

Cloud Strategy Canvas: User's Guide

In my [last post](#), I promised a user's guide to the [Cloud Strategy Canvas](#). Although the canvas is meant to stand alone, it helps to have a few insider tips and techniques gained from experience. To ensure that this guide is rooted in Lean innovation best practices, I collaborated with expert strategy facilitator [Matthew E. May](#) to provide you with a cloud strategy process that is consistent with how fast-moving companies are developing their larger corporate and line of business strategies.

General Usage

As a strategy tool, a large visual canvas like the Cloud Strategy Canvas is valuable for several reasons. First, it provides a well thought out framework, which acts as an intelligent constraint to promote focused thinking. The reason strategy—any strategy—matters is that it allows you to focus resources, which are always finite. Strategy is really about choice-making...what to do and what not to do. As a general rule, respect “the box.” The goal is not to shingle the canvas with sticky notes, but to populate it with highly focused answers to framing questions.

Second, it fosters visual thinking and allows you to get a systems perspective of key strategic choices on a single sheet. Understanding how goals, assumptions, and action all fit together literally produces a “big picture.” That big picture is an important artifact of the very thinking used to produce it, because it delivers a standalone, at-a-glance view of a cloud strategy and the thinking used to produce it.

Third, such a systems view allows you to play and experiment with choices in an iterative way. The Cloud Strategy Canvas, like similar business canvases, is completed using 3x3 sticky notes. With the exception of one section (Applications to Move), you do not write directly on the canvas, you write on the sticky notes, which are then placed on the canvas. This enables mess-less brainstorming and thought-editing.

Finally, when used as a team tool, it allows all voices to be heard, captured, and integrated into strategy development in real time and, again, in a very focused way.

aws **CLOUD STRATEGY CANVAS**

CORE PURPOSE <i>Why are you considering a move to the cloud?</i> <i>(Example: Increase the speed and agility of our technology organization.)</i>	IT PORTFOLIO SNAPSHOT 1. LARGE ENTERPRISE on WEB APPS <i>(e.g., SAP, VWW, other commercial off the shelf applications)</i>		APPLICATIONS TO MOVE <i>Where should we start?</i> <div> <div>APPLICATION/WORKLOAD:</div> <div> <div>ATTRIBUTE:</div> <div> <input type="checkbox"/> Low Risk <input type="checkbox"/> On Fire <input type="checkbox"/> Proof Point </div> </div> <div> <div>ADDRESSES:</div> <div> <input type="checkbox"/> BUSINESS NEEDS <input type="checkbox"/> TECH CHALLENGES <input type="checkbox"/> BizTECH GOALS </div> </div> </div> <div> STRATEGY: <input type="checkbox"/> REHOST <input type="checkbox"/> REPURCHASE <input type="checkbox"/> REPLATFORM <input type="checkbox"/> REARCHITECT <input type="checkbox"/> NET NEW </div>
BUSINESS NEEDS <i>What key business priorities does technology need to support?</i> <i>(Examples: user growth, cost containment, competitive threats, speed to market, etc.)</i>	3. SENSITIVE <i>(e.g., PII, compliance, regulated workloads that will be scrutinized from the outside)</i>	2. STAGNANT <i>(e.g., being used to run the business, but little/no active development)</i>	<div> <div>APPLICATION/WORKLOAD:</div> <div> <div>ATTRIBUTE:</div> <div> <input type="checkbox"/> Low Risk <input type="checkbox"/> On Fire <input type="checkbox"/> Proof Point </div> </div> <div> <div>ADDRESSES:</div> <div> <input type="checkbox"/> BUSINESS NEEDS <input type="checkbox"/> TECH CHALLENGES <input type="checkbox"/> BizTECH GOALS </div> </div> </div> <div> STRATEGY: <input type="checkbox"/> REHOST <input type="checkbox"/> REPURCHASE <input type="checkbox"/> REPLATFORM <input type="checkbox"/> REARCHITECT <input type="checkbox"/> NET NEW </div>
TECHNOLOGY CHALLENGES <i>What technology challenges are limiting your ability to meet business objectives?</i> <i>(Examples: release frequency, B.I., app stability, app security, etc.)</i>	5. NET NEW <i>(e.g., new initiatives/projects being considered, greenlit, under development)</i>	4. NON-PERFORMING <i>(e.g., "on fire," too slow, unstable, not scaling, causing the most heartburn)</i>	<div> <div>APPLICATION/WORKLOAD:</div> <div> <div>ATTRIBUTE:</div> <div> <input type="checkbox"/> Low Risk <input type="checkbox"/> On Fire <input type="checkbox"/> Proof Point </div> </div> <div> <div>ADDRESSES:</div> <div> <input type="checkbox"/> BUSINESS NEEDS <input type="checkbox"/> TECH CHALLENGES <input type="checkbox"/> BizTECH GOALS </div> </div> </div> <div> STRATEGY: <input type="checkbox"/> REHOST <input type="checkbox"/> REPURCHASE <input type="checkbox"/> REPLATFORM <input type="checkbox"/> REARCHITECT <input type="checkbox"/> NET NEW </div>
BIZTECH GOALS <i>What is the desired future state of your business-enabling technology?</i> <i>(Examples: Real-time reporting, DevOps, Agile, etc.)</i>	PRECONDITIONS FOR SUCCESS <i>For the cloud to be a viable strategy, what must be true about:</i> <div> <div>OUR PEOPLE, PROCESS, CULTURE?</div> <div>OUR HI-LEVEL BUSINESS CASE?</div> </div> <div> <i>(e.g., we can map apps to cloud, we have a trained team, we can operate securely, etc.)</i> <i>(e.g., costs less than on premises, executive sponsorship, etc.)</i> </div>		KEY ACTIONS: READYING PEOPLE PROCESS CULTURE <i>What must we do to ensure preconditions are in fact true?</i> <i>(Example: dedicated cloud team, secure cloud environment, identify consulting partner, etc.)</i> KEY ACTIONS: BUILDING HI-LEVEL BUSINESS CASE <i>What must we do to ensure preconditions are in fact true?</i> <i>(Example: accurate view of on-premises cost, executive sponsorship, etc.)</i>

Form, Function, Flow

A few design and structural elements are worth noting.

In general, the canvas is completed left to right, top to bottom, beginning in the upper left (Core Purpose) and concluding in the lower right two sections (Preconditions for Success and Key Actions). Another way to think about the flow is to start by “thinking big” about your business, technology, and cloud objectives on the left side, and conclude with clear “execute small” next steps on the right side.

There are nine major sections. They are purpose-built and sized to indicate relative importance in drafting a starting strategy. Each of the sections has a framing question, which provides overall guidance and direction, along with quick examples.

We designed the Cloud Strategy Canvas to be used in a short meeting format, typically 90 minutes. A quick bit of math provides a good timing goal: nine sections, 90 minutes total, so roughly ten minutes per section. While not a hard and fast rule, this time box underscores the one rule I mentioned in my [previous post](#): don’t overthink it. You will have time to reflect and make changes later, with the completed canvas to guide you.

It is important to note that the canvas sections build on each other and are linked and aligned. For example, the "Applications to Move" section is linked to the "Business

Needs,” “Technology Challenges,” and “BizTech Goals” sections. Think of each section in the canvas as a necessary building block to an overall strategic framework.

With that in mind, here is a quick user’s guide to each of the sections.

1. Core Purpose (10 minutes)

Core Purpose in the context of cloud strategy is your organization’s fundamental reason for moving to the cloud. It should reflect your idealistic motivation for making such a move. The Core Purpose section is focused on answering the framing question: *Why are you considering a move to the cloud?*

For example, “To increase the speed and agility of our technology organization.”

2. Business Needs (10 minutes)

The Business Needs section is meant to highlight your organization’s challenges that technology might potentially address. The section is focused on answering the framing question: *What key business priorities does technology need to support?*

While every organization has unique business needs, some typical examples include user/customer growth, cost containment, competitive threats, greater digital capability, and speed to market.

3. Technology Challenges (10 minutes)

The Technology Challenges section links technology issues to business priorities and is focused on the framing question: *What technology challenges are limiting your ability to meet business objectives?* Technology challenges are things like release frequency, business impedance, application stability, deficient digital capability, and application security.

These first three questions are focused on surfacing and addressing descending levels of *why*. Clarity and consensus on exactly why your organization should consider moving to the cloud is all-important. As your cloud migration efforts advance, there may come a time when progress slows or even stalls. Such speed bumps are often overcome simply by revisiting the reasons you wanted to move to the cloud in the first place.

4. BizTech Goals (10 minutes)

While the first three sections focus on the present, the BizTech Goals section makes the transition to the future, focusing on the framing question: *What is the desired future state of your business-enabling technology?*

Answers to the question should bridge the gap between the as-is and the to-be conditions. Examples include things like real-time insight, DevOps (more frequent and

reliable release cadence), predictive analytics, cyber defense strength, and agile development.

5. IT Portfolio Snapshot (10 minutes)

“Snapshot” is the operative word for this section. There will be a natural tendency to list every piece of technology in the organization. Don’t. Respect the space given for the six categories. (There’s room for a max of four sticky notes in each category!)

- *Large enterprise or web apps*—commercial off-the-shelf applications (COTS), ERP, line of business apps, CMS, enterprise integration, customer facing websites, etc.
- *Stagnant*—technology that is being used to run the business but with little to no active development.
- *Sensitive*—PII, compliance, regulated workloads that will be scrutinized from the outside.
- *Non-Performing*—technology causing the most organizational heartburn: “on fire,” too slow, unstable, not scaling, etc.
- *Net New*—new initiatives/projects being considered, greenlit, or already under development.
- *Data Warehouse/Big Data Platform*—RDBMS-based data warehouse, Hadoop cluster, BI apps, MPP appliances.

6. Applications to Move (15 minutes)

Strategy is about choosing, and this section is your opportunity to flex your choice-making muscles. You will see space to list up to three key first steps. Do not feel the need to fill every space. You will of course need at least one project. We have included a blend of selection criteria, need and goal alignment, and specific strategic pathways intended to help guide your choices. For example, the degree to which a potential project checks the criteria boxes should inform your first step.

Let’s take a look at each element.

- *Attributes*—The three key criteria to consider here are low risk, on fire, and proof point. A given project can be all three, but should certainly fit one of the three. A “perfect” move candidate might be one that is causing real heartburn but doesn’t carry much risk and would instill confidence in the ability of your organization to undertake a digital transformation.
- *Addresses*—As I mentioned earlier, this section links your Business Needs, Technology Challenges, and BizTech goals with a potential first project. This is a good internal check, because undertaking a first project with no clear connections to any of these would quickly find itself without justification and support.

- *Strategy*—The third element is not a list of selection criteria, but rather an indicator of the nature of difficulty and expense of the potential project. It is based partly on the [6 R's mental model](#), with the addition of net new applications.

A quick review of the strategies:

- *Rehost*—Basically a “lift and shift” approach, a simple migration essentially changing only the application hosting.
- *Replatform*—More like a “lift, tinker, and shift” approach, such as moving to an open-source application container (i.e., Weblogic to Tomcat) without a major refactoring of the application.
- *Repurchase*—This is a “drop and shop” approach entailing a move to a different product, which likely means your organization is willing to change the existing licensing model you have been using. For workloads that can easily be upgraded to newer versions, this strategy might allow a feature set upgrade and smoother implementation.
- *Re-architect*—This approach is driven by a strong business need to add features, scale, or performance that would otherwise be difficult to achieve in the application’s existing environment.
- *Net New*: As the name suggests, new development using cloud-native capabilities.

Taking all of this into consideration, a clear first step or steps should emerge!

7. *Preconditions for Success (5 minutes)*

Choosing a first step is one thing. Taking a first step is another. Every choice has assumptions built in to it, some of which are apparent and others that aren't. We have found that simply making a list of your assumptions doesn't work, for the simple reason that our assumptions are part of our mental models and biases—they're so ingrained in our thinking and so hard to identify that it takes a tool to lend a bit of objectivity.

The best technique we've found to surface critical assumptions amounts to a single but powerful question: *What must be true?*

Based on [Roger Martin's strategic choices framework](#), thinking about what would have to be true for your chosen first step to succeed is a valuable exercise because your answers will form the conditions that must be in place before you actually take the first step.

In this section, there are two key steps.

First, arrive at no more than four of the most important preconditions for success by answering the “What Must Be True?” question in two forms:

- *For the cloud to be a viable strategy, what must be true about our people, process, and culture?* For example: “It must be true that we can map our applications to a cloud architecture,” or “It must be true that we have a team trained to use AWS,” or “It must be true that we can operate securely.”
- *For the cloud to be a viable strategy, what must be true about our business case?* For example: “It must be true that our move to the cloud costs less than hosting our application on-premises,” or “It must be true that our senior executives believe, prioritize, and sanction our move to the cloud.”

Second, in each category, identify the one or two most uncertain or worrisome conditions. In other words, those that you are worried might not be true. Mark the sticky notes to indicate those selected. Understand that these preconditions, if not addressed, could become barriers to success, as they represent critical risks. Your selections will inform the final steps.

8. Key Actions: Readying People, Process, Culture (10 minutes)

Keying off your most important and worrisome “what must be true” statements from the previous section, list the key actions that must be taken to ensure that they are in fact true, in the context of readying your people, process, and organizational culture. For example, “Select and form a dedicated cloud center of excellence,” or “Use AWS Landing Zones to ensure we start with a well-designed and secure environment,” or “Identify a cloud consulting partner who is compatible with our culture.”

9. Key Actions: Building High-Level Business Case (10 minutes)

For this final section, simply repeat the previous step, focusing on what must be done to ensure that your selected preconditions are in fact true, in the context of building your business case. For example, “Prepare and present an accurate view of on-premises cost,” or “Prepare and deliver executive presentation to key decision-makers.”

Final Notes

As mentioned earlier, we designed the Cloud Strategy Canvas to be completed in a short meeting, preferably one attended by your key cloud champions and decision makers. If this brief user's guide is sufficient to shape your initial strategy session, I urge you to try your hand at using it. If you'd like more facilitation help, let us know!