



HP Research Reveals Key Trends Driving Organizations to Become Instant-On Enterprises

Study highlights challenges

PALO ALTO, Nov. 2, 2010 – HP today announced new global research that reveals the need for businesses and governments to become [Instant-On Enterprises](#) and what is holding them back.

New research conducted on behalf of HP reveals that 86 percent of senior business and government executives believe that to better serve customers and citizens they must rapidly adapt the enterprise to meet changes in consumer expectations. Furthermore, 78 percent of these respondents believe that technology is the key to business and government innovation. Eighty-five percent of business and government executives indicated that in order to be successful, technology needs to be embedded in the business or government service. This data outlines a shift in the role of IT from chiefly being the administrator of the enterprise, to becoming one in the same with the enterprise.

“To respond to new enterprise drivers and motivators, organizations need to fundamentally change how they operate,” said [Thomas E. Hogan](#), executive vice president, Enterprise Sales, Marketing and Strategy, HP. “Working with our clients, we can embed technology to deliver innovation at every point in the enterprise that matters, from mobile devices to global data centers. Only HP has the ability to help organizations become Instant-On Enterprises.”

The research also outlined the challenges organizations are facing in becoming an Instant-On Enterprise.

Old applications getting older

The study found that application modernization is the top priority for 2011, followed by infrastructure transformation, information optimization, security and cloud computing. According to respondents:

- Nearly 60 percent of senior technology executives surveyed continue to use legacy applications that have been running for more than eight years; within that group, more than 10 percent are running applications that are more than 16 years old.
- One out of two senior technology executives said that more than 20 percent of their applications could be described as legacy.

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- More than 50 percent of the same respondents agree that the costs, resources and time required updating and maintaining legacy applications, negatively impacts their ability to quickly deliver new services.

The state of infrastructure today

- Senior technology executives say that 19 percent of their organization's workloads today are on mainframes and almost 20 percent of them are designated to be moved off of them.
- They also indicated that 31 percent of workloads are virtualized today and that number will increase by 20 percent in the next two years.
- Only 21 percent of senior technology executives strongly agreed that their infrastructure is optimized and aligned to meet current enterprise demands; only 13 percent of senior business and government execs strongly agreed.

Security constraints an impediment

- Nearly one out of two senior business, government and technology executives overall say that in the past year they have experienced impediments to innovation, technology agility or customer service due to security constraints.

Information continues to explode

- 76 percent of senior business, government and technology executives overall believe that storage assets will grow at least 20 percent over the next two years. More than half of the people in that group believe growth will be more than 30 percent.
- Only 12 percent of senior business and government executives agreed that IT provides the information they need to do their jobs all of the time, in contrast to 20 percent of senior technology executives.

A hybrid environment for the foreseeable future

By 2015, senior business, government and technology executives believe that 18 percent of their IT delivery will be via the public cloud and 28 percent by private cloud. The remainder will be in-house or outsourced.

Methodology

Coleman Parkes Research Ltd. conducted the HP-commissioned survey by performing 560 detailed interviews with senior business executives and senior technology executives of medium and large organizations across the globe using a telephone research methodology. Twenty-five percent of all interviews were conducted with organizations with 500-999 employees and the rest were with organizations of 1,000 or more employees. Regions included: North America (United States and Canada); Europe, the Middle East and Africa (Czech Republic, Denmark, France, Germany, Russia, United Arab Emirates, United Kingdom); Asia Pacific (Australia, China, India, Japan, South Korea); and Latin America (Brazil, Mexico).

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