Build on Strength

Application Modernization

Like the best sporting teams, future-focused organizations don't assume further success; they plan for it by refreshing what already works, while avoiding risky upheaval.

For the enterprise, that means initiating digital transformation through modernization, adding new and exciting innovation to time-proven and reliable core systems.

This is application modernization by Micro Focus.

Let's discuss the 'M' word

The focus for enterprises wanting to compete in the digital age – which is all of them – is on modernization. It is the first stage in a transformation for anyone running an IT ecosystem restrained by complexity, and in need of a refresh to meet the changing profile of the business, or marketplace, must undergo to prepare for a digital future.

For those organizations, modernization is a strategic necessity. But what does that change look like?

Part of the CIO's problem is knowing they must act, but with so many options, and every enterprise running a unique IT setup, there is no magic bullet to make the problem go away. And one choice appears increasingly misguided.

Going nuclear

Research proves that the clean break option, namely replacing core applications, often written in COBOL and inevitably mired in complexity, offers more risk than potential reward. No CIO or CFO wants to write the check that adds to the $1.7Tr wasted on failed IT projects in a single year.[1]

While starting from ground zero may seem the obvious way, rip and replace comes with a big asterisk for enterprises dependant on their core systems to 'keep the lights on'. While the enterprise needs growth, it won't bet the farm on a handful of magic beans.

COBOL-based systems – more strategic than ever

Our recent survey, carried out by Vanson Bourne[2], questioned hundreds of IT practitioners and business leaders about the ongoing relevance of COBOL in a digital world.

92%
Our most eye-catching stat was the 92% who see their COBOL applications as strategic, an 8% increase on 2017.

Other insights include the 63% whose key COBOL systems are "undergoing modernization" while, more specifically, 53% plan to modernize the applications themselves. Interestingly, the average application code base continues to grow –

9.9M
up to 9.9M from 8.4M lines of code, signifying continued investment, re-use and expansion in core business systems.

Perhaps that's why analysts IDC[3] have observed "…a shift from a rip and replace approach towards modernization strategies"; in other words, a reluctance to risk sacrificing valuable apps and data, the unique assets underpinning business advantage. Instead, they need an achievable and risk-averse form of modernization. A strategy that builds on strength, namely the business systems that have underpinned previous success, maintains core functionality and retains solid residual business IP value, but transforms hybrid IT with innovative technologies that deliver new customer value.

Innovation in Modernization

Micro Focus application modernization ticks many boxes. The starting point on the road to transformation, this proven process bridges old and new, and creates more value from longstanding IT investments, beyond simply retaining all that rich data. How?

Because successful implementation increases business value by reusing apps and data in new ways, such as leveraging cloud or containers to deliver game-changing innovation, faster. (Think of the funky banking app using back-end COBOL data held on the mainframe.)

That's the low-risk, value-added innovation the enterprise needs. A platform-friendly, time-proven process that overcomes cost, complexity and agility and works on-and off-prem for multiple platforms, including the mainframe. An approach that breaks down what can seem like an overwhelming whole, into a straightforward three-pillar challenge.

Our model overcomes these three modernization challenges – application, process and infrastructure – to deliver quantifiable success; specifically an enterprise leveraging new Agile and DevOps practices and tools to deploy higher-value applications wherever, in the Hybrid IT landscape they need to be: host, server, cloud, container or mobile.

1 **Application:** Extend application value with low-risk innovation.

2 **Process:** Leverage new practices and tools for Agile and DevOps.

3 **Infrastructure:** Deploy applications across every platform of hybrid IT.

In this way, customers retain what works, transform what must change, and renew to enable future innovation.

"[We] have observed a shift from a rip and replace approach towards modernization strategies."

ANALYSTS IDC [3]

Innovation in Action

Micro Focus offers a real world brand of application modernization that will:

- Retain and transform, not rip and replace
- Deliver new value from your IT investments
- Overcome the three modernization challenges
- Offer risk-averse, multi-platform digital transformation

Next steps

The length of your transformation journey depends on where you are now, and how far you need to go. Our dedicated Application Modernization and Connectivity hub is a great starting point. When you are ready to map out the route that takes you from wherever you are to wherever you want to be, arrange a **Value Profile Service meeting**, where we map our solutions to your challenges based on a trusted and proven approach.

1 https://www.eweek.com/small-business/data-loss-downtime-cost-businesses-1.7-trillion / 2 Micro Focus and industry research experts, Vanson Bourne, review the data, insights and commentary surrounding the 2020 COBOL market survey in #COBOL60 – Shaping the Future of Core Business Applications / 3 IDC Report: Modernization a Flexible Approach to Digital Transformation, July 2018 https://www.microfocus.com/en-us/assets/application-modernization-and-connectivity/idc-flexible-modernization-approach

Micro Focus Application Modernization

Our application modernization portfolio delivers four things, to realize one ambition – enabling smart digital transformation.

- Bridging old and new IT investments, by reusing not replacing
- Protecting, and using core system IP in new ways to serve the business
- Increasing app and data value by delivering changes faster with lower risk
- Leveraging cloud or containers to drive new business

What makes us different?

Real world application modernization with Micro Focus re-uses what works to create successful, risk-averse digital transformation that enables applications deployment across every platform.

An unmatched track record of reducing customer risk by adding innovative new technologies to proven systems more than 1000 times.

www.microfocus.com/amc

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