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Headline: When It Rains, It Pours: How Businesses Can Avoid the Storm

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At the core of businesses' IT strategies today sits a familiar and fundamental building block: the cloud. Adroit Research from 2018 estimates that cloud computing revenue for Southeast Asia could reach US\$40.32b by 2025, with Singapore leading the way.

Cloud has offered major opportunities to organisations by breaking down traditional boundaries between teams and bringing new agility. However, this also means that companies will need to modernise to truly benefit from cloud adoption. Failure to do so might result in a storm, whereby they will face unexpected complexities that they may not be equipped to navigate. So what are some of these challenges and how can businesses prevent or overcome them?

The struggle for talent

Organisations will need to break away from past practices such as the waterfall software development methodology to truly benefit from cloud adoption. The challenge here is the lack of tech talent with the skills needed to support such new ways of work. Case in point: Manpower Group reports that tech jobs are the third most difficult positions to fill in Singapore, with large and medium-sized enterprises over 50 employees having the greatest talent shortages.

To help fill the skills gap, the Singaporean government has begun offering more financial support to small and medium-sized enterprises (SMEs) for employee training and announced the Tech@SG programme to attract foreign tech professionals. Some companies have also joined with educational institutions to achieve this goal. The partnership between Alibaba Cloud and Singapore Management University (SMU), for example, introduced a series of courses for more than 1,000 working professionals to improve their skills in various emerging technologies including cloud computing.

Whilst closing the skills gap is important, having cloud-certified IT staff does not guarantee success within the cloud. IT employees must also have strong practical skills, such as troubleshooting cloud issues, or hands-on experience managing the cloud. In addition, they should be knowledgeable about managing a variety of cloud environments since enterprises are increasingly using multiple cloud platforms instead of a single cloud service. Without these skills, enterprises will find it challenging to capture the value of multiple cloud environments.

Other factors that can lead to a storm

In addition to the talent crunch, the following factors may also cause cloud adoption to create complications instead of benefits to an organisation:

- Poor understanding of the cloud consumption model

Businesses that are stuck in their old ways of procuring IT and managing traditional infrastructures may end up with huge, unexpected bills when they start adopting the cloud. Unlike traditional infrastructures, where organisations can easily control the usage of resources as they are limited by the available capacity, public clouds do not have similar limitations. The pay-per-use model is a double-edged sword as businesses will have to pay for resources they consumed, even if it was in error, like forgetting to shut down unused instances.

To prevent bill shock, organisations should begin with the right design principles and frameworks (i.e. process and technology), and apply appropriate limits for projects with strict

budget constraints . They should also leverage tools and use cloud cost controls offered by their public cloud service vendors to estimate and limit their costs.

- Not having the right foundation

Many companies underestimate the complexity of cloud and rush their cloud adoptions without considering design and best practices in detail. This may cause an issue later on. When cloud adoption spreads across the organisation and its complexity increases, it will become more challenging to manage the IT infrastructure. Moreover, the absence of the right foundation might cause issues when businesses try to integrate existing complex applications and infrastructure with the latest technologies or migrate those apps to the cloud.

Organisations can avoid facing this situation by designing the cloud architecture with appropriate principles and frameworks from the start. They should also deploy the right monitoring tools to gain visibility into, and control over, their cloud.

- Overlooking security and compliance as they move to the cloud

Although cloud service providers can - and will - secure their infrastructure, organisations are still responsible for their own end-to-end security. As such, businesses need to ensure that their IT team has a broad understanding of the security risks of the cloud and are equipped with the right capabilities to address those risks. They should also design their cloud architecture with security and compliance in mind, conduct third-party audits, and adopt robust security practices.

- Assuming post-migration management will happen on its own

Many companies assume that once applications are in the cloud, they will take care of themselves. However, this is not the case. Apps that migrate to the cloud do not automatically gain self-management capabilities. Therefore, organisations need an operations team for cloud systems just as they do for on-premises systems.

These factors, coupled with a lack of confidence in exactly how to adopt the right cloud strategy, can create some real storms.

Avoiding the storm with the help of a trusted strategic partner

A strategic partner can help companies effectively navigate the maze of confusing and conflicting cloud platform claims and value propositions. Having such a capability will enable organisations to accelerate the value of the cloud and seize opportunities to become a digital business faster, and with less risks.

Take the case of Tokio Marine Life Insurance Singapore (TMLS). When TMLS decided to launch a customer portal on Azure to deliver an improved user experience and smooth customer journey, it decided to do so with Rackspace's help. This helped TMLS gain a better understanding of the Azure cloud platform to explore more ways to utilise the cloud services and further enhance their offerings to customers.

The journey to a multi-cloud environment is challenging. Organisations need the confidence to know they are getting the maximum value from their cloud investments, and minimising risks, whilst accelerating their transformation. Managed Service Providers can provide the expertise and tools that businesses need to enhance the value of the cloud at every point along the cloud and digital transformation journey, whilst ensuring security and compliance. This helps organisations avoid getting caught in a storm unprepared.

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