

**Hewlett Packard**  
Enterprise

# MAKING CLOUD WORK FOR YOU

Explore how small and mid-sized businesses can build and adapt their unique cloud strategy



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# INTRODUCTION

Even though businesses no longer need to adapt to the pandemic, it permanently changed the way they do business. With work-from-anywhere policies flourishing across industries, many companies no longer find themselves tethered to brick-and-mortar locations. The new workplace provides an opportunity to reevaluate what is important in an IT infrastructure. IT teams have the chance to transform how they secure and use resources across the globe.

During the initial rush to remote work, organizations big and small were flocking to the cloud to make business more mobile and agile. HPE research found a 62% increase in cloud migrations during the pandemic.<sup>1</sup> New cloud environments made remote work possible, but that doesn't mean the job is done. Organizations need to evaluate their use of the cloud, making sure they continually adapt and optimize their cloud strategy for their unique business needs.

Migrations aimed at supporting remote workers should do more than follow standard procedures set years ago; they should bring the cloud to you and meet your business's needs. This eBook will show you how to maximize the value of your cloud computing investments with insights on redundancy, data egress, and workload positioning. Explore how you can reimagine your cloud so that it delivers the outcomes you need.

# FINDING THE OPTIMAL CLOUD MODEL



**With evolving options in public, private, and hybrid cloud, small businesses are able to find what works best for their needs.**

Cloud technology has been around for the last 20 years, and it has become nearly ubiquitous in modern business. Cloud computing and storage are mandatory resources, but the technology continues to evolve to address new challenges. As businesses adapt to the new needs of work-from-anywhere, you need to ask yourself if your cloud model still meets your organization's goals or if it was designed for a work environment that no longer exists.

### Hybrid cloud is booming

1

5x

potential increase in small business hybrid cloud.<sup>2</sup>

2

3 IN 4

organizations run hybrid or multicloud environments.<sup>3</sup>

3

26–30%

of key workloads will be in a hybrid cloud in the next two years.<sup>1</sup>

Small businesses especially need to ensure a cloud computing model fits their scale and resources. As cloud technology developed, enterprises have blazed the trail for using the cloud. Five years ago, small businesses were still assessing the value of cloud for their business. Today, four out of five small businesses rely on cloud in some form, and they are able to forge their own path with technology fit for their business.<sup>2</sup> The goal is finding a model that meets your needs for security, cost, performance, and efficiency.

### Public

Public cloud is an environment outside of your firewall hosted by a cloud provider. This option is used more heavily by small and mid-sized businesses: 64% of their workloads are on public cloud compared to 47% of enterprise workloads.<sup>3</sup> While an organization doesn't maintain hands-on control over the cloud infrastructure, it provides more flexibility with less capital expenditure to get started.

## Private

Private cloud is built, owned, and managed internally. A private environment allows more security and control over your resources, but it also requires more staff for management and maintenance. It is used most heavily by enterprises, and private, on-premises options tend to be preferred for critical workloads. Private cloud is also rarely the only solution used, with only 2% of organizations relying solely on a private cloud.<sup>3</sup>

## Hybrid

Hybrid cloud combines the benefits of private and public cloud. This option bridges an in-house cloud with additional resources managed by a provider. A hybrid system can be more complicated to maintain because part of it is managed internally while part of it is managed externally. The hybrid option is growing in popularity, especially among small businesses as management becomes simpler. Techaisle reports that among small and mid-sized businesses it could be adopted at potentially five times the rate in the coming years.<sup>2</sup>



# FIGHTING REDUNDANCY AND DISUSE



### **Every cloud environment requires a close eye on capacity to make sure you are getting the most out of your solution.**

An organization's cloud model is only a small part of cloud efficiency. To get a sense of whether a strategy fits your business, you also need to look at whether you over or under provision your cloud resources. While there are many valid reasons for redundancy, from anticipating peak demands or mitigating risk, unused resources can eat away at your budget.

In a study of attitudes and uses of the cloud, HPE found that two thirds of companies use less than 60% of their capacity.<sup>1</sup> Overprovisioning is not affected by the type of environment; organizations equally use one third of their public cloud capacity and one third of their on-premises resources.<sup>1</sup> The cause of overprovisioning varies by cloud model though, with private cloud owners finding it more challenging to predict demand.

Management challenges are one of the leading causes of overprovisioning after emergency preparedness. Many organizations are not able to anticipate their needs for capacity, or they have difficulty optimizing their spending on public cloud. A portion of decision-makers reported redundancy because they just forgot to terminate capacity that was no longer needed. As many as one in five public cloud users and one in three private cloud users even have a challenge identifying where excess redundancy might be.<sup>1</sup>

When it comes to small businesses, unplanned redundancy can have a detrimental impact on the budget. While smaller organizations spend significantly less on cloud than enterprises, there is a lot less leniency for misused resources or unexpected costs. Tools like usage metering are important to help you make smart, data-driven decisions. To optimize your cloud, ensure you only pay for what you need, when you need it.



2 out of 3

companies are using less than 60% of their capacity.<sup>1</sup>



# AVOIDING UNEXPECTED CHALLENGES

**Small and mid-size businesses use the cloud differently than enterprises and also face different concerns as they adapt or migrate their environments.**

Unexpected cloud roadblocks during or after migration are too common, so small businesses need to evaluate their cloud strategy based on challenges unique to their business. The biggest difference in migration challenges between small businesses and enterprises is optimizing costs. Where only 39% of enterprises view this as a challenge, it is the second highest concern among small businesses.<sup>3</sup> In addition to dealing with the cost of overprovisioning, businesses can be hit with changing public cloud fees or data egress charges.

In a migration, your data is an important consideration. You want to know how it will be moving throughout your infrastructure, so you can not only ensure protection but protect yourself from unexpected costs. After migration, 76% of decision-makers acknowledge egress as a challenge.<sup>1</sup> As small businesses migrate to a public cloud, data egress fees should be top of mind when selecting your provider, and data transfer should be as efficient as possible.



## Top Cloud Migration Challenges for Small and Mid-Sized Businesses<sup>3</sup>

- 1 Understanding app dependencies
- 2 Optimizing costs post-migration
- 3 Rightsizing and selecting the best instance
- 4 Assessing technical feasibility
- 5 Migrating the app and data

Staffing is another challenge that small businesses face during and after cloud migration. Many configurations—especially those with a private component—require specialist knowledge to set up and regular IT hours for maintenance. Public cloud and cloud services can be effective methods to sidestep these challenges because they take some of the burden off of the IT teams.



# TAKING THE STEPS TO REEL IN YOUR CLOUD

## Continuous evaluation and innovation help make sure that your cloud strategy aligns with your business needs and IT goals.

Freshly adopting a new solution or environment can sometimes be more straight forward than trying to decide how to make an existing solution fit your needs. In optimizing your cloud environments, you first need to better understand how your solutions are underperforming and how they can do better. Then you need to make the small adjustments across your different environments to ensure you are getting the results you want.

To help simplify the process, here are some steps you can take to better understand what you need and how to move forward.

1

### Increase visibility

To start adapting your cloud to fit your needs, first look at where you have excess capacity and decide if and where it is needed. One-fifth of public cloud users and one-third of private cloud users have not taken this first step in examining where there is redundancy.<sup>1</sup> A number of software and tools like consumption-based IT, usage metering, and active capacity management can all help you understand and adapt to the needs of your business.

2

### Update your data strategy

If you are already racking up egress charges, it is important to consider factors like the sensitivity and volume of your data in addition to how quickly it's processed. Only 47% of organizations believe they have a mature data strategy, and even fewer are using AI or machine learning to use data more efficiently with real-time insights.<sup>1</sup> Sometimes revisiting a data strategy leads organizations to take advantage of hybrid and multicloud environments, but sometimes it is just a matter of properly securing your data with new policies like zero-trust security.

### Assess workload placement

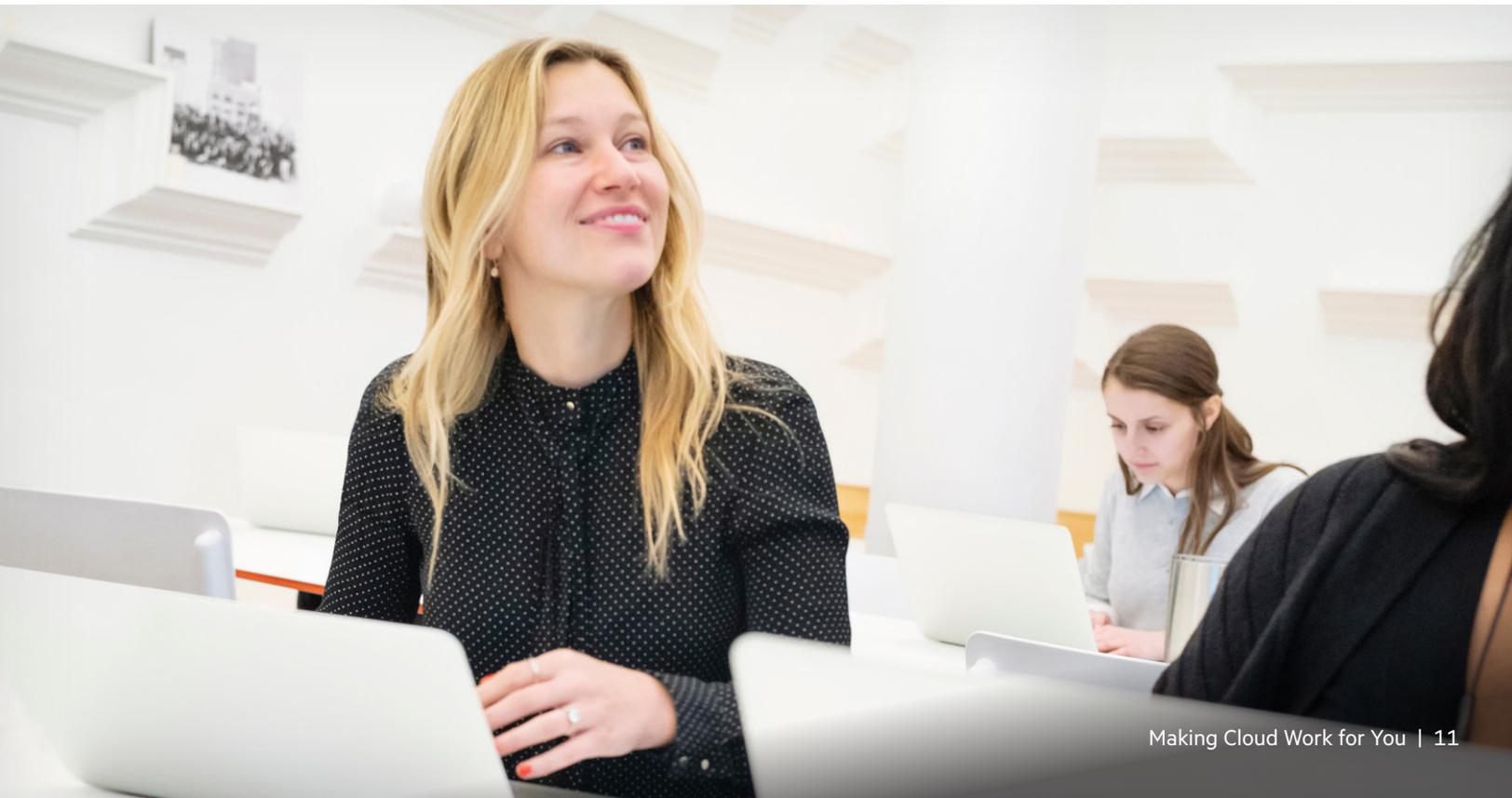
3

Often, after deploying a new cloud environment or adding new apps, workload placement in the cloud does not fulfill strategic goals. Two out of five decisions makers report that they have workloads in non-preferred locations.<sup>1</sup> You should consider what workloads are critical to your business and which workload placement would optimize your cloud strategy. Each placement should be evaluated in terms of risk, performance, control, and cost.

### Innovate for flexibility

4

Every business learns that it's important to be prepared for disruption. Flexibility is a market demand, not just a luxury. In the past, a push for flexibility has led to major digital transformation projects, but a majority of IT professionals share that their budgets are more focused on maintenance than innovation. That means that change needs to be made incrementally. Every solution needs to be evaluated based on new efficiencies like automation, intelligence, and simple, centralized management.



# BUILDING THE CLOUD EXPERIENCE YOU WANT



## Take advantage of a cloud that comes to you with the right apps and services.

Preparing for the future means a cloud that can facilitate changing demands, like new work-from-anywhere policies. There are small tweaks you can make to optimize security, data movement, and efficiency, but you also need to think about how your workplace might change long-term. Despite the need for innovation, IT budgets have not changed drastically in the last two years. Decision-makers report that 60% or more of budgets are focused on maintenance projects with little left for transformation.



HPE GreenLake delivers **40%** IT resource savings<sup>4</sup>

To enable a flexible transformation, your business needs to be able to balance maintenance costs with opportunities for modernization. One way to add flexibility to your infrastructure is with a strategic partner. Cloud services offer an easier way to manage your cloud environment under an as-a-service model. While there are three main models in the cloud, IT can become more agile with the help of infrastructure as a service .

### Types of Cloud Services:

- Infrastructure as a service
- Platform as a service
- Software as a service

With HPE as a strategic partner, you can benefit from the agility and economics of public cloud with the security and performance of on-premises IT. HPE GreenLake cloud services delivers a modern cloud experience that helps you innovate faster. It can help manage redundancy and unexpected costs with pay per use, and it helps your organization build a more flexible cloud that can scale up or down as needed.



## CONCLUSION

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As small businesses migrate more workloads to the cloud, options abound. They don't need to follow the precedents set by other companies a decade ago; there is an opportunity to tailor the cloud to fit unique business needs. Especially as organizations prepare for an agile, mobile future, a custom cloud solution can facilitate new opportunities in a hybrid workplace.

HPE Small Business Solutions can be a strategic partner as you build an all-inclusive strategy from edge to cloud. Enact your workplace vision with an IT infrastructure that makes the most of your cloud, applications, and infrastructure. HPE experts can help you along the way to address your needs and optimize your solutions for the future of business.

HPE GreenLake is unlike public cloud, enabling apps and data to stay where they are, on-premises. HPE GreenLake cloud services run on infrastructure in your company's data center, colocation, or edges.

The HPE GreenLake edge-to-cloud platform, unlike traditional IT lets you focus on the business by offloading the day-to-day management to a trusted partner while keeping you firmly in control and unlocking capital for new services. With a pay per use, scalable, point & click self-service experience that is managed for you, HPE GreenLake delivers a cloud-native platform that fits your scale and resources, for your top workloads.

- Predictable costs so you are ready for the future
- No data movement or egress charges, ever
- No lock-in; leverage your existing investments
- Access to a wide range of market-leading technologies offered by Hewlett Packard Enterprise and our partners

**Learn more about how HPE can help small businesses innovate in the cloud.**

**[Explore Small Business Solutions](#) →**

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## Sources

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