

# HOW THE CLOUD WILL MAKE YOUR STARTUP MORE AGILE?

### Introduction

Modern organizations are under more pressure than ever to be agile - to do things faster, smarter, and more effectively. This is doubly true in the startup space, where success is often predicated on how quickly your business can scale and adapt to changing market conditions. It doesn't help, then, that the market's grown so complex in recent years - it means that even a little complacency can spell doom for a fledgling business.

"Experience tells us that complacency is the worst mistake a business -- especially a startup -- can make," [writes Christopher Worley of Entrepreneur](#). "An examination of hundreds of businesses over 20 years of operations has shown us that rather than digging in their heels, successful companies do a better job at four things: establishing a climate for revising strategies, perceiving and interpreting environmental trends and disruptions, testing potential responses, and implementing the most promising changes."

"They have a culture of continuous agility."

And that's a culture you need to foster in your own startup. In this chapter, we'll talk about how the cloud can help you do just that. Let's get started.

### Why The Cloud Is Vital To Business Agility?

If a business's processes and products remain stagnant while the world around them changes, they will lose market share and eventually become obsolete. No business owner wants that - startup or sprawling enterprise, no one wants to be the next Kodak. There's thus no denying that businesses have to change to remain relevant and competitive.

But what's the role of the cloud in achieving that evolution?

One word: data. Thanks to the Internet and the digital revolution, processing, analysis, and access to data are more crucial than ever. And there's more data than ever before, as well; logistics, customer relationship management platforms, sentiment analysis, business intelligence, analytics, and numerous other sources form a veritable sea of information for organizations to sift through.

And if they do so effectively, they'll become significantly more agile for it.

See, cultivation of business agility in the modern world is cultivation of the ability to react efficiently to the insights provided by data. This requires realtime data collection, storage, processing, and collaboration. It necessitates the ability to react to analytics information to develop products and applications with minimal lead times; the ability to scale infrastructure quickly and, most importantly, access to the requisite infrastructure without a massive capital investment.

Legacy IT simply isn't up to the task here. The infrastructure and software that form the backbone of legacy systems were created for a different time. Instead, in order to adequately analyze the torrential outpouring of data, businesses need to turn to the cloud.



Because cloud computing is elastic, requires little in the way of capital investment, and is globally available; it frees businesses from the restrictions imposed by previous deployment models. It provides the tools necessary for businesses to exploit ever-increasing data volumes, through the creation of applications that enable employees and customers to interface with data. Perhaps most importantly, it allows businesses to be experimental and creative as they seek solutions to market problems.

For established enterprises, the cloud can be either a savior or a nightmare. The systems and platforms that innovative startups use to disrupt the business models of established companies are the same tools that established businesses can use to develop the agility they need to flourish. Properly implemented, they can provide a business with untold insight into the nature of its operations.

Improperly implemented, they may as well not be used at all.

## Optimizing Application Development And Management Can Lead To 50% Cost Reduction

For modern, IT-dependant organizations, the cost of application development and management (ADM) is often a significant - but necessary - expenditure. Unfortunately, if decision-makers aren't careful, it's all too easy for costs here to spiral out of control. On average, ADM already accounts for 34% of IT budgets (though that figure naturally varies by business and industry).

In many cases, much of this spending is wholly unnecessary. According to a [recent report](#) from Gartner, businesses that optimize their app development and management could potentially ADM costs in half. ADM is an iterative process, but businesses are frequently hampered by technological debt and the fact that they must maximize ROI on prior ADM investments.

IT lifecycle phases thus tend to be slow - the result of an unwillingness to move forward and the technical challenges involved in doing so. According to the Gartner report, this lifecycle could be streamlined a great deal through the elimination of legacy applications and complex architectures in favor of modern application development and deployment paradigms.

The cloud is key to this optimization process. While it's certainly possible to rationalize ADM on in-house infrastructure; cloud, IaaS, and SaaS together offer a far superior solution.

Naturally, cloud platforms reduce upfront infrastructure costs, with positive effects on TCO. Other major benefits include faster iteration to avoid legacy issues, and the capacity to develop and deploy in response to changing operational needs. With the cloud, there's no longer a need to shape business processes to conform to the limitations of legacy systems.

Employees are already making the choice for businesses in many cases, creating a shadow IT infrastructure by adopting cloud solutions outside the purview of management in response to perceived inefficiencies in legacy applications. Clearly that's not beneficial from a security and compliance perspective, but it's an indication that businesses that fail to optimize their application development and management processes are reducing the efficiency of staff to the extent that they look for alternatives on their own initiative.

ADM optimization is complex and without proactive work to develop control over the processes involved, businesses risk reducing productivity and efficiency in ways that have a negative impact on competitiveness.



By moving to the cloud, businesses and their IT and development departments gain access to scalable infrastructure with low capital costs, greater control over the deployment and management process, and access to ADM-relevant metrics that help generate insight into application development, deployment, and management, which can be used to further streamline the process. Additionally, SaaS deployments are significantly less expensive than enterprise-size deployments in in-house data centers and office desktops, lowering the cost of iteration, innovation, and agility.

By managing their software as services deployed on robust, scalable Infrastructure-as-a-service platforms, businesses stand to reap considerable benefit from increased efficiency and reduced costs

## Conclusion

Business agility is today more important than ever - which is why cloud computing has gained such a prominent, central role in enterprise. For startups and large organizations alike, the ability to inexpensively scale, develop, and deploy is invaluable.

