

# Supporting Legacy Applications Cost Efficiently Without Risk: Choosing the Right Mainframe Service Provider

## Introduction

If legacy Mainframe operations and support represents a critical role in running your business, and you are looking for alternatives, the following information will help.

The best-of-breed practices in evaluating a Service Provider to maintain your legacy applications has been developed from a long history of experience and deep technical expertise, as we attain our goal of acting as an extension of each clients' IT department.

This Whitepaper is separated into five areas of concentration, plus **OUR OFFER** to you:

1. Defining the Roadmap
2. Evaluation Criteria for Vendor Selection
3. Establishing Service Level Guidelines
4. Guaranteeing a Seamless Transition
5. Doing Your Due Diligence

Of critical importance is that you select the Service Provider who has a proven track record, across the board – with no surprises – so let us know how soon we can help.



*“Our goal is helping you achieve ongoing success. We are proud of our reputation in good standing within the industry, and that we have never lost a client due to poor service or high costs, while we consistently earn 100% client satisfaction.”* John M. Lalli, Chief Operating Officer

## 1. Defining the Roadmap

To begin, it is important to plan how you will continue to maintain your critical mainframe legacy applications, with supporting, maintaining, and managing both the infrastructure side and the applications responsibilities.

Along with the ongoing risks of a retiring support staff, it is also necessary to deliver cost effectiveness in maintaining these applications.


And, most importantly, most businesses are demanding better applications to target more customer growth, with these applications being developed quickly to run in a Cloud environment.

In order to utilize your present technical team most effectively, and attain cost efficiencies, selecting a Service Provider for this legacy maintenance and support is critical (we use importance 3x). importance. Timing is a critical element – it is not only how long will it take to transition to a new provider -- but successful transitions also shouldn't take more than 60-90 days to implement. Timing is also about selecting a timeframe that accommodates your business cycles.

Determining an overall timeline:

- Does your business require shutdowns at various times during the year (i.e., retail/holiday season, higher education/registration periods, etc.)?
- Do your hardware and software contracts have to be renewed at a certain time, and for how long? And are the vendors offering you cost efficiencies?
- Are key members of your technical support team due to retire?
- Is there a pending move to a different location in a specific time frame?
- Are you being forced to upgrade to the latest hardware/software versions?

Consider the full scope of the project, including each stage, and the flexibility the Service Provider will give you to align with your business needs.

A dark blue rectangular box with a white border and a drop shadow, containing a testimonial in white italicized text.

*“Blue Hill saved us hundreds of thousands of dollars by not forcing us to upgrade. No other Provider would give us this flexibility.”* IT Director of a leading Marine Company

## 2. Evaluation Criteria for Vendor Selection

Evaluation Criteria will vary depending upon the scope, value, and complexity of your processing environment. For example, a client wishing to outsource data center services in the United States, because of security reasons, language problems, high turnover with foreign support, etc., will have different criteria than a client without the need to stay On-Shore.

Evaluation categories include planning, as well as location, applications, management, size, scope, customer satisfaction, and technical experience and expertise.

- Is your system running on back-leveled software, and if so, would you like to continue to run this way to potentially reduce costs?
- If you are forced to upgrade and change the way you are used to operating, how will this be addressed so there is little impact on the delivery timeline, cost projections, and overall success of the engagement?
- Or must your system always run on the latest software versions?
- What costs are in-scope vs out-of-scope, to prevent “scope creep” and additional unforeseen costs?
- What are the anticipated additional charge items, especially for Change Orders once the contract is executed?
- What is the transition methodology used, mitigation contingencies, and communication plan?
- How much time is required for the applications to be tested in the new environment?
- Will there be enough flexibility in the planning and in the delivery of services, so we are not ‘nickel-and-dimed’ as necessary enhancements are made?
- Will additional Change Orders result in unanticipated higher charges?
- Can the Service Provider confirm a proven migration methodology and communication plan?

A big concern management often has is that a transition and migration to a Mainframe Service Provider may just be too risky. This perceived risk can cause a negative impact to the business, especially because of the criticality of the data being moved. Also, there is a fear these systems being run somewhere else may not provide the same level of service to the end user community.

Reference calls with the Service Providers’ existing clients are mandatory and will confirm the level of experience and the efficiency of the transition and migration. Ask for a list of all of the clients, not just the top clients but all the clients, in order to get a true perspective of the type of delivery you can experience during the transition, and then over the time of the engagement.

Look for a Service Provider who has successfully delivered these same services to other clients with similar needs; one who can meaningfully articulate the plan to senior levels of management; and one with a tried-and-true transition and migration strategy and a proven communication methodology. A detailed project plan and descriptive communications process will enable all parties to understand what tasks are expected in what designated timeframe, so there are no surprises.

A detailed analysis of applications includes the distinction between “critical” and “non- critical.”

- Ensure that enough time is taken to identify and understand the key issues and ensure that all services interoperate seamlessly and reliably.
- To minimize the potential for problems, there must be a granular definition of roles and responsibilities.

- To create transparency, detailed information to include who is involved in service delivery throughout the transition process, what roles are required from both the Service Provider and the customer, for both the migration process, and ongoing support.
- The most seamless migration is one in which the team that is transitioning and migrating the workloads, is the same team who is running the systems moving forward.
- The most sought-after Service Provider is one with existing client relationships, high levels of client satisfaction, and deep experience transitioning and migrating complex legacy systems. There should be little effort on the part of the client to maintain excellence and introduce efficiencies.

“The most important factor for a successful transition is communicating constantly. Communicate, communicate, communicate. Communication can take the form of formal corporate meetings, clearly documenting the purpose and business goals of the migration, ad hoc mailings with project updates, weekly status updates using an online portal...with a consistency to ensure there is clear communication and follow through.” Tom Laudati, Chief Technology Officer, Blue Hill Data Services®

### 3. Establishing Service Level Guidelines

Often, if this is the first time you have engaged outside help for supporting your data center environment, you will need to establish Service Levels to meet the individual needs of each business unit within their company.

Factors for evaluating the Service Provider’s capabilities to deliver service include:

- Confirming where services are being delivered from, by whom, and for what cost: clients embarking on an outsourcing engagement often have no prior experience with outsourcing, and need to build up trust to ensure that the Service Provider will act on their behalf at all times as if they were an extension of the company’s data center team.
- Is it necessary to have all services delivered from On-Shore USA? Will language barriers result in poor follow-through, resulting in slower turnaround?
- Is 24/7/365 fully staffed and on-premises a requirement?
- Are services provided by the Service Provider’s employees, or by consultants, using NEC and H-1B’s?
- Does the Service Provider have the appropriate technical and security credentials required to run your mission-critical systems?
- What security measures are taken to ensure you will be running in a secure environment?
- What security audits are completed (SOC1 TYPE2 and SOC2 TYPE2 {SSAE 18}, PCI-DSS Data Center Security), and how often?

- Are background checks completed on a regular basis to ensure the people supporting your environment can be trusted?
- Will there be Change Orders once the contract is executed? Or will you be “nickel-and-dimed” for every request, whether it is minor or major?
- How flexible is the working arrangement? Does everything have to be in writing, or can requests be taken over the phone?
- What is the process for understanding the operational output of requests and problem solving?

To guarantee success in meeting the expectations of the business units, SLAs (Service Level Agreements) become a big factor within the engagement.

- The Service Provider must possess the right skills, resources, and experience to help reduce the uncertainty, worry, and fear of losing control that you may initially have.
- Look for a designation of responsibilities for each service level.
- Confirm clear reporting structures for incident management and escalation procedures.
- Determine if there is a communication methodology to ensure metrics are being met and reported on a daily, weekly, monthly, and quarterly basis, dependent on the management level reviewing this reporting.

#### **4. Guaranteeing a Seamless Transition**

How do you ensure the Service Provider you select will deliver a seamless transition, one that you begin reaping the benefits on Day 1 after the migration?

We’ve all heard the horror stories from clients who selected a Service Provider with the expectation of migrating over in an acceptable timeframe, only to learn that months after the migration there remained details with end users needing to be worked out.

One of the key areas to look for is whether the Service Provider requires that your environment to be upgraded to the latest hardware and software levels –as well as switching software products that will change the way your end users are used to working.

Larger Service Providers often require that the client change to a prescribed way of operating, which means your end user community will be forced to do things very differently from the way they were used to running.

We have found that there is much less risk and a smoother transition if you are not forced to change how you are used to running your business systems, because people don’t have to learn new ways of doing things. The transition and migration process is most successful when no changes are introduced. Run as is, and then improve over time. This results in a smoother transition because processes are remaining the same through the migration period.

“With Blue Hill, I experienced the smoothest transition I have seen in my career – and a large part of this came from the intensive planning conducted by Blue Hill (backed by their experience). Execution of migration was flawless, and we actually ran ahead of schedule. Our business team was running on our new Blue Hill environment on Monday morning – and never saw any problem or impact - we were stable from day one.”

Automotive Manufacturer

## 5. Doing Your Due Diligence

Ask to see a full copy of the Service Providers’ client list, by size of environment, and then select those clients as references. As part of the reference checking process, ask about planning process and execution during the transition, and how effective the communications were.

Additionally, talk to industry analysts to ensure that the Service Provider will deliver on time and on budget, and that their experience and technical expertise is solid.

In a nutshell, the most important factor in selecting a Service Provider to maintain your business critical mainframe systems is to understand the relationship the Service Provider has with all of their clients.

## Our Offer to You

Schedule an appointment today to speak directly with our Chief Technology Officer, who will take the time to understand your environment, for both infrastructure and applications support, to include:

- Hardware and software commitments
- Network and security requirements
- Staffing and support
- Disaster Recovery and Business Continuity
- Risks associated with current operating practices
- Contractual obligations
- Business goals
- Timing

## Our Commitment to You

For commercial and government clients invested in business-critical Mainframe systems who need to reduce and find more predictability in operating costs needed to maintain their environments, while also de-risking the realities of retiring workforce, Blue Hill Data Services® offers proven mainframe stewardship and modernization via personalized solutions and action plans designed to impact short-term needs and build more transparency into long-term planning. For our clients, this means greater flexibility in both contracts and solutions, service levels that are equal-to-or-better-than what they currently have, and significantly increased confidence that their mainframe environments are cost-optimized and operationally healthy for as long as they need them to be.