The Future of z Systems™ in the Digital Business

Session 17126

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bmc

Challenges of the Digital Tomorrow and the Place of the **IBM z Systems**

- Inform the Discussion with Data
- Explore What Matters
- Offer Ideas to Foster Success
  - in Your Organization
  - and in Your Individual Roles

Agenda

- **Key Aspects of Digital Tomorrow**
- **Disruptive Forces Impacting z Systems**
- **Evolution Activities**
  - **Knowledge**
  - **Execution**
  - **Economics**
- **Positioning z Systems to Lead Digital Transformatio**
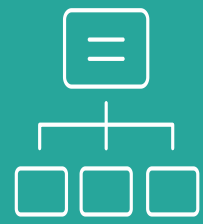- **z Systems Improving Life**
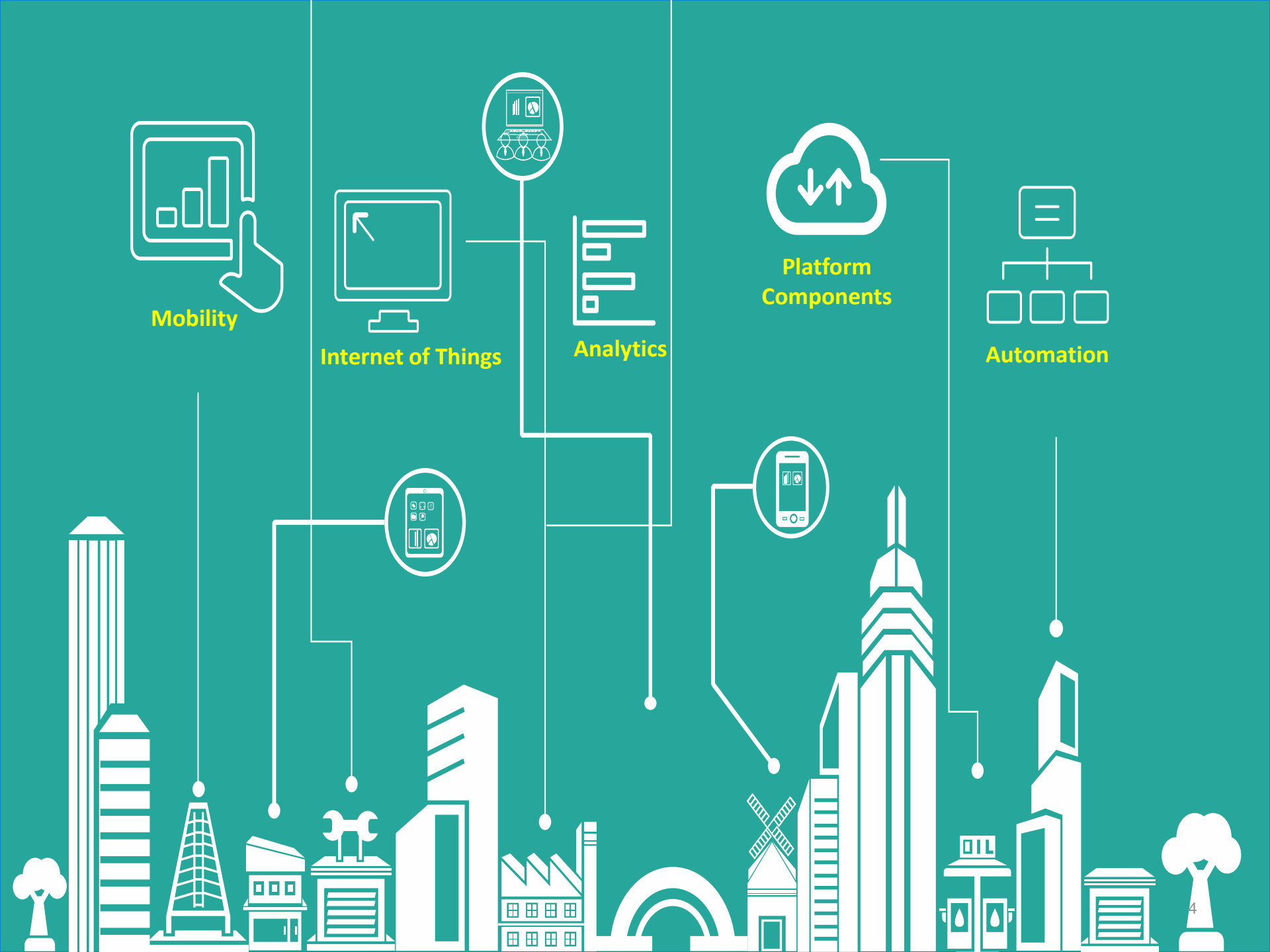
Mobility

Internet of Things

Analytics

Platform Components

Automation

Mainframe: The Foundation for Digital Business

The Disruptive Forces

External   **Institutional**   **Economic**
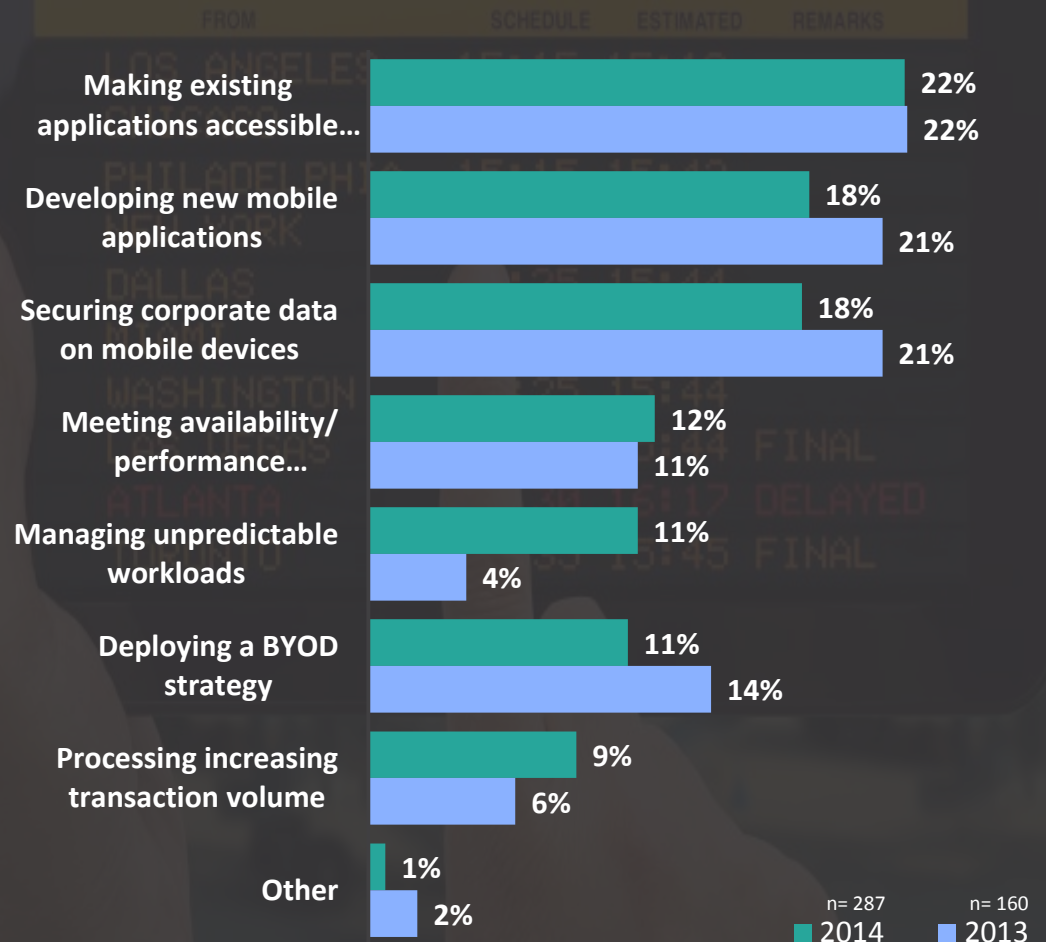

How are they disruptive?
What are the implications for z Systems IT?

External Disruptors: **Mobility**

- Disruptions to Legacy Processing
- Requirements Driving Transformation

"91% of new customer-facing apps access data from z Systems" (IBM)

What is the most important mobility issue in your organization?

Issue	2014	2013
Making existing applications accessible...	22%	22%
Developing new mobile applications	18%	21%
Securing corporate data on mobile devices	18%	21%
Meeting availability/performance...	12%	11%
Managing unpredictable workloads	11%	4%
Deploying a BYOD strategy	11%	14%
Processing increasing transaction volume	9%	6%
Other	1%	2%

n= 287   n= 160
■ 2014   ■ 2013
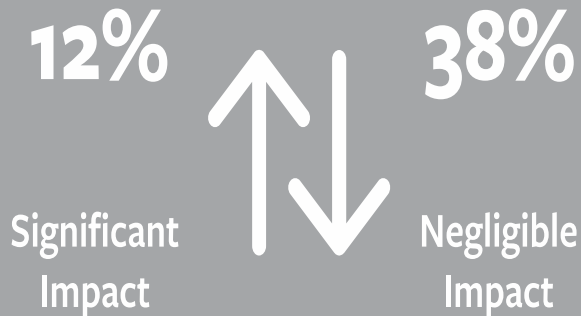
External Disruptors: **Analytics**

What role does your mainframe play in your Big Data strategy?

- z13 Announcement–
  Analytics Focus
- Role of z Systems in Big Data

Mainframe data acts as the Big Data analytic engine
- 2014: 34%
- 2013: 27%

Mainframe data is moved off platform for analytics
- 2014: 28%
- 2013: 28%

Mainframe data is federated to an off platform analytics engine
- 2014: 14%
- 2013: 12%

Mainframe provides z/Linux hosting of unstructured data
- 2014: 5%
- 2013: 3%

81%

The mainframe is not part of our Big Data strategy
- 2014: 19%
- 2013: 30%

■ 2014 n= 1012
■ 2013 n= 820

Implications of Analytics for
Availability and Recoverability

Unplanned Production Outage

12%
Significant Impact

38%
Negligible Impact

Outage Cause

22%
Hardware

21%
System Software

21%
In-house Application Software

Recovery Expectations

39%

≤ 59 secs

Respondents Can Tolerate a Data Base Maintenance Outage

Institutional Disruptors: **Perception**

What is your perception of the industry-wide future of the mainframe?

	2012	2013	2014
The MF platform will grow and attract new workloads	49%	50%	46%
The MF platform will continue as a viable long term platform, but limited to a legacy platform. It will not attract new workloads.	41%	43%	45%
The MF platform is not viable in the general market and most users should consider exit strategies in the next 5 years	6%	5%	8%
Other	4%	2%	2%
	n=1,243	N=1,050	N=1,194
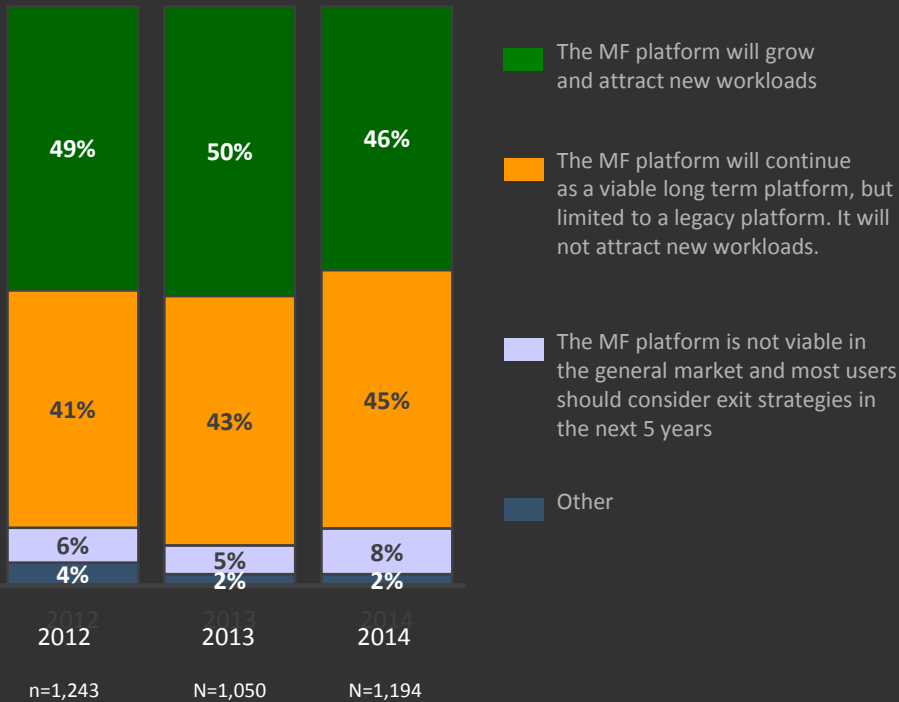
Why is your company planning to eliminate the mainframe or decrease MIPS?

Mgmt perception mainframe is outdated	57%
IBM software costs	52%
Non-mainframe systems can host workloads for…	39%
Staffing/skills shortage	38%
Cost of hardware	38%

N= 173

Source: BMC Software 2014 Annual Mainframe Survey

10
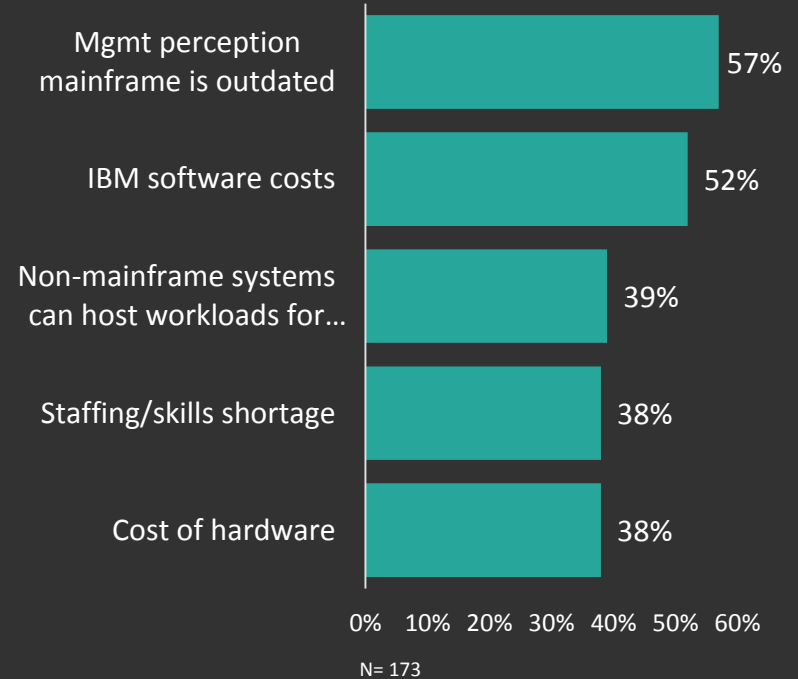
Institutional Disruptors:
Scope of Responsibility

Scope

Cross-domain Responsibility

Workforce Skills Concerns

71% have some

BMC 2014
Mainframe Survey

Workforce Skills

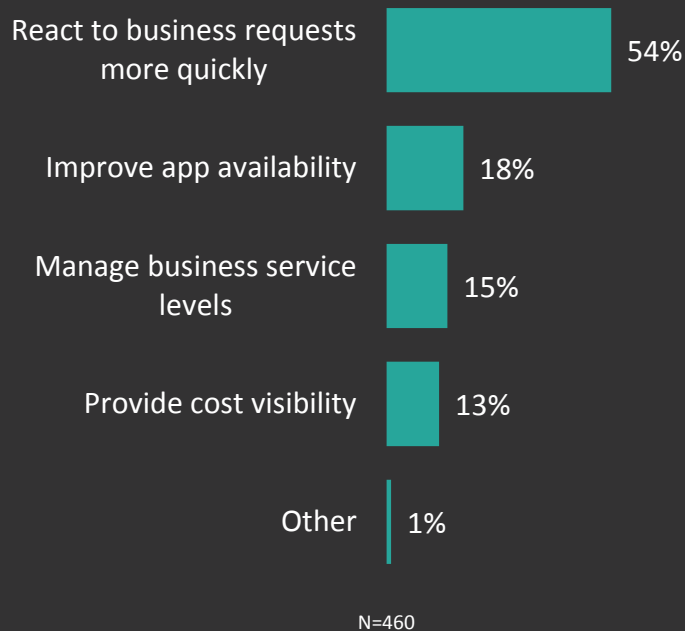## Plans To Address

Hire College Graduates

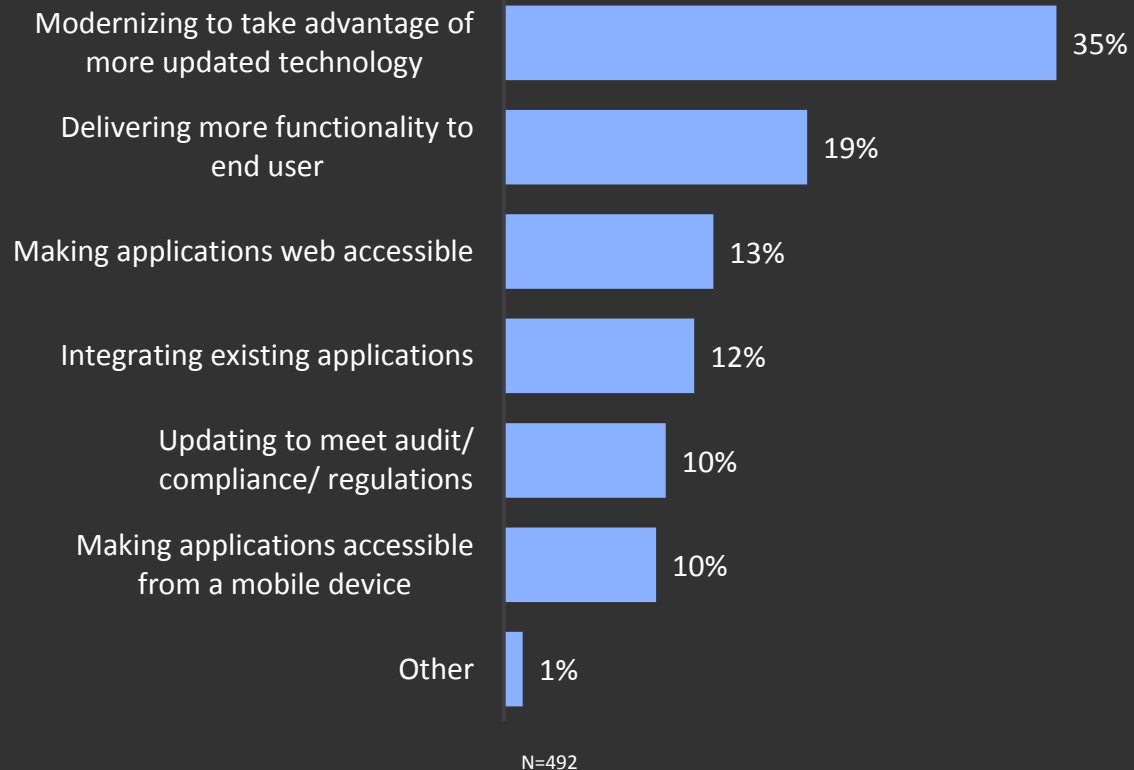Automation

Utilize More Software Tools

Cross-train

Institutional Disruptors: Business/IT Alignment

What are your top issues for Business/IT alignment?

- React to business requests more quickly — 54%
- Improve app availability — 18%
- Manage business service levels — 15%
- Provide cost visibility — 13%
- Other — 1%

N=460

What are your top issues for Modernizing applications?

- Modernizing to take advantage of more updated technology — 35%
- Delivering more functionality to end user — 19%
- Making applications web accessible — 13%
- Integrating existing applications — 12%
- Updating to meet audit/ compliance/ regulations — 10%
- Making applications accessible from a mobile device — 10%
- Other — 1%

N=492

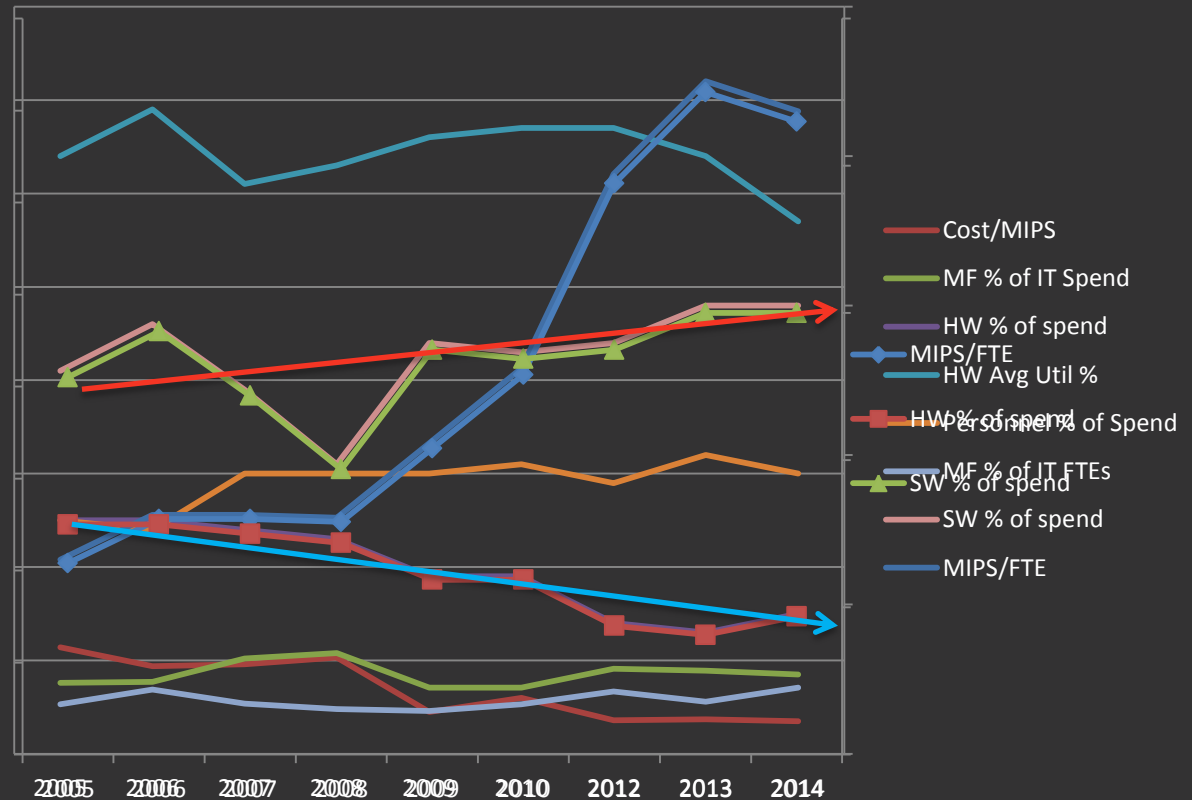Source: BMC Software 2014 Annual Mainframe Survey

Economic Disruptors:
Platform Economics

- Cost Optimization (71%)
- Availability (52%)

What is driving platform economics?

Key Mainframe Metrics 2005 - 2014

Legend:
- Cost/MIPS
- MF % of IT Spend
- HW % of spend
- MIPS/FTE
- HW Avg Util %
- HW % of spend / Personnel % of Spend
- MF % of IT FTEs
- SW % of spend
- SW % of spend
- MIPS/FTE

X-axis: 2005 2006 2007 2008 2009 2010 2012 2013 2014

Source: Industry Data

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Evolution of **Knowledge**

Measurement

Metrics

Data

Information

Evolution of **Execution**

Manual

Run Books

Basic Automation

Complex Automation

Evolution of Economics

Tech

Whatever
IT Wants

Cost
Accounting

Cost
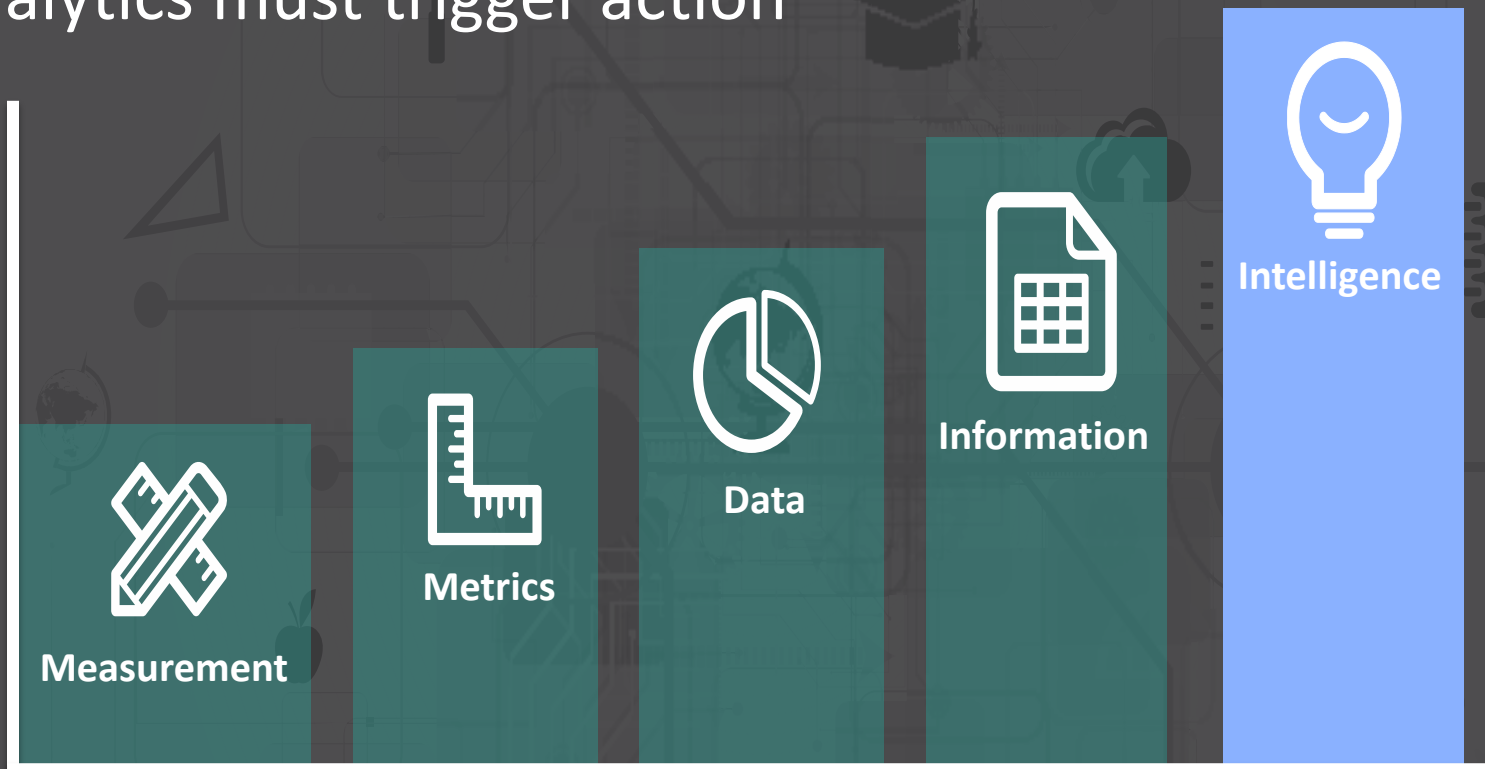Containment

Evolve to **Intelligence**

- Quality of experience will define winners
- IT becomes a business enabler
- Analytics must trigger action

Measurement

Metrics

Data

Information

Intelligence

Evolve to Adaptability

- The pace of change will accelerate
- Agility is the hallmark of successful transformation
- Mitigating risk is increasingly critical

Manual | Run Books | Basic Automation | Complex Automation | Adaptability
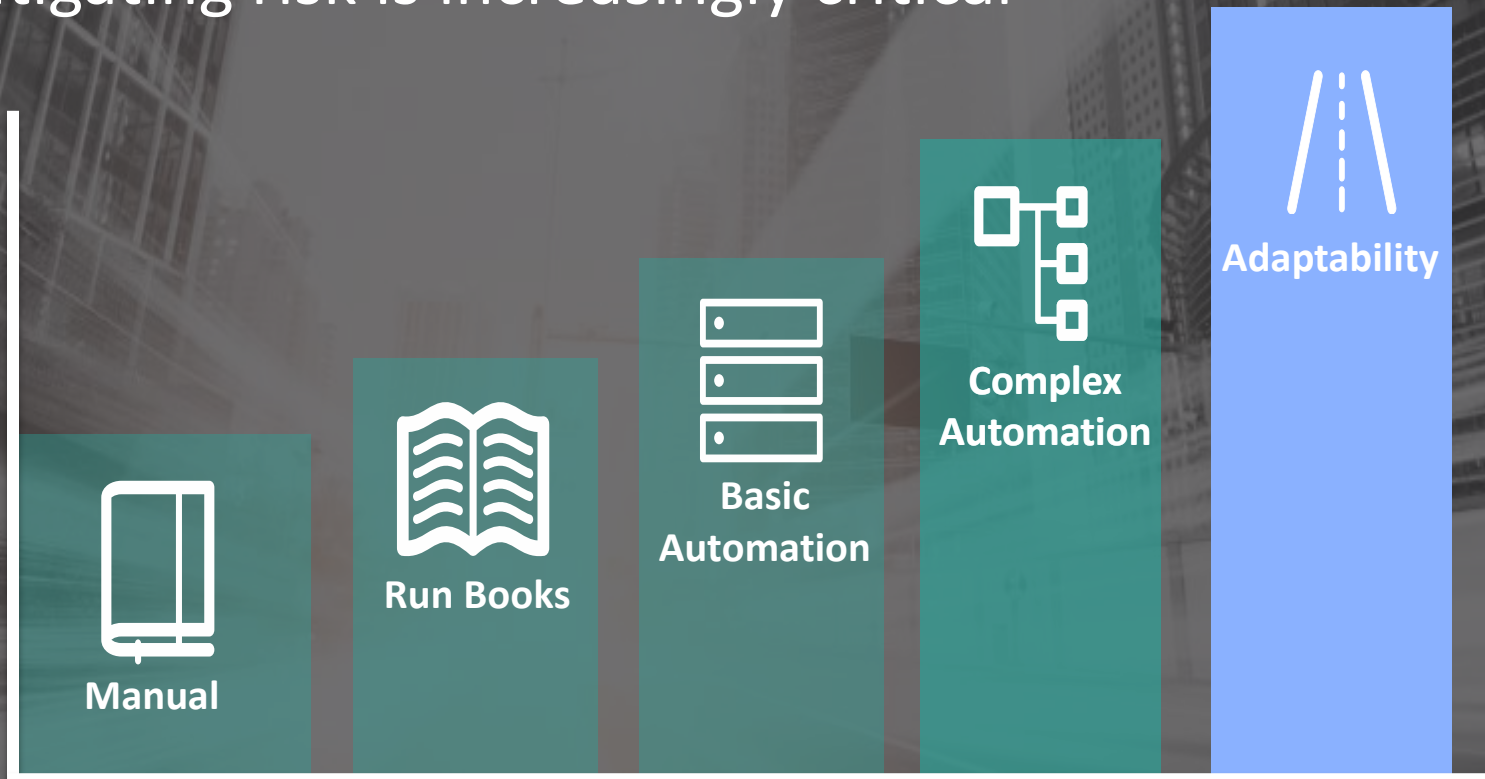
Evolve to Invisible Infrastructure

- Know role of z in economics of the business
- Consider formula for QoE vs CoE
- Identify cost drivers

Tech

Whatever IT Wants

Cost Accounting

Cost Containment

Invisible Infrastructure

Some Ideas for IT Success

- **Intelligence that leads to action**
- **Embrace new UIs and approaches**
- **Look for automation that adapts**
- **Help business become more agile**
- **Question your risk posture**
- **Continually optimize infrastructure**

z Systems Digital Transformation Is Really About **Impacting Lives**

Travelers Compare Flight Prices
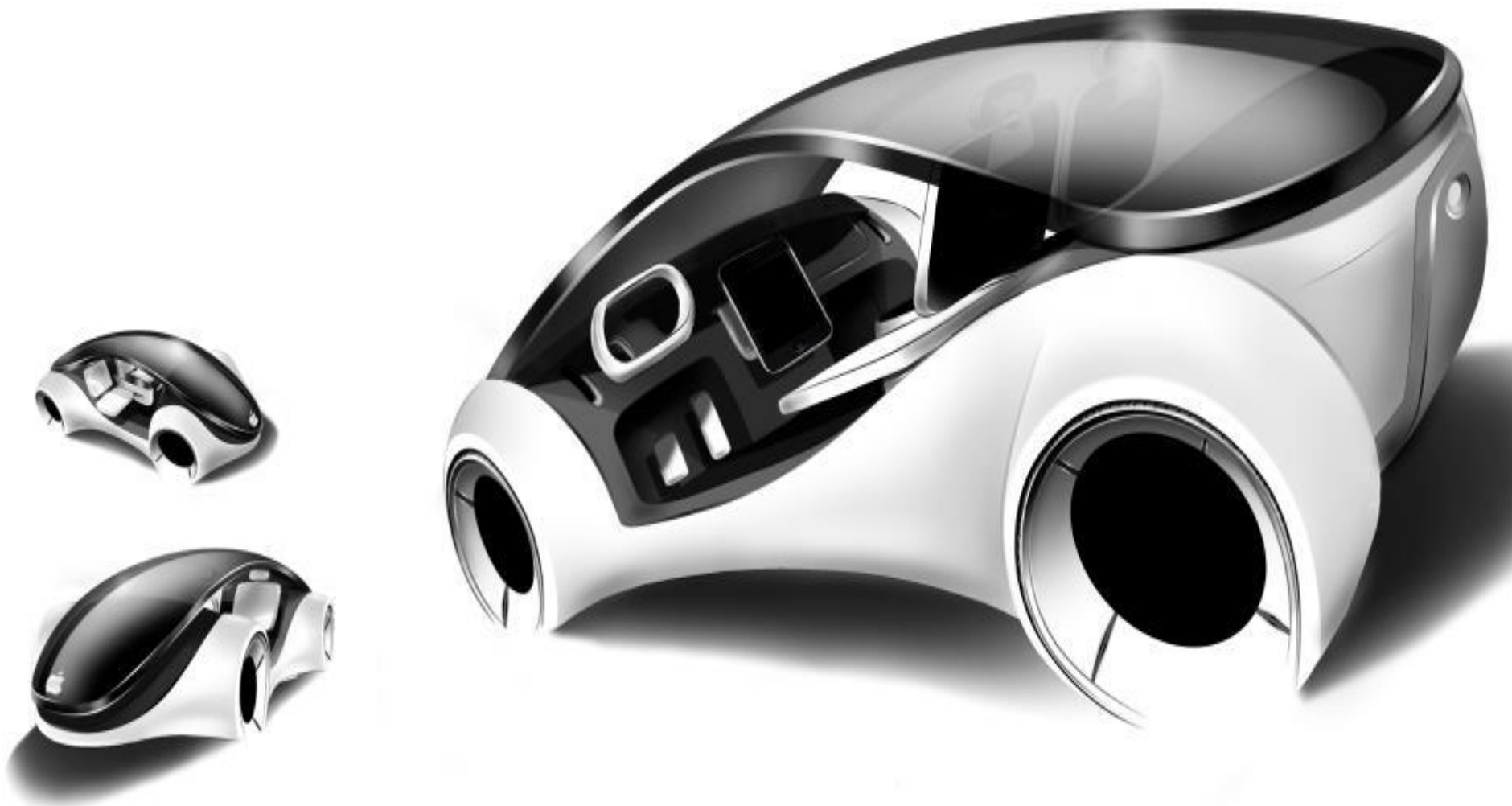
Shoppers Purchase Quickly

Doctors Rely on Medical Records

The **Digital Tomorrow** Is Here Today

- **Disruptive forces driving Digital Transformation**
- **Accelerate IT by evolving**
  - **Knowledge through Intelligence**
  - **Execution through Adaptability**
  - **Economics through Invisible Infrastructure**
- **z Systems can lead the transformation:**
  - **Six ideas for IT success**
- **z Systems – and what we do - impact lives**

Apple iCar