



WHY 2023 IS THE YEAR OF CLOUD VALUE

VIDEO TRANSCRIPT

Speakers

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James Maguire: Accenture has named 2023 the year of cloud value. What does this mean for enterprise managers who want to keep pace with cloud's performance? Karthik, what's your view on this?

Karthik Narain: I think the last two years have been particularly interesting because a lot of organizations have embarked upon big transformations on dramatically compressed time frames. Cloud became that elastic element within an enterprise that they could leverage to address what the pandemic brought in.

But I think we are moving to a phase where the role of cloud is going to be beyond just providing a better infrastructure, better newer IT services to providing more value. And that value is about unlocking the potential of trapped functional siloed data within your enterprise to create cross-functional intelligence. And it's also about creating new business models.

So the research that we just recently did, more than 80 percent of the companies are actually increasing their cloud investments. They are taking more and more capabilities to the cloud. There's also that shift that's happening from just

getting to cloud to looking at what more value can I get out of cloud and looking at cloud more as a continuum of capabilities from public to edge and more as an operating system.

So that's why we believe it's going to be an exciting year—2023—where there will be a mindset shift from just using cloud and having a share of cloud to taking advantage of the power of cloud to reinvent your business. So that's kind of the change that we are seeing.

James Maguire: No doubt that companies are feeling a lot of pressure to make the most of their cloud. Ashley, your view that the 2023 is the year of cloud value and what does this mean for managers?

Ashley Skyrme: So, just to build on Karthik's point for a second: in that research, 42 percent of the companies felt like they had achieved their cloud outcomes. And while that's only up five percent, that is still really low.

But to me the fundamental thing that's happening with this inflection point is what we are calling the double bubble. So at the same time the cloud costs are rising, in the next couple of years, they've got increased – the spigot's on in consumption-based cloud spend, but they still have a good portion of their estate that's sitting in the legacy. And so what our clients sometimes feel is that they're stuck in the middle. But it's you're tackling both the double bubble: how to get more value out of



the cloud spend and actually do the workout on the non-cloud spend.

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