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Operational Resilience When Legacy Meets Cloud Native

Achieving Operational Resilience Remains A Challenge In Hybrid Multicloud Deployments

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Hybrid Multicloud Use Is On The Rise. But Is It Resilient Enough?

As companies continue to adjust to a world of more remote work, being flexible in the face of change is no longer a goal — it's a requirement. With a new awareness of how quickly plans can change, enterprise organizations are moving further away from primarily on-premises systems and adopting a more integrated hybrid multicloud infrastructure for mission-critical and employee experience (EX)-centric applications and workloads. However, resiliency decision-makers face significant security and resilience gaps, even in hybrid multicloud deployments including containers and microservices. Addressing these operational resilience challenges and gaps will require expertise, tools, and technologies via unified business continuity management (BCM) strategy, integration of BCM operations across heterogenous platforms, workflow automation and orchestration, and managed services.

Key Findings

There is an increased need for systems with more resiliency than on-premises systems can provide. Hybrid multicloud infrastructure offers new flexibility but must include cloud-native tools.

As companies begin optimizing their hybrid multicloud strategies, they face challenges in business continuity/disaster recovery (BCDR) and resiliency, migration, and integration with existing systems.
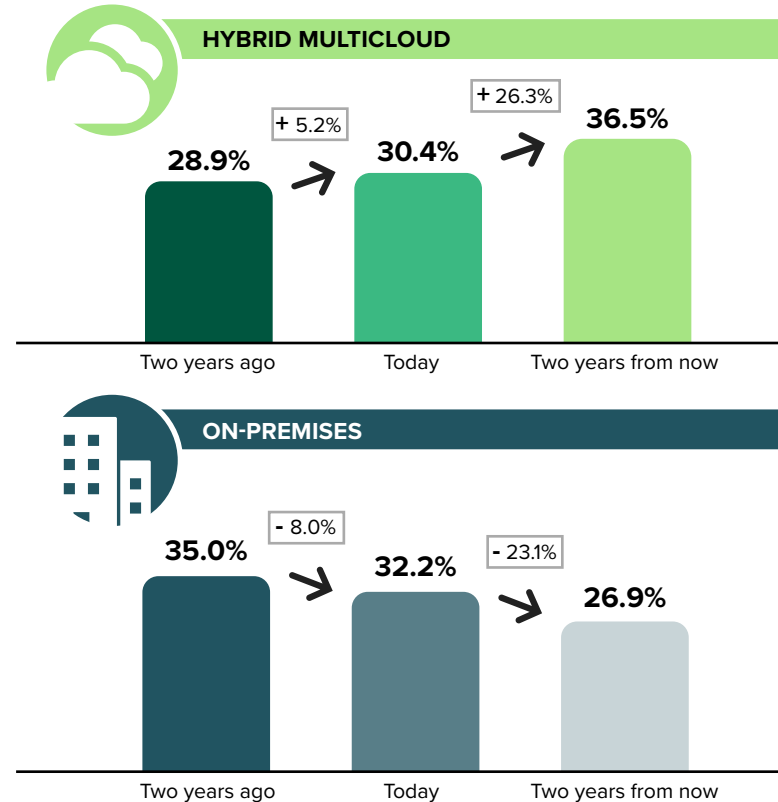
Updates to integrated hybrid multicloud that prioritize BCRD and operational resilience strategies offer critical benefits like data security, data integrity, and EX.

Hybrid Multicloud Platforms Are Here For Today And Tomorrow

As businesses adapt to an increasingly remote-work model, hybrid multicloud use is expected to increase in the next two years (26.3% on average). Companies will increasingly turn to hybrid infrastructure to achieve their goals of optimizing cloud infrastructure and increasing their cloud-native stack.

As this transformation progresses, on-premises infrastructure decreases by 23.1%. However, organizations plan to leave more than one-fourth of cloud strategies in on-premises environments two years from now. Organizations lean more heavily on hybrid multicloud environments for more critical functions, relying on these platforms for both day-to-day operations (e.g., moving and securing data, and continuously monitoring ongoing operations). To ensure security and resiliency in these complex hybrid environments, the process must include the building of new cloud-native apps.

Hybrid Multicloud Platforms

HYBRID MULTICLOUD

28.9% + 5.2% 30.4% + 26.3% 36.5%

Two years ago   Today   Two years from now

ON-PREMISES

35.0% - 8.0% 32.2% - 23.1% 26.9%

Two years ago   Today   Two years from now

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To Address Challenges, Resiliency Must Be Part Of A Hybrid Multicloud Strategy

As companies optimize their hybrid multicloud strategies, their top three challenges are migration, integration with existing systems, and BCDR/resiliency. As they broaden their hybrid multicloud implementation, they must focus on building out and reinforcing security for their hybrid infrastructure to avoid potentially dangerous pitfalls. While IT teams play catch-up to protect their networks and data, they must also introduce resiliency infrastructure at the data and business process levels.

When asked about recovery plans, companies lag in terms of hybrid multicloud. Just over half of companies have a recovery plan at the IT service level (57%). But plans beyond that are limited, with many lacking data-level (56%), business process-level (59%), and application-level (60%) recovery.

"You indicated you utilize hybrid infrastructure. At what level is your recovery infrastructure set up?"

At the IT sevice level

57%

At the data level

44%

At the business process level

41%

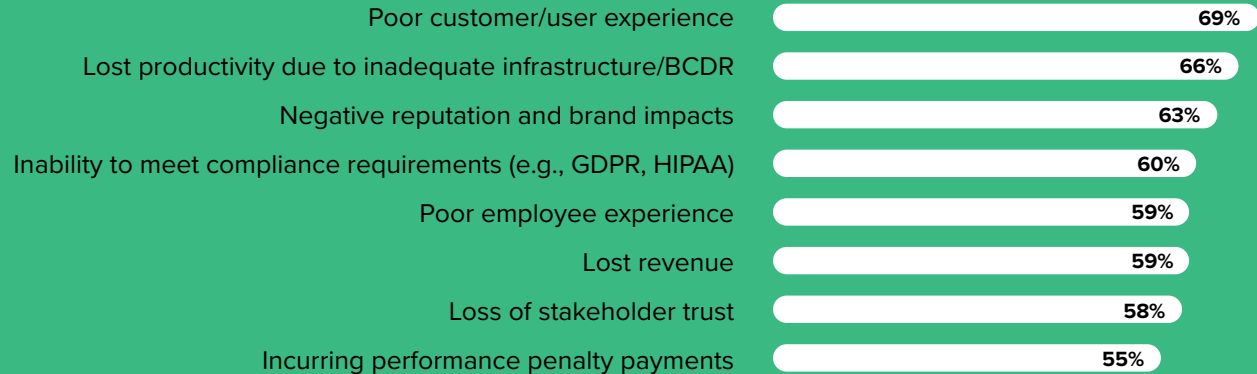At the application level

40%

At the site level

37%

Avoid Dangerous Pitfalls When Building A BCM Strategy

Firms using distributed and heterogenous infrastructures without a BCM strategy are at risk of experiencing major disruptions with severe business consequences. Without a unified BCM strategy, companies can expect negative impacts on customer and user experience (69%), lost productivity due to inadequate infrastructure/BCDR (66%), and brand and reputation impacts. They also run the risk of compliance failures, penalties, and legal costs.

To minimize maturity gaps, enterprises must prioritize improving their hybrid multicloud strategies, specifically around the areas of resiliency and BCDR. Whether they go it alone or utilize a vendor to get access to expertise and bypass personnel costs, investing in resiliency will bring benefits for both IT teams and the business.

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"What do you see as the top negative business effects from lacking resiliency in your organization's hybrid multicloud program?"

Poor customer/user experience	69%
Lost productivity due to inadequate infrastructure/BCDR	66%
Negative reputation and brand impacts	63%
Inability to meet compliance requirements (e.g., GDPR, HIPAA)	60%
Poor employee experience	59%
Lost revenue	59%
Loss of stakeholder trust	58%
Incurring performance penalty payments	55%

Build An Adaptive Recovery Strategy Across Hybrid Multicloud To Reduce Operational Risk

Companies are primarily leveraging their recovery infrastructure at the IT service level, but there is a clear opportunity to expand to the data and business process levels. Resiliency decision-makers are feeling the pressure to optimize their infrastructure as they try to avoid the pitfalls of a poor BCM strategy. Dealing with the complexity of a multicloud environment leaves the majority of decision-makers unsure of where to start on their own. Third-party vendors can help them prioritize multicloud resiliency strategies and overcome roadblocks like prohibitively high costs for maintaining resiliency (47%), a lack of skilled personnel to work across hybrid multicloud environments (46%), and the difficulty of managing multiple data protection and recovery strategies for different clouds (46%).

"Which of the following describe how your organization's hybrid multicloud environment introduces challenges to your resiliency process?"

| 47%	46%	46%	44%	40%
The cost of maintaining resiliency in multiple cloud environments is prohibitively high	It is difficult to find staff with the ability to work across hybrid multicloud environments	Having multiple clouds requires multiple data protection and recovery strategies	Backup and disaster recovery architectures are difficult to integrate with our systems	It is difficult to meet governance resiliency requirements and SLAs

Work With Third-Party Vendors To Minimize Expertise Gaps And Improve Cloud Migration Outcomes

With distributed and heterogenous infrastructures, firms face skill gaps and have difficulty finding proven best practices. The limited information available is scattered across blogs and chat rooms, making it challenging to execute a trusted and fully unified BCM strategy. Skilled personnel can be difficult to find and retain, as these skills are highly sought and difficult to find. Using an outside vendor with cloud-native expertise can lead to faster recovery times (54%), reduced data loss (50%), and the ability to manage complex hybrid infrastructure (41%). By using a third-party vendor, IT teams can accelerate their process and use a skilled team to train existing talent. Teams developing hybrid multicloud platforms can focus on building new apps rather than an increasing operational burden as their portfolios expand.

"What benefits have you experienced, or would you expect to experience, from utilizing a vendor to address your business continuity and disaster recovery (BCDR) challenges?"

54%
Faster recovery times

50%
Reduced data loss

41%
Managing complex hybrid multicloud infrastructure
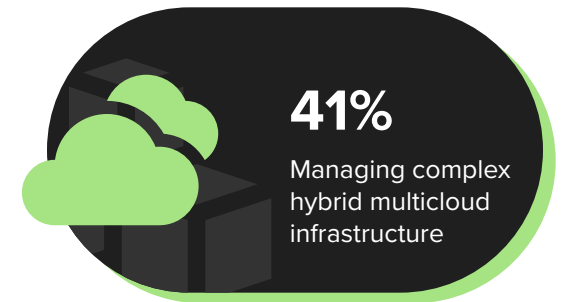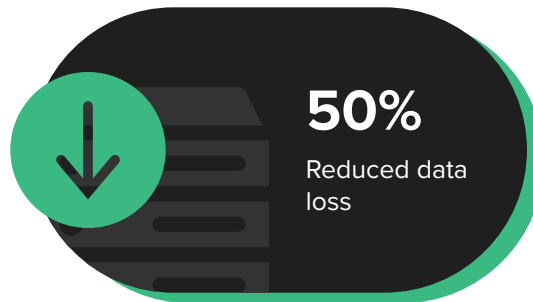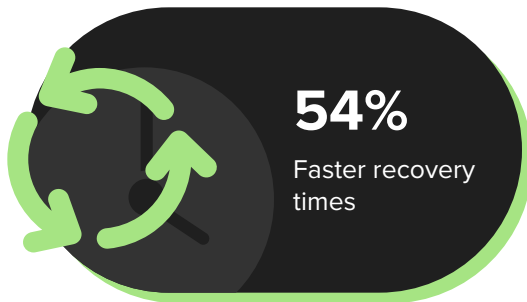
Conclusion

The COVID-19 pandemic exposed overly complex processes, inefficient operations, and massive vulnerabilities in firms' infrastructures. As companies unify their BCM strategy to address security and operational resilience challenges, they should:

- **Integrate resiliency plans into the hybrid multicloud environment.** Hybrid multicloud programs without a resiliency plan leave firms vulnerable. Devise a resiliency strategy that focuses on protecting data and improving UX.

- **Address gaps in hybrid multicloud and containers.** Firms must address major security and resilience by integrating BCM operations across heterogenous platforms, workflow automation and orchestration, and managed services.

- **Use a third-party vendor to aid in implementation.** New initiatives often require skills your organization does not currently have. A third-party vendor with cloud-native expertise will aid in the process.

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Methodology

This Opportunity Snapshot was commissioned by Kyndryl. To create this profile, Forrester Consulting asked custom survey questions asked of manager-level and up decision-makers with responsibility for cloud, infrastructure, or resilience strategies at enterprises in NA, EMEA, and APAC. The custom survey began and was completed in April 2021.

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Demographics

REGIONS	
LATAM	**16%**
NA	**29%**
APAC	**28%**
EMEA	**27%**

COMPANY SIZE (EMPLOYEES)	
1,000-4,999	**38%**
5,000-9,999	**37%**
10,000-19,999	**16%**
20,000+	**9%**

RESPONDENT LEVEL	
C-level	**15%**
VP	**25%**
Director	**31%**
Manager	**29%**

TOP 5 INDUSTRIES	
Retail	**12%**
FinServ/Insurance	**12%**
Energy/Utilities	**12%**
Healthcare	**11%**
Government	**11%**