

Your Cloud Resources and Accelerating Business Transformation

A guide to create an effective cloud operating model.



Table of Contents

Foreword	03
Big Commitment to the Cloud + No Planning around Charges × Latency Issues = Chaos	04
What Is a “Cloud Operating Model”?	05
Why a Cloud Operating Model Is Essential	06
Defining the Cloud Operating Model	07
How to Think about Your Cloud Operating Model: Objectives First	08
What Stands in the Way of Your Successful Cloud Operating Model?	09
A Cloud Operating Model Success Story	10
Operate Like You’re in the Cloud Whether You’re in It or Not	11



We're **in** the cloud. We're **all in** on the cloud. We're **moving** to the cloud.

**Where are you exactly if you're "in the cloud"?
Is the cloud your destination? Or is it a dead end?**

Neither. The cloud isn't a place, or a device, or a service. It's also not a destination or a "digital heaven" where all of your business problems are solved. While public cloud resources do offer cost and flexibility benefits, it's not a panacea.

The problem is, organizations still confuse "the cloud" with a "cloud operating model." Then, they find that outdated habits of cloud management—siloed teams, slow change management, default redundancies, and reactive, patchwork system growth—are big liabilities. The cloud operating model is the key, extending beyond the cloud itself to bring about lasting, meaningful transformation.

At Pure Storage, my team works with organizations on this journey every single day. We created this guide to help you design a cloud operating model framework based on outcomes and underpin it with the technology that will make it all possible. Your cloud reset begins now.

Abraham Barnes

Senior Director, Subscription Portfolio
Pure Storage, Inc.





Big Commitment to the Cloud + No Planning around Charges × Latency Issues = Chaos

Making the cloud do the work of transformation is a **game of demand and supply**, but there's a big problem at hand: **Demand can be incredibly unpredictable.**

As the customer, it's up to you to manage your own demand—whether you buy technology yourself or consume it from a provider, on premises or in the public cloud. The supplier only has to manage the capacity to fulfill it, leaving you to manage the gap between the two and the chaos that comes with it.

This “innovation gap,” explains [Deloitte](#), plays a critical role in a bigger problem: the mismatch between cloud resources and business strategy. A survey by the company found a 14.5% gap between organizations' business priorities and how well they're succeeding in these areas, such as increasing efficiency and agility, developing new ideas and approaches, and reducing or optimizing costs.¹

The inability to manage resources is compounded by latency problems and integration issues, which cause costs to keep going up and up.

The Result

A new exposure in a financial commitment to a cloud provider. As usage spikes out of control, organizations that didn't address their service risks create an even shakier operating model. And objectives still aren't getting met.

Clearly, we need a better model.



What Is a “Cloud Operating Model”?

First, let's define an *operating model*: a combination of people, processes, and technology that form a fundamental design for how an organization operates.

The **cloud** is a technology that allows organizations to connect to services and storage in remote data centers either managed by themselves (private cloud), third parties (public cloud), or a mix of both (hybrid).

But the cloud is less important than what you do with it via your operating model. A **cloud operating model** is a framework for using the cloud to execute on your business goals and support your people, process, and technology in an adaptive, flexible way.

It's an evolution from traditional methods of supply and demand, which have proven too unreliable in the face of unpredictable demand signals. It acknowledges demand is hard to predict and supply doesn't have to be fixed.

The Outcome

You can deliver on business objectives by responding to demand **quickly and in a non-disruptive, cost-efficient way.**

Supply and Demand Model

Responding to Poor Demand Signals with Fixed Supply

Unpredictable Demand + Fixed Supply
=
Wasted Resources/Too Few Resources

Cloud Operating Model

Respond to Changing Demand with Flexible Supply

Unpredictable Demand + Service-based Supply
=
**Get what you need, when you need it,
and pay for only what you use**



Why a **Cloud Operating Model** Is Essential

To avoid the chaos (not to mention the enormous bills), businesses need visibility and control of their data estate, enabling real-time decision-making as well as automated policy-driven decisions about workload placement and management. A cloud operating model makes this possible.

Say a CIO wants developers to become more efficient and deliver code more quickly. Instead of paying for virtualization technology, the CIO decides to go with the cloud. The time needed to deliver a code change is reduced, which is certainly

impactful. Now imagine the organization making this transformation for developers is a Fortune 500. If the enterprise spends a few billion on developers and has a massive IT budget, improving developer efficiency by even just 2% is amazing.

With a cloud operating model, an application team clicks a button in an internal portal to provision a new development environment within minutes, accelerating their time to value:

BUSINESS PROCESS	PROVISIONING TECHNOLOGY	DEMAND AND SUPPLY DISCUSSIONS	HOW PEOPLE THINK ABOUT THE TECHNOLOGY ESTATE	MANAGING FINANCES
Old Way	Traditional purchasing	Multi-year forecasts	Fixed assets with finite capacity and value	Large up-front investments based on long-term forecasts
Cloud Operating Model	As a service	Quarter-by-quarter trending and predictive analysis	Flexible pools of resources	Preserve cash, protect ability to change strategy, and adapt how budgets are managed

This is far more effective business math than "better demand management."

It draws a line from desired business outcomes to cloud resources, delivering value further down the stack. It's cloud service management that's at the DNA level of your business.



Defining the Cloud Operating Model

The most effective cloud operating model and its systems should address three key areas: **your organization's cloud experience, economics, and operations.**

The best-case scenario for a successful model should include:

1 Cloud Experience

- **Consuming services** that deliver capabilities needed, with very short provisioning times
- **Limitless access** to capabilities that utilize multiple technologies
- Cloud services **linked directly to business models**
- **Adaptability in changing markets** for quicker time to market

2 Cloud Economics

- Optimizing cost with **flexible payment models**
- Payments based on **resources used vs. resources deployed**
- Commercial and operational **risk offloaded to providers**
- SLA-driven assurances of **scalability, reliability and performance**

3 Cloud Operations

- **API-driven automation** with self-service interaction
- **Data mobility, visibility, and control** of the storage estate
- **Policy-driven decisions** about workload placement and estate management
- **Ability to flex consumption up and down** when needed

The Subscription Revolution

As-a-service capabilities have transformed our lives. In the enterprise, applying the simplicity and flexibility of aaS to fundamental areas of the business previously roped off by legacy complexity and cost, like data infrastructure, **will be key to maximizing the benefits of the cloud operating model.**



How to Think about Your Cloud Operating Model: Objectives First

So you're sold on the "why." But what about the "how"?

Your cloud operating model should be defined by your business objectives—not your preferred technologies or legacy processes. What processes are needed to meet an objective? Which technologies underpin those processes? What people do you need to operate them?

To gauge your ability to match cloud consumption to your business objectives, start by asking:

- Do you have limitless access to the technology resources that you need?
- Do you pay for what you consume in a reasonable way—and nothing more?
- Can you adapt your strategy and have your services consumed adapt with you?
- Can your internal customers access the resources they need in a self-service experience?
- Can you provision, change, and dispose of technology resources without penalty or delay?
- Can you move data and applications seamlessly between locations?

If Any Answers Are "No"

You have work to do in terms of adapting your operating model.

If You Answered "Yes"

Congratulations: You're operating in the cloud. But, it's just the start of the journey.



What Stands in the Way of Your Successful **Cloud Operating Model**?

Deloitte's Future of Cloud Survey noted that innovative leaders spend only slightly more than their peers on cloud as a percentage of revenues. **The message is this: It's not how much money you throw at the cloud, it's what you do with the investment that matters.**

2024 Cloud Complexities and Challenges

If an organization focuses on the cloud only to the extent that traditional business models and processes are left untouched, incompatibilities will mushroom. We surveyed 550 IT decision makers to learn more about how legacy thought processes and legacy technologies hold them back:

41%

MANAGING COSTS

40%

NO CLEAR VISION FOR CLOUD STRATEGY

35%

ESTABLISHING THE RIGHT LEVEL OF GOVERNANCE

41%

DATA GRAVITY/LACK OF MOBILITY BETWEEN CLOUDS

40%

LACK OF STANDARDIZATION BETWEEN ENVIRONMENTS

40%

CONFIGURATION, LACK OF TECHNICAL CONTROL

35%

LOSS OF VISIBILITY/CONTROL OVER DATA

33%

SILOS OR DIFFICULTY WORKING ACROSS ENVIRONMENTS

A cloud operating model addresses each of these challenges by design, but there's a critical upgrade enterprises will want to make first: establishing an underlying data platform that's in lockstep with this newfound flexibility and simplicity. This will allow you to run your cloud operating model—not the other way around—and easily move data to where it needs to be, flex up consumption of storage when it's needed most, and flex down when it's not needed.

Here's where Pure Storage delivers what no other storage provider can.



Global Investment Bank Transforms With Cloud Operating Model, Starting With Storage

The Problem

A global bank with technology spread across vendors that was managed, maintained, and operated in-house faced large up-front investments, a lack of agility in meeting internal customer demands, and an inability to change strategic direction without new investment. Rigid on-premise technology attracted technical debt as soon as it was deployed, and couldn't adapt to changing demand, developments, and usage patterns.

The Solution

The traditional supply and demand model was the real root of the problem, not the technology. A cloud operating model (COM) helped transform its service catalog, lowering costs and improving service.

Because data storage underpins all internal technology services, existing storage was replaced with Pure Storage Evergreen//One™. Storage as a service addresses unpredictability of data growth, speed and access to the data, and an ever-evolving landscape of applications. The success triggered a company-wide transformation to replace supply and demand with a cloud operating model, removing the need for accurate demand forecasts on a frequent basis.

The Benefits Provision When and Where It's Needed

Operational Benefit

- Automation capabilities run application support, development, and release cycles on a self-service basis.
- A flexible way to consume services, the ability to change requirements frequently, and assured security, stability, and performance.

Architectural Benefit

- A cloud-like ability to flex and adapt on-premise infrastructure.
- Built-in public cloud functionality for block storage services, allowing migration of workloads into the public cloud without financial penalties or operational delays.

Commercial Benefits

- Direct line of sight to level of usage to help influence future costs.
- Pay only for what is used, when it's used.



Operate Like You're in the Cloud Whether You're in It or Not

So...are you in the cloud? All in the cloud?

Or having cold feet in the cloud? It doesn't matter—because you can operate like the cloud even when you're not in the cloud. The Pure Storage data platform and operating system is as seamless, software-driven, and service-oriented as the cloud.

That means no more forcing the old with the new. With Pure Storage as your infrastructure operating system, you'll remove roadblocks. The platform eradicates change management risk, is software-defined and application-aware, and can be consumed as a service. **The magic is in the Purity operating environment, which delivers simplicity with a single, unified storage management environment that addresses every data requirement.**

Contact Pure Storage to get started today.

Move away from **cloud confusion, disrupt your competition, and impact the environment for everyone, everywhere.**

[Explore the Pure Storage Platform](#)

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