

Application decommissioning: the universal IT challenge

A survey of IT decision makers
in UK enterprises



Why do enterprises keep legacy applications on 'life support', and what is the impact?

IT systems regularly outlive their usefulness and are replaced by more modern or cost-effective alternatives. The historical data residing on older, 'legacy' applications often remains valuable, however, and may need to be accessed by enterprise users, for operational reasons, compliance, or business intelligence. As a result, legacy systems can end up on 'life support': kept running indefinitely on a read-only basis but no longer actively updated.

Failure to decommission old IT systems means that "most large organisations have application portfolios that are bloated, expensive and slow to change," according to Gartner¹.

This report documents the key findings of a survey commissioned by Macro 4 which asked 100 UK enterprise IT decision makers about the problems caused by obsolete legacy applications, and the challenges associated with retiring them.

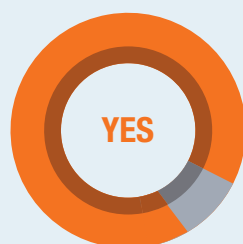
Application decommissioning: the universal IT challenge

An overwhelming majority of UK enterprises continue to keep old legacy applications running just to maintain access to the data, according to the survey of IT decision makers conducted by Macro 4.

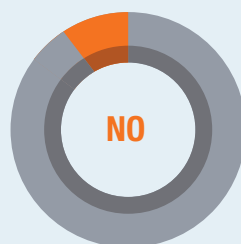
Q

Does your organisation have any old/legacy IT applications that are no longer updated with live data, but are kept running because the historical data is still useful?

(e.g. for compliance, operational reasons, or business intelligence)



89%



10%



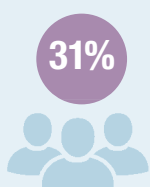
1%

The organisational impact of legacy IT

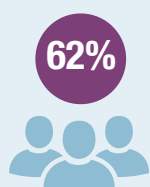
The IT decision makers in the survey acknowledged business problems caused by legacy applications in four key areas.

1. Hampering digital transformation

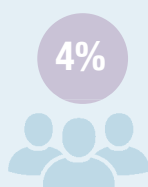
Supporting old/legacy applications just to keep hold of the historical data ties up IT resources that could be better employed on digital transformation or other strategic activities



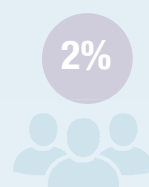
Strongly agree



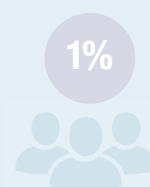
Somewhat agree



Somewhat disagree



Strongly disagree



Don't know

The IT team has finite resources and focusing them on supporting legacy systems means fewer are available for digital transformation. This is wasteful if the only reason for keeping the legacy systems alive is to provide access to historical data. 93 per cent of the survey sample recognised this issue.

Aging systems tend to consume disproportionately high levels of resources. Vendors regularly charge a premium for supporting old software and hardware, and internal support costs can also be higher if there are fewer people on the IT team with knowledge of the application, or with the legacy skills required to fix problems when they arise.

Old/legacy applications are often difficult to integrate with newer systems that may have been introduced as part of the organisation's digital transformation strategies



A related finding is that 90 per cent of survey respondents agreed that older systems are often difficult to integrate with newer digital applications introduced as part of digital transformation. This can result in a disconnect between the old and the new, the loss of access to important historical knowledge and a fragmented view of enterprise information.

2. Security vulnerabilities

Old/legacy applications running on older operating systems are more vulnerable to security threats



Security is a huge concern if data is residing on legacy systems. 87 per cent of the sample agreed (55 per cent agreed strongly) that older systems are more vulnerable to security threats. Certain vulnerabilities may not be easy, or indeed possible, to resolve on older systems, and any legacy fix or patch might be delayed because it is more difficult, and less of a priority, to create.

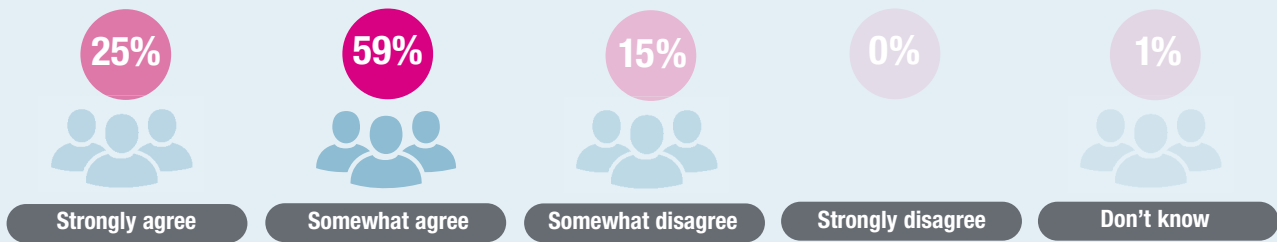
Old/legacy applications are rarely compatible with modern security mechanisms and authentication methods



Similarly, 82 per cent were aware that old or legacy systems are usually incompatible with modern security mechanisms and authentication methods. Typical examples include biometrics and multi-factor authentication.

3. Compliance problems

It is harder to accurately track and control access to sensitive data on old/legacy applications in line with today's stricter data privacy regulations such as the GDPR



84 per cent of IT decision makers acknowledged that if sensitive data is held on legacy systems it is harder to track and control access in line with data privacy rules. Stricter regulations such as the General Data Protection Regulation (GDPR) are putting the onus on enterprises to demonstrate good information governance and apply tighter access controls, encryption, data redaction, and data retention rules to safeguard customer information. These features may not be present in aging systems and could be difficult to incorporate.

4. Poor customer service

A lack of easy access to historical customer or operational data is a common reason for poor customer service



An important aspect of customer service is being able to access information quickly in order to answer customer enquiries promptly, and preferably in a single interaction. 62 per cent of those questioned in the survey cited not having easy access to historical data as a common reason for poor service.

It is often difficult for today's business users to work out how to retrieve historical data from old/legacy applications



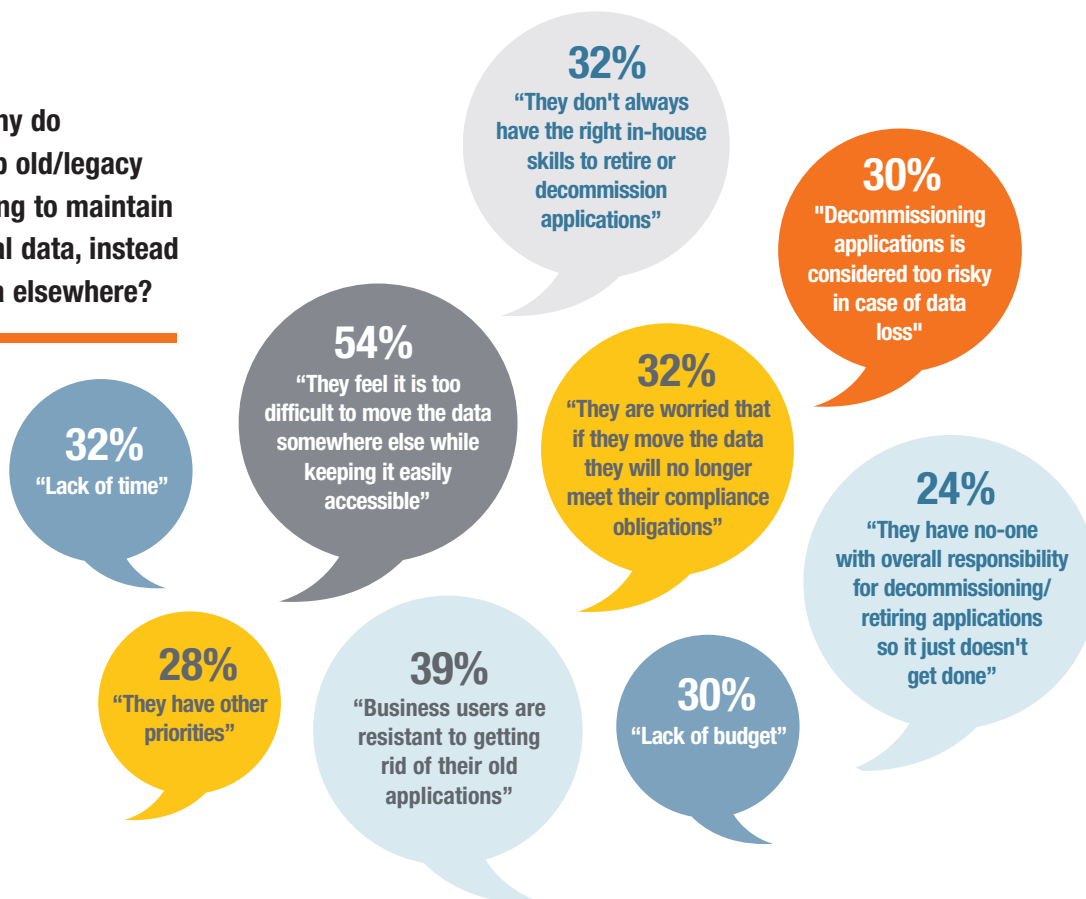
Keeping data on legacy systems exacerbates the data access problem because – according to 70 per cent of survey respondents – business users often find it harder to retrieve historical data from legacy applications. Users may not receive training on systems that are considered obsolete or are less frequently accessed, or old applications may be unfamiliar, or less user friendly.

What is holding back decommissioning?

Given the widespread acknowledgement of problems associated with legacy systems it is useful to explore the reasons why organisations nevertheless continue to hold on to them. The survey highlights a variety of reasons why organisations persist in keeping read-only legacy applications running rather than moving the data elsewhere so that they can be retired.

Q

In your opinion, why do organisations keep old/legacy applications running to maintain access to historical data, instead of moving the data elsewhere?



The perceived difficulties associated with moving historical data off legacy systems are the number one reason why organisations do not retire them, according to the IT decision makers in the survey sample. A lack of suitable in-house skills is another technical concern.

At the same time, business departments are sensitive about any attempt to remove their existing systems. There are worries about how compliance could be compromised if data is moved, and about the risk of data loss.

A quarter of respondents suggested that a lack of ownership is one reason why application decommissioning "just doesn't get done". This echoes Andy Kyte, VP and Gartner Fellow², who suggests that organisations should appoint an 'application undertaker' in order to make decommissioning happen.

When carrying out application decommissioning, enterprises must take account of these concerns and practical considerations by adopting a top-down approach focused on people and process. Technology should support the process but not drive it. Involving business stakeholders from the outset is key to the success of any decommissioning project as they know best how applications are being used and what data they need to keep. At the same time, following a rigorous process that includes key steps such as business requirements analysis, systems analysis and user acceptance testing is important to ensure that all enterprise needs for ongoing use of legacy data are met.

About the survey

Macro 4, a division of UNICOM® Global, commissioned an online survey of 100 IT decision makers within UK enterprises through research company Vanson Bourne. 50 per cent of the enterprises in the sample had between 1,000 and 2,999 employees and 50 per cent had over 3,000 employees. The organisations spanned the following sectors: financial services; business and professional services; retail; distribution and transport; manufacturing; IT; and other commercial sectors. The survey was conducted in May 2018.

More about legacy application decommissioning

A Macro 4 white paper, *Legacy application decommissioning: the practical alternative to legacy 'life support'*, can be found at **www.macro4.com/decommissioning-white-paper**.

About Macro 4 and decommissioning

Macro 4 follows a tried and tested process for decommissioning applications from any platform. Data is extracted from the legacy system and stored in a secure content repository that is easily accessible from a browser interface, mobile app and third-party applications. For business continuity, the data can be displayed in layouts that mimic the original application and look familiar to end users. Once the data has been safely removed, the original application is retired.

Macro 4's approach can be adopted for decommissioning any application, including in-house developed systems and packaged software such as SAP® and Oracle® enterprise resource planning (ERP) solutions. Data from multiple legacy applications can be brought together in a single, low-cost system for convenient access, viewing and analysis by business users throughout the enterprise.

Learn more at www.macro4.com/decommissioning

Tel: +44 1293 872000

Email: market@macro4.com

References

¹ Susan Moore, Director, Public Relations (Asia Pacific) at Gartner
www.gartner.com/smarterwithgartner/appoint-an-undertaker-to-decommission-applications

² www.gartner.com/webinar/3185640