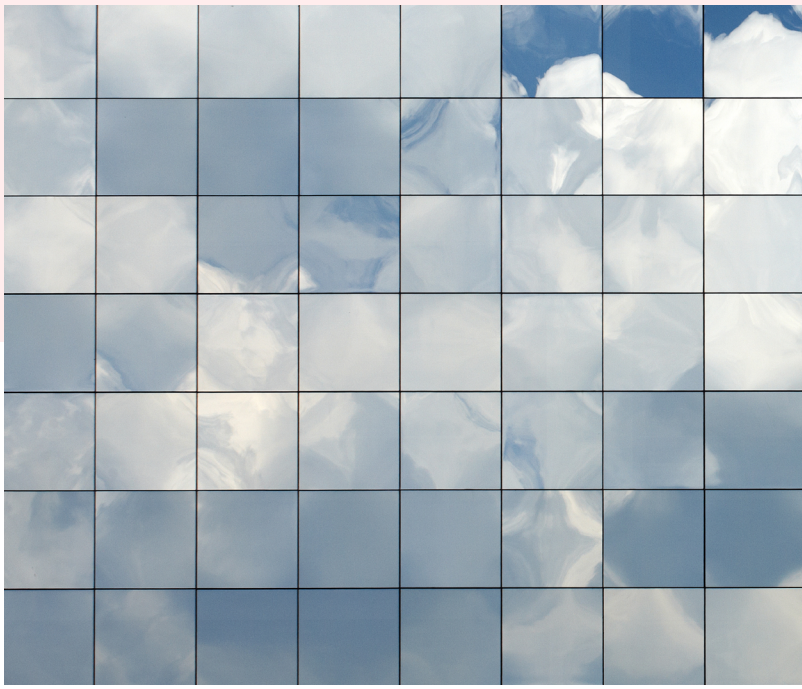
Build an efficient IT foundation for modern business success

5 steps to creating business value through IT modernization

/Keep your options open

Red Hat



Introduction

What is IT modernization?

IT modernization is an incremental and methodical set of changes that move your organization toward a standard infrastructure.

Modernizing your IT helps you get more from your current investments, while freeing budget and time to prepare for the future.

Success in a digital world requires IT modernization

Every IT decision maker balances 2 major demands: maintaining existing IT systems and laying a foundation for future innovation.

Rigid, proprietary infrastructure can shift that balance too far towards traditional operations, preventing your organization from working on strategic, forward-looking initiatives. To shift your focus to the future, you need to modernize your IT infrastructure, and migrate to more flexible, stable, and open platforms and tools.

IT modernization doesn't happen all at once. It is an incremental, continuous process. Through strategic modernization, you can gradually increase agility while improving overall productivity and business performance.

With modern software, platforms, and processes, you can achieve more efficient delivery of software and services to both internal and external customers.

3 ways IT modernization boosts your ability to innovate

Standardization

- **Increase business agility** with a common, consistent IT framework across your organization.
- **Streamline security and improve compliance** with policies and regulations.
- **Gain operational efficiency** with simplified operations management.
- **Address skills gaps** with consistent tools and automation.

Simplified management

- **Optimize and scale infrastructure** across hybrid and multicloud environments while maintaining focus on security.
- **Manage infrastructure systematically** including modern and traditional elements.

Digital transformation

- **Lighten budget and resources** for innovation.
- **Improve your return on investment** (ROI) and lower your total cost of ownership (TCO).
- **Build a foundation for innovation** to compete more effectively.

Read on to learn how you can modernize your IT to support digital business in 5 steps.

Step 1

Realign your IT environment for consistency

Complex, disparate IT environments based on proprietary solutions often require more time, energy, and budget to manage.

Inconsistent platforms and processes hinder growth and demand reactive maintenance. Additionally, supporting multiple platforms increases training, support, and operational budget requirements.

Deploying a standardized operating environment (SOE) will help you create consistency across your organization.

With a consistent platform at the core of your SOE, you can achieve the efficiencies needed to reduce costs and accelerate IT while effectively supporting new technologies and approaches, including hybrid and multicloud connectivity, cloud-native development, and containerized deployments.

Benefits of standardizing

Deploying a standardized IT platform across your organization delivers many benefits, including the ability to:

- **Automate error-prone manual tasks.**
- **Centralize and streamline system life cycle management.**
- **Manage license use and subscription agreement compliance.**
- **Streamline software installation, upgrades, and patching.**
- **Increase the portability of existing internal skills.**
- **Improve focus on security.**
- **Decrease shadow IT.**

Gain more value with enterprise-grade open source technologies

While standardizing on free, self-supported open source technologies may seem like a good way to reduce expenses, commercial offerings provide more value and can actually cost less over time.

> Organizations that standardize on Red Hat's enterprise-grade open source solutions experience:[1]

Greater IT staff productivity

US$17,100 saved through staff time efficiencies.

Increased business productivity

US$6,700 saved through enhanced security, scalability, and confidence.

Lower risks

US$2,600 saved in reduced downtime and compliance issues.

Reduced IT infrastructure costs

US$900 saved in infrastructure costs, including physical servers and cloud resources.

* All savings per 100 users

[1] IDC White Paper, sponsored by Red Hat. "The Business Value of Red Hat Solutions Versus Non-Paid Open Source Alternatives." Document #US50423523, March 2023.

Step 2

Modernize your software

Once you have standardized your operating environment, it's time to consider your software.

Modern software can improve IT efficiency and innovation potential. It also prepares you to adopt cloud-native and container-based development practices for even greater agility and lays a foundation for streamlined hardware upgrades and cloud migration.

Key opportunities for software modernization

Operating system

Choose an operating system (OS) that provides a cost-effective foundation for cloud agility and scalability while supporting your existing development projects.

Organizations using Red Hat® solutions experienced:[1]

US$17.31M in total additional revenue per year.

[1] IDC White Paper, sponsored by Red Hat. "The Business Value of Red Hat Solutions Versus Non-Paid Open Source Alternatives." Document #US50423523, March 2023.

Management tools

Deploy a centralized platform with a common set of management tools to decrease management complexity across your entire infrastructure.

Organizations using Red Hat solutions experienced:[1]

32%
more efficient IT infrastructure teams.

24%
lower 3-year server infrastructure costs.

Development platform

Build a virtualized environment that supports your current efforts while preparing for cloud-native and container-based development approaches.

Organizations using Red Hat solutions experienced:[1]

23%
less time required to deliver new applications.

20%
more productive development teams.

[1] IDC White Paper, sponsored by Red Hat. "The Business Value of Red Hat Solutions Versus Non-Paid Open Source Alternatives." Document #US50423523, March 2023.

Conventional solutions

Replace expensive proprietary platforms with enterprise-grade open source technologies that deliver increased elasticity, scalability, and cost efficiencies.

Organizations using Red Hat solutions experienced:[1]

72%
less unplanned downtime.

$307,600
in annual savings on IT infrastructure costs.

Life cycle

Select an OS with an extensive life cycle to give your organization the opportunity to standardize on a major release and plan for long-term success.

[1] IDC White Paper, sponsored by Red Hat. "The Business Value of Red Hat Solutions Versus Non-Paid Open Source Alternatives." Document #US50423523, March 2023.

Step 3

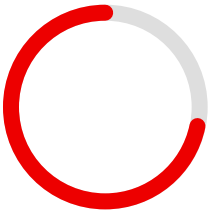
Lay a foundation for cloud

Cloud computing offers a dynamic, powerful alternative to monolithic server environments and disruptive datacenter refreshes.

As a result, 72% of enterprises already use a hybrid cloud strategy, and 87% have a multicloud strategy.[2]

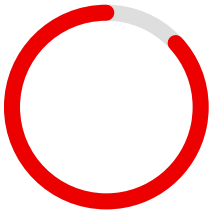
These organizations are taking advantage of the scale offered by the public cloud and the flexibility it gives them to respond to rapidly changing business needs. By standardizing on an enterprise Linux® OS in the cloud, they benefit from simpler workload migrations and management across datacenter and cloud environments.

As you migrate to the cloud, ensure you are choosing an OS that offers predictive analytics to help identify and remediate issues before they cause downtime, and implement automation tools to reduce the time required to implement complex operational tasks like identifying security and performance risks, tracking licenses, and managing costs.



72%

of enterprises have a hybrid cloud strategy in place.[2]



87%

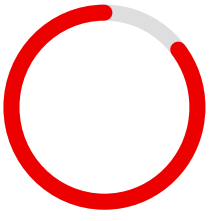
of enterprises employ a multicloud strategy.[2]

[2] Flexera. "Flexera 2023 State Of The Cloud Report." March 2023.

By combining on-site, private, and public cloud resources, hybrid and multicloud environments deliver the agility, speed, and efficiency required for digital transformation.

Couple that with a strategy to standardize your Linux across footprints and the combination will allow you to:

- **Add compute, storage, networking, and services at scale.**
- **Access ready-to-use modern development environments.**
- **Eliminate complicated server and application management operations while maintaining security and control.**
- **Incrementally replace aging infrastructure without downtime, to increase flexibility, stability, and efficiency.**
- **Use automation to deliver self-service capabilities to IT users and lay a foundation for modern development techniques.**
- **Build a foundation for portability, allowing you to place workloads and data where it makes the most sense at all times.**
- **Take advantage of committed spend programs.**



85%

of global organizations use more than 1 cloud for development and deployment purposes.[3]

[3] IDC Infobrief, sponsored by Red Hat and Intel. "A Holistic Approach to Digital Transformation: Accelerating Customer Outcomes." Document #US49928722, January 2023.

Step 4

Migrate where it makes sense

IT teams often keep using familiar tools even as the value and innovation of those tools decreases.

Modernization is an ongoing process that challenges decision makers to continuously assess and migrate to new solutions that offer greater IT and business value.

Common migration opportunities

Modernize your operating system

> Your OS is the foundation of your IT environment and operations.

Your OS is the foundation of your IT environment and operations. It can have a significant impact on your IT efficiency and performance, as well as your ability to adapt and innovate.

Migrate to a production-grade, open source platform, such as Red Hat Enterprise Linux, to reduce costs, boost productivity, and gain more business value.

Migrate your virtual machines

> Traditional virtualization hypervisors can increase both cost and risk.

They also lock you into a single vendor and platform and hinder migration of applications to cloud-native and container-based environments.

Choose a modern application platform that lets you run virtual machines in containers and integrates more efficiently into hybrid and multicloud environments.

Upgrade to containers

Container environments can help you build, deploy, and operate applications in less time and with an increased focus on security.

Even so, container adoption is often less than straightforward.

Look for a production-grade, container-ready platform to get started today with containers and give you a path forward to Kubernetes and advanced container development and deployment.

Migrate off self-supported Linux

While many no-cost, self-supported Linux distributions exist, the time and resources needed to maintain those community-based Linux distributions can be a barrier to efficient IT.

Look for a distribution that provides security features, a longer life cycle, and enterprise support to maximize the operational benefits of your Linux platform.

Read the *Expand innovation and operational efficiency with Linux* e-book

to learn more about the benefits of deploying Red Hat Enterprise Linux as a consistent operating foundation.

Read the e-book

Step 5

Address skills gaps in your organization

As the popularity of hybrid and multicloud strategies and the diversity of IT environments that workloads reside in continue to grow, many organizations are finding skills gaps that seriously limit their ability to effectively and efficiently manage their IT and business operations.

Bridge skills gaps through IT standardization

By deploying a standardized IT platform across your organization—such as Red Hat Enterprise Linux—you can ensure consistent tools and training, and subsequently, reduce the required staffing and resources to manage related IT processes. This allows your business to retain skills, standards, processes, best practices, and management tools as you move applications across environments.

Additionally, unifying your IT environments under a single IT platform allows your organization to more readily tap into the powerful capabilities of an enterprise-ready automation platform.

Automation can help address the skills gap by reducing the amount of manual, repetitive tasks your staff is responsible for—such as infrastructure provisioning and management—to free them up for value creation and innovation.

As cloud usage continues to rise, skills gaps within organizations are becoming more pronounced. Research shows that:[4]

Only 8%

of companies have no skills challenges when it comes to deploying and managing cloud environments.

[4] IDC Infobrief, sponsored by Red Hat. "Why Enterprise Linux is Becoming More Relevant for Hybrid Cloud." Document #US50679023, June 2023.

Conclusion

Ready to start your IT modernization journey?

Red Hat delivers a range of innovative solutions—including the industry's most popular Linux OS[5]—that has helped many customers navigate their IT modernization journey to improve efficiency and increase innovation.

Take the first step toward IT modernization with a consistent, enterprise-grade foundation that helps you streamline management of your IT infrastructure, including hybrid and multicloud environments.

Learn how Red Hat can help you modernize your IT with hybrid cloud technologies.

Learn more

Read more about the benefits of standardizing on Red Hat Enterprise Linux.

Standardizing on Red Hat Enterprise Linux helps you increase business agility, streamline security and compliance, gain operational efficiency, and address skills gaps.

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[5] Red Hat e-book. "Annual Linux market report for 2021," 24 January 2023.