Hybrid Cloud Enables Agile Content Management And Collaboration

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Executive Summary

As organizations today become more agile and digitally driven, it is imperative to apply the same principles to their content. Enterprises require content management and collaboration technology that allows them to deliver content to customers, employees, and partners where they are and when they need it. Shifting these solutions to a cloud services model helps accelerate the time-to-innovation.

In November 2019, OpenText commissioned Forrester Consulting to explore the use of cloud for content storage, management, and collaboration. Forrester conducted an online survey with 208 respondents with influence into enterprise content management (ECM) decisions at enterprise companies in North America and EMEA to explore this topic. We found that modernizing cloud content is no longer optional for companies that want to stay competitive and relevant to their customers. However, while companies are beginning to understand the innate benefits of migrating content data and operations into the cloud, they are less certain about how to proceed on their cloud migration journeys.

KEY FINDINGS

› **A modernized content management approach is crucial to meeting digital transformation objectives.** Over three-quarters of organizations cite improving content management as being significantly important to accelerating their digital business. As demands for collaboration capabilities increase and content becomes more digital, the ability to provide simple, secure, and seamless access to content for both internal and external stakeholders is crucial to driving business success.

› **A modern content strategy must include cloud.** Cloud content services simplify access, content creation, and processing with both customers and business partners, streamlining the experience of interacting with content for all stakeholders. Cloud delivery models can include vendor managed services, software-as-a-service, and deployment in common public cloud infrastructures. Organizations that take a cloud-based approach see considerably greater benefits to customer experience (72% vs 25%), security (70% vs. 16%) and usability (64% vs. 16%) than their on-premises peers.

› **Migration, cost, complexity, and security concerns hinder cloud adoption.** While cloud is beginning to dominate content creation, collaboration, and management, firms with large on-premises investments still seek assurances that cloud adoption will meet their regulatory, governance, and data protection obligations. Many are stuck in a state of migration paralysis, leaving them behind their peers. This is despite the fact that many of the organizations' concerns about adoption (e.g., security, cost, etc.) are actually areas where cloud users see benefits from migration.

› **Organizations turn to a hybrid approach.** Companies can access the benefits of cloud for content management and collaboration by taking a phased approach to migration. No longer must migration burdens cause firms to lag behind their competitors.

Over three-quarters of organizations cite improving content management as being significantly important to accelerating the digital business.

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Agile Is The Future Of Digital Content

Meaningful, trustworthy, and easily found content drives engagement with customers, and it's essential to a great employee experience. The content management market is in a critical era of transition as technologies shift to cloud and hybrid architectures, and as enterprises invest in modern, flexible platforms. By surveying 208 ECM decision makers, we found that:
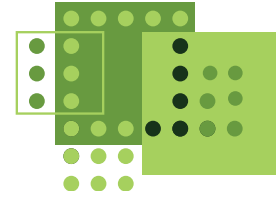
› **Content is becoming more digitized and more collaborative both internally and externally.** While our study found that legacy types of content (e.g., emails and web pages) are still the most common means of content delivery for customers, this is changing fast. As companies shift to a digital-first way of working, there is also a shift to a more collaborative model for working with content. Key external stakeholders (such as an organization's customers and business partners) have become more active participants in content co-creation, review, and approval processes. This trend was reflected in our survey as respondents predicted that the fastest-growing content delivery formats over the next two years will be digital documents and chatbots.

› **Improving content management is a key element of digital transformation and business success.** As customers and partners become content creators, it becomes essential to deliver agility, collaboration, and extended content sharing capabilities to these essential external stakeholders in order to drive digital innovation and achieve business objectives. In fact, 76% of respondents felt that improving their content management and collaboration would significantly contribute to the acceleration of their digital businesses. Modern organizations that can provide seamless access to content across processes throughout their entire ecosystems (including with customers and partners) see considerable benefits to their businesses. Improving content management and collaboration has the potential for wide-reaching improvements across enterprises. From increasing influence and brand reach to cost reduction and improved compliance with regulations, our respondents revealed myriad benefits they would obtain from better content management (see figure 1).

Figure 1

"To what extent would improving content management and collaboration contribute to success with top business objectives?"

■ Significantly/critically contributes to success with this objective.

76% Accelerate our digital business

74% Increase influence and brand reach in the market

66% Better comply with regulations and requirements

64% Reduce costs

64% Improve the experience of our customers

62% Better leverage big data and analytics in business decision making

60% Improve our products/services

57% Grow revenue

56% Improve our ability to innovate

52% Improve the experience of our employees

49% Address rising customer expectations

Base: 208 ECM decision makers in North America and EMEA
Source: A commissioned study conducted by Forrester Consulting on behalf of OpenText, December 2019

› **Companies want their content tools to be agile and easy to use to match their rapidly changing content needs.** When asked what functionality was most crucial to improving content management, our respondents were clear in their responses: They want tools that are fast, easy to use, and make external collaboration easy (see figure 2). As organizations become more agile, they need their content to become more agile with them. They do not want to be slowed down by clunky, outdated content tools. With these improvements in place, ECM decision makers expect to see better collaboration, more innovation, higher productivity, and improved security (see figure 3).

Figure 2

"What functionality has improved or would improve your company's content management and collaboration?"

48% Easy-to-use permissions

46% Quick access to content in the context of the relevant process/task

46% Instant access to new features

44% Easier to share with external parties

43% Easy-to-use configuration capabilities

43% Mobile accessibility

40% Digital project workspaces for teams

36% In-app sharing

36% Mobile sharing

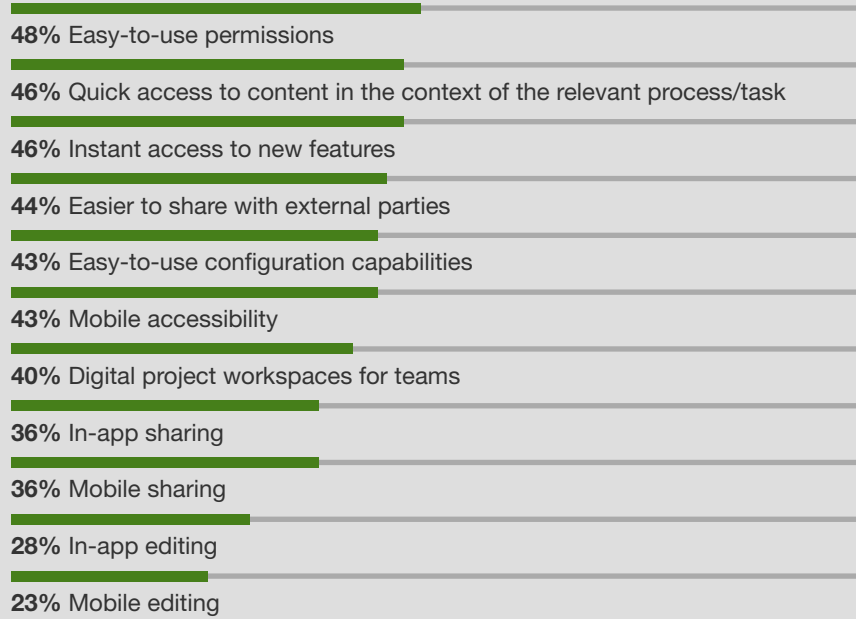**28%** In-app editing

23% Mobile editing

Base: 208 ECM decision makers in North America and EMEA
Source: A commissioned study conducted by Forrester Consulting on behalf of OpenText, December 2019

Figure 3

"Thinking about the functionalities you indicated that would improve your company's content management and collaboration, what have been, or would you expect to be, the benefits?

52% Improved collaboration

51% Improved security

47% Increased innovation

45% Improved customer satisfaction

43% Higher employee productivity

41% Improved scalability

40% Improved usability

35% Improved employee satisfaction

34% Faster sales cycles

34% Improved compliance with policies/regulations

29% Faster time-to-market

20% Faster service cycles

17% Improved cost predictability

Base: 208 ECM decision makers in North America and EMEA
Source: A commissioned study conducted by Forrester Consulting on behalf of OpenText, December 2019

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› **The majority of content for many companies is still on-premises.**
For companies looking to drive innovation, adopting cloud platforms
and integration tools is a big step in the right direction. Cloud content
platforms provide flexibility, enable business agility and faster
scalability, and eliminate the burden of upgrades and infrastructure
investment. However, we found that the majority of content today (57%)
is still stored on-premises, which limits organizations' ability to achieve
their agility goals. Those that are utilizing cloud today cite substantially
greater benefits to those using an on-prem only approach (see figure 4).

Figure 4

"What benefits has your organization experienced as a result of its cloud approach for content storage, management, and collaboration?"

■ Cloud users ■ On-prem only

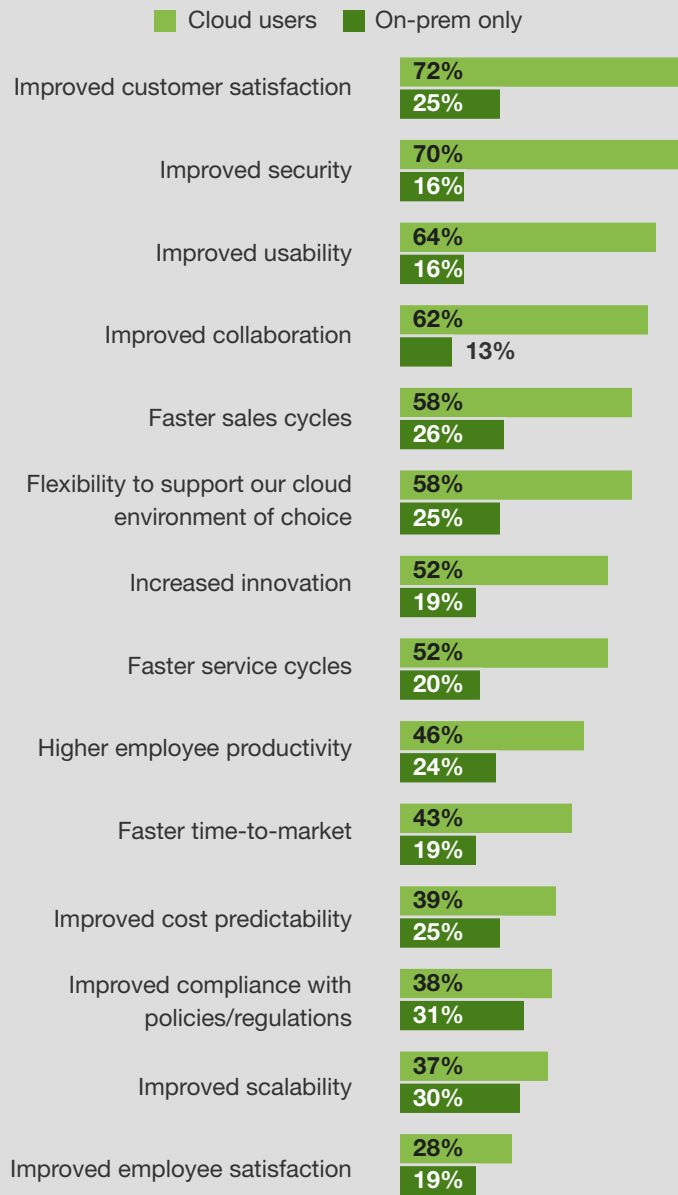|	Cloud users	On-prem only
Improved customer satisfaction	72%	25%
Improved security	70%	16%
Improved usability	64%	16%
Improved collaboration	62%	13%
Faster sales cycles	58%	26%
Flexibility to support our cloud environment of choice	58%	25%
Increased innovation	52%	19%
Faster service cycles	52%	20%
Higher employee productivity	46%	24%
Faster time-to-market	43%	19%
Improved cost predictability	39%	25%
Improved compliance with policies/regulations	38%	31%
Improved scalability	37%	30%
Improved employee satisfaction	28%	19%

Base: 208 ECM decision makers in North America and EMEA
Source: A commissioned study conducted by Forrester Consulting on behalf of OpenText, December 2019

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Cloud Migration Is Stalled By Fears About Security And Complexity

Migrations to cloud content platforms stall for two main reasons: difficulty in moving large volumes of content and concerns about losing control over confidential, sensitive information. Our study showed:

› **Organizations struggle to migrate their current systems to the cloud.** The benefit of having an agile, cloud-friendly environment is clear, yet nobody is under the illusion that migrating large amounts of content (especially when containing PII) to the cloud is a simple process. ECM decision makers cited the process of migrating existing systems to the cloud as the top barrier to adopting a cloud-based approach to content. Many organizations are choosing to stand still rather than confront the prospect of migrating their entire content management suites to the cloud. Nearly half (49%) of respondents who are not in the cloud today said that because they do not believe it's realistic that their organizations will ever be 100% cloud-based, it doesn't make sense for them to even start migrating.

› **They struggle with worries about security and the loss of control that comes with moving content from on-premises systems.** Organizations have a lingering perception that migrating to the cloud will leave their data vulnerable, while remaining in an on-prem environment could be a safer, more familiar option. After challenges in migration, the next three top barriers to migration cited by our respondents were security, lack of trust in the cloud, and worries about vendor access to data (see figure 5). Organizations want the agility and flexibility that comes with cloud-based content tools, but they have concerns about the potential loss of control that comes with migration. As we'll soon see, these concerns about security in the cloud are largely unfounded.

Companies mired in migration paralysis are being left behind. Nearly two-thirds (64%) of respondents whose organizations have their content exclusively on-prem said their content management strategies put them at a disadvantage to their competitors, and 51% say they're struggling to keep up with customer expectations for self-service to information.

Figure 5

Top 5 Barriers To Adopting Cloud

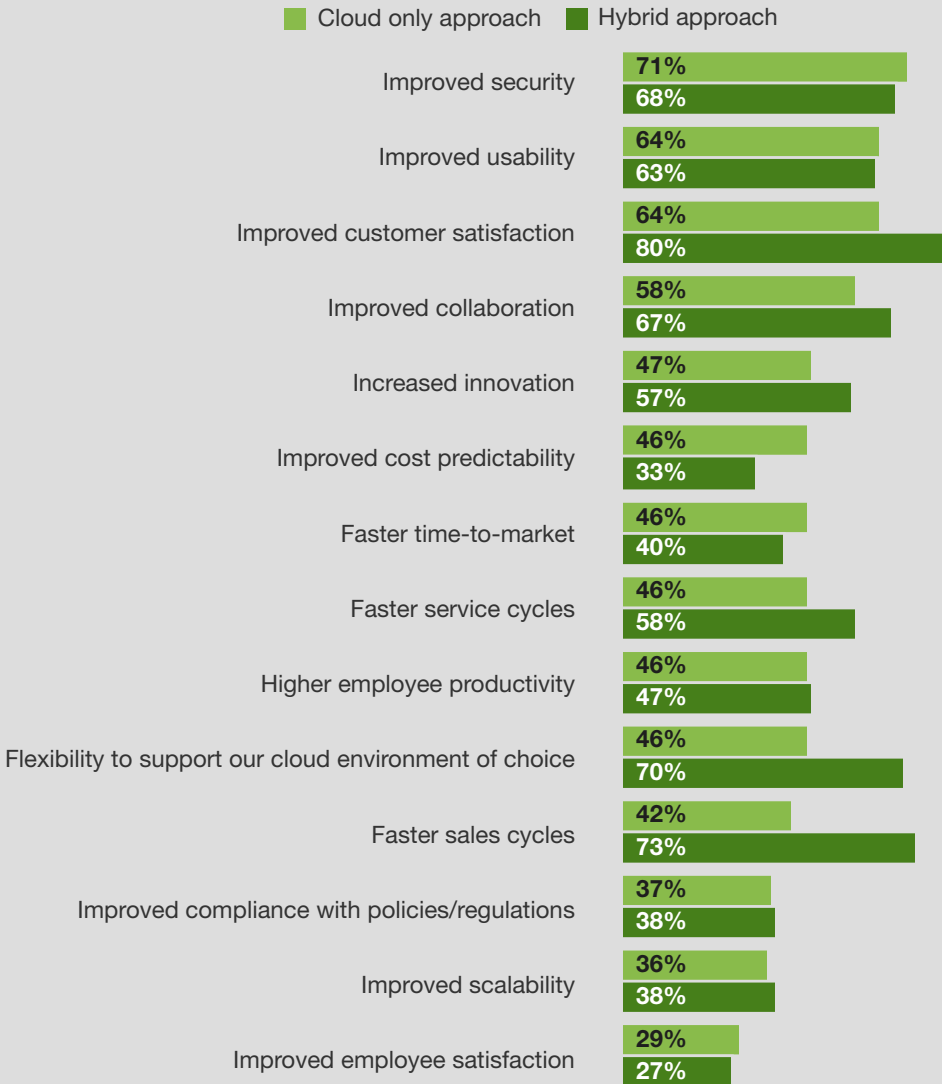1) Migrating to cloud from existing systems

2) Security of application/vendor data center

3) Trust/confidence in the cloud generally

4) Vendor Access to my data

5) Inability to keep up with the growing volume and complexity of content delivery

Base: 208 ECM decision makers in North America and EMEA
Source: A commissioned study conducted by Forrester Consulting on behalf of OpenText, December 2019

Hybrid Architectures Provide a Phased Approach To Content In The Cloud

Companies may stick to an all-on-premises deployment because they don't understand the possibilities of phased and flexible migration strategies. Hybrid cloud options allow organizations to move content and collaboration apps to the cloud at their own paces and maintain control while still benefitting from the agility that comes with moving to the cloud. For example, new collaborative content apps can be deployed to users quickly in a cloud content platform, but integrations or connectors still give users access to content still stored on-premises. We found that organizations that adopt a hybrid approach have far more flexibility, faster sales and service cycles, and better collaboration and customer satisfaction without sacrificing security, compliance, or usability (see figure 6).

Figure 6

"What benefits has your organization experienced as a result of its cloud approach for content storage, management, and collaboration?"

Legend: ■ Cloud only approach ■ Hybrid approach

Benefit	Cloud only approach	Hybrid approach
Improved security	71%	68%
Improved usability	64%	63%
Improved customer satisfaction	64%	80%
Improved collaboration	58%	67%
Increased innovation	47%	57%
Improved cost predictability	46%	33%
Faster time-to-market	46%	40%
Faster service cycles	46%	58%
Higher employee productivity	46%	47%
Flexibility to support our cloud environment of choice	46%	70%
Faster sales cycles	42%	73%
Improved compliance with policies/regulations	37%	38%
Improved scalability	36%	38%
Improved employee satisfaction	29%	27%

Base: 208 ECM decision makers in North America and EMEA
Source: A commissioned study conducted by Forrester Consulting on behalf of OpenText, December 2019

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In fact, many organizations that are only on-prem today are beginning to see the advantages of a hybrid approach. Despite their worries about losing control in the cloud, 75% actually expect their security to improve by adopting a hybrid approach to content (see figure 7). They also anticipate seeing improvements in customer satisfaction, productivity, and collaboration — benefits that mirror those indicated by organizations using hybrid cloud today.

Figure 7

"What benefits would you expect from a hybrid approach to content storage, management, and collaboration?"
(Top 5 benefits shown)

75% Improved security

63% Improved customer satisfaction

52% Higher employee productivity

51% Improved collaboration

49% Improved scalability

Base: 208 ECM decision makers in North America and EMEA
Source: A commissioned study conducted by Forrester Consulting on behalf of OpenText, December 2019

FINDING A VENDOR

Finding the right vendor can be a key step in modernizing a content management strategy. Organizations looking to take a hybrid approach require a cloud vendor with the flexibility to support their needs. Our study found that those using hybrid cloud for content management cited integration with current tools and applications and migration services as the most important support features they expect from a cloud vendor (see figure 8). Companies with investment in on-premises enterprise applications will need a content platform provider that can coexist with this mixed environment and help their processes run seamlessly regardless of where they deploy essential systems. Beyond migration support, organizations need a vendor that can keep up with their agile content needs. Those using hybrid cloud most expect functionalities like ease of using, ease of sharing, and quick access to content (see figure 9). It is essential to find a vendor that can make the cloud migration process as seamless as possible while still providing the agility and flexibility that modern organizations need.

Hybrid cloud users expect their cloud vendors to be able to support with integration with current tools

Figure 8
"What support do you/would you expect from a cloud-based provider of content services?"

60% Integration with common user productivity tools

58% Integration with common enterprise applications

55% Migration services

50% Technical knowledge to flexibly support your company's cloud environment of choice

48% Developer services

47% Training/change management

45% Managed services

40% Assistance building the business case for cloud

33% Usage reporting and analysis

Base: 208 ECM decision makers in North America and EMEA
Source: A commissioned study conducted by Forrester Consulting on behalf of OpenText, December 2019

Figure 9
"What functionality do/would you expect from a cloud-based provider of content services?"

62% Easy-to-use configuration capabilities

48% Easy-to-use permissions

48% Mobile sharing

45% Quick access to content in the context of the relevant process/task

45% Easier to share with external parties

45% Mobile accessibility

42% Digital project workspaces for teams

40% Integration with on-prem systems

33% In-app editing

32% In-app sharing

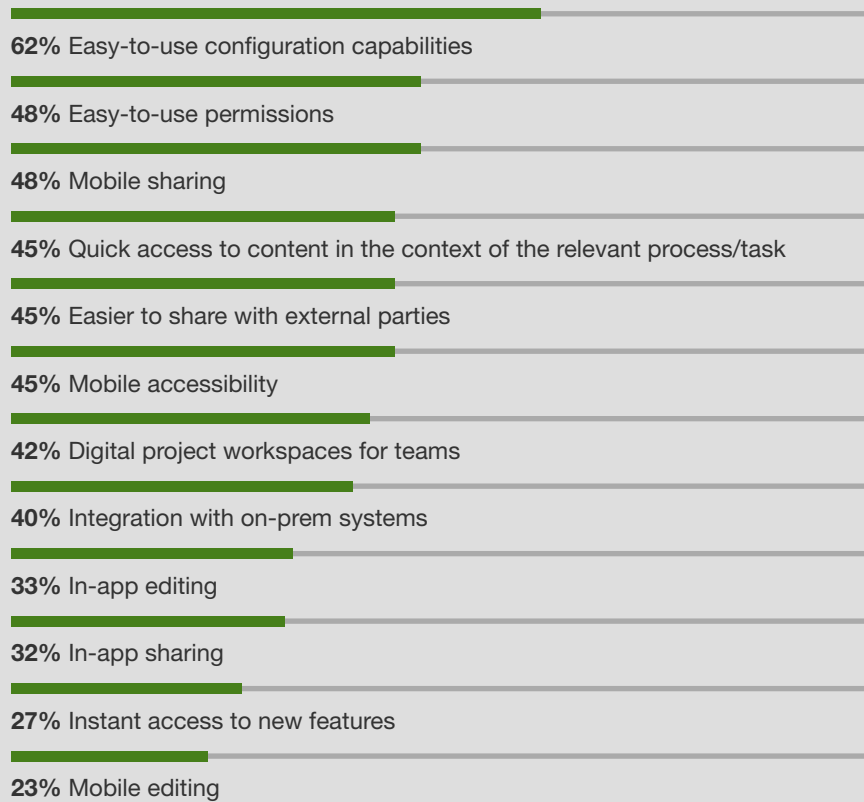**27%** Instant access to new features

23% Mobile editing

Base: 208 ECM decision makers in North America and EMEA
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Key Recommendations

Content and communication authoring tools have largely shifted to cloud-native platforms. The repository and management tools on which to build apps to deliver this content to employees and trusted external stakeholders are also shifting to cloud, with momentum building year-over-year. Customers in the early stages of this shift must:

Assess the ongoing value of on-premises content applications. On-premises content repositories may be holding years of essential digital records. Application integration and core business processes may depend on these enduring systems of record. Migration of these repositories may have short-term business value, but that doesn't justify the time cost and involved. Resources may be better allocated to newer, modern content platforms for net-new use cases. An interim hybrid model may be the best use of modernization budgets.

Take an as-needed approach to content migration. Migration doesn't need to be a big-bang lift and shift in order for organizations to benefit from newer, modern content platforms. Assess architectures that provide integration capabilities to existing on-premises applications and seamlessly find and move relevant, current content to the new cloud platform as user need emerges. Content can move or stay in its original location based on user needs. Alternatively, you can apply policies to ensure content is managed in the right repository and in line with legal or regulatory compliance obligations.

Look to cloud content platforms for new use cases. Cloud delivery models allow organizations to always be on current, innovative platforms and to offer better flexibility and agility when organizations need to scale. Applications deployed on cloud content platforms can more easily embrace key external stakeholders that comprise your extended enterprise of customers, partners, or suppliers.

Prepare to live in the world of hybrid for the foreseeable future. With each passing year, the number of enterprises that describe themselves as all-on-premises for content management decreases, but the model of cloud adoption varies widely. While cloud-native SaaS applications continue to grow in popularity, organizations also describe their paths to cloud as hosted and hybrid. Content is a key part of many lead applications, and integration to both on-premises and cloud applications will be essential during the path to cloud.

Balance employee and customer experience goals with the need to meet governance and compliance imperatives. Modern cloud platforms often deliver a great user experience with mobile, web, and application integration capabilities. But organizations (particularly those in highly regulated industries) must balance user experience with a need to protect, retain, and secure content. In jurisdictions with regulations for data protection and privacy, migration to cloud may not be feasible for some confidential content types. Analyze your content and map it to the appropriate repository.

Appendix A: Methodology

In November 2019, OpenText commissioned Forrester Consulting to explore the use of cloud for content storage, management, and collaboration. Forrester conducted an online survey with 208 respondents with influence into ECM decisions at enterprise companies in North America and EMEA to explore this topic. Respondents were offered incentives as a thank you for time spent on the survey. The study was completed in December 2019.

Appendix B: Demographics/Data

COMPANY GEOGRAPHY

- 25% CA
- 23% UK
- 13% DE
- 27% US
- 12% FR

COMPANY SIZE

20,000 or more employees	8%
5,000 to 19,999 employees	32%
1,000 to 4,999 employees	44%
500 to 999 employees	16%

RESPONDENT LEVEL

Manufacturing and materials	17%
Technology and/or technology services	15%
Financial services and/or insurance	15%
Telecommunications services	11%
Construction	10%
Transportation and logistics	7%
Business or professional services	7%
Energy, utilities, and/or waste management	5%
Government	4%
Consumer product goods	4%
Pharmaceuticals/life sciences	3%
Electronics	3%
Consumer services	1%

RESPONDENT LEVEL

Manager in IT	41%
Director or VP in IT	5%
Senior-most IT decision maker in the firm	9%
Manager in line of business or function	23%
Director or VP in line of business or function	4%
Senior marketing leader	6%
Senior finance leader	3%
Senior-most business leader	8%

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