

Security Concerns Top Organizations' Cloud Inhibitors List

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Security risks and concerns about loss of control continue to inhibit cloud adoption in the regions of Central and Eastern Europe (CEE) and Sub-Saharan Africa (SSA). While progress is being made, a background of fear remains; digital transformation leaders and IT strategists must accept that, sometimes, cultural prejudices surpass strategy, and cloud projects must adjust to the confines of the existing IT culture. Transformational projects require a transforming culture.

IDC recently conducted a research survey, sponsored by Oracle, aimed at gaining insight into the current state of digital transformation in CEE and SSA. The survey sample base consisted of more than 250 IT and line-of-business (LoB) managers from medium-sized to large organizations in different industries.

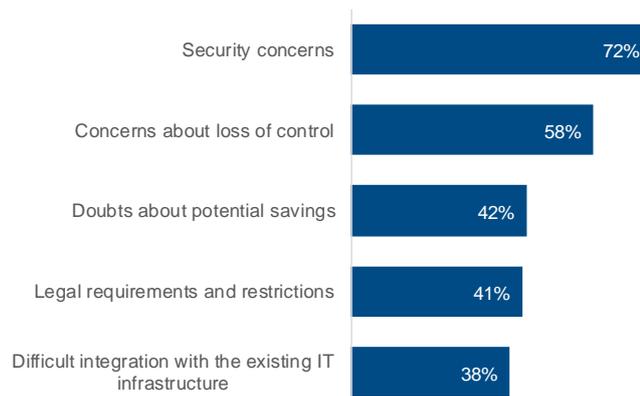
The most often cited inhibitor for organizations to move to cloud continues to be security concerns (72% of respondents). But progress is being made, and the myths surrounding cloud security are largely being debunked. Moreover, the concerns center more on the lack of process maturity than the technology itself.

In addition, many forward-thinking IT and business leaders are beginning to understand that in some instances, cloud offers better security over their existing solutions to secure their data. Given the diverse range of threats, especially for medium-sized organizations (250 to 1,000 employees), cloud offers more secure and cheaper solutions than their on-premises solutions.

According to the survey results, 58% of organizations indicated that ceding control to a cloud provider is a barrier to their organization's adoption of cloud. This is mainly because CEE and SSA organizations do not have a high degree of maturity in outsourcing contracts and do not have standard operational practices in place to guarantee proper IT governance.

In general, the bigger a company is, the more concerned it is about security; the same is true for concerns regarding loss of control. Confidentiality of company information seems to be a greater concern for larger companies than for SMBs. However, providers of cloud-based services have done a great deal to address these concerns in their solution portfolios. A more significant issue is that of legacy systems. Smaller organizations are generally not tied to their providers to the same degree as large enterprises, opening the door to easier migration to a cloud-based solution.

Cloud Implementation Challenges



Note: % of respondents
n = 245

In addition to security and control concerns, the top challenges include:

- Doubts about potential savings due to unclear return on investment (ROI)
- The perception that legal requirements and restrictions are restraining their cloud adoption (particularly in the case of telecommunications organizations and financial institutions)
- Integration with existing infrastructure

Most organizations tend to view the transition to cloud as a means of cutting IT expenditures. However, they need to realize that IT cost reduction is not guaranteed from cloud transition. What is guaranteed is the advanced functionalities, as well as the flexibility and agility, that can be achieved only from cloud delivery models. Many of the benefits of cloud transition are difficult to quantify, and organizations need to be aware of them before making the cloud journey. By gaining clarity not only on costs and potential savings, but also on the kinds of internal IT resources needed to manage cloud solutions, future cloud adopters can truly begin to assess their strategy for initiating a cloud journey.

It is important to stress that many IT strategists are beginning to look at cloud more as an enabler and understand that cloud is the foundational platform for all of the other 3rd Platform technologies — mobility, social media, and big data/analytics. Organizations will look at driving innovation through cloud delivery models as they mature and options rapidly increase. Cloud promises not only to bring IT efficiencies and IT agility, but also to advance opportunities through the development of intelligent industry solutions and other IT-enabled products and services.

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