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- ZOHO ENTERPRISE PERSPECTIVES -

Leveraging the cloud for org-wide optimization

The most successful cloud strategies support broad organizational goals, while accounting for the impacts of implementation on granular processes.

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Through cloud adoption, businesses have the opportunity to optimize organizational processes, reduce unnecessary spending, and drive complex, cross-functional initiatives forward. But maximizing the benefits (and addressing the challenges) of implementation requires collaboration, communication, and a carefully defined cloud strategy. Here, we explore the intricacies and advantages of enterprise cloud computing.

Enterprise cloud implementation: Mitigating challenges through cross-functional collaboration

To experience the full range of benefits a centralized cloud solution provides, businesses must take a collaborative approach at every stage of implementation.

Across industries, executives are embracing centralized cloud platforms, aiming to improve business productivity and agility—but too often, cloud implementations fall short of expectations. Fewer than 10% of businesses have successfully moved their critical processes to the cloud[1], and only 20-30% are using their cloud solutions regularly and at scale[2].

A lack of transparency around procedures, policies, and stakeholder needs can be detrimental to the adoption of any software solution. And with a solution as complex and consequential as a centralized cloud platform, the success or failure of implementation will impact multiple departments. To mitigate implementation challenges and extract greater value from cloud-based solutions, business leaders must consider a range of stakeholder perspectives and encourage collaboration around the planning and adoption of relevant policies.

> *A mere **30%** of executives feel they have achieved the outcomes they expected from their cloud initiatives.*
>
> **Harvard Business Review**

[1] [2] Mckinsey & Co.

Encouraging employee buy-in through a collaborative selection process

A centralized cloud solution can deliver significant advantages to an organization—such as visibility, accountability, and security—but these cannot be attained without employee buy-in. Ensuring that the chosen solution supports each team's essential processes and goals is a crucial first step toward consistent org-wide adoption. If the org-approved solution proves inadequate, employees are more likely to turn toward department-specific and unsanctioned applications, often referred to as Shadow IT. In addition to exacerbating data silos, these applications leave nearly 7 in 10 businesses vulnerable to security threats[3].

Conversations around stakeholder requirements prior to software procurement can increase support for an IT-vetted, company-approved solution. By inviting members of each department to outline their needs, leadership improves its chances of investing in a cloud platform that is exactly as flexible, intuitive, capable, and interoperable as they require.

> *Alignment between departmental processes and overarching organizational goals is critical when adopting any new software solution. Encouraging this alignment early on paves the way for a smooth and successful transition.*

Vijay Sundaram
CSO at Zoho

A collaborative selection process also gives members of the organization a sense of what the implementation is meant to accomplish. Transparency around big-picture goals provides employees with a clear reason to invest in a successful implementation, and motivates them to overcome points of friction during the adoption phase.

[3] IBM

Addressing the cloud skills gap through reskilling and upskilling initiatives

Demand for IT employees with cloud experience has increased dramatically in recent years, leading to a shortage of candidates skilled in developing and securing cloud frameworks. This presents a challenge to modern businesses, with 80% of IT leaders noting that inadequate employee skillsets are preventing their companies from expanding their cloud environments[4].

Through reskilling and upskilling initiatives, org leaders can tap into their existing talent pools to close the gaps in their workforces. Training courses and professional development programs can be used to foster more relevant skillsets in seasoned employees who are already familiar with the company's operations, goals, and culture. Retaining these employees contributes to a sense of continuity, even as the company's processes and technology evolve.

Connecting with employees, either informally or through organized meetings, makes it easier for leadership to determine which skills are underdeveloped at their companies and identify candidates that are suited to new, more cloud-centric roles. Continuous communication can also reveal the ways in which cloud resources are being under-utilized at the organization. This information is particularly useful when designing educational initiatives that optimize returns on a company's investment in their cloud solution.

Securing data through comprehensive governance policies

A centralized cloud platform makes files more broadly accessible, improving

[4] Deloitte

data democratization, decision-making, and cross-functional collaboration. But without clear data governance policies in place, data misuse and privacy breaches can occur. Data control in the cloud remains a primary concern among executives[5], and uncertainty around related processes often erodes team members' trust, making them hesitant to rely on the cloud solution for critical operations and high-value tasks.

To effectively secure and structure their cloud environments, organizations must focus on designing and disseminating clear protocols for data access. This will likely involve discussions with various teams to determine who should be in charge of which data, and how it can be used and shared appropriately.

Zoho's culture of security is built on stringent protocols for app development, data encryption, and org-wide data handling. We prioritize privacy to ensure that your data governance policies are supported and strengthened by your technology.

Most cloud solutions allow organizations to assign role-based access permissions to their files. But to circumvent confusion and frustration, it is crucial that organizations look beyond technological restrictions to ensure security. All team members have a responsibility when it comes to protecting organizational data, and therefore, can benefit from conversations about the data they are permitted to share, with whom, and through which channels.

[5] Deloitte

Promoting success through communication and responsiveness

As with any major organizational change, the shift to a centralized cloud platform is rarely achieved without obstacles. But by maintaining open lines of communication with key stakeholders, business leaders are better equipped to address challenges as they arise, rather than allowing them to escalate to the point of becoming insurmountable.

When implemented effectively, a centralized cloud solution will impact nearly every team within an organization. Only by increasing transparency around the nature of these impacts, and remaining attuned and responsive to stakeholder needs, can businesses align the reality of their implementations with their original expectations.

Maximizing efficiency and flexibility: The power of multi-cloud for enterprise

Multi-cloud architecture offers organizations tangible benefits but requires strategic guidance from IT leadership to address the complexities its adoption brings

Cloud computing has fast overtaken on-premise as the standard across most enterprises, and taking a multi-cloud approach—using multiple public cloud computing and storage services within the same architecture—is becoming common practice. Almost 80% of respondents to Deloitte's Future of Cloud survey report that they use a multi-cloud approach[6], and the multi-cloud market is predicted to be worth almost $20 billion by 2031[7].

Whether multi-cloud is a deliberate strategy or grows up organically through the ad-hoc addition of new IaaS, PaaS, and SaaS platforms, it can offer enterprises a number of tangible benefits over on-premise solutions or a single private or public cloud infrastructure. These advantages include flexibility, scalability, and the opportunity to strengthen their bargaining position with vendors.

But implementing multi-cloud can also present challenges, so a comprehensive multi-cloud strategy, careful planning, and robust governance are essential for seamless operation and data security.

Most important benefits of multi-cloud

(as cited by respondents to the Deloitte 2022 Future of Cloud survey)

85%

More choice in cloud services

84%

Application and data processing scalability

83%

Increased flexibility and negotiating leverage

[6] Deloitte [7] Allied Market Research

Challenge: Data complexity

A survey by HBR found that even as organizations are eager to embrace multi-cloud, only 34% report having robust, multi-cloud-ready data governance policies in place[8]. As data analytics become ever more sophisticated, the benefits of best-in-breed at the department, operation, or even process level only become stronger. Multi-cloud enables enterprises to avoid vendor lock-in and leverage specialized BI and analytics tools, algorithms, and storage solutions from different cloud providers, while still preventing data silos and creating backups and redundancy where required. But with information increasingly created, collected, stored, and moved across cloud environments, maintaining confidentiality, integrity, and availability becomes challenging.

The value of an enterprise's data is highly dependent on its accuracy, which is more difficult to maintain when updates must be made across a distributed network of systems. Any latency in synchronization must be accounted for, as must any issues with interoperability between cloud services.

Each cloud in the system must comply with all applicable data protection regulations, such as GDPR or HIPAA, even as the geographical locations of cloud data centers introduce additional compliance factors to consider. Cloud providers approach identity and access control differently, so ensuring that data users have access to the data they need—and not to sensitive data that they don't—also takes careful consideration,especially if the aim is to give the end user a single sign-on experience.

[8] Harvard Business Review

The importance of robust data governance is only increased in a complex multi-cloud environment. Ideally, this will be driven by a dedicated data governance team, guided by the Chief Data Officer (CDO), or other senior executive responsible for data, who will identify data stakeholders in the organization and delegate responsibility for implementing governance on the ground. Best practice tools, like data catalogs, data tagging, and metadata management, and policies for establishing data ownership, single source of truth, cross-cloud access controls and data usage guidelines can go a long way towards taming the chaos. A well-designed, adaptive data governance framework can help rein in the multi-cloud complexity and establish cross-cloud control over who can access what data, while also improving the value extracted from data across the org. For example, the framework could leverage data centralization to earmark one cloud as a single source of truth for each data category and then set the parameters to automatically push updates out to a connected network of resources.

> *"As cloud computing has become more sophisticated, enterprises have come to expect, and demand, more unification across their tech stack. It is no longer sufficient for a cloud to offer good functionality; it must also offer interoperability."*

Saravanan Muthian
Chief Information Officer at Zoho

Challenge: Security complexity

Security is a significant factor in multi-cloud adoption, with security considerations ranking as both the top benefit and the top challenge in the 2023 VMWare Multi-Cloud Maturity Matrix[9]. With security approaches differing between cloud providers, protecting multi-cloud architecture requires a comprehensive overarching strategy.

[9] VMWare

Each cloud under consideration should be assessed not only for its individual security protections, but also for the difficulty, costs, and risks involved in linking it securely to the org's other clouds. Since transfer between clouds will always represent the weakest point for attack, it's also important to enforce robust encryption standards during data transfer as well as at rest in all cloud locations. However, with encryption methods differing between providers, this can be complex to achieve.

IP tunnels are secure communication channels established between different cloud environments to facilitate data transfer while maintaining confidentiality, integrity, and privacy. Configuring tunnels is an essential part of any comprehensive multi-cloud security approach to ensure security, reliability, and optimal performance of data transfer across the interconnected cloud environments.

While hybrid cloud architecture (a computing network that includes at least one private cloud or on-premises system alongside public clouds) shares the same security risks as multi-cloud, it can also offer security benefits by allowing organizations that handle particularly sensitive data to store it only in private systems, reducing its exposure to risk. This is likely to increase cost and potentially data latency, so each organization should assess these trade-offs against their security needs.

Challenge: Operational complexity

A successful multi-cloud solution can facilitate scaling resources up or down as requirements evolve or fluctuate, and the option to switch services between vendors can offer resilience against service disruptions. However, effective operational management over a multi-cloud architecture is a major challenge for many organizations. While getting the best price for each cloud function is an attractive prospect, it takes careful consideration to ensure that savings are actually realized. Cloud investments can include on-demand self-servicing, broad network access, rapid elasticity, resource pooling, and measured service, and costs can easily spiral if workloads aren't deployed strategically.

79%

of IT decision makers say they've experienced at least one significant downside to their multi-cloud migration, with increased complexity being the most common (48%)

Larger companies, and companies with larger cloud budgets, are more likely to experience greater downsides.

-Foundry

Maintaining the required level of oversight and visibility into each part of a multi-cloud system without losing sight of the overall picture is no mean feat. Built-in monitoring tools offered by cloud vendors don't monitor other clouds, and inconsistent metrics between vendors make it challenging to source third-party tools that offer off-the-shelf compatibility with all of an organization's cloud resources. This leaves IT teams without a holistic overview, risking blind spots.

A relatively new strategy that is gaining ground involves building a compatibility layer, known as a "metacloud" or "super cloud", to sit logically above an organization's various cloud platforms to provide users access to common services while maintaining consistency and giving administrators centralized control and a "single pane of glass" for monitoring across all clouds.

This not only streamlines operational procedures, but can also offer increased security by allowing developers to set a single security configuration to apply to all cloud environments. Building and maintaining a metacloud requires significant internal technical resources, but can offer a sophisticated holistic solution for organizations that can support it.

Incorporating enterprise SaaS solutions like Zoho CRM into your multi-cloud environment can reduce the burden on IT and security teams through effective data privacy and backup and robust integrations and API connectivity with other vendors and cloud solutions.

With the right multi-cloud strategy, the sky's the limit

While cloud usage and requirements vary significantly across enterprises, it is by now clear that multi-cloud is here to stay, and the complexity it brings with it appears to be growing, not shrinking. As multi-cloud matures, enterprises that could previously get away with an ad-hoc approach will start to need a more comprehensive multi-cloud strategy to protect against breaches, system failures, and unexpected cost increases. A successful strategy will use a range of tools to cover both technical aspects (such as architecture, interoperability, and automation and orchestration) and process-oriented policies for cost and resource optimization, data management and security, and practical considerations (like skill development and training). Collaboration among IT security teams, cloud architects, and stakeholders will be essential to align each tool and approach with overarching business processes and goals.

Optimizing omnichannel strategies with an org-wide approach to the cloud

Omnichannel strategies can help businesses deliver contextual and cohesive customer experiences—but a centralized cloud strategy is critical to success.

Providing personalized and consistent CX across channels requires teams with varied goals and responsibilities to access, share, and analyze high volumes of cross-functional data. By expediting and simplifying these processes, cloud computing acts as a driving force behind most successful omnichannel strategies. But while 78% of executives report that their companies are operating in the cloud, less than half are seeing the improvements to CX and decision-making they expected[10].

These results make it clear that cloud buy-in alone is not enough to impact critical CX processes. Too often, the cloud solutions deployed within an organization are department-specific, resulting in siloed data and inconsistent levels of cloud maturity across the company. This is a notable problem for businesses, with the majority of executives acknowledging a need to improve their organization's strategies for maintaining and using data across the technology environment[11].

> *Cohesive CX requires the use of cohesive strategies and tools—but **71%** of enterprises lack a centralized approach to the cloud.*
>
> **- Flexera 2023 State of the Cloud Report**

[10] PwC

[11] HBR

To meet the omnichannel expectations of modern consumers, companies must embrace unified cloud solutions that increase org-wide visibility, communication, and agility. This means that a company's approach to the cloud—and degree of adoption—should not vary by department, but instead be determined as part of an org-wide cloud strategy, with the goal of presenting a consistent image, message, and quality standard across channels.

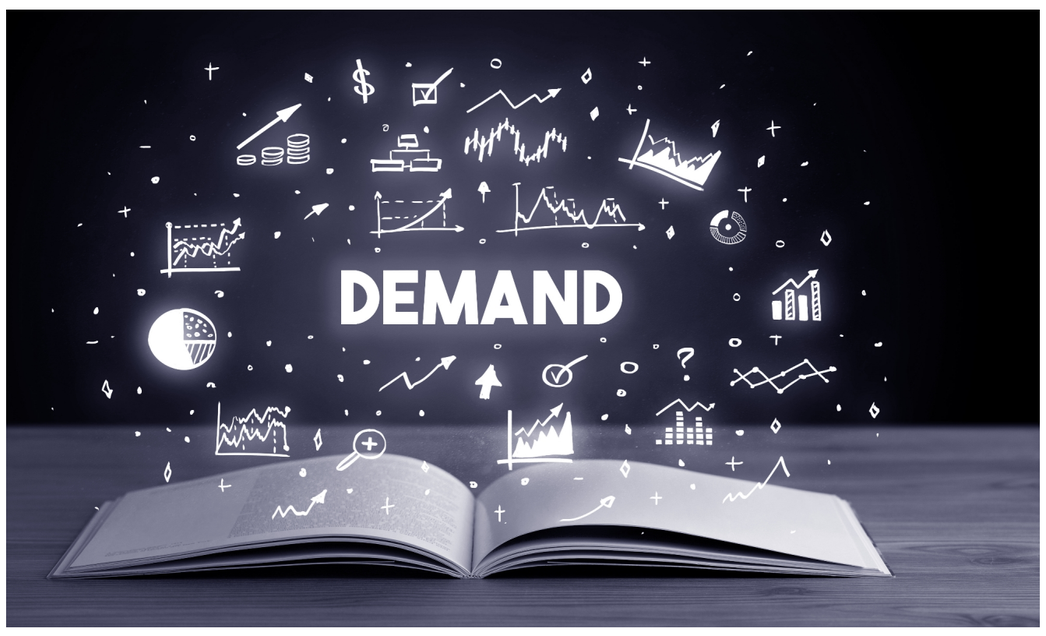
A more coordinated response to dynamic consumer demands

Aligning business strategies with dynamic consumer needs, sentiments, and expectations is essential for maintaining relevance in the modern market, but it can be challenging when an omnichannel strategy is in play. Omnichannel businesses are not only tasked with demonstrating responsiveness, but with synchronizing updates and changes across channels to ensure a cohesive customer experience.

Despite the myriad ways cloud applications improve organizational agility, 88% of executives worry that their companies aren't equipped to keep pace with evolving consumer demands[12]. This problem often arises (or becomes exacerbated) when disparate cloud strategies are in place throughout an organization, causing critical data to become siloed within one application or department.

A unified cloud solution provides a centralized location for storing and accessing cross-functional data, improving org-wide visibility and coordination. When business leaders are able to analyze data collected from all touchpoints, they can more easily identify trends that impact customer behavior and prepare relevant stakeholders to take timely action.

Enhanced visibility also makes it possible for individual teams to see how their efforts complement broader company strategies. In turn, they're better equipped to recognize when an initiative falls out of sync with the brand's evolution, allowing them to take quick action and adapt.



[12] Accenture

Enhanced personalization across channels

An omnichannel journey is most impactful when a customer's history and relationship with the brand is considered and reflected at every touchpoint.

Modern consumers expect businesses to remember their past interactions and anticipate their needs, with 72% expressing the desire for businesses to recognize them as individuals[13]. But this level of personalization is only possible when businesses are equipped with interoperable tools that enhance and expedite cross-departmental communication.

A detailed view of cross-channel activity helps ensure that the right messaging consistently reaches the right customers. Zoho's applications are designed to be integrated, so users can strategically plan every customer interaction.

When all teams utilize tools that function as part of a broader cloud ecosystem, the need for manual data sharing is eliminated, along with the potential for delayed or inaccurate updates to customer information. Integrated cloud applications can communicate automatically, ensuring relevant stakeholders receive timely updates about each customer's preferences, behaviors, and interactions, regardless of which team collected the original data. As a result, businesses can offer more contextualized customer engagement, and avoid the loss of momentum that occurs when customers are forced to revisit past conversations, purchases, and support requests throughout their journeys.

A consistent and fluid omnichannel experience

The average B2B decision maker interacts with suppliers on 10 different channels[14], and more than a third of retail shoppers report using their mobile devices to conduct product research from inside brick-and-mortar stores[15]. To meet the needs of these consumers, businesses must focus on orchestrating consistent and frictionless experiences across customer touchpoints.

[13] McKinsey & Co.

[14] McKinsey & Co | [15] PwC

But less than half of executives feel their companies are delivering on this front[16].

> *When working with unified solutions, business leaders can quickly assess whether each touchpoint propels the customer journey forward or causes it to stagnate, leading to informed decisions and more optimized CX.*

Saravanan Muthian
Chief Information Officer at Zoho

Ensuring consistency across the customer journey requires a level of oversight from business leaders that can only be achieved when an org-wide cloud strategy is in place. A centralized cloud solution simplifies the tracking of cross-departmental activity, making it easier to identify (and eliminate) points of friction and ensure the brand's quality standards are reflected on all platforms.

Ultimately, the cloud offers businesses an unprecedented opportunity to view, assess, and adjust every aspect of the customer journey to maintain consistency across channels. But to take full advantage, businesses must ensure that the cloud solutions they implement are as unified as the customer experiences they aim to provide.

[16] NTT Data

Why Zoho for Enterprise?

Proven software, customer commitment, tremendous value.

Scalability & Reliability

Zoho for Enterprise reduces the cost of infrastructure, unifies existing apps, and solves complex business problems for increased enterprise fitness, resilience, and scalability.

Customization & Extensibility

Through granular customizations and powerful in-house developer platforms, Zoho lets you orchestrate workflows, streamline data management, and deploy world-class solutions at scale.

Security & Privacy

From owning our own data centers to GDPR compliance features, Zoho enables enterprise organizations to focus on core business priorities, rather than data management.

Enterprise Services

From data migration to consultation and implementation, our team is armed with the in-depth product knowledge and industry expertise to meet your unique technical requirements.

Are you ready to transform your organization?

We're here to help. Have a 15-minute, no-obligation call with one of our **Business Architects** to get all your questions answered.

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