



2025 REPORT

# Cloud transformation: a strategic guide for public sector IT leaders

The priorities, barriers, and benefits of cloud transformation  
for your agency

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## Contents

<b>Foreword</b>	3
<hr/>	
<b>Introduction</b>	
<hr/>	
The definitive guide to cloud transformation	4
Understanding cloud computing	5
<hr/>	
<b>Cloud service</b>	
<hr/>	
The role of cloud service providers in government	6
<hr/>	
<b>Five Pillars</b>	
<hr/>	
The Five Pillars of cloud transformation	10
1. Cybersecurity: Creating a fortified digital environment	11
2. Data and Analytics: driving decisions with data	14
3. Digital transformation: refining government operations	15
4. Talent acquisition: building a future-ready workforce	16
5. Optimizing cloud investments: ensuring fiscal responsibility	17



# Foreword

As visionaries at the helm of technology within our government, you stand at the forefront of a transformative era.

According to insights from Deloitte, cloud adoption within government entities is not just increasing—it's accelerating at an unprecedented rate.

By the end of 2025, global government expenditure on cloud solutions is projected to rise dramatically, from \$25 billion to a staggering \$70 billion. This pivotal shift signifies more than just a trend; it represents a fundamental evolution in how public services operate and interact with the citizenry.

In this dynamic landscape, the role of cloud technology cannot be overstated. It is a catalyst for innovation, a builder of more resilient systems, and a guarantor of enhanced service delivery to the public. As IT leaders, your mission is to ensure that this digital transition not only aligns with but also propels your strategic objectives forward.

We have designed this guide with your unique challenges and opportunities in mind. It serves as your primer to the expansive world of cloud technology, detailing not only the strategic benefits but also the potential hurdles you might

encounter. Our focus is to empower you with knowledge and actionable insights, enabling you to lead a successful cloud transformation within your agency.



# The definitive guide to cloud transformation

This guide will walk you through the essential pillars of cloud transformation—critical areas that require your attention and strategic foresight.

We will delve into how these pillars can be effectively prioritized and integrated into your current systems to ensure a seamless transition. We also outline clear metrics for measuring success, ensuring that every step you take is a step towards a more agile, responsive, and future-ready public sector. By channeling your focus into these key areas, you will not only navigate the complexities of cloud adoption but also unlock new potentials for growth and efficiency. Your leadership can bring about a future where government systems are not only built to last but also

built to adapt and thrive in the face of technological advancements. Let's embark on this journey together, transforming challenges into opportunities and strategic visions into tangible outcomes. We are here to support you every step of the way towards a successful and resilient cloud transformation.

Lorenzo Paluzzi  
Public Sector Lead,  
The Adaptavist Group

## **P.S. Want to stay ahead of the curve?**

Visit [adaptavist.com](https://adaptavist.com) for details of up and coming events and webinars on cloud transformation and connect with peers who are leading the way.



# Understanding cloud computing

Cloud computing offers flexible, scalable, and cost-efficient IT services via the internet, enabling state and local agencies to access on-demand resources and pay-as-you-go, aligning with public sector budgets.

The migration to cloud-based solutions allows for enhanced data processing capabilities, significantly improved cybersecurity measures, and substantial cost savings—all pivotal for modernizing public services and operations.

## Cloud computing: a deeper dive

At its core, cloud computing utilizes a network of remote servers hosted on the Internet to manage, store, and process data, bypassing the need for local servers or personal devices.

This model offers three primary service types:



### Infrastructure as a service (IaaS)

The fundamental computing resources like physical or virtual servers, storage, and networking. For those who need to manage their services from the ground up.



### Platform as a service (PaaS)

The runtime environment for development, testing, delivery, and management of software applications. For those who need flexibility in managing their services, but don't particularly care what infrastructure it runs on.



### Software as a service (SaaS)

Software applications delivered over the Internet, on a subscription basis, managed by third-party vendors. For those who just need their tools working correctly to get the job done right.

Each model provides varying levels of control, flexibility, and management, enabling agencies to choose the right setup according to their specific needs, which can range from hosting applications to developing complex environments without heavy upfront costs or hardware investments.

# The role of cloud service providers (CSPs) in government

CSPs are instrumental in the digital transformation of government operations, providing bespoke services designed to increase efficiency, enhance security, and ensure compliance with rigorous standards—helping you better provide for your citizens.

They offer:



## Security and compliance

CSPs adhere to standards such as FedRAMP/StateRAMP and NIST, ensuring that agencies meet federal and state requirements for data protection and security.



## Data sovereignty

Data sovereignty ensures data localization and offer sovereign cloud services, which are crucial for governments concerned with data jurisdiction and control.



## System integration

CSPs support seamless integration with legacy systems through robust API support and flexible hybrid cloud solutions, easing the transition without disrupting existing operations.



## Scalability and flexibility

Cloud services can be scaled up or down based on demand, allowing agencies to handle peak loads during critical times, such as elections or emergency responses, without permanent investment in infrastructure.

## Choosing the right cloud provider

Choosing a CSP requires a thorough evaluation of its ability to comply with relevant regulatory frameworks, service scalability, and the transparency of its pricing models.



When selecting the right one for your agency, be sure to ask:

### **Does the provider comply with relevant regulatory frameworks like FedRAMP, CJIS, HIPAA, or SOC 2?**

These ensure data privacy and adhere to legal standards essential for your organization. They should have independent audits, certifications, and transparent security measures in place.

### **What is the provider's uptime guarantee?**

You need consistent performance for your services. Make sure uptime is included in your service-level agreements (SLAs), as well as redundancy and disaster recovery plans.

### **Can they scale services up or down based on demand?**

Your workload will fluctuate, and you don't want to overcommit. Look out for elastic compute and storage options (like Amazon's Elastic Compute Cloud), global data centre availability, and multi-cloud support.

### **Are there clear pricing models and cost management tools?**

These are vital for making big savings, and managing efficiencies and lower budgets. You need to know what you're paying for upfront with no hidden fees. You'll also want billing alerts and tools for usage tracking.

While AWS is usually the standard for government, let's take a quick look at what it offers as well as the other leaders in government-specific cloud solutions:

<b>AWS GovCloud</b>	<b>Microsoft Azure Government</b>	<b>Google Cloud Government</b>
This unique hosting platform offers a segregated region designed to host sensitive data, regulated workloads, and address the most stringent US government security and compliance requirements.	A dedicated cloud platform providing a government-exclusive cloud environment that offers a broad set of compliance certifications and dedicated government data centers.	A Google-powered suite of solutions is tailored to government needs, focusing on innovation, scalability, and security, adhering to federal data security standards.

## The case for multicloud packages

Most government organizations have two or more cloud instances. Chances are, you're already using Microsoft 365 on Azure and then AWS for your other cloud-based apps.

Adopting a multi-cloud strategy with cloud-agnostic tools, multi-cloud monitoring, security, and governance, allows you to leverage the best capabilities of various CSPs to enhance performance and reliability. At the same time, you can reduce risks related to vendor lock-in, service outages, increased security and compliance risks, higher operational costs, and integration.

This approach not only improves system resilience but also offers the flexibility to innovate with technology from different providers, ensuring the best fit for specific tasks or compliance requirements.

## What are the benefits of cloud adoption?

Cloud adoption enables the modernization of operations, enhancement of service delivery, and more effective response to citizens' needs. By moving to the cloud, you reduce your reliance on outdated and expensive legacy systems while improving data accessibility and collaboration across departments—

especially important for hybrid work environments, mobility, and widely distributed teams.

The cloud offers unparalleled scalability, so you can adjust your services based on demand—ideal for rapid deployment during a crisis. This impacts your budget too. You only pay for what you need, giving your agency more flexibility when it comes to your funds. This is particularly important given the current climate of cost-cutting and improving efficiency. And with CSPs taking care of security, you can rest assured robust, compliant measures are in place.

Cloud computing means more data, which means decision-making driven by insights, helping you allocate resources more effectively. With a clear idea of your spending and impact, you can also work more diligently to meet your agency's goals, whether that's consolidating knowledge management or removing technical debt. Lastly, cloud adoption allows you to improve the service you offer, meeting SLAs around civic engagement and enhancing your citizens' experience.



## What cloud-related challenges do government agencies face?

Of course, like any new initiative, the path to cloud adoption is strewn with challenges, such as migrating from legacy systems and ensuring compliance with complex regulatory landscapes.

### Letting go of legacy systems

Transitioning from entrenched systems can be complex and costly, from migrating critical data and addressing compatibility issues to modernizing workflows. You'll need to plan carefully and invest wisely to minimize risk and reduce downtime.

### Slow adoption

People can be resistant to change and lack the expertise you need to move to the cloud. Budget restraints can slow adoption too. You'll need to prioritize training, phase adoption, and emphasize the benefits to gain buy-in.

### Institutional issues

You'll need alignment across your technical, operational, and strategic teams, but siloed working and conflicting priorities can hamper progress. A cross-functional approach helps, with clear communication, shared goals, and collaborative practices.

### Meeting regulations

Depending on your agency, you might need to comply with CJIS, HIPAA, and/or FedRAMP. Complying with strict security measures can be overwhelming, which is where the right CSP can make all the difference.

### Navigating legal issues

From data sovereignty and vendor contracts to liability during outages, there are many legalities to consider with cloud migration. Clear SLAs, understanding jurisdiction-specific legislation, and consulting legal experts are key here.

With benefits to gain and challenges to contend with, agencies must carefully plan and execute their cloud strategies, ensuring they have the right skills, partners, and tools to successfully navigate this transformative journey.



# Five pillars of Cloud Transformation

Cloud transformation is complex, with many moving parts and lots to consider. Leaders have to address the unique needs and opportunities of their organizations' as they transition to cloud computing.

Using the Executive's Five Pillars of Cloud Transformation framework, your approach should be centered around these five pillars:



**Cybersecurity**—implementing robust security measures like zero-trust models and advanced threat detection to protect sensitive data.



**Data and analytics**—utilizing centralized data management and advanced analytics tools to drive informed policy-making and efficient service delivery.



**Digital transformation**—leveraging cloud capabilities to redesign processes, enhance citizen engagement, and foster a culture of innovation.



**Talent acquisition**—developing and attracting a skilled workforce equipped with cloud computing, cybersecurity, and data analytics competencies.



**Optimizing cloud investments**—employing technology business management (TBM) frameworks and cost management strategies to maximize the value of cloud initiatives.

## 1. Cybersecurity: creating a fortified digital environment

In the landscape of cloud transformation, safeguarding sensitive information while maintaining accessibility is crucial.

Government agencies must adopt a comprehensive cybersecurity approach that integrates stringent measures directly into their IT processes to protect against evolving threats. This involves the implementation of a zero-trust model, which mandates rigorous verification of all access requests and minimizes the risk of data breaches.

In cloud computing, security is a shared responsibility between the CSP and you, the user. The provider manages the security of the cloud infrastructure and undergoes third-party audits to demonstrate their adherence to NIST standards. Meanwhile, you're responsible for securing the data you control and configure, including access controls and the security measures applied to your applications and data.

With this approach, you can ensure a digital environment that complies with NIST standards while leveraging the benefits of cloud computing.



## Incorporating NIST compliance in cloud cybersecurity

To align with NIST standards and ensure a robust cybersecurity posture, you'll need to integrate these key practices:

<p><b>Regular and thorough risk assessments</b></p>	<p>To identify potential vulnerabilities and threats within the cloud environment. This proactive measure helps in understanding and mitigating risks before they can be exploited.</p>
<p><b>Strong access controls</b></p>	<p>This includes multi-factor authentication, role-based systems, and the principle of least privilege. These controls are designed to ensure only authorized personnel have access to sensitive data.</p>
<p><b>Data encryption</b></p>	<p>Encrypting data both at rest and in transit, using industry-standard encryption algorithms protects our sensitive information from unauthorized access and breaches.</p>
<p><b>Incident response plan</b></p>	<p>A comprehensive plan should enable swift actions to minimize damage and address vulnerabilities in a timely manner.</p>
<p><b>Continuous monitoring of cloud systems</b></p>	<p>For suspicious activity and potential security threats. This ongoing vigilance helps in detecting and mitigating threats early.</p>
<p><b>Vulnerability management</b></p>	<p>Regularly scanning and promptly patching systems can significantly mitigate the risks associated with security vulnerabilities.</p>

## Find out more about NIST cloud compliance

These NIST publications are worth a closer look. They provide guidelines and frameworks that enhance cloud security:

- **NIST SP 800-53**—essential for cloud environments, this is a comprehensive set of security and privacy controls for federal information systems and organizations.
- **NIST SP 800-145**—defines the essential characteristics of cloud computing and outlines the security considerations for cloud service providers.
- **NIST Cybersecurity Framework (CSF)**—a structured framework for managing cybersecurity risks across an organization, including specific considerations for cloud environments.



## 2. Data and analytics: driving decisions with data

Having access to the right data and being able to analyze it easily and efficiently can help inform policy decision-making and improve service delivery.

Just some of the ways you can use data to make better decisions include identifying patterns in citizen engagement so you can target retention intervention and personalizing marketing campaigns.

You'll need to build a data-conscious culture, encouraging people to be information-driven in their decision-making and proactive in sharing data. Here are some of the ways cloud helps you make more data-driven decisions:

- ***Data management is centralized***—a centralized cloud platform can get your data out of silos, bringing it together in one place for enhanced accessibility and analytical capabilities.
- ***You can delve deeper into data***—cloud providers offer a plethora of advanced analytics tools incorporating machine learning, predictive modeling, and natural language processing, for more nuanced insights in real-time.
- ***It's easier to maintain data governance and quality***—you'll need to develop robust governance frameworks that help support your data-driven culture, with a focus on quality inputs and data integrity.
- ***You can scale resources based on demand (and budget)***—with cloud providers, large datasets can be handled efficiently without the constraints of traditional IT infrastructure. And the pay-as-you-go model eliminates the need for substantial upfront investments.



### 3. Digital transformation: redefining government operations

Moving to the cloud will force you to rethink the way you work, acting as a catalyst for digital transformation and leaving legacy systems behind.

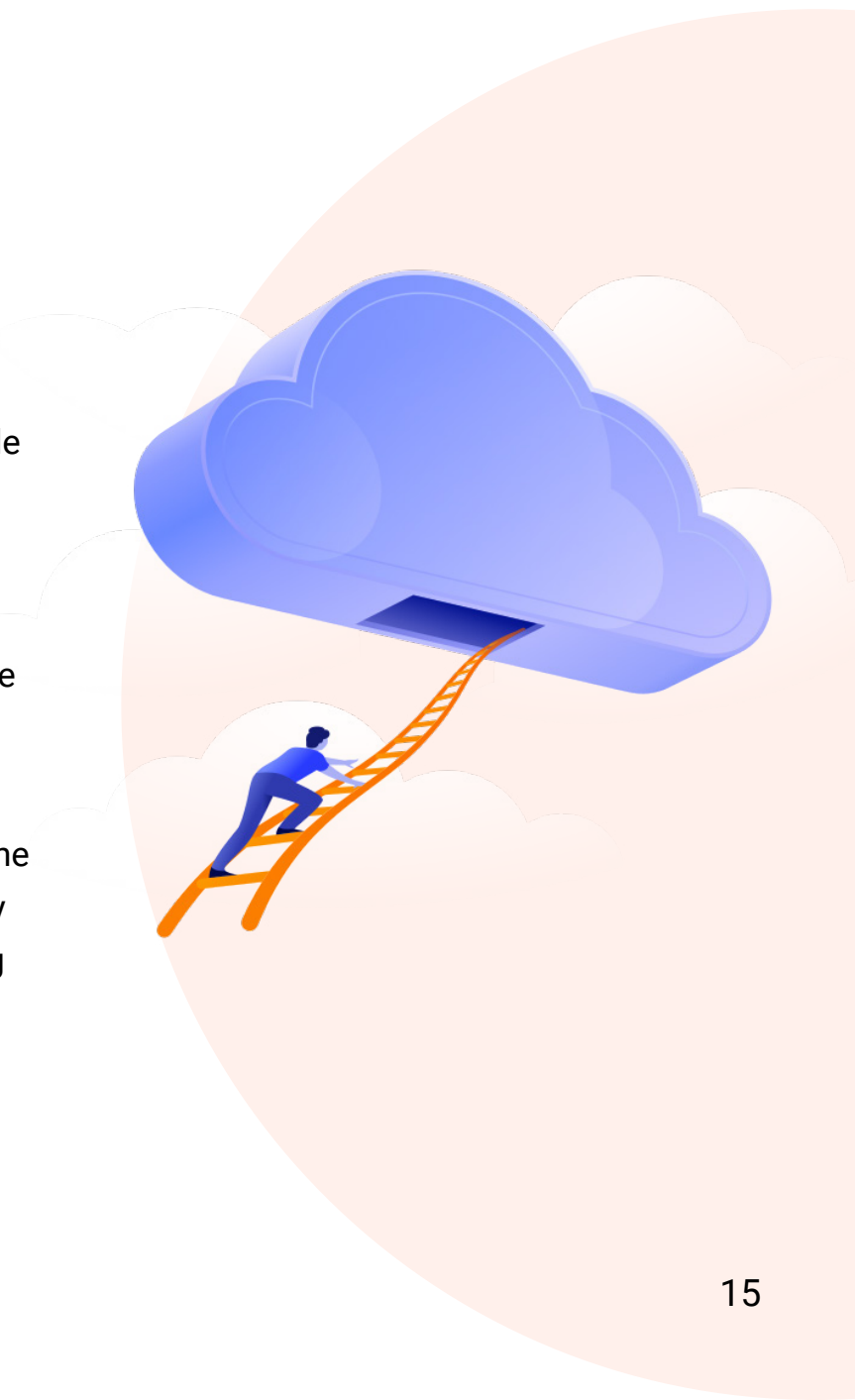
By disrupting existing processes, you can redesign them from scratch, making the most of the cloud's capabilities to improve efficiency, productivity, and employee engagement.

This includes:

- **Modernizing legacy systems**—by moving away from legacy systems to cloud-native technologies, like microservices, containers, and serverless computing, you can benefit from more agile and scalable applications.
- **Embracing automation**—automate your manual processes to reduce overheads, minimize errors, and free staff up to focus on higher-value work.
- **Enhancing citizens' experiences**—the cloud can help you improve the way you connect with citizens, providing more personalized and efficient services through various channels, meeting their individual needs.

- **Fostering innovation**—working in the cloud means informed decision-making, rapid experimentation, and fast deployment of new services, encouraging a culture of innovation.

Some examples of how cloud innovation enables digital transformation include streamlining permit processes with an automated workflow and creating user-friendly online platforms so citizens can more easily access government services and engage with officials.



## 4. Talent acquisition: building a future-ready workforce

For your cloud transformation to take flight, you need the right talent to plan it, drive it, and keep the wheels turning.

Developing existing talent and continuously upskilling them is crucial to keep pace with rapid technological advancements—as is attracting new talent with the specialisms you need.

Remember, you're not the only organization migrating to the cloud and embracing digitization, so attracting and nurturing people with these in-demand skills is crucial.

You'll need to:

- **Invest in skill development**—you already have talent in your teams, but don't be complacent. Make sure you provide the latest training, tools, and resources around cloud computing, cybersecurity, and data analytics to enhance their expertise and keep their skills up to date.
- **Build a cloud-ready workforce**—you'll probably need to recruit too, with a targeted recruitment strategy focused on candidates with cloud computing, cybersecurity, data literacy and analytics, agile, and DevOps skills.
- **Promote a culture of innovation**—a big change requires big thinking. To

drive adoption and ensure you get the most out of your cloud initiatives, you need to cultivate an environment that encourages collaboration, creativity, and continuous learning.

- **Establish mentorship programs**—connect experienced cloud professionals with employees who are new to the field, fostering knowledge sharing and skill development.



## 5. Optimizing cloud investments: ensuring fiscal responsibility

Moving to the cloud will bring efficiencies and drive productivity, but it has to work for your bottom line too.

Maximizing the value of cloud investments is essential for fiscal responsibility and operational efficiency, and involves a few key activities:

- **Implementing technology business management (TBM) frameworks**—these give you visibility into cloud spending, helping you align IT expenditures with strategic objectives so you get the most out of your investments.
- **Monitoring, managing, and optimizing costs**—by continuously tracking cloud usage and expenditures (see next page) and harnessing cloud optimization tools and techniques (like right-sizing instances and spot pricing), you'll be able to identify opportunities to save and improve your initiatives.
- **Collaborating between finance, IT, and business teams**—adopting FinOps (or cloud financial management) principles helps share accountability for cloud spending between your finance, IT, and business teams and promote cost optimization across the organization.
- **Reducing technical debt**—don't let legacy systems weigh you down. You can proactively address technical debt by modernizing outdated systems and processes. In turn, this decreases maintenance costs and enhances productivity.





Founded in 2005, Adaptavist is a global technology and innovative solutions provider that help organisations improve agility and overcome the challenges of digital transformation. We are experts at delivering innovative and tailored solutions, and quality services across some of the world’s most trusted technology ecosystems, including Atlassian, AWS, monday.com, GitLab, and many more. It is the pioneer brand of The Adaptavist Group, a global family of companies with one common goal: to make business work better.

We combine the best talent, technology, and processes to make it easier for our customers to excel—today and tomorrow.

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