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Technology

Deriving more value from your applications

High performance. Delivered.

Deriving more value from your applications

Chief information officers and their IT teams have never been under greater pressure to do more with less. With 70 percent of the typical organization's global transactions running on legacy applications, the spotlight has shifted to how well the application portfolio can drive business results and support innovation while keeping costs under control.

At many companies, the application portfolio exerts significant drag on overall operational effectiveness. The inflexibility of legacy applications makes it hard to provide the IT functionality demanded by rapid shifts in business needs—and even harder to scale up to support business growth. Legacy applications can be difficult to integrate with newer, more agile systems. They are often poorly documented as well, making it even more difficult to operate and maintain when IT staff leave the organization.

What's needed is a fresh approach that allows companies to extract much more value from their application portfolios. The ideal approach would significantly reduce the costs of managing and upgrading the portfolio while improving overall system performance and reliability.

Accenture can help. Our Accenture Application Modernization and Optimization practice enables IT to strip out unnecessary operating costs while reducing capital spend and freeing IT staff to create value for the business. Our Application Modernization and Optimization specialists can help to answer the big questions about whether to renew, replace, consolidate, retire, enhance – or build new. The outcome: More value from existing applications with reduced costs, more manageable application portfolios, limited business disruption, and decreased risk.

Introducing Accenture Application Modernization and Optimization solutions

Recognizing that IT leaders face different application-management challenges at different times, Accenture offers three complementary solutions:

1. Application Portfolio Optimization

Creates a strategy and roadmap to improve your application portfolio and reduce functionality overlaps, technical limitations and maintenance costs. Our experienced specialists use diagnostics and proven processes to probe for problem areas and quickly determine whether the applications are functionally adequate and technically healthy to support your organization's business strategy. The Application Portfolio Optimization analysis can include an assessment of a portfolio's economic efficiency, giving insights into whether application maintenance is benefiting from the low-cost sourcing models that minimize licensing and maintenance overhead. Our Application Portfolio Optimization specialists can also improve active portfolio management to keep the portfolio healthy. The result is an actionable roadmap and a strong business case for optimizing the portfolio.

A leading food retailer in Sweden was eager to improve its IT governance to tighten control of its application landscape and contain its fast-rising application support and maintenance costs. Accenture was engaged to assess the current operations and identify opportunities to cut costs and improve quality and productivity by optimizing the application portfolio. Leveraging our Application Modernization and Optimization framework, we analyzed the retailer's application challenges and prioritized opportunities that will deliver cost savings and add value. Now the retailer has well-documented processes and clear lines of responsibility—a firm foundation with which to make IT decisions, manage the IT budget and set IT strategy.

2. Performance Engineering

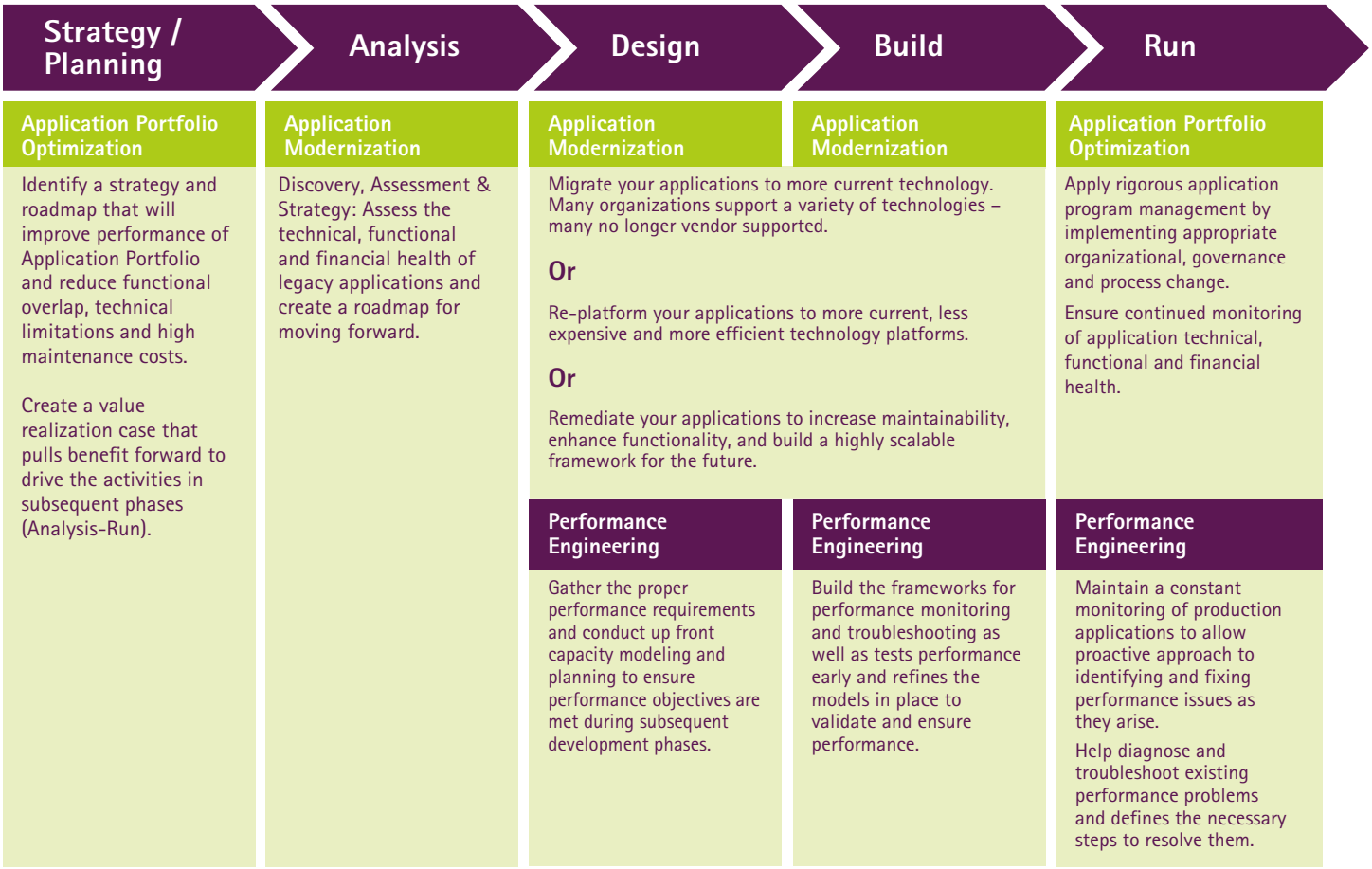
Allows IT leaders to better manage the overall performance of their applications so they can meet or beat users' expectations and reduce unnecessary costs due to performance issues. Our experienced team works to confirm that high performance is built into applications and alleviates performance problems in existing applications. Specifically, performance engineering helps companies set clear system or application performance objectives, identify performance failures and isolate their root causes by helping to confirm that performance characteristics are factored in early in the development life cycle.

A major Brazilian airline improved the performance of its customer Web site with the help of Accenture's performance engineers. The site was unstable; it could not handle spikes in use, making it difficult to serve customers and complete sales during special promotional periods and peak seasons. Accenture used its proprietary tools as well as third-party tools to identify multiple challenges with application coding, configuration and integration.

With Accenture's help, the client now has a stable Web site, an improved user experience and greater customer loyalty.

US health insurer Highmark was eager to overhaul its administrative systems to improve delivery of information-driven services for consumers. Teaming up with Accenture, the insurer mapped out a manageable three-phase, five-year application modernization plan. And it is not just a technology project. Highmark is delivering value-added business services through the program. For instance, Highmark has been able to boost the speed and accuracy of claims processing and has implemented real-time claims processing in provider offices through the program.

Figure 1. Here is how these three solutions work together to create a more cost effective and agile application portfolio.



3. Application Modernization

Helps companies get the most value from their existing applications over the long term—as well as helping to reduce certain costs and risks. This offering can modernize your application technology while retaining much of the investment made in applications. Specifically, the solution can

- Migrate an application to current technology that is vendor-supported.
- Replatform to newer, less expensive and more efficient technology platforms.
- Remediate to enhance your applications' functionality, make them easier to maintain and make them part of a highly scalable framework—getting the benefits of system replacement with far less risk, cost or disruption.
- Mitigate the risks to critical business system availability of relying on obsolete technology or IT professionals who are nearing retirement.

A large European health insurance company asked Accenture to help it replace its aging mainframe with newer, more cost-efficient technologies. Our Application Modernization and Optimization specialists oversaw the migration of all core applications and data to a new UNIX system—10,000 programs, 2,000 batch jobs and 1,300 tables. The insurer can now cut its IT spend by up to 30 percent. Furthermore, its IT organization can help drive business innovation instead of worrying about system breakdowns and maintenance.

Istituto Nazionale Previdenza Sociale (INPS), Italy's primary social security agency, asked Accenture to help modernize two separate legacy IT systems so it could provide services through the Internet, save on IT maintenance and operating costs, and accommodate growth and changing needs. Our Application Modernization and Optimization team oversaw the migration from AS/400s platforms to Web technologies and open systems using Microsoft NET – 12 million lines of code and 300 applications. INPS has saved more than 40 percent in development costs and application maintenance and is now able to adapt easily to growth and future needs.

How Application Modernization and Optimization helps

• Our Application Modernization and Optimization solutions allow organizations to quickly get more value from the most capital-intensive element of their IT investments: the application portfolio.

• Application Modernization and Optimization helps reduce IT costs by pinpointing applications that can be eliminated, consolidated or replaced with more cost-effective solutions. Additionally, we can help identify solutions that leverage existing application investments by modernizing existing applications.

• We provide dependable outcomes by listening well, working alongside clients' teams to generate results using thoughtful plans and firm program-management disciplines.

• Clients benefit from the experience of our Application Modernization and Optimization practice. Our integrated teams of subject-matter specialists and strategy, technology and implementation professionals have helped hundreds of organizations get more from their application assets.

• Clients see fast results because our Application Modernization and Optimization professionals work in flexible teams that can be assembled and deployed rapidly anywhere in the world.

• We help clients free up IT development time to focus on business needs because our system integration and outsourcing capabilities expand the options for application development and maintenance.

Tell us about your challenges with managing applications and we'll help you address them.

Find out more

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About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 246,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$25.5 billion for the fiscal year ended Aug. 31, 2011. Its home page is www.accenture.com.

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