

The State of IT Modernization 2020

Businesses need to embrace innovation in order to drive new value, discover new insights, and realize tangible outcomes. This requires transforming operations to deliver enhanced client experience and better manage risks and costs.

How are IT leaders prioritizing such activities? What changes are they making? What strategies are they employing? We asked hundreds of CIOs, CISOs, CTOs, data and digital directors in an Insight-commissioned IDG survey. **This is what they told us.**

IT modernization is critical.

Businesses need to modernize IT platforms (on-prem, edge, cloud, etc.), applications, governance, skills, and processes to achieve desired business outcomes. This demands crossing uncharted waters and managing complexity amidst much change.



Two out of three IT decision makers say IT modernization is essential to business transformation.

How far we've come



are in the early stages of IT modernization.

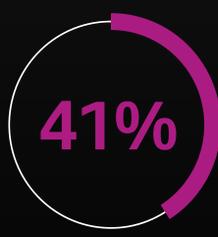


have achieved their initial IT modernization objectives.



have made significant progress.

Challenges afoot



of organizations abandoned or delayed IT modernization initiatives in 2019.

Why?

- 1 Competing priorities (46%)
- 2 Lack of clear roadmap or strategy (45%)
- 3 Data privacy/security concerns (39%)

Cloud is complicated.

The cloud offers countless benefits. Transformation strategies include hybrid and multicloud (more than one public cloud). But many also realize how difficult it is to assess workloads and choose best-fit platforms.



of organizations that have completed their initial IT modernization initiatives have switched from an all-private or all-public cloud strategy to a hybrid cloud approach.

Challenges with optimizing the cloud:

- Public cloud security
- Governance and compliance
- Managing multicloud
- Aligning workloads and platforms

84% of organizations repatriated select workloads from public cloud.

Top 5 types of workloads migrated back on-premises:

- 1 Database
- 2 Website / Web app
- 3 Dev / Test
- 4 BI / Analytics
- 5 DevOps



Nearly 7 in 10

organizations have experienced higher-than-expected cloud costs, demonstrating **the importance of effective cloud planning and management.**

Some reasons for unexpected cloud costs:

- Data egress charges
- Organic or unplanned adoption
- Unintended over-subscription
- Unanticipated demand
- Workloads not optimized for cloud

84% of companies are outsourcing cloud management.



Management has to evolve.

A new operational model calls for a new management model — one that continues to drive efficiencies, control costs, and modernize processes for all centers of data.

The IT operating environment needs to be modernized and optimized, but there are obstacles:



Outdated security infrastructure and processes (57%)



Unvalidated platform/workload placement (53%)



The need for change management to address skills, organizational structure, governance, etc. (48%)



of IT leaders cite a lack of governance as a major hurdle to IT process modernization.



of organizations are in "post IT modernization mode" in one or more areas and are assessing how to optimize and automate their new environment.

A common solution is outsourcing.

An average of 95% of organizations (across all stages of IT modernization) leverage a managed services provider for one or more IT functions.

Prioritizing innovation

IT leaders are embracing emerging technologies and approaches to address business challenges and spearhead innovation.

- 43%** of organizations are in the early stages of **developing a strategy for AI, machine and/or deep learning.**
- 35%** of firms in the beginning stages of IT modernization have **deployed public cloud container services.**
- 91%** of companies have increased or begun increasing their **use of automation to support their cloud strategy.**
- Building a **Continuous Integration and Continuous Delivery (CI/CD) framework** is a top priority.

Yet, finding key talent can be difficult.

38% cite lack of skills/expertise as a reason for delaying or abandoning IT modernization initiatives.

Opportunity abounds

IT leaders are in a strategic position to make impactful change and support business transformation. Take advantage of this opportunity, with an expert partner at your side.

From networking and security, to data protection and governance, to platform modernization and migration — we're here to help you tackle your biggest challenges and most ambitious modernization initiatives.

[Contact us](#)