

Hybrid cloud

A competitive advantage you need

A PEGA
WHITEPAPER



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Executive Summary

The business challenge

The global market is undergoing a major technological and legislative transformation. Companies all over the world are facing external and internal pressures to develop business strategies that reduce time to market, increase savings, and strengthen regulatory compliance.

Organizations want to accelerate the pace of change, but investments in on-premises-based technology often fail to satisfy current needs and market demands. Inability to address time, budget, and compliance-related challenges significantly weaken an organization's industry position and slow down its growth.

The solution

Pega has a hybrid cloud offering to help companies gain a competitive edge by:

- Speeding time to market.
- Ensuring compliance.
- Maintaining customer control.

Our hybrid solution:

- Gives you complete control over law-regulated data.
- Helps avoid vendor lock-in.
- AI powered performance management.



Do you know about the hybrid cloud model?

If you want to gain a competitive edge in your industry, an ambitious business strategy is not enough. It's obvious you want to accelerate the pace of change, but you don't have an unlimited budget. A wise investment in the right technology, can significantly speed up your time to market, facilitate cost savings, and ensure compliance with data protection regulations.

You've most likely invested heavily in on-premises technology that can't address your current needs, short time frames, and desire to modernize cost-effectively. A public, cloud-based infrastructure offers speed to market and cost benefits that drive the demand for cloud-based solutions.

Hybrid cloud is a blended approach available through a cloud computing environment that uses a mix of cloud architecture (private and third-party), and public cloud services, with orchestration between the two platforms. You can select from the following hybrid types:

- Public cloud service to public cloud service.
- Public cloud to private cloud.
- Public cloud to on-premises.

Hybrid models provide the benefit of leveraging existing solutions while incorporating current cloud-based technologies. They allow you to focus only on your business operations, while your service provider ensures your data compliance.

Moving to a hybrid cloud model can empower you to take advantage of all the time-to-market benefits and cloud-based solution capabilities, and ease concerns about the security of your highly sensitive data.

Easing regulatory pressures is simpler than ever

The need to modernize is not the only thing facing organizations. Compliance standards are another factor that require organizational focus. There are an increasing number of regulatory demands that are dictating the need to secure data in a compliant way.

Germany is a good example of a country that meticulously complies with rigid metadata standards. The nation's law regulating data retention and data residency practices, which came into effect in the summer of 2017, includes amendments to the German Criminal Procedure Act, the German Criminal Code, and the German Telecommunications Act. As a result, German telecommunications service providers are now obliged to store traffic data for a certain period of time, with the respective data stored locally in Germany.

Another regulatory example is the General Data Protection Regulation (GDPR) that will go into effect on May 25, 2018¹. It will address the export of personal data outside the European Union (EU). Most importantly, it will affect every company processing and holding the personal data of EU residents, regardless of the company's location.

The importance of an experienced cloud service provider is hard to overestimate. A partner that knows legislation, applicable both locally and globally, will help you avoid legal consequences and heavy fines.

The future is hybrid

The global market is currently in the midst of a major shift that denotes increasing endorsement and trust in the cloud. The world's leading research and advisory organization, Gartner Inc., estimates that by the end of 2017, 92 percent of companies will have moved or plan to move to a hybrid cloud. The current market dynamics indicate that organizations are not being held back from leveraging cloud solutions due to fear or lack of capabilities. These solutions can complement existing on-premises data and therefore deliver the latest innovations, without sacrificing existing investments. Gartner estimates that "by 2019, more than 30 percent of the 100 largest vendors' new software investments will have shifted from cloud-first to cloud-only," with "hybrid [being] the most common usage of the cloud."²

Companies have realized that innovative hybrid solutions can effectively reduce public cloud usage costs and speed up processes, all while maximizing the adoption of the cloud architecture and on-premises data security. Because of this, a rising number of companies are seeking vendors that can help address data retention and residency laws, and at the same time ensure their business strategies positively impact customer satisfaction.

Are you compliant?

If you collect any kind of personal data over the Internet, then you have to ask yourself two fundamental questions:

1. When is your next compliance audit, and will you pass it?
2. Are you certain your knowledge of and familiarity with all data protection standards is sufficient?

Modernizing your IT infrastructure to support pre-existing investments alone is not enough. Imminent and inevitable transition to the hybrid model will soon become the reality for nearly 90 percent of Pega's clients operating across highly regulated industries. This includes healthcare, financial services, insurance, and the public sector.

Your hybrid cloud Bill of Rights

When it comes to doing what matters for today's highly regulated environment, public cloud alone will not meet the goals of the enterprise. This is why organizations like yours cannot be pushed into accepting a single fixed cloud architecture, or be pressured to partner with a certain vendor. As a client, you have the right to choose the cloud provider and demand a customized hybrid solution, tailored to your size, nature of business, and local laws.

How to get started

As the enterprise hybrid cloud vendor for the world's most recognizable brands across highly regulated industries, Pega understands firsthand the hybrid cloud needs of the enterprise. We also understand that everyone's journey to the cloud is different. That is why we make it simple and painless to empower the enterprise to drive value now, via Pega Cloud.

Pega Cloud allows you to reap the benefits of rapid deployment and ROI, without the hassle and resource constraints associated with self-management. Things like DevOps and upgrades are within your control and seamless. That's why when enterprises choose to deploy Pega Cloud, they see results like [321 percent ROI in less than one year, and 75 percent faster time to market, according to a Forrester study](#).

However, you may already have investments in another cloud architecture or two. No worries. This is where cloud choice comes in. Pega technology sits on a cloud native architecture that affords the flexibility necessary to meet your specific needs. Rest assured knowing that you can run Pega with your own team on Amazon Web Services, Microsoft Azure, or Pivotal Cloud Foundry. We're there where you want us and need us to be.

Start your Pega journey today by [trying the Pega® Platform](#), and begin to experience for yourself the power that Pega can unleash for your organization.

1 <https://www.eugdpr.org/>

2 <http://www.gartner.com/newsroom/id/3354117>