Digital transformation, the open source way

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Unite people, process, and architecture
using open source principles

Transform
your organization

Build a better organization
with open source

Understand the five elements of digital transformation

Prevent common failures and produce organizational benefits

Digital transformation is about creating new possibilities for your organization through innovative products and services, better ways of working, and nimble organization models.

While organization leaders understand that digital transformation is critical to ongoing success, research demonstrates that only one in five decision makers surveyed rate their transformation strategies as effective.[1]

Red Hat helps companies of all types with their digital transformation journeys. Along the way, we've identified five areas within an organization that must commit to change to affect long-term success.

Weakness in even one of these areas can reduce the value of transformation— or derail the effort entirely.

> When digital transformation fails, it is often because people and processes do not get the same attention as technology.

64%

of organization leaders admit that their digital transformation efforts are ad hoc and short-term with disparate areas of innovation.[2]

The five elements of digital transformation

1. Leadership

- Establishes the tone.
- Creates a shared vision and strategy.
- Incorporates transformational goals into every employee role.
- Decentralizes decision making.
- Removes barriers to communication.

2. Product management

- Translates the vision and strategy into actionable tactics.
- Devises hypotheses they can rapidly test—versus creating requirements.
- Iterates to gather data that validates models or provides lessons from failures.

3. Development

- Rapidly implements product models using modern development tools and agile processes.

- Focuses on delivering the best product capabilities.

- Uses faster feedback cycles for validation or additional learning.

4. Architecture

- Provides a stable technical foundation suitable for both short- and long-term objectives.

- Balances the efficiency of standardization against the need for customization.

- Embraces open, interoperable technologies.

- Provides more flexible IT deployments.

5. Operations

- Establishes a foundation of resilience from unreliable components by adopting site reliability engineering (SRE) concepts.

- Seeks to eliminate toil through automation.

- Embraces action despite risks.

- Uses transparent metrics to measure results.
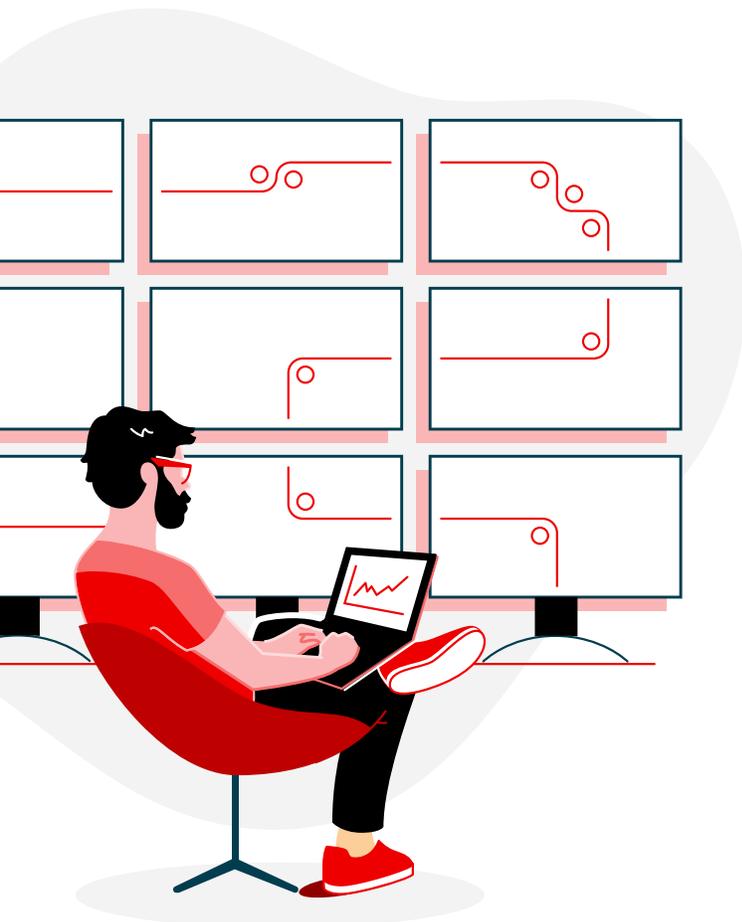
When these elements are addressed holistically:

Leadership

- Creates a safe environment where employees can explore new ideas—and fail without retribution.

- Develops an organization that's more adaptable, transparent, and collaborative.

Product management and development

- Work together to establish a strategy of differentiation.

- Differentiate the organization's products and services.

Architecture and operations

- Form a strategy of efficiency.

- Ensure that resources are optimally used to minimize waste and costs.

If transformation is the progressive accumulation of habits, simply understanding the elements required for a successful digital transformation isn't enough. You also need to adopt an open approach.
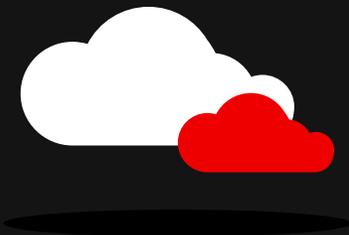
Learn more about the five elements and how to position your organization for success.

Download the checklist

Adopt an open approach

Transform your architecture, process, and culture

Transformation doesn't begin and end with technology. While it's a significant part of the journey, it's not the only area that needs attention.

By taking an open approach to architecture, process, and culture, you are able to change more than your technology–you transform the way your entire organization operates.

Open architecture: A catalyst for change

Open source software starts with curiosity and the desire to solve a shared problem. Combining the ideas and skills of a diverse talent pool, community-based, open source efforts result in quality solutions that evolve beyond simple profit motives.

> Built on passion and shared ideas, open source software shifts the power of technology from IT providers to the people using it.
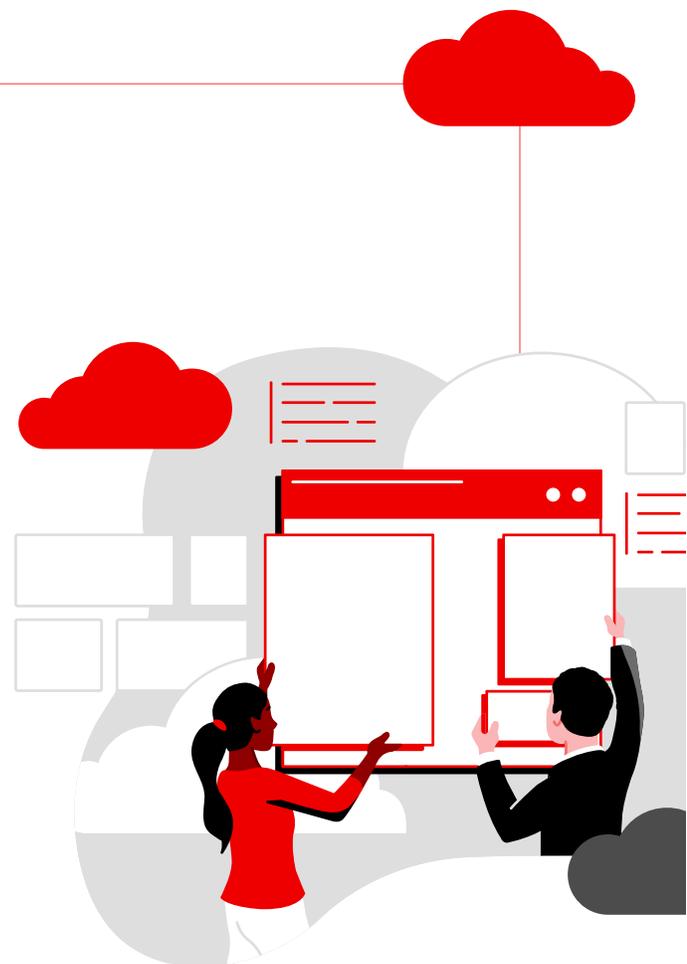
Open process:
Rethink how you work

In the open organization model, collaboration is key. Traditional development practices built on segmented and monolithic team structures lack the agility required to achieve transformation. Modern, open practices establish common goals and empower teams to move forward together.

"Teaching an elephant to dance."

Learn how to transform your teams, processes, and applications.

Download the executive summary

With unified IT that's focused on a singular purpose, your infrastructure, application development, and creative teams can:

- Rapidly prototype with proven open source libraries.

- Use automation for continuous integration and deployment.

- Develop passionate, productive employees.

Open culture: Organize for innovation

Organizational roles no longer fit into easy categories such as *tech* and *nontech.* Digital disruption impacts everyone, which means that all roles should be included in transformative efforts. Responding to technological changes can mean rethinking how you work.

When organizations take an open approach to culture, they can react faster and more effectively to industry changes—and encourage innovation.
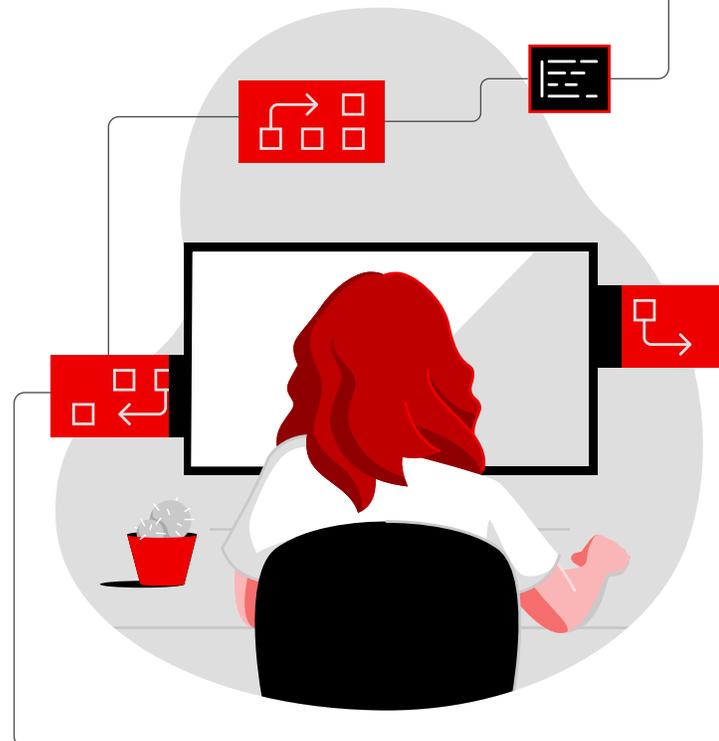
Open organizations are more transparent, inclusive, adaptive, collaborative, and community-focused— the same principles that power open source development communities.

When you view digital transformation as a continuous process—and emphasize the importance of culture in parallel to, not at the expense of, technology and process— you're positioning your organization for a successful transformation.

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Slovenská sporiteľňa, the largest retail bank in Slovakia, took a three-phase approach to open transformation:[3]

Open culture

The bank established cross-functional agile teams that included analysts, business users, developers, and engineers.

Open process

These teams worked together to optimize deployment processes and move from quarterly to monthly releases.

Open architecture

The bank focused on tools, including on-premise implementation of Red Hat® OpenShift® and Red Hat Ansible® Automation Platform. During this phase, the bank worked with Red Hat Consulting to standardize and automate application development and deployment processes and engaged with Red Hat Training to provide instruction on best practices for Red Hat OpenShift administration.

"Previously, communication between departments was poor. Now, our development and operations teams work more closely together and focus on valuable work. The capabilities that OpenShift provides in support of this new, more agile culture was a key reason for choosing it.

Andrej Simkovic
Head of Automation and Technology, Slovenská sporiteľňa[3]

³ Red Hat case study, "Retail bank speeds delivery with Red Hat Ansible and OpenShift," 2020.

Practice open transformation

Adopt the right tools and resources

Open organizations cultivate people who are innovative, agile, engaged, and accountable—people prepared to help your organization adapt to future waves of disruption.

At Red Hat, we want to make sure your people have the right tools and resources during transformation, so that your organization will benefit from the agility and security provided—today and tomorrow.

Red Hat's vision of open hybrid cloud

Today's technology is built on hybrid architectures, relying on continuous delivery of microservices to keep up with rapidly shifting customer demands.

> In this fast-paced environment, the ability to align IT with business strategies requires technology solutions that can keep pace.
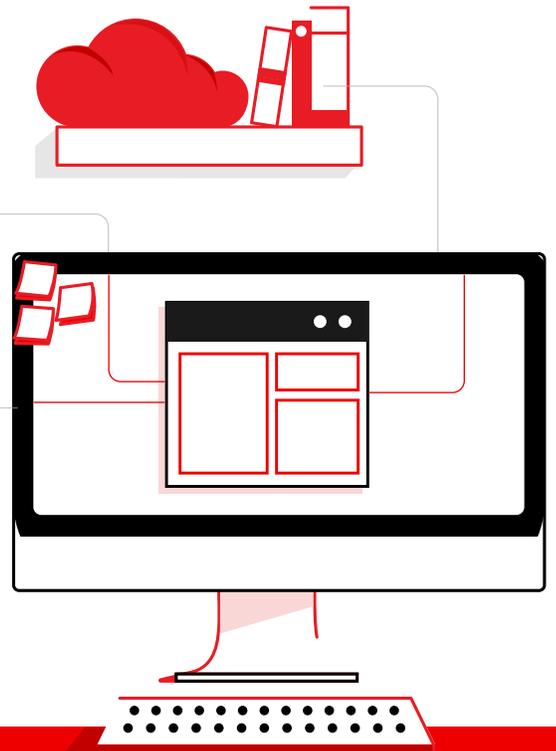
Red Hat's open hybrid cloud is an approach that enables applications and data to easily move across IT environments. Built on an open source foundation, open hybrid cloud supports:

- Portability and integration across heterogeneous cloud environments—private or public, physical, or virtual.
- Operational excellence through automation and measurement.
- The ability to build and manage a full IT stack that works on the infrastructure of your choice.

Red Hat solutions help you bring IT and the organization together with technology that connects teams through automation, hybrid cloud infrastructure, containers, application development tools, and more.

With open technology, you can do more with the solutions you have, while transforming your organization to support new and innovative initiatives that can set it apart.
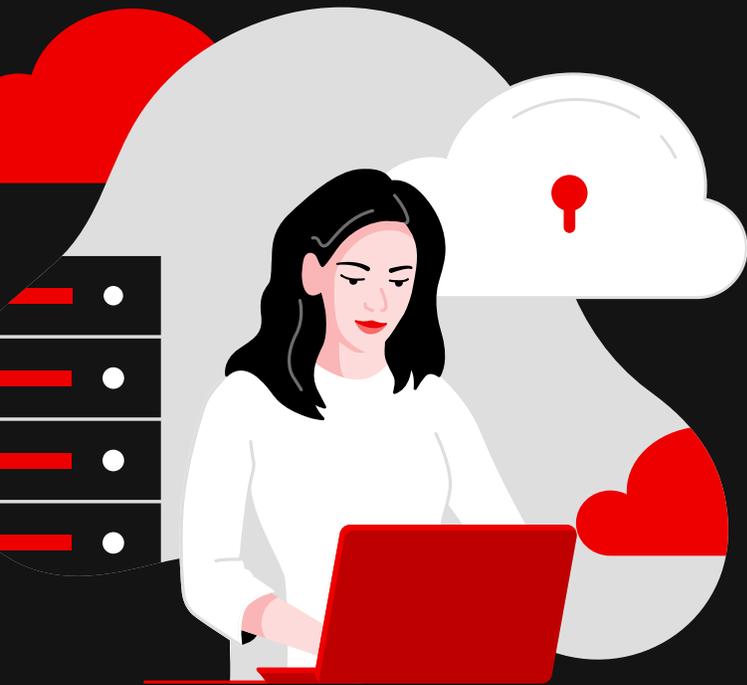
Ignite transformation with Red Hat Open Innovation Labs

Red Hat Open Innovation Labs is an immersive, residency-style engagement where we help translate your ideas into innovation and transform your team into agile thinkers that embrace continual change. Open Innovation Labs accelerates the delivery of innovative ideas and teaches customers how to build applications the Red Hat way. We do this by:

- Using community-powered innovation to deliver the labs experience.
- Igniting transformational change with a portfolio of offerings for everyone from individuals to enterprise organizations.
- Establishing a center for experiential learning.
- Developing open leadership and transformation at scale.

Learn how to translate your ideas into innovation with Red Hat Open Innovation Labs.

Download the e-book

For agile to succeed, you must show people what they can do differently to achieve better results and give them the opportunity to practice. Open Innovation Labs encourages true agility. Red Hat's facilitators worked side-by-side with our engineers daily over the course of several months to show them how to be agile.

Lance Pitt
Senior Manager, Software Development, Meteorcomm[4]

Customer case study

To improve collaboration and streamline processes to help its technical teams achieve innovative, valuable results, Meteorcomm engaged with Red Hat Open Innovation Labs.
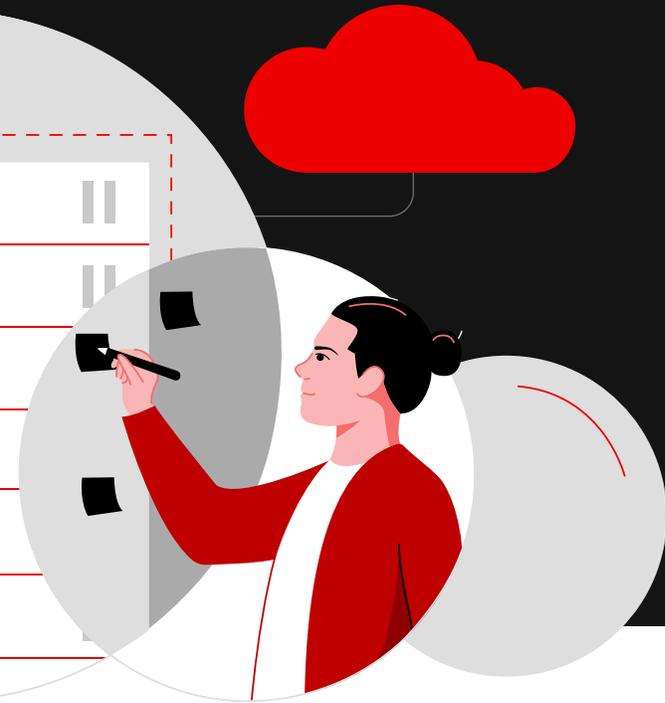
[4] Red Hat case study, "Railway technology provider adopts agile work approach with Red Hat Open Innovation Labs," 2019.

Deliver business value quickly with the Open Practice Library

At Red Hat, we develop and reinforce organization agility with the Open Practice Library. The Open Practice Library is a community-driven collection of processes, practices, and tools that help organizations build a culture that can increase collaboration and accelerate change across the organization, including:

- **Event storming** to align software with organization needs.
- **Value slicing** to rapidly prioritize work.
- **Usability testing** to gather real-world feedback.
- **Retrospectives** to reflect, inspect and adapt ways of working.

The Open Practice Library is organized around the Mobius Loop, an iterative process model that generates a continuous flow of innovation.

Discovery

Delivery

Options

Foundation
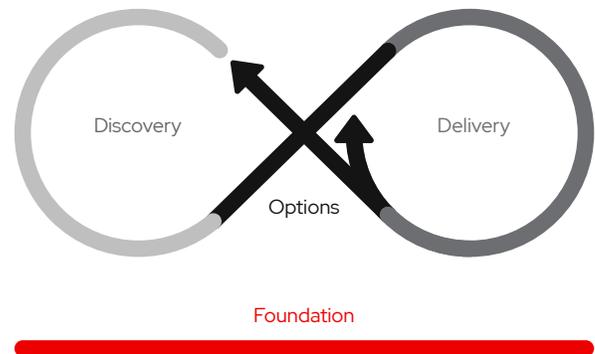
The four parts of the loop are:

- **Discovery**, where teams gain an understanding of project needs, revisit lessons learned, and see the key motivations behind what they are building.

- **Delivery**, where teams put ideas to the test with iterative processes designed to see which ideas work and which do not, measure impact, and figure out what comes next.

- **Options**, where teams determine what is possible and what is needed to achieve desired outcomes.

- **Foundation**, where technical engineering practices meet collaborative activities to support your journey through the Mobius loop, and where Red Hat helps turn open culture into real business results.

Discover how Red Hat uses the
Open Practice Library to transform teams.

Download the e-book

Customer case study

Via Varejo, one of Brazil's largest retailers, wanted to transform its culture, become more digitally focused, and modernize its IT infrastructure.[5] To adopt an innovative development approach, Via Varejo engaged with Red Hat Open Innovation Labs to learn about and apply agile, lean, and DevOps development principles.

Activities from the Open Practice Library included creation of a social contract, target outcomes, retrospectives, and more.

"Our immersive residency at Red Hat Open Innovation Labs brought us not only technical but also cultural benefits. The practices delivered helped our team become more collaborative. Open Innovation Labs is undoubtedly a catalyst for agility and efficiency.

Marcelo Costa
Solution Architect, Via Varejo[5]

Transform together

With the same open principles applied to all aspects of your organization, everything—and everyone—works together.

Start your digital transformation journey with Red Hat Services

Open source is built on the idea that we can accomplish more together. When cross-functional teams share ideas freely, innovation accelerates. As a result, teams can deliver more, faster—and with less risk.

This collaboration can help your organization eliminate time- and talent-wasting activities and anticipate technology disruption.

Red Hat Consulting

Offering more than just technical expertise, Red Hat Consulting uses collaborative service delivery, acting as an extension of your team to help you adopt new technologies, transform processes, and scale your IT strategy. The Red Hat Consulting team uses approaches designed to adapt to your needs, specializing in helping organizations:

- Modernize their platforms.
- Implement IT automation.
- Embrace modern app development.
- Pursue digital transformation.

Red Hat has helped organizations like yours:

Achieve hybrid cloud agility with scale-as-you-grow architectures that allow for rapid delivery of new capabilities beyond the limitations of on-premise hardware and software.

Develop a cloud-native approach to iteratively deliver products that matter to your organization and your customers.

Automate processes to reduce manual work and free up IT staff so they can focus on new organization objectives.

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"**H**aving a more stable, scalable platform and cloud-based architecture will enable us to give our customers greater access to innovative financial services that they never had before. Our teams are inspired to try new things with technology. If we had not partnered with Red Hat Consulting to implement Red Hat OpenShift, it's very unlikely we would be where we are today, with teams in multiple countries working seamlessly together on a common platform.

Tim Howard
Former Head of Technology Delivery, Ascend Money[6]

Customer case study

Wanting to improve the efficiency of its application processes, Ascend Money, Southeast Asia's largest financial technology company, migrated its legacy applications to a standardized cloud-based platform with Kubernetes container orchestration technology.[6]

During this process, the organization received design and implementation assistance from Red Hat Consulting.

Red Hat Training and Certification

Red Hat Training and Certification provides hands-on courses and exams that build and validate the skills needed to maximize your technology investment. From DevOps training to Linux® certification, Red Hat offers a practical path to meet your organizational goals for roles including cloud architect, application developer, OpenShift administrator, or Linux administrator.

Whether you have adopted new technologies or need to transform skills, Red Hat Training and Certification prepares you for on-the-job challenges.

[6] Red Hat case study, "Acend Money builds applications with Red Hat OpenShift and Ansible," 2019.

Customer case study

Edenor, the largest electricity distribution company in Argentina, implemented Red Hat technology to benefit from open source innovation and meet its cloud computing objectives.[7]

Edenor worked closely with Red Hat Consulting to ensure the new container program and integration technology were deployed correctly, and engaged in Red Hat Training for hands-on instruction on the new technology, as well as agile and DevOps best practices.

> **"** This transformation was challenging in terms of both technical and cultural changes. We were introducing new concepts like containers and microservices. Red Hat provided us with the right tools to overcome these challenges.

María Alejandra Trozzi
Deputy Manager of Solutions Architecture, Edenor[7]

Experience DevOps culture and applied practices in a five-day immersive course.

Register for training

[7] Red Hat case study, "Argentina's largest electrical provider streamlines system integration," 2020.

Red Hat is a leader in open source with more than 25 years of experience collaborating on community projects and developing software that pushes the boundaries of technological ability.

Open is in our DNA

We know that open source tools function best when combined with an open culture and processes. When you engage with Red Hat, you're partnering with people who understand open technologies, principles, and practices.

We help you deliver agile and flexible services, protect your organization assets, and prepare for future change—by uniting teams and open methodologies—so you can move your organization forward faster.
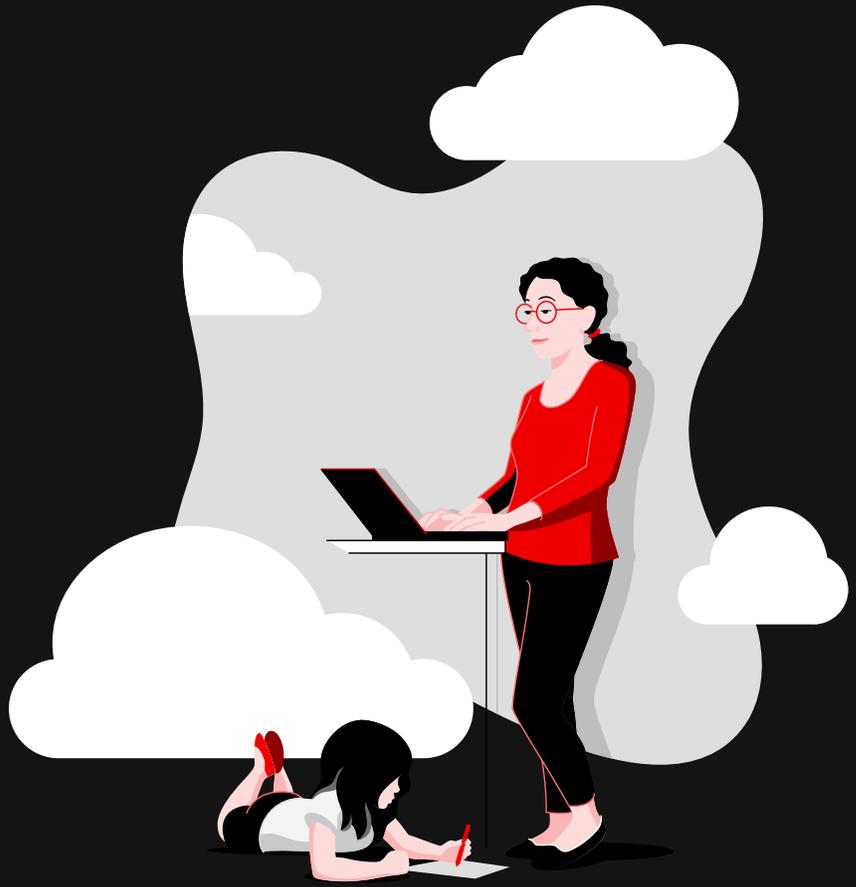
Find out how Red Hat can help you achieve successful transformation.

Learn more

Start your transformation to an open organization model.

Request a discovery session