

Continuous Modernization, Boundless Business Value

How "Infinite Flow" transforms the enterprise





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Then...

This time last year, digital transformation – adding innovation to core systems and applications – was a long-term strategic goal. Application modernization was the immediate, first step in that process.

The IDC white paper, FutureScape: Worldwide Digital Transformation 2020 Predictions, confirmed digital transformation as the best process to support future business growth, while this recent IDC InfoBrief identified dedicated routes to application modernization.

- Transitioning to modernization and maturity
- Creating practices for enterprise modernization
- Automated modernization analysis, development, testing, and deployment
- An end-to-end approach to DX and application modernization success

...now...

Everything has changed. Global events have skewed the IT landscape. And while the drivers and context around digital transformation are more urgent, the principles remain relevant. It makes **business and operational** sense to address the <u>four key</u> <u>outcomes of Digital Transformation</u> to realize three benefits, namely boosting revenue, driving engagement and faster delivery.

Meanwhile common sense dictates that to <u>Build on Strength</u> in repurposing core systems, often COBOL, should be the <u>application</u> modernization strategy to digital transformation.

...and next.

Enterprises are planning multi-year modernization strategies in uncertain times.

We analyzed the flagship Standish Chaos Report to create a "showreel" of the facts, evidence, and conclusions that will most interest our customers.

Methodology matters: about this ebook

This ebook explains "endless modernization" as an ongoing improvement program that embraces future innovation, while realizing continual, current value, to keep the enterprise relevant and competitive.

It confirms the methodology driving the planning, creation, and delivery of application modernization projects determines their success or failure, and that of the wider digital transformation program.

Standish Research and Rocket® Software AMC

Standish was the primary research partner for our Application Modernization and Connectivity (AMC) portfolio in 2021. And they have a vision for achievable User Experience.

Standish supports a continuous improvement model based on what they describe as "Infinite Flow", or incremental delivery.

This is an ongoing, open-ended transformation program offering a better return while reducing cost and administrative burden. Infinite Flow modernization offers an 80/20 percent value/cost ratio.

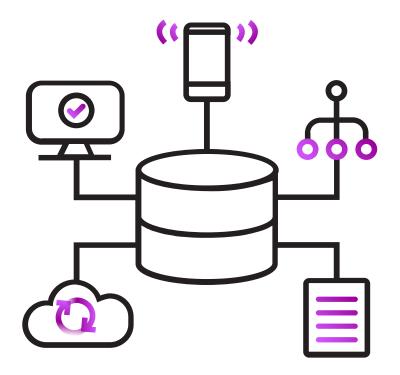
In comparison, <u>Standish</u> asserts a waterfall IT project only yields a 20 percent value to the business, against 80 percent cost.

FLOW-based modernization offers a better return on value than waterfall, agile, SCRUM, and other project management approaches

STANDISH

Proven agile, SCRUM, and DevOps models are more adaptive to fast-paced business change, and manage close to a 50/50 cost and value split.

Asterisk alert — results ultimately depend on the sponsor, skills, and culture applied in each use case, and the implementation of the Infinite Flow model.



55%

While 55% of modernizing organizations were "satisfied" with the outcome only 30% of those ripping and replacing were either "satisfied" or "very satisfied" and 45% were either "not satisfied" or "disappointed."

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FLOW: The modernization methodology?

Our new reality is constantly changing, but for today's tech leaders the increasing expectation of faster IT delivery remains.

Traditional methodologies improve quality by reducing speed and increasing inspection and extending time to market is costly. So getting to quality, faster, wins the race to be more competitive.

Standish agrees that correctly implemented software modernization is a pragmatic, proven approach to transformation with quality built in through continuous review, assessment, and improvement.

But what about the business? That bit is easy.

The enterprise works fast to get to value quickly. But business as usual is now more demanding, and traditional approaches are too inflexible and costly. It's time to evolve.

Software development needs a fresh approach for the new normal. Adaptive delivery offers smaller, incremental deliveries and more frequent experiences of "value".

The Infinite Flow model ensures ongoing modernization, and continuous transformative activity that narrows the gap between project management and delivery teams.

It includes every ingredient for success; business sponsorship, cutural change, and skills enablement.

Lasting modernization requires a methodology capable of matching the speed and flexibility of today's business climate.

Those "starting from scratch" had a success/ failure ratio of 26% against 20%. "Modernizing" businesses enjoyed a 71% success rate versus a failure rate of just 1%.

IT: business's best partner

Change does not happen overnight. Improvement takes a little longer.

Methodology success depends on implementation discipline, and a champion to lead the charge.

Equally, progressive software organizations understand project management is not an "IT thing", distinct from the business.

That tight integration between business and IT delivery makes modernization more successful than most software delivery models.

There is a precedent. This is the path <u>COBOL</u>, the world's most successful and future-focused business language, has followed for many years.

Cultural change

For established IT organizations, the last piece of the puzzle is the most difficult to place.

The right methodology only succeeds within a supportive culture, committed to change. Identifying dedicated IT leaders to champion the modernization drive, breaking through departmental and procedural barriers to unite disparate groups, is key.

No more than 27% of rip and replace customers enjoyed a "high" or "very high" ROI, while 41% only managed "low" or "very low" scores.

Go with the FLOW

The Standish Report stats prove a FLOW-based methodology supports positive modernization outcomes, compared to re-write, package replacement, or other transformative alternatives.

This aligns to the <u>Rocket Software philosophy of modernization</u> of using a multi-phased approach to return ongoing, incremental value to the business.

If you want a modernization strategy that offers flexibility through choice, application portability, and enabling cutting-edge innovation, then check out the Standish report here.



Ready to begin your journey?

These resources will help on your own transformation travels.

WEBINAR

Endless Modernization: A New Approach to Keeping Software Fresh



FULL REPORT

Endless Modernization: How Infinite Flow Keeps Software Fresh by Standish Group





About Rocket Software

Rocket Software is the global technology leader in modernization and partner of choice that empowers the world's leading businesses on their modernization journeys, spanning core systems to the cloud. Trusted by over 12,500 customers and 750 partners, and with more than 3,000 global employees, Rocket Software enables customers to maximize their data, applications, and infrastructure to deliver critical services that power our modern world. Rocket Software is a privately held U.S. corporation headquartered in the Boston area with centers of excellence strategically located around the world. Rocket Software is a portfolio company of Bain Capital Private Equity. Follow Rocket Software on LinkedIn and X.

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