

Ebook

## Cloud transformation and the impact on business

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Enterprise Integration. Redesigned.

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## Introduction

Cloud transformation is much more than just the process of migrating infrastructure to the cloud. It is a business process that must permeate the entire enterprise.

Cloud transformation involves an entirely new operating model, focused on utilizing a more agile and flexible cloud environment. But this doesn't mean that all applications need to leave the on-premise infrastructure or that there is only one cloud solution that will solve all the organization's challenges. In this ebook, we'll explain why business evolution demands this transformation and how to solve the decision-making steps to figure out what should be migrated and when. In addition, we will address the challenges of this process and the cloud options that may be best suited for certain applications.

Migrating from a data center to the cloud is only one piece of the process. Being prepared to leverage the cloud is the biggest transformation.

Enjoy!



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## Times have changed - and so has the infrastructure

Revolutionizing a business requires fast-paced innovation. New products and services need to be created and brought to market quickly and scaled efficiently. This is the main impetus for transforming the corporate infrastructure, which needs to keep up with current trends.

Managing infrastructure more efficiently also means reducing risk. Flexibility is key in scaling up (or down) infrastructure, and scaling efficiently can have dramatic impacts on business objectives.

The evolution of business also requires an infrastructure that is decoupled. In contrast to old monolithic infrastructures that dominated organizations, business expect to have the ability to connect to other data sources or aggregated services in a simple "plug and play" fashion. These types of modern connections enable organizations to launch new products and services with ease.

Implementing this modern way of moving data and unleashing the ability to make quick decisions creates an environment where organizations can unlock their greatest potential through critical decision making and innovation. Infrastructure is no longer a barrier to innovation, but is paving the way for modernization.

Cloud transformation is necessary to reap all of these benefits. The creation of a new product must follow a cloud-enabled mindset. From ideation to production, all phases require agility, flexibility, efficiency, and connection to the ecosystem.

## Migrating to the cloud

Here are a few of the benefits businesses will gain from cloud transformation

- Agility
- Flexibility
- Scalability Cost reduction

## Migration as part of business strategy

The first step in migration to the cloud is ensuring that it is a part of a large initiative, rather than a piecemeal migration. The benefits of cloud transformation are unlikely to be seen if only one area of the infrastructure is migrating in isolation. The team should design the exact architecture needed for this migration to be successful and understand what benefits can be gained. For example, will this drive an increase in revenue or is the business aiming to reduce costs?

A business taking this route must be heavily involved in this project and support the implementation as part of the new culture. The fact that the project is unique does not mean that it cannot be gradual. On the contrary, the best approach may be to migrate one system at a time. A retailer, for example, has numerous systems working internally; financial, administrative, e-commerce, logistics, etc.

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In this case it may be impossible to migrate everything at once. It is crucial for a business's success to recognize the best ways of going about system integrations. The "6 R" process identified in this document can help in this decision making process.

In addition to making smart integration decisions, it is also necessary to design a modern and flexible architecture that can leverage the use of the cloud. Organizations that share the importance of project modernization and educate the entire team about how to go about such transformation will be successful, while others will fall behind.



## The cost of migration

Once this is done, it's time to calculate what should be migrated to the cloud. There are tangible and intangible costs - visible and invisible. Among the tangible benefits, which are easier to analyze because they are visible, the most obvious question is:

## Considering a given system, is it more beneficial to buy software and include it in the infrastructure, on-premise? Or is it better to acquire it in the cloud, as a service?

On the other hand, there are points that are more difficult to estimate, such as the depreciation of the structure in the case of an on-premise acquisition. This is what we call the "hidden cost", but at some point it will surely appear.

There are also some intangible, or not-so-visible costs, which are harder to calculate. For example: how long will it be before we see improvement when migrating an application to the cloud? How much can a more agile and flexible cloud-based operation help attract and retain talent?

These are bets that can generate an eventual increase in revenue, among other benefits. However, mapping the size of this gain is a complicated task that requires deep analysis.



# The 6 Rs: The step-by-step of cloud migration



## How to define what should be migrated?

The dilemma of exchanging one's original infrastructure for the cloud can create distress in enterprises because of a technical challenge or because the team does not know what should be migrated.

The most important point to consider is the business domain and what benefits cloud technology can be leveraged for example: billing, e-commerce, administrative, etc. Look at each of the components linked to that business domain and analyze whether the cloud will bring fluidity to the process.

If the organization comes to the conclusion that migration to the cloud will enable an increase in revenue, this is an indication that a particular domain should enter this list of items to be migrated. Two important factors to consider are whether the chosen technology is aligned with the business strategy and the level of risk the business is willing to assume.





**1- Security:** Perhaps this is the great cloud taboo. How do you guarantee security outside of the organization's domains? This is an item that needs to be well analyzed and discussed before making a decision. Either by investment in development or by relying on partners who can help.

**2- Latency:** High latency, loss of connectivity, and slow data access can all hinder the performance of a data flow. Non-functional tests and the creation of performance baselines are important actions to provide the necessary availability for each business process.

**3- Data governance:** The huge amount of data that can be transferred with the use of cloud represents a new challenge - how will you manage, integrate and protect this data so that it can be used properly?

**4- Integration:** The cloud increases the ecosystem of available connections, previously restricted to the internal parts of the organization. In this sense, "scattered" systems with different technologies demand an even greater scope for integration. Here, the big risk is the lack of standardization and the low level of governance of these integrations.

## SaaS, PaaS or IaaS?

Software as a Service (SaaS) has, for many years now, gone from being a novelty, a "trend of the future", to becoming the norm, even in industries outside of IT. SaaS is part of our everyday life - streaming services are the biggest example of this.

Within technology, the concept of subscription sales has also expanded beyond software to include infrastructure (IaaS) and platforms (PaaS). But the decision on whether to adopt IaaS, PaaS, and SaaS solutions is not simply a financial one; it involves the business as a whole and the best destination for applications according to their own characteristics.



## Power over data is the key

In order to see medium and long-term benefits, the decision to migrate to the cloud requires analyzing all aspects involving costs, application and industry profiles, and the cloud options available on the market. Again, the decision needs to be part of an organization-wide strategy.

But the strategy does not need to be developed by the enterprise in isolation. It can rely on partners that help businesses understand all the possibilities (SaaS, IaaS, PaaS, public cloud, private, hybrid) and help organize the management of all endpoints that are scattered throughout this environment.

There is, however, only one goal: total control over the data. If a purchase order, for example, occurs in an on-prem system, it needs to go through several systems (fiscal, inventory, logistics, loyalty program, among others) and remain intact.

An enterprise integration platform, known as e-iPaaS, is fundamental in this task, solving the data security and governance issues while dramatically speeding up the migration process itself.

It allows for the replacement of an on-prem ERP with a cloud solution without requiring the immediate migration of all systems that are connected to it. The entire architecture becomes a board of pieces that moves according to the needs of the business.

Instead of traveling through the tortuous paths through different systems, the data travels down a true "boulevard," a central flow where it only connects to the satellite systems. Data traffic becomes the defining factor of successful or unsuccessful business processes.

It is a robust and complex system, but modern and necessary. Aside from allowing constant monitoring of any problem, this process also abstracts the migration to the cloud, with a flexible architecture that generates performance, scalability and resilience.

Such results will ensure an intelligent strategy and leverage the benefits of the cloud, in addition to a consequent increase in revenue and time to market gains.

## **About Digibee**

Digibee's Enterprise Integration Platform-as-a-Service (e-iPaaS) helps businesses free their siloes and leverage the platform to increase efficiency, security, and resilience, all while improving the customer experience. Our low-code, visual interface means team members of all technical skill levels can create integrations that help maximize the value of your organization's investment in the cloud.

Our usage-based business model lets companies test new strategies, deploy temporary integrations, and monitor modernized architecture without significant upfront investment or long-term contracts.

To learn more about how Digibee can help with your cloud migration, contact our experts with your questions or book a demo to see our solution in action.

## Reach out for a demo:

For more information, connect with us at contact@digibee.com or visit our website at digibee.com.