Responding to constant change

An analysis of top IT trends and priorities for 2019

Organizations face changing customer demand, competition, and technology. Increasing innovation, simplicity, and speed are top priorities for organizations that want to adapt for success.

Red Hat® Enterprise Linux® 8 gives you a secure and consistent foundation that helps your organization adapt to current and future change.

Introduction

You encounter change in nearly every aspect of your business today. Your customers demand an ongoing stream of compelling new services, features, and experiences. You face growing competition from existing rivals, new market entrants, and adjacent market sectors. Finally, the technology your business relies on is advancing at an increasingly rapid pace.

As a result, many organizations are using digital capabilities and technologies to create new business models, products, and services. In fact, 88% of organizations are now building digital experiences.[1]

To better understand the ways organizations are leading and responding to change, Red Hat surveyed 1,052 customers about their plans and priorities for 2019. This paper reviews the results regarding drivers for change, funding priorities, and challenges to success.

Drivers for organizational change

While nearly every aspect of business is changing, some factors have a greater effect on organizations than others. Innovation, simplicity, and speed are top drivers for change in 2019.

Innovation

Many businesses face increased competition from both known and emerging sources. Organizations must deliver innovative services and technologies to differentiate themselves from competitors and help internal users become more productive, efficient, and inventive. Accordingly, 31% of survey participants cited innovation as their top priority for adapting to change in 2019.[1]

Simplicity

IT infrastructure complexity tends to increase over time, as additional technologies are added to existing investments. This can present management, security, and delivery challenges for many IT teams. Simplicity is key and 17% of survey respondents cite making IT easier as their leading driver for transformation.[1]

Speed

As competitive pressures increase, the time frame for many market opportunities decreases. To protect their market share and gain customers, organizations must be the first to respond to changing demand. Consequently, speed is the primary concern for 16% of survey participants.[1]

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1 Global IT Trends & Priorities Research, November 2018, Qualtrics and Red Hat.

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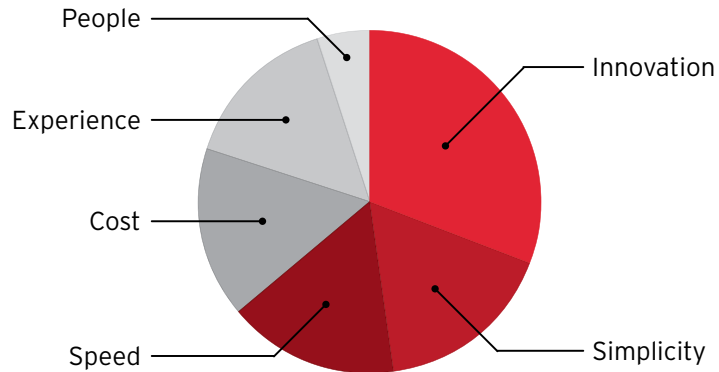
TOP DRIVERS FOR ORGANIZATIONAL CHANGE

Figure 1. Top drivers for organizational change according to the global IT trends and priorities research conducted in November 2018 by Qualtrics and Red Hat

With advanced development tools and technologies, a consistent container architecture, and leading performance, Red Hat Enterprise Linux 8 aligns with the top priorities for organizational change.

Cost

While 48% of IT leaders expect their budgets to increase over the next 21 months, IT teams still need to balance spending to maximize return on existing investments while delivering more innovation and services.[2] As a consequence, reducing costs remains a top priority for 16% of survey respondents.[1]

Experience

User experience quality can be the difference between a successful and failed product. In a digital world, internal and external users expect high-performing, seamless, and intuitive interfaces and experiences. If users have a poor experience with a product, they quickly look for an alternative that meets their needs. As a result, experience is the most important initiative for 15% of survey respondents.[1]

People

People form the core of every organization. As technological change accelerates, IT staff must keep their skills up to date to deliver the most business value. To facilitate this, organizations need to promote a culture of learning and provide ongoing training for their staff. Correspondingly, 5% of survey respondents cite people as their primary focus in 2019.[1]

Funding priorities

To achieve their goals, organizations are shifting funding from existing IT infrastructure to new IT innovation. In fact, investment in new IT innovation is expected to grow from 43% to 55% of overall IT budgets over the next two years.[1] 63% of organizations are investing considerably in new technolo-gies and 58% in IT and business processes.[1]

This shift requires optimization of existing IT infrastructure to ensure ongoing, reliable support for business operations. Desired outcomes for IT optimization include improved IT efficiencies, reduced costs, greater IT agility, faster service delivery, and an improved security profile.[1] Accordingly, top IT funding priorities for 2019 include security, cloud infrastructure, and enterprise integration.

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2 Harvey Nash and KPMG, "CIO Survey 2018: The transformational CIO," 2018.
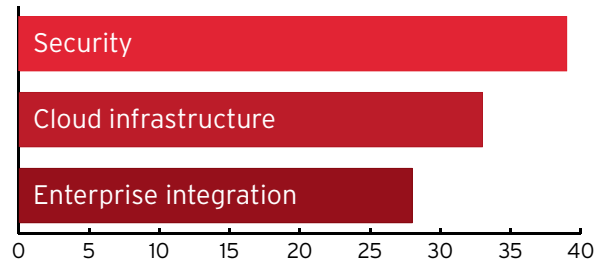
FUNDING PRIORITIES

Figure 2. Top funding priorities according to the global IT trends and priorities research conducted in November 2018 by Qualtrics and Red Hat

Red Hat Enterprise Linux 8 provides the security technologies, cloud infrastructure foundation, and consistent integration organizations need to adapt to change.

Security

Security continues to be a leading concern across organization type, size, and industry. Organizations face an increasing number of threats from more sources, and breaches can have significant negative impacts on business. In fact, 33% of CIOs report that their organization has been subjected to a major cyber attack in the last two years.[2] In particular, cloud security, data privacy, and security detection and monitoring are principal funding priorities for survey respondents.[1]

Cloud infrastructure

Cloud technologies have reached maturity. In response, leading organizations are adopting cloud infrastructure to take advantage of increased flexibility, cost-efficiency, and innovation. Cloud infrastructure funding for 2019 focuses on cloud security, application migration to cloud environments, and cloud strategy development.[1]

Enterprise integration

Over time, IT landscapes often become disconnected and complicated. Connected, integrated environments can be more efficient and secure while providing better visibility and business outcomes. Data, Software-as-a-Service (SaaS) applications, hybrid cloud resources, and Internet of Things (IoT) devices are the highest enterprise integration funding priorities.[1]

Adaptation challenges

Even with funding prioritized and allocated, many organizations experience challenges when adapting to change.

IT talent and skills gaps

New technologies can help organizations succeed in a digital world, but IT staff must be able to implement, operate, and manage them effectively to derive business benefits. 65% of chief information officers (CIOs) report skills shortages in their organization and believe these shortages are hampering their IT strategies.[2] Key missing skills include technical architecture, security and resilience, and enterprise architecture.
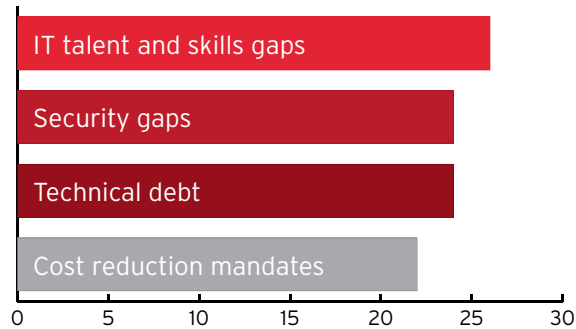
ADAPTATION CHALLENGES

Figure 3. Top adaptation challenges according to the global IT trends and priorities research conducted in November 2018 by Qualtrics and Red Hat

Red Hat Enterprise Linux 8 provides the security technologies, cloud infrastructure foundation, and consistent integration organizations need to adapt to change.

Security

Securing data, applications, and infrastructure is critical as the number and sources of threats increases. However, complex, disconnected infrastructure makes it difficult to quickly identify potential threats and consistently apply security policies across your environment.

Technical debt

Over time, budget- and resource-constrained IT organizations accumulate technical debt by implementing fast, easier, one-off solutions rather than more intense, comprehensive changes. This results in a variety of disconnected systems that make implementing large-scale change very challenging, with a greater amount of work and rework needed. As a result, upgrading and migrating to current software versions are primary concerns for 39% of survey participants.[1]

Cost reduction mandates

More than half of IT organizations still face even or decreasing budgets, and 22% cite cost reduction mandates as a top challenge to adapting to change.[1] Optimization of existing IT infrastructure and operations is essential to free budget and resources for new innovation and strategic initiatives.

An agile, security-focused, open source IT foundation like Red Hat Enterprise Linux 8 can help you overcome these challenges. Flexible, enterprise-ready infrastructure give you the flexibility you need to adapt to constant change. Open source platforms let your staff use their current skills while exposing them to the latest technologies and methodologies. Consistency across environments allows you to gain visibility and apply policies across all workloads and resources.

Adapt to change with Red Hat Enterprise Linux 8

Red Hat Enterprise Linux 8 gives you a security-focused and consistent foundation for hybrid cloud deployments, as well as tools to deliver services and workloads faster and with less effort. By giving you more control, confidence, and freedom to innovate, Red Hat Enterprise Linux 8 reduces the friction and cost of cloud deployment while accelerating time to market for critical business workloads.

The features and support included in your Red Hat Enterprise Linux 8 subscription align closely with top motivations for change and funding priorities while helping you to overcome the challenges associated with change and modernization.

Alignment with drivers for organizational change

Innovation

With thousands of certified hardware, software, and cloud providers, Red Hat Enterprise Linux is a consistent foundation for innovation, offering the latest stable development tools, container technologies, hardware, and cloud advancements, as well as support for the broader Red Hat portfolio.

Simplicity

Red Hat Enterprise Linux gives you the freedom to design, build, and deploy infrastructure and applications across physical, virtual, and private and public cloud architectures.

Speed

As a performance market leader, Red Hat Enterprise Linux is ready to run your toughest workloads across diverse areas like computational scalability, application performance, database throughput, and demanding storage requirements. It also provides built-in manageability and integration with the broader Red Hat management and automation portfolio to support rapid deployment and provisioning to meet business needs.

Alignment with funding priorities

Security

A more secure datacenter begins with the operating system. Red Hat Enterprise Linux provides security technologies, controls, certifications, and the ongoing support of the Red Hat Product Security team to protect your data and business. Mandatory access controls and application isolation in secure containers help you combat intrusions and meet regulatory compliance.

Cloud infrastructure

Red Hat Enterprise Linux provides a consistent foundation for your hybrid cloud infrastructure and emerging workloads like machine learning. Workloads and applications run the same regardless of the underlying infrastructure, easing cloud adoption and migration.

Enterprise integration

As a consistent, flexible, and reliable foundation across bare-metal, virtual, and cloud infrastructure, Red Hat Enterprise Linux 8 helps to integrate your operations and resolve the tension between development agility and production stability for modern, cloud-native enterprise applications.

Removal of adaptation challenges

Skills gaps

Red Hat Enterprise Linux lets your staff continue to use many of their existing skills. Red Hat also provides hands-on training and practical certification to help your team learn new skills and become more productive.

Security

Built-in security features help you proactively protect your Red Hat Enterprise Linux environment. Your Red Hat Enterprise Linux subscription also gives you continuous vulnerability monitoring with rapid security updates when critical issues arise.

Technical debt

Red Hat Enterprise Linux works with your existing infrastructure investments so you can migrate workloads and applications at your own pace. A seamless, nondisruptive migration process for existing Red Hat Enterprise Linux deployments lets you upgrade more easily to take advantage of the latest innovation.

Costs

Red Hat's subscription pricing model lets you shift high capital expenses to predictable, ongoing operational expenses. Flexible purchasing lets you scale and migrate according to your needs.
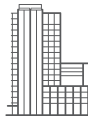
Conclusion

IT organizations face changing roles, technologies, and business demands. Most are responding by implementing new technologies that provide more innovation, flexibility, and speed while optimizing existing IT investments. Through control, confidence, and freedom, Red Hat Enterprise Linux 8 helps you build an adaptable, consistent, and security-focused foundation to streamline cloud adoption, integrate systems and processes, and speed innovation.

Learn more at redhat.com/en/technologies/linux-platforms/enterprise-linux.

About Red Hat

Red Hat is the world's leading provider of enterprise open source software solutions, using a community-powered approach to deliver reliable and high-performing Linux, hybrid cloud, container, and Kubernetes technologies. Red Hat helps customers integrate new and existing IT applications, develop cloud-native applications, standardize on our industry-leading operating system, and automate, secure, and manage complex environments. Award-winning support, training, and consulting services make Red Hat a trusted adviser to the Fortune 500. As a strategic partner to cloud providers, system integrators, application vendors, customers, and open source communities, Red Hat can help organizations prepare for the digital future.

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