



# Seeking operational advantage with cloud

Operations leaders look to cloud to improve efficiencies

# Cloud: a better way of doing things

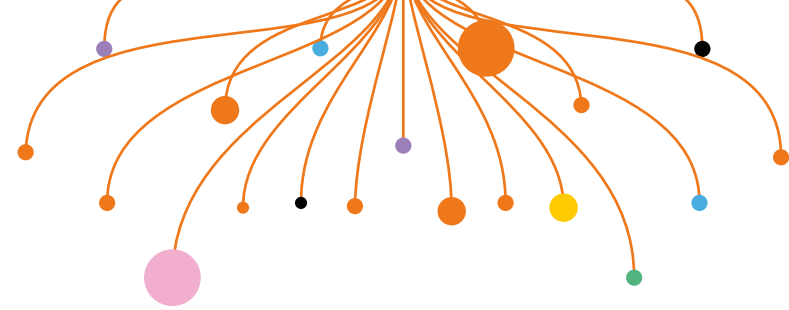
**Chief Operating Officers (COO) and operations leaders are looking to the cloud to promote agile mindsets, drive resilience, and support organizations through their digital journey. They are aiming to reduce operational costs and enhance performance and productivity.**

The role of the COO is a demanding one: it connects the day-to-day administrative and operational functions of the business with leadership. The COO is also responsible for implementing the organization's ongoing business strategy. Digital transformation and cloud is central to this remit.

COOs are privileged to have an overview of the entire IT estate, its operations, and its challenges. This is critical knowledge in any transformation planning. It is also imperative in making transformation central to everyday business transactions, laying out the foundations for an intelligent enterprise.

The best-performing COOs are investing in the building blocks of intelligent automation. Transition to cloud is a prerequisite to making data seamlessly available and workflows more intelligent. Stepping from a single cloud to multicloud orchestration brings the agility to allow applications to interoperate across boundaries successfully.

Taking the operational lead, COOs must liaise closely with the CIO and IT department in any cloud migration. Operations today are increasingly focused on streamlining operational costs and assessing investment in new technologies. By involving IT from the start in cloud migration, strategic issues can be dealt with head-on and the right solutions singled out for business tasks.



The biggest priorities for COOs are increasing the efficiencies and effectiveness of business processes in the digital economy. They are looking to establish an agile and data-driven supply chain and ensure operational resilience and OT security.

As a result, the cloud is high on the agenda to achieve these goals. First, the cloud is an agile business enabler. Second, in budget-conscious times, the cloud can make current investments last longer. For example, by re-investing in cloud native, enterprises can make legacy IT last longer. And third, the cloud can help create new business opportunities and revenue streams while getting new products and services to market faster and help coordinate a smart supply chain.

COOs and operational leaders can stake a significant role in an enterprise's digital transformation strategy and help lead it forward. To do this, COOs need to be masters of change, helping develop cloud and associated new technologies such as artificial intelligence (AI) to meet changing customer demands and provide greater value for business partners.

Accelerated innovation is essential in delivering increased resilience. This in turn provides the building blocks for transforming the organization.

This guide discusses how the cloud can deliver operational outcomes in three key areas: advancing innovation, business resilience and digital transformation.



# Cloud to drive enterprise innovation

**Cloud is already proving its value in enterprises, creating new business models and revenue streams. For operations leaders, however, balancing innovation with operations is a difficult juggling act.**

Meeting customer expectations is a given, but COOs still need to manage costs, drive profits and create shareholder value.

For most enterprises, the next big step for the cloud is to address digital and business. Innovation can be complex and disruptive. The role of the COO has expanded from second in command to change agents, building the foundations, structures and processes for digital success. As a result, their skills are invaluable at managing critical projects and make it happen. Cloud fits into this remit.

All businesses today need to be digital players to survive. Cloud offers scalability, flexibility, and speed to market. It offers enterprises the ability to capture data and analyze it to provide customer insight and offer services as an application program interface (API), for example, to connect with other businesses.

---

**Organizations that increase funding of digital innovation are 2.7 times more likely to be a top performer than a trailing one.<sup>1</sup>**

---

The most successful cloud deployments increase business efficiencies, control costs better, and provide a robust platform for innovation, allowing enterprises to adapt according to market changes.

Innovating in a vacuum is an issue for any enterprise. Whatever level of maturity you are at in the cloud journey, it is crucial to have a partner who can provide technical expertise, provide innovation support, and co-innovate.

Cloud is now part of a strategic move to define the future of the business. As a result, enterprises seek out partners that complement the organization's capabilities, be it migration and application enhancement or co-innovation.



3



Introduction

**Innovation**

Resilience

Microservices

Compliance

Transformation

Contact





## How the cloud can help to achieve business resilience

**The global health crisis has taught companies that business resilience requires a flexible, scalable infrastructure that can cope with rapid change. Cloud delivers on business continuity and resilience, keeping core activities running and speeding up digital transformation.**

“You can’t connect the dots looking forward; you can only connect them looking backward. So you have to trust that the dots will somehow connect you to the future,” said Steve Jobs. The same can be said of the challenge COOs face in building operational resilience that is truly engrained in everyday operations. The global health crisis has put COOs in a problematic situation, but they must trust that they can create an agile and connected model moving forward.

Enterprises have always focused on traditional business resilience, such as the capabilities to respond to business disruptions and restore operations as quickly as possible. These are grounded on functions and processes rather than being created to deal with the enterprises’ digital realities.

Today business resilience requires an enterprise to be agile and rapidly adapt to internal and external changes that could come in the form of disruptions, risks, and even opportunities. This needs to embrace people, process, and infrastructure.

Operational resilience isn’t a dedicated technology or cloud issue. But the cloud can support COOs in operational resilience by providing transparency that enables the business to adapt quickly to disruption. It also offers the opportunity to create robust compliance and security across the enterprise and data insight for smart decision-making around operational resilience.

## Modernizing IT and applications

COOs and operational leaders are looking to build digital businesses that are intelligent, agile, scalable, and customer-centric.

Cloud provides the ability to modernize legacy applications to optimize their processes, infrastructure, and performance. To carry out application modernization, enterprises need to assess their application ecosystem, look at where improvements can be made and how they can be achieved. This will require either rearchitecting, rebuilding, or replacing applications.

Begin with business units and processes where enhancements to operations via the cloud will offer a rapid return on investment (ROI), enhance performance and the user experience. Think about how the cloud can help prepare the organization for future disruptions while allowing for more agile, flexible, and efficient everyday operations.

---

**In 2022, enterprises focused on digital resiliency will adapt to disruption and extend services to respond to new conditions 50% faster than ones fixated on restoring existing business/IT resiliency levels.<sup>2</sup>**

---

Gartner<sup>3</sup> recommends using the approach that will have the highest effect and business value. Rearchitecting is associated with medium costs and risks. Rebuilding or replacing provides better results but comes with more risk and higher costs.

## There are four critical approaches to cloud migration that operations need to be aware of:

01

With a lift-and-shift approach, the application and data are moved to the cloud without significant changes.

02

Applications can be partitioned to work in a hybrid cloud environment for the greatest performance and efficiencies. A hybrid cloud estate has at least one public and private cloud to its architecture.

03

“Replatforming” takes the middle ground. When an application is replatformed for the cloud, it is slightly modified to be more cloud compatible. But it is not cloud native. This is a cost-effective approach and does not require significant development.

04

Finally, applications can be refactored to take full advantage of the cloud environment. Using “cloud-native” features, developers can optimize applications to tap into cloud resources for optimum performance, providing greater resilience and flexibility.



# Adopt microservices as part of your cloud migration

**Many enterprises are using the opportunity of moving to the cloud to modernize the architecture of their applications. But it isn't quite as simple as it sounds.**

Gartner defines a microservice as “a service-oriented application component that is tightly scoped, strongly encapsulated, loosely coupled, independently deployable and independently scalable”. Microservices enable large monolithic applications to be broken down into manageable components for disparate teams to collaborate on. It also makes them easier to enhance and deploy.



## Microservices have gone mainstream: are you ready?

Using a microservices approach to application development can enhance an organization's resilience, improve efficiencies, and speed up time to market. But this is not relatively as easy as it sounds. Breaking down applications into small components can be complex and requires expert skills.

One of the big plus points for COOs with microservices is that they can improve efficiencies and reduce downtime. Any faults, for example, only affect a single service. Others will operate as usual. This makes fault location and isolation far easier.

Enterprises, however, are struggling to recruit and build teams experienced in cloud-native technologies. This is not going to get easier. COOs and operations leaders looking to get ahead of the curve are investing in in-house training and turning to partners specializing in DevOps and cloud migration to manage resources better.



**Organizations now consider 24% of microservice applications to be business-critical, of which 42% would directly result in revenue loss if they suffered downtime.<sup>4</sup>**

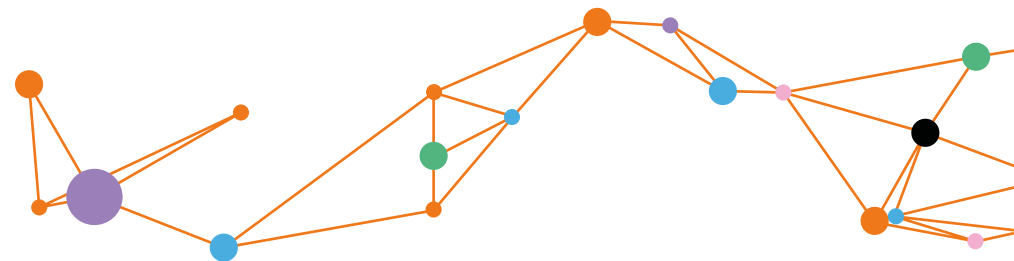


## Secure assets in line with compliance and regulations

**The regulatory landscape for cloud computing continues to be highly complex, especially if it is moving around a multicloud environment. Effective data governance in the cloud continues to be a concern for COOs, who need to embed this in day-to-day operations.**

Digitization is making it difficult for traditional governance to keep up with the way technology and business are changing. As a result, COOs need to work closely with C-suite executives to update policies and practices in line with digital transformation.

Cloud governance covers cloud computing policy, cloud provider relationships, cloud solution architecture, and workloads, guiding on managing risks and outcomes. It is fundamental to the success of cloud migrations and adopting cloud at scale for operational improvements. Lack of robust governance is the reason many cloud adoption programs fail.





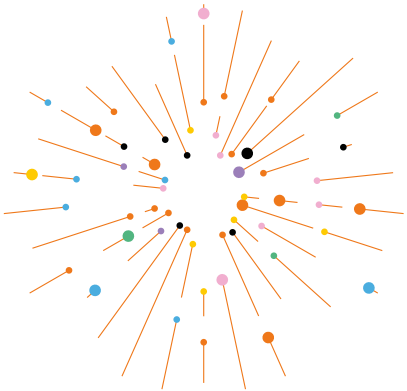
## Managing data in the cloud wherever you are

Integrating data to obtain immediate operational insights is a top priority for COOs. Cloud makes accessing data from any place, anywhere easy. Creating a single repository for collecting and analyzing data is a critical enabler. This data, however, must be managed following the rules and regulations of the countries in question.

Data location is a critical factor when moving to the cloud for efficient use of resources. Data sovereignty can jeopardize the safety of both the organization and customers. COOs need to work with cloud providers whose data locations fall in line with data sovereignty requirements. COOs also need to take security and control into account. Selecting a transparent partner, one you can trust to be fully compliant and protect your data is critical.

No cloud provider is the same. As part of due diligence, a consultant can help you evaluate cloud providers. Look at where your data will be stored, what security tools are in place, and how compliance requirements are managed.

For enterprises struggling with the administrative side of the cloud, a managed service provider (MSP) may be the answer. They provide the management layer between the enterprise and the cloud provider. This outsources cloud complexity, freeing up resources for revenue-generating projects and easing the skills gap.



---

**Global public cloud  
end-user spending to  
grow 18% in 2021.<sup>5</sup>**

---







## Plan for transformation with your cloud strategy

**Sustaining the pace of digital change, spurred on by the pandemic, is proving a dilemma for COOs. As enterprises deploy more technology, COOs must balance technological investment with short-and long-term strategic business objectives.**

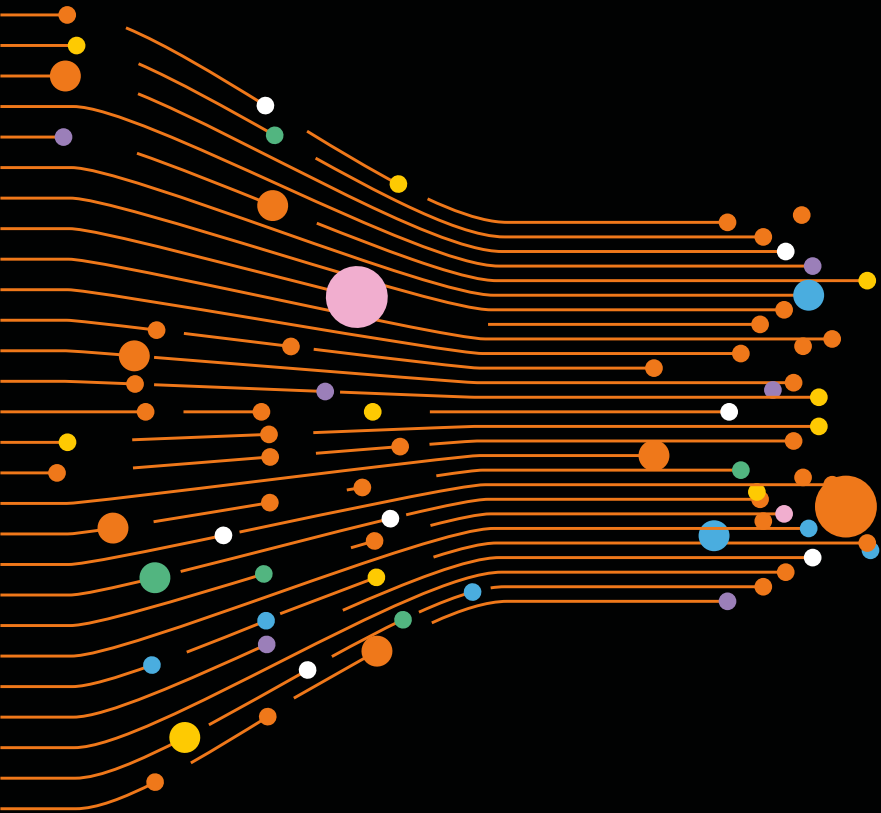
Although the cloud has been vital for business operations over the last few years, companies should not forgo strategic planning to get to the cloud faster. Cloud is not a destination or a specific technology platform; it is a continuous journey that can deliver on flexibility and agility through automation and agile practices.

COOs are pivotal to cloud strategy as the gatekeeper to an organization's operating principles. As a result, the COO plays a crucial role in helping create a cloud platform, backed up by analytical tools, AI, machine learning (ML), and a single version of the truth that provides the core of an intelligent IT estate to support the intelligent enterprise. In the digital age, COO effectiveness is very much dependent on how they can drive change, working with other stakeholders, including IT.

Cloud migration, the first step on this vision can be very complex, however. It embraces new models and adds new layers of technology. Going it alone can be a demanding task. This is why enterprises are increasingly turning to cloud experts to help them plan their end-to-end cloud journey and ensure their cloud environments adapt and grow with the business.

By engaging with a trusted partner and establishing an operations model and governance policies for cloud infrastructure, enterprises are also overcoming the skills gap.

**64% of enterprises either will be early adopters of new technology or will aggressively seek out new technologies.<sup>6</sup>**



COOs and operational leaders must make cloud a core operating principle for everyday operations to be successful. They need to look at the type of transformation their organization is looking to accomplish with the cloud and then adopt the right technologies to achieve it.

This needs to begin with an in-depth evaluation of the current state of operations across the enterprise. Delivering on cloud everywhere for users requires an as-a-service delivery model. This needs careful management to stop costs from spiraling out of control. Passing infrastructure management to a trusted partner can allow IT to take advantage of optimized and predictable costs.

### Dealing with the cloud skills gap

COOs and operations leaders contribute to building the foundation, structures, and processes to make an enterprise successful. Talent is a crucial ingredient. The growing skills drought is an enormous challenge for COOs, both at cloud infrastructure and security levels. According to Gartner, most enterprises are “flying blind” when it comes to the skills they need for digital transformation.<sup>7</sup>

IDC<sup>8</sup> points out that this ongoing skills shortage is partly due to broader digital transformation initiatives. IT has become more integral to business processes, and rapid technology deployment in areas such as cloud and automation means that skills demand is outstripping supply. The analyst firm maintains that enterprises will need to invest in developing, sourcing, and matching skills to remain competitive. Some legacy skillsets can transfer to cloud technologies, but upskilling is required. COOs depend on IT to bring in the right talent from inside and outside the organization to deliver on transformation.

In addition to training and transitioning internal staff, a trusted managed service provider can help provide the skills for your preferred cloud infrastructure. This approach also allows in-house workloads to be reduced, enabling IT teams to focus on business-value projects and enable enterprises to benefit from a managed service provider’s economies of scale regarding new technologies and skills.



# Why Orange

**The role of COOs and operations leaders has evolved from the gatekeeper of day-to-day operations to strategists dedicated to driving forward a data-driven, customer-centric business. As well as handling day-to-day operations, COOs need to be at the helm of an enterprise's strategic initiatives.**

COOs are breaking down silos, enhancing customer service, and increasing profitability. Cloud is a crucial enabler in fueling this growth and sustaining the enterprise.

Around one-third of cloud migrations fail. Why? Because enterprises have not understood where and how it is most appropriate to use the cloud. How they can better collaborate and streamline workflows, for example.





Successfully navigating secure cloud deployment requires careful planning. Cloud also requires continuous monitoring to benefit from new functionality and tools. The hyperscalers, for example, are constantly expanding and enhancing their offerings.

Suppose you are going to work with the cloud today. In that case, you need a cloud strategy that makes the right data available with proper interoperability and the ability to harvest valuable operational and customer insights. In parallel, the enterprise must navigate complex, cutting-edge technologies to innovate and stay relevant in increasingly competitive markets.

Cloud has the power to make this happen. But, the cloud is a long journey made up of many parts that all need to work in harmony together. All have to be orchestrated in perfect timing to ensure enterprises get the agility, scalability, resilience, and performance benefits cloud promises. This is where a trusted and skilled cloud partner comes in.

## Why choose Orange Business Services for your cloud transformation?

Whether you are looking to adopt your first cloud or are moving to a multicloud environment, we have cloud, security, and connectivity experts across the globe to support your journey end-to-end. We are here to deliver a smooth cloud migration and help you get maximum value from your cloud investment. Our co-innovation programs are designed to tap into the dynamic nature of the cloud to help you generate new revenue streams, products, and services.

-  **8,900 experts to manage your digital transformation**
-  **160 countries with local sales and support**
-  **24 x 7 cloud support via 5 major service centers globally**
-  **18 Orange Cyberdefense SOC's, 11 CyberSOC's, 4 CERT's**

For more details visit: <https://www.orange-business.com/>



**Business  
Services**

Sources:  
1. Gartner CIO Agenda 2021  
2. IDC: Worldwide IT predictions 2021  
3. Gartner 7 options to modernize legacy systems 2020  
4. IDC InfoBrief, Sponsored by Redis Labs, "The Impact of Application Modernization on the Data Layer" 2021  
5. Gartner: Forecast public cloud services 2021  
6. IDC COVID Impact on spending survey 2020  
7. Gartner: Lack of skills threatens digital transformation 2020  
8. IDC Worldwide Technology Employment Impact 2019 to 2023

Copyright © Orange Business Services 2021. All rights reserved. Orange Business Services is a trading name of the Orange Group and is a trademark of Orange Brand Services Limited. Product information, including specifications, is subject to change without prior notice.



Introduction

Innovation

Resilience

Microservices

Compliance

Transformation

Contact

