Pluralsight

How to Close the Cloud ROI Gap

A leadership guide to building the talent, strategy, and systems that unlock real cloud value

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The current state of cloud investment

> **Why are we paying so much but getting so little?**

In 2026, paying for cloud is considered the cost of doing business. And yet, **more than half of SMBs and enterprises don't get the desired value back from this spend**[1]. Despite more than half of organizations running their workloads in public clouds (for example, AWS, Azure, and GCP):

- Only a fraction—one in 10—have fully captured cloud value[2]
- Most organizations exceed their cloud budgets by 17%[3]
- An estimated 24 – 27% of cloud spend is wasted[4]

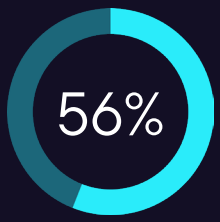
And yet, on average, organizations are planning to **increase their cloud spend by 28% over the next 12 months**[4]. Part of this is due to organizations rushing to deliver expensive AI projects built on the same cloud foundations, with 79% of organizations already using or experimenting with AI and ML public cloud services[3].

The biggest players can afford to burn budget to stay competitive and achieve their goals, spending on increasingly advanced cloud offerings. But the rest ask, "Why is our cloud spend so high, and yet not driving tangible ROI?"

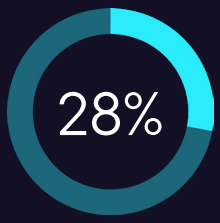
For leaders in non-US organizations seeking to go local, cloud ROI is especially important. According to Gartner research, **61% of European CIOs and tech leaders stated they want to spend more on local cloud**[5] for geopolitical reasons and shift away from using US-based hyperscalers. This is a task that takes years of work and investment, where leaders need to make sure they reproduce what is essential and affordable.

[1]CloudZero: The State of Cloud Cost in 2024; [2]HashiCorp State of Cloud Strategy 2024 by Forrester; [3]Flexera 2026 State of the Cloud Report; [4]Flexera 2025 State of the Cloud Report; [5]Gartner

The current state of cloud investment

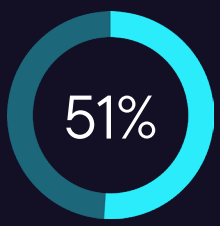


of enterprise and SMB workloads currently run in public cloud[3]

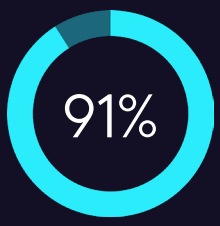


is how much cloud spend is expected to increase in 2026[5]

organizations don't see the outcomes they want from cloud investment[1]



report cloud costs are higher than they should be[1]



of organizations struggle with avoidable cloud spend ("cloud waste")[2]

[1]CloudZero: The State of Cloud Cost in 2024; [2]HashiCorp State of Cloud Strategy 2024 by Forrester;

[3]Flexera 2026 State of the Cloud Report; [4]Flexera 2025 State of the Cloud Report; [5]Gartner

Is the cloud even valuable? Yes, in skilled hands.

> **The problem is not cloud technology, but the skilled execution.**

Cloud maturity is essential for achieving cloud ROI. Ultimately, low maturity comes down to one thing: **a lack of cloud skills in an organization**. According to Forrester research, more than two-thirds (71%) of low-maturity firms reported not having the right cloud skills, compared to far less (48%) at those with high maturity.[2]

A lack of cloud skills was also the **#1 cause of wasted cloud spend** and **the inability to onboard and operate AI solutions**.

The three stages of cloud maturity

Low maturity (33% of orgs)

- Still at the cloud adoption stage
- Adopted some (or no) basic-level infrastructure and security practices

Medium maturity (59% of orgs)

- Shifting to best practice cloud use
- Adopted all basic security and infrastructure practices, and some intermediate

High maturity (8% of orgs)

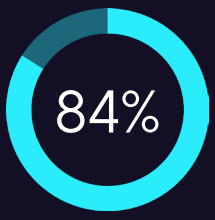
- Scaling and maximizing cloud ROI
- Adopted all basic and intermediate cloud practices, and some advanced

[2] *HashiCorp State of Cloud Strategy 2024 by Forrester*

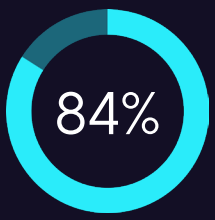
In cloud-mature organizations using cloud technology:

have used cloud to achieve their overall business goals

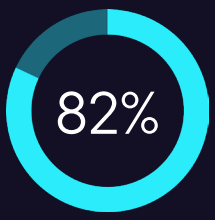
achieve a stronger security posture



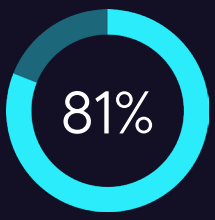
have greater ability to attract, motivate, and retain talent



can roll out infrastructure in an agile way



have optimized cloud costs



have increased business collaboration and fewer silos

[2]*HashiCorp State of Cloud Strategy 2024 by Forrester*

Having the right team: Behind the cloud value gap

> Your cloud talent is your cloud ROI.

Cloud services don't create ROI just by using them. They need to be used strategically, in a way that is intentionally aligned with business objectives. This **only happens when you have talent with the right cloud skills** and give them **sufficient agency** to achieve these goals.

Picture cloud computing as a ship that your organization is sailing towards a desired destination, which is achieving your business goal (ROI). To get there, you need a skilled crew.

Leadership (The captains)

Leaders are essential to cloud ROI. They share what success looks like, so everyone can set a unified objective. They also champion the Cloud Center of Excellence (CCoE).

By **knowing what the cloud can and can't offer the business**, and the **structure, functions, and skills needed for success**, they can set people up to reach the ultimate goal.

Cloud architects (Ship builders)

How your cloud architect builds your initial solution largely determines your future cloud ROI: the costs, security, scalability, and more. They also help with overseeing cloud governance, security, and designing new solutions.

Cloud architects need to be skilled and knowledgeable enough to predict your current and future needs, so they can best design what you need to get you to your intended destination.

FinOps (Navigators)

These cloud financial operations specialists are your go-to for analyzing and tracking your cloud spend, identifying cost-saving opportunities, and allocating costs to specific teams, projects, or products.

By **knowing how to track unnecessary spend and achieve savings**, FinOps can keep you in safe waters and avoid unexpected costs from sinking you.

Engineering teams (Sailors)

These are the people who are working with the cloud hands-on, using it to get your organization where it needs to go. They are performing the actions that create cost and are accountable for controlling it.

Because engineers actually steer cloud use, they can avoid creating cloud waste with **skills and knowledge in cloud cost control and by working with FinOps**.

How skill shortages leads to disappointing ROI

A lack of trained talent in any key area can knock your organization off course from achieving cloud ROI, even if the rest are sufficiently skilled.

Role	Some real-life scenarios
Captains (leaders) without the right skills can wind up at the wrong destination or without sufficient crew to get there.	Misaligned cloud use to business objectives, skills gaps, staff vacancies in critical places, and insufficiently empowered teams
Ship builders (cloud architects) without the right skills are unprepared to design, maintain, and build vessels to reach the right destination.	Overengineering, underengineering, underestimating hidden costs, failure to fix organizational pain points, cloud governance and security failures, and identifying and designing new solutions
Navigators (FinOps) without the right skills risk running into costly obstacles that can sink endeavors.	No cloud cost oversight, massive surprise cloud bills, and avoidable cloud spend
Sailors (engineering teams) without the right skills can't actually maneuver the ship out of troubled waters.	Spinning up unnecessary and costly cloud solutions, and forgetting to deactivate redundant or unused resources

This is why **your cloud talent is your cloud ROI**. To get to your destination, it is up to the captains—an organization's leaders—to make sure the right crew is in place, so that cloud success can then follow.

How to achieve cloud ROI through cloud talent

There are four actionable steps to get the most out of your cloud investments.

1. Captain the helm
2. Build the builders
3. Nominate your navigators
4. Upskill your sailors

Captain the helm: Empowering yourself to reach cloud ROI

> How can I get our cloud investments where they need to be?

1. Learn what cloud can offer your organization at a high level

Many leaders experience cloud ROI disappointment because they're unaware of what sort of ROI cloud delivers in the first place. To remedy this, take a foundational course or learning path on cloud fundamentals, one aimed specifically at leaders and non-IT professionals. This will empower you with the knowledge of what cloud can actually deliver in terms of ROI for your organization.

There is also a "shared language" to cloud. By understanding the fundamentals, you'll be able to better communicate with key technical stakeholders. As the captain of the ship, it's valuable to speak the same language as the crew.

A cloud fundamentals course for leaders

The Pluralsight Cloud Transformation path is designed for IT leaders and decision-makers to master the strategic, operational, and cultural aspects of cloud adoption.

Cloud ROI is not found in saving costs

Cost efficiency and savings is the #1 metric for assessing progress against cloud goals, used by 87% of organizations.[3]

Despite that, the main benefits of the cloud aren't found in driving down cost, but in **agility**, **scalability**, **security**, and **flexibility**. With the cloud, it is possible to do things that are simply not possible by building your own infrastructure.

Compared to on-site infrastructure, cloud infrastructure can be scaled up and down to meet actual business demand. They are no longer hampered by what hardware your organization has or slow procurement processes. When designed correctly, organizations also have a much stronger security posture and **greater redundancy**.

While cost reduction is a *potential benefit*, most organizations spend the same amount to get more. **Cloud ROI is found when you achieve your objectives**, instead of failing to reach them at the same or cheaper cost.

[3]*Flexera 2025 State of the Cloud Report*

2. Select and communicate the cloud objective

Like any good business strategy, you need measurable, quantifiable objectives. With cloud computing, there are a lot to choose from, such as:

- The number of workloads migrated
- Speed of delivery of new products and services
- Customer adoption of cloud-based offerings
- Decreased use of your data center
- Getting rid of or decreasing your technical debt
- Value delivered to business units
- Increased competitive advantage
- Increased speed of innovation
- Increased geographic reach

Again, while you can use cost-based objectives (cost efficiency and savings, cost avoidance), these are not where you're going to get the most ROI out of your cloud investments.

When defining cloud migration success, it's critical to keep in mind that mere cloud adoption is not the goal. Businesses don't adopt cloud just to adopt cloud. It's the transformative journey you undertake to achieve the goal on the other side.

Drew Firment
AWS Hero, VP of Global Partnerships at Pluralsight, and former Director of Cloud Engineering at Capital One

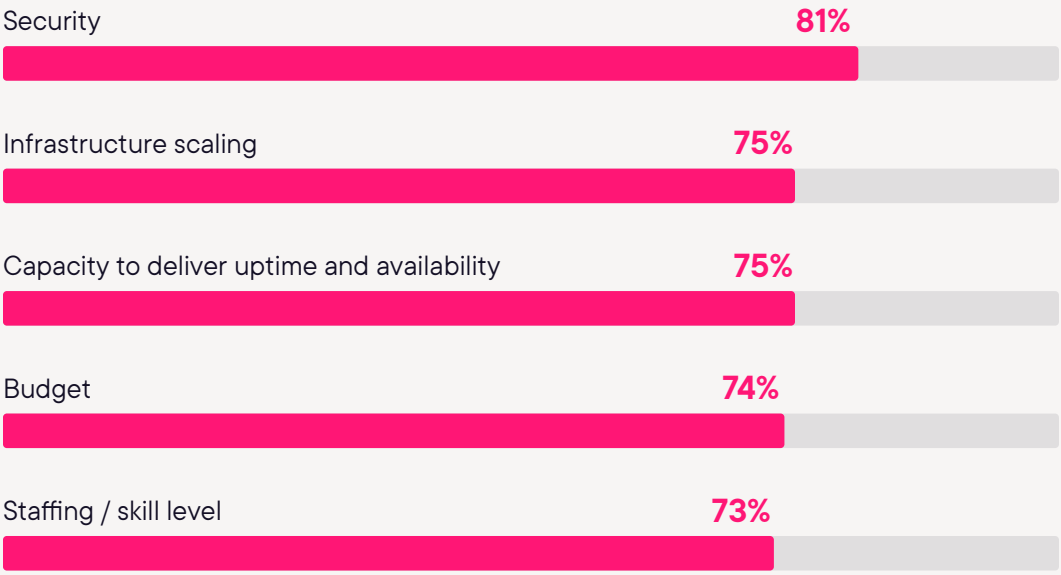
3. Cloud is just like other long-term initiatives

High-maturity organizations focus on long-term strategy and scaling with cloud, instead of tactical, short-term goals such as cost-cutting. Rather than solely focusing on what immediate savings can be made, ask questions like:

- What do we want from our cloud investment in the long term?
- Do we have a detailed strategy on how to get there?
- Is there a plan to standardize our cloud infrastructure, security, and compliance practices, which are a critical part of achieving cloud ROI?
- From standardization, how will we scale to achieve our business goals?
- Do we have a plan to establish the right platform teams and address any skills shortages we might have?

Like any long-term tech initiative, this requires consultation with highly trained cloud specialists. One of the biggest mistakes to make is to decide the specific cloud solution first at the C-level, then declare downward what it will be.

Top cloud strategy success factors[2]



[2] *HashiCorp State of Cloud Strategy 2024 by Forrester*

4. Create a Cloud Center of Excellence (CCoE)

Cloud technology is only one part of the equation: Without your people and processes keeping pace, your cloud investments will stall. Having a CCoE is widely considered best practice for all organizations. It is a formalized and dedicated team or department that establishes and maintains internal best practices, governance, and standards for your cloud investments.

Who do I need in a Cloud Center of Excellence?

- **Technical specialists** with backgrounds in cloud architecture, engineering, security, and operations
- **Business analysts** who ensure initiatives support the organization's broader strategy and business priorities
- **FinOps specialists** who evaluate the financial impact of cloud usage and help the company make cost-effective investment decisions
- **Legal and compliance experts** who oversee regulatory requirements and mitigate cloud risks
- **HR representatives** who help define the skills, training, and cultural changes needed to support successful cloud use
- **Innovation leaders** who promote new ideas and identify opportunities to maximize cloud value

These leaders **combine their cross-functional expertise** to establish the "shipfaring rules" and **ensure cloud initiatives align with overall organizational objectives, ultimately driving your cloud ROI**. As a leader, it's important to continuously support the vision and existence of your CCoE. Between turnover, resourcing, and competing projects, it is possible to deplete this center of excellence, and by extension, erode the ROI of your cloud investments.

Learn more about creating a Cloud Center of Excellence

Pluralsight has a dedicated 26-minute course explaining more on the importance and structure of a CCoE.

5. Use stakeholder engagement to achieve cloud ROI

Your CCoE should not act as a siloed entity divorced from the wider organization. To get the most out of cloud investments, it needs to be widely and cleverly utilized by your organization. To do this:

- Listen and seek feedback from users to learn where it is communicating value, and have leaders share when it has added value to projects and business operations.
- Identify new and ongoing pain points that are being experienced by cloud users.
- Make sure that users can actually utilize the cloud responsibly and within the governance framework established by your CCoE—a classic cloud anti-pattern is your cloud team forcing everyone to go through them for tasks by abstracting everything away, leading to Shadow IT and non-compliance.

6. Create a culture of continuous cloud learning

For 64% of businesses, a shortage of staff cloud expertise presents a barrier to building, maintaining, and advancing cloud infrastructure strategy. Because this technology is always changing, a "one-and-done" approach to upskilling doesn't provide appropriate returns. Therefore, it's important to foster a culture of ongoing and continuous learning to get value out of the cloud.

Like all cultural transformations, the shift towards a learning culture must originate from the top. Leaders play an essential role in embodying and promoting continuous learning as a unique, core organizational value. This process initiates personal mindset shifts among leaders and influences similar mindset shifts within their teams.

> ### Learn more about creating a culture of learning for cloud
>
> Lars Klint's 33-minute course shares how to develop a learning culture, achieve a critical mass of cloud skills within your organization, measure it effectively, and foster a cloud-first mindset among leaders and teams.

7. Plan a strong cloud foundation as a prerequisite for successful AI projects

Cloud maturity is a prerequisite for AI maturity and ROI. For companies strategically investing in AI, public cloud platforms are receiving the largest share of AI budgets (11%)[5]. At mid-sized IT companies, AI and machine learning make up twice this figure in cloud costs (22%).[6]

In short, your cloud strategy and AI strategy cannot be treated in isolation. Find a partner who can help you achieve both cloud maturity and AI maturity within your workforce, closing the gap between where your organization is currently and its AI ambitions.

[5]CloudZero: The State of AI Costs in 2025; [6]Cloud Capital: The Cost of Compute 2026

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The rapid maturation of AI is creating significant pressure on organizations and individuals who are lagging behind their foundational skills for cloud computing, security, and data management … These three components are prerequisites for effectively leveraging artificial intelligence at scale. Too often, the absence of these foundational skills results in promising prototypes and pilots that never achieve production readiness.

Drew Firment
AWS Hero, VP of Global Partnerships at Pluralsight, and former Director of Cloud Engineering at Capital One

Build the builders: Shaping the talent to reach cloud ROI

> **Yes, we need cloud talent, but how do we make them?**

Cloud architects are the most important part of getting a return on your cloud investments. There are many ways to build a cloud solution for your business, and architectst are constantly making judgement calls, balancing factors like cost, scalability, availability, security, and more.

It's rare that one solution can tick every box. And once the solution is decided, it's often hard to change. **Without the proper skills and hands-on experience**, it's very easy to fall into the following **anti-patterns that stop your organization from getting an ROI on your cloud investments**.

Overengineering

Creating a costly solution that is overkill for your organization's needs

Underengineering

Failing to design for and actually leverage the beneficial features of the cloud

No resilience

Designing a solution that doesn't provide recovery / uptime if disaster strikes

Lack of automation

Not automating repeatable processes that help actually deliver cloud efficiencies

No alignment

Not knowing enough to select the best of many options to meet business needs

Insecure design

Creating security holes that expose your organization to many forms of risk

Poor / slow design

Putting data in the wrong place that takes forever to access, or other inefficiencies

Scalability issues

Making decisions that don't scale for future org needs, creating legacy problems

Stagnation

Outdated knowledge that results in more cost, less competitive solutions, missed opportunities

Poor scoping

Missing or not taking costs into account, only to be surprised when it is difficult to change

Skilled cloud architects are in high demand, especially as businesses invest even more in the cloud to achieve their AI objectives. Two-thirds of organizations (64%) have a shortage of staff expertise dedicated to supporting their cloud infrastructure strategy.

1. Get your first skilled architect, and have them train others

Because of their rarity, experienced cloud architects are worth their weight in gold. Unfortunately, you cannot simply upskill a junior or mid-level cloud specialist into a cloud architect. Much like you need a doctor to train another doctor, you need a cloud architect to upskill their peers into the same role.

Focus on hiring an experienced cloud architect first, then have them lead the upskilling of others into your architecture team roles.

2. Empower your architects within your strategic framework

The greatest architect in the world will fail to build a value-add solution if they lack two things: agency and time. Whenever tasking them to build a solution or re-architect an old one, make sure to not set unrealistic expectations for delivery, or under-resource the project.

At the same time, make sure your architects are sufficiently trained to avoid overengineering, are aware of the business priorities, and are working using a top-down approach informed by your CCoE.

3. Keep your architects trained and primed to pursue future projects

While the initial construction of your cloud architecture is crucial, maintaining and expanding your cloud infrastructure is often necessary as your business evolves. This is the “scaling” stage that represents an organization’s high cloud maturity.

Things don’t stop after launch, and having the people responsible for building your investment there to explain and expand is invaluable. AI projects in particular, which are often dependent on public cloud, are “never complete.” They require retraining, monitoring, and more for the lifecycle of operation.

The “lift-and-shift” fallacy:
“Let’s do what we’re doing now, but in the cloud”

Most organizations do what is called a “lift-and-shift” where they just reproduce what they did on-prem, but in the cloud, without proper architecture at all.

This is a common cause of exorbitant cloud costs. Think of it like buying a seaplane to replace your boat, but then only sailing it on the water, and complaining you’re not getting anywhere faster. It’s vital to not just adopt a new technology, but use it in the right way to get to your destination.

Nominate your navigators: Creating a FinOps function

> **Being able to check your cloud costs is not the same as having someone actually watching them.**

Part of the problem with achieving cost-effective cloud ROI is that cloud consumption changes every day. Couple this variable cost model for cloud services and lack of visibility on spend, it's no surprise that many organizations struggle to achieve the most optimal return on their cloud investment. FinOps is an operational framework to solve that.

1. Find out what you're working with

Task the appropriate resource to gather data about your cloud cost and usage to understand who is doing what and the rationale behind it. This is essential before you begin to make any decisions, including how much to invest.

A solid tagging or labeling strategy is essential to enable cloud spend to be fully understood. By tagging your resources properly, costs can be allocated to the appropriate team, project, or business unit.

Understanding who is utilizing cloud resources is the key to making informed decisions. This will take effort from a cross-functional team, with representatives from technology, finance, and business to contextualize the data.

When it comes to cloud costing tools, make sure to thoroughly evaluate them before making them part of the process. These have the potential to not only cost money, but disrupt what you're doing and not actually improve workflows.

What is FinOps?

FinOps is an operational framework and cultural practice which maximizes the business value of cloud and technology, enables timely data-driven decision making, and creates financial accountability through collaboration between engineering, finance, and business teams.[1]

[1] *FinOps Foundation Technical Advisory Council*

2. Determine where costs can be reduced

Using the data, determine what cost reductions are possible and how much you're actually going to save by implementing them. Start by:

- Identifying under-utilized systems to be right-sized
- Terminating resources that are no longer needed
- Considering terminating non-production instances outside of work hours when not in use
- Implementing autoscaling to take advantage of the elastic nature of cloud, and reducing capacity when demand is low

Determining the possible cost reductions will also help you determine how much and how often you actually want to invest in your FinOps function.

Having a whole team that works indefinitely on achieving 1 – 2% in cost reduction makes sense when you're spending nine figures on infrastructure. But, if you're only spending $500K, this will not be someone's full-time function.

What can we shut off or scale down?

This is the question that your FinOps function should always be asking.

They should also be looking into where data is being stored and for how long.

3. FinOps should own cloud cost monitoring, not cost accountability

A common mistake is to task someone with “keeping costs down” but not provide them with agency to actually do their job.

Your FinOps function should be responsible for highlighting, reporting, and finding cost reduction opportunities and cloud waste, but not for actually keeping costs down and ensuring people do the right thing. **Those who should own costs should be the teams and individuals responsible for generating the costs**.

Additionally, make sure your FinOps function has appropriate authority and support to achieve their goals.

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FinOps is a team sport, and teams should feel involved and empowered to contribute to decisions around cloud optimization. Your technologists in particular are often gifted problem-solvers, and uniquely equipped to come up with creative solutions to help optimize your cloud environment.

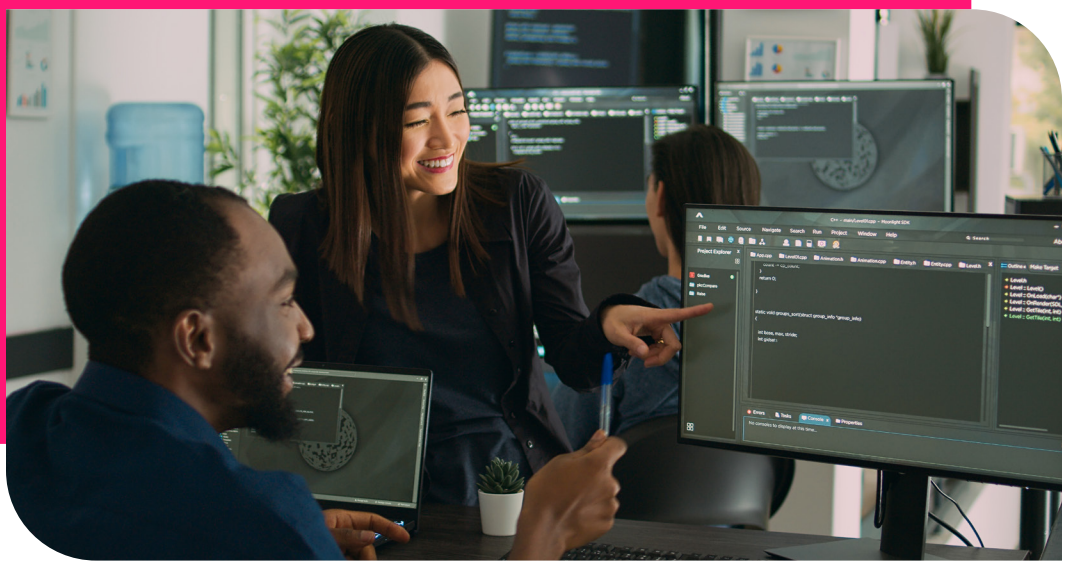
Hold regular meetings to review the data, track progress, plan optimization strategies, and collaborate. This will help foster transparency, trust, and accountability.

Faye Ellis
AWS Community Hero, Pluralsight Principal Training Architect – AWS, and Cloud Expert

4. Make sure your FinOps specialists are trained in both finance and cloud

If your FinOps specialists are all over fiscal responsibility but don't understand cloud computing very well, they may struggle to monitor and understand spend. On the flip side, only understanding the technology and not a key concept like cost accounting is also going to limit their effectiveness.

Again, your investment is going to depend on how much you're actually spending on the cloud. It also helps if they review and benchmark what new cloud service options are available. These are constantly in flux—just because the old solution was the most cost-effective in the past doesn't mean it still is.



Upskill your sailors: Cloud as a critical, foundational skill

> **If cloud is table stakes for organizations, then strong skills in using this technology are essential for making the most of it.**

1. Get 10% or more of your staff cloud certified

Cloud is a shared language. If only a small fraction of specialists comprehend it, this may hamper your ability to operate and innovate as a business, as well as achieve cloud ROI.

The easiest solution is widespread, base-level cloud certification, ideally 10% or more of your organization. Learning the language of cloud is part and parcel with passing a cloud certification, and 10% gives you a measurable figure of creating change agents.

In 2026, every company is a tech company with enough investment in cloud and AI to warrant widespread upskilling.

2. Make sure most IT functions have cloud training

Cloud is tied in with most IT-related disciplines: cybersecurity, software development, AI, data, and IT Ops. Training from associate or higher cloud certifications provides an understanding of business options available and gives important context.

For example:

- A software engineer with cloud knowledge knows what services they can use to better design products.
- A cybersecurity specialist with cloud knowledge knows what defensive products are available and what risks and compliance requirements there might be.
- A data specialist with cloud knowledge is aware of what cloud services may make it easier to gather, store, interpret, and present business intelligence and make market predictions.

Engineers, in particular, can contribute to cloud spend or accidental waste by creating or not deactivating cloud resources, so education mitigates uncontrolled expansion.

3. Provide secure training options for hands-on cloud experience

One of the biggest challenges with developing actual cloud experience is finding a place to safely experiment that doesn't wind up generating massive costs for the business. Additionally, building new experiments within the business's existing environment can cause accidental conflicts and a risk of disrupted operations.

Thankfully, there are a number of solutions for this: **labs, sandboxes, hands-on learning projects**, and **interactive courses**.

Labs

Provide learners with a safe, provisioned environment where they can develop and test skills without the risk. By completing tasks similar to common ones tech teams tackle every day, your team members can get comfortable applying their skills in real-world scenarios and get feedback to improve.

Sandboxes

Deepen your team's skills through more advanced, independent practice in secure sandboxes. With no limitations to what they can explore, your team can practice completing tasks just like the ones they'll be tackling on the job.

Hands-on learning

Experience real-world scenarios and get valuable guidance for applying new skills in their local environment. Projects include automated validation and customized error messages of work done in their local environment so learners can easily identify and correct mistakes before they matter.

Interactive instructor-led courses

Empower learners to take skill development into their own hands with experiences that include hands-on coding challenges and guided feedback. Learners start by watching a video to learn a concept, then test their knowledge through a series of challenges in a browser environment.

4. Measuring actual training initiatives using independent skill testing

Self-reporting offers subjective results and isn't a reliable way to track upskilling efforts. To accurately gauge the success of cloud computing upskilling initiatives for your workforce, use skill assessments to:

- Benchmark your team's tech skills.
- Identify knowledge gaps and strengths.
- Provide tailored learning recommendations to staff.

These should ideally be designed by actual industry experts and tailored to specific cloud computing skills, rather than general aptitude tests with no actionable recommendations.

Remember, your cloud talent is your cloud ROI

When it comes to getting a return on your cloud investments, it all comes down to people—giving them the knowledge to properly create the right processes and maximize the use of the right technology. As a leader, you can build the foundation for your cloud ROI by upskilling your workforce appropriately, which in turn empowers your teams to:

- Migrate and scale the use of cloud services with confidence.
- Operationalize new cloud and AI offerings to stay competitive.
- Maintain cost efficiency and avoid waste.
- Transform your cloud investments into sustained, measurable ROI.

Build cloud readiness skills with Pluralsight

Give your teams immediate access to a vetted, hands-on cloud and AI curriculum that fits their workday, building the skills needed for optimization and an AI-first future.

Pluralsight Cloud Ready is an end-to-end program combining courses, skill assessments, and best-in-class learning experiences that empowers teams to:

- **Hit deadlines.** Accelerate cloud migrations and modernizations with structured, self-paced learning and real-world practice.
- **Unlock cloud ROI.** Achieve real value on your cloud investments with best-practice architecture, better cost management, and tighter business alignment.
- **Modernize infrastructure.** Build AI- and cloud-native platforms that perform more efficiently and unlock valuable data for AI.

Cloud Ready gives you a clear path to assess your organization, upskill efficiently, and evolve your team to meet your business goals.

Learn more about Pluralsight Cloud Ready →

Pluralsight