“According to Gartner’s 2016 IT spending research, 70% of budgets are spent maintaining the systems that keep the business running.”

Even if your organization is not growing, the demand for IT and innovation is. The majority of your spending maintains existing infrastructure and applications, and most budgets will remain flat or grow only slightly. You have to balance the need for modernization against market risk, future needs, and cost.

We asked 600 IT influencers which business outcomes were most important when improving traditional IT. These global leaders cited three top outcomes that required them to seek change: improved operational efficiency, reduced operating expenses, and improved customer experience.

Customers (and internal users) want faster service delivery, new or updated environments, and self-service. Of course, you cannot compete in today’s market without security, compliance, and due to increasing interest in data-driven decision making – analytics. When you are starting with decades-old technology, the path to modernization may seem like an impossible journey.

LEGACY CHALLENGES
When apps and systems reach a certain age, good documentation and experienced staff can be hard to find. This makes migration and reconfiguration projects time-consuming and expensive. Moreover, the next feature request probably will require the same effort – so gains are temporary. There is very little incentive to do more than patch and problem-solve.

This creates a clear divide between old and new, and makes processes even more complex. With so many disparate resources, you cannot react fast enough. Users no longer trust their own IT to solve business problems, and are tempted to go outside, which increases shadow IT.

We want to think that shadow IT is not a problem for a well-run organization, but in 2015 Cisco found that IT departments estimated they were using an average of 51 cloud services. In reality, they were using more than 15 times that – 730 cloud services. And that number is growing.

REBUILD WITH THE FUTURE IN MIND
Open source helps customers make the most of existing investments, while planning for the future. It can help you regain the trust of the business and start bringing shadow IT users back into the fold.

Because Red Hat offers a broad portfolio of solutions with no lock-in, you can choose the right technology at the right time. Incremental optimization is easier on the budget, while still freeing up resources that can help you meet today’s IT challenges, including:

Platform improvements: Consolidate servers or migrate proprietary systems to Linux to improve efficiency, increase standardization, and create a consistent foundation across current (and future) environments.

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3 (n=600) Global Customer Challenge Research, Illuminas sponsored by Red Hat
4 Earle, Nick. Do You Know the Way to Ballylickey? Shadow IT and the CIO Dilemma, Cisco Blogs, 6 August 2015. blogs.cisco.com/cloud/shadow-it-and-the-cio-dilemma
VIRTUALIZATION OPTIMIZATION

Consolidate, upgrade, or migrate virtualization resources to unify management or create a standard platform across physical, virtual, and cloud resources. Look to open source alternatives for greater flexibility and efficiency.

STORAGE, DATA, AND ANALYTICS IMPROVEMENTS

Upgrade legacy systems or integrate data across legacy and new applications to provide a single, consistent data source. Optimize storage capacity by introducing distributed, software-defined storage architecture.

BETTER BUSINESS PROCESSES

New business process rules and improved workflows let you take full advantage of hardware and software changes. Automate more, reduce manual error, and increase process efficiency.

APPLICATION UPDATES

Rewrite or refresh applications to take advantage of modern languages and frameworks. Implement Linux container technology to gain interoperability across traditional and new platforms and environments.

COMPLIANCE CONSIDERATIONS

When making changes to technology, data, and processes, keep compliance issues in mind. Include compliance in rules and processes as they are being created.

ABOUT RED HAT

Red Hat is the world’s leading provider of open source software solutions, using a community-powered approach to provide reliable and high-performing cloud, Linux, middleware, storage, and virtualization technologies. Red Hat also offers award-winning support, training, and consulting services. As a connective hub in a global network of enterprises, partners, and open source communities, Red Hat helps create relevant, innovative technologies that liberate resources for growth and prepare customers for the future of IT.

COX AUTOMOTIVE

“As consumers want things faster, we have to ensure that we’re operating faster, but also that the quality of service is much greater.”

- GUS BENGOCHEA, SENIOR DIRECTOR OF ENTERPRISE SERVICES

BSE

“If we had not changed the technology, we would now be extinct. It’s as simple as that.”

- KERSI TAVADIA, CHIEF INFORMATION OFFICER

UAE XCHANGE

“It was fast becoming clear that if we hoped to maintain our exceptional level of service and our reputation as a technology-driven business, we would need to standardize our systems on a platform that could offer flexibility for innovation while guaranteeing performance, availability, and scalability.”

- SARATH CHANDRA, CIO

BSE’s aging electronic trading system was limiting its agility and scalability. By trading in a proprietary solution from 1995 for an open one, BSE got faster response times (six microseconds instead of 10 milliseconds—a 1,000-times improvement) and reduced the cost of ownership by 90%.

A rapid expansion added new services— but UAE’s IT infrastructure could not keep up. With many web-based Java™ apps across 600 branches, the exchange needed to standardize on a platform that would bring stable scalability, simplify maintenance, and allow future expansion. With help from Red Hat® Consulting, they were able to make the switch without disrupting service to tens of thousands of connected customers.