FUTURE-PROOF YOUR IT

How CGI, Microsoft & NetApp Simplify Cloud Migration

Don't let legacy systems and technical debt hold you back

With vendors changing their cloud offerings and licensing models, enterprises that rely on older technologies face growing financial and operational risks. Cost increases, service limitations, and inflexible contracts are making it difficult to gain an edge.

A major shift came when Broadcom acquired VMware and transitioned from perpetual licenses to subscription-based packages, increasing some customers' costs by up to 300%.[1] Alongside this change, Broadcom consolidated 56 stand-alone VMware offerings into bundled solutions, which may include features that not all customers require.
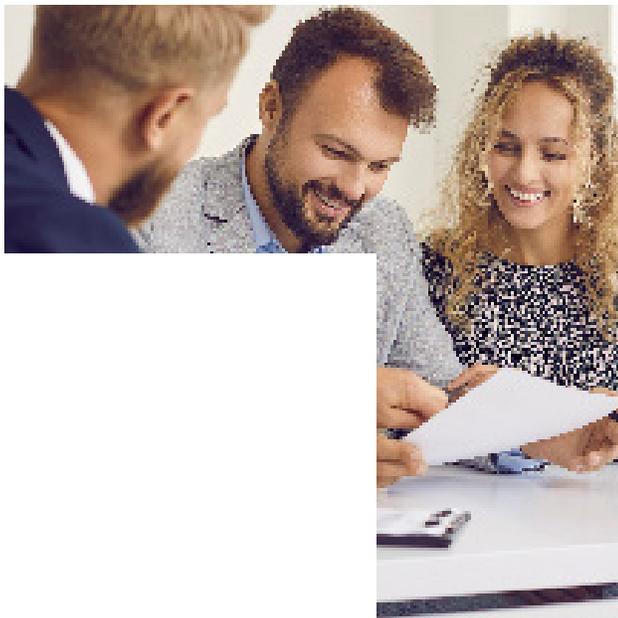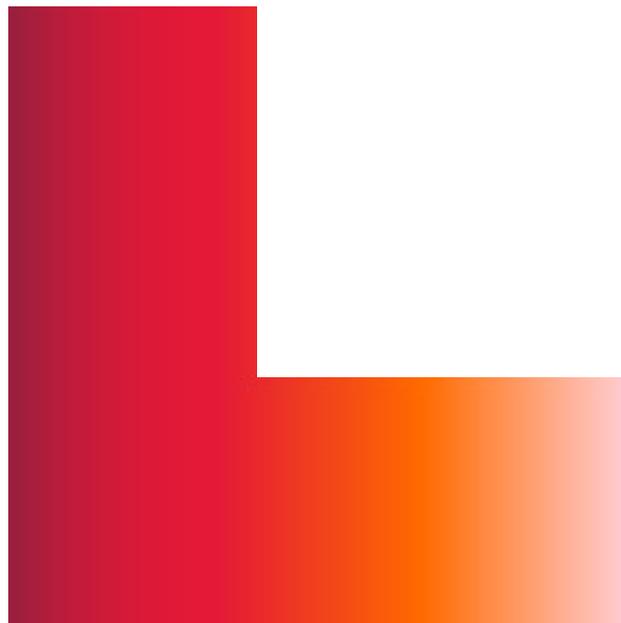
Faced with rising costs and reduced flexibility, many VMware customers are looking for new solutions that offer better value and the flexibility to scale on their terms.

At the same time, enterprises are struggling with the high costs of outdated systems and growing technical debt. Organizations allocate 30% of their IT budgets and 20% of their resources to managing technical debt,[2] while legacy upgrades cost the average business nearly $3 million.[3] These escalating expenses divert resources away from innovation.

[1] Ars Technica, Switching hypervisors isn't something to take lightly, 2024.
[2] Protiviti, The Innovation vs. Technical Debt Tug of War, 2023.
[3] SnapLogic, The Code to Unlock GenAI How legacy tech and poor data is holding GenAI back, 2024.

Beyond the financial strain, legacy systems have inefficiencies that impact all business areas—from agility to data security. Almost 90% of businesses said that legacy technology hinders their efficiencies and growth.[4]

High-growth enterprises are prioritizing modernization to position themselves for long-term success. Upgrading to a modern solution can help you remove constraints so you can take full advantage of the latest AI technologies and seize new opportunities.

Excessive technical debt and the maintenance of older applications are the top reasons Canadian organizations overspend on digital infrastructure.[5]

78%

of Canadian enterprises said application modernization will be a top priority in the next two to three years.[6]
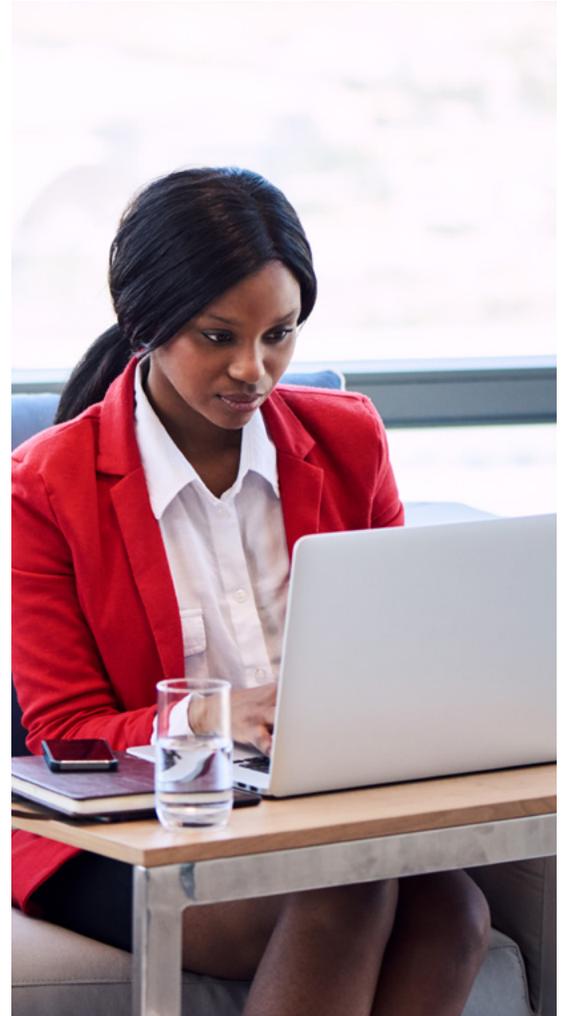
[4]ITP.Net, Nearly 90% of businesses are hindered by their legacy technologies, 2022.
[5]IDC's Future Enterprise Resiliency & Spending Survey, Wave 3, March 2024.
[6]IDC's Canada Business and IT Advisory Panel Survey N2, April 2023.

# Navigating the challenges of a cloud migration:
4 things to consider

Migrating to the cloud offers significant benefits, but it also comes with challenges that can impact your costs, efficiencies, and security. A successful transition requires careful planning. Here are four things to consider for a smooth migration.
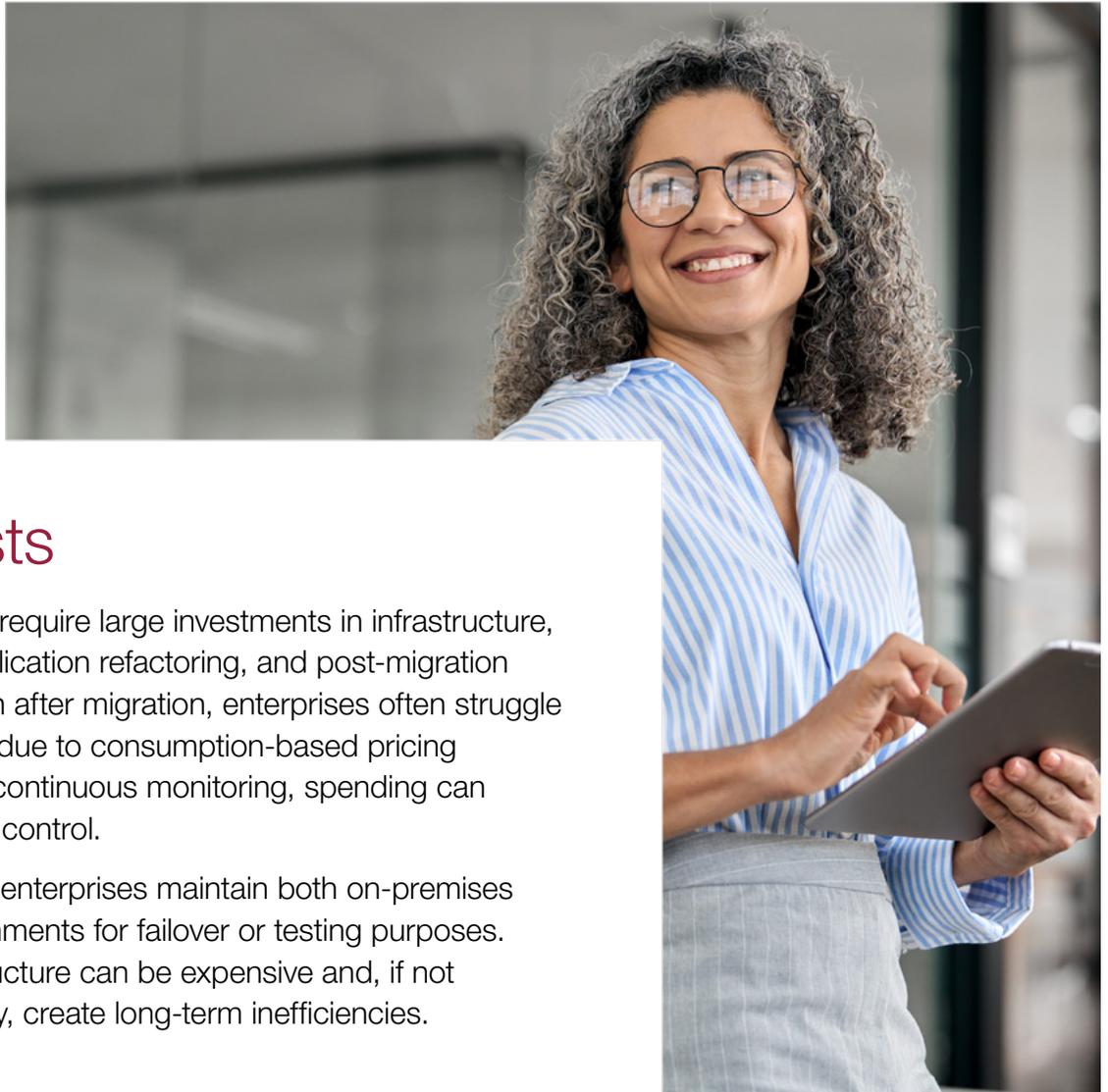
High costs

Cloud migrations require large investments in infrastructure, data transfer, application refactoring, and post-migration optimization. Even after migration, enterprises often struggle to manage costs due to consumption-based pricing models. Without continuous monitoring, spending can quickly get out of control.

In addition, many enterprises maintain both on-premises and cloud environments for failover or testing purposes. Duplicate infrastructure can be expensive and, if not managed properly, create long-term inefficiencies.
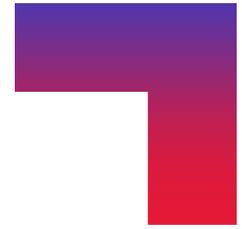
Complexity

Modernizing enterprise infrastructure isn't just a technical shift—it's a complex transformation that affects data, applications, workflows, and organizational structures. Without careful planning, enterprises can face challenges that slow adoption and increase risks. Here are three factors that increase migration complexity:

Data transfer and migration

Moving vast amounts of data to the cloud is a major undertaking that requires careful planning to ensure a smooth and secure transition. Enterprises must plan for challenges that can impact performance, integrity, and operational continuity.

For example, business-critical systems rely on accurate data to process transactions in real time, making it essential that no data is lost or corrupted during migration. Even minor inconsistencies can lead to financial discrepancies, operational errors, and compliance issues. Additionally, latency and bandwidth limitations can slow data transfers over the internet, impacting application performance. And since many applications and databases are interconnected, you must migrate them in sync to avoid service disruptions.

Application compatibility and refactoring

Many older applications were custom-built for on-premises environments and aren't compatible with cloud infrastructure. They may require substantial refactoring or reengineering to work in cloud environments.

These on-premises applications also have monolithic architecture, with all components tightly integrated. Cloud environments favor microservices, which break applications into smaller, independent services. This design shift requires enterprises to restructure applications to take full advantage of cloud scalability and flexibility.

Software licensing is also different in the cloud. Many applications have licensing restrictions and require costly negotiations with vendors so you can use them in the cloud. Licensing constraints can cause migration delays and increase your costs, making it vital to assess your application portfolio before you start the process.

Change management and adoption

Successful cloud modernization isn't just about technology—it also requires managing change and driving adoption. Employees who are accustomed to on-premises systems may resist changes to their familiar tools and processes. Maintaining your VMware technology stack can help ease the transition and minimize disruptions as your teams adapt. But even with a gradual shift, training is key to ensure employees use your new cloud tools securely.

Beyond user adoption, a successful migration requires cross-team collaboration to ensure IT, security, compliance, finance, and business leaders align on your strategy. A lack of in-house cloud expertise can further complicate your transition, leading to costly missteps and delays. Investing in training or external partnerships helps you mitigate risks and ensures a smoother, more cost-effective migration.

As part of the broader change management process, a significant operational shift occurs during migration. Moving from traditional tower-based support models—where specialized teams work in silos—towards more integrated, squad-based delivery models is a key part of this transition. This shift promotes more collaborative and agile ways of working, which are better suited to cloud environments.
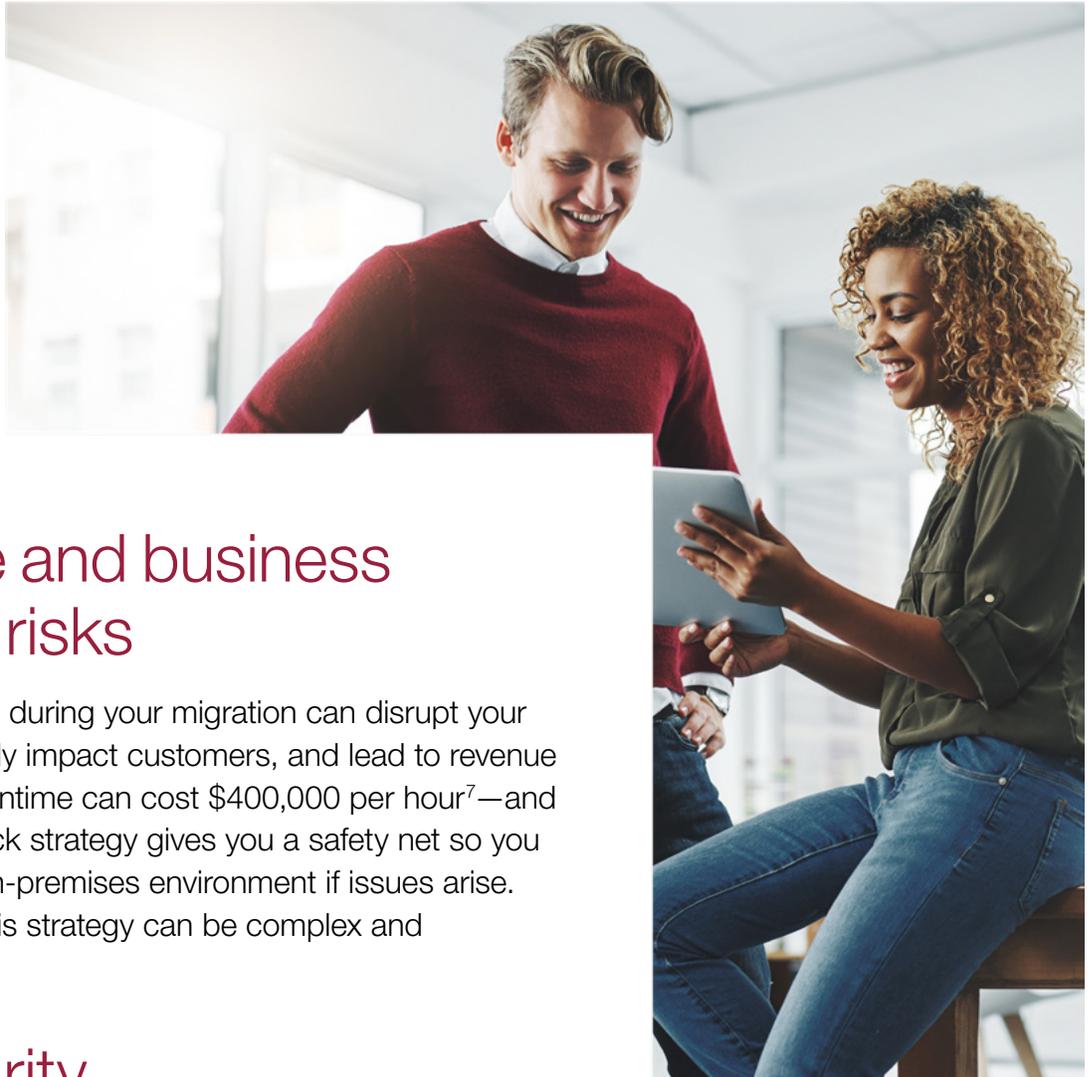
Downtime and business continuity risks

Service interruptions during your migration can disrupt your operations, negatively impact customers, and lead to revenue loss. Enterprise downtime can cost $400,000 per hour[7]—and often more! A rollback strategy gives you a safety net so you can revert to your on-premises environment if issues arise. But implementing this strategy can be complex and resource intensive.

Data security

Security and compliance are critical during your migration, especially if you're in a heavily regulated industry such as finance, healthcare, or government. Your cloud environment must meet standards like GDPR, HIPAA, and SOC 2.

Identity and access management (IAM) is also key to keeping your data secure in the cloud. Role-based access controls and integrations with your authentication protocols help prevent unauthorized access to your data.

Navigating these complexities requires deep expertise. That's where CGI comes in. With a proven track record in cloud security and compliance, CGI helps organizations confidently modernize while ensuring their data remains secure, compliant, and accessible.

[7]NetApp: Data infrastructure insights, 2025.

Unlock the full potential of VMware by migrating to Microsoft Azure

Migrating your VMware environment to Microsoft Azure is a key step in your modernization journey. By moving from on-premises infrastructure to the Azure VMware Solution (AVS), you'll gain access to new opportunities that were previously out of reach—laying the groundwork for deeper transformation and long-term success.

To simplify your modernization journey, CGI has partnered with Microsoft and NetApp to bring you a fully managed solution. When you partner with us for your AVS migration, you can:

Lower operational costs: Reduce your hardware and maintenance costs, while optimizing resource allocation with flexible, pay-as-you-go pricing.

Adopt AI with confidence: Leverage AI-driven automation and analytics to gain deeper, real-time insights that improve your decision-making.

Accelerate innovation: Gain access to IT resources that help you develop new applications faster.

Enhance security: Protect your data with robust monitoring and automated responses to security threats, ensuring a secure and resilient environment.

Increase revenue: Drive growth with cloud tools that improve your agility, time-to-market, and customer experience.

Improve your sustainability: Gain better visibility into resource consumption so you can reduce your carbon footprint and meet your sustainability goals.

[8]Microsoft Azure, The Total Economic Impact™ of Microsoft Azure VMware Solution, 2024.

The Total Economic Impact™ of Azure VMware Solution:

Cost savings and business benefits uncovered by Forrester

298%
Return on investment (ROI)[8]

80%
Reduction in downtime[8]

$10.59M
Benefits present value (PV)[8]

$7.93M
Net present value (NPV)[8]

$4M
Saved due to improved application performance and availability[8]

90%
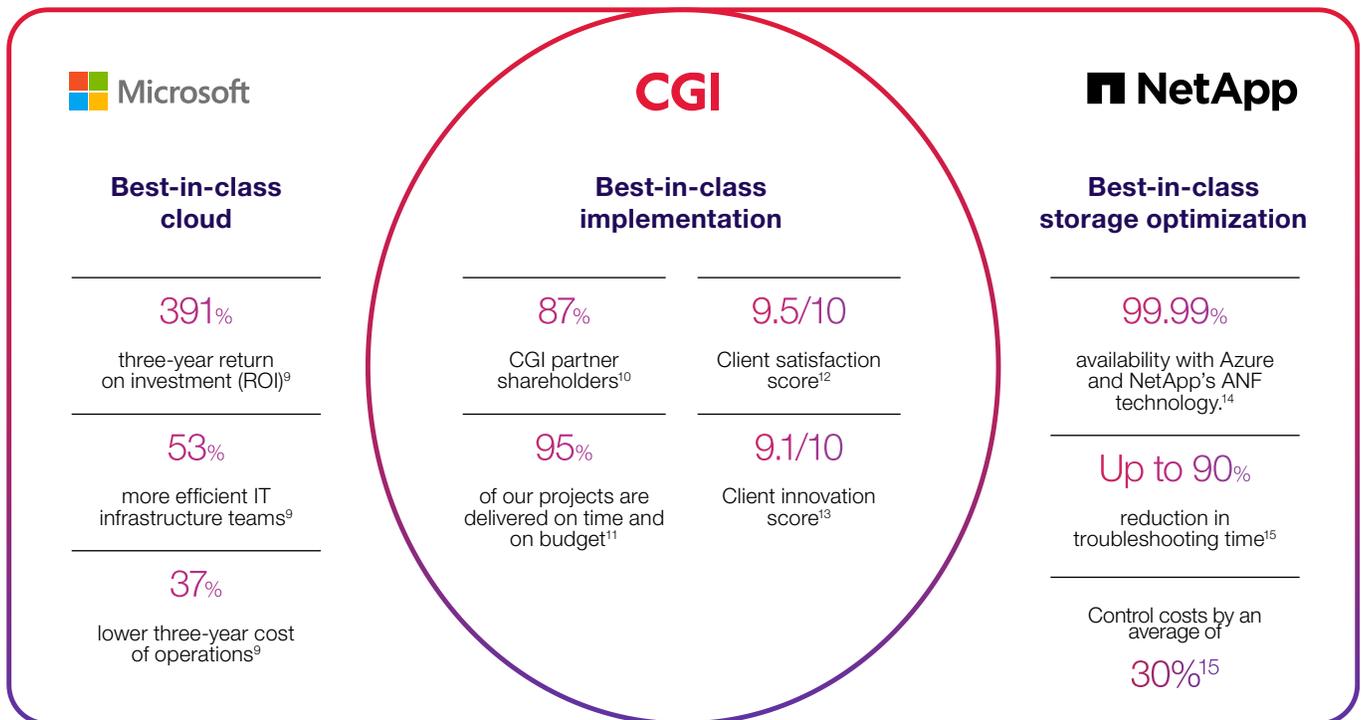Of server refreshes[8] and purchases avoided for a savings of $5.1 million over 3 years[8]

<6 mths
Payback[8]

18%
Reduction in infrastructure maintenance labor costs[8]

How we do it

Here is how CGI, Microsoft and NetApp will help you modernize your VMware workloads and migrate them to AVS:

Microsoft

Best-in-class cloud

391%

three-year return on investment (ROI)[9]

53%

more efficient IT infrastructure teams[9]

37%

lower three-year cost of operations[9]

CGI

Best-in-class implementation

87%

CGI partner shareholders[10]

95%

of our projects are delivered on time and on budget[11]

9.5/10

Client satisfaction score[12]

9.1/10

Client innovation score[13]

NetApp

Best-in-class storage optimization

99.99%

availability with Azure and NetApp's ANF technology.[14]

Up to 90%

reduction in troubleshooting time[15]

Control costs by an average of

30%[15]

[9]IDC, The Business Value of Migrating and Modernizing with Azure, September 2022.
[10]CGI, Annual Information Form, 2024.
[11]CGI, Advantage® Financial Management, 2016.
[12]CGI, Delta Lloyd: 10+ plus years of outsourcing success, 2016.
[13]CGI, Sustainability Report CGI Sverige AB, 2018.
[14]Microsoft Azure, Azure NetApp Files, 2025.
[15]NetApp, Data Infrastructure Insights for VMware Optimization, 2024.

Discover how CGI can simplify your VMware migration

Migrating your legacy VMware systems to AVS unlocks significant benefits, from lower costs to enhanced performance. These improvements not only help you get buy-in for your migration but also lay the groundwork for future innovation.

With CGI by your side, you'll have a trusted partner managing every aspect of your migration and ensuring your transition goes smoothly. We'll help you leverage Microsoft and NetApp's cutting-edge technologies to improve your security, scalability, and cost savings—without the complexity.

[Connect] with John Cooper, Vice President, Consulting Delivery Canada, to explore how AVS can benefit your enterprise or [request] a free CGI Cloud Discovery Workshop to assess how AVS can fit into your business or assess your business needs.

Connect now $\longrightarrow$

[Download] the AVS solution brief to explore how Azure VMware Solution (AVS) with NetApp enables seamless migration, cost savings, and operational efficiency.

Download now $\longrightarrow$