

Cloud ROI Survey Results Comparison 2011 & 2012

Executive Summary

Throughout 2012, Cloud Computing has continued to become commonplace within enterprises worldwide. In order to better understand Cloud adoption and the drivers behind Cloud implementation, The Open Group surveyed IT professionals for the second straight year regarding Cloud initiatives, concerns and ROI measurement mechanisms. The findings of both surveys are compared in this report.

For the Cloud ROI Survey, The Open Group surveyed IT professionals at the C-level, Director and Manager levels - 91.2 percent of whom are either actively researching Cloud Computing for business use or are already implementing Cloud services. According to those surveyed, the key drivers within organizations for implementing Cloud services are cost, timeliness and resource optimization. Other key findings included:

- Private and hybrid clouds remain the most popular deployment options by over 20 percent in 2011 and over 30 percent in 2012
- Fewer organizations have ROI mechanisms in place in 2012 compared to 2011 – 19.5 percent versus 35.4 percent
- Cost, delivered results and speed of operations continue to be the most popular ROI metrics
- The biggest concerns with Cloud continue to be security, integration issues and governance
- A large percentage of respondents in both 2011 and 2012 are creating new information security controls to address security and privacy concerns surrounding the Cloud
- There has been a drop in the level of satisfaction with cloud deployment education (36.6 percent in 2012 v. 51.6 percent in 2011)

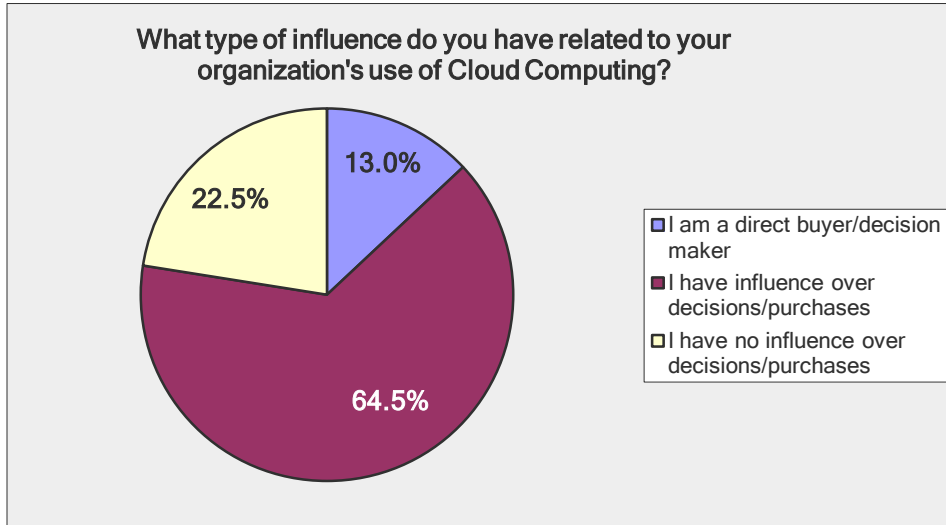
The full results from both 2011 and 2012 are provided below. For more context of the study, please read the blog post on the survey entitled “Flying in the Cloud by the Seat of our Pants” by Dr. Chris Harding, Director of Interoperability at The Open Group. [[The Open Group Blog](#)]

For more information, on The Open Group’s Cloud Computing Work Group, please go to: <http://www.opengroup.org/getinvolved/workgroups/cloudcomputing>

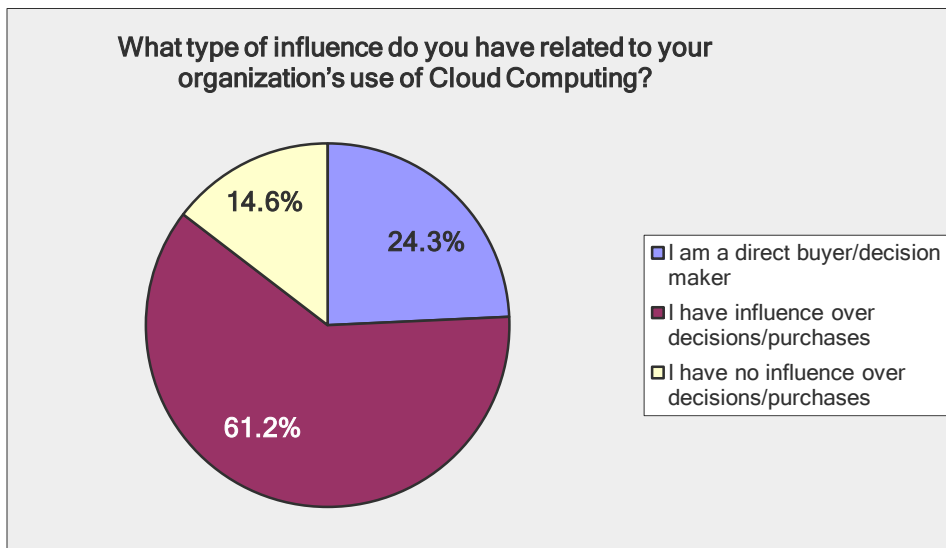
2012 Cloud Survey Results and Comparison

1. What type of influence do you have related to your organization's use of Cloud Computing?

2011



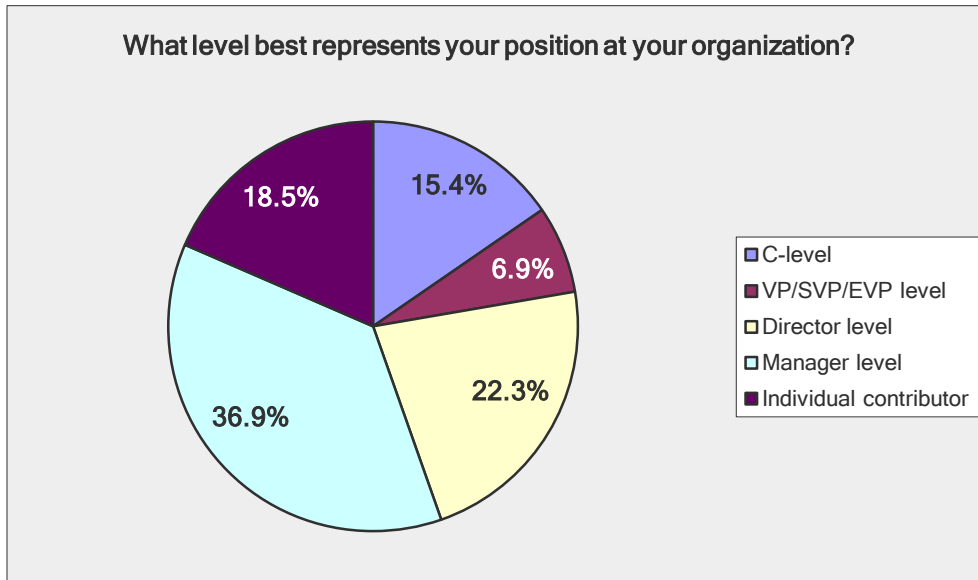
2012



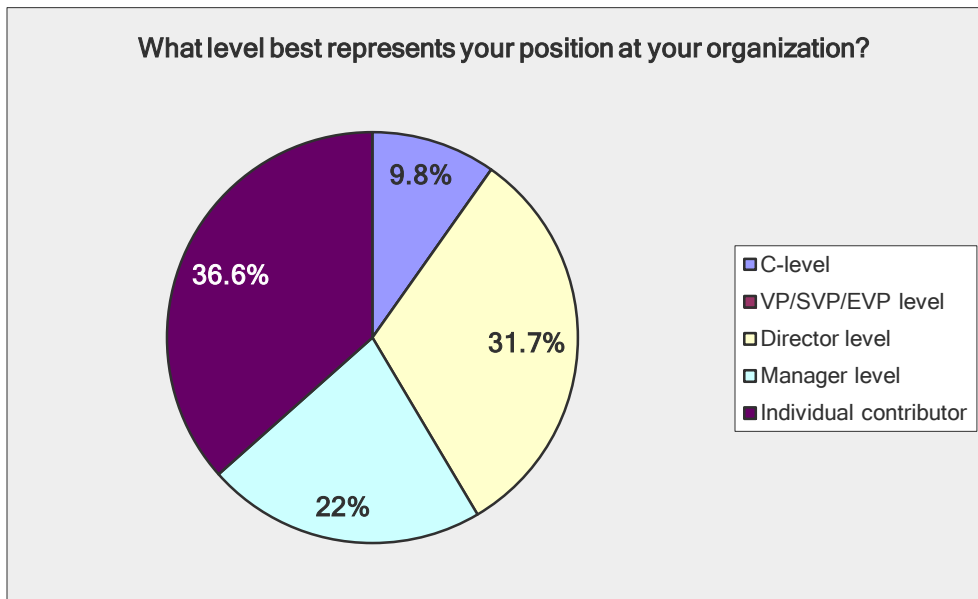
Results of the past two annual surveys showed that the majority of respondents have influence over decisions and purchases related to their organization's use of Cloud Computing. In 2012, 85.5 percent of respondents were either the direct purchasers and decision makers for their organizations Cloud initiatives or have direct influence over purchases and decisions, compared to 77.5 percent in 2011.

2. What level best represents your position at your organization?

2011



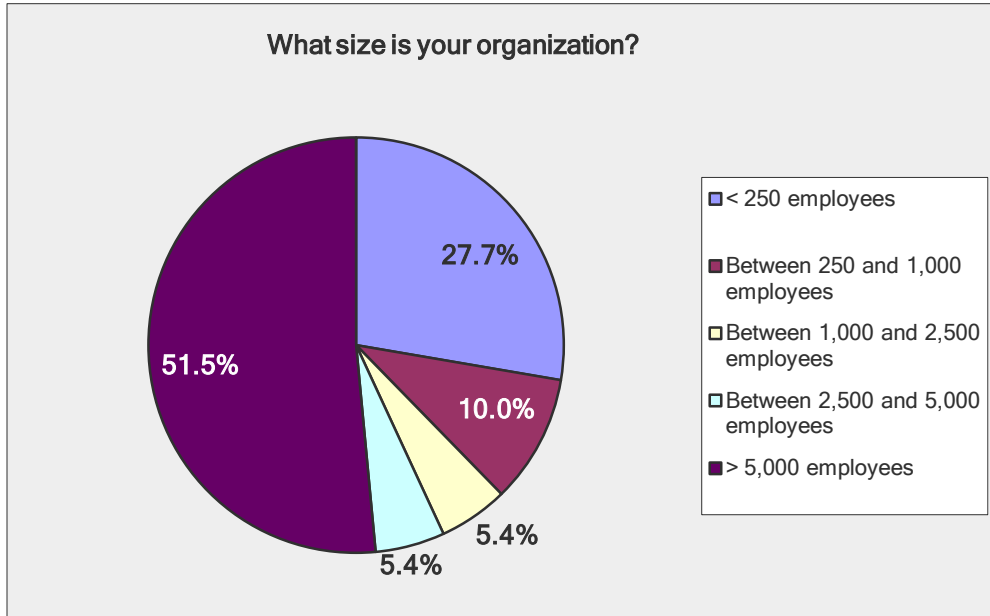
2012



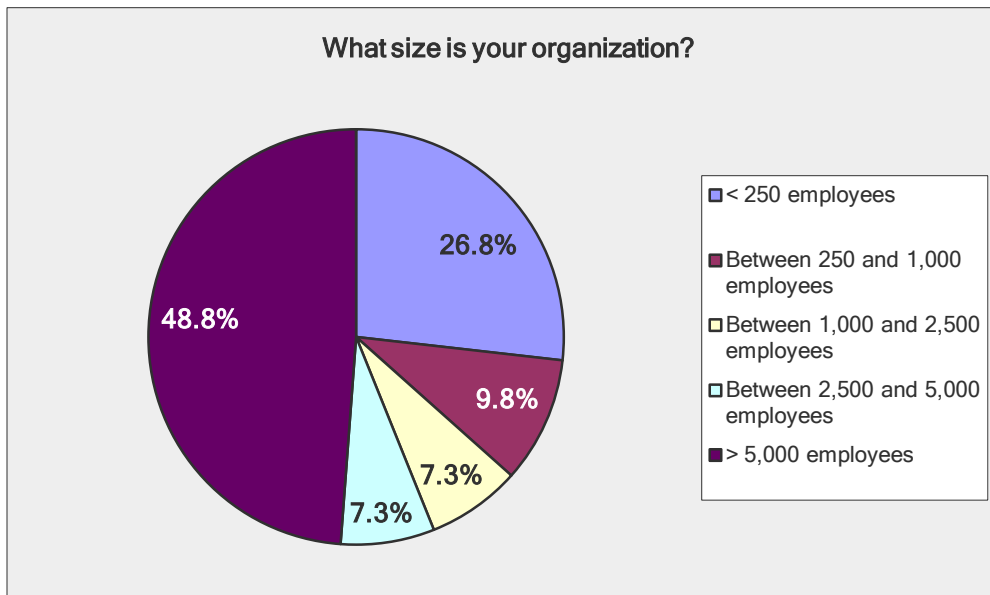
There was a significant shift in the organizational level and title of survey respondents from the 2011 to 2012 survey. Although, most respondents were managers or directors in both years, almost 50 percent of the respondents in 2012 were VP or C-level, compared to only 22.3 percent in 2011.

3. What size is your organization?

2011



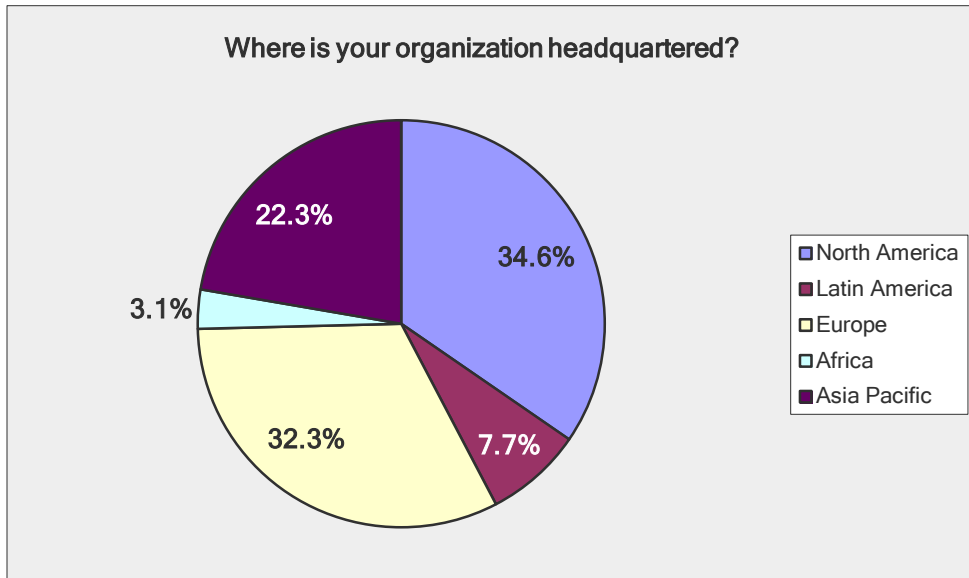
2012



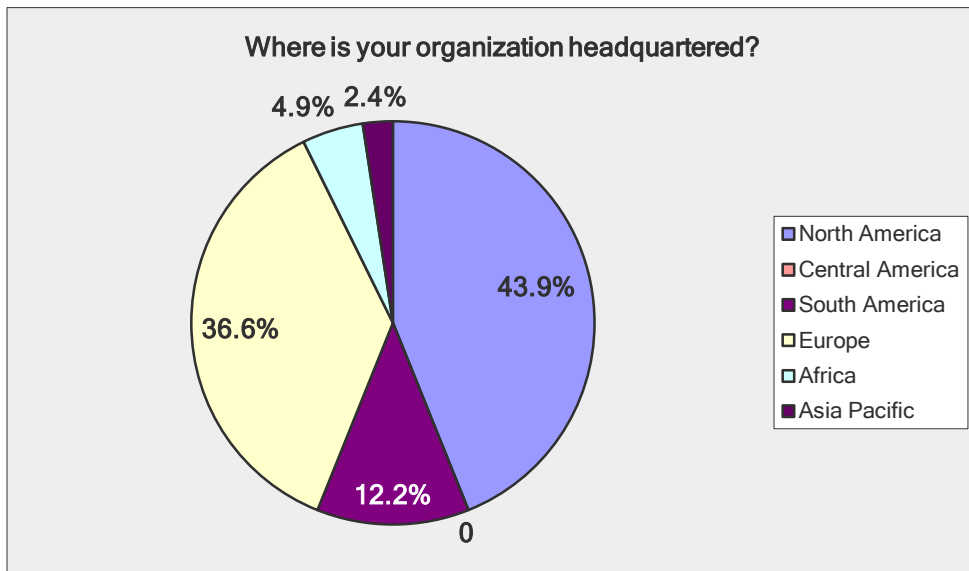
Results for both surveys were fairly consistent. The majority of respondents are employed by organizations with 250 - 1,000 employees.

4. Where is your organization headquartered?

2011



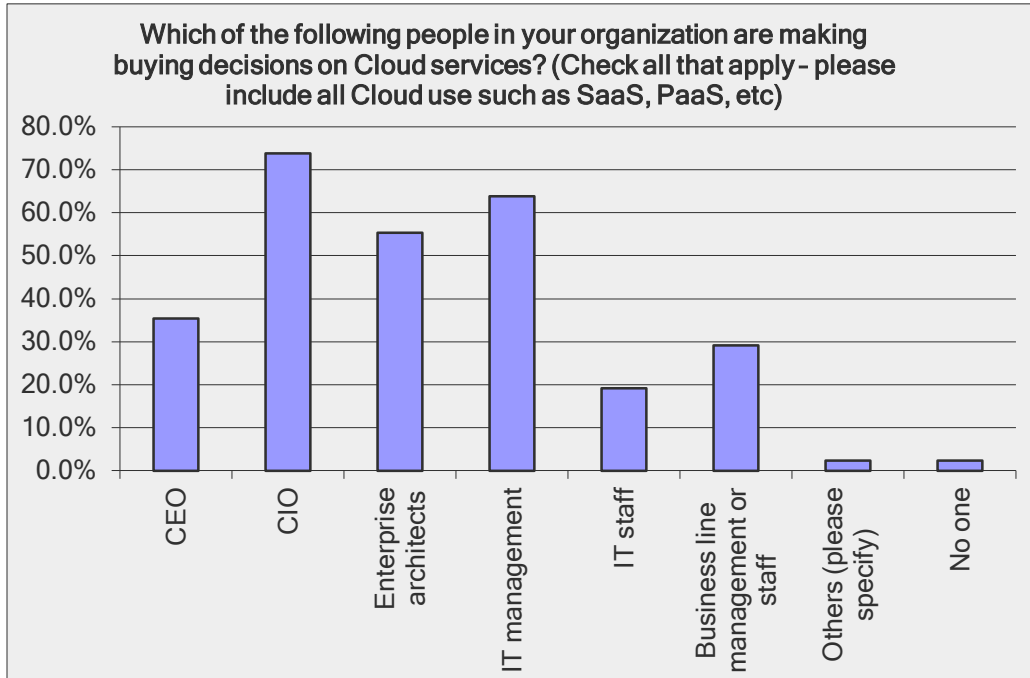
2012



Both survey results revealed that the majority of respondents work for organizations headquartered in both North America and Europe – 66.9 percent in 2011 and 80.5 percent in 2012. In 2011, Central America was significantly represented, while in 2012 it was not represented at all.

5. Which of the following people in your organization are making buying decisions on Cloud services? (Check all that apply – please include all Cloud use such as SaaS, PaaS, etc)

2011



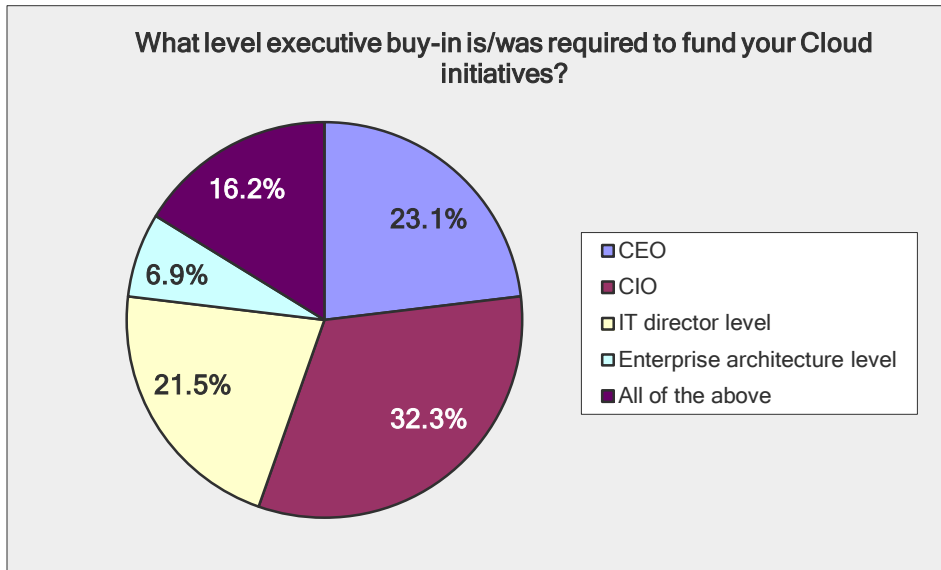
2012



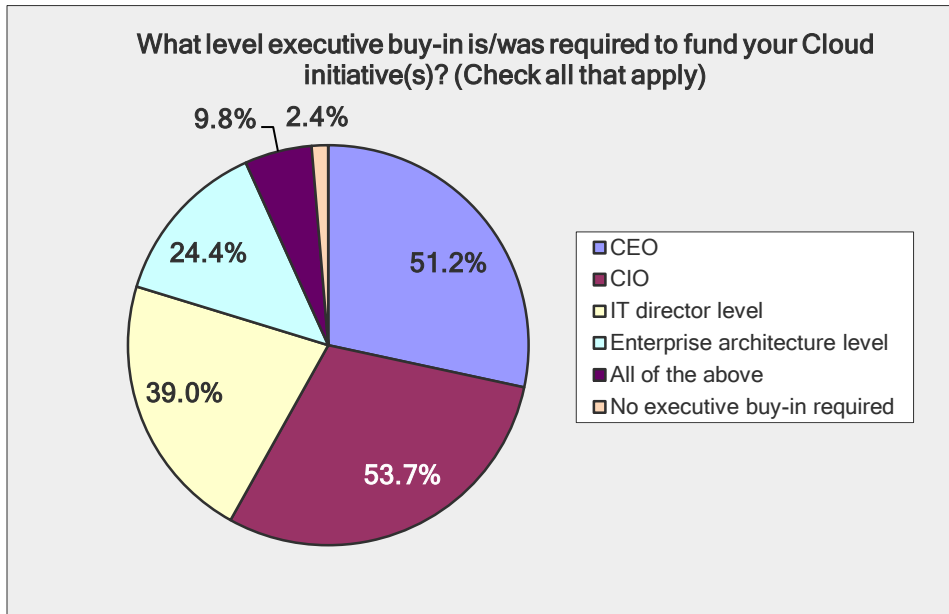
Both years' results showed pretty even decision making responsibility between CIOs, enterprise architects and IT Management.

6. What level executive buy-in is/was required to fund your Cloud initiatives?(Check all that apply)

2011



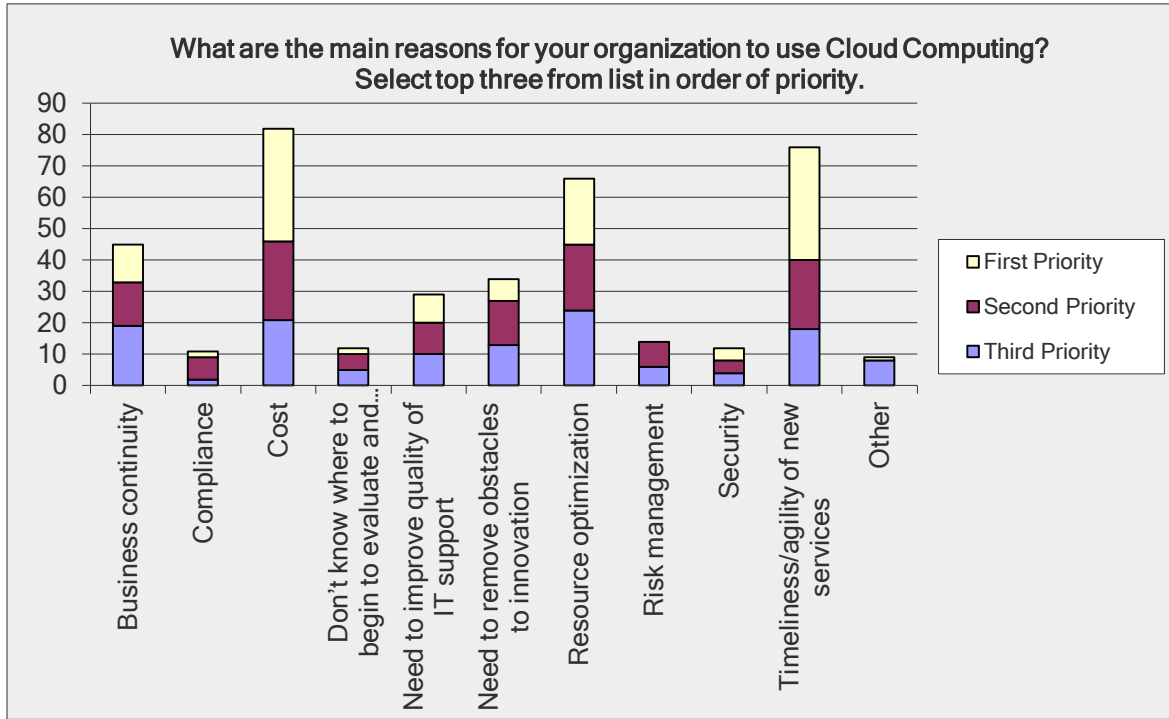
2012



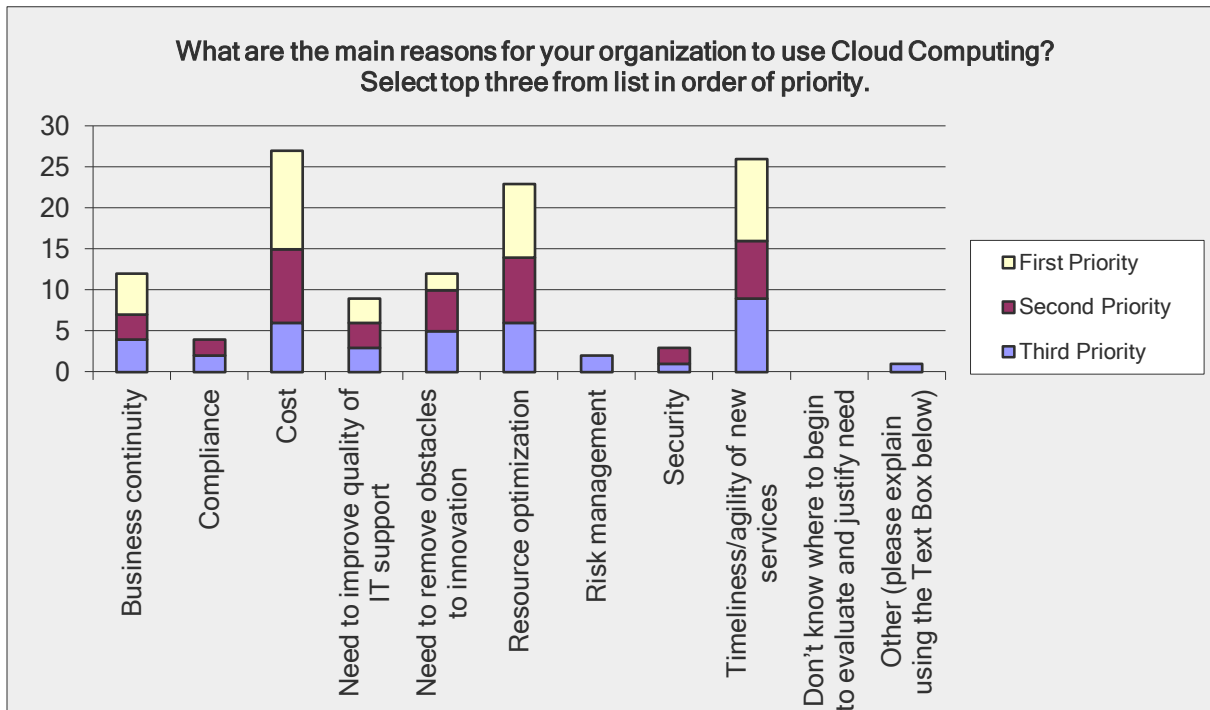
Both years' surveys yielded results showing that CEO or CIO approval is required to fund Cloud initiatives. In 2012, there were a small percentage of respondents that said no executive buy-in is required. No participants had this response in 2011.

7. What are the main reasons for your organization to use Cloud Computing? Select top three from list in order of priority.

2011



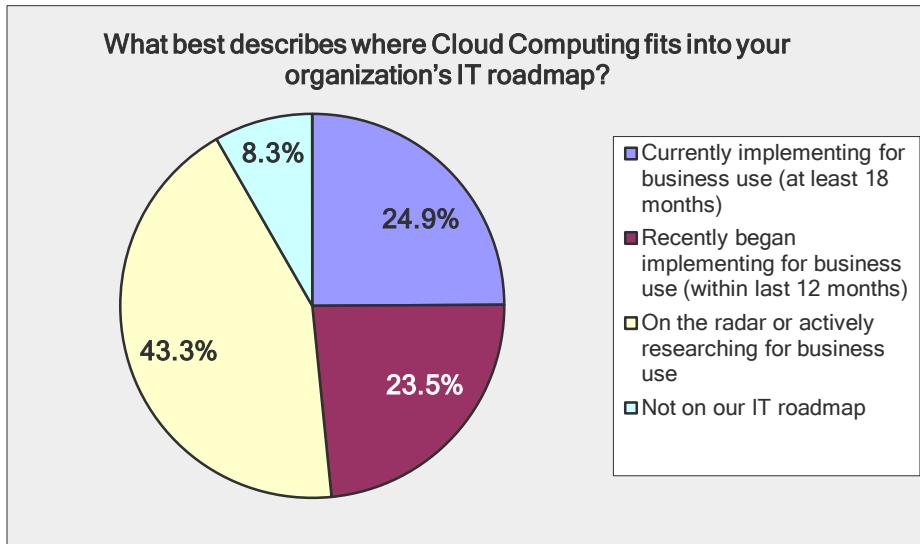
2012



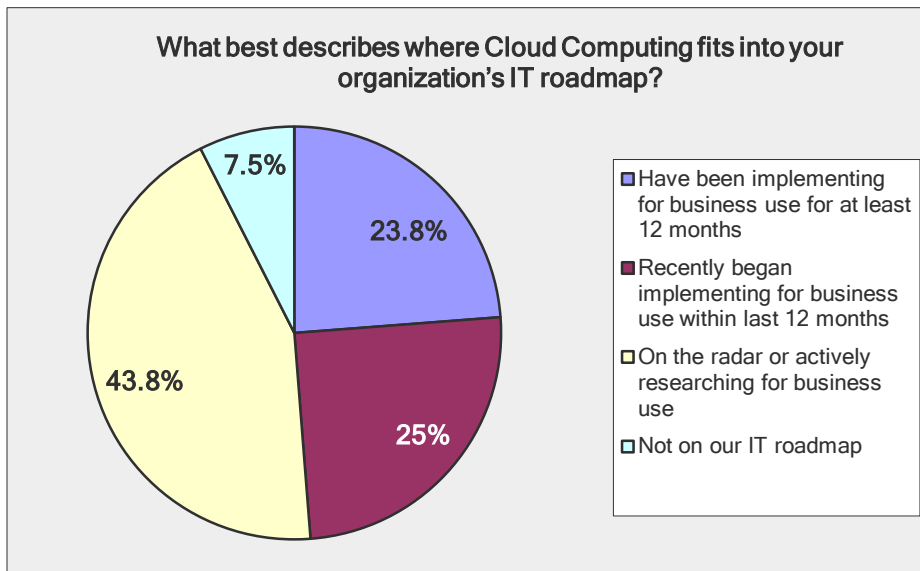
The primary priorities when determining the use of Cloud Computing continue to be cost, timeliness, and resource optimization. Business opportunity has decreased slightly in priority, and removal of innovation obstacles increased from 2011.

8. What best describes where Cloud Computing fits into your organization's IT roadmap?

2011



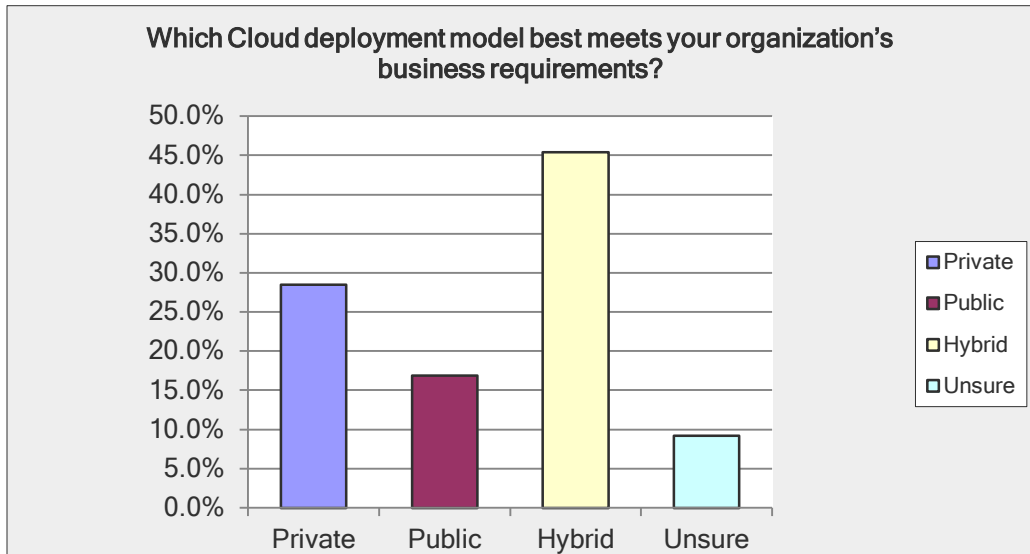
2012



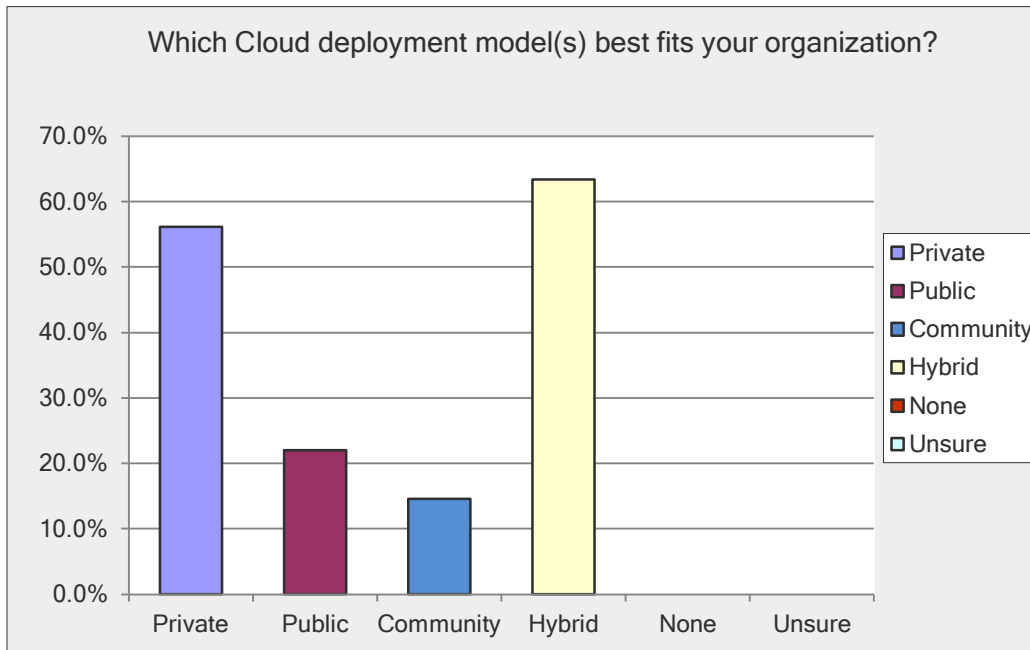
The majority of survey respondents is either actively researching Cloud Computing for business use or has already implemented Cloud services. In 2012, this was an impressive 92.5 percent, similar to the 2011 figure of 91.7 percent.

9. Which Cloud deployment model(s) best fits your organization?

2011



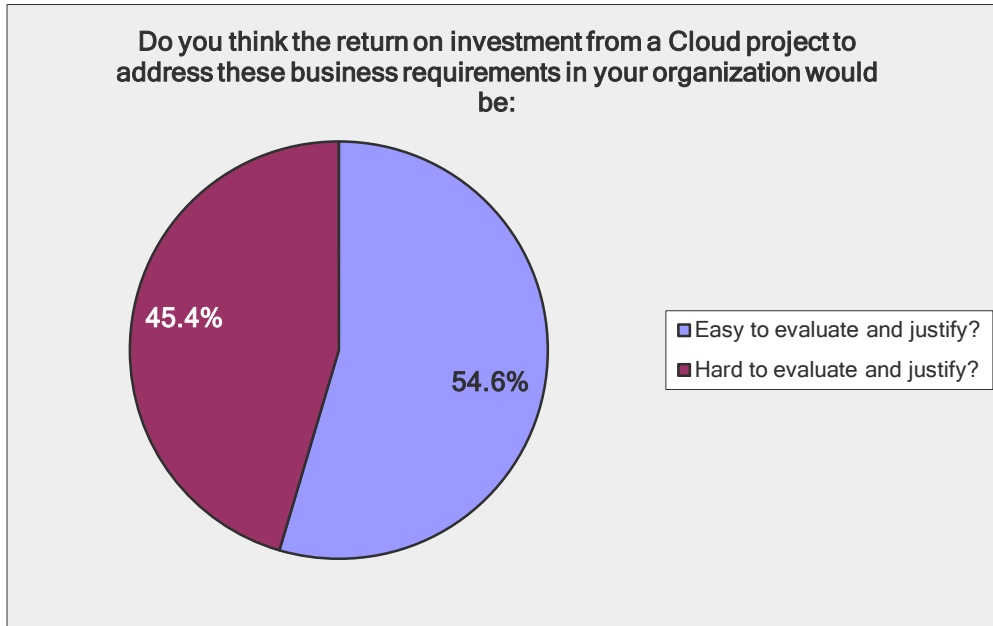
2012



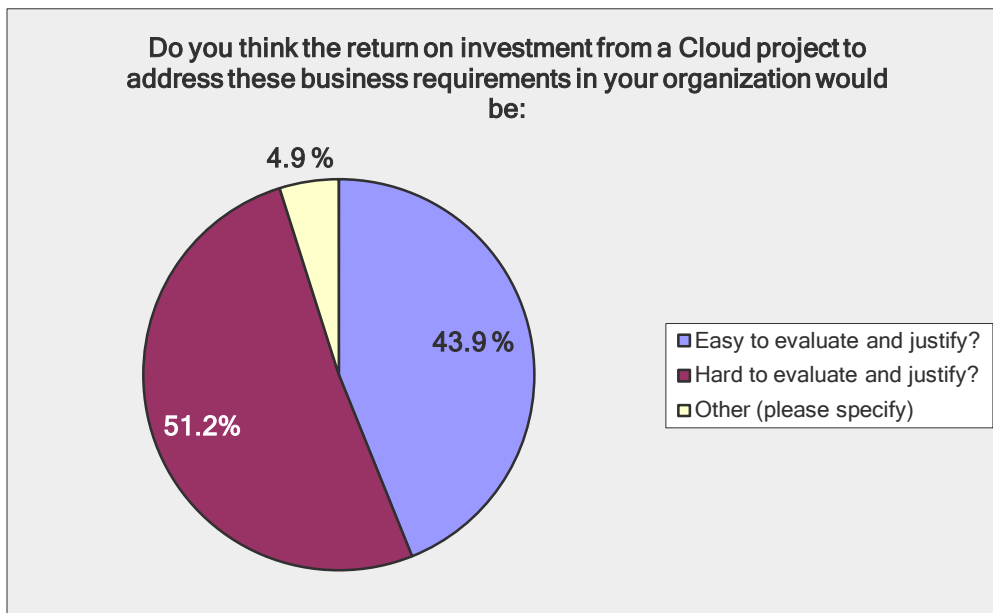
Both surveys revealed that a hybrid Cloud would be best for their organization; however in 2012, private Cloud showed resurgence, almost doubling from 2011 to 2012. Private and hybrid Cloud appear to be the strongest options for most organizations.

10. Do you think the return on investment from a Cloud project to address these business requirements in your organization would be:

2011



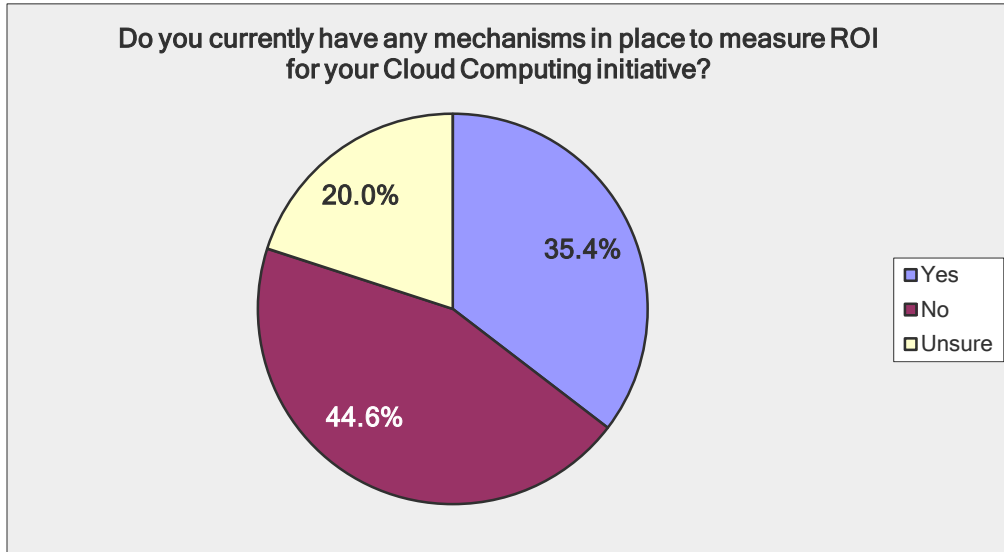
2012



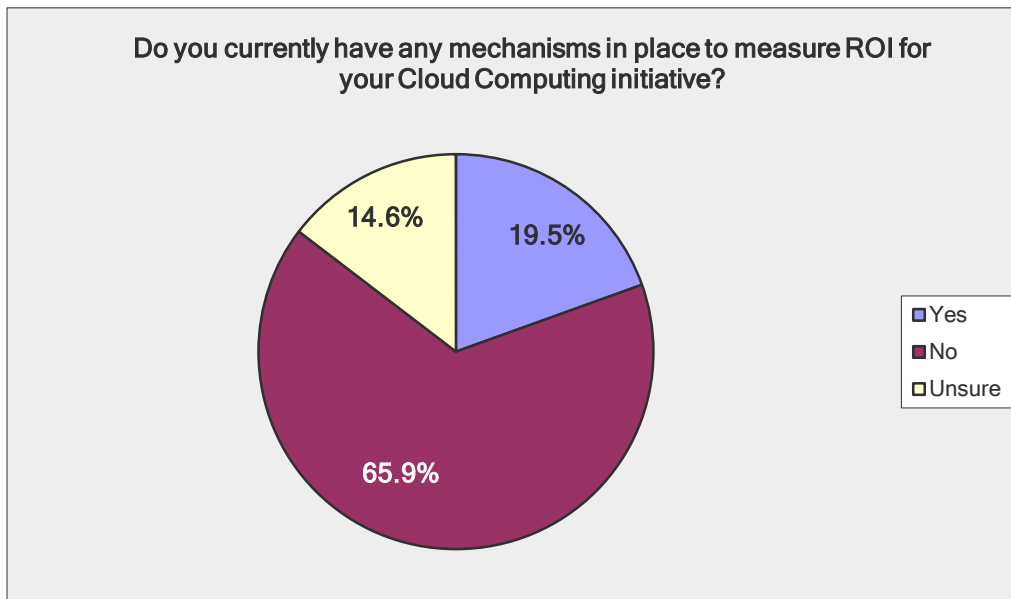
Results revealed a conflict between respondents about whether Cloud projects are easy or hard to justify. In 2012, "other" responses claimed that it is a mixture of easy evaluation and hard justification.

11. Do you currently have any mechanisms in place to measure ROI for your Cloud Computing initiative?

2011



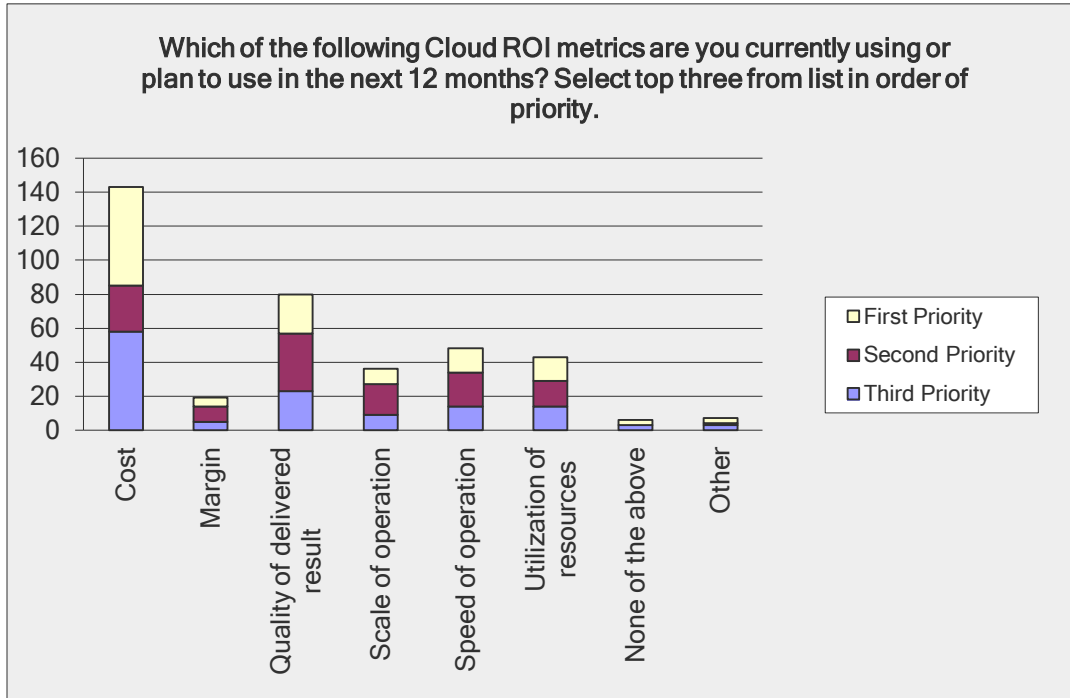
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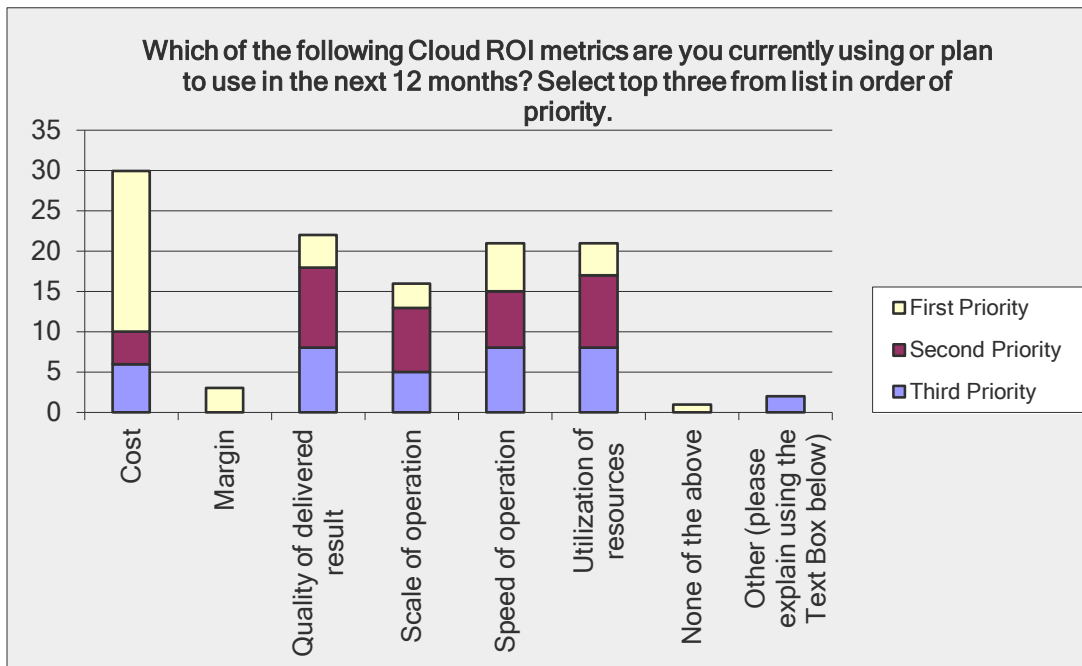
Organizations with mechanisms in place to measure ROI actually decreased from 2011 to 2012 – 35.4 percent and 19.5 percent, respectively.

12. Which of the following Cloud ROI metrics are you currently using or plan to use in the next 12 months? Select top three from list in order of priority.

2011



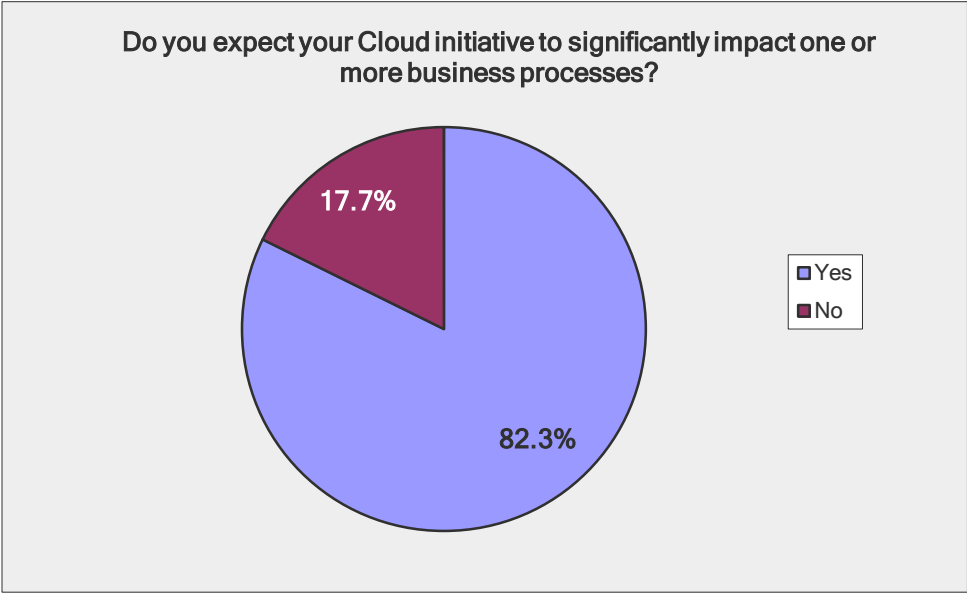
2012



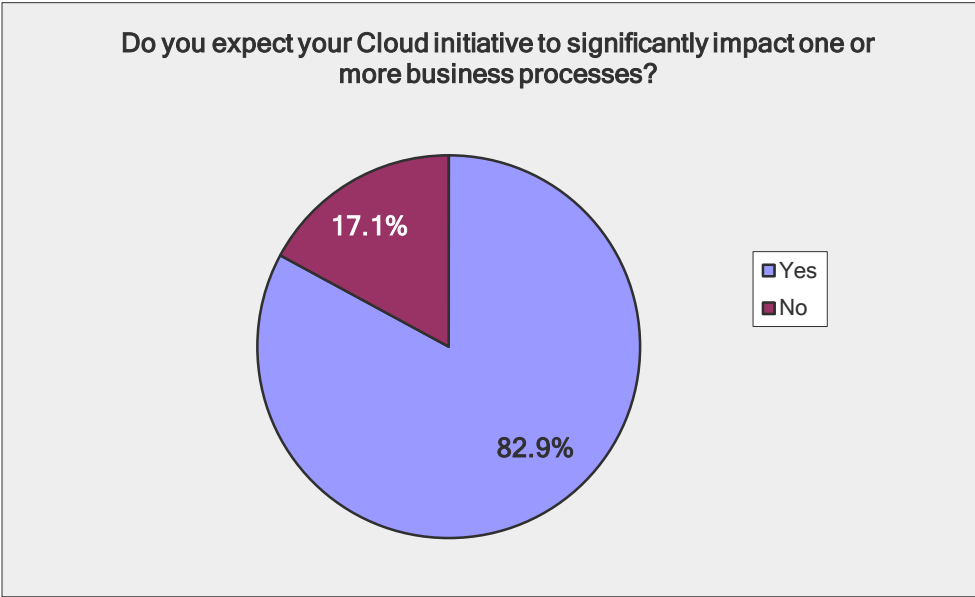
Similar to 2011, 2012 survey results showed that cost is the primary Cloud ROI metric organizations will measure in the next 12 months. Quality of delivered results and speed of operation have remained popular metrics, while 2012 survey respondents are prioritizing the utilization of resources as a metric.

13. Do you expect your Cloud initiative to significantly impact one or more business processes?

2011



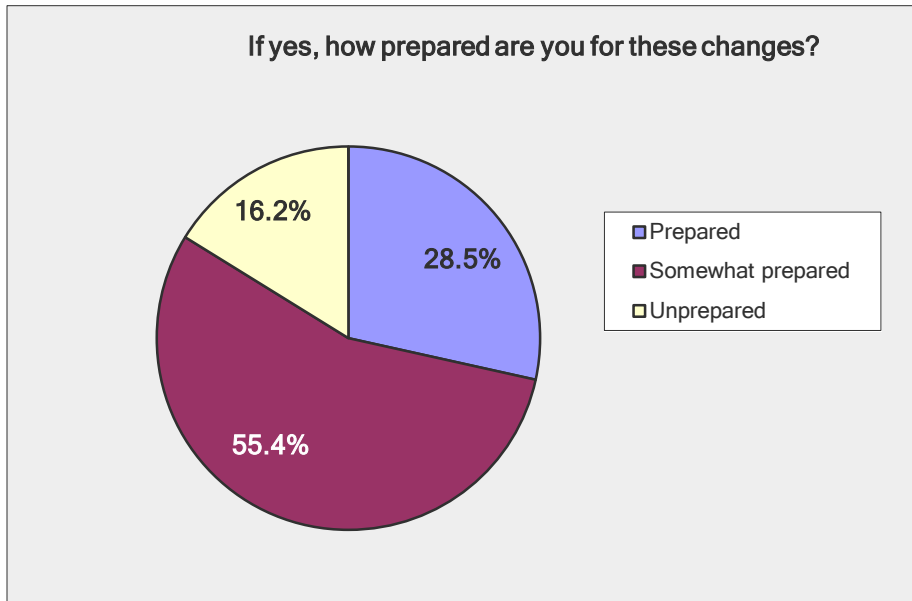
2012



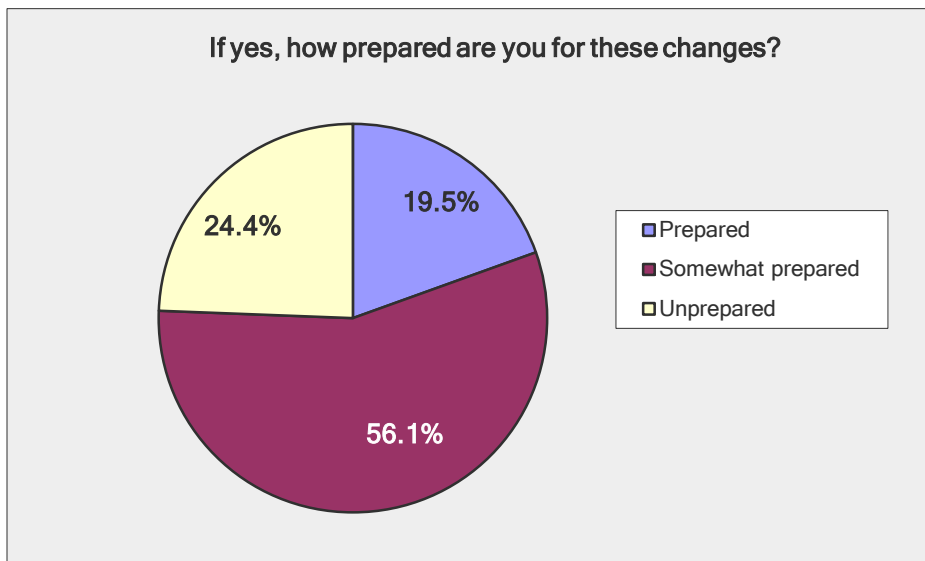
Results this year were almost identical with 2011. Most respondents expect their Cloud initiative to significantly impact one or more business processes.

14. If yes, how prepared are you for these changes?

2011



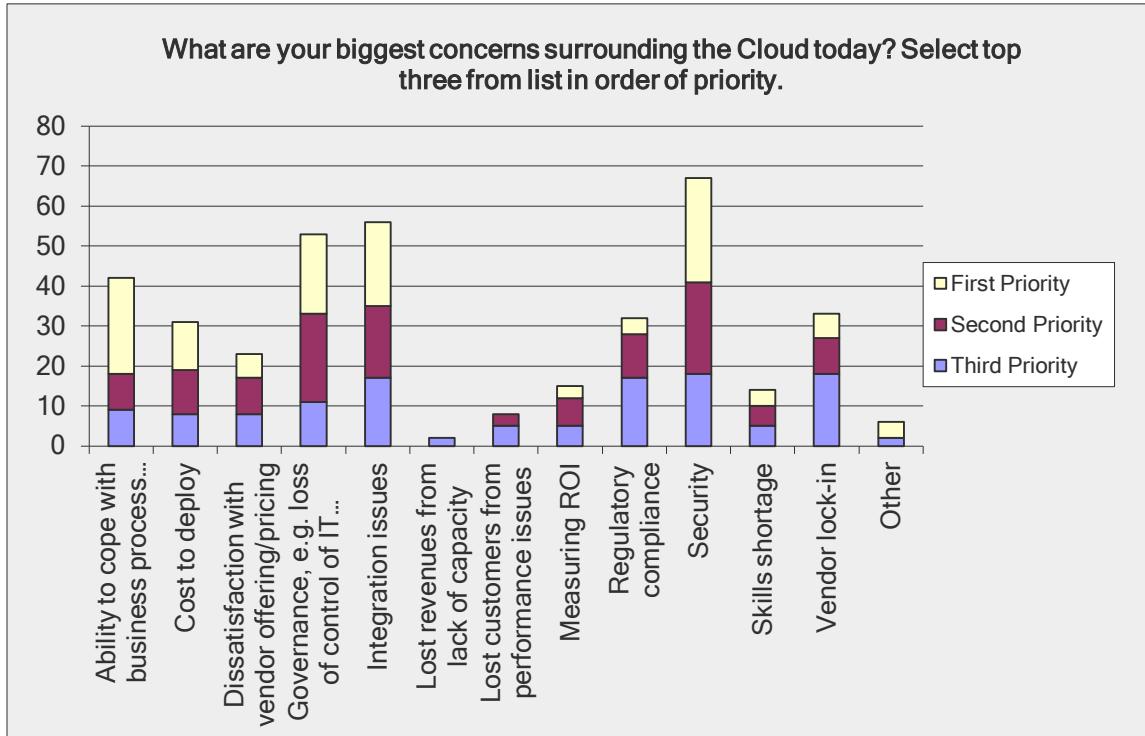
2012



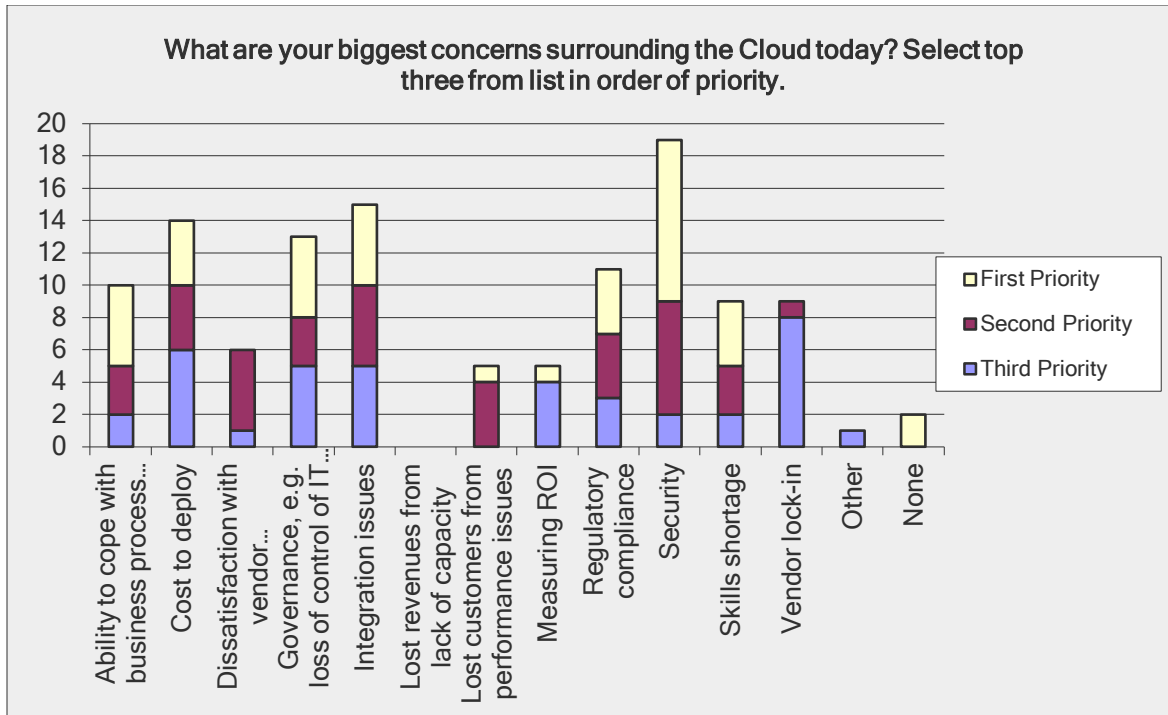
Over 50 percent of respondents in both 2011 and 2012 did not feel totally prepared for changes Cloud initiatives will bring to their business processes. In fact, a slightly larger percentage of 2012 respondents felt unprepared than 2011 respondents.

15. What are your biggest concerns surrounding the Cloud today? Select top three from list in order of priority.

2011



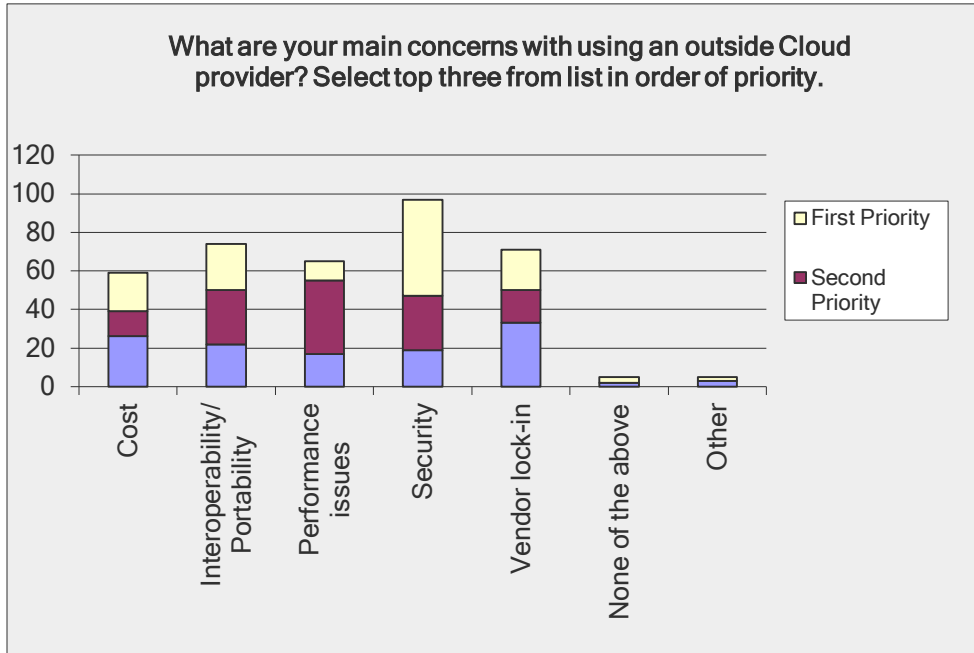
2012



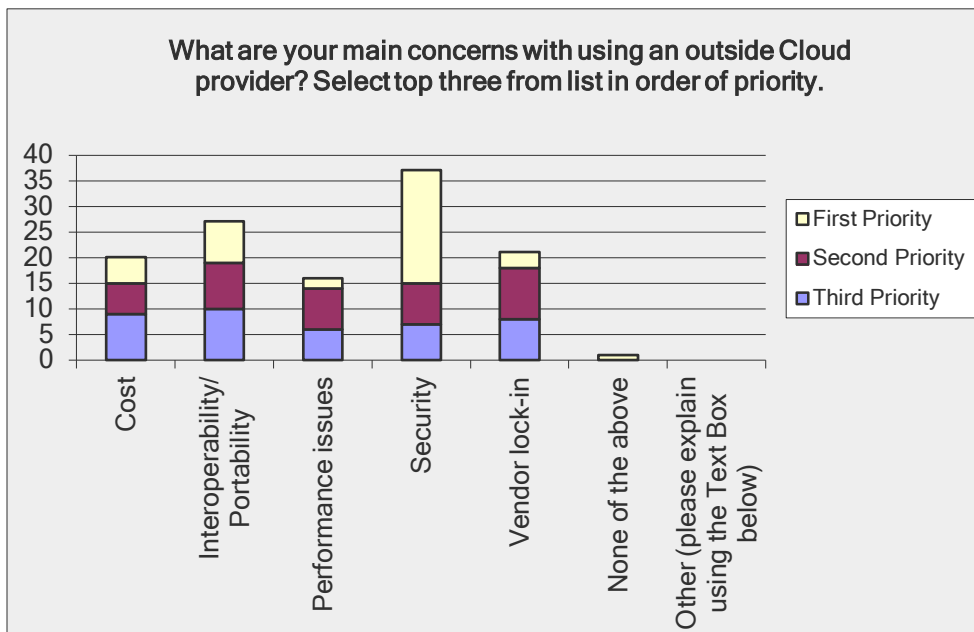
Both years' results revealed that the biggest concerns around Cloud are security, followed by integration issues and governance. In 2012, respondents showed that cost of deployment has also become a major concern.

16. What are your main concerns with using an outside Cloud provider? Select top three from list in order of priority.

2011



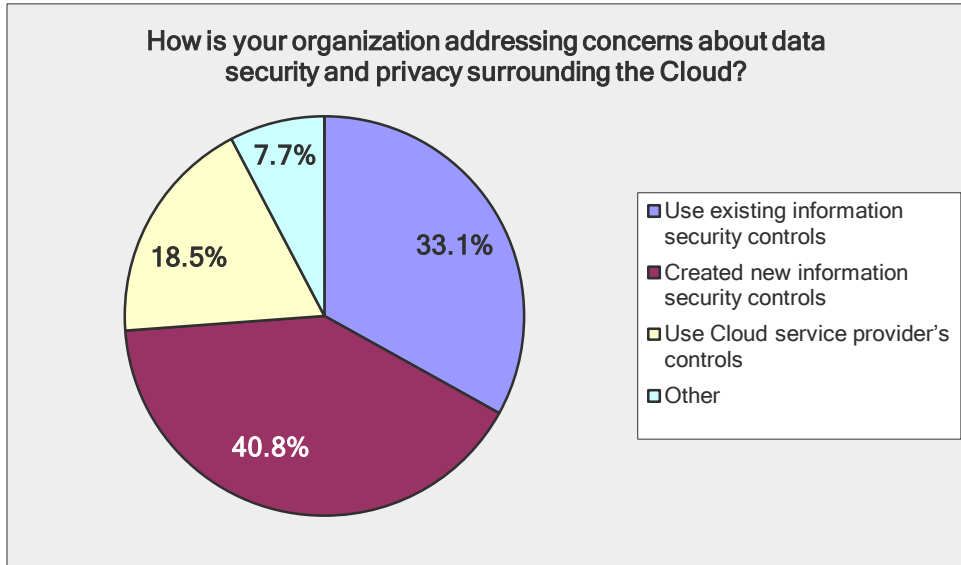
2012



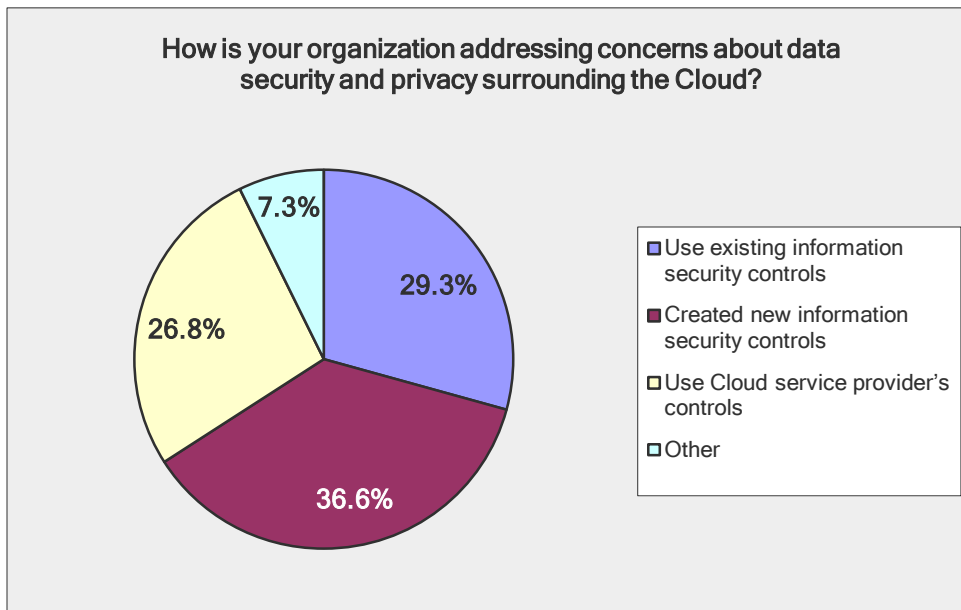
Both survey results showed that security is the biggest concern about using an outside Cloud provider, followed by interoperability and vendor lock-in. Performance issues became less of a concern in 2012, while concerns regarding cost rose.

17. How is your organization addressing concerns about data security and privacy surrounding the Cloud?

2011



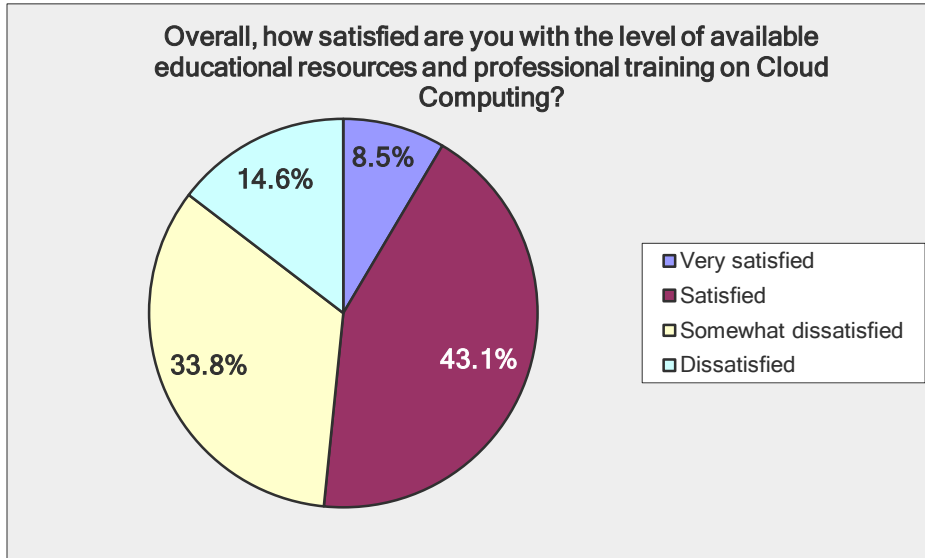
2012



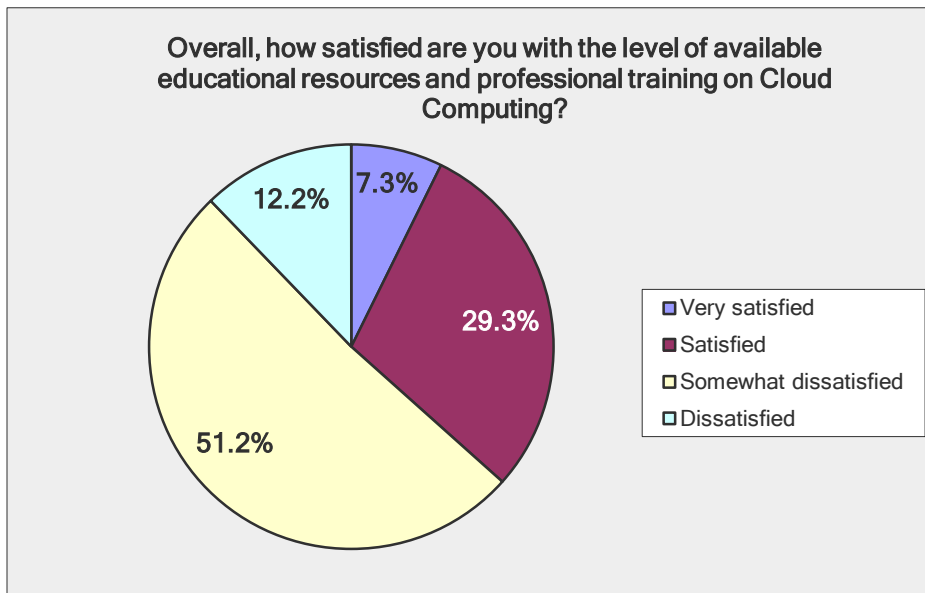
A large percentage of respondents, in both 2011 and 2012, are creating new information security controls to address security and privacy concerns surrounding the Cloud. An equal percentage claim to use existing information security controls, and a slightly smaller percentage just use the Cloud service provider's control.

18. Overall, how satisfied are you with the level of available educational resources and professional training on Cloud Computing?

2011



2012



In 2012, survey results reveal that 36.6 percent of respondents were at least satisfied with the level of available educational resources and professional training on Cloud Computing, compared to 51.6 percent in 2011.