

OPINION PIECE

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True digital disruption requires a leap of faith into the Cloud

By Collin Govender, VP Systems Integration at T-Systems South Africa

- Large organisations spend approximately 80% of their IT budgets on maintenance and support of existing systems
 - This leaves just 20% left for responding to the digital transformation requirements of business
 - The Cloud is one of the key enablers to address this by reducing TCO to have resources available to execute – but migration is complex and requires close partnerships with experienced Cloud experts
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Many large organisations are constrained with vast and complex IT systems, steadily built up over the years, that now threaten to drown the company as it desperately tries to compete with more agile disruptors.

Technology was supposed to make our lives, and our businesses, simpler. But it seems that over the past couple of decades, exactly the opposite has happened.

Gartner's research indicates that of the trillions of dollars spent annually on enterprise IT around the world, a staggering 80% is spent on system maintenance*.

It says IT backlogs are compounding annually at 10-20% – meaning that more and more of your organisation's IT budget is devoted to simply maintaining legacy systems.

Complex IT landscapes are proving to be increasingly unstable and inflexible in the modern digital economy. The common tension in many large organisations is that business is demanding rapid transformation, while IT is expected to respond – with just

20% of resources that are left over after the 'keeping the lights on' tasks are completed.

Fortunately, there is a silver lining to all of this. Fittingly, this glimmering chink of light is to be found in the Cloud.

Cloud services promise to dramatically simplify the world of enterprise technology. By handing over large chunks of the 'run the business' (aka Mode 1) systems to managed Cloud providers, the theory is that your organisation can devote increasing resources to Mode 2 – innovating, exploring and transforming your users' digital experiences.

But to truly leverage the power of Cloud Computing, we need to go beyond simply migrating legacy systems to hosted Cloud environments. In order to truly disrupt your business, you need to capitalise on those new opportunities presented by Mobility, the Internet of Things, and Big Data.

Mobility

Our love-affair with mobile technology is certainly not waning. The Cloud becomes pivotal in extending enterprise services to customers via easy-to-use mobile apps. In the same vein, staff need to be given a set of digital tools that enable teams to collaborate easily and work flexibly and remotely – increasing productivity.

Internet of Things

Embedded sensors and actuators are starting to appear in everything from forklifts on production plants, to the T-Shirts in our wardrobes. Every business sector is finding new ways to magically transform simple objects into 'smart devices'. With data being continually streamed from these devices, the Cloud is the only way of collecting and analysing these data streams.

Big Data

As we make the transition to digital business, detailed insights from our customers and users can be captured and fed into advanced modelling tools in the Cloud. Business leaders are empowered with rich insights into the organisation's operations, and into its customers' experiences.



While it all sounds great on paper, taking advantage of Cloud Computing is certainly not simple.

CIOs have to navigate through a maze of challenges – not just in the technology itself, but also in shifting the culture, raising the ‘digital quotient’ of staff, and completely rethinking everything including policies around IT security, compliance and governance.

Taking the leap of faith into the Cloud requires deep consultation with an experienced IT partner, beginning with a series of assessments. From there, you can start plotting your Cloud roadmap to migrate existing services and design new ones.

Look for an IT partner that has a strong-track record with Cloud-based digital transformations, deep knowledge about your business sector, as well as a commitment to cost-transparency.

And, perhaps most importantly, your partner needs to be driven by the desire to deliver true business value and transformation. It’s only by demonstrating the results of your Cloud journey that you’ll be able to justify continued investments in the Cloud.

Ideally, the business value becomes starkly obvious to your organisation’s leadership – creating a virtuous effect where Cloud migration efforts are intensified and transformation picks up increasing momentum.

*<http://www.gartner.com/newsroom/id/497088>

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About Deutsche Telekom



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About T-Systems

Deutsche Telekom considers the European business customer segment a strategic growth area. Deutsche Telekom offers small, medium-sized and multinational companies ICT solutions for an increasingly complex digital world. In addition to services from the cloud, the range of services is centred around M2M and security solutions, complementary mobile communications and fixed network products, and solutions for virtual collaboration and IT platforms, all of which forms the basis for our customers' digital business models.

With approximately 47,800 employees worldwide, T-Systems generated revenue of around EUR 8,6 billion in the 2014 financial year.

Since the inception of T-Systems in South Africa in 1997, the company has cemented its position as one of the most successful T-Systems companies outside of Europe. A leading ICT outsourcing service provider locally, T-Systems offers end-to-end ICT solutions in both the ICT Operations and Systems Integration markets. Their extensive portfolio of services covers the vertical, horizontal, IT and TC space. T-Systems South Africa's head office is located in Midrand with another major office in Cape Town, and 20 further representative offices in locations throughout southern Africa.