

HP Application Transformation Solutions

New apps boost enterprise innovation

The <u>Instant-On Enterprise</u> runs on applications that are always available and can easily adapt to new opportunities. Never before has the need for application flexibility been so pervasive and powerful.

Applications are at the heart of delivering innovation for businesses and governments. But today's offerings are negatively impacting organizations' ability to deliver new services that drive advantage.

- Unresponsive and rigid legacy systems drain the technology budget with their inability to meet quickly changing business demands. New research conducted on behalf of HP⁽¹⁾ reveals that almost 60 percent of the organizations surveyed have applications more than eight years old. Within that group almost 10 percent have applications more than 16 years old. One out of two respondents agree that the costs, resources and time required to update and maintain legacy applications negatively impacts their ability to quickly deliver new services.
- The applications portfolio also has increased in size, leading to the current challenge of application "sprawl" or "bloat." The average Fortune 100 company has 35 million lines of code, a number that is growing at 10 percent per year.⁽²⁾

This aging and "bloated" applications portfolio, coupled with the challenges set by new delivery models such as mobile and cloud computing, will require appropriate application transformation strategies to be executed. Almost 60 percent of survey respondents indicated this was a key priority project for 2011.

HP can transform legacy applications and processes, helping enterprises create more flexible processes and become more responsive to enterprise demands. A transformed applications portfolio is key to delivering an Instant-On Enterprise as it can boost enterprise growth, agility and its ability to innovate. As a result of working with HP, companies have maximized their enterprise value and reduced maintenance costs by up

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to 40 percent.⁽³⁾

<u>HP's approach to application transformation</u> is designed to determine the enterprise value of applications and strategically create an application environment that is efficient, as well as cost effective. It focuses on three main areas:

- Assess: HP helps clients assess their portfolios to identify redundant or complex applications and processes and decide on the right plan. The plan encompasses how to transform applications from complex business processes and legacy code to where they need to be.
- Modernize: HP identifies the "right" modernization strategy for each application based on the client's needs and requirements. HP can help clients migrate applications from legacy hardware platforms to new HP infrastructures that are more flexible and reduce the total cost of ownership (TCO). HP also has an industry-leading suite of software and services required to help clients design, build, test, and secure new applications or transition to an industry leading enterprise application. For applications being retired, HP has a full suite of software, hardware and services to comply with specific industry regulations regarding the timeframe applications and supporting data must be retained.
- Manage: HP has the market leading software and expertise required to accelerate the design, delivery and management of secure, quality applications whether the client wants to do it themselves or have HP do it for them.

Through HP's wide portfolio of <u>Application Transformation</u> solutions, HP's clients have achieved business performance improvements by up to 25 percent⁽³⁾ and managed risks by ensuring continuous operations without disruptions and meeting industry compliance standards.

HP is working with the UK Ministry of Defence's Service Personnel and Veterans Agency to apply these principles with strong results. Through delivery of the Joint Personnel Administration program HP consolidated the pay and personnel administration services for the UK Armed Forces, bringing together the Royal Navy, Army and Royal Air Force onto one system, allowing users to update details themselves and providing one dedicated contact point for help and support. For the first 10 years of



implementation the business plan projected \$960 million in savings, of which more than one-third has been delivered in just three years.

HP can help clients pick the right model for application delivery. Leading enterprises recognize that there is no "one" singular model of delivery that can be optimized to meet all core service needs. Enterprises will continue to operate in environments containing traditional, outsourced and cloud services for the foreseeable future. <u>HP Hybrid Delivery</u> helps clients build, manage and consume services using the right delivery model for them.

More information on HP Application Transformation is available at <u>www.hp.com/go/applicationtransformation</u>.

- (1) "HP Research: The Instant-On Enterprise," Coleman Parkes Research Ltd., October 2010.
- (2) "Modernizing Legacy Systems: Software Technologies, Engineering Processes, and Business
- Practices, " Seacord, R.C., Plakosh, D., Lewis, G.A. Addison-Wesley Professional, 2003.
- (3) Internal HP analysis.

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