

The Future of Legacy Oracle Applications

Confidence Report 2017

The logo for pitss, featuring the word "pitss" in a bold, lowercase, sans-serif font. The letters are white and set against a dark blue background. The logo is positioned in the bottom right corner of the page, below a white diagonal line that separates the top blue section from the bottom dark blue section.

pitss

Does your organization have a strategy for your legacy Oracle applications?

If you answered “no” to this question, you’re already falling behind **60%** of the respondents to our recent survey, “The Future of Legacy Oracle Applications.”

These survey results help prove one thing that many in the digital transformation industry have already been saying for years:

Your competition is forging new paths for their internal systems, and you can’t afford to stand still.

We surveyed more than 100 top CIOs, CTOs, architects, and developers on their confidence and strategies for the future of their legacy Oracle Forms-based applications.

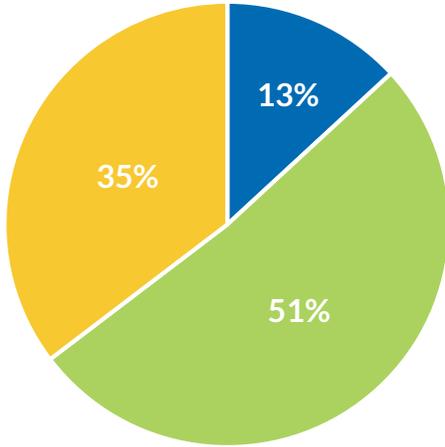
In this report, we reveal their responses, and provide insight and solutions for how you can use these results to impact the future of your business-critical legacy Oracle apps.



About Ross

Ross Smith is a Chief Architect at PITSS. As an architect, Ross ensures that digital transformation and legacy modernization projects at PITSS are appropriately discussed, scoped, planned, and documented. His goal is to make sure that the team understands exactly what the customer needs, and that the customer completely understands their project from top to bottom.

How long has your organization utilized Oracle-based applications?



	Response Percent	Response Count
Less than 1 year	0.0%	0
2 to 10 years	13.24%	9
11 to 19 years	51.47%	35
More than 20 years	35.29%	24

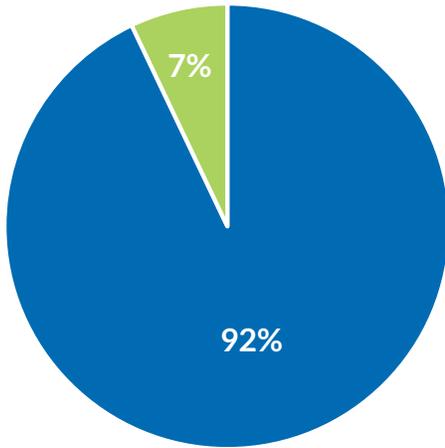
Oracle has been one of the longest running infrastructure and database providers in the industry. That’s why it makes sense that the respondents’ applications have been running for 11 years or more. Oracle is probably considered important tech for them because long-lived applications that survive without being replaced tend to and serve specific purposes within their organizations.

Modernizing and integrating with Oracle systems is different than integrating with other systems, however. The more you want to transform your Oracle applications, the more you have to know what you’re doing.

For Oracle Forms-based apps in particular, their longevity is a telling piece of information about their risk to overall enterprise architecture. To have lived for many years means the code in these applications have absorbed the business logic that’s coupled tightly with some of an organization’s most critical business processes.

To transform these specific, customized applications, you have to know what you’re doing. Modernizing such a seasoned system has risks. You could end up cutting out valuable steps to a complex process, or losing valuable business logic. Conversely, you may end up preserving unnecessary screens, code, and processes that lost many years ago and are no longer used by anyone.

Does your Oracle system support a critical part of your business processes and systems?



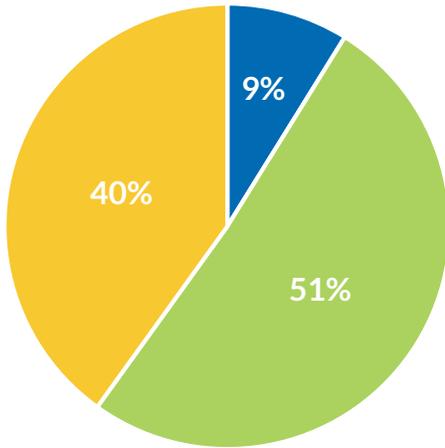
	Response Percent	Response Count
Yes	92.65%	63
No	7.35%	5

A staggering 93% of respondents indicated that legacy Oracle applications support a critical part of their business.

Oracle tends to be at the heart of critical applications for several reasons:

- In application design, the database is the longest lived and most difficult aspect of infrastructure to change.
- The monolithic nature of long-lived Oracle apps makes them difficult to modify. Given that the business has accepted the need for the Oracle database and the Forms attached to them, the organization tends to grow up around the system rather than replace it, reinforcing its centrality.
- It's more likely for a large system with only a few useful parts to continue to exist in its entirety, than for that system to be selectively or entirely replaced.

Do your Oracle Forms-based applications currently meet your organization's needs?



	Response Percent	Response Count
Does not meet needs	8.82%	6
Meets some needs	51.47%	35
Meets all needs	39.71%	27
Unsure	0.0%	0

51% of respondents admit that their legacy Oracle apps only meet some of their organization's need.

Let's put this into perspective. It's important that we acknowledge the divide in responses between fully and partially satisfied.

Respondents who say legacy Oracle apps meet all of their needs:

It makes sense for some respondents to answer this question with a strong confirmation that Oracle applications meet all of their needs. Some business-critical applications meet unchanging need.

For example, apps that manage compliance or regulatory data and adhere to specific laws don't often change. Applications to fulfill those requirements won't change until those needs do. These are regulated, virtually unchanging processes and needs compared to those that face the market.

The big question for these respondents is: have they thought about the accumulating costs of infrastructure, hardware, maintenance, hosting, documentation, and talent acquisition in the future? They should consider longevity: where will they be in 5 years, let alone another 11 to 19 years?

Respondents who say legacy Oracle apps meet some of their needs:

Market needs and opportunities are showing the legacy application's age, leave something to be desired, and account for the gap in needs described by some respondents. Unlike the relatively stable apps described in the previous section, these are ones that touch constantly evolving marketplaces.

The respondent may identify market share and customer satisfaction needs, but then find they're not able to offer their best ideas to the market because the systems are too old to fully answer to these new opportunities. This may be because of inability to integrate with modern data, inability to provide access to users on their preferred devices, or lack of UX design to reflect more streamlined, user centric process.

How confident are you that Oracle Forms will meet your organization's needs in 5 years?

3

17% of respondents answered “3” on a scale of 1 to 10.

Results were polarized with groupings at both ends of confident and not confident.

Frequently, the developers and IT executives were least optimistic of the performance of Oracle Forms in the future. This could be because the people closest to the technology can be most aware of its disadvantages and long-term support planning. They see the opportunities for integration, more nimble processes, and innovation in the clearest technical terms.

Similar to enterprises built around slow-changing apps, there are systems that must touch customers, and these users aren't confident these applications have what it takes today.

What does this mean for a developer or architect who is closest to legacy tech?

If this is you, it is your obligation to speak up about these opportunities! Educate yourself about how your legacy applications can perform better for your organization. Focus on saving time, money, risks, and efficiencies for the organization. Then find the best way to present this information that makes you a champion of a new opportunity, rather than a whiner.

For executives and major business stakeholders, Oracle may seem like one more undifferentiated part of their overall business makeup. They may not know why Forms as a single piece would be an obstacle to a full digital transformation. Without the detailed understanding of a tech expert, they have no reason to think a long-lived technology couldn't serve for another few years.

How likely is it that your organization will continue to use Oracle Forms for business-critical applications in the future?

1

16% of respondents answered “1” on a scale of 1 to 10.

Again, our results showed two distributions centered at 1 and 9. So what does this mean?

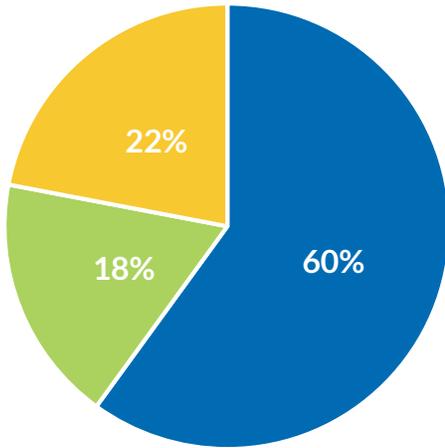
Organizations find themselves polarized. People want to believe that if Oracle has been a stable piece of their architecture, it can stay that way. They want to believe that their investment can last longer. This can account for the relative confidence in a few of the respondents—if it ain't broke don't fix it.

However, those close to the moving parts appreciate the real opportunity cost of keeping them, even if they continue to simply function as they were made. Developers and architects are probably most skeptical of ongoing support. We find, in our day-to-day work, that they feel abandoned as Forms developers; they may not feel that Oracle's replacement Middleware technologies have significant advantage over other open source tech.

Just as with the previous question, if you as a developer feel skeptical or abandoned, take action. Be positive and recognize opportunities in your business that Forms doesn't allow you to fully act on.

Feel frustrated with limitations? Connect missed opportunities you're seeing with how the business can specifically benefit from revenue. Phrase your findings as a solution to problem and bring back ROI, instead of just a complaint.

Does your organization have a strategy for the future of your Oracle-based applications?



		Response Percent	Response Count
Yes		60%	30
No		18%	9
Unsure		22%	11

60% of respondents said “YES,” they do have a strategy for the future of their Oracle-based applications.

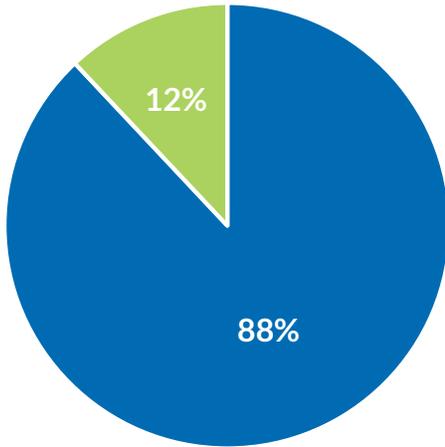
This is a crucial response and can set the stage for how you present the starting point for a discussion on modernizing your organization’s legacy applications.

Be aware that a majority of respondents do have a plan. If you haven’t formed a plan for your enterprise, you’re in the minority. Even if your plan is to continue the usage of your Oracle systems without official patches - not exactly advisable - that would count as having a plan. Without even that you’re just asking for trouble.

Especially for technology that risks losing official support (like Oracle Forms), having no exit strategy or transition plan is a dangerous risk. Lost opportunity costs for transforming and gaining new revenue streams or operational savings is beside the point.

The point is that you’re running a risk even maintaining current operations. You could lose everything you currently have, let alone fail to capitalize on opportunities from a full digital transformation.

Do you believe that modernizing your legacy Oracle systems is critical to addressing the emerging requirements of digital business?



		Response Percent	Response Count
	Yes	88%	44
	No	12%	6

88% of respondents believe that modernizing legacy Oracle system is critical to addressing emerging digital business requirements.

Everything under the sun is subject to change in a rapidly accelerating and unpredictable economy. The greatest opportunity for improvements are the things that have experienced the least transformation.

Remembering that most Oracle systems referenced in this survey are between 11 and 19 years old, the opportunity for tremendous and leveraged change starts with them.

Where do you believe the biggest ROI benefits of an Oracle modernization project lie?



1st Place

Business innovation from technology



Runners Up

Business productivity, staff productivity

Why is the ability to innovate so important for respondents?

Unlocking yourself from a monolithic system is so important for these organizations because they're seeing their competition take advantage of new technologies and market share. Most of these opportunities are a direct consequence of nimbler, less centralized, service-oriented systems: the opposite of the monolithic architecture that Forms represents.

Meanwhile, their competition is outpacing them by soaking up new revenue, customers, and users.

Investing in modernization makes existing systems easier to integrate, multiplying the ability to tap into new, low-cost and high value SaaS tools. This ability offers organizations the opportunity to innovate because they can rapidly test many software solutions using their real data (if their legacy systems have been modernized to provide this data).

Taking advantage of software tools in the digital marketplace lets enterprises to save time and try out new ideas instead of building them internally.

Businesses need the ability to tap into what others have created and perfected. Best of breed tools help businesses get work done at scale, letting them fail faster and cheaper, or experience growth that will catch up with their competition. Without this strategy, you'll be writing all your innovations from scratch, keeping your custom innovation out-of-step with digital industry practice.

What do you see as the biggest IT challenges in an Oracle modernization project?



Top Answer

Lack of skills in modern approaches such as agile/DevOps



Runner Up

Existing application knowledge and documentation limitations

Why are respondents so concerned with a lack of budget for modernization projects?

One simple reason: IT departments are traditionally considered cost centers. They enable revenue opportunities in business units, rather than generating them directly through innovation.

The training and research to support newer methodologies and tech is an investment that relies on ever-decreasing IT resources.

It takes a paradigm shift to choose to invest in a technical team in order to drive revenue opportunities. This change is a difficult but necessary step before acquiring the necessary talent and skillset needed to undergo a successful Oracle modernization project.

A lack of budget is a real concern, but not one that can't be overcome with good planning, capable leadership, and expertise. Of course, any investment in digital transformation carries risks and investment, and doing it well is not cheap.

But it can be done well, if done for the right reasons and with a solid plan. Tie your modernization project directly back to measurable, incremental revenue opportunities to see real benefits every step of the way.

Do you believe that not modernizing legacy Oracle systems will negatively impact the long-term growth of your organization?

60% of respondents said “YES,” not modernizing will negatively impact their growth.

The top reason? “Legacy systems are costly, inflexible and difficult to maintain.”

Oracle Forms applications in particular were designed to scale up in a different way than modern systems do. They scale within assumptions about the locality of users, computing infrastructures (physical location of processors), a predictable, heavy client-side environment, and more. These applications run on very specific platforms with rigid requirements, limiting the opportunity to re-use the application in unexpected ways. Forms caters to one specific case of how end users interact with an application.

We’ve learned over time that successful businesses meet customers where they are. End users are increasingly changing the ways that they interact with applications. They expect user-friendly, optimized platforms, frequently created using time-saving SaaS and Paas tools enabled through API connections to your data systems.

As user expectations continue to grow and their attention shifts to the easiest tools to use, the inability to serve these end users where and how they want will undoubtedly stifle the growth of most organizations.

How should an organization that's on the fence proceed with modernizing their legacy Oracle applications?

If you're considering a legacy application modernization project and don't know how to proceed, there are several different successful approaches to take. All of these approaches involve research.

If you're a business, ask yourself: who are your customers? What problems are you solving for them and what opportunities are they seeking with your help? What are their usage patterns, their locations worldwide? Who do they share your data with, how, and why? These will call out your opportunities to use your infrastructure in new ways to bring them value.

If this is an internal-facing system, ask yourself: how much more efficient could it be if the process flows were updated and redesigned? Understand your people, the culture they bring to their tech, and identify specific objectives for making them both run better. Then design an application that performs better, allowing users to do their jobs faster, easier, and more efficiently.

It's not easy to look at all of the ways a modernization project can bring ROI to your organization by yourself. You simply don't see all of the vast opportunities every time.

That's why working with outside specialists will almost certainly give you a better outcome. It's our job to recognize the opportunities that you never saw coming, and find the right tools, practices, and plans to help you meet them.

What should an organization do that isn't going to modernize their legacy Oracle applications?

If you're not considering modernizing your legacy Oracle applications, hopefully that's informed by a confidence that this system only touches processes and users that will never change.

You'll need to ensure that you'll always have a specialized developer to maintain it, along with hardware that's running smoothly on infrastructure that isn't costly to maintain.

Take another look, do the due diligence, and make sure your answer is still "no" by this time next year.

About PITSS

PITSS is the leader in digital transformation and application modernization for legacy systems. We completely transform business-critical Oracle Forms applications with a focus on saving time, money, and risk.



*Meet our team to see how we can transform the systems
that matter most to your business.*

Contact us today.