

MODERNIZING LEGACY APPLICATIONS

Future-proof
your Freight
and Logistics
legacy apps

accenture

MODERNIZING LEGACY APPLICATIONS

Freight and logistics (F&L) companies often experience a heavy burden evolving existing technologies into a more digital, modern, “connected” ecosystem. These companies typically have 20 to even more than 30 year-old legacy mainframe systems built on outdated technology and interfaced by what can be a tangle of spaghetti code that is tough to unravel.

These legacy systems are unable to support the latest improvements in technology such as cloud data storage, cybersecurity advancements and application program interface (API) usage for efficient software rollout.

Modernizing legacy applications can help companies realize 15 to 35 percent infrastructure year-over-year savings and 30 to 50 percent lower application maintenance and run costs.

The commercial off-the-shelf conundrum

Over the last 10-15 years, the IT strategy for most F&L companies was to buy commercial off-the-shelf (COTS) software solutions to modernize their IT landscapes. The idea being that these products could enable new capabilities quickly. What companies have found is that this path has not been so easy.

These products often lack the bespoke and feature-rich capabilities that are unique to the needs of global, asset-heavy freight companies, resulting in a complex path to implementation.

In fact, some of the implementation journeys have been so challenging that companies only implement a fraction of what was intended. One large industry player abandoned a new software platform altogether at an approximate \$400M write-off.

No more dead ends

Accenture works with clients to support new and innovative approaches for migrating legacy applications to modern application architecture technologies, including the migration to the cloud.

Once migrated, the applications sit on updated code bases which allow for faster deployment of new capabilities, better integration connectivity and a smoother transition to the cloud. F&L companies are then able to reduce both development and maintenance costs while also supporting new digital capabilities that customers expect.

With implementation complexities and costs looming with COTS solutions, a new concept is gaining traction: Modernize rather than replace.

Why modernize your legacy applications?

- 15-35% infrastructure year-over-year savings
- 30-50% lower application maintenance and run costs
- Provide new technology and business channels
- Support regulations and compliance requirements
- Increase customer satisfaction

A modernization success story

Accenture is working with a major freight transportation company, using human-centered design thinking to modernize the company's core documentation system. Shipment documentation sits at the heart of the order-to-cash process, making the meaningful link between customer agreement to operational execution and payment collection, so there is tremendous opportunity to streamline the journey for key shipment data. Rather than replacing the existing solution with a COTS solution that is missing many of the existing required

features, this company is updating its existing code to a modern base to enable future capabilities at a compressed timeframe and reduced conversion cost.

Every journey will be different, depending on a client's existing processes, systems and IT infrastructure. Yet no matter what the ultimate path to the modernization is, there is a set of considerations to help you determine whether modernization is the right move for your business:



DETERMINE IF YOU'RE A CANDIDATE.

Step one is assessing whether or not your business actually needs to modernize its systems.

- **Can existing systems meet current needs for security, digital capabilities and costs to run?**

If the answer is no, it's time to begin determining the right way to step into the era of new IT.



ASSESS THE LANDSCAPE.

Accenture has a modernization assessment tool to help clients determine what and how to transform legacy programming languages to modern programming languages. The toolkit will:

- **Analyze the current landscape and;**
- **Help F&L providers to understand the scope of modernization required.**

[View the infographic](#) →



COTS OR NOT?

Your business may consider where a COTS solution might be suitable.

- **Some processes, such as invoicing, may be upgraded with the help of a COTS solution.**
- **Some applications, such as operational or asset management systems, will require a more custom solution.**
- **Some businesses may find that a blend of both COTS and custom is the right fit.**

THE ROAD AHEAD

There are opportunities abound for F&L companies through application modernization—cutting infrastructure and maintenance costs, increasing implementation speed, laying a foundation for innovation, and improving functionality to ultimately increase customer satisfaction.

The new is happening now and F&L providers have options like systems modernization to be more strongly positioned for the future.

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