



Do you expect to see more mergers and acquisitions in 2013, and if so, what types of deals/trends do you expect to take place?

The Decade the Internet Grew Up™ – Emergence of Cloud 2.0®

In last year's Vision From the Top I introduced the Decade the Internet Grew Up™ theme with a “what if” crystal ball discussion of innovations and technology drivers that will likely emerge during the ten years from 2010 to 2020.

This year we continue the dialog with a bit more focus on what is the current state of innovation – particularly the recent pervasive adoption of cloud computing – and how vendors and their customers are taking solutions to entirely new levels.

This progression can be summed up essentially as a migration from basic Cloud 1.0 offerings to more sophisticated approaches that are referred to widely as the emergence of Cloud 2.0®.

To-date, the horizon for cloud impact was primarily relegated to basic office productivity applications – examples include hosted e-mail, CRM, online storage, social media, etc.

Moving forward, critical needs like governance | risk | compliance (GRC), transparency, workflow, data integration, secure collaboration, best-practice management, and process automation are the anchor tenets of Cloud 2.0 approaches with regards to enterprise scenarios.

Additionally, mobility/BYOD, cyber-security, identity management and big-data/analytics are also bubbling-up to the surface as Cloud 2.0 themes cut across both enterprise and consumer sectors.

These advances in “where” and “how” cloud solutions are being offered give CxO suite executives greater power and flexibility when looking for ways to utilize information technology as a front-line driver for bottom-line improvement. Sure, total-cost-of-ownership (TCO) will keep the CFO and CIO ranks interested in cloud for some time; nonetheless, execs from Compliance Officers, to Chief Operating Officers, to General Counsel attorneys and up to Chief Executives and Boards all will start to realize that more intangible value can be realized by employing sophisticated Cloud 2.0 capabilities for critical enterprise functions.

While any industry sector stands to benefit, a few are poised to be the earliest beneficiaries of Cloud 2.0 ROI. Obvious industry stalwarts include financial services, healthcare/medical, manufacturing, energy, education, retail, pharma/life sciences and supply chain/logistics. However, one old guard IT-centric sector that truly stands to leverage Cloud 2.0 most effectively could be public sector/government.

In the age of fiscal cliffs and sequestration a complete overhaul of the “business of government” is occurring at a scale unseen since the transitions from centralized big-iron mainframe computing to distributed client-server in the late 1980s/early 1990s or the rampant rush toward the Internet in the late 1990s/early 2000s.

No matter how slow one might believe governments are to adopt change, the last couple of years (particularly since 2010) have seen Presidential mandates, Congressional legislation as well as state/local/municipal government policy-makers embracing innovation as a game-changer. Cloud computing has been in the driver’s seat from the beginning of this transition as data center consolidation was quickly realized as a necessary step to drastically reduce IT expenditures in the public sector.

Looking ahead through 2020, it is fair to say we are merely scratching the surface.

Cloud migration strategies impact all aspects of government and enterprise efficiency and a Start Small ... and Scale™ approach allows even skeptical decision-makers a path forward with low risk. Roadmapping these (r)evolutions in enterprise IT will require organizations to do some true soul-searching in the form of assessments of current systems and business processes.

From these assessments, the true targets for innovation and automation can be identified and prioritized.

Indeed, all legacy IT assets need not be on the chopping block. In fact, a cloud roadmapping stance that allows good assets to remain in place is essential for most organizations. This is a critical consideration for cloud vendors. Cloud 1.0 vendors have typically invested little in GRC, analytics or legacy integration while Cloud 2.0 vendors have embraced these challenges and created pricing models and go-to-market strategies that accept the ecosystem aspects of Cloud 2.0.

More and more, enterprise customers will be looking at teams of providers to work together to solve problems and, less and less, will these customers be looking to one large vendor for solutions.

This diversity and fast pace of innovation is the domain of Cloud 2.0 and will be the main reason 2010-2020 will likely be referred to historically as the Decade the Internet Grew Up.

This interview was published in [SIIA's Vision from the Top](#) , a Software Division publication released at [All About the Cloud 2013](#)