AXIM™

How to Avoid a Cloud Migration Failure

This year organizations will spend over $3.5bn on cloud migration[1]. Too many will waste their money. Around 50% of cloud migration projects are stalling or failing[2] – depending on the provider. Many more are becoming too complex or over-budget. How do you avoid it? The answer lies in a new approach to cloud migration.

Contents

1.

The Rise of Cloud
(and the Growth of Cloud Failure)

The cloud is one of the greatest growth markets the tech world has ever seen. You can understand it. The rapid evolution of the cloud means organizations can accelerate innovation, enhance cybersecurity, scale dynamically and redeploy big chunks of IT budget from low-value work to higher value customer facing initiatives. This year the top seven cloud vendors will together drive $100bn in enterprise cloud revenues[3].

Growing Cloud Failure

It's not just cloud adoption that's growing, cloud migration failure rates are increasing too. The statistics vary, but estimates of cloud failure rates range between 44% and 57%[4].

Bringing this closer to home: of the 80% of contact centers who have migrated or are planning to migrate, half will fail[5]. The financial cost of failure can be massive. Despite heavy cloud spends, organizations are not only realizing a smaller return on investment than they were expecting but a large proportion of them are seeing their initiative stall or fail – sometimes at an incredible cost.

Case 1

Knight Capital's cloud-based high-frequency trading software started making unprofitable trades up to 40 times per second and forced the New York Stock Exchange to halt all trading and cost the company over $440 million.

Case 2

The UK's TSB Bank's failed cloud migration is expected to cost as much as $195 million on top of IBM's estimated cost of $1.26 billion to clean up the mess.

It's not just high failure rates, there's also great complexity and high cost. A recent study by TechRepublic of companies moving to the cloud highlighted that the projects were harder than expected, and 55% went over budget.

2.

The DNA of Cloud Failure

Why do cloud migrations so commonly fail? Such epidemic levels of migration failure mean there is a lot of data to learn from. Axim has spent much time understanding the most common reasons:

Lack of Planning	One of the most common causes behind cloud migration failure is lack of planning. Many migrations are started without a clearly defined, well-researched, and coherent strategy – and they are doomed to fail.
Selecting the Wrong Migration Approach	Enterprises often choose the wrong migration approach, whether it's lift and shift, application modernization and refactoring or re-platforming – usually because they don't spend the time working through the solution that works best for specific applications, timescales and long-term needs before they launch the migration.
Not Testing Thoroughly	Many organizations fail to extensively or adequately test before migrating their entire infrastructure to the cloud. They don't bake testing into every stage of the migration plan, so they don't spot potential issues at the earliest possible stage.
Vendor Selection and Governance	Enterprises frequently fail to navigate the growing complexity of cloud providers and select the wrong cloud provider. They frequently outsource and cede control of their cloud to service and as-a-Service providers, and lose control of their cloud migration – particularly when it comes to cloud governance.
Integration	Many organizations lack an application integration strategy. Skills gaps also limit their ability to execute the cloud migration – these two factors combine to drive integration disorder, greater complexity, and cost.

3.

A New Transformation Management Model

Fig 1: An Enterprise Communications Transformation Management Model

How do enterprises avoid a cloud migration failure? Axim has developed a Transformation Management Model. We have drawn from our specialism as one of the few companies to provide cloud to cloud consolidation with integrated digital application rationalization, and our experience of evaluating and migrating all major major CCaaS, CRMaaS providers and CC manufacturers.

The model is driven by Enterprise Communications specialists and a suite of processes and tools, that helps organizations avoid cloud migration failure. It architects the right cloud migration ensuring detailed planning, and it selects the right migration approach and the right vendor. The model ensures the most effective operational migration, overcoming the integration and skills gaps; and it constantly optimizes the business impact of the cloud migration.

Customer Advocacy	Stage 1 is to unite the whole enterprise behind the migration. The core is a detailed vision of the cloud end-state that includes the technical, operational and financial modelling of the transformation. This is accompanied by a complete analysis of risk, a vendor selection program, and a business case for the cloud migration.
Operational Migration	Stage 2 brings greater enterprise control to operational migration. It ensures vendor compliance, maintains business and operational continuity, efficiently rationalizes applications to data to technology, measures stakeholder satisfaction, and rigorously validates every aspect of the cloud migration.
Operational Governance	Stage 3 retains governance of the cloud within the enterprise. AI-based performance metrics and analytics tools ensure vendors and service providers meet the transformation KPIs from effectiveness to satisfaction to continuous improvement. While a transformation roadmap ensures the enterprise drives the cloud migration, not 3rd party technologies.

4.

The Benefits

Axim's Transformation Management Model will give enterprises undertaking a cloud migration the control that many lack.

A Strategic Direction	It helps you build the right financial and operational cloud model and codify your cloud end-state.
Executive Sponsorship	It creates a business plan that gains the endorsement and sponsorship of Leadership Teams.
Vendor Management	It enables organizations to navigate vendor complexity, negotiate better SLAs and tightly control performance.
De-risked Migrations	It accelerates migration and simplifies and de-risks it by identifying and mitigating the critical failure points.
Reduced Complexity	It helps to consolidate multiple clouds, rationalize digital applications and better control cost.
Strong Governance	It optimizes operational and vendor performance through strong, continual cloud governance.

5.

A Customer Story

One of America's biggest non-profits employed Axim's Transformation Management Model to consolidate the large number of inbound and outbound contact center systems, CRM platforms and Case Management solutions they ran in-cloud into a single cloud solution. The results:

Contact Center Consolidation	Axim re-architected a fragmented, siloed and decentralized contact center strategy to a single, centralized contact center platform. We virtualized, consolidated and rationalized it to provide a common channel set, consistent CX and easily leverage all Agents in times of need.
Cost Reduction	Axim identified significant opportunities to simplify, standardize and consolidate cloud contact centers, and leverage new digital capabilities. Financial modelling identified tens of $millons of savings, with a 50% + cost saving.
Client Control	By reducing multiple technology providers, multiple carrier connections, Agent resource and vendors, the customer is substantially reducing duplication and overlap, unnecessary expense, and major complexity and inefficiency.

1 MarketWatch.
2 Infopulse.
3 Forbes.
4 Ibid 2.
5 IDC & Genesys.

Want to know more?

To learn more about how to avoid cloud migration failure, visit www.aximglobal.com

About Axim

Axim is an Enterprise Communications Transformation specialist. We have evaluated, designed, virtualized and rationalized 100's of Enterprise Communications and adjunct applications systems. We are leading experts in transforming Enterprise Communications from cloud to legacy technology to customer experience, who can draw on a unique blend of Business, Architectural, CX, Database and Security specialists.

Axim is one of the few companies to provide cloud to cloud consolidation with integrated digital application rationalization. We are vendor agnostic, so you can select the right vendor for your specific needs without conflict of interest or preferential selection.

Axim works with clients to evaluate all major CCaaS, CRMaaS providers, SI resellers, and CC Manufacturers in the Enterprise Communications industry. We have mapped and migrated them all, so we can help our clients select the right hosted (cloud) Vendor/ technology package for their business and operational needs.

AXIM™

www.aximglobal.com