant.

- **Azure Backup** protects your environment from ransomware attacks and recovers maliciously or accidentally deleted backup data.
- **Azure Security Center** provides unified infrastructure security management to protect your resources.
- **Azure Sentinel** provides intelligent security analytics across your entire enterprise.

$1B+\(^1\)

invested by Microsoft annually for cybersecurity research and development

3,500+\(^1\)

Microsoft security experts completely dedicated to your data security and privacy

90+\(^2\)

compliance certifications across global, federal, and industrial regulations

\(^1\) [https://azure.microsoft.com/en-us/services/security-center/#features](https://azure.microsoft.com/en-us/services/security-center/#features)


Tip
Visit this web page for best practices on securing and managing migrated workloads on Azure.
Improving cash flow

One of the most impactful incentives of the cloud and adopting a more flexible operating model is the opportunity to eliminate large upfront investments in physical infrastructure assets.

Identifying areas to optimize costs and free up resources for growth and innovation are critical to helping you establish your business case for migrating to the cloud.

Shift from CAPEX to OPEX

Maintaining a physical datacenter can cause serious cash flow challenges, since there are typically investments reserved for infrastructure.

Moving to the cloud helps you shift from a capital expenses (CAPEX) to an operational expenses (OPEX) model, since you are no longer paying for the costs of a physical datacenter and its associated hardware and software. Instead you only pay for the resources you use on the cloud and can scale up or down as needed.

This can provide more cash flow flexibility across an organization.

478%¹ ROI over three years

"We're now saving about 30 percent a year on infrastructure costs just by moving to Azure, with more flexibility, better servers, greater customization, and more freedom to do what we want."

Darren Gourley, Chief Technology Officer
CYTI

¹ Forrester Consulting Total Economic Impact™ Study: Migration to Microsoft Azure SQL Managed Databases, commissioned by Microsoft, March 2020
Managing constrained budgets

Shrinking budgets and shifting business priorities are an ever-present concern for organizations currently, and so finding ways to do more with less are critical.

The cloud offers ways to not only realize immediate savings by freeing you from using on-premises infrastructure, but also continually find ways to optimize costs with different pricing options and resource scaling features.

**Shifting on-prem operations**

Due to shifting priorities and other demands to reduce costs, many organizations need to find ways to free up their IT budget, and the cloud presents itself as a viable option.

Shifting operations to the cloud can lower infrastructure costs since there is no longer any physical hardware to maintain. Azure also provides options for optimizing costs and resource usage post-migration, creating more opportunities to further save money once application are up and running in the cloud.

**73%** of organizations plan to make optimizing existing use of cloud a top initiative

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1 Flexera 2020 State of the Cloud Report

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Scaling resources and infrastructure

The ability to meet surges in demand is one of the key priorities for businesses. However, many organizations lack the confidence or technical capacity to keep up with fluctuating demands – providing yet another incentive to look to the cloud.

Built-in autoscaling

Several industries such as healthcare, insurance, and banking are experiencing considerable growth, but many organizations within these verticals are finding it difficult to keep pace with significant surges in demand.

By moving to managed services in the cloud, organizations can modernize their business-critical applications and take advantage of managed services such as Azure App Service and Azure SQL Database Managed Instances to reduce operational tasks and focus scarce resources on higher value work.

“We determined Azure SQL Database Managed Instance was the best choice for us in terms of scalability, cost, and performance... We’ve seen a 49 percent cost reduction and 25 to 30 percent performance gains.”

Nipun Sharma, Analytics Architect, Business Technology and Systems Komatsu Australia

“The biggest difference this year was ease of scalability. Last year we depended on adding physical hardware way ahead of the event, adding cost and complexity. This year we saw more than 500 views a second and delivered 21 TB of data to our customers, with great response times. Using Azure, we were easily able to scale on demand to get the performance we needed.”

Thomas Wilhelmsen, Head of IT Operations Komplett
Application innovation

Innovation can provide great business value by supporting both current development efforts and visions for future products. The key to innovation is understanding customer needs so you can create inventions that shape how your they interact with your products. Intelligent cloud services like AI and machine learning make continuous innovation possible and can help to unlock new technical skills and expand business capabilities.

Moving to the cloud can help to significantly reduce or eliminate operational responsibilities, allowing you to focus on innovating your products and unlocking new capabilities for customers.

Azure can help you better understand and anticipate users’ needs with a full set of AI services and capabilities, allowing you to infuse your apps, websites, and bots with intelligent algorithms. You can also gain instant and continuous insights that can help inform your decisions by taking advantage of cloud-native analytics services.

With cloud services like these, you can develop and deploy quickly, test safely, and iterate rapidly.

Innovation framework:

Build
Deliver a minimally viable product based on customers’ needs.

Measure
Test new idea by observing how customers respond and interact.

Learn
Iterate quickly to refine your thinking and support growth.

“With Azure, we have the scalability and flexibility to handle the large quantities of data that feed into our EY Trusted AI Platform, plus the machine learning functionality we're looking for.”

Cathy Cobey, Global Trusted AI Advisory Leader EY

Tip
Visit these web pages to learn how Azure can help with:
- Exiting your datacenter
- Minimizing disruptions
- Gaining comprehensive protection
- Detect and respond to threats
Setting a path for migration

The cloud journey begins by defining the reasons why cloud migration makes the most sense for your business. Once you identify and understand your migration drivers, you’re ready to construct a business case for the project, along with the necessary timelines to meet those goals.

Here are some helpful resources you can adopt today to begin planning your business strategy and identifying your key migration drivers.

- **Azure Migration Center**: Get resources at every stage of your cloud migration, including tools, best practices, and guidance to help you move, manage, and secure all your workloads.

- **Azure Migration Program**: Get the guidance and expert help you need at every stage of the cloud migration journey. Migrate infrastructure, databases, and apps—and move forward with confidence.

- **Azure Migrate**: A central hub of Azure cloud migration services and tools to discover, assess, and migrate workloads to Azure.

- **Microsoft Cloud Adoption Framework**: Provides a proven methodology around aligning your organization to a common vision and approach.