kyndryl

Control cloud use and establish governance across your organization for savings and efficiency

Eliminate wasteful cloud use and spend to support new business outcomes

Contents

Maintain control during your digital transformation

Public cloud use has allowed business units to quickly provision resources and efficiently scale infrastructure to meet market needs, without the approval of corporate IT. Growth of these non-IT approved resources, known as shadow IT, can decrease security and rapidly increase cloud spend across hybrid multicloud estates. In previous years, business units relied on IT organizations to implement traditional infrastructure, so control happened organically. With increased rogue cloud use due to ease of access, the resulting loss of visibility across systems threatens the ability of enterprise IT leaders to maintain control.

Organizations must bring governance to cloud use across the enterprise. Cloud governance is a framework of policies and standards that allow you to gain visibility and control and help effectively manage cost, performance and risk across your multicloud environment. Understanding how costs are associated with different business units, projects and development environments enhances governance. By using the provided insights to consolidate cloud spend, the entire organization can lower costs. Those savings can be repurposed to fund additional cloud projects that can speed time to value or improve customer engagement.

Research methodology

A recently conducted IBM® Market Development & Insights (MD&I) survey pursued a deeper understanding of the challenges businesses face when managing environments in a hybrid multicloud world, as well as the potential benefits of using a cloud management platform. Of the 100 business and technology leaders surveyed, 40% are c-level, strategic vice presidents (SVPs) or vice presidents (VPs), and 60% are IT directors or managers or administrators. Their responses show that IT leaders are looking for ways to more effectively control and optimize cloud use and spend.

Challenges and benefits of cloud management tools across your organization

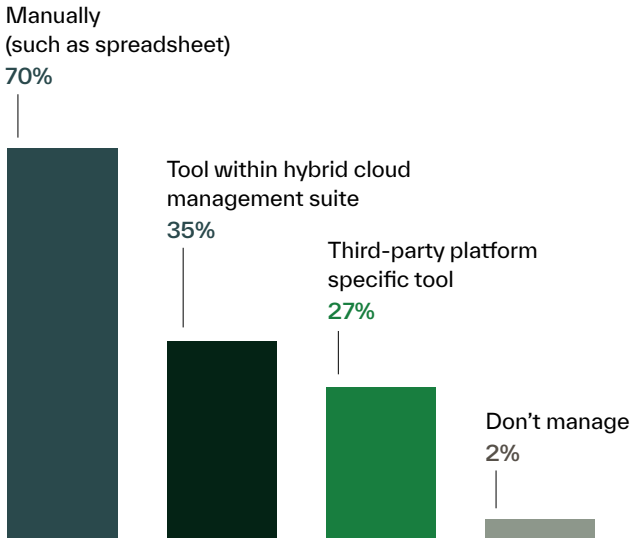
Multicloud adoption is critical if you want your organization to avoid vendor lock-in, maximize uptime and ensure workloads are deployed using the cloud vendor with the best price and performance. However, while IT leaders need to manage their traditional and cloud infrastructure during adoption, not all management tools are built to address the challenges caused by a multicloud environment.

Challenges

As IT teams create processes and tools to address the challenges of multicloud adoption, the costs and risks of ineffective workload provisioning can quickly increase and negatively impact operations. According to the MD&I survey, only 15% of surveyed IT leaders have a strong sense of confidence in the tools and processes their companies have in place to ensure cloud governance and compliance. Using the incorrect tools to manage cloud platforms across a hybrid multicloud environment can create the inability to control budget spend, cause a lack of comprehensive overview of cloud use and increase complexity.

Inability to control budget spend
Among MD&I survey respondents, 46% cite overseeing multiple IT tools, systems and processes and the resulting excessive costs of operations as a primary challenge. Only 5% of the leaders surveyed strongly agree that they're effectively able to monitor and manage their cloud spend. Most surveyed IT leaders track these costs manually; however, some enterprises use tools within a hybrid cloud management suite or a third-party platform-specific tool. Enterprise leaders who take these approaches can experience inconsistency across business units, an inability to control employee spend on shadow IT or ineffective virtual machine (VM) spend. These oversights can be expensive for organizations.

Figure 1: How companies manage cloud costs



Lack of comprehensive overview of cloud use
IT leaders often lack a single comprehensive overview of cloud use and budget spend across their multicloud estate. The survey results show that 38% of respondents cite their lack of real-time visibility into costs and asset utilization across clouds as a primary challenge. Additionally, 45% of those surveyed state fragmented visibility across cloud providers as a challenge.

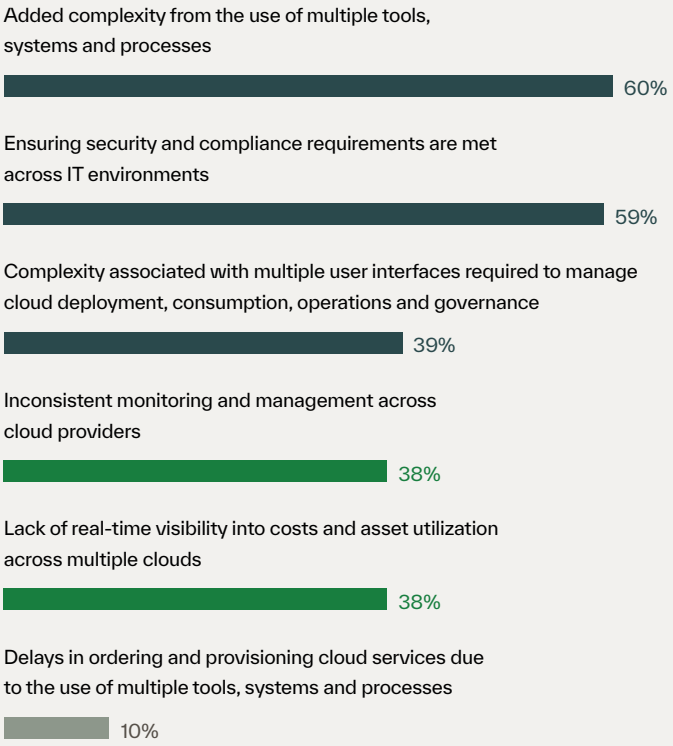
Tools IT leaders use to help understand their enterprise cloud use include hybrid cloud management suites, manual spreadsheets and third-party specific platforms. However, third-party platform providers aren't always transparent. Some organizations find that when they incorporate a multicloud management platform, they identify inactive VMs. Without an effective strategy, inefficient management of cloud use can limit your ability to meet your organization's cloud needs and budget.

Increased complexity
Two different causes of complexity compound governance inefficiencies in cloud use across your business units: the use of multiple cloud-provider interfaces and the use of multiple tools, systems and processes.

Of respondents, 39% cite the complexity associated with multiple cloud provider user interfaces required to manage cloud deployment, consumption, operations and governance as a primary challenge. This complexity can increase with each cloud provider added to your multicloud environment. In fact, 60% of respondents state that added complexity from the use of multiple tools, systems and processes is a primary challenge for their organizations.

An inability to simplify systems negatively impacts the ability of an organization to monitor security and compliance violations. Surveyed IT leaders state ensuring security and compliance is one of their top primary challenges of managing IT operations across an entire environment.

Figure 2: Primary challenges in managing across an entire IT environment



Benefits

A cloud management platform helps provide the tools enterprise leaders need to establish processes to optimize workload utilization and spend across traditional data center and cloud environments through governance. By providing visibility across systems, reducing time to value and increasing operational efficiency, a management platform can seamlessly accelerate the digital transformation of your organization.

Better visibility
According to the survey, 39% of IT leaders expect to gain visibility into cost and asset utilization across multiple environments by using cloud management platforms. By increasing visibility across systems, enterprises can increase control over provisioning of workloads and reduce shadow IT. Among respondents, 38% believe implementing a cloud management platform helps establish governance and control of cloud service consumption across multicloud environments.

Percentage of leaders expecting better visibility across cloud environments by using a cloud management platform

Reduced time to value
Among all survey respondents, 25% expect to benefit from using a cloud management platform through more effective cost management across hybrid multicloud estates. The visibility provided across systems from implementing a cloud management platform helps IT leaders get accurate representations of cloud use and teams monitor and optimize spend.

Percentage of leaders expecting to have more effective cost management across their estate by using a cloud management platform

Increased operational efficiency
Responses from IT leaders indicate that 15% expect to benefit from a cloud management platform through improved availability and resolution times by quickly identifying troubled devices. By decreasing the time between problem identification and problem resolution, your team can become more effective in day-to-day operations and increase performance consistency. Consistency across traditional data centers and multicloud environments is a benefit that 45% of surveyed respondents expect to gain from a cloud management platform.

Percentage of leaders expecting improved consistency across traditional data centers and multicloud environments by using a cloud management platform

Establish cloud governance within your enterprise to maximize management capabilities

Multicloud environments need to be resilient, scalable and transparent across vendors. Using a different management tool for each provider is inefficient, and the lack of control can frustrate IT teams. Many IT leaders seek to provide a unified experience, retake control of their infrastructure and optimize their multicloud environments by tracking budget compliance, technical accuracy, security of systems provisioned and cloud use.

Establishing cloud governance is an important part of regaining control. To help successfully eliminate wasteful cloud use and spend, enterprises should implement the following four recommendations:

Establish cloud management controls

Control your costs and start managing your consumption

Use a single cost management tool for a comprehensive visibility to asset use

Gather insights from your use to further optimize spend

Establish cloud management controls
Introduce a tool to centrally manage your costs and asset utilization. Tools that are part of native platforms—developed as purpose-built, provided by hybrid multicloud management suite tools or included as a part of managed public cloud service—are all different cost optimization resources available to enterprises. Seven out of ten surveyed IT leaders monitor their company cloud costs manually. This approach can help provide lower costs and increase functionality across platforms but consumes time and creates discrepancies between actual and reported consolidated spend. Organization leaders who use tools within their hybrid cloud management suite or a third-party platform are taking the appropriate steps to increase reporting accuracy, but still may have differences between reported and actual cloud spend.

Using cost controls, you and your team can increase visibility across traditional and cloud environments, a capability which 97% of respondents rank as important. Rather than using an inefficient combination of point solutions, an integrated end-to-end platform can provide visibility to public and private cloud use. Additionally, this platform can empower IT teams to analyze and act on business unit budgeted use compared to actual use.

Control your costs and start managing your consumption
Establishing and enforcing governance control points using financial, security and compliance policies ranks as an important capability in managing hybrid multicloud environments for 95% of respondents. By having a tool that helps show accurate cloud spend across providers, your team members can start making strategic decisions shaped by the insights provided by this solution. With the right tool, financial controllers and chief financial officers (CFOs) can sort and categorize assets across licenses and use filters and save settings to create custom tags. These tags provide detail to compare and address the use and spend of business units. This data can empower teams to place governance rules—such as spinning down any assets that are under 20% utilized—that have been developed through analysis.

Use a single cost-management tool for a comprehensive visibility to asset use
Consolidating IT management across systems allows your team members to regain control of multicloud operations through visibility into cloud use. According to the survey, 38% of enterprise leaders lack real-time visibility into costs and asset utilization across multiple clouds. A single interface can help provide insight into use trends, reveal inefficiencies and recommend policy-based governance strategies that help optimize your day-to-day cloud use. The solution and controls the tool provides can help efforts to eliminate shadow IT across your organization and reduce security risk.

Visibility across cloud helps increase governance and empowers team members to hold business units accountable for their cloud use in a new way. Only 6% of surveyed IT officials strongly agree that they're effectively managing their cloud use. Individual cloud providers lack the depth of insights organization leaders can gain from using a single multicloud management interface for monitoring overall IT health. With a consolidated tool, CIOs, CTOs and other IT executives can monitor asset use, identify potential opportunities to more effectively use the cloud, and see behavioral trends that may previously have been unknown.

A single interface can help provide insight into use trends, reveal inefficiencies and recommend policy-based governance strategies that help optimize your day-to-day cloud use.

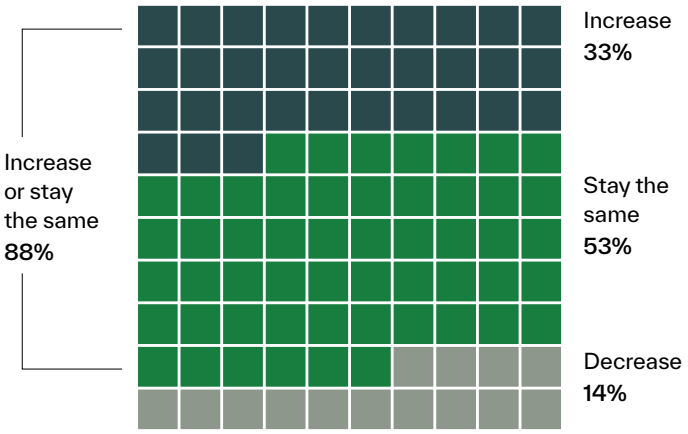
Gather insights from your use to further optimize spend
When team leaders have visibility across providers and begin managing consumption, they can strategically incorporate analytics and automated reports that help optimize cloud use and spend and create efficiencies. Of surveyed organizations, one in four expects their enterprises to benefit by increasing the cost effectiveness of managing across their hybrid multicloud. Strategic use of a cloud management platform can enable teams to make rule-based policies—such as notifications related to asset use per month—and act on the insights provided. This data is especially impactful for large enterprises that are unable to manually search through data for patterns and provide strategic recommendations.

25%
Expect to improve cost effectiveness of management across the multicloud environment

Eliminate waste and regain control through increased governance

For enterprises undergoing digital transformation, proactively managing and establishing governance across multiple public cloud providers is important. The MD&I survey indicated that 88% of enterprises plan to increase or maintain their number of cloud providers in the next two years. IT leaders crave the freedom to choose among cloud vendors based on their unique organizational needs. This process requires a hybrid multicloud estate that consists of traditional and cloud-based infrastructure that includes various providers. Eliminating wasteful cloud use and exploding cloud spend across cloud platforms is critical for organizations to continue to be successful.

Figure 3: Change in number of cloud providers used in next two years



Why Kyndryl?

Accelerating digital transformation with cloud is a key area enterprises focus on for innovation. Most organizations view their future cloud environments as both hybrid and multicloud. In a hybrid approach, you run applications across private, dedicated and public cloud infrastructures. In a multicloud approach, you use multiple cloud providers to support a breadth of enterprise workloads. The Kyndryl point of view on managing hybrid multicloud IT environments is based on a strategy that offers choice with consistency using Kubernetes and container-based technology. You can prevent vendor lock-in through the support of a standard, container-based approach to application portability with Red Hat solutions. You also can access a self-service platform with consoles focused on the necessary areas around consumption, DevOps, operations and governance. This strategy can enable a multicloud model through the support of essentially any hosted Kubernetes-based environment on virtually any public cloud footprint. With its services and solutions, Kyndryl can accelerate your digital transformations wherever they are in their journey and deliver business value through cloud transformation, minimizing risk and using existing investments.

Kyndryl's integrated multicloud management platform helps you manage workloads across multiple clouds and current data centers, and can provide you with:

- A digital, self-service user experience to consume, deploy, operate and govern across clouds and data centers
- Agility and speed through modern technology, automation and self-service
- Reduced risk through integrated governance and management
- Lower costs by leveraging cloud and automation
- Visibility and control of costs and asset utilization across the full estate, from the traditional Information Technology Infrastructure Library (ITIL) to the site reliability engineer and DevOps-driven, cloud-native approaches

The way to help organizations manage multicloud environments is to provide management capabilities that offer visibility, governance and automation across the hybrid multicloud environment. These capabilities include multicluster management, event management, application management and infrastructure management, plus integration with existing tools and processes.

For more information

Kyndryl has deep expertise in designing, running and managing the most modern, efficient and reliable technology infrastructure that the world depends on every day. We are deeply committed to advancing the critical infrastructure that powers human progress. We're building on our foundation of excellence by creating systems in new ways: bringing in the right partners, investing in our business, and working side-by-side with our customers to unlock potential.

To learn more about how Kyndryl Multicloud Management Platform can simplify and optimize your hybrid IT environment, contact your Kyndryl representative or visit us at kyndryl.com

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Produced in the United States of America

July 2021