Cloud Governance: Doing the Right Things Right

By Robert Ford, Chief Strategy Officer, CoreStack

For the digitally ambitious enterprise, cloud management is simply no longer good enough.

Let's start with my worldview: First, it's getting even cloudier. Second, all roads digital lead to and from – and ride on top of – the cloud. Third, cloud governance is the new frontier to master if you want to go further, faster. We can debate to what degree, but look at any cloud spend, cloud growth, or shift-to-cloud predictions, and it's tough to dispute these statements no matter where you are on your digital journey.

In my humble opinion, the overused term "digital transformation" needs a more dynamic upgrade to "digital explosion." Digital technologies continually appear much earlier than predicted, innovation disrupts with little respect for the present, and the mash-up of enterprise with consumer experience leads to faster and more natural user adoption. There is little to indicate these trends slowing, and so when embracing my worldview above, accelerating your cloud journey and doing cloud right becomes of paramount strategic importance to every company in every segment and at every stage of cloud maturity.

Fact: The cloud is not merely a destination or an alternate modern infrastructure. Think this way, and the real disproportionate top-line business value cloud can deliver will remain elusive. The cloud must be embraced as a massive organization-wide strategic initiative by all. It is the gravitational kernel around which all things digital orbit, informing business strategy rather than simply enabling it, and encouraging a world of constructive disruption, experimentation, and heightened ambition. Contextualizing cloud with this reverence matters.

The Cloud Journey

We are all on a cloud journey. It's a broad and deep journey that demands that we move fast to avoid falling behind. It starts with the question "why cloud" – a ship that for most organizations has long since sailed. Anyone still doubting the merits of the cloud needs to look at it through the progressive lens of delivering value to their customers faster. I could spend a whole white paper on this idea, but for today, let's agree that the "why cloud" conversation is settled.

Next, we approach the question of "which cloud" – again, a somewhat dated outlook, given that you should use whichever cloud offers what you need to best achieve your strategic objectives, add a needed capability, address sovereignty, or give you greater purchase leverage. At some point, every company will be some form of multi-cloud, so blast through that limiting belief of greater complexity sooner rather than later and use the clouds that are right for you (including private). Abstract your thinking more to super-cloud, and forge ahead at pace.

Then we wade into the domain of "how cloud," a crowded space occupied by many frameworks, consultants, and converging opinions. My advice would be to heed the hyperscaler cloud adoption frameworks and well-architected frameworks, and use cloud migration as the excuse you need to stop doing the dumb stuff that has been living on-premise since before you joined your company – the low-value activities that annoyingly eat up the precious time of skilled resources trying to keep yesterday alive for no good reason.

That said, the "how cloud" conversations to date have tended to surround the topic of migration into and adoption of the cloud. These conversations are necessary and important, but not sufficient in this ever-cloudier world, where cost optimization, regulatory compliance, and cybersecurity are table stakes to thrive and survive in the digital era. Evolving the "how cloud" conversation to address these cloud governance challenges is of critical importance no matter what stage of the cloud journey you are in.

To borrow and tweak some words of wisdom from Aristotle, "Cloud governance well begun, digital ambitions half done."

Cloud with Confidence

Cloud governance has a simple definition: Embracing cloud with greater confidence.

I mean confidence from a business appetite to experiment more, innovate more, and accelerate delivering value to customers, as well as from a governance framework perspective, delivering comprehensive optimization, compliance, and security controls to every facet of your multi-cloud platform.
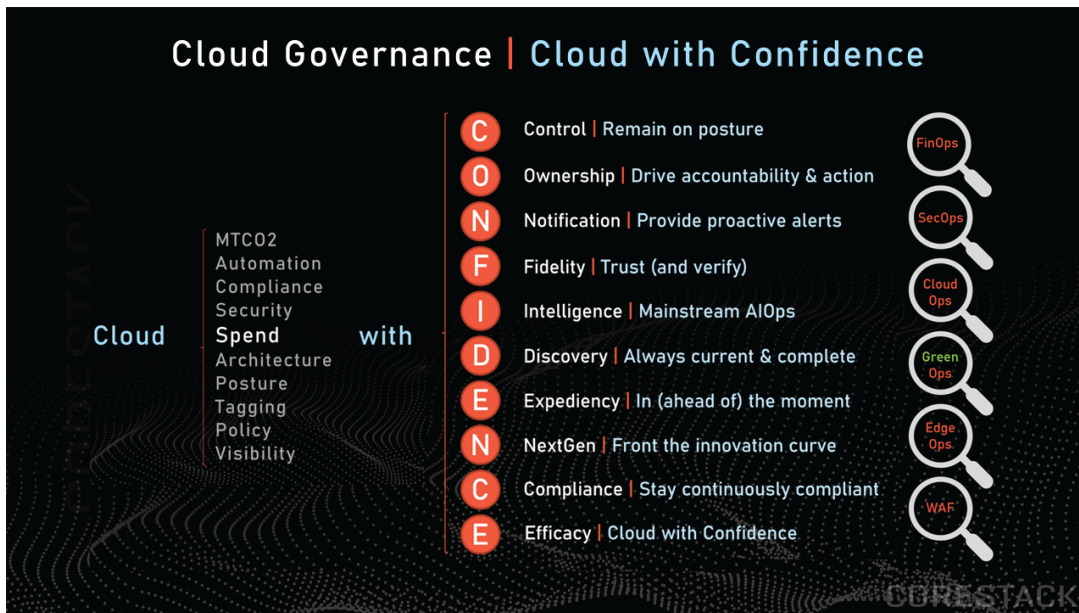
Now we move into the subject matter that address the title of this white paper – how cloud governance, which is more than cloud management, supercharges your ability to embrace multi-cloud with greater confidence.

I will begin by stating that if you are truly embracing cloud as the center of gravity for all things digital in your organization, and your ambition is to continually front the technology innovation curve, and you want disproportionate top-line value for every bottom-line cloud dollar you optimize, cloud management is simply no longer good enough. What's required to move from good to great is NextGen cloud governance.

More Than Cloud Management

Cloud governance is the NextGen evolution of cloud management, and depending on where you are in your cloud journey and how much you are spending on cloud, the degree to which the distinction matters becomes more profound. The higher the spend, the more clouds you embrace, and the higher the degree of democratization within your organization, the greater the sophistication you require, and the stronger the case for cloud governance.

Straight out of the gate, inspired by a famous Peter Drucker quote on leadership, I would assert that cloud management is about doing things right, whereas cloud governance is about doing the right things right. The latter is ever-more important in an increasingly connected and interdependent digital world, where spend, compliance, and security all wrestle for scarce resources – be those budget dollars, people, or both.
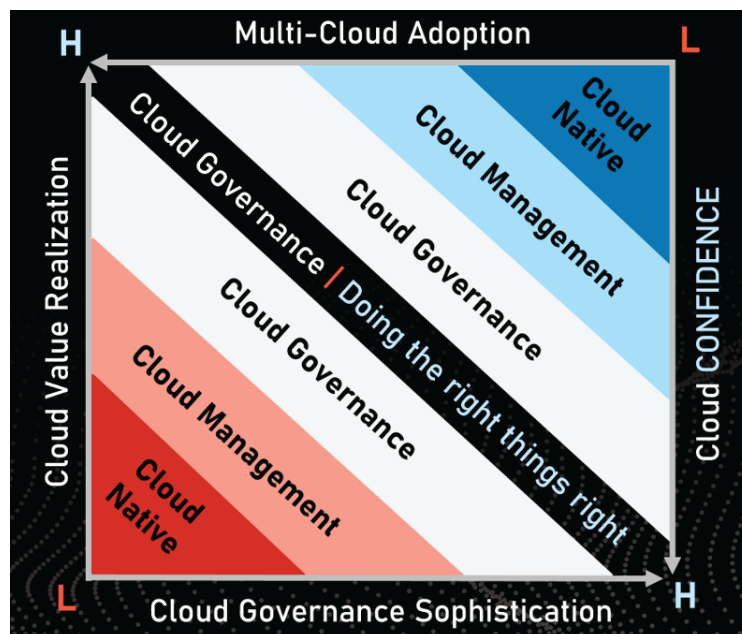
To help make the distinction, I will use an analogy close to my heart, piloting a modern-day helicopter, something I love doing that parallels well in making the point. Picture cloud management as a set of dials in the cockpit, all telling you something about the state of the helicopter or the state of the flight. This can be as simple as a few dials and manual controls in a basic helicopter, to a more complicated set of dials, indicators, and systems that offer greater automation but also introduce more complexity, demanding the services of a copilot.

This is the cloud management spectrum, with cloud hyperscaler portals at one end and bespoke cloud management systems at the other. They do cloud management right but rely on inputs to do the right things right. This is where cloud optimization, compliance, and security tend to lie today.

Just as a helicopter muscles its way inelegantly through the sky, cloud management allows you to muscle optimization from your cloud platform – but is that sustainable and is that really enough? Just as helicopters can have dramatically more technology and capabilities, the cloud is continually exploding with new capabilities. Simply adding more dials (or portals) will never give you the ability to fly advanced helicopters faster and further. Multi-cloud complexity and capability demands a more "autopilot" way of governing cloud, one that orchestrates all the interdependencies automatically, predicts and makes the adjustments for you, and allows you to spend more time looking outside the cockpit than within – which, believe me, is the good part!

Cloud Governance Platform (CGP)

Today, cloud management is an umbrella term that encompasses cloud governance. I will challenge this positioning, making the case that cloud governance demands greater prominence, attention, and elevation, and is deserving of its own Cloud Governance Platform (CGP) category (vs. CMP).

Cloud governance is the next-generation evolution of multi-cloud management, providing greater intelligence with enhanced capabilities that ensure you not only do things right, but also do the right things right. Again, the distinction is as profound as it is subtle.

Gartner's wheel of cloud management has a comprehensive set of capabilities an enterprise requires to effectively manage clouds:

- Spend Management and Resource Optimization

- Identity, Security, and Compliance

- Provisioning and Orchestration

- Monitoring and Observability

- Migration, Backup, and DR

- Inventory and Classification

- Service Enablement

There is little doubt that you need to do all of these right – really right – and that has historically been the primary domain and focus of cloud management. However, these capabilities increasingly span multiple clouds and workloads, may be initiated by numerous people, may consume considerable cloud resources (intentionally or unintentionally), may expose your data, may damage your business, and also may unleash the next wave of innovation that reinvents your business. Is simply managing them (doing them right) really enough? I don't believe it is.

The modern and digitally ambitious enterprise must apply a more sophisticated cloud governance platform lens to these essential vectors of the cloud, doing the right things right, and embracing the cloud with greater confidence – all while continually creating disproportionate value for its customers.

Making the Case

A picture paints a thousand words, so let's start with one. Here are the five primary characteristics of cloud governance, highlighting the evolution from cloud management.
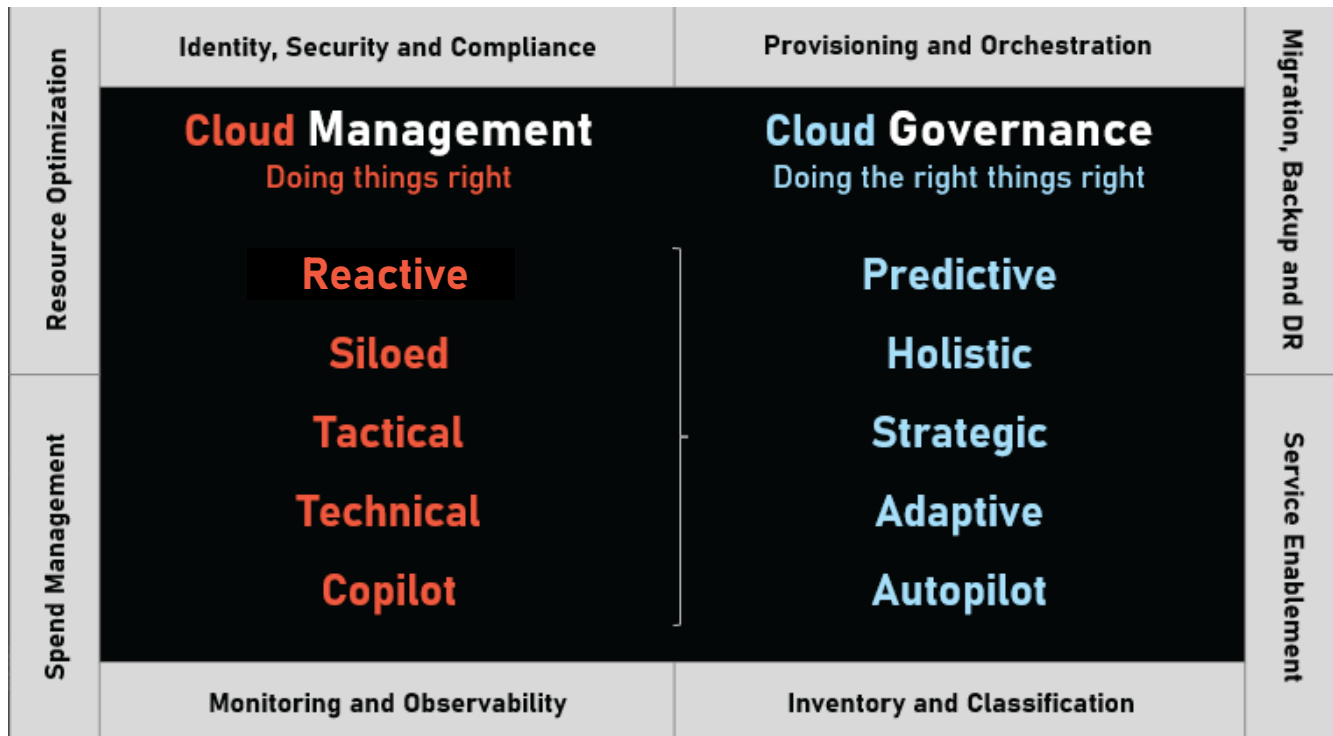
I will now double-click on each characteristic and make my case.

1 **Management is more reactive, whereas governance is more predictive**

Danish Physicist Niels Bohr once said, "Prediction is very difficult – especially if it's about the future." Difficult, maybe, but in the connected digital world of big data, high-performance computing, and AI, accurate, timely prediction when running your business in the cloud is more important (and possible) today than at any time in history.

Native cloud management portals tend to respond to narrow independent signals after the fact, often resulting in delayed, over-corrective (and expensive) actions being hurriedly taken instead of pre-emptive and better-informed real-time avoidance. Cloud management solutions can help you do the right things better than home-grown tools, but without the causative or correlative considerations that are essential in the complex, multi-cloud world most organizations exist in (or soon will). Cloud governance, on the other hand, looks to embrace all the complexity of managing multiple clouds, using derived, explicit, and implicit intelligence surrounding every cloud resource to provide the opportunity to influence what happens next. Cloud governance is predicated on a broader and AI-enriched data domain, a connected system of cloud resource intelligence, and the capability to ensure that the right things are done right (in real-time) to maintain any given cloud posture across any cloud facet required to be a model cloud citizen.

2 **Management is more siloed, whereas governance is more holistic**

When Margaret Cho said, "The power of visibility can never be underestimated," she may have been referencing loftier things. Still, these words ring very true in the context of cloud governance.

Siloes exist everywhere, and the world of cloud computing is no different. Examples in the context of cloud management range from cloud hyperscalers, management portals or consoles, and specific disciplines such as FinOps, SecOps, CloudOps, etc., not to mention the overlay of an organization's business map to that of its technology landscape. Augmented with a splash of home-grown genius, cloud management may be sufficient to tread water when in the early maturity or "crawl" phase of an organization's cloud journey, but it is not sustainable. Given the explosive growth of the cloud, the clock will be ticking, and the inevitable evolution to enterprise scale requires a more holistic and sophisticated cloud governance approach, demanding that the right things across all clouds are always done right. The need to manage workloads that span clouds becomes the norm rather than an exception. The ability to see the interdependence between cloud resources becomes a game-changer for optimization and compliance, as well as minimizing the risks of something being done without visibility into broader impact.

Proper holistic cloud governance is the domain of the connected, intelligent, and expandable platform. This platform embraces all clouds of every flavor and every vendor, from the data center to the edge and everywhere in between. Extracting all possible cloud resource data from every cloud in an automated schema-based way enables modern enterprises to front the formidable innovation wave, abstract the complexities of multi-everything, holistically optimize spend, drive compliance, and mitigate risk. Without an enterprise-scale platform providing this kind of holistic visibility, you are trapped in siloed legacy cloud management, committing your brightest and best resources to keep yesterday alive just a little bit longer.

3 Management is more tactical, whereas governance is more strategic

U.S. Marine General Peter Pace astutely commented, "Today's tactical victory does not guarantee tomorrow's strategic success." The same can be said for how cloud (and cloud governance) is positioned, approached, and embraced by your business. I believe that a primary reason the true value of the cloud remains somewhat elusive to most organizations is that the metaphorical boardroom still does not have the confidence in the cloud to innovate, disrupt, and experiment as enthusiastically and ambitiously as they should – a confidence that correct cloud positioning and world-class cloud governance affords. At many top leadership tables, the cloud is embraced, but not as the massive strategic organization-wide top-line business opportunity it is. It tends to be relegated to a more tactical bottom-line alternative technology or hosting destination.

Cloud management and cloud governance share a similar distinction. Cloud management tends to be inherently more tactical in nature, being characteristically a series of one-off prescriptive actions done reactively, being more operational in nature.

The focus is more on bottom-line optimization, often executed in isolation (siloed) and without a genuine appreciation for the impact on the broader business ecosystem. The conversation, therefore, remains with IT leadership and is perceived as purely tactical, with the effect (even if done well) somewhat invisible to those in that metaphorical boardroom.

4   **Management is more technical, whereas governance is more adaptive**

In 2002, American psychiatrist Ronald Heifetz and Harvard University Professor Marty Linsky introduced the concept of technical vs. adaptive leadership challenges. The former is a more familiar challenge, a problem that can be solved using existing knowledge, expertise, and standard procedures. The latter is a more complex or unfamiliar problem that doesn't have a straightforward, obvious solution and, therefore, requires adapting and questioning historical beliefs and approaches. Sounds very much like the dynamic, complex, and ever-changing cloud soup we are all marinading in daily – right?

Building on this distinction, I make the case that cloud governance is more adaptive and "on" the business, being more suited to the fast-paced, ever-changing, and disruptive cloud world. In contrast, cloud management tends to be more technical and "in" the business, being more reactive, narrowly focused, and mechanical, addressing known issues with known prescribed responses.

Let me stress again, both are needed. But the pace, innovation, and nature of the cloud requires the same adaptive approach outlined by Heifetz and Linsky. It demands that organizations always be prepared and react quickly to signals that indicate any real-time drift from any cloud posture being governed, including assessing the specific situation and leveraging the reasoning (and learning) of GenAI capabilities to recommend and take automated corrective remediation. It takes the goodness of established cloud management "being" to higher levels of automation, intelligence, and abstraction, "becoming" a next-generation cloud governance AI autonomous agent. Destination? The future – faster.

5   **Management is your cloud copilot, whereas governance is your cloud autopilot**

I may have a slight bias, but I hope my flying analogy earlier helped "land" the distinction between cloud management and cloud governance. Like everything in this digital era, helicopters (like the cloud) have become more sophisticated and capable, demanding technology to help abstract the complexity and augment the pilot's flying skills. Governing multi-clouds is no less of a challenge. Yes, you can fly (albeit sub-optimally) without the assistance of a copilot or autopilot, just as you can manage clouds with native management tools (portals within portals within portals), and yes, you can fly even better with automation, management systems, and a "copilot" to share and augment human effort.

That said, there is an even better option that ensures you fly further, faster, and have more time to look at what's outside the cockpit, affording you a better perspective of what's ahead – which is goodness. It's called a sophisticated autopilot, more akin to an AI autonomous agent that is predictive, holistic, strategic, and adaptive. It confidently governs everything system, instrument, and flight control as instructed.

As an organization embracing multi-cloud, you want the confidence and capabilities an AI automated agent (autopilot-like) cloud governance platform provides, allowing your head to be in the business of innovation, creating new top-line value, charting new territory, and exploring new horizons, rather than watching instruments, reacting to and managing controls to stay above the (real) clouds.

The New Cloud Frontier

That cloud governance is the new cloud frontier to master and is another level of sophistication, intelligence, and abstraction on traditional cloud management is very much a reality. And it will only continue to be more of a challenge as constructive disruptions such as AI, HPC, and Quantum become more mainstream and commercialized. We predict a new Cloud Governance Platform (CGP) category will emerge from under traditional CMP. It will become a true differentiator as the world gets cloudier, changes faster, and is excitingly more disruptive.

NextGen Cloud Governance from CoreStack

No matter your level of cloud maturity, CoreStack can help you Cloud with Confidence. CoreStack dramatically improves visibility into cloud resources and enables enterprises to make better, more informed decisions. Our NextGen Cloud Governance portfolio can transform any organization from a reactive posture to a proactive one, enabling predictable increases in top-line revenues and bottom-line efficiencies while fully realizing the competitive advantage of the cloud's variable-cost model. To get started or to learn more, visit www.corestack.io or reach out to us at contact@corestack.io.

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