The need for speed: An Australian perspective on accelerating the cloud migration dividend

AUSTRALIAN ENTERPRISES PURSUE ACCELERATED MIGRATION PACE.

A global survey of IT and business executives reveals that most companies want to accelerate the pace of public cloud migration. In general, those who proceed at a faster pace are more successful at realising the ultimate payoff. But there are specific differences from region to region. Most notably, Asia Pacific—and specifically Australian—enterprises are on the fast track.

The global survey of IT and business executives conducted by IDG Research Services finds that 66% of global companies indicate they are moving to the cloud at a steady pace of adoption—over a time period of 12 to 36 months—similar to the percentage of Australian enterprises (60%). Just 8% of respondents in Australia say their timetable for adoption is greater than 36 months, compared with 11% in Europe and 23% in North America.

Far fewer in Australia—12% vs. 22% globally—rate themselves as cautious adopters who will only migrate as business dictates. Australian respondents, similar to their Asian counterparts, outpace other regions, with 40% migrating some applications and 30% pursuing a “born in the cloud” or cloud-first strategy.

Unlike in other regions, APAC executives at higher and lower levels are marching almost in lockstep with regard to prioritising cloud migration. At the director level, 88% say migration is a priority, as do 84% of those at the vice president or higher level. In comparison, both in North American and Europe, 80% and 81%, respectively, of higher-level executives are of a similar mindset, but only 60% of lower-level executives agree.

Across the globe, among those not pursuing a “born in the cloud” or cloud-first strategy, the preferred method of cloud migration is to optimise applications to leverage cloud services. In Australia, 71% fall into that category (similar to APAC’s 75%), trailing only Europe’s 80% and far ahead of North America’s 54%. In addition, 31% of Australian respondents are choosing to “lift and shift” some applications to the cloud with minimal changes. While Australian results in general were comparable with their Asia Pacific equivalents, when it came to rebuilding applications in the cloud, they differed significantly. While 29% of Asia Pacific respondents indicated they were rebuilding applications in the cloud, only 14% of Australian respondents said the same.

The global survey finds that cloud-first and mass migration organisations are ahead in achieving benefits of cloud migration within six months, which bodes well for the more rapid pace being set in Asia Pacific, and particularly in Australia. These benefits include improving scalability to enable business growth, achieving cost savings, improving the customer experience, enabling the adoption of digital business initiatives, and boosting agility.

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The survey also reveals that as organisations pick up that pace of adoption and more fully realise the impact of cloud-driven business process changes, cost savings is no longer the No. 1 driver of cloud adoption, superseded by the need for business agility. Among cloud-first companies, cost saving falls to the bottom of the list, overshadowed by business agility, adoption of digital business initiatives, and improved scalability.

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