eBook

Which Cloud Is Right for You?

From public, to private, and multicloud environments, we'll look at why you should move to the cloud, your migration options, and how you can select the best cloud environments for your organization.

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Executive Summary

Adopting and migrating to the cloud can bring a lot of positive benefits to an organization. Businesses and end-users have big expectations for the cloud as a result. Although moving to the cloud can be complex and is not without its challenges, there are options. Evaluating those options and making smart choices will help you put the right workloads in the right places.

Most organizations today have some sort of cloud environment, whether it's public or private, or some combination of the two with a hybrid or multicloud environment.

In this eBook, we'll cover available cloud options and how to choose what will work best for your organization and its needs.

Top Reasons Businesses Choose to Migrate to the Cloud

Businesses leverage the cloud in order to:

01
Improve cost-effectiveness and shift from capital expenses to operating expenses

02
Improve network and application performance

03
Improve infrastructure and application scalability

04
Improve infrastructure resiliency and/or availability

05
Improve infrastructure security

06
Access the latest technology to drive innovation

07
Increase productivity

The global cloud computing market is projected to grow 16% annually over the next several years to be nearly $1,555 billion by 2030.[1]

The Cloud Makes Good Business Sense

For the CFO, financial targets are always top of mind. Moving to the cloud offers significant financial benefits:

- Overcome Technical Debt
- Address End-of-life Hardware Challenges
- "Get Out of the Data Center Business" and Move Off-premises
- Evaluate a Shift to "as-a-service" Models (from CapEx to OpEx) and the Potential Tax Implications
- Control or Stabilize Cloud Costs

With an eye on optimization, a move to the cloud doesn't need to equal unwieldy cost increases and cloud sprawl. There is an opportunity for planning optimization - connecting and maintaining cloud services in a more efficient manner.

Instead of taking a reactive approach to aging hardware and dealing with technical debt, adopting the cloud can be a strong step forward to more digital transformation projects, fostering innovation and improving customer experience while staying competitive.

A move off-premises can help significantly cut costs for an organization, but it also offers a few other benefits - reducing a business's carbon footprint, refocusing the IT staff on revenue generation, and avoiding or mitigating costly disasters.

The move from a CapEx to an OpEx model greatly reduces the cost of entry, eliminating the need for expensive upfront investments in favor of a consumption-based service model. An OpEx model also tends to be accompanied by up-to-date hardware, efficient processes, and reliable remote access, as a third-party data center will boast state-of-the-art equipment and maintenance for businesses to stay relevant and modernized.

As the financial benefits of cloud deployments become more evident, many IT leaders may find themselves in the unusual position of being allied with their CFO.

One Tax Caution on Moving from CapEx to OpEx

Many companies use CapEx as a means to offset tax liability or manage cash flow. Shifting away from CapEx can impact EBITDA (earnings before interest, taxes, depreciation and amortization) and for some organizations that must report externally on earnings, an impact to this number could be problematic. CapEx often is perceived as a way a company invests in growth or improving the business that will ultimately return value in the future. The OpEx model can be more challenging to show value to potential investors because of the pay-as-you-go model.

As with anything else tax-related, you should speak with your tax experts to find the right approach for your business.

By 2029, 77% of businesses will use the cloud for most of their needs.[2]

Other ways the cloud can benefit your business:

- Adapt to the Remote Work (or Hybrid Work) Pivot
- Improve the Digital Customer Experience
- Address Business Continuity and Disaster Recovery
- Improve Security Posture

The shift to remote and hybrid work is set to continue, and with that comes a growing threat landscape and more stringent regulations for IT security. Working with a cloud provider can help businesses stay online and protected - hosted cloud services are built to run 24/7/365 with maximum uptime capabilities.

Internally, most businesses want their IT staff to be focused on strategic functions instead of getting caught up in day-to-day management. Skills at every level of IT are in demand, made worse by a talent shortage and fierce competition. Managed cloud providers can help close skill gaps while modernizing and optimizing an organization's entire IT infrastructure.

Which Cloud Model Is Best?

When moving applications and workloads to the cloud, today's IT leaders have two main categories from which to choose: private cloud or public cloud. These options can also be combined into a hybrid or multicloud environment to meet the organization's varied needs. However, it's important to note that the best solution is oftentimes more complex than choosing one or two cloud environments. A mixture of cloud types may be best based on the workload/application needs of your business.

Private Cloud

Private cloud infrastructure is meant for a single organization. The infrastructure gives businesses more control over their environment and better support for legacy applications.

Private Cloud is ideal for:

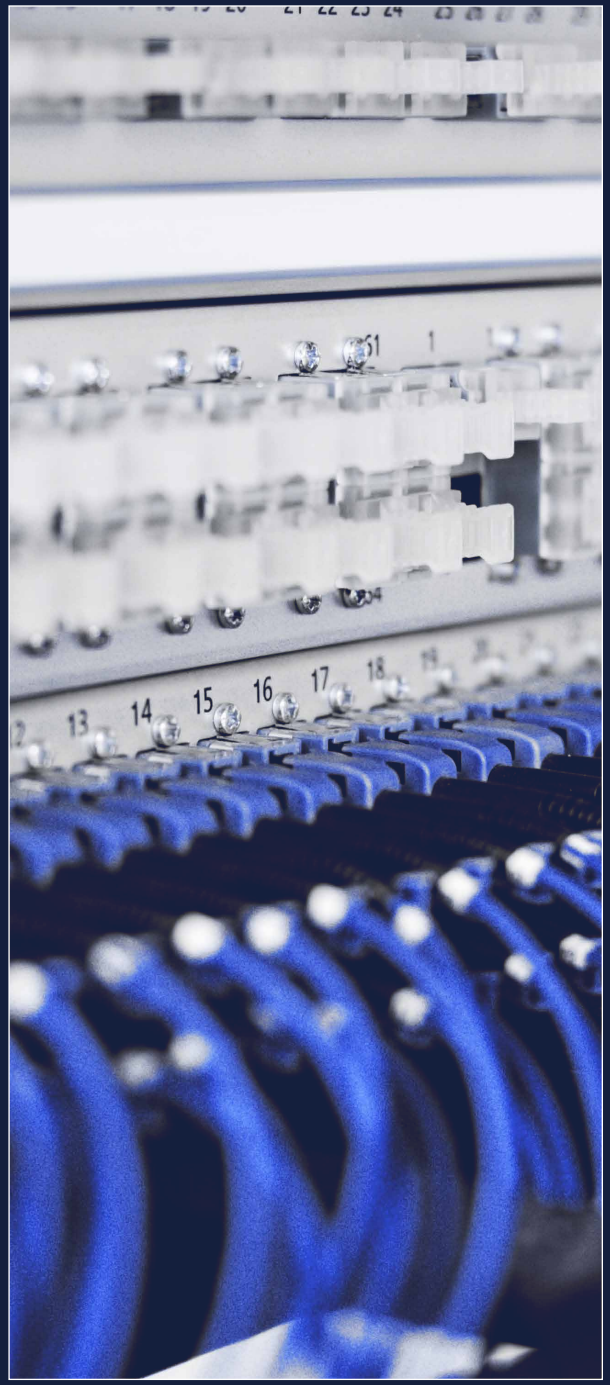
- Data sovereignty requirements – ideal for data and systems that are locale-dependent
- Levels of security and control that help satisfy compliance requirements for heavily regulated industries like healthcare and finance
- Geographic diversity for remote or edge deployments, closer to end users, especially for latency-sensitive workloads
- Maximizing investments in or commitment to legacy (e.g., non-x86) applications that can't be easily or economically refactored for or moved to a public cloud
- Predictable and consistent billing

Public Cloud

A public cloud environment includes shared resources and is typically operated by a large cloud platform provider (like Microsoft Azure or Amazon Web Services). This hyperscale infrastructure allows you to scale quickly without worrying about extra costs that come with increased physical infrastructure.

Public Cloud is ideal for:

- High scalability with on-demand resources to meet application requirements
- Test-dev environments to quickly spin up workloads tailored for specific needs
- Big data analytics projects to make data-driven decisions, gain insights
- Building and scaling cloud native applications
- Global availability and access to a wide range of capabilities, automation, and other services



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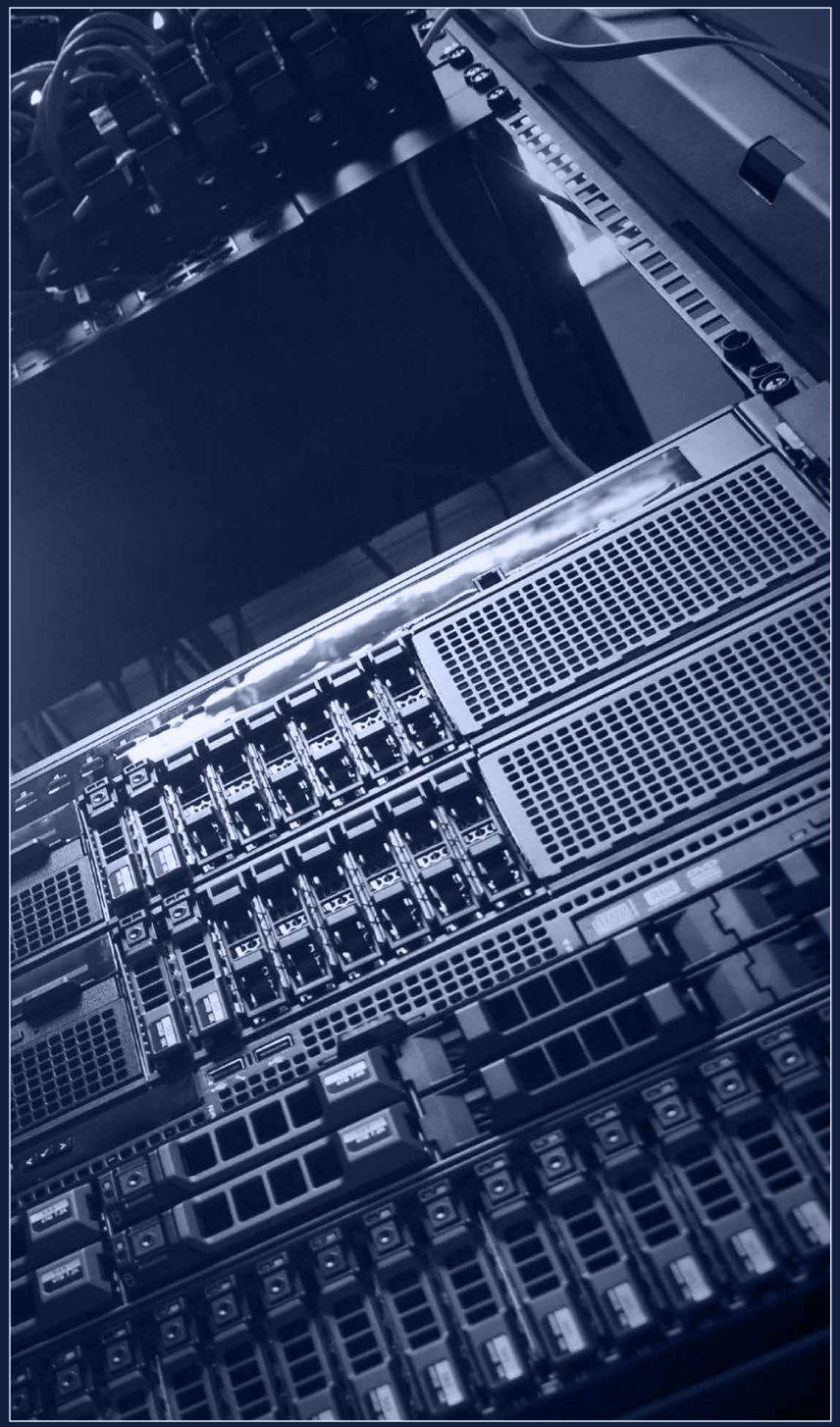

Hybrid & Multicloud

Hybrid and multicloud environments combine multiple public and private clouds, and in the case of hybrid, can also include on-premises infrastructure. Organizations opt for these models for many reasons, including greater flexibility, managing spend, customizing a solution that's the best fit for each of their business processes, improving security for more sensitive data, and extending the value of their existing infrastructure.

Hybrid cloud is ideal for organizations that want to:

- Optimize performance by application
- Right size compute, storage, and network bandwidth to meet business demands
- Enable replication and failover to another cloud to bypass disruptions and ensure business continuity
- Gradually phase into the cloud with targeted workload placement and migration over time

While a hybrid or multicloud approach can provide advantages over a single cloud model, it is not without complexity. Any time you add more cloud components to the mix, you have more variables to think about, including security, visibility, coordination, and management expertise. Working with a cloud and managed services provider can help you identify and design the right cloud mix to meet application and workload needs. A qualified provider can bring proven techniques and skilled cloud technologists to the table to alleviate migration, implementation, and management challenges.

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How Do I Determine the Right Cloud for My Workload?

To choose the right option, the IT leader must consider several factors:

01 What level of compliance and security do I need to maintain?

For most organizations, their number one priority is to protect their company and customer data. They do this by maintaining compliance with industry standards and government regulations. Some industries, such as financial services or healthcare, require high levels of security. In those cases, you may need additional security services, such as multi-factor authentication and vulnerability testing to ensure your cloud deployments meet even the most rigid compliance requirements.

02 How much resilience and recoverability do I need?

Do you need to be able to recover data and systems within moments of a power outage? Or are your needs more flexible? Not all applications and data have the same requirements. Consider backup power sources, disaster recovery processes, and redundancies available when making your choice.

03 How fast do I need to deploy the application?

Do you have an urgent demand for a cloud application or a long-term infrastructure project with legacy applications? While many SaaS solutions can be implemented quickly, other applications can take much longer. How quickly do you need to be up and running?

04 Are there financial benefits to switching?

One of the top considerations for any business is how making the move to the cloud will affect their bottom line. Once you have a few options for what your cloud infrastructure might look like, do a cost savings analysis, looking at the ROI of each option to determine your best approach.

05 How scalable do I need my workloads to be?

Organizations with unpredictable workloads or those with seasonal businesses may need to fluidly increase or decrease cloud resources to meet changing demands. Ongoing assessment and planning are needed to determine the right cloud model for those workloads.

06 Do we have the right skill sets?

Different cloud types require different skill sets and expertise. In addition, many IT organizations struggle to recruit and retain staff to manage vital tasks such as security, disaster recovery, and database management. Managed services providers can augment IT staff for both private cloud, public cloud, and hybrid cloud deployments.

***89%** of businesses have a multicloud strategy,*
***80%** take advantage of hybrid cloud infrastructure.*[3]

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Untangling Cloud Complexity

To truly optimize how your organization is leveraging the cloud, you'll have to answer a lot of questions and evaluate many different options. Working with a provider can help you make sense of a complex landscape.

A provider can:

- Help unite people in the organization around common objectives
- Bring solid processes and technologies to cloud migration
- Fill in where skill gaps exist in the business
- Tie together business requirements and outcomes with technology
- Provide day 2 optimization and support

Cloud Computing. Simplified.

When you want something done right, you assign it to an expert. The same is true when it comes to cloud migration. Developing a cloud strategy requires understanding how the business need translates into cloud services and infrastructure.

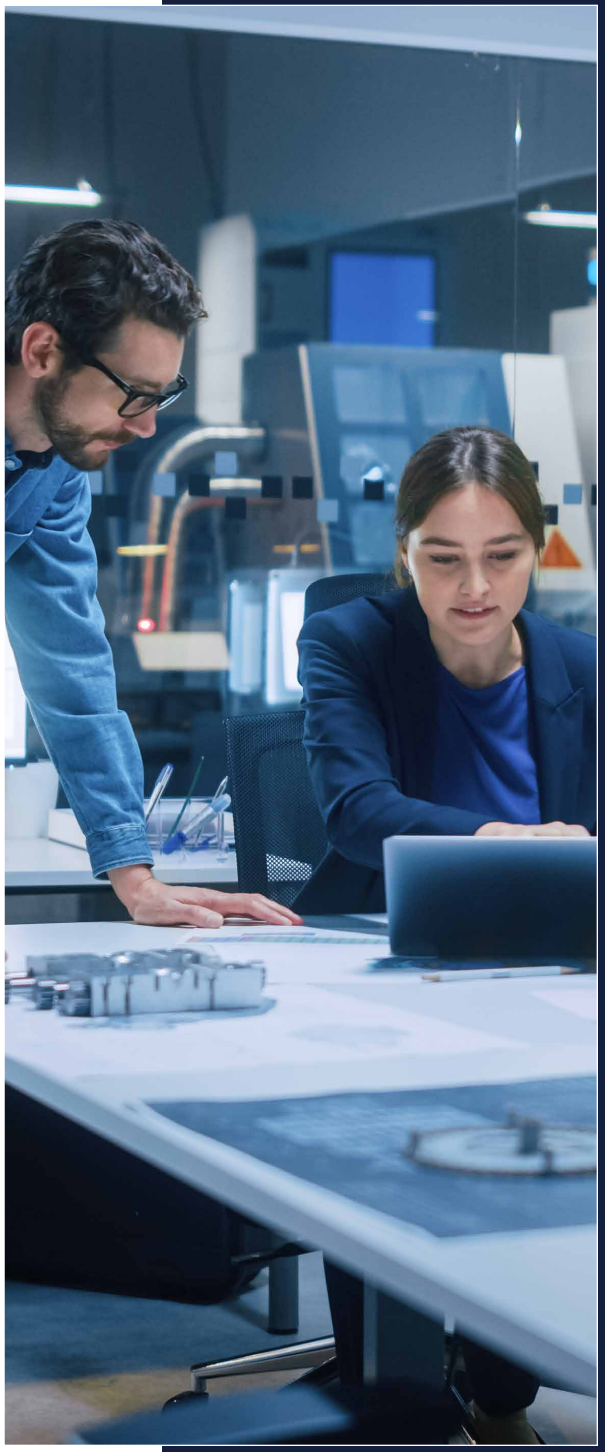
TierPoint's experts can help you devise a cloud strategy to achieve your IT and business objectives. We have the depth and breadth of expertise to meet your needs as your business grows.

TierPoint offers a variety of managed services including security, network management, disaster recovery, and compliance. Our highly qualified IT experts take care of vital but time-consuming day-to-day tasks, so you can focus on innovations to move your businesses forward.

Learn how different cloud computing models can support your organization's future growth and how managed services providers like TierPoint can make your cloud experience both simple and successful.

Learn More

Talk to one of our IT advisors by calling **844.267.3687** or reaching out to us by email: **sales@tierpoint.com**.



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About TierPoint

TierPoint (tierpoint.com) is a leading provider of secure, connected IT platform solutions that power the digital transformation of thousands of clients, from the public to private sectors, from small businesses to Fortune 500 enterprises. Taking an agnostic approach to helping clients achieve their most pressing business objectives, TierPoint is a champion for untangling the complexity of hybrid, multi-platform approaches to IT infrastructure, drawing on a comprehensive portfolio of services, from public to multitenant and private cloud, from colocation to disaster recovery, security, and more. TierPoint also has one of the largest and most geographically diversified U.S. footprints, with dozens of world-class, cloud-ready data centers in 20 markets, connected by a coast-to-coast network.

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