

# BEHIND EVERY CLOUD TRANSFORMATION, THERE'S WELL-FUNCTIONING IT

## 2017 INFORMATION TECHNOLOGY PERFORMANCE EXCELLENCE SURVEY

By Joe McKendrick, Research Analyst  
Produced by Unisphere Research,  
a Division of Information Today, Inc.  
December 2017

For:

International Oracle Users Group (IOUG)  
Oracle Application User Group (OAUG)  
Quest International Users Group

Sponsored by

**ORACLE**<sup>®</sup>

For

**IOUG**  
independent oracle users group

**OAUG**  
oracle applications users group

**Quest**  
International Users Group

*For the Complete Technology & Database Professional*

Produced by

 **UNISPHERE**  
RESEARCH

---

## TABLE OF CONTENTS

<i>Executive Summary</i> .....	<b>3</b>
<i>Systems of Record, Systems of Innovation</i> .....	<b>5</b>
<i>Enterprise Application Growth: Cloud Adoption Plans</i> .....	<b>8</b>
<i>Performance Issues</i> .....	<b>12</b>
<i>Cloud Rises</i> .....	<b>19</b>
<i>Conclusion</i> .....	<b>24</b>
<i>Next Generation Technologies Address These Challenges</i> .....	<b>27</b>

## EXECUTIVE SUMMARY

While many end users perceive the “cloud” as an amorphous, unseen network that provides services and applications anywhere and anytime they are needed with no work from consumers, this is far from the case. Behind every instance of cloud transformation, there are consumer-side information technology systems, applications, networks, and, yes, even hardware that provide the processing power, security, and storage that helps clouds function and integrate with enterprise business processes. Various cloud adoption models—Software as a Service (SaaS), Platform as a Service (PaaS), and Infrastructure as a Service (IaaS)—carry different balances of provider versus consumer responsibility, but even in a SaaS model, there is meaningful work to be done by the consumer. In addition, while cloud computing helps organizations move light years ahead into the digital realm, many enterprises still need to commit much of their IT resources to existing on-premises “systems of record.” This balancing act between managing cloud and on-premises environments is often a hit-or-miss proposition.

The need to get the balance right is a key takeaway from a survey of 474 executives and professionals, including respondents from the Independent Oracle Users Group (IOUG), Oracle Applications User Group (OAUG), and Quest International Users Group (Quest). The survey, conducted by Unisphere Research, a division of Information Today, Inc., covered trends and attitudes pertaining to the operations of on-premises and cloud-based systems and applications.

The survey was conducted among the entire IOUG, OAUG, and Quest member databases via emailing that directed respondents to an online survey instrument. The largest contingent of respondents, 54%, are members of the OAUG, followed by 37% from Quest. Another 8% are members of the IOUG (See Figure 1.)

The purpose of this report is to assess the delivery of IT performance excellence across a range of enterprises, and how this is translating into business profitability and growth. Periodically in this report, comparisons are cited between managers and staff professionals. While their views align on most areas of IT performance excellence, there are differences when it comes to cloud computing.

The following are the key findings revealed by the survey:

- Most IT-related time and money today goes to supporting existing on-premises infrastructure or legacy systems. Six in 10 respondents say the amount of resources going into legacy maintenance is hurting their organizations’ competitiveness.
- While a majority of respondents see cloud as their future, it’s going to take some time until cloud is supporting a large portion of IT infrastructure and assets. Manageability and control are top concerns.
- Among those who run on the cloud and are aware of the impact, 24% indicate it has improved manageability, while 22% say it has made things harder. It should be noted that companies that adopt PaaS or IaaS, are responsible for the performance and availability of their applications, whereas cloud providers are typically only responsible for the underlying technologies.
- The most common way IT and application teams are alerted to performance issues with their systems is when end users call or email in. Issues are more pronounced for internal than external users, suggesting the higher priority enterprises place on performance of customer-facing systems. Internal users encountered glitches weekly at half of the organizations in the survey. For organizations dealing with a combination of limited visibility and ongoing issues, migration to the cloud can actually exacerbate these trends, which makes it even more important to baseline performance before, during and after migrations to reduce risk.
- Given the lack of monitoring sophistication for on-premises, it’s not surprising that there is some confusion as to whether the cloud actually helps boost the performance of corporate systems and applications. There is a strong indication that this confusion isn’t fact-based and would be cleared up by a better understanding of the current state of IT and the ability to compare the current state with a desired state (such as in a cloud environment).