



The Valuadd Softtech & Systems White paper

Transform Technical Debt Into Growth Through Tech Modernization - A Strategic Approach

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Executive Summary

Most organizations, particularly in finance, healthcare, and government sectors, still rely on legacy technologies. While these applications have served their purpose in the past, they now pose a major obstacle to **"agility"**, **"innovation"**, and **"competitiveness"**. This does not mean you need to thoroughly trash or abandon your existing legacy and IT infrastructures.

Instead, these legacy systems can be modernized and integrated with cutting-edge architectures. This integration enables your organization to adapt to the demands of new products and services while enabling real-time reporting.

To thrive in the digital age, organizations must now embark on a journey of **'technology modernization'** to transform their core operations, improve security, and foster innovation. Businesses that modernize their IT systems and adopt digital transformation can see a growth in productivity of 40%

Source: McKinsey





Widespread IT modernization should be a top priority for companies across all industries.

Valueadd Softtech Pvt. Ltd. (VAST) helps achieve modernization by enabling businesses to integrate their mainframe applications with today's technologies and platforms like **microservices, big data, AI, ML, cloud services, data engineering, and mobile computing**.

This white paper delves deeper into the concept of comprehensive technology modernization, its key benefits, challenges, and best practices. It also explores real-world case studies and demonstrates how Valueadd Softtech Pvt. Ltd. (VAST) can be your trusted partner in achieving "digital transformation".

The global digital transformation market is projected to hit \$3.81 trillion by 2030, growing annually at 23.1% from 2022.



Source: MarketsandMarkets



Technology Modernization: A Comprehensive Guide

What Is Technology Modernization?

Technology modernization refers to the process of systematically adopting new technology and improved methods to enhance efficiency, productivity, scalability, flexibility, security, compliance, and user experience. It involves updating and integrating new tech systems,

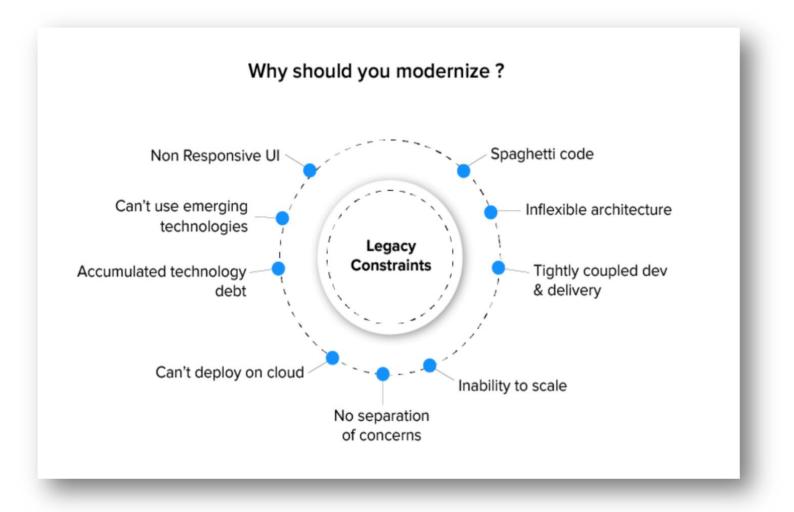
Modernization strategies involve updating legacy systems to take advantage of newer technologies and platforms. ideas, and working methods to deliver goods and services effectively. We can consider technology modernization as a continuous and open-ended process aimed at keeping up with technological advancements, changing market dynamics, and evolving business needs.

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How Legacy Systems Are Holding Your Business Back

Modernization isn't just about new hardware; it's about streamlining processes, empowering employees, and securing your future. With tools like API/400, even legacy systems can thrive in the digital age. Join the 61% already modernizing and unlock the potential of your business.





The Key Benefits of Successful Digital Transformation

Technology modernization offers several key benefits for your organization, including:

- Enhanced Efficiency and Productivity: Upgrading technology systems can streamline business operations, automate repetitive tasks, and improve overall productivity.
- Better Customer Experience: Modern technology solutions enable you to deliver personalized and seamless customer experiences, leading to increased satisfaction and loyalty.
- Scalability and Flexibility: Modern technology platforms are designed to scale with business growth and adapt to changing needs, allowing you to stay agile and competitive.

In a recent survey, the majority of firms (50%) cited security, cost reduction, scalability, and agility as key drivers for app and data modernization.



Source: Statista, 2023

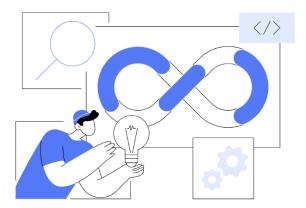


- Enhanced Security and Compliance: Upgrading to modern technology systems can improve data security measures and ensure compliance with industry regulations and standards.
- **Cost Savings:** Technology modernization can lead to cost savings in areas such as infrastructure, maintenance, and support.

5 Pillars for Building Secure and Scalable Transformation

Modernizing technology involves various aspects, including:

 Application Modernization: Upgrading or replacing outdated software applications to improve functionality, user experience, and compatibility with current technology standards.



Technology modernization is a marathon, not a sprint. It requires commitment, planning, and continuous effort to achieve long-term success.

Source: Gartner

- Infrastructure Modernization: Updating and optimizing hardware, networks, and data centers to enhance performance, reliability, and scalability.
- Data Modernization: Transforming data management practices to leverage the power of data analytics, artificial intelligence, and machine learning for better insights and decision-making.
- Cloud Adoption: Migrating applications, data, and infrastructure to cloud platforms to reap benefits from increased flexibility, scalability, and financial prudence.

Cloud models eliminate hardware and infrastructure costs, often leading to significant cost savings.



Source: McKinsey & Company

 Security Enhancements: Strengthening cybersecurity measures and adopting modern security technologies to protect against evolving threats and vulnerabilities.

Technology modernization is a critical undertaking for your organization in today's rapidly changing digital landscape. It enables you to leverage the power of emerging technologies, improve operational efficiency, and drive innovation.

Navigating Last-Mile IT Modernization Challenges

Obstacles and Issues

While technology modernization presents a wealth of opportunities, it also introduces challenges that your business must navigate effectively.

 Legacy Systems: Migrating from outdated legacy systems to modern technology platforms can be complex and require significant effort and resources. The average organization has 20 different types of cloud applications, leading to complexity and security challenges.

Source: Flexera

- Data Migration and Integration: Transferring data from legacy systems to new platforms while ensuring data integrity and compatibility can be challenging.
- **Change Management:** Resistance to change and a lack of buy-in from employees can hinder successful technology modernization initiatives.
- Skill Gap: Acquiring the necessary skills and expertise to implement and manage modern technology solutions can be a challenge for your organization.

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 Cost and Budget Constraints: Technology modernization initiatives often require significant financial investment, and budget constraints limiting the scope and pace of modernization projects.

Effective Modernization Tactics for Agile Performance

To address the above-highlighted challenges, you can explore the following potential solutions:

 Legacy Systems: Conduct a thorough assessment of existing legacy systems to identify areas for improvement or replacement. 'Gradual migration' and 'phased approaches' can help minimize disruption and manage complexity.

Data Migration and Integration:
Develop a comprehensive data
migration strategy that includes data
cleansing, validation, and testing.
Collaborate with experienced data
migration specialists to ensure a
smooth transition.

Increased agility and responsiveness: 70% of organizations implementing digital transformation report improved market responsiveness.

Source: Flexera

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A survey found 80% of customers say that the experience a company provides is just as important as its products and services.

 Change Management: Implement change management involve practices that clear communication, employee and involvement. training, Encourage employee engagement and address concerns to foster a positive attitude towards technology modernization.

Source: Salesforce

- Skill Gap: Invest in training programs, reskilling initiatives, and partnerships with technology providers to bridge the skill gap. Hire or consult with experts who have experience implementing modern technology solutions.
- Cost and Budget Constraints: Develop a realistic budget and prioritize technology modernization initiatives based on business impact and return on investment. Explore cost-saving strategies, such as cloud computing and open-source solutions.

12 Benchmarks for Seamless Tech Transformation

Key Considerations

Choosing the right technology modernization strategy requires careful consideration of various factors.

Here are some key considerations you can keep in mind when deciding on a strategy:

- **Technology:** Assess current technology infrastructure and identify areas that require modernization, such as legacy systems or outdated software.
- Product Roadmap: Develop a roadmap outlining the steps and timeline for technology modernization, considering the organization's strategic goals and priorities.

Modernized work environments are more attractive to top talent, leading to a 20% decrease in employee turnover.



Source: Harvard Business Review

 Leadership Support: Obtain support and buy-in from top-level management to ensure the commitment and resources needed for successful modernization initiatives.

- **People:** Provide employees with the necessary training and equip them with the required skills to adopt and utilize new technology.
- Collaboration: Foster collaboration between IT and business teams to align technology modernization efforts with organizational objectives and ensure effective implementation.
- Business goals and Objectives: Align the technology modernization

strategy with the overall business goals and objectives to ensure that it supports the long-term vision.

 Scalability and Flexibility: Evaluate the scalability and flexibility of the chosen technology modernization strategy to accommodate future growth and changing business needs. By 2025, 75% of organizations will shift their focus from cost optimization to growth and innovation through strategic technology modernization.

Source: Gartner

- Cost-Effectiveness: Assess the cost implications of the strategy, including the initial investment, ongoing maintenance, and potential return on investment.
- Compatibility and Integration: Consider how the chosen strategy will integrate with existing systems and processes to ensure a smooth transition and minimize disruption.

- Security and Compliance: Prioritize security and compliance requirements to protect sensitive data and ensure adherence to industry regulations and standards.
- Risk Management: Evaluate potential risks associated with the technology modernization strategy and develop a 'risk management plan' to mitigate any challenges or setbacks.
- User Experience: Consider the impact of the chosen strategy on the user experience, both internally for employees and externally for customers, to ensure a seamless transition and positive outcomes.

By carefully considering these key factors, you can choose a technology modernization strategy that aligns with your businesses unique needs and sets you on the path to success.

Change Management: Bridging the Technology Gap for Modernization

Change management is crucial for successful technology modernization initiatives. Here are some strategies that you can employ in your organization:

• Align Change Management to Specific Digital Transformation

Goals: Communicate the goals and objectives of the technology modernization initiative to employees. Show them how their work contributes to the overall digital transformation strategy.

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Involve Employees in Decision Making: Include employees in the decision-making process to increase their engagement and sense of ownership. This involvement can lead to better adoption and acceptance of new technologies.



Providing ongoing training and support is essential for overcoming resistance to change and ensuring long-term success. • Provide Clear Communication and Training: Ensure that employees understand the reasons for technology modernization and the benefits it will bring. Offer comprehensive training programs to equip them with the necessary skills to use new technologies effectively.

Source: Forbes

- Address Resistance and Concerns: Anticipate and address employee resistance to change. Listen to their concerns and provide support and guidance throughout the modernization process.
- Foster a Culture of Continuous Learning: Encourage employees to embrace a growth mindset and continuously update their skills to keep pace with technological advancements.

Implementing these change management strategies can help you to navigate the challenges of technology modernization and increase the likelihood of successful outcomes.

Be Aware of These Risks to Prevent Disruptions During Tech Evolution

In addition to the challenges mentioned above, technology modernization projects also carry certain risks that you should be aware of:

 Potential Data Loss or Corruption: Data migration during technology modernization projects carries the risk of data loss or corruption if not handled properly. You should implement robust data backup and recovery mechanisms to mitigate this risk.



Migrated data unlocks new possibilities for business intelligence, analytics, and machine learning, propelling innovation.

Source: Forrester Research

• **Business Disruption:** Modernizing technology systems can result in temporary disruptions to business operations, especially during the



transition phase. It is important to carefully plan and minimize potential disruptions to ensure a smooth transition.

 Technical Complexities: Modernizing legacy systems often involves integrating new technologies and platforms with existing systems. Technical complexities may arise during the integration process, leading to compatibility issues and delays in project timelines.



Modernized infrastructure can streamline operations, eliminate redundant processes, and optimize resource utilization, leading to cost savings.

Source: Accenture, 2021

 Vendor Dependency: Technology modernization may involve partnering with external vendors for software and infrastructure support. You need to carefully assess the vendor's capabilities, reliability, and longterm sustainability to avoid vendor lock-in and the potential risks associated with vendor dependency.

It's important that you conduct thorough risk assessments and implement mitigation strategies to minimize the impact of these risks on technology modernization projects.



Data-Driven Strategies for Efficient and Secure Transformation

To further help organizations succeed in **technology modernization**, we have compiled a list of best practices based on our experience:

- Understand Each Application in Detail: When modernizing applications, it is crucial to have a comprehensive understanding of each application's functionalities, dependencies, and technical requirements.
- Prioritize Applications to be Modernized: Prioritizing applications based on business impact, technical complexity, and strategic value can help organizations allocate resources effectively and achieve quick wins.

Invest in agile methodologies, break down silos, and empower employees to make decisions.

Source: Harvard Business Review

• **Create a Modernization Team:** Building a dedicated modernization team with representatives from various departments can facilitate collaboration and ensure a holistic approach to technology modernization.

- Learn from Each Other: Encouraging knowledge sharing and collaboration among different groups and stakeholders can lead to better insights, identification of weaknesses, and continuous improvement.
- Embrace Newer Technologies: Exploring and embracing emerging technologies like artificial intelligence, machine learning, and cloud computing can unlock new possibilities for innovation and efficiency.

By adopting these practices and embracing modern technologies, your company can deliver value more quickly.



The combination of AI, ML, and cloud enables businesses to automate tasks, personalize experiences, and make datadriven decisions.

Source: BCG, 2023

VAST: Your Trusted Partner In Technology Modernization



Valueadd Softtech Pvt. Ltd. (a.k.a., VAST), a software services company, offers a wide suite of services and solutions to help your organization with technology modernization initiatives. We have extensive experience in complex, enterprise-scale transformations.

We **strategically** help you to reduce modernization costs and risks while increasing agility at every stage.

Our **tech-agnostic approach** — with proven expertise in defining the right technology strategy and architecture for your business, building cloud and native platforms, and modernizing software delivery - allows us to deliver the most innovative solutions and seamless experiences while driving value for your enterprise and your customers.



VAST's End-To-End Technology Modernization Services

Our team, led by top industry experts and engineers, helps you with every aspect of technology modernization, including:

+

1.Strategy and Assessment

VAST collaborates with your organization to craft technology modernization strategies that align with your business objectives and adhere to industry standards.

Our team of experienced professionals utilizes cutting-edge tools and methodologies to optimize your existing IT infrastructure, proactively identify potential risks, and effectively manage the impact of modernization initiatives.

A thorough analysis is performed to understand your specific needs, considering factors like your cloud readiness, performance limitations, security vulnerabilities, and compliance requirements. This helps us develop a tailored strategy that's just right for you.

Additionally, by closely examining your IT budget, we identify potential cost savings through technology modernization, further magnifying your value proposition.





2. Legacy System Modernization

VAST excels in transforming legacy systems into modern, scalable, and agile platforms. Our approach involves cloud migration, microservice architecture implementation, and DevOps adoption.

We work closely with your business and technology leaders to create swift upgrades tailored to internal policies and software strategies. We even keep you fully informed and involved in the modernization process through clear and ongoing communication via phone, video conferences, scrum meetings, and detailed migration reports.



3. Application Modernization

VAST leverages its deep understanding of emerging technologies and delivers implementation support for cloud migration, application modernization, and digital transformation.

We guide your business in modernizing legacy applications to improve performance, maintainability, and scalability. This involves **refactoring legacy applications, adopting cloud-native technologies, and implementing continuous integration and continuous delivery (CI/CD) pipelines**.

Through this modernization process, you can accelerate time to market, reduce deployment risks, and enhance user experiences.

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4.

5.



Data Modernization

VAST empowers your organization to navigate the ever-changing data landscape through cutting-edge analytics, data management, and data governance strategies.

By leveraging **big data technologies**, **AI**, **and ML**, we help you extract actionable insights, optimize decision-making, and gain a competitive edge. Moreover, our data modernization solutions are tailored to specific goals. This simplifies integration with third-party vendors and speeds up your business's digital transformation, automation, and AI/ML initiatives.



Cloud Adoption

VAST enables seamless cloud adoption through tailored strategies and expert services. We help you to easily move, deploy, and optimize your applications, data, and users to the cloud using AWS, Azure, and Google.

Our holistic methodology, spanning discovery, migration, security, and ROI calculations, equips you to thrive in an ever-evolving market. As a result, you can achieve greater agility, productivity, security, and cost savings with VAST's cloud advisory and solutions.





Real-World Tech Transformation: Case Studies of Success

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VAST Helps Global Trade Leader with Next-Gen Tech & DevOps

CASE STUDY 1

Modernizing Decades-Old Trade Compliance Monolith Solution to Create Service-Based Offering.

Client Profile

- Industry: Global trade compliance
- Client: Mid-market company

Problem

A mid-market company specializing in Global Trade Compliance software solutions was facing challenges in scaling its operations due to legacy technology and fragmented IT infrastructure. They sought a technology partner to help modernize their processes, systems, and overall infrastructure.

Moreover, the company's Global Trade Compliance software, despite being employed by numerous Fortune 500 companies worldwide, was hampered in its growth by an outdated technology stack. The software's monolithic architecture posed challenges for supporting small and medium-sized enterprises (SMEs).

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Solution

To support the organization in the implementation of a new technology solution, VAST performed a comprehensive analysis of the current system, identified opportunities for **technology modernization**, and carried out various activities throughout the project.

These activities included conducting gap analyses, establishing a roadmap for modernization, enhancing the user interface and experience, integrating APIs, implementing automation, and facilitating the adoption of DevOps best practices within the organization.

VAST employed **an agile approach**, working closely with the client's technology team to develop critical technical capabilities throughout the project. Moreover, subject matter experts (SMEs) were consulted early on, and integration testing was prioritized to minimize risks.

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Results

With VAST's help, the client was able to:



Obtain clear direction for technology modernization investments, ensuring alignment with business objectives and investment optimization.



Transition to a new technology infrastructure.



Establish a scalable, cost-effective, efficient, and extensible microservice architecture on cloud infrastructure.



CASE STUDY 2

Revamping A Legacy PHP-Based Application.

Client Profile

- Industry: Admissions and screening management
- Core Uses: Government affiliated agency

Problem

A government-affiliated agency specializing in conducting exams and having an online application system faced challenges in its operations due to legacy technology and a lot of technical debt.

A new solution was needed to fix problems such as capturing eligibility information, improving security, addressing performance issues, enhancing the user experience, integrating with other systems, and managing large amounts of data with a proper storage mechanism.

Solution

VAST carefully studied the current system and collaborated closely with the client to create a new technology solution that was easy to adapt and maintain and not overly complicated.

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- The data model was carefully designed, a new flexible and powerful eligibility engine was developed, and the UI was revamped.
- DevOps practices were put in place, and deployment was dockerized as well as automated.
- There was a clear path provided for migration, including the creation of specialized APIs to import the old data that would first validate it, which meant only clean data reached the database.
- A centralized and structured mechanism was provided to store user files (images and documents) using an S3-compatible client or server.

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Results

With VAST's help, the client was able to:



Revamp their application with modern technology, optimize the database design, and adopt industry-standard DevOps practices to improve their performance and reliability.



Streamline the process of maintaining user eligibility criteria by using JSON-based rules instead of manually coded logic in PHP.



Improve performance and the user experience.



Create a well-structured and easyto-manage file-storage system.



From MVP to PMF: VAST Guides Construction Safety App to Robust Growth

CASE STUDY 3

Revamping The MVP Construction Safety Application to Create a Robust PMF Product That Caters To The Need Of Variety Of Construction Clients.

Client Profile

- Industry: Construction
- Client: Construction companies and contractors

Problem

Initially VAST created an MVP (Minimum Viable Product) for Safety App. It was delivered quickly and floated in the market. The Minimum Viable Product (MVP) provided our customers with valuable features and benefits.

However, to fully realize its potential and achieve product-market fit (PMF), we embarked on a journey to refine and improve the MVP.

Guided by customer feedback and extensive market analysis, we carefully planned our MVPto-PMF journey.

Initially, the MVP faced certain challenges, which were subsequently addressed through a comprehensive revamp project and technology modernization initiative –



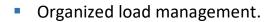
- The **product management functionality (PMF)** required a complete solution and technical overhaul.
- MVP's predefined roles limited its flexibility to accommodate a diverse range of clients.
- The white labeling process for new clients became overly complex.
- MVP's data structure stored all project data in a single instance. Considering the dynamic nature of the construction industry and MVP feedback, VAST decided to adopt "construction project" as the product's economic unit. This mandated a fundamental change to the MVP's architecture.

Solution

For the Safety App revamp project following steps were taken -

- The Safety App went through a complete redesign of the web UI and mobile app.
- A thorough review of the existing data model was conducted, leading to the design of a new data model.
- New APIs were developed following REST standards, incorporating data projections and pagination for efficient data retrieval.
- The new Safety App architecture involves creating a new server instance for each project. This approach offers several advantages -
 - Easy archiving of project servers upon project completion.





- Data segregation.
- Labor Market and Contractor Market -
 - Labor and contractor induction and onboarding were managed by individual projects.
 - Nonetheless, clients required a centralized repository of labor and contractors for reporting.
 - Consequently, the project server was tasked with managing project-specific data for labor or contractors, while the admin server handled maintaining consolidated shared data.
- Role management -
 - The product's role management system was overhauled.
 - Predefined roles were eliminated.
 - Clients can tailor user roles by selecting from a comprehensive list of product features, enabling granular access control and role definition.
- Customization -
 - White labeling is now a straightforward process.
- Currently, the product customization for a new client involves modifying a single styling file and a folder containing logos and images.

- User Interface and Mobile Application -
 - The web user interface and mobile application have been redesigned for improved user friendliness.
 - The web UI now includes standard tables for reporting and report downloading.
 - A scheduled reporting feature has been developed for client management teams.
- Changes in user authentication and authorization -
 - The admin user serves as the authentication server. Refresh token rotation was implemented to enhance the user experience and security.
 - The authorization engine was designed and implemented to support featurebased authorization and dynamic roles.
- The checklist module was revamped for faster data retrieval.





Results

Through MVP construction safety application, VAST achieved



Improved user experience with a streamlined web user interface and mobile application.



The mobile app has more quickaction buttons on every page.



Better ad-hoc and scheduled reporting.



Streamlined customization process through white labeling for a new client.



Cloud-agnostic deployment for flexible hosting options like AWS, Azure, Google Cloud, or even on a VAST's private cloud.



Enhanced system performance and scalability.

Next-Gen Tech Integration Is the New Business Blueprint



Your organization needs innovative solutions to address modern challenges. These solutions should leverage emerging technologies to enhance automation, streamline operational complexity, and reduce costs. Embarking on digital transformation is the essence of achieving these goals, which invariably involves modernizing legacy systems, adopting agile processes, and embracing new software products.

<u>Valueadd Softtech Pvt. Ltd. (VAST)</u> offers comprehensive services to aid this transformation. VAST expertly manages a swift and seamless modernization initiative. By embracing our digital transformation, you can modernize technology, automate processes, optimize operations, reduce costs, enhance agility and scalability, all while elevating the customer experience.

The case studies presented in this white paper further illustrate VAST's expertise in delivering successful technology modernization projects. Whether it's **upgrading trade compliance solutions for global clients, modernizing legacy PHP-based applications, or transforming MVP construction safety apps into robust, scalable solutions,** VAST has consistently demonstrated its ability to adapt, innovate, and deliver value.





With Valueadd Softtech & Systems (VAST), you can bridge the gap from **legacy to future-proof technology**.

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