EDM Webinar

Top Trends and Challenges in the Cloud

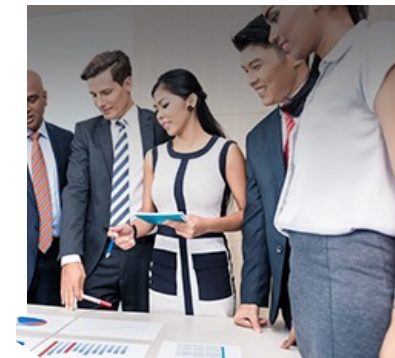*A conversation with*

John de Saint Phalle
Senior Director of Product Management
Precisely

precisely

EDMCouncil

Moderated by **Mike Meriton**
Co-Founder, EDM Council

- Joined EDM Council full-time 2015 to lead Industry Engagement

- EDM Council Co-Founder & First Chairman (2005-2007)

- EDM Council Finance Board Chair (2007-2015)

- Former CEO GoldenSource (2002-2015)

- Former Executive for D&B Software and Oracle

- FinTech Innovation Lab – Executive Mentor (2011 – Present)

- EDM Council COO (2020-2023)

Today's panel

Moderator

Mike Meriton
Co-Founder
EDM Council

John de Saint Phalle
Senior Director of
Product Management
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Polling Question 1

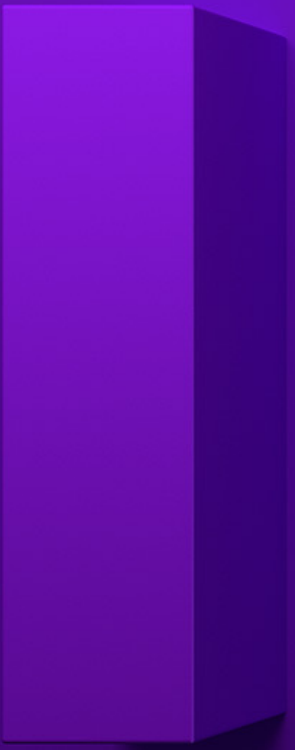Where are you today in your cloud journey? (Select 1 Answer)

- Not Started
- Beginning to Experiment with Cloud Platforms
- We have a cloud strategy centered on a single provider
- We have a cloud strategy centered on multiple cloud providers and solutions
- We have no plans to move to the cloud

How did we get here?

"The world is experiencing a level of disruption and business risk not seen in generations...

McKinsey
& Company

...some companies freeze and fail, while others innovate, advance, and even thrive."

McKinsey & Company

Macro forces are impacting your business

Long-term
pandemic impacts

Changing
regulatory and privacy
environment

Volatile
market conditions

Long-term pandemic effects

1 in 5

1 in 5 adults left their jobs in 2021 at the start of the "great resignation," creating skills shortages[1]
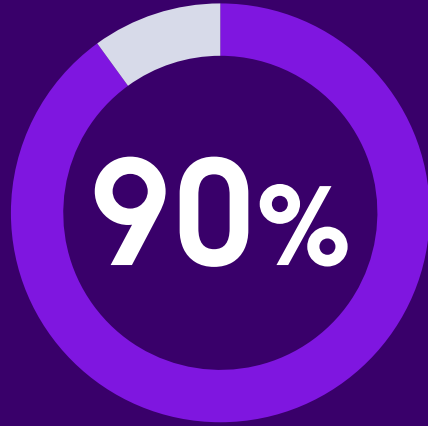
↑43%

E-commerce sales increased 43%, requiring accelerated digital transformation

75%

75% of consumers report having changed their buying behavior permanently

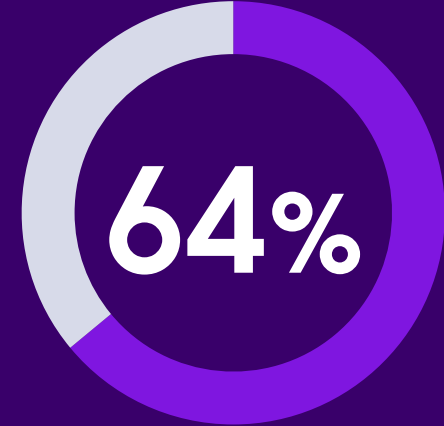# Changing regulatory and privacy environment

90%

of S&P 500 companies now publish ESG (Environmental, Social, and Governance) reports.
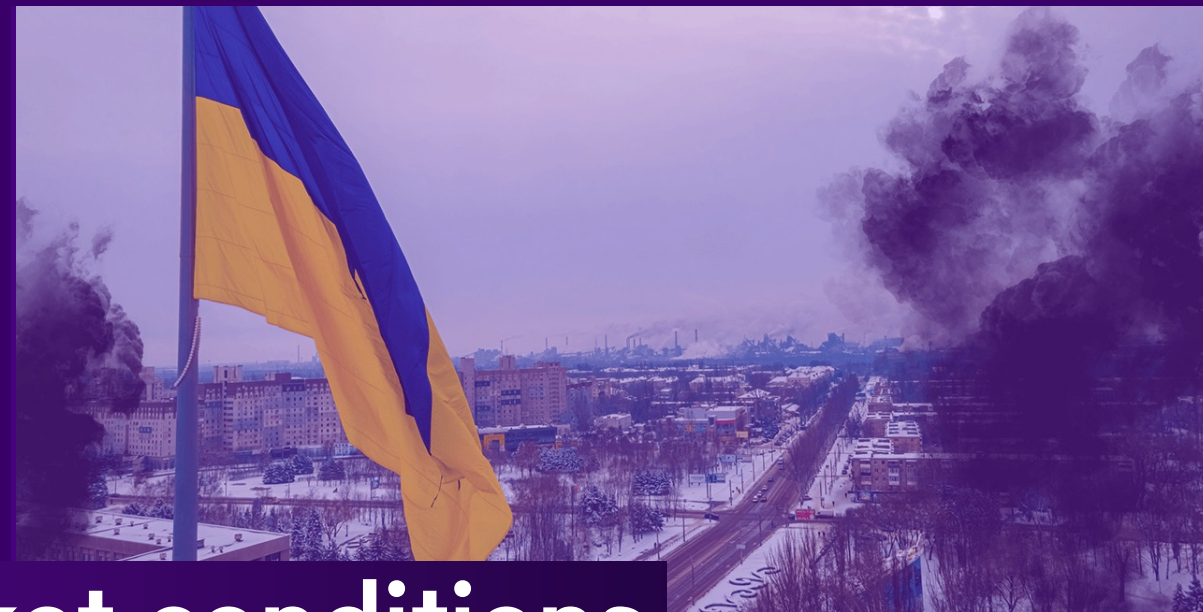
$8 Trillion

expected cost of data theft, leaks and breaches in 2023 increases scrutiny

64%

of consumers would like to see legislation preventing the sale of their data

1. Center for Audit Quality, 2. Cybersecurity Ventures, 3. Prosper Insights & Analytics

Volatile market conditions

How are organizations reacting?

85%

of organizations will embrace a cloud-first principle by 2025

Gartner

55%

of leaders site data modernization as the reason for their shift to cloud

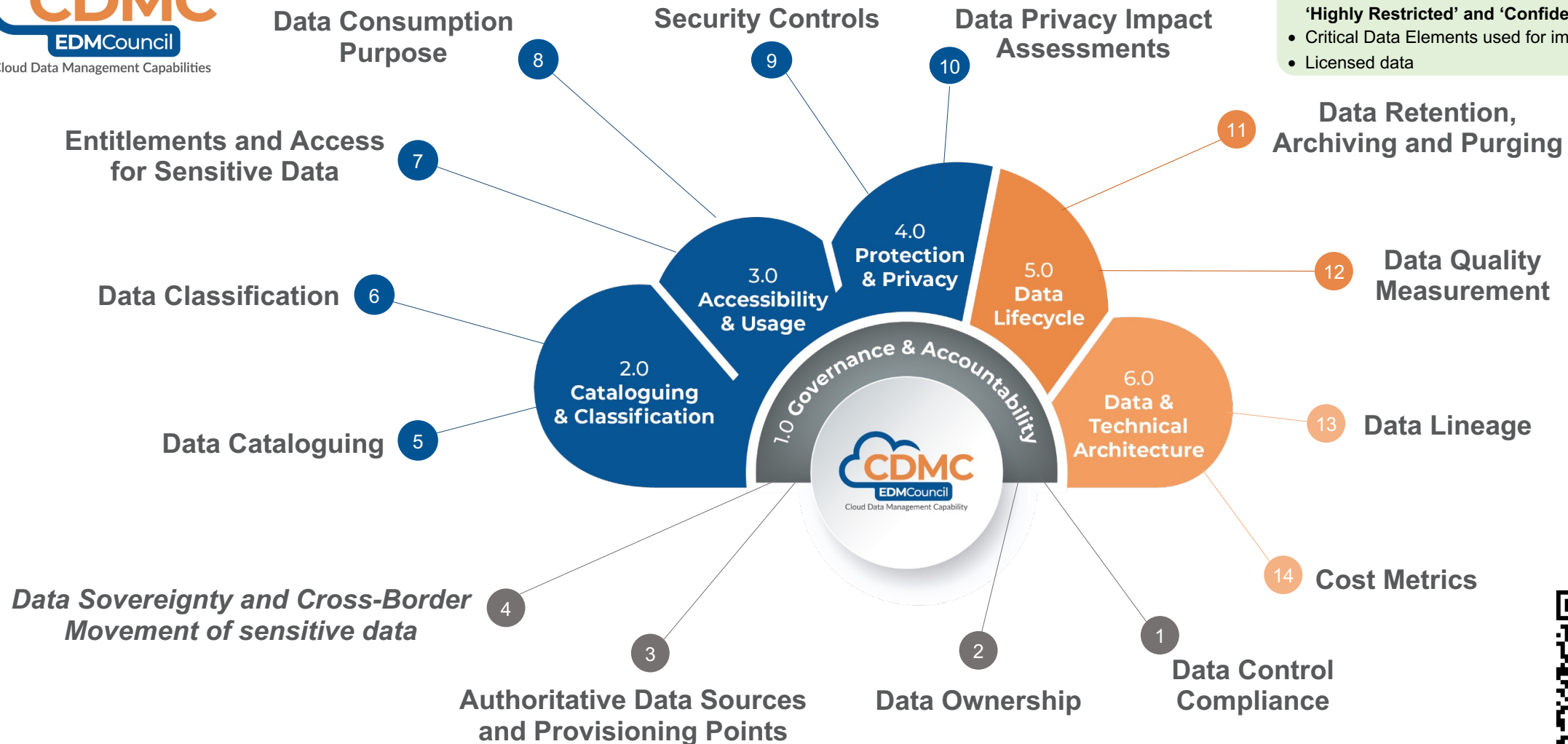**Deloitte.**

Approximately $100 bn

of wasted migration spend is expected over the next three years

McKinsey & Company

Cloud Data Management Capabilities (CDMC) – Industry Framework
Includes 14 Key Controls & Automations for Managing Data Risk

CDMC™
EDMCouncil
Cloud Data Management Capabilities

Sensitive _Data_ includes classifications such as:
- Personal Information **(PI)** / Sensitive Personal Data
- Personally Identifiable Information **(PII)**
- Personal Health Information **(PHI)**
- Company or Client Identifiable Information
- Material Non-Public Information **(MNPI)**
- Specific Information Sensitivity Classifications (such as **'Highly Restricted'** and **'Confidential'**)
- Critical Data Elements used for important business processes
- Licensed data

Data Consumption Purpose — 8

Security Controls — 9

Data Privacy Impact Assessments — 10

Entitlements and Access for Sensitive Data — 7

Data Retention, Archiving and Purging — 11

Data Classification — 6

Data Quality Measurement — 12

Data Cataloguing — 5

Data Lineage — 13

Cost Metrics — 14

Data Sovereignty and Cross-Border Movement of sensitive data — 4

Authoritative Data Sources and Provisioning Points — 3

Data Ownership — 2

Data Control Compliance — 1

1.0 Governance & Accountability
2.0 Cataloguing & Classification
3.0 Accessibility & Usage
4.0 Protection & Privacy
5.0 Data Lifecycle
6.0 Data & Technical Architecture

CDMC
EDMCouncil
Cloud Data Management Capability

Cloud Trends

Increased Investment in Cloud Resilience and Security

Hybrid and Multi-Cloud adoption

Cloud powered by both AI and ML

No-code and Low-code Cloud Services

IoT and Blockchain

Cloud Trends

Increased Investment in Cloud Resilience and Security	Hybrid and Multi-Cloud adoption	Cloud powered by both AI and ML
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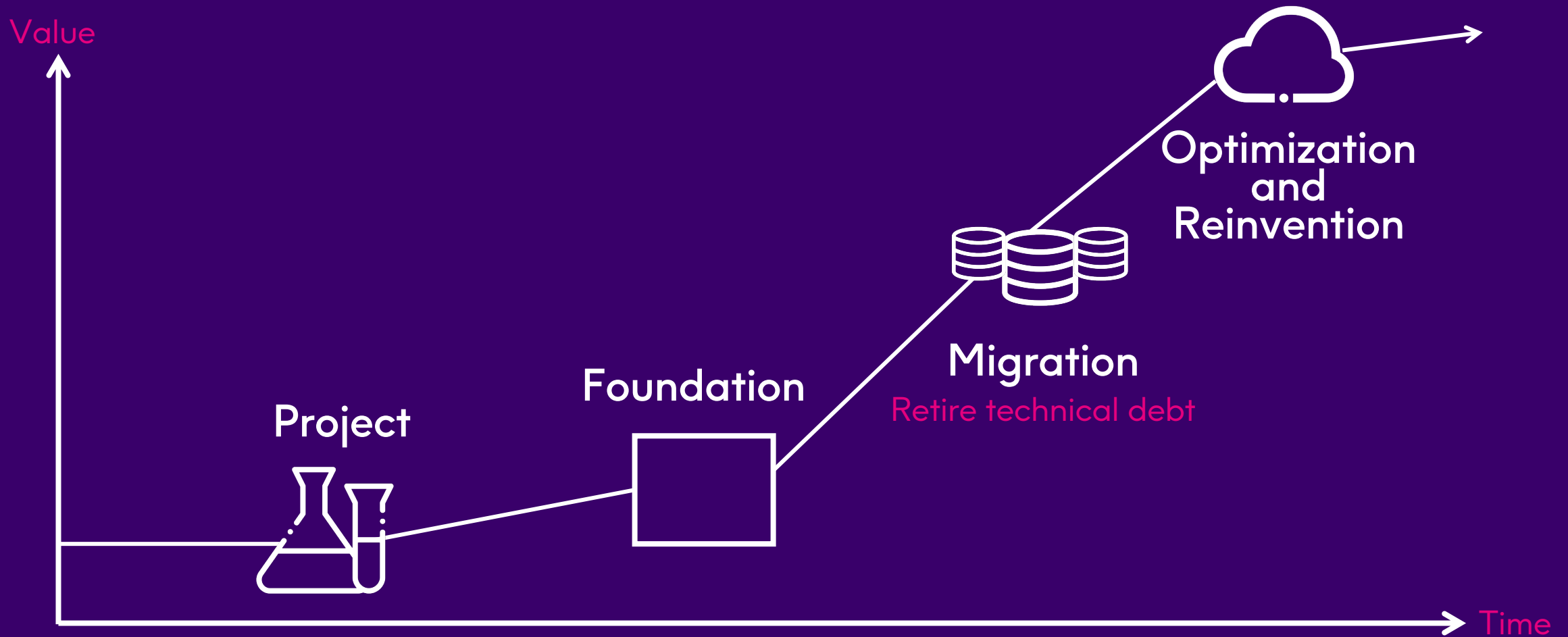Hybrid and Multi-Cloud adoption

Cloud powered by both AI and ML

No-code and Low-code Cloud Services

IoT and Blockchain

Digging deeper into the cloud

The 4 Stage of Cloud Adoption

Value

Optimization and Reinvention

Migration

Retire technical debt

Foundation

Project

Time

The 4 Stage of Cloud Adoption (cont.)

Project

- Cloud is used on a project-by-project basis
- Solves specific need(s) for the customer
- Limited cloud expertise inhouse
- Organization is proving to themselves that cloud is a is a viable option

Foundation

- Cloud usage extends to existing data centers
- Opens up many new projects
- Between 3-5 enterprise grade projects in the cloud
- Training and establishing a Cloud Center of Excellence
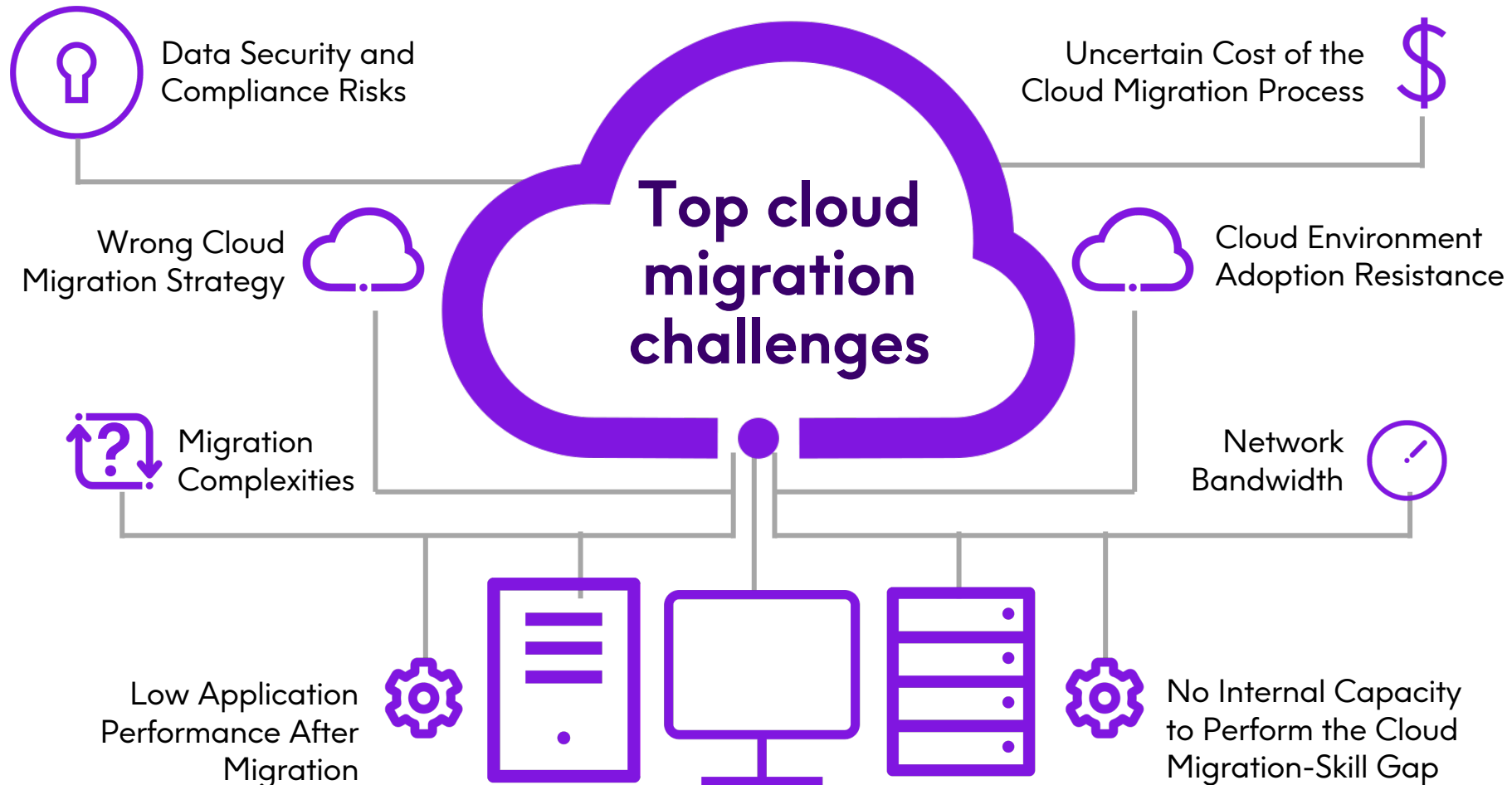- Establish scalable security and compliance models

Migration

- Preparing for long-tern cloud operations
- Cloud center of Excellence is established
- IT roles redefined
- Groups of production applications and/or data centers migrate

Optimization and Reinvention

- Cloud becomes default choice
- New business models explored
- Switch from "Why Cloud?" to "Why not Cloud?"
- More comfortable with cloud operations than on-premises

Top cloud migration challenges

Data Security and Compliance Risks

Uncertain Cost of the Cloud Migration Process

Wrong Cloud Migration Strategy

Top cloud migration challenges

Cloud Environment Adoption Resistance

Migration Complexities

Network Bandwidth

Low Application Performance After Migration

No Internal Capacity to Perform the Cloud Migration-Skill Gap

How does this impact organizations?

Inefficient migration comes at a heavy cost

75%
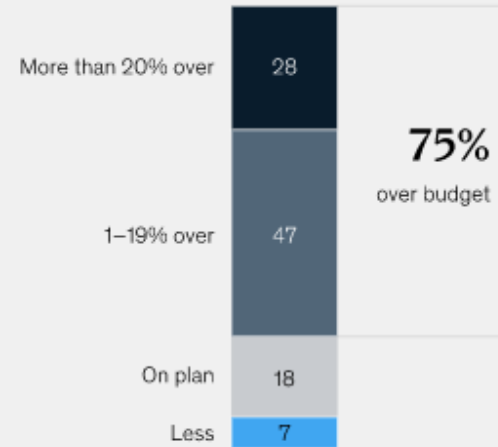of cloud migration projects are overbudget

38%
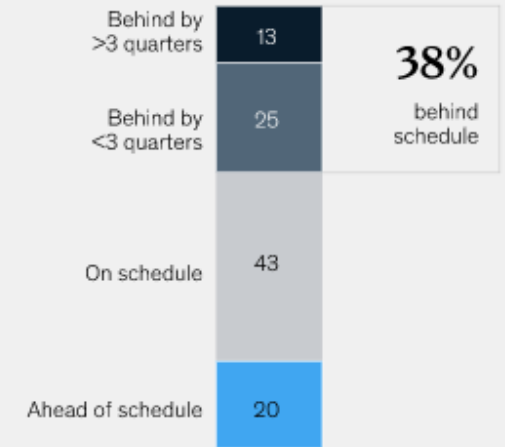of cloud migration projects run behind schedule

Cloud-migration cost overruns are mounting.

Budget for cloud migration vs actual spend on cloud migration, % of respondents (n = 443)
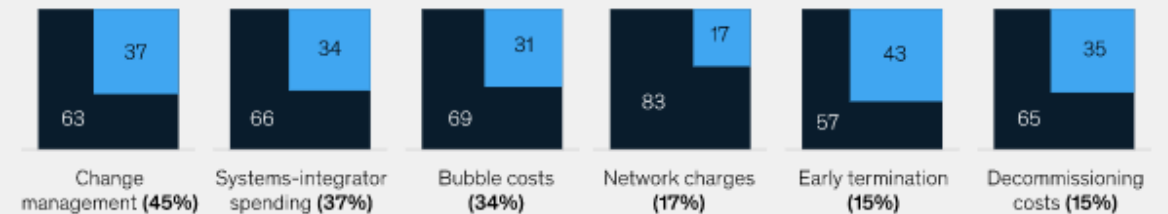
Planned cost per year,[1]

More than 20% over	28
1–19% over	47
On plan	18
Less	7

75% over budget

Planned timeline,[2]

Behind by >3 quarters	13
Behind by <3 quarters	25
On schedule	43
Ahead of schedule	20

38% behind schedule

Degree to which spend was over budget by area,[3] % share of respondents (n = 443)
(share of respondents who indicated over-budget spending)

■ 1–25% over ■ More than 26% over

| Change management (45%) | Systems-integrator spending (37%) | Bubble costs (34%) | Network charges (17%) | Early termination (15%) | Decommissioning costs (15%) |
| 63 / 37 | 66 / 34 | 69 / 31 | 83 / 17 | 57 / 43 | 65 / 35 |

[1]Question: Overall, how have your actual costs of cloud migration compared to planned budget?
[2]Question: How far ahead/behind are you compared to your planned cloud-migration timeline?
[3]Question: By how much were your actual costs over your planned budget?
Source: McKinsey ITaaS Survey, 2020–21

McKinsey & Company

Impacts of a Failed Migration

- British bank TSB **fined 48.7 million pounds** over botched IT migration

- IT upgrade "**immediately experienced technical failures** and locked millions of its customers out of their accounts"

- The regulators found that TSB **failed to organize and control the migration** adequately, and **failed to manage operational risks** from its IT outsourcing setup

"The failings in this case were widespread and serious which had a real impact on the day-to-day lives of a significant proportion of TSB's customers, including those who were vulnerable."

Mark Steward
Executive Director of enforcement and market oversight at the FCA
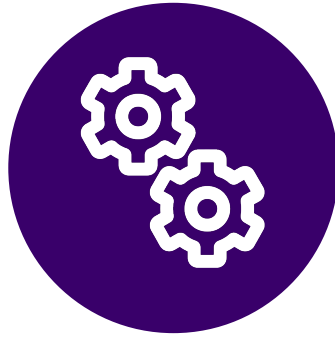
Modernization compliments migration

What does your organization plan to do with workloads it plans to migrate?

Retired and rebuilt in the cloud

Modernized during migration

"lift & shift" with plans to modernize later

"lift and shift" with no plans to modernize

75%
of cloud migration projects are overbudget

Benefits of cloud computing

Drive revenue growth

Future-proof business strategy

Reduce overall business costs

How can you avoid mistakes?

Polling Question 2

What is your biggest challenge in embracing a cloud-first approach? (Select 1 Answer)

- IT Security / Infosec Policies

- Lack of Cloud Skills / Personnel

- Difficulty of Migrating Existing Applications

- Cost / Pricing

- Latency

- Service / Solution Availability

Do's and Don'ts

- Employ a cloud strategy that works for your business (hybrid, multi-cloud, public cloud, private cloud)

- Work with a 3rd party to ensure a successful migration

- Track how members of your organization are using cloud

- Future-proof your architecture

- Evaluate and reevaluate vendor agreements
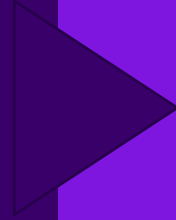
- Migrate every workload to the cloud

- Assume your costs and priorities on day one of will be the same as year one

- Avoid talking about costs when planning your architecture

- Forget to account for changing regulatory requirements and market conditions

- Treat every cloud workload the same

Questions?

precisely

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Precisely addresses customer modernization challenges

You've struggled with traditional solutions.

We have a new vision for modern integration.

| You've struggled with traditional solutions.	We have a new vision for modern integration.
Data access owned by IT	Collaboration between IT and business data users
Massive, loosely integrated solutions	Just the scalable, interoperable capabilities you need
Data must be brought to the solution	Workflows designed for the cloud that run alongside data
Slow, batch ETL processes	Streaming data pipelines to the cloud
Separate business and IT metadata	Scalable, shared catalog of business & technical metadata
Rules-based data management	AI-driven quality rules, alerts, and data enrichment

Data Integration benefits

1 Accelerate application modernization
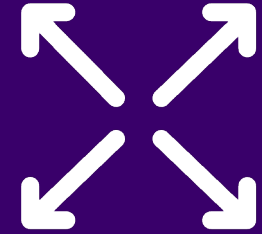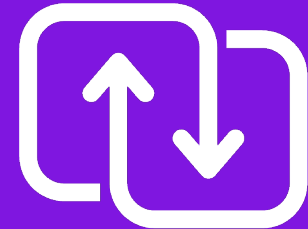
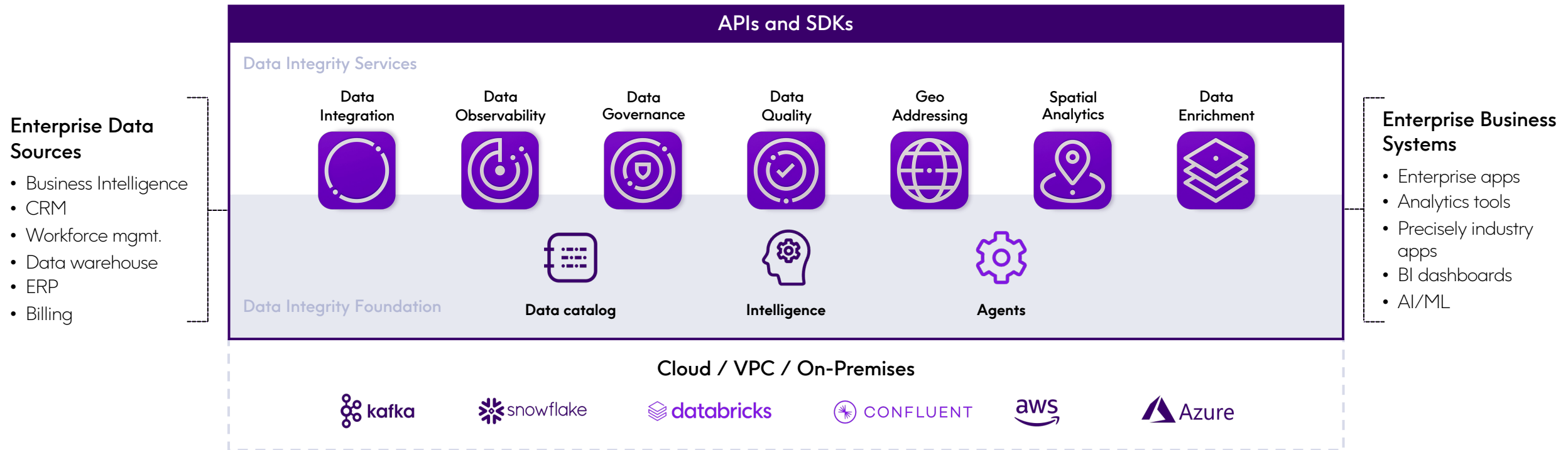**2** Extend the value of your mainframe data
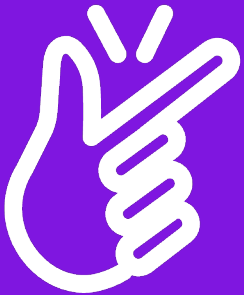
3 Democratize your data

4 Future-proof your architecture

5 Integrate complex data formats

Data Integrity Suite

APIs and SDKs

Data Integrity Services

Data Integration	Data Observability	Data Governance	Data Quality	Geo Addressing	Spatial Analytics	Data Enrichment

Data catalog   **Intelligence**   **Agents**

Data Integrity Foundation

Enterprise Data Sources

- Business Intelligence
- CRM
- Workforce mgmt.
- Data warehouse
- ERP
- Billing

Enterprise Business Systems

- Enterprise apps
- Analytics tools
- Precisely industry apps
- BI dashboards
- AI/ML

Cloud / VPC / On-Premises

kafka   snowflake   databricks   CONFLUENT   aws   Azure

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