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Indian Organizations Say Hybrid Cloud Approach is Critical to Unlock the Power of Generative AI: IBM Report

68% of Indian decision-makers say cloud skills remain a top challenge; 60% of Indian cloud leaders cite security or compliance as reasons for moving certain workloads; & in the country, 49% agree that sustainability drives their digital transformation strategies



BENGALURU, INDIA, December 11, 2023 -- A new global survey from IBM (NYSE: [IBM](#)) revealed that in India, 64% of hybrid cloud users have a formal, organization-wide policy and/or approach for the use of Generative AI (GenAI). However, barriers that once slowed down hybrid cloud adoption are now impeding the implementation of GenAI. Cloud leaders are concerned about the challenges associated with the privacy and confidentiality of data and information when adopting GenAI. In addition to the ability to unlock the power of generative AI being cited as one of the key benefits of a hybrid cloud approach, leaders agreed that a cloud environment is essential for managing sustainability initiatives at an enterprise level, but workforce deficiencies in cloud skills are impacting implementation.

The [IBM Cloud Transformation Report 2023](#) commissioned by the IBM Institute for Business Value and conducted by independent research firm, The Harris Poll, was created to help organizations map their cloud transformation and empower them to self-classify their progress. Built on a foundation that leverages insights from experienced cloud professionals, enterprises can use the Index to gain measurable metrics that can help quantify their progress and uncover areas of opportunity and growth. Over 3,000 IT and business decision-makers in 12 countries and across 23 industries were surveyed.

“As GenAI gains momentum in India, organizations need to harness the power of a robust hybrid cloud approach to tackle challenges that are coming to the forefront. Investing in the right cloud technologies and tools will help businesses tackle increasing security and compliance concerns and deliver on their sustainability goals,” says **Viswanath Ramaswamy, Vice President - Technology, IBM India & South Asia**. “As evidenced by the report, hybrid cloud models aided by the right talent capabilities will play a huge role in shaping the success of business transformation initiatives. It is heartening to see that about 85% of respondents have said they are creating new job positions to fulfil the need for cloud skills in this Generative AI era.”

The IBM Cloud Transformation Report 2023 - India Findings

Need for Cloud Skills Takes Center Stage

In India, on average 68% of the business leaders surveyed agreed that lack of cloud skills remains a considerable challenge in their digital transformation journeys, which is higher than the global average of 58% - ranking second to only Japan (75%). However, the strong intent of Indian businesses to overcome this obstacle to innovation is becoming evident - about 85% of the surveyed organizations said they have created new positions to fulfill the need for cloud skills. Indian organizations are leading the efforts to close the skills gap, followed by those surveyed in the United States of America (80%), United Kingdom (77%), Germany (72%), Spain (72%) and Australia (70%).

Security and Compliance Concerns Slowing Down GenAI Adoption

As businesses ramp up digital transformation efforts in a rapidly evolving cyber threat landscape and strive to remain compliant with cybersecurity laws, they are also concerned about the exposure of sensitive data. In India, about 36% of cloud leaders expressed concern about cybersecurity or the privacy and confidentiality of data and information when adopting GenAI. In fact, 60% of cloud leaders cite security and compliance as reasons for moving certain workloads from public clouds to private clouds or on-premises data centers, which represents an increase of 18% from the previous year.

Leveraging the Cloud for Sustainability Initiatives

As the adoption of GenAI grows, the data processing power required for AI workloads can present new challenges to organizations that are looking to reduce their greenhouse gas emissions. Using the right tools for tracking, managing and reporting on sustainable goals - including for partners and third parties - has never been more important. In fact, 43% of decision-makers surveyed in India agreed that they use cloud to help deploy, track, and manage sustainability goals internally, while 44% say they use cloud to help deploy, track, and manage sustainability goals for third parties.

Organizations surveyed recognize the role that strong technology partnerships play in helping them achieve their sustainability goals. About 92% of the organizations surveyed in India, agree that open innovation with business partners is the biggest driver for sustainability initiatives - with India ranking the highest of all countries surveyed alongside Brazil.

Read the findings from IBM Institute for Business Value: <https://www.ibm.com/thought-leadership/institute-business-value/en-us/report/data-story-hybrid-cloud-ai>

Methodology:

The "Cloud Transformation Report," a new global survey from the IBM Institute for Business Value (IBV). Survey data was collected online from 3,018 IT and business decision makers in 12 countries and across 23 industries by The Harris Poll on behalf of IBM and the IBM Institute for Business Value (IBV) in May/June 2023. Industries included financial services, manufacturing, government, telecommunications and healthcare, to understand where organizations are advancing, or merely emerging, on their transformation journeys.

About IBM:

IBM is a leading provider of global hybrid cloud and AI, and consulting expertise. We help clients in more than 175 countries capitalize on insights from their data, streamline business processes, reduce costs and gain the competitive edge in their industries. More than 4,000 government and corporate entities in critical

infrastructure areas such as financial services, telecommunications, airline, and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to effect their digital transformations quickly, efficiently and securely. IBM's breakthrough innovations in AI, quantum computing, industry-specific cloud solutions and consulting deliver open and flexible options to our clients. All of this is backed by IBM's long-standing commitment to trust, transparency, responsibility, inclusivity and service.

Media Contact:

Lakshmi Visakha

lakshmi.visakha@ibm.com
