

The economy is going through an unprecedented level of disruption. The surprise result in the general election, increased uncertainty over the Brexit negotiations and fears about the downturn in the economy have left many business leaders deeply concerned about where their companies should go next and how best they can prepare to weather the storm, even turn it to their advantage.

Technology no doubt holds some of the answers. Making the right technology decisions can create a business platform that embraces an uncertain world and gives organisations choices and new ways of doing business, as well as numerous benefits such as significantly lowering the cost base.

Cue the digital era – a time when digital technologies are transforming the way businesses deliver and consume services in order to operate securely, with control and good governance. Organisations are increasingly looking towards innovative technologies to become a connected business that is fit for the future. They want to take control themselves and accelerate the adoption of new and established technologies to ensure they can respond quickly to changes in the business landscape and take advantage of all the benefits it offers.

Moving to and integrating a connected Cloud strategy is fast becoming the first choice for

positive digital disruption. Thousands of British organisations of all sizes – especially small and medium sized businesses – have dared to reimagine their business and are fast realising the benefits of the Cloud. Take financial teams within companies for instance. Most now understand that it removes capital expenditure associated with legacy purchases and that it eliminates the headache of dated infrastructure. The Cloud gives authorised users real-time and mobile access to all financial data, streamlining budget preparation and reporting. Budget holders can see a single version of the truth and focus on what's important – value add analysis.

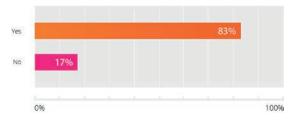
Now is the time for other organisations to do the same.

The question is – what is holding those reluctant to adopt the Cloud back? And what needs to be done to encourage businesses to make the shift to the Cloud? Confidence is the silver bullet as evidenced in our new independent research

among 500 senior executives in UK organisations about their attitudes to using the Cloud as part of their digital transformation plans.

We found that 83 per cent of organisations want to see Cloud providers do more to build confidence among those looking to adopt a digital transformation strategy, to which the Cloud is fundamental. Based on the research findings, along with our experience in working with organisations looking to reimagine their business, we found the following to be the biggest barriers to Cloud adoption.

# Do you think Cloud providers need to do more to build confidence among businesses looking to adopt a digital transformation strategy?



#### Concerns and challenges in the Cloud

The fear of being left behind

The Cloud is a term we are all familiar with. The concept is not new, yet surprisingly a large number of businesses still have not deployed any applications in the Cloud. Our research shows that 33 per cent have been using the Cloud for some time – they have experience in it and consider it for all new projects – while 37 per cent have just started experimenting the Cloud. What's interesting is that the rest of the organisations questioned are observing and perhaps researching the Cloud, but don't have any projects initiated to deploy applications against it. They are holding back, yet don't want to miss out on what a small minority are experiencing to be a positive disruptive technology.

## Which of the following best describes your organisation's existing experience with regard to Cloud computing?



The fear of the unknown

Most people don't like change and implementing change across an organisation is no different. Technology and its potential to change people's jobs for the worse are well reported, for example with Forrester predicting that robots will result in a loss of 7 per cent of jobs by 2025. While changing a working environment to one that involves the Cloud won't necessarily result in people losing their jobs, it can still be daunting because it changes how multiple teams work and often people incorrectly predict its outcomes. This is often the result of a lack of knowledge and awareness of the Cloud. They don't truly understand the Cloud and where data is physically stored or how can it make a real impact to an organisation's bottom line and positively impact its staff.

#### The fear of being hacked

It's right to be concerned about cyber security in the digital era. We are seeing the same concerns around security reported over and over again. We all recently witnessed the WannaCry ransom attacks, which hit home the fact that no business is immune from an attack. It's therefore understandable that organisations are feeling wary. Our Cloud research compounds this fear of being hacked – 82 per cent of those surveyed worry about the security of the Cloud, and 76 per cent say that governments should do more to protect them and their customers from a cyber-attack. Yet, encouragingly, the recent attacks have only put off 20 per cent from moving to the Cloud.

#### The fear of being fined

Along with cyber security, compliance is another issue frequently hitting the headlines. The Information Commissioner's Office (ICO) has promised to come down hard on those – including Cloud users – that don't store and use personal data correctly. The General Data Protection Regulation (GDPR), coming into force on 25th May 2018, affects all companies worldwide that process personal data of European Union (EU) citizens. Breach these regulations and they will face penalties of up to €20m or 4% of annual turnover, whichever is higher. No wonder then that 68 per cent of organisations are concerned about data protection, according to our research.



The fear of choosing the wrong Cloud provider

The Cloud technology landscape is crowded – so it is no surprise businesses are struggling to know which Cloud service will deliver on performance without costing the earth. Those wanting to implement the Cloud will not only need to cut through the complexity, but also convince the board that it's the right solution for driving efficiencies. With the likes of DropBox and GoogleDrive, it's also easy to think only one Cloud fits all. But there are lots of types of options that can align to businesses. With so many choices, users are fearful of making the wrong decision under pressure and adopting the wrong solution.

#### The fear of downtime

Any form of digital transformation requires a change in culture, structure, processes and even personnel. To fully transition to the Cloud, organisations need to ensure they're rethinking their existing business models. However, upgrading existing technology can be seen as a negative disruption – one that causes unwanted downtime to business as usual. Businesses often find that some legacy applications are not suitable for the Cloud, even if their business objectives stay the same. It's these challenges that often lead to businesses working with IT Managed Services providers, who can help develop a plan for a smooth transition to the Cloud while maximising business continuity.

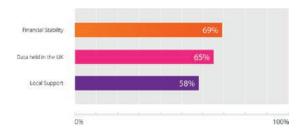
#### **Building confidence in the Cloud**

What's clear is that all of us as Cloud services providers need to take a reality check and do more to build confidence among businesses wanting to benefit from the Cloud. Organisations are right to demand that providers build more confidence in the digital era and in the tumultuous UK economy. Like it or not, there's

a job to be done in creating more trust in the Cloud and helping businesses use the Cloud in the right way for the digital transformation that's right for them.

But how can Cloud service providers build confidence in the Cloud? First, we need to look at what organisations want from a provider. Our research shows that, when asked what they look for in a provider, organisations want financial stability (69%), data held in a UK location (65%) and local support (58%) – this is over and above the typical benefits touted by providers including scalability (46%) and the breadth of application offerings (38%).

## What do you look for in a Cloud application provider?



The call for financially stable and locally based providers will become even more pertinent as Britain leaves the European Union.

Organisations will trust the providers that offer certainty in an uncertain market and those with a vested interest in the UK and the Cloud. They will trust those showing the ability to deliver continuous business improvement and show accountability for ensuring the transition to the Cloud works securely and without interruption. Providers must now respond to these needs so organisations can use the Cloud at the right time for them – and without fear.

As an industry and profession, this means that Cloud service providers, including Advanced, need to proactively give clear guidance on security responsibilities as well as support organisations in being better protected, ensuring their devices and applications are properly patched and secured. Providers writing the Cloud software are clearly best placed to provide this – they are experts in the Cloud and should therefore share the knowledge they hold. Furthermore, with the upcoming GDPR, they also have a duty of care to provide clarity on how data is being stored and secured in the Cloud. Ultimately, they need to build more confidence around security in the Cloud.

In addition, Cloud providers should work closely with organisations to identify additional functionality needs and be committed to developing a partner eco-system to meet these requirements. Each and every business operates differently and has different needs – and this is why businesses should favour Cloud providers with track records in delivering sector specific Cloud-based solutions and services. Don't be bowled over by promises – look for the success stories.

Just like any purchase, a move to the Cloud should be considered with the same level of due diligence as any other significant investment within a business. Before choosing what Cloud service to adopt in business, every decision maker must ask themselves the following four vital questions:

- 1. How will a transition to the Cloud impact my team and customers? Traditional ways of working can consume a significant portion of employees' time. A Cloud-based system enables staff to accelerate their productivity. It also accommodates the growing demands of a mobile workforce meaning staff no longer need to be at their desks to make decisions.
- 2. Am I in a safe pair of hands? When considering tenders from software service providers, organisations should select a partner that can illustrate a clear and structured pathway for moving their staff and data from their existing system to the Cloud. They should also select one that writes its own Cloud service, minimising the number of moving parts and hand offs.

- **3.** Is my Cloud provider going to be a long-term value adding partner? A transition to the Cloud isn't like historical, one-off software purchases. It demands a long-term mutual commitment from all parties to ensure proven durability over the long-haul. Questions to ask include: what are your service levels, what are the guarantees, and what is your longevity? Find out their long-term vision and how many developers, project managers and professional services make up their team (and how accessible they'll be).
- **4.** Is my Cloud service provider in it for the long haul? A move to the Cloud is a recurring cost so it's vital to understand the commercial implications this can have. Decision-makers must be robust in their appraisal process and invest time into the pre-tender work to ensure they know what questions to ask to deliver the project their organisation needs to do business more efficiently and cost effectively.

## A Cloud-driven business needn't be a distant pipedream

The bottom line is that organisations can – with confidence – embrace the digital era. The Cloud is one of the cornerstones of technology that can enable businesses to deliver true disruption now and in the future. We are increasingly seeing organisations use the Cloud for financial management, and we will see its usage spread to other critical functions in business too. Those that dare to reimagine their entire business will reap the benefits with unprecedented productivity gains and increased visibility of business information, while supporting consistent and pro-active decision making.

We know this from our own experience. Advanced is one of the UK's largest providers of business software and services with a £220m turnover, employing 2,000 people and serving 20,000 customers. We are undergoing what is perhaps the largest digital transformation of any UK company – and at its heart is a single, integrated Cloud-based information system.

We are using our experience to take a similar approach to help our customers' journey through the Cloud. We work in partnership with them, advise them, and offer them choices in the way they move to the Cloud – and how it can best enable them to grow, innovate and prosper. Ultimately, we help organisations transition to the Cloud in the right time and in the right way.



#### **Cloud success stories**

- > Academies Enterprise Trust using Advanced's SaaS solution, it is moving its 66 primary, special and secondary academies to a centralised IT infrastructure to unify its entire system. This is enabling AET to deliver a learner-centric solution to its academies, placing progress and attainment of the individual at the core of the Cloud system, linking and using all key data, with a single view of the 'learner', enabling informed decision-making and intervention.
- > St Johns Chambers, the first barristers' chambers in the UK to introduce an innovative Cloud-based document sharing and collaboration tool, which could save the firm up to £350,000 per year and dramatically reduce its environmental footprint. It partnered with Advanced to develop MLC Case Collaboration, a first-to-market integrated software tool which enables the secure production, sharing and storage of legal documents.
- > Lincs Inspire the culture and leisure company in North East Lincolnshire is using a Cloud hosted financial solution to enable staff to create efficiencies through greater automation of the company's key financial processes. The solution also gives employees secure access to the right information from any device at any location. Given the multiple facilities and sites that Lincs Inspire operates, there is a need for people across all departments to handle vital data, resulting in many forms and processes that impact the financial running of the business, such as sales invoices, timesheets and expenses.

#### More information

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