The Mainframe – A Mission-Essential Platform for Digital Transformation

In this InfoBrief

Overview

This IDC InfoBrief explores how the mainframe continues to be the platform of choice as organizations advance on their Digital Transformation journey.

Methodology

IDC conducted online surveys and interviews with over 200 organizations with mainframes in North America. Respondents must have decision-making responsibility or influence on their organizations' mainframe technology investments.

Disruptive Technologies Drive Digital Transformation

Third platform technologies - Cloud, Big Data, Social, and Mobility - are driving digital transformation.

Digital Transformation

INNOVATION ACCELERATORS

- Augmented & Virtual Reality
- Internet of Things
- Cognitive Systems
- Robotics
- Next Gen Security
- 3D Printing

3rd Platform

- Cloud
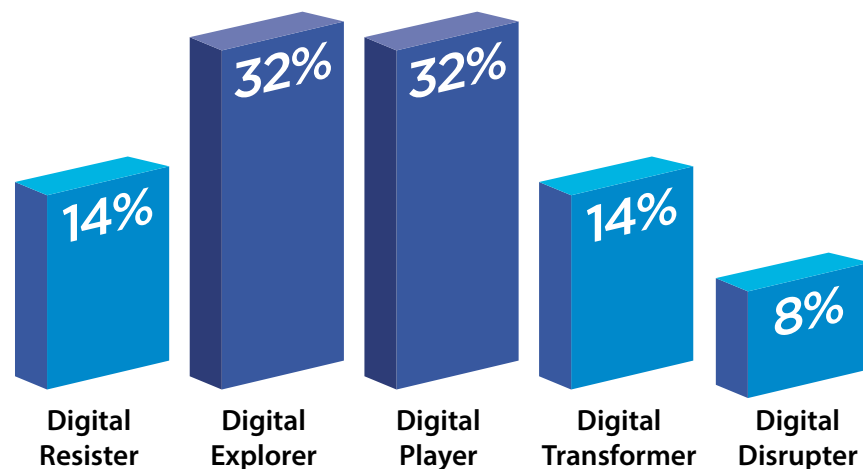- Big Data/ Analytics
- Social Business
- Mobility
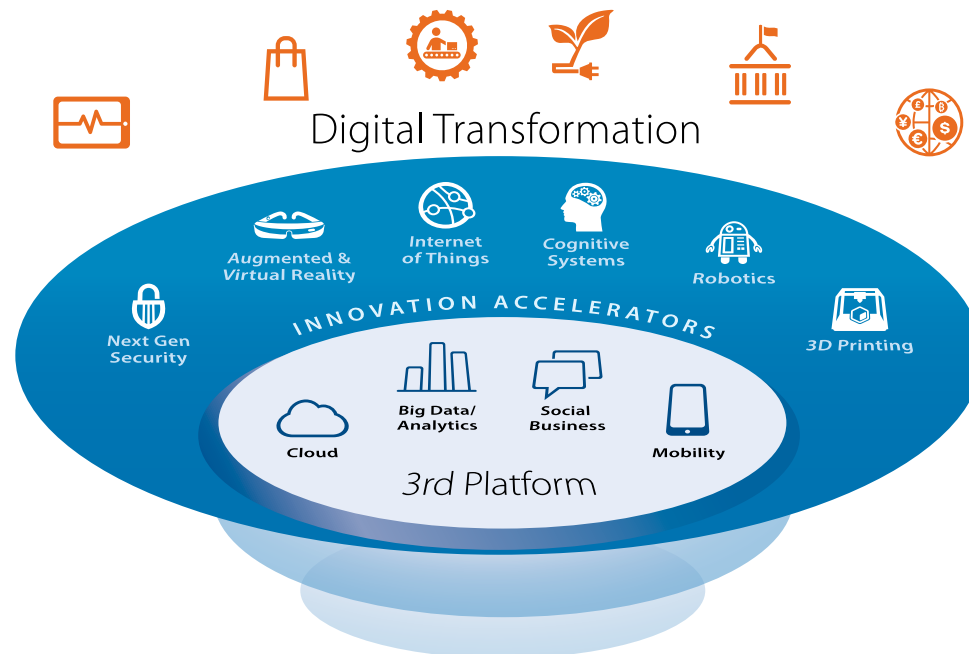
Source: IDC

Digital Transformation changes:

▶ **How you engage** with customers

▶ **The speed** at which products and services are delivered

▶ **How you innovate** your business

▶ **Your resiliency** to changing conditions

▶ **The reliability** of your operations

"The amount of high value data that is worth analyzing will double by 2020."
"Enterprise mobile apps are expected to grow 4X between now and 2018."

IDC Analyze the Future   Source: IDC

Leading Organizations Have Begun Digital Transformation – No One is Exempt from the Journey

14% — Digital Resister

32% — Digital Explorer

32% — Digital Player

14% — Digital Transformer

8% — Digital Disrupter

64% of organizations are already "Digital Explorers" or "Digital Players"

These organizations are:

▶ Automating their processes

▶ Interconnecting their systems

▶ Adopting real-time analytics

▶ Harnessing and interpreting more data

▶ Acting on data for differentiation

▶ Accommodating user device explosion

IDC — Analyze the Future

In this Transformation, Savvy Organizations Continue to Invest in their Mainframe
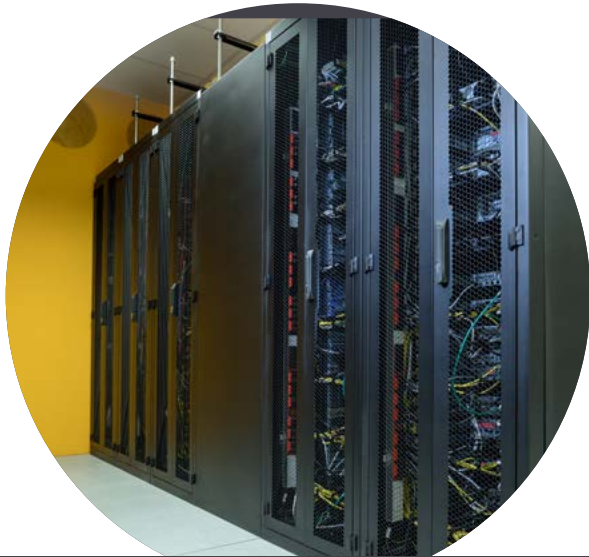
66% say investment in mainframe-related staff support has increased or stayed the same.

64% view the platform as core to their business and to maintaining mission-essential workloads.

48% say they have already invested in z13 system capacity.

"**Mainframe is a strategic asset to us. We can't run the amount of transactions we run without the mainframe. It is considered as something that is required, otherwise we will not be able to conduct our business, based on the large amount of data flows that we have today.**" – *EVP IT Services, Multi-National Bank*

IDC Analyze the Future

N=202 mainframe decision makers. Source: IDC Mainframe Investment Survey, 2016.

pg **5**

Why? Today's Mainframe Combines Known Core Strengths and Future Capabilities

System of Record **+** **System of Engagement & Insights** **+** **Platform for Innovation** **=** **Mission-Essential Platform for Digital Transformation**

40%

of organizations with mainframe plan to invest in their mainframe platform to support new product development and innovation.

N=202 mainframe decision makers.
Source: IDC Mainframe Investment Survey, 2016

IDC
Analyze the Future

Mainframe as a System of Record

The platform continues to be the engine for mission-essential transactions, applications, and data

Mainframe offers best in class:

▶ Performance   ▶ High availability

▶ Scalability   ▶ Reliability

▶ Security

Which of the following factors are driving investment in mainframe services within your organization? (% of respondents)

67%
IT cost reduction

**64%**
High availability

47%
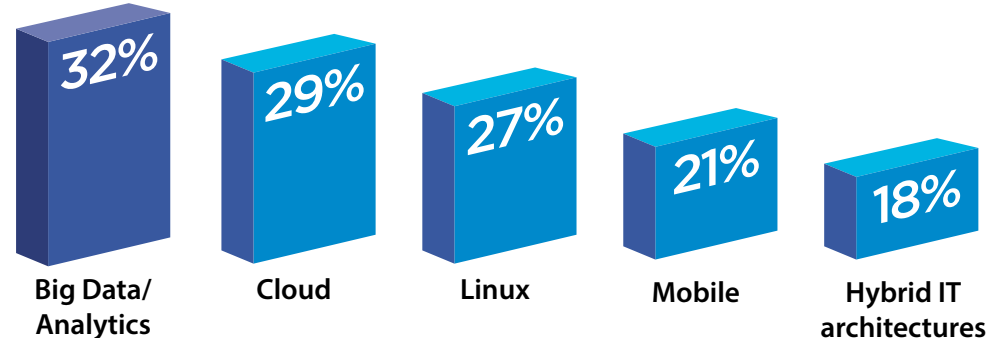Security

42%
Transactions

> **"We consider the mainframe to be a strategic asset for pricing, managing costs, leverage, and buyback."**
> – *Senior IT Manager, Large Higher Education Organization*

IDC
Analyze the Future

N=202 mainframe decision makers. Source: IDC Mainframe Investment Survey, 2016.

Mainframe as a System of Engagement and Insight

Mainframe powers next-generation apps to connect users with data and gain analytical insights.
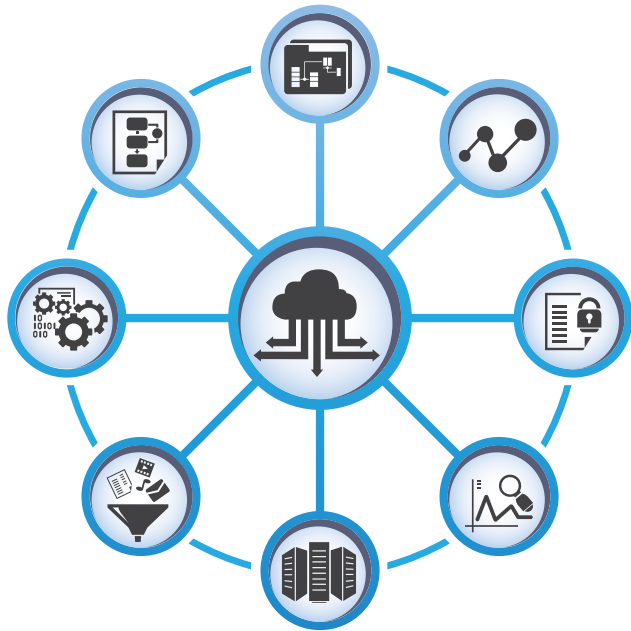
Which of the following technology trends are driving investment in mainframe services within your organization?

Big Data/ Analytics	Cloud	Linux	Mobile	Hybrid IT architectures
32%	29%	27%	21%	18%

> **"From an IT operation perspective, we are doing a lot with security tracking and infrastructure analytics. We are trying to move to predictive and preventative automation."** *– Exec. Director, Mainframe Systems, Global financial services firm*

IDC
Analyze the Future

N=202 mainframe decision makers. Source: IDC Mainframe Investment Survey, 2016.

Mainframe as a Platform for Innovation

Next-generation mainframe apps require the flexibility afforded by open solutions such as Linux and Docker.

Mainframe organizations are embracing Agile and DevOps practices to speed transformation.

10% of mainframe MIPS* are running on Linux.

60% of organizations with mainframe expect Linux MIPS* growth in the next 24 months.

13% of mainframe decision makers are investing in mainframe for next-gen apps development and open source.

"Linux will be driving investment in the mainframe – absolutely. It plays a major role; we actually work closely with our vendor on the Linux side in an effort to lower TCO." – *VP IT, Multi-National Bank*

IDC
Analyze the Future

*MIPS = Millions of instructions per second. N=202 mainframe decision makers. Source: IDC Mainframe Investment Survey, 2016.

IDC Essential Guidance

▶ **Make mainframe an integral part of your organization's digital transformation strategy.** Majority of organizations with mainframe view the platform as core to their business. They are strengthening staff and investing in system upgrades to support the transformation.

▶ **Build on core mainframe capabilities** for managing data, building custom apps, increasing mobile transactions, performing analytics, and executing IoT transactions.

▶ **Implement Agile development processes and DevOps tools** to speed up digital transformation and gain agility.

▶ **Use Open platform strengths** to support new product innovation.

▶ **Rationalize mainframe costs** – show efficiencies at high volumes, automated management functions, and leaner IT staffs.

The Bottom Line

IT leaders pick mainframe as platform of choice to:

✔ Support business growth with efficient operations

✔ Reduce transaction costs as volumes grow

✔ Enable distributed Linux server consolidations

Appendix: Methodology

IDC Mainframe Investment Survey

IDC deployed online surveys and interviews targeting 202 organizations with mainframes in North America. Respondents must have decision making responsibility or influence on their organizations' mainframe technology investment. The research effort was performed in Q1 2016 and sponsored by CA.

Employee Size

100-999
5%

1,000 – 9,999
34%

10,000+
61%

Mainframe MIPS*

500 – 999
18%

25,000+
27%

1,000 – 9,999
39%

10,000 – 25,000
36%

*MIPS = Millions of instructions per second.
N=202 mainframe decision makers.