

DIGITALIZING CORE CAPABILITIES

How to Optimize Cloud and Infrastructure for Seamless Transformation





Cloud is no longer a competitive advantage - it's a baseline expectation.

The global cloud computing market is expected to top \$1.25 trillion by 2028¹. And more than half of IT spending has already shifted from traditional solutions to the cloud, supporting all types of needs and workflows through various architectures².

For CXOs today, the question has evolved from should we embrace the cloud to **how can it accelerate our innovation.** And, more than that, how can it enable scalable, Al- and data-driven core capabilities to help us deliver measurable outcomes faster, more efficiently, and with greater resilience - all while keeping costs, complexity, and risk under control.



The problem? Cloud landscapes rarely follow a common blueprint.

Many enterprises are dealing with sprawling cloud environments. Whether the result of a

merger, legacy dependencies, or other factors that have cropped up over time, the net result is often the same: a tangled mix of cloud providers and on-prem infrastructure, each managed separately.

Moving From Adoption to Optimization

Hybrid cloud architectures promise flexibility and control. But without a unified management strategy, these benefits can quickly be offset by an increase in overall complexity, undermining this approach and hampering any transformation effort.

It's no surprise, then, that many cloud strategies fall short of delivering what's promised.

Nearly three-quarters of companies exceeded their cloud budget in the most recent fiscal year³, driven in no small part by a lack of integration.

As a result, it's increasingly clear that success depends on moving beyond cloud adoption to embracing cloud optimization. Today, cloud environments must be **optimized, governed**, and **aligned** with business goals to drive measurable digital outcomes, striking the right balance between efficiency, flexibility, and security.

This POV will outline a strategic framework for cloud optimization – one of the six essential steps in **digitalizing core capabilities**. We will explore:



The business-wide consequences of a bad cloud strategy and how this impacts digital initiatives.



How the right approach can act as a true enabler for digital, Al, and cloud transformation success.



Four guiding principles for reducing overall cloud complexity, fueling digitalization efforts, and driving sustainable growth.

By connecting the business imperative to a clear cloud management and optimization strategy, this framework provides leaders with a roadmap to unlock the full potential of their core capabilities and sustain a competitive advantage in a fast-changing digital economy.



Cloud Computing Market

Gartner Says More Than Half of Enterprise IT Spending in Key Market Segments Will Shift to the Cloud by 2025

³ Forrester: IT departments are blowing their cloud budgets

The True Cost of a Misaligned Cloud Strategy

Identifying how and where existing cloud strategies fall short is key to addressing the issues enterprises face in this regard, which typically present as **four outcome-limiting pain points**.





Cloud Fragmentation

When Integration Fails, Innovation Slows

Many enterprises end up with a patchwork of cloud services and legacy on-prem systems. The result is a fragmented IT landscape with increased complexity and overheads, creating integration issues.

While 80% of organizations use public or private clouds, nearly 50% cite integration challenges as either a moderate or extreme barrier to realizing the full value of those investments.⁴ This fragmentation creates inefficiencies and operational bottlenecks, particularly between cloud and on-prem systems. In turn, costs increase, decision-making slows, and enterprises struggle to harness the agility needed to launch and scale digital, cloud, and Al initiatives that deliver consistent, measurable impact.





By intelligently integrating disparate environments, enterprises can ensure seamless data flows and unified operations. This not only simplifies overall management but enhances visibility across the board, enabling faster innovation cycles and customer-centric agility.



Nearly 50% of Businesses Are Struggling to Control Cloud Costs



Budget Bloat

The Price of a Discounted Cloud Approach

Without centralized oversight, hybrid cloud environments can easily lead to overprovisioned resources, redundant workflows, and a lack of granular cost control. In fact, 44% of executives say at least one-third of their cloud spend is wasted⁵.

The fragmented nature of many cloud environments causes this lack of visibility. And that makes it difficult to get a true breakdown of cloud costs and usage to identify and reduce wasted spend. This undermines the return on investment associated with digital, Al, and cloud transformation efforts and contributes to enterprise-wide inefficiencies.



Establishing cloud cost governance will help enterprises track, analyze, and ultimately better control cloud spending across providers. Introducing the granular visibility that's currently missing will help maximize the efficiency of cloud investments and ensure every dollar spent adds to overall business agility.





The Illusion of Interoperability

Cloud Environments That Don't Play Nicely Together

Cloud promises agility and flexibility. However, for many enterprises this just turns into cloud sprawl – disconnected environments that operate in isolation, resulting in issues such as data silos. Unsurprisingly, nearly half of enterprises say managing multi-cloud environments is contributing to growing IT complexity.⁶

In addition to creating operational headaches, a lack of interoperability poses barriers to adopting new technologies like AI, which depend on readily accessible, high-quality data to deliver measurable business impact.



Standardizing and streamlining the integration of disparate cloud environments will ensure seamless data exchange as part of efficient operations, making it easier to embrace new technologies that can deliver a competitive edge.





Security Blind Spots

The Risks Associated With a Patchwork Cloud

When cloud and on-prem systems are managed separately, it's difficult to enforce uniform security due to a lack of overall visibility — a common theme among the four issues highlighted. Inconsistent security policies and misconfigured access controls are frequent hurdles for enterprises as a result.

Despite 42% of executives identifying cloud-based threats as their biggest concern, one-third said it was the cyber threat they were least prepared to address.⁷ This lack of overall control is setting enterprises up for failure, increasing the risk of breach and regulatory fines.



Centralizing security policies is the foundation of proactive risk management, embedding robust security practices into every layer of infrastructure and ensuring unified governance. Factoring in continuous monitoring and automated enforcement will further minimize the attack surface, transforming security into an enabler of faster, safer, and more scalable digital outcomes.





⁶ Nearly 50% of Businesses Are Struggling to Control Cloud Costs

⁷ Bridging the gaps to cyber resilience: The C-suite playbook

How to Build an Outcome-Led Cloud Strategy That Delivers at Scale

When it comes to the cloud, there's no silver bullet and no one-size-fits-all blueprint to success. However, there are **four core principles** that apply when it comes to optimizing cloud strategies as part of a broader digital transformation journey.

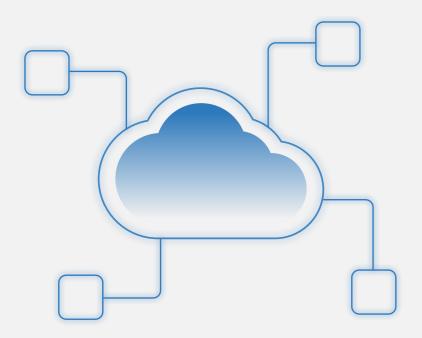




Architect for **Business Agility**

Moving beyond reactive expansion and inherited cloud environments to fully integrated architectures is imperative for creating the business agility needed to drive innovation and maintain a competitive advantage.

A fully integrated approach gives the flexibility to quickly scale, adapt, and launch new digital, AI, and cloud initiatives without being held back by the constraints of fragmented, inefficient infrastructure.



Practical steps



Define your hybrid-cloud strategy. Align cloud investments with long-term business goals and immediate-term needs. And conduct a Cloud Adoption Framework-based workload evaluation, database assessment, and governance and security alignment to guide your transformation roadmap.



Embrace a unified multi-cloud management framework. Streamline interoperability
between environments with a multi-cloud
control plane that unifies policy enforcement
and orchestration across providers, maintaining
consistency across hybrid infrastructure.



Prioritize platform-agnostic system architectures. Build using open standards, containerization for consistent and rapid deployment across environments, and API-first integration approaches to more easily adapt to evolving needs and optimize workloads across different infrastructures.



Whether it's cloud strategy, cloud migration, or cloud management, no transformation journey is straightforward. Sutherland's cloud advisory services, strengthened by our unmatched technical expertise from hundreds of cloud migrations, help you navigate the intricacies of modern IT challenges to unlock maximum value from your cloud investment at enterprise scale.





PRINCIPLE #2

Introduce a **Modern Data Infrastructure**

Intelligent data flows are paramount to a digital strategy that delivers measurable outcomes.

Modernizing data infrastructure will help eliminate data silos, improve data accessibility, and enhance performance.

Traditional, siloed data storage and processing methods, which are common in a fragmented hybrid cloud environment, create bottlenecks that make it hard for enterprises to uncover the full value of the data they hold, restricting new services and customer intelligence.

Introducing seamless, real-time access will not only speed up the processing of data to enable advanced decision-making and new Al workflows, but will make it easier for teams to collaborate and innovate more effectively. This sets the stage for a scalable, flexible data framework that can keep up with business needs while also ensuring data security, compliance, and governance requirements are met.

Practical steps



Implement a cloud-native hybrid data platform. Build real-time data pipelines that can collect, process, and analyze structured and unstructured data across cloud and onprem environments at scale.



Consider a data mesh approach. Introduce a decentralized data architecture model to empower different teams to access, own, and leverage the data they need. This will reduce bottlenecks and ensure data is accessible in a self-service manner while maintaining enterprise-wide governance standards.



Take advantage of Al and machine learning to drive added value, helping to transform raw data into actionable intelligence.

Automated data processing and anomaly detection will enhance workflows, reduce manual errors, and scale data operations without adding complexity.

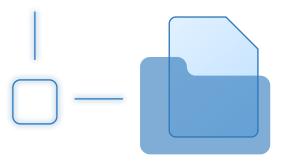


Implement uniform data governance
policies to maintain data integrity and
security across cloud environments,
reducing risk and maximizing accessibility.
Metadata-specific policies will be key
to this, ensuring discoverability and
compliance across hybrid environments.



Transitioning to a modern data infrastructure can come with risks.

Sutherland's experts can help assess, plan, and execute the migration of your workloads and data to the cloud while ensuring the integrity and security of your critical business information.





PRINCIPLE #3

Bake in **Intelligent Security Controls**

As cloud strategies evolve, security needs to move from a point solution to a fully integrated layer throughout the hybrid environment. It's important to think about security as not just data protection but as creating a safe foundation for secure, scalable digital and Al operations that will underpin measurable outcomes.

Built-in cloud security features are just the starting point. A cloud optimization strategy requires tailored controls to meet the specific needs of the enterprise across the board.



Practical steps



Adopt a security-first approach. Build security controls into your cloud architecture, adopting a zero-trust approach and enforcing identify-based segmentation and risk-based authentication at every layer to dynamically protect assets and minimize the enterprise attack surface.



Ensure consistent policies across all environments through a centralized security
management platform. This will help introduce
uniform access control aligned to industry best
practice, as well as real-time monitoring and
simplified policy enforcement.



Mitigate the risk of human error. With threequarters of CISOs identifying human error as the most significant security risk,⁸ strategies like security blueprinting and enforcing least privilege will help mitigate this.



Bring added intelligence with AI, deploying AI-driven tools for proactive real-time threat detection and automated security audits, streamlining incident response and strengthening security management.



Introduce a unified compliance and data protection framework to ensure all data across your hybrid cloud environment meets regulatory standards. This extends to protecting sensitive information, too, including secure backup strategies for business continuity purposes.



Cloud infrastructure is the engine powering your digital performance. Sutherland's intelligent cloud security solutions combine cutting-edge technology and our extensive cloud expertise to introduce the necessary controls and threat management systems to protect your business.



⁸ <u>Proofpoint's 2024 Voice of the CISO Report Reveals that Three-Quarters of CISOs</u> Identify Human Error as Leading Cybersecurity Risk



Drive Operational Excellence Through **Cost Optimization**

Amid economic uncertainty, ever-growing resource demands from new technologies, and an increasing focus on sustainability, it's more important than ever to drive cloud efficiency.

Spiraling costs can present a significant barrier to digital, Al, and cloud transformation success. However, enterprise leaders need full visibility into cloud spend in real time to avoid billing horror stories.

Achieving this will deliver several benefits. First, rightsizing cloud instances to avoid paying for unnecessary resources. Understanding how and where cloud compute is being used will make it easier to schedule resources and eliminate idle resources to further reduce costs.

Integrating AI to help identify and investigate cost anomalies is a key part of this process.

This will also open the door to predictive maintenance and self-healing infrastructure to achieve the most efficient setup possible.

Practical steps



Establish cost governance as a strategic imperative. Introduce clear frameworks,
processes, and smart tooling to ensure
cloud spending can be optimized,
controlled, and aligned with business
outcomes going forward.



Monitor hybrid cloud utilization dynamically.

Embed real-time analytics and a unified tagging strategy to track spend, identify inefficiencies, and reallocate resources as business needs evolve. Also, deploy Al-driven FinOps tools to automate cost optimization, provide rightsizing recommendations, and enforce dynamic budget thresholds.



Integrate AI for further optimization.

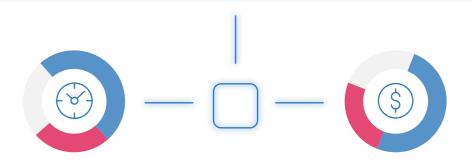
Automate provisioning, auto-scaling, and load balancing to maximize efficiency.
Intelligent resource allocation and compliance-ready solutions will help further reduce waste and optimize costs, forecasting future spend and identifying anomalies.



Introduce a framework for continual assessment. Use the increased visibility gained through the above to create a system for ensuring cloud investments remain aligned to digital, Al, and cloud transformation goals and market shifts.



Using cutting-edge technologies, including Sutherland's E.A.S.I cloud management platform, and modern AlOps frameworks, our flexible cloud managed services help you scale cost-efficiently as you grow, taking the pain – and financial unpredictability – out of the equation.





Conclusion

Building a robust digital foundation that can drive growth and ensure transformation success depends on a cloud strategy that's scalable, cost-efficient and secure by design.

By focusing on streamlined integration, comprehensive security, and cost governance, enterprises can escape the constraints of fragmented cloud environments to unlock faster time-to-value, broader scale, and steadier performance from their cloud investments.

Choosing the right digital transformation partner to help streamline this journey is critical. Sutherland not only offers a comprehensive suite of cloud infrastructure services backed by our extensive cloud expertise and strong ecosystem of global partners, but we can accelerate your journey to a high-performing cloud with our industry leading Zero-Cost Cloud Migration model.



Ready to streamline your cloud transition and optimize migration costs while ensuring speed, efficiency, and quality?

Discover How



Artificial Intelligence. Automation. Cloud Engineering. Advanced Analytics. For Enterprises, these are key factors of success. For us, they're our core expertise.

We work with global iconic brands. We bring them a unique value proposition through market-leading technologies and business process excellence. At the heart of it all is Digital Engineering – the foundation that powers rapid innovation and scalable business transformation.

We've created over 200 unique inventions under several patents across Al and other emerging technologies. Leveraging our advanced products and platforms, we drive digital transformation at scale, optimize critical business operations, reinvent experiences and pioneer new solutions, all provided through a seamless "as-a-service" model.

For each company, we provide new keys for their businesses, the people they work with, and the customers they serve. With proven strategies and agile execution, we don't just enable change – we engineer digital outcomes.





Looking for the full picture?

This POV explores one of six core capabilities that accelerate enterprise transformation. While each plays a distinct role - whether it's aligning strategy, modernizing infrastructure, assuring quality, or engineering data for intelligence - their true impact comes from fuelling end-to-end transformation. Explore the others to see how they fit together to deliver faster innovation, greater agility, and measurable digital outcomes.

Download the Full Toolkit Here

