# Teaching old systems new tricks:

How to unlock the value of legacy infrastructure

## Introduction: waste not, want not

Corporate Social Responsibility has emerged as a driving force for change in manufacturing and supply chain logistics. Indeed, the annual value of global sustainability business operations is estimated to rise to \$3-\$10 trillion by 2050. However, this new trend brings challenges as well as opportunities.

There's a growing imperative to cut waste and integrate environmentally sound decisions into manufacturing, supply-chain management and operations. Target-setting on materials usage, wastage, recycling, energy efficiency and other ethical requirements has been translated into product specifications. Organizations have to respond sustainably if they want to remain compliant and relevant.

In the coming years, increasing materials scarcity and global warming will also fuel greater consumer demands for sustainability. Manufacturers will come under immense pressure to deliver supply chain transparency and ensure their processes are environmentally responsible. To achieve greater sustainability, however, companies need to look beyond the materials they use and their supply chain. One area often overlooked is the vast IT estates of plants and production facilities.

In seeking out waste and efficiencies, it's worth re-examining your current IT infrastructure. Would upgrading to a new, more efficient system be the best option? Or would the environmental and financial risk of junking your old system and replacing it with a new one be too great?

Contrary to many trends pushing manufacturers to abandon their old platforms, holding on can often be the most sustainable and economic option. By extending the usability of existing systems that still perform most of what you need, you can sidestep the waste and immense cost of a rip and replace approach to IT infrastructure.

However, this isn't to promote a 'make do and mend' strategy. Organizations shouldn't simply remain on old systems because it may lessen their environmental impact. There is an opportunity to enjoy greater benefits, in terms of costs and operational efficiency, when they breathe new life into old systems – using the latest data logistics tools to unlock powerful siloed data.

#### Legacy systems: down but not out

The reality of any established organization is you will have an IT environment that is heavily fragmented. Valuable, mission-critical data will be found in various places, but it will often be isolated or on old systems and file formats that can no longer be read or processed. The data is effectively lost in the machine, valuable but untouchable.

There can be many reasons why an organization finds its data fragmented. New systems are added as organizations grow and requirements change, but often it results from a piecemeal approach to organizational data. Pressure from the lines of business wanting to have their data available straight away, forces IT teams to constantly fight fires and respond to requirements as they come in.

As a result, many manufacturers struggle to manage highly complex and fragmented IT systems, with various levels of integration spread across overlapping on-premises, cloud and multi-cloud environments.

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Smaller manufacturers also find themselves squeezed by new requirements from customers and partners. This can be anything as simple as demanding invoices be shared in the prescriptive format of a certain system, when the manufacturer has always done it through spreadsheets. More often than not, this is a capability their legacy system can't deliver.

When faced with this dilemma, the most sensible and environmentally-friendly option will often be to invest in a new system. Many legacy environments have grown into enormous cost centres for their business, <u>consuming 60-80% of IT budgets</u> on average just to keep them running. They're also usually run on old hardware that isn't energy efficient, adding to utility bills and the company's carbon footprint.

However, this shouldn't simply be the automatic response for all systems. When a legacy system still performs a valuable role for the organization, simply abandoning it isn't always sustainable or cost effective.

While we're so often conditioned to see legacy systems as a burden, they can hold immense value for an organization. Built up over the years through a process of iteration and evolution, they're often designed to meet a company's unique requirements. Ripping them out and replacing them with an entirely new system creates a lot of waste and may, counterintuitively, limit a manufacturer's capabilities. Some processes are extremely difficult if not impossible to recreate on a new system.

Most manufactures still run some of their most critical processes on the AS/400 system, which IBM introduced back in the 1980s. While many are seeking to reduce their dependence on one provider and migrate to the cloud, <u>39% of users still run 75-100%</u> of their workloads on IBM i and 20% even plan on increasing these workloads . Clearly, there's still some life and new value left in old systems.

#### Breathing new life into an old system

If a system does almost everything you need it to do, you shouldn't replace it for the sake of one or two new requirements. Instead, find a way to upscale your old systems, to make the data locked within them accessible again.

To make the most of legacy systems, you need to have a low-cost, efficient process for accessing and sharing old, siloed data with modern systems and in updated formats. Many organizations will attempt to do this manually, project by project, with staff spending hundreds of man hours typing thousands of lines of code just to transform information into a new format.

This comes at a great cost to the company, but there's also the ever-present danger of human error. An overstretched employee will make mistakes, and when that happens more time will need to be spent to correct those errors and check the rest of the work. Even worse, if mistakes aren't spotted in time you could be dealing with an unhappy client or, in some cases, a regulator.

It is often far better, and more sustainable, to abstract the process with a data logistics platform. This can automate the processes of data capture, orchestration and transformation, allowing staff to spend their time more usefully elsewhere. HULFT Integrate is one example of a comprehensive, high-speed data integration platform that eliminates IT heavy lifting and human error. It automates and streamlines the process for capturing legacy data and converts it into a useable format for the destination system. The platform is also securely compatible with all major data destinations through a simple, intuitive visual interface.

It works by drilling down into individual data fields and transforming them into a different structure. This is done through the use of 'connectors' – pieces of logic that allow the platform to read, write and transform data on a given system. Once the data has been captured using the integrated connectors, it is then transformed into the required format of the destination system during the transfer process.

The process can be performed automatically by the system through a series of triggers that can allow the process to be fully automated - freeing up your employees for more important tasks. Where needed, however, the execution can also be performed manually for added control and customization. Drag and drop functionality makes this process quick and painless for users.

#### The fruits of efficiency

When you use a data logistics platform to integrate disparate systems, you open up a new world of unappreciated value. Data that was once seemingly inaccessible is now useable, providing more insight to make better business decisions.

You also enjoy greatly augmented workflow efficiency, with programmes that work much faster than employees and without the danger of human error. You can service client and partner demands much faster and with a greatly reduced risk of failure. As a result, your data teams will be freed up to focus on more strategic and high-value work. This means happier customers and more efficient, productive staff.

Above all, when you extend the usability of a legacy system you avoid the great cost, unnecessary risk and inevitable waste of a full systems replacement. Instead of investing in a complete systems overhaul, you only need to contend with a one-off data integration project. You also gain greater insight into opportunities for sustainability.

With your data logistics platform acting as a central hub for all organizational data, you have unprecedented insight into operations. With all the data in front of you, you can analyse what areas could benefit from waste reduction and efficiencies. It enables you to spot areas of high energy usage and the over-production of products. You can then intervene to make efficiencies, saving money on wasted output and lessening your organisation's environmental impact.

Upcycling your legacy data infrastructure allows you to have your cake and eat it. It increases system longevity and boosts its ROI significantly. You can maintain your customised processes and procedures, while also being able to keep pace with new requirements from clients and partners.

## HULFT Integrate boosts agility and efficiency by connecting legacy systems

The customer in this case study is an internationally recognized copier leasing and financial services company. It selected HULFT Integrate to achieve its systemization requirements by making the most of its existing IT assets. Working with HULFT, the customer was able to quickly and efficiently create new applications, shortening development cycles and lowering costs in the process.

Established in the 1970s, the company had through the years built up a multitude of disconnected legacy systems. Having recently made a large technological investment, the company was looking to further enhance its systems by consolidating its data and improving processes.

Its core system had been built on Lotus Notes - which was used across the entire company. To overcome potential silos, it needed to integrate this with other systems, including sales force automation (SFA) tools and Access. A strategy that would support both its current and future business processes. Conventional development methods had previously proven too expensive and generated poor ROI. Scratch development would take over 14 man-hours a month - using HULFT Integrate however, the organization could reduce this to just over three hours a month.

Following the introduction of HULFT Integrate, the organization was able to quickly implement six new systems. One of these was created to automatically retrieve past contract information by receiving a request on Lotus Notes. Previously, it had taken around three days to extract data transferred from the backend system to a backup tape. Using HULFT Integrate however, it was able to automate the process.

HULFT Integrate has expanded the depth and breadth of the projects the organization can undertake. Its ability to integrate and systemise is improving both operational efficiency and business processes. As a result, the company can remain agile and develop at the speed demanded by the market.

# Conclusion: reuse, revamp, upcycle

No legacy system lasts forever. A system built for operations 20 years ago may no longer provide you everything you need to remain agile in today's digitised marketplace. However, the decision to replace must be made carefully and only when a strong business case can be found.

If a legacy system provides 95% of the capabilities you need, don't feel the pressure to rip out and replace. Instead seek to augment and update. Old infrastructure can be a treasure trove of untapped business value – in the first instance, seek out solutions and platforms that allow you to access and make the most of it.

Upcycling your data architecture can help manufactures and supply chain organizations reduce waste of all kinds and improve their environmental footprint. It can empower you to clean up both your operations and your reputation for sustainability. There are substantial business benefits as well when upcycling your legacy infrastructure. In today's constantly-moving, alwaysconnected business environment, manufacturers have no time to waste. They need applications today that integrate data sources and digitise documents that shorten process workflows and improve customer satisfaction. Yet you can achieve this without leaping into the uncertainty of a full systems replacement.

Refreshing a legacy system extends its longevity far into the future, turning it from a burden into an asset again. With an automated approach to data transfer and integration, it's possible to teach and old system new tricks.

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