BMC SOFTWARE: DRIVING INNOVATION BOTH ON AND OFF THE MAINFRAME



When <u>BMC</u> got its start in 1980, the mainframe was the only game in town. Forty-two years later, the mainframe is still an important part of BMC's business. According to BMC's <u>annual mainframe survey</u>, 95 percent of respondents—many of whom BMC has been supporting for years—remain committed to the venerable platform.

The question for BMC, therefore, is how to remain relevant in the modern, cloud-centric IT world? One word: *innovation*.

BMC's Four-Pronged Product Strategy

BMC drives innovation across its entire product line, which coalesces into four broad product categories. Its mainframe offerings remain at the core, with the BMC Automated Mainframe Intelligence (AMI) family, as well as the BMC AMI DevX DevOps tools for the mainframe.

BMC has also long been a leader in the service management market. Today, its flagship service management brand is BMC Helix, both on-premises and as a fully reworked SaaS offering. Third on the list is application workflow orchestration and automation within the company's Control-M product line, available as either via SaaS or on premises.

Rounding out BMC's offering are its AlOps and observability tools, also under the BMC Helix brand. In particular, BMC has recently announced <u>BMC Helix ServiceOps</u>, which combines service

management and operations management into a single, predictive tool.

While BMC Helix and Control-M aren't specific to the mainframe, the combination of capabilities that these products offer provides a clear value proposition to BMC's mainframe customers, who all place the mainframe into the broader context of hybrid IT.

For these enterprises, the mainframe no longer stands alone in their IT strategies. Today, large organizations are moving to hybrid, cloud-native architectures. It's imperative for such companies to modernize how they leverage their mainframes within this new context.

Dealing with Headwinds Away from the Mainframe

The enterprise landscape away from the mainframe—all those companies that don't have or don't want Big Iron—presents both the greater challenge and the greater opportunity for BMC. BMC faces some headwinds as it seeks to capitalize on this opportunity, as the sales motions for the product categories are diverse.

The service management market has largely consolidated, so BMC's story within this market is that it offers the best alternative to ServiceNow. In the automation and orchestration space, BMC stands out because it doesn't offer robotic process automation (RPA), a popular but flawed approach to task automation. Instead, BMC leverages its years of expertise to provide cost-effective workflow automation solutions across different departments and use cases.

BMC's AIOps and observability story—now with an innovative ServiceOps twist—faces a crowded and noisy market (just the opposite of the staid service management space). For this opportunity, BMC offers a strong consolidation and replacement strategy to its customers, while also integrating with any tools that they would prefer to keep around.

This diversity of sales motions means that BMC takes a customized sales approach for each customer, highlighting specific product capabilities instead of a cohesive portfolio to support its customers' transformation efforts.

Bringing Innovation to the Table

At its recent <u>BMC Exchange</u> customer conference, held online and in person in Miami, BMC executives tackled this problem head on by emphasizing BMC's massive investments in innovation.

Innovation is traditionally a rare commodity in mainframe circles. However, given the shifting priorities of mainframe customers, combined with the generational change impacting mainframe professionals, innovation in this traditionally conservative market is an absolute must.

BMC is rising to the challenge with its BMC AMI DevX mainframe DevOps tooling, which helps organizations integrate their mainframe-based application development with their cloud-based development.

From the perspective of DevOps engineers—as well as ITOps personnel and application developers—the mainframe is one of many server options with its own strengths and weaknesses. BMC's approach to DevOps supports and reinforces this perspective.

Perhaps the most significant innovations from BMC center on how it has been moving its BMC Helix product line to the cloud. Rather than tweaking legacy product code around the edges as some vendors might, BMC has invested substantial time and money rewriting its products along cloud-

native lines. Such innovation may largely be hidden from view, but will pay enormous dividends for BMC and its customers, as it moves itself to the cloud.

BMC has also doubled down on its investments in AI (machine learning in particular), both for its AIOps offering as well as its new ServiceOps focus. This innovation will quickly place BMC in a leadership position among organizations struggling with the exploding number of tools in this crowded market niche.

BMC Innovation Extends to Emerging Technology

While the core of BMC's innovation efforts focuses on moving current products forward, the company also invests heavily in emerging technology through its BMC Innovation Labs (see my recent article).

In these labs, BMC works in partnership with its customers and established partners to explore cutting-edge technologies like augmented and virtual reality. The labs were also responsible for bringing the predictive ServiceOps concept to market.

The labs' recent emphasis has been on edge computing and the Internet of Things (IoT) as BMC fleshes out an edge management offering that leverages several of BMC's technical strengths, including data management, analytics, automation, and security.

The Intellyx Take

While a large portion of BMC's customer base remains enterprises with mainframes, it's clear that its growth opportunities lie primarily outside this community. Bringing these two constituencies into one coherent strategy is a work in progress for BMC. The name for this strategy—more of a framework, really—is the <u>Autonomous Digital Enterprise</u> (ADE), which emphasizes business agility, deep datadriven insights, and customer centricity.

The ADE is largely aspirational, providing a guiding star for BMC's customers as they leverage IT to become digital businesses via several core tenets across customer experience, automation, data, and more. While the ADE is a work in progress for BMC and its customers, the company's products are fully modern and ready to help enterprises both on and off the mainframe achieve their digital transformation goals.

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