

How to develop a cloud adoption strategy

Despite most IT enterprises using the public cloud due to the need for flexibility and scalability, there is a need for organizations to develop an optimized cloud strategy to deliver their desired business results, including agility and resilience.



The cloud delivers technology advantages that help organizations implement multiple strategies and realize benefits, including:

- Improved agility, resilience, and flexibility
- Reduced costs
- Time savings
- Expansion into new markets
- Accelerated time to market

Build your strategy

When writing your strategy you need to think about who will need to understand it, to make it readable for both cloud technologists and all of your stakeholders. Start by setting it out in steps that will document the strategy efficiently and help to explain the business value and drive adoption.

It is best to approach the strategy as a whole, if possible, with planned phases if necessary. A piecemeal approach can lead to 'cloud sprawl,' which will drive up costs and might lead to security and compliance complications.

- Identify the business motivations for cloud adoption.
- Identify your desired business outcomes. Allow all stakeholders to engage and then document specific business outcomes.
- Identify the technical considerations such as functionalities, efficiencies, and flexibility you need to build the case for cloud adoption.
- Identify the financial implications you need to consider for your cloud adoption strategy.

- Set out the roadmap that will be followed, including any planned phases with timeframes, for the adoption strategy.

Once these considerations are documented, you will be ready to start sharing your strategy – which is the key to successful adoption.

Share your strategy

Once you have decided on the strategy and set out the roadmap for your cloud adoption plan, you'll need to start sharing it with your organization's finance team and gain their support. The aim is to explain the benefits, including the time-savings and cost-savings of moving services away from old legacy systems to the cloud.

Collect your data

Data is the key to gaining buy-in for the cloud adoption strategy. Making sure it is tailored to your specific needs will allow your finance team to see the unique benefits for your organization. It will help when reviewing your most recent balance sheet, income statement, and cash flow statement.

Identify your focus

Having already identified your motivations and desired business outcomes, this is your chance to set it all out so that your stakeholders understand what the focus is. Reduced costs, speed of decision-making, flexibility, and agility may be some of the things you want to focus on.

Don't use technical terminology

Try to stay away from terminology that will only be understood by the technical team. Using terms the finance team will be familiar with will help them get on board, simplify your business case, and eliminate the need to keep explaining things.

Ask for feedback and answer questions

After you've shared your strategy, it is likely there will be questions. Some may be challenging to answer effectively, so prepare in advance and try to anticipate what might come up.

Microsoft has developed this helpful table to anticipate the executive finance team's thoughts when you share your cloud adoption strategy with them.

Common goals, drivers, and expected outcomes

Consider the common goals, drivers, and expected outcomes of a Chief Technology Officer (CTO), Chief Information Officer (CIO), Chief Financial Officer (CFO), and the finance team:

| | CTO/CIO view | CFO view |
|---------------------------|---|--|
| Flexibility | Cloud enables dynamic reallocation of IT resources from lower-value IT projects to high-value projects. | Cloud enables flexible budgetary allocation. |
| Resiliency | More fault-tolerant options for backup, disaster recovery, and security | Lower required cashflow to support disaster recovery and backup |
| Agility | Higher capability of new technology adoption | New technology adoption without new budgetary allocation |
| Strategic value | Change IT from a cost center to a profit center. IT personnel evolve into consultants to business units, providing means to innovation, and time to market. | IT as an asset for CFO. New reusable processes, toolsets, scripts, compute images, and ways to increase business agility and innovation. |
| Efficiency | More rapid service delivery to the business units, with a focus on driving strategic value. | More granular activity-based costing (ABC), as on-premises cost tracking per workload may be fuzzy. Easier to target the costs per workload or application in the cloud. |
| Financial benefits | Cloud enables doing more with less, as budgets given to CTO and CIOs are typically constant or shrinking. | Reduced cost. Enables reinvestment opportunities into higher-value projects. |

Want to know more?

If you would like to learn more about cloud adoption and discover the best migration path for you, please visit [this page](#). If you have any questions, feel free to contact your Account Manager at any time to discuss your cloud adoption journey.

