



# Challenges of Cloud Transformation

Survey Report 2020

# Executive Summary

---

“The first element of a big type of transformation is not technical. It’s all about leadership. If you don’t have senior management alignment, you won’t make that change.”

- **Andy Jassy**

CEO of AWS

during AWS re:Invent 2019 keynote

---

Companies are investing billions of dollars migrating workloads to the public cloud. Yet the vast majority of workloads are still on-premises, and many IT leaders find their cloud projects stall after migrating a few workloads.

The significance of these cloud challenges is difficult to overstate. Cloud technology is core to digital transformation, and many IT leaders find themselves without the right talent, tools, and executive buy-in to thrive in the digital era. Even more serious is the gap between cloud engineers and senior leadership. There is a disconnect between the expectations from leadership and the actual day-to-day work required of cloud engineers.

In January 2020, Logicworks surveyed 400 IT decision makers (ITDMs) in North America to better understand why cloud projects slow down or stall. The survey found IT leaders have ambitious cloud goals but struggle with a shortage of qualified cloud engineers, high IT turnover, and a lack of understanding among company leadership about the time, effort, and cost of cloud migration and management.

This report confirms why cloud efforts often slow or stall and highlights the day-to-day struggles that the average cloud engineer and mid-level manager faces when trying to achieve a company’s cloud objectives.

# Key Findings

## Wake-up call to senior leadership

More than 4 in 5 (84%) of respondents wish their company's leadership better understood what IT does, and 39% think their company's leadership doesn't grasp how the cloud really works.

## Prioritizing tools over strategy

61% of IT leaders plan to invest in better cloud tools, while only 39% plan on getting more stakeholder buy-in. This reveals that while IT leaders believe senior leadership doesn't understand the cloud, most are not prioritizing alignment.

## Skills gap stalls cloud projects

86% of respondents agree that the shortage of qualified talent will slow down their projects in 2020. In fact, nearly 2 in 3 (63%) agree that it's harder to find a qualified cloud engineer than it is to find Bigfoot.

## High staff turnover is a significant pain-point

77% agree that losing IT staff is moderately or extremely disruptive to a company's operations, and 34% agree that high staff turnover impedes their company's cloud strategy.

## Hot job market for cloud expertise means turnover is likely to rise

86% of respondents are contacted more than once a quarter by recruiters. This number increases for younger respondents; half (50%) of respondents under 40 are contacted by recruiters at least once a month.

## Plan to hire external consultants

In order to get around the shortage of cloud talent and accelerate cloud projects, 40% of IT leaders plan to hire outside consultants in 2020.

# Survey Methodology

This survey was conducted by [Wakefield Research](#) among 400 ITDMs (director-level and above) at mid (100-499 employees) and large (500+ employees) sized companies, between January 3rd and January 13th, 2020, using an email invitation and an online survey.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. For the interviews conducted in this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 4.9 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

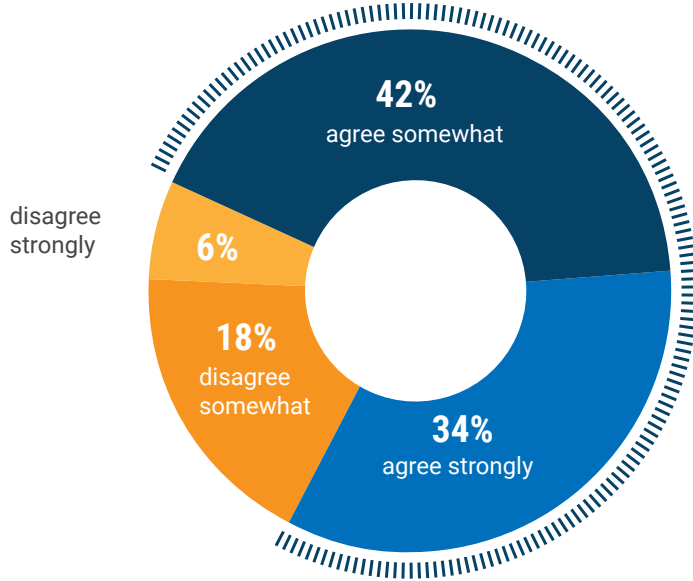
This is the third survey report sponsored by Logicworks in the last three years. We conduct these surveys because Logicworks, as a cloud services provider, is passionate about learning how IT leaders make decisions and plan for cloud success. You can find our previous surveys here:

(2017) [Roadblocks to Cloud Success Report](#)

(2019) [State of Cloud Compliance Report](#)

# Survey Results

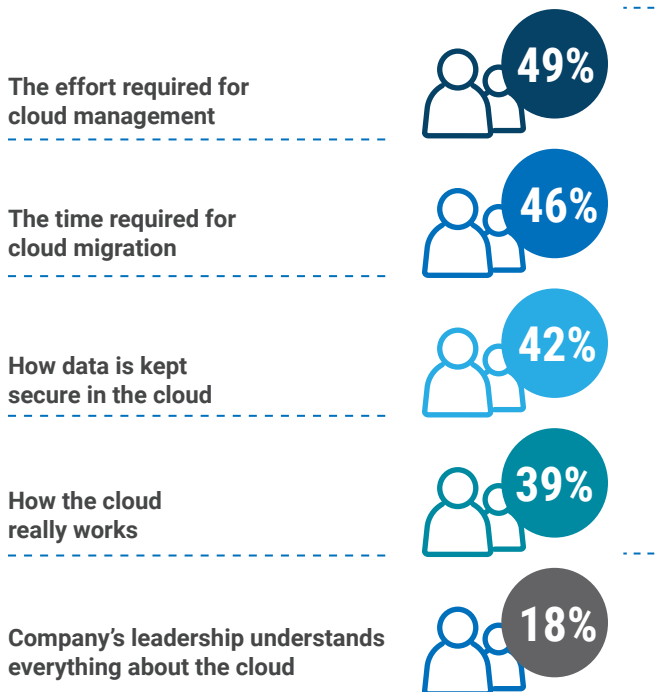
## 1. Does your organization's leadership underestimate the time and cost required for cloud management?



**76%**

of IT staff believe leadership underestimates the time and cost of cloud management

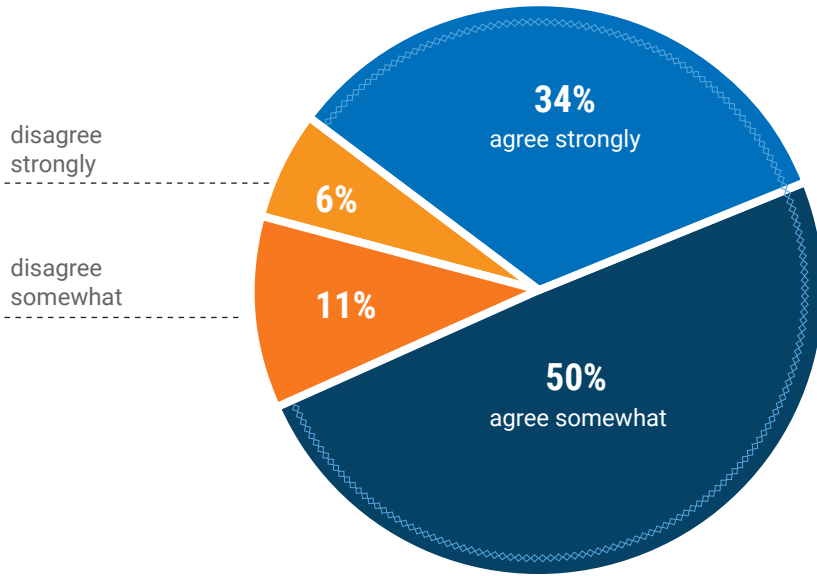
## 2. Which of the following, if any, does your company's leadership not understand about the cloud?



**82%**

believe leadership **doesn't understand** everything about the cloud

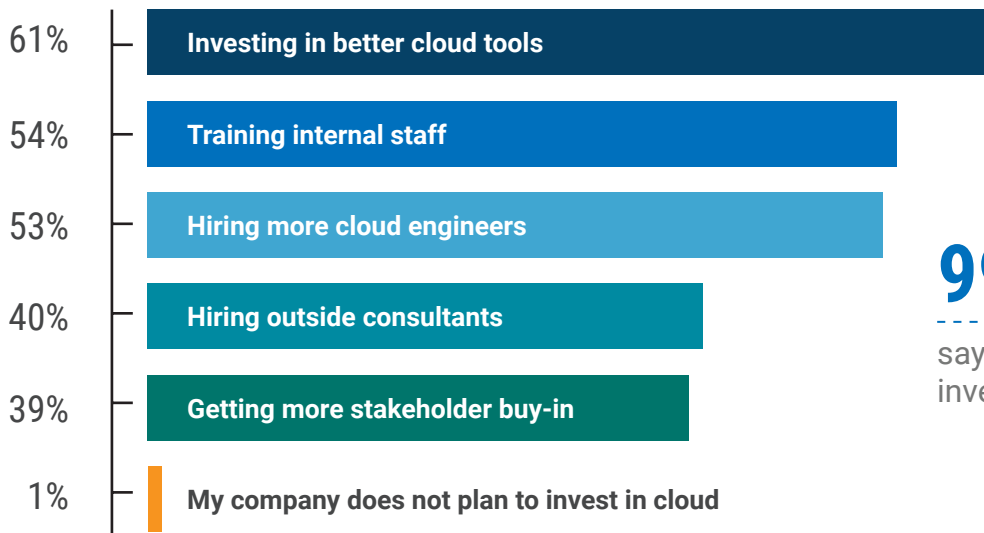
3. How strongly do you agree or disagree with the following statement – I wish the leadership at my company understood more about what I do.



**84%**

wish leadership understood more about what they do

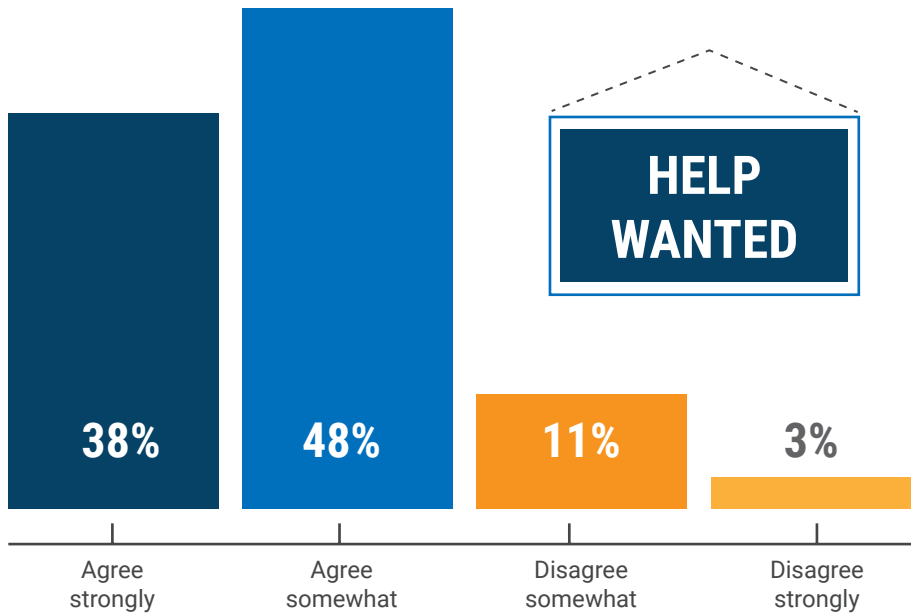
4. Which of the following investments in the cloud, if any, does your company plan to make in 2020?



**99%**

say their company will invest in the cloud in 2020

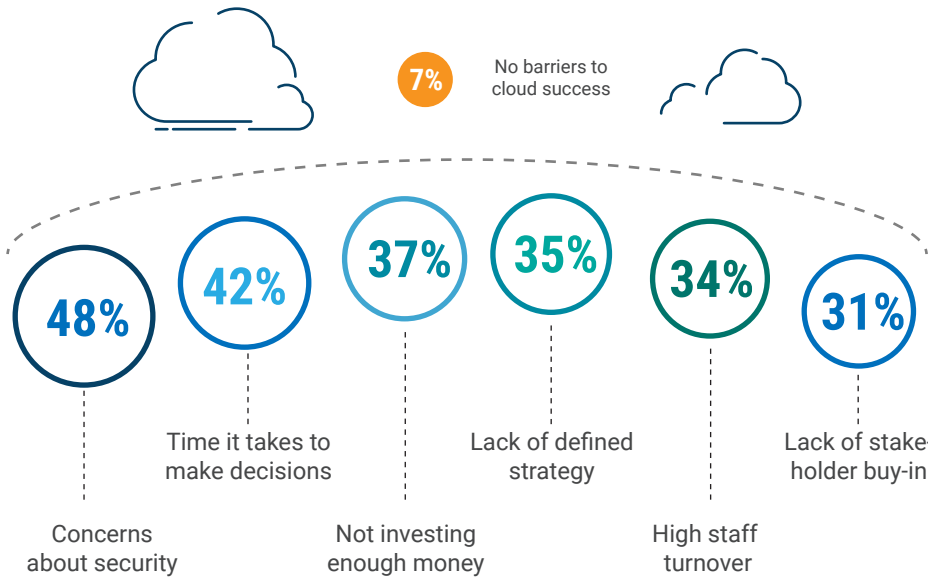
5. How strongly do you agree or disagree with the following statement – a shortage of qualified talent will slow down our cloud projects in 2020.



**86%**

believe a shortage of qualified talent will slow down cloud projects in 2020

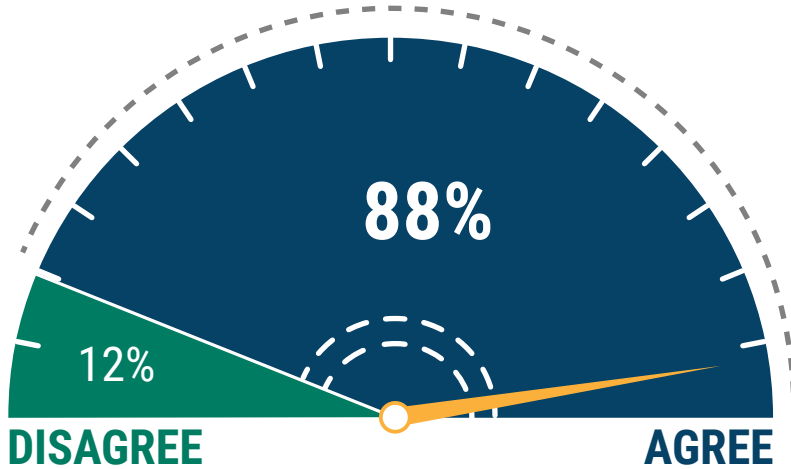
6. Which of the following are barriers to implementing your company's cloud strategy?



**94%**

believe their company has barriers to cloud success

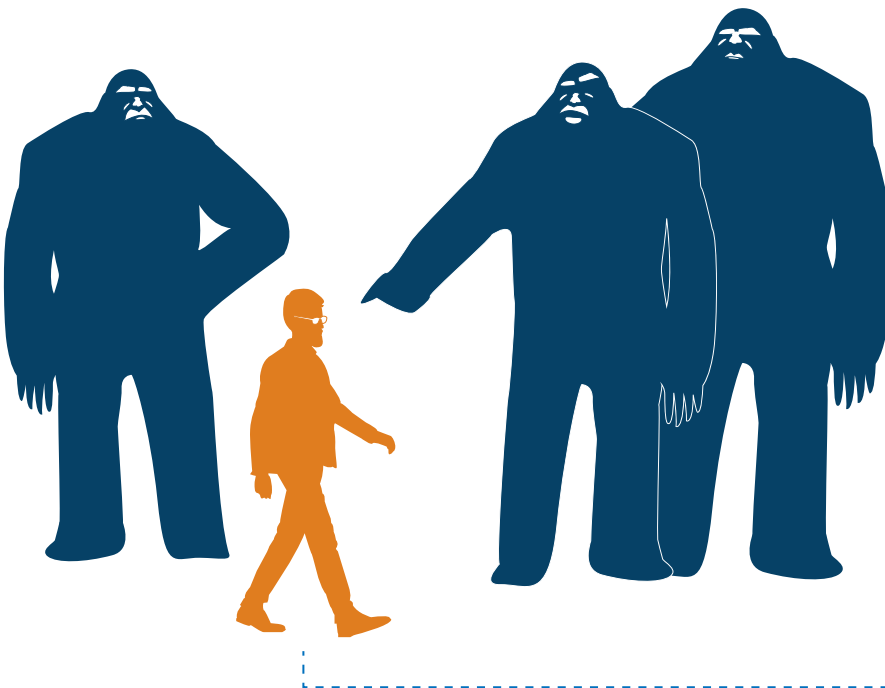
7. How strongly do you agree or disagree with the following statement – compliance is a huge roadblock to migrating more workloads to the cloud.



**88%**

believe compliance is a huge roadblock to migrating more workloads to the cloud

8. Which is harder to find?



**37%**

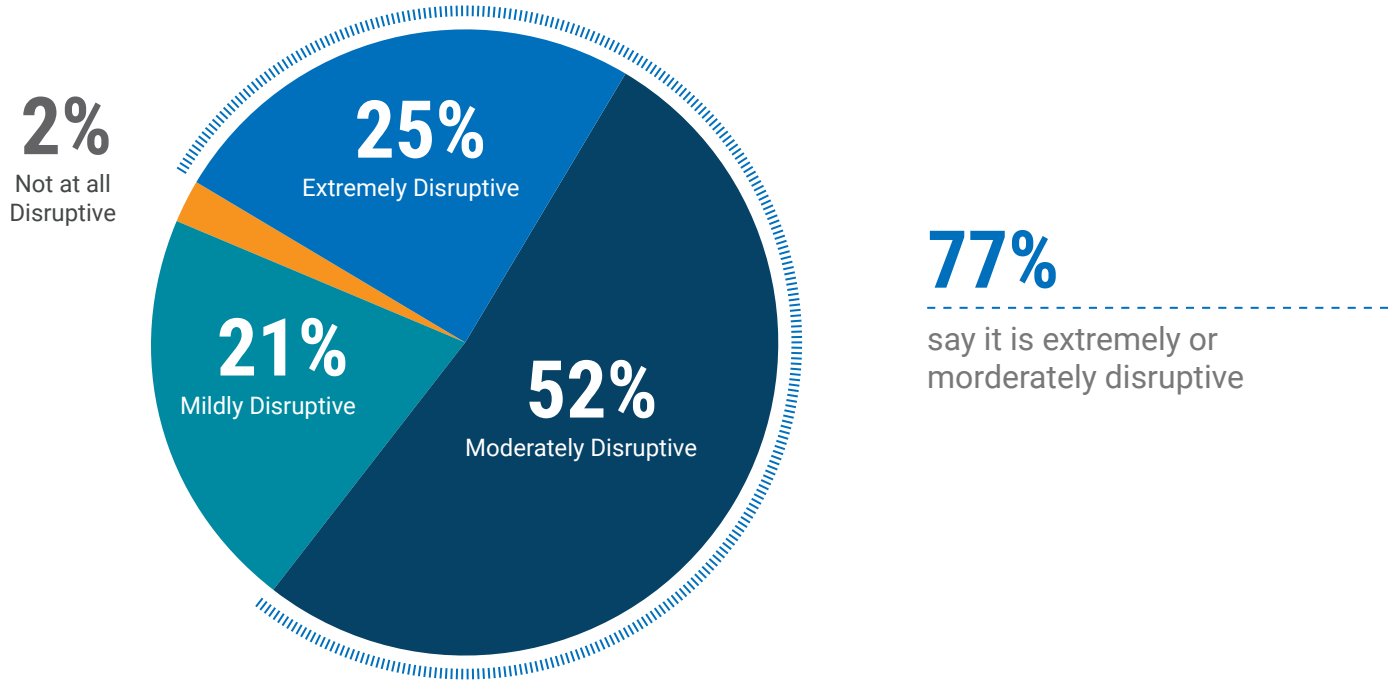
say Bigfoot is harder to find

**63%**

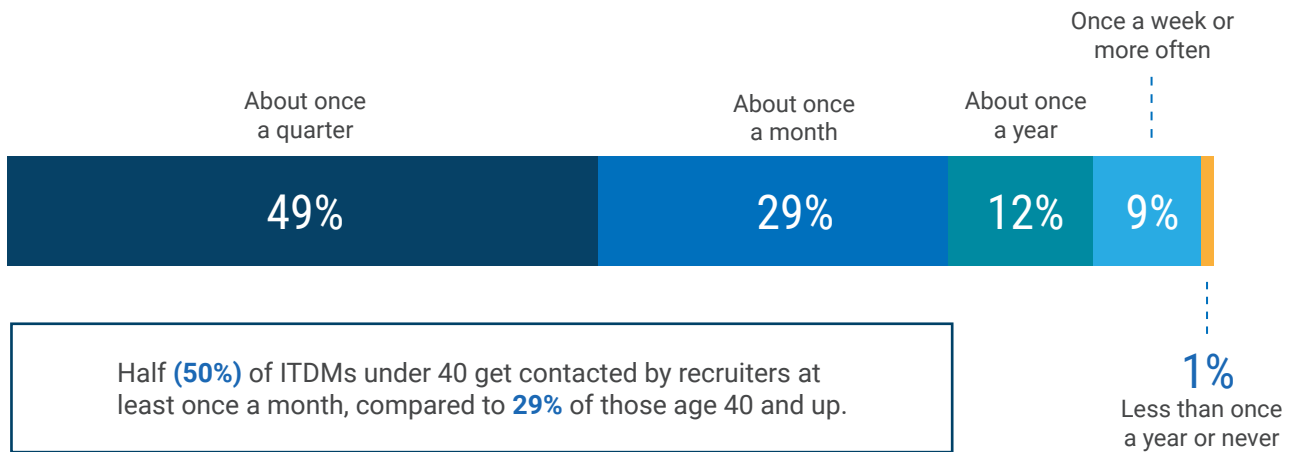
say a qualified cloud engineer is harder to find



9. How disruptive to your company's operations would it be, if at all, to lose an essential member of your IT staff?



10. How often, if ever, are you contacted by recruiters?



# Conclusion

## **New Strategies Required to Accelerate Cloud Projects**

Even as 99% of IT decision makers (ITDMs) plan to invest in cloud in 2020, most ITDMs struggle with issues that slow down or stall cloud projects. This survey report reveals that these issues aren't technical; a shortage of qualified cloud engineers and lack of leadership understanding and buy-in are the most important factors hurting cloud growth.

While IT leaders recognize these non-technical challenges, the majority of IT leaders (61%) still prioritize technical solutions like investing in better cloud tools over getting more executive buy-in (39%).

This reveals a common problem in IT teams (and perhaps in most humans): when something's not working, we look for a tool to fix it. IT teams can get so wrapped up trying to identify and implement the newest and hottest tools that we fail to tackle bigger issues, like the lack of leadership alignment around cloud in many organizations. We prioritize tools over strategy.

Cloud teams want leadership to understand what they do, understand the cloud, develop strong cloud goals, and invest in successful outcomes. In order to achieve 2020 cloud goals, senior leadership must get more involved in cloud strategy and develop stronger top-down goals for cloud growth.

# About Logicworks

Logicworks is a cloud consulting and managed services company that helps organizations plan, architect, and manage complex cloud environments. Our team of cloud experts have helped 400+ organizations migrate to AWS and Azure with our unique approach to cloud strategy and design, including MassMutual, Major League Soccer, and Choice Hotels.

As an AWS Premier Consulting Partner and Azure Expert MSP with HIPAA, HITRUST, PCI, ISO 27001, SOC1, and SOC2 certifications, Logicworks specializes in complex workloads for companies with high security and compliance requirements.

If you're planning new cloud projects in 2020 and want expert help in avoiding common migration stumbling blocks, visit [www.logicworks.com](http://www.logicworks.com) or contact us at (212) 625-5300.



**aws** partner network

**Premier Consulting Partner**

---

Security Competency

---

Migration Competency

---

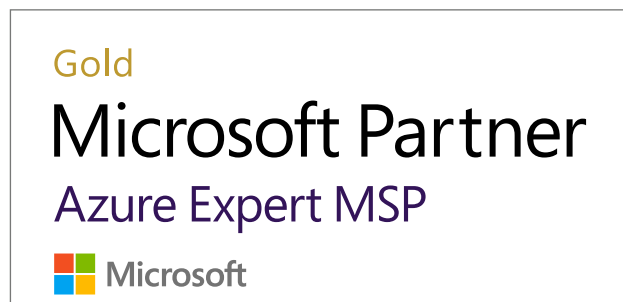
Healthcare Competency

---

DevOps Competency

---


MSP Partner



**Gold**

**Microsoft Partner**

**Azure Expert MSP**

 Microsoft