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AI adoption

Why a cloud-first strategy is crucial for AI adoption



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Enterprises face mounting pressure to modernize workflows, overcome complexity, and meet speed and accuracy demands. Many hope to overcome these challenges with artificial intelligence (AI) but struggle to develop a cost-effective roadmap that aligns with business priorities. Achieving faster time to value with AI hinges on fostering user adoption through natural experiences that augment rather than replace existing workflows, as well as the willingness to embrace a fail-fast approach that quickly validates initiatives.

Defining clear business problems and quantifiable outcomes is essential for maximizing the value of AI investments, but faster iteration and experimentation are key to quickly adopting generative AI and related technologies such as AI agents. Cloud- and open source-based AI tools and models enable rapid prototyping and fail-fast innovation to better shape augmented workflows without the burden of managing infrastructure.

It's relatively easy to articulate a business use case for custom AI applications, but it's proving far more difficult to implement them into a production environment. According to technology research firm IDC, the top three issues limiting development are:

- **Potential exposure to brand and regulatory risks**
- **Excessive costs**
- **Concerns about accuracy or potential toxicity in outputs¹**

“When we ask companies about their priorities with AI, they’re thinking about broader adoption strategy; they’re thinking about infrastructure; they’re thinking about their AI-ready workforce; they’re thinking about the platforms and architectures they are investing in; they’re thinking about specific applications; and they’re also thinking about governance,” says Amy Machado, a senior research manager for IDC’s Enterprise Content and Knowledge Management Strategies.

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IDC, “[Future Enterprise Resiliency and Spending Survey](#),” Wave 1, Feb 2025.

While value is crucial, organizations must ensure that their generative AI applications are adopted by users, which requires considering the human experience and addressing potential resistance to change.

“Companies are creating these amazing experiences with chatbots, but nobody is using them,” says Sunile Manjee, senior principal solutions architect at search and AI company Elastic. “It’s important to think about a native user experience. People think in terms of keyword searches, not chatbot conversations, so we’re seeing more generative AI ‘copilots’ that are seamlessly integrated into existing applications, providing assistance within the context of the user’s current task.”

Ensuring AI accuracy and trustworthiness

Many organizations are investigating agentic AI, which builds on generative AI to move beyond prompt response to create actions and iterations within workflows. Agentic AI relies on a microservices approach to mimicking human intelligence where human

processes are split into multiple phases, rather than relying on monolithic architectures.

But agentic AI is as fallible as its human operators, requiring guardrails and monitoring mechanisms to ensure responsible behavior. To take advantage of agentic AI, organizations should focus on manageable pilots, thoughtful process design, and robust guardrails. Ensuring data quality and establishing governance frameworks for data utilized in vector databases are crucial.

DocuSign modernizes workflows with Elasticsearch

DocuSign, for example, leverages vector databases and natural language search to transform how its customers create, manage, and analyze contracts. With Elasticsearch at the heart of DocuSign’s Intelligent Agreement Management (IAM) platform, those customers can surface agreement insights to create and renew contracts for legal and business transactions quickly and to streamline the management process.

With Elasticsearch, users can access agreements in DocuSign's Navigator repository to ask natural language questions, such as, "Find me all agreements with termination clauses." Elasticsearch indexes all relevant agreements and highlights the content to surface answers and provide surrounding context.

After initially hosting Elasticsearch on its own servers, DocuSign more recently transitioned to running Elasticsearch on Microsoft Azure. Elastic and Microsoft have collaborated to offer the Elasticsearch search and analytics engine as an Azure Native ISV Service with first-party integration.

Cloud migration and AI transformation

Elastic's vector database solution merges AI with search through query intelligence capabilities to provide AI-assisted query building. Elasticsearch understands user intent, provides observability and monitoring of model and system behavior, and unifies data investigation workflows. Elastic takes advantage of Azure's retrieval augmented generation (RAG) and vector embedding capabilities to provide users with better, more relevant responses to their queries.

"The integration of Elastic into the Azure ecosystem is in such a native manner that it feels like it is an Azure service," says Rohit Tatachar, principal product manager at Microsoft Azure. "We are unlocking a seamless experience that goes from initial discovery to deployment to management. Elastic is a key component in the Azure AI Foundry portfolio of services that simplify AI applications and agents at enterprise scale."



Moving fast with cloud-first innovation

Enterprises can't afford to be stymied by AI adoption challenges. Adopting a cloud-first mindset enables faster innovation and freedom from the burden of infrastructure management. The strategic partnership between Elastic and Microsoft provides organizations with comprehensive governance capabilities, including data residency, compliance, and regional controls; observability and security; and the native integration of Elastic Cloud with Azure Active Directory.

Generative AI and agentic AI have the potential to elevate the user experience, as well as empower employees to move faster, make more informed decisions, and focus on higher-value tasks.

Are you interested in taking advantage of these benefits with Elastic? [Start your seven-day free trial today.](#)

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