

# Mainframe modernization yields \$10M savings and 50% increased capacity

## CLIENT

Established almost 115 years ago, this financial services business is now one of the most respected institutions in the United States. With a staff count of more than 10,000, and offices throughout the country, the company specializes in insurance, annuities, financial and retirement planning.

## CHALLENGE

Today's large financial services organizations face diverse IT challenges. Handling vast quantities of confidential corporate and customer data, requires ongoing investment in robust cybersecurity measures, constant surveillance and security testing.

Digital technology is providing endless opportunities to enhance customer services and choice – and enabling employees to work more flexibly, to reduce time spent on administrative tasks and to focus on higher value activities, such as sales, marketing and new product development.

For financial services organizations with reputations for reliability, solidity and good judgement, IT infrastructure and systems must operate smoothly and consistently. Performance and availability must be maintained for all users, internally and externally – achieved as cost effectively as possible.

Ensono's client was suffering from a lack of mainframe processing capacity which meant that during essential overnight batch runs, key systems slowed down and users were denied access to important applications.

However, while embracing many of the opportunities for innovation presented by the digital revolution, the business wished to maintain the majority of its IT workflows within its proven mainframe environment.

With a large and dispersed user community and increasing demands for speed and flexibility from its IT infrastructure, the company decided to review its mainframe services support contract. Its goals were to ensure ongoing performance improvements from its existing platform and systems, and to explore options for the transformation of its infrastructure and ways of working.

## HIGHLIGHTS

### CLIENT

US-based financial institution

### CHALLENGE

Maintain a reliable and secure mainframe environment and consider how best to embrace the digital revolution.

### MARKET CHALLENGE

Financial services institutions must operate within tough legal, regulatory and security frameworks. At the same time, digital technology is transforming customer expectations.

### SOLUTION

Mainframe modernization

### RESULTS

- \$10M combined savings over three years
- 50% increased capacity that reduced nightly batch processing from 10 to 2 hours allowing more time for income generating activities
- Modernized environment that is reliable and compatible with future cloud initiatives

## SOLUTION

Ensono was appointed as the organization's mainframe services support partner, with its portfolio of mainframe, cloud and services expertise, and ability to accelerate transformation in order to optimize performance and cost efficiencies.

After gaining a deep understanding of its client's existing workflows, working practices and interdependencies – and listening to its aspirations for the future – Ensono took a series of steps to deliver important and short-to-medium term incremental improvements, while preparing the ground for a more long-term modernization program.

First, with members of its internal IT team nearing retirement, Ensono's client was concerned about a potential mainframe skill shortage impacting on its existing infrastructure. So, it was agreed that 34 members of the client's inhouse team would be transferred into Ensono's own organization, to enable a mutually beneficial process of skill sharing and support, and ensure security of employment for those transferred.

Then Ensono identified that it could deliver significant cost savings on both system level and application software spend. Finally, it found an economical solution to increase capacity within the client's existing environment by almost 50%, solving a problem that had been causing a significant slowdown in the nightly batch processing cycle, producing major, negative, knock-on consequences throughout the client's user community.

## RESULTS

Welcoming members of the client's IT team into the Ensono family ensured that unique expertise, gained over decades of loyal service, was identified, captured and valued. After taking over an existing contract for system level software, Ensono estimates that it will save \$7 million, or 23% of its previous spend, over a three-year period. Over the same time frame a further \$2.5 million or \$65,000 a month, will be saved on application software costs.

Finally, Ensono negotiated an attractive deal to substantially increase, by almost 50%, the capacity of the client's mainframe environment, reducing nightly batch processing times from nine to ten hours to just two to three hours. The impact was significant, greatly extending the availability of business-critical assets for employees to be fully productive, improving customer service and enabling more time for income generation activities.

The effect of these successes was to build a level of trust and confidence in Ensono's technical and commercial expertise, and to free up significant resources to be reinvested in further mainframe modernization programs in the years to come, to extend its capabilities, to increase connectivity and to build compatibility with the cloud to capitalize on the latest technological innovations.