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IAM For The Hybrid Enterprise

Current Challenges And Strategies For Global Security
Professionals

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IAM For The Hybrid Enterprise Delivers Business Excellence

Organizations are rapidly moving to cloud for cost savings, but they still have many business-critical applications running on-premises. Managing identity and access management (IAM) infrastructure on-premises and in the cloud results in a disjointed model that can raise many security and user experience issues.[1]

Organizations that implement a hybrid IAM approach to harmonize their diverse IT environments can comprehensively protect their businesses and elevate their customer and employee experiences.[2]

In 2021, ForgeRock and Google Cloud commissioned Forrester Consulting to understand the challenges global security professionals are facing with their IAM strategies.

i Forrester defines IAM as the policies, processes, and technologies that digital businesses employ to establish identities and control access to their resources across dynamic ecosystems of value.

Key Findings

Over 80% of respondents have already adopted or plan to adopt/expand their cloud-based IAM initiatives in the next two years.

Nearly all (98%) of respondents have experienced challenges with IAM sourced from the cloud.

Hybrid cloud IAM delivers better employee experience, customer experience, and opportunities for innovation.
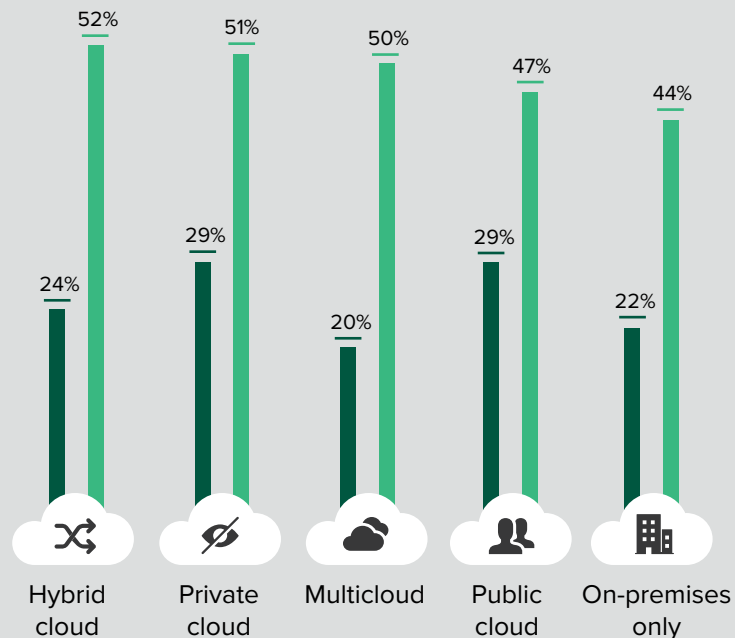
Cloud Adoption Top of Mind: Approaches Highly Mixed

As cloud adoption grows, hybrid enterprises continue their evolution from on-premises IT to include a mix of both private and public clouds — also known as hybrid cloud. Not every company takes the same approach to cloud as their needs are quite diverse. Of the 313 global IT decision-makers we surveyed, more than half plan to adopt or expand their use of hybrid cloud and multicloud within the next two years.

But increased cloud usage exacerbates security issues, such as siloed data, overprivileged administrators, and a greater wealth of identities to be managed. A hybrid approach to IAM enables today's hybrid enterprise to run, unify, and secure all digital identities in a hybrid IT environment. **To get ahead of security risks and identity proliferation, organizations must prioritize their hybrid IAM strategies.**

"What are your company's plans when it comes to cloud adoption?"

- ● Currently adopted, not expanding/upgrading
- ● Planning to adopt/expand within the next two years

	Hybrid cloud	Private cloud	Multicloud	Public cloud	On-premises only
Currently adopted	24%	29%	20%	29%	22%
Planning to adopt/expand	52%	51%	50%	47%	44%

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High Interest In Commercial Solutions

While IAM is crucial to IT security operational efficiencies, many leaders also see its value in improving employee and customer experience (EX and CX) and satisfaction. Poor IAM results in lower employee productivity, wasted company resources, loss of customer satisfaction, and increased risk of loss of sales, brand loyalty, and customers.[3]

In fact, more than half of decision-makers recognize the impact IAM has on CX and EX and plan to adopt or expand the use of a commercial product to manage employee and customer IAM within the next 24 months.

"What are your organization's current plans when it comes adopting the following approaches to IAM?"

● Currently adopted, not expanding/upgrading   ● Planning to adopt/ expand within the next two years

Using a commercial product to handle employee identity and access management
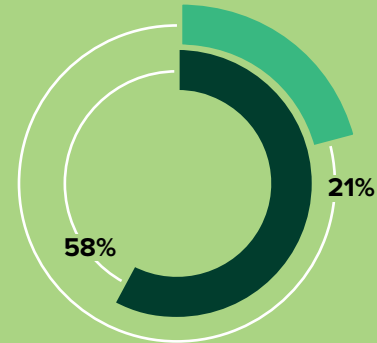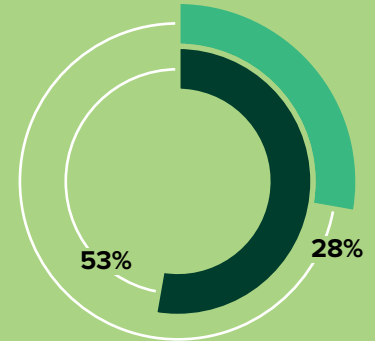
53%   28%

21%   Using a commercial product to provide customer identity access management

58%

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Most Plan To Adopt Or Expand Cloud-Based IAM

Despite the security complications of cloud computing, the speed and competitive advantage of using cloud are too powerful to ignore. Security professionals must continuously modernize their IAM strategies and architectures to ensure secure and frictionless user experiences and solve for a range of authentication issues. In doing so, they must consider aspects, including technology beyond the traditional password, disparate user populations such as partners and nonhuman entities, and regulatory requirements.[4]

Over 80% have already adopted or plan to adopt/expand on cloud-based IAM initiatives within the next two years to address these issues. **Decision-makers must look for an IAM platform that can be easily adapted to their evolving business needs.**

"What best describes your organization's adoption of cloud-based IAM technologies?"

● Currently adopted, not expanding/upgrading
● Planning to adopt/expand within the next two years

	Currently adopted	Planning to adopt/expand
Centralizing identity analytics so that the business can leverage insights	20%	62%
Building profiles for users with behavioral biometrics	27%	54%
Using a commercial product to handle employee identity and access management	29%	52%
Managing IoT and other nonhuman identities and their access security	29%	52%
Using a commercial product to provide customer identity access management	22%	59%
Addressing growing regulatory pressures	26%	54%
Offering next-generation, passwordless authentication as an option for our customers	23%	54%
Reducing friction for customers during application access	25%	50%
Allowing our customers to use a social identity to register and log in	27%	47%

Cloud-Based IAM Must Address Integration Needs

While 72% of respondents have cloud-based IAM, 50% lack key security practices. Decision-makers must improve security and business processes to optimize IAM in the cloud. Nearly all (98%) of respondents have experienced challenges with IAM sourced from the cloud. As ecosystems and cloud adoption expand, security professionals are increasingly aware of siloed data environments and the blind spots of their cloud and IAM strategies.

Respondents report cloud-based IAM challenges such as managing IAM across multiple systems and the complexity of cloud IAM migrations and technology changes. **The most consistent hurdle respondents face is the inability to map or integrate to existing processes or legacy systems.**

"What are your organization's challenges with doing IAM in the cloud (i.e., not on-premises)?"

1. Cloud-based IAM solutions not mapping with our processes

2. Managing identity and access across current applications and systems

3. Increasing complexity due to cloud IAM migration and tech changes

4. Integrating with legacy systems

5. Lacking visibility in IAM for a complete security picture

6. Legacy systems not sufficiently supported by cloud-based IAM solutions

7. Lack of skills to support cloud-based IAM solutions

8. Too many identities/too much data to be managed

Modernizing IAM Is The First Step

Nearly 90% of surveyed decision-makers are held back from embracing IAM in the cloud because their current IAM solutions lack the stability, scalability, or capabilities that their organizations need. Organizations that are still running legacy technology have to modernize and address technical debt and internal business process challenges first.

Two-thirds of respondents say that process obstacles, such as the flexibility and agility of IAM systems and the ability of IAM to move between different hybrid cloud worlds, hold them back. **Firms must embrace that legacy infrastructure is part of their reality; adopting a hybrid IAM approach can bridge the gap.**

"Thinking about your current IAM solution, what is preventing you from embracing IAM in the cloud?"

88%
TECHNOLOGY
- IAM scalability
- IAM capabilities
- Existing IAM technology
- IAM stability
- Support for endpoints and apps
- IAM user experience

66%
PROCESS
- Flexibility and agility of IAM systems
- Ability of IAM to move between different hybrid cloud worlds (cloud and on-prem)
- Solution management

50%
COSTS
- IAM expertise costs
- Cost of IAM

48%
PEOPLE
- Availability of IAM experts
- Leadership support for cloud-based IAM

95% say aspects of their current IAM solutions prevent them from embracing IAM in the cloud.

Focusing On Great Experiences Is Key To Hybrid IAM Success

Respondents agree that addressing the hurdles to secure IAM in hybrid cloud would elicit employee, customer, and operational benefits. Leveraging a hybrid IAM approach would result in:

- Customer benefits, such as improved customer engagement, a more secure customer journey, and improved customer retention.

- Employee benefits, including improved EX, increased opportunity for innovation, and better IAM across technologies.

- Operational and security benefits, such as improved infrastructure management and maintenance, improved compliance management, and reduced complexity to IAM.

Over 70% expect benefits from investments to secure IAM in hybrid cloud.

Hybrid Cloud IAM Benefits

85%
IMPROVED CUSTOMER EXPERIENCE:

- Improved customer engagement
- A more secure customer journey
- Improved customer retention
- Improved customer acquisition
- Self-service tools for customers

84%
IT/SECURITY BENEFITS:

- Improved infrastructure management and maintenance
- Improved and optimized compliance management
- Reduced complexity to IAM
- Boosted security and visibility benefits through the cloud
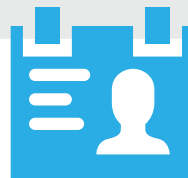
78%
IMPROVED EMPLOYEE EXPERIENCE:

- Improved employee experience
- Increased opportunity for innovation
- Better IAM across technologies

Strategize for Hybrid IAM

Firms are tackling obstacles to IAM systematically through top projects and investments. Legacy infrastructure and strategy are top of mind:

- 77% plan on modernizing and consolidating IT infrastructure.

- 76% plan to work on their cloud strategies (e.g., develop a cloud strategy for IT infrastructure, use public cloud, build an internal private cloud operated by IT).

- 48% plan to improve governance and compliance.

Stability, security, and compliance are the most popular requirements to robustly manage identity in the cloud.

Sidebar (left): Overview / Situation / Approach / Opportunity / Conclusion

"What are your top projects for the next year?"

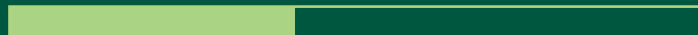**77%** Modernize or consolidate IT infrastructure

76% Work on cloud strategy (e.g., develop a comprehensive cloud strategy for IT infrastructure, use public cloud, or build an internal private cloud)
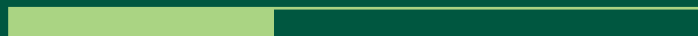
48% Improve governance/compliance

41% Adopt managed cloud services

38% Launch or continue digital transformation

36% Purchase or upgrade disaster recovery and business continuity capabilities

Conclusion

Enterprises are becoming more hybrid, with continued investments in on-premises, public, and private clouds. The role of IAM to support that hybrid reality is an increasingly important competitive advantage. However, issues such as security and strategy gaps, legacy infrastructures, complex cloud migrations and integrations, and vast amounts of data are hampering organizations from fully realizing cloud-based IAM's potential.

Hybrid IAM can realize more diverse and difficult IAM requirements and user benefits more quickly, at scale. Decision-makers in our study are committed to making strong investments and technology updates in the next two years to realize the CX, EX, and IT and security benefits that hybrid IAM can achieve.

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Methodology

This Opportunity Snapshot was commissioned by ForgeRock and Google Cloud. To create this profile, Forrester Consulting supplemented this research with custom survey questions asked of 313 global decision-makers involved in IAM decisions and hybrid cloud migration efforts. The custom survey began in December 2020 and was completed in January 2021.

ENDNOTES

[1] Forrester defines IAM as the policies, processes, and technologies that digital businesses employ to establish identities and control access to their resources across dynamic ecosystems of value.

[2] Forrester defines hybrid IAM as an IAM platform capable of running, unifying, and securing all digital identities in a hybrid IT environment.

[3] Source: "Evolve Your IAM Strategy For Your Digital Business," Forrester Research, Inc., December 4, 2020.

[4] Ibid.

ABOUT FORRESTER CONSULTING

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

Demographics

REGIONS

| EMEA: 34% |
| North America: 33% |
| APAC: 33% |

NUMBER OF EMPLOYEES

| 1,000 to 4,999: 49% |
| 5,000 to 19,999: 32% |
| 20,000 or more: 19% |

ROLE

| C-level: 13% |
| Vice president: 14% |
| Director: 22% |
| Manager: 51% |

TOP 4 INDUSTRIES

| Technology and technology services: 14% |
| Financial services and insurance: 10% |
| Retail: 9% |
| Manufacturing and materials: 7% |

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