

# Avoid Overspending on Digital Infrastructure by Tackling Tech Debt

Strategic technology partners can help retire tech debt and improve digital business ROI.



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Many organizations struggle to sustain required levels of digital infrastructure spending on computing, networking, storage, and infrastructure operations. Most have well-established, mission-critical applications and data built using coding frameworks with critical dependencies on legacy operating systems, bare metal and virtualization platforms, and development methodologies.

Often described as tech debt, these established systems can be challenging to integrate with more modern DevOps workloads, container platforms, and cloud services. They can be costly to manage and change since many legacy assets rely on purpose-built tools and graphical user interfaces that are hard to integrate into modern CI/CD tool chains or lack the APIs needed to interconnect with public cloud services.

IDC surveys of enterprise IT decision makers worldwide show many are concerned by the growth of digital infrastructure spending just to keep up with business priorities. AI and other emerging data-intensive applications are expected to dramatically push the pace of digital innovation and require significant net-new investments in IT infrastructure.

Tech debt from delayed on-premises infrastructure and application modernization is cited as the primary driver of overspending on digital infrastructure, according to IDC's *Future of Digital Infrastructure Worldwide Sentiment Survey* (June 2023).

What is the primary reason you believe overall digital infrastructure spending is too high?



**28%**

Overspending for on-prem infrastructure to support legacy technical debt



**25%**

Line of business or DevOps teams purchasing infrastructure outside of IT



**18%**

Lack of cloud/infrastructure financial management tools



**16%**

Lack of automation to enforce policies and controls



**12%**

Overspending for public cloud services

n = 249; Source: IDC's *Future of Digital Infrastructure Worldwide Sentiment Survey*, June 2023

Respondents also recognize that allowing infrastructure to be purchased in an uncoordinated manner also drives overspending, as different teams make independent choices about technology refresh, support, and integration.

Such tech debt prevents the organization from fully implementing new revenue-generating digital business capabilities when budgets must be spent supporting inefficient, difficult-to-integrate legacy silos. It also hinders the ability to extract the full value out of existing data assets due to challenges related to data portability and integration across legacy environments.

Organizations that want to better align infrastructure spending with business outcomes need to transform the ways they purchase, consume, and refresh infrastructure.

### Important elements of a continuous modernization strategy include:

- A shared infrastructure vision and architectural road map that is endorsed by senior business, IT, cloud, DevOps, and data science teams
- Hybrid and multicloud architectures to enable organizations to rapidly introduce emerging technologies and address critical scale and performance needs via public cloud services when appropriate, while still exerting more direct security and control over assets supporting confidential or regulated data
- IT operating models, processes, and tools that promote consistent visibility and control across all digital infrastructure resources

## Essential Guidance

Digital infrastructure technology partners can assist organizations in developing strategic digital infrastructure road maps and modernization strategies.

Look for partners with deep knowledge of best practices for coordinating the transformation of infrastructure, applications, data platforms, and operating models. Partners should be evaluated on their ability to address the organization's specific use cases and industry requirements and their ability to both initiate and sustain a tech debt modernization effort.

Enterprises need to prioritize modernization efforts based on the business impact and expected useful life and costs of existing applications and infrastructure.

Partners may be able to help identify opportunities to consolidate workloads, retire older systems, and implement more efficient and simplified infrastructure and applications operations. They also should be able to assist with the development of a compelling business case to align the overall organization with the longer-term vision and goals.

### Message from the Sponsor



Re-envisioning and repositioning technical debt are requirements for modernization, maximizing innovation, and improving your organization's ability to adapt to change.

DXC can support you to make the shift from tech debt to organizational debt and achieve the ultimate business objective — modernization.

Meet a DXC expert to understand how we can support you to address the flip side of modernization.

**Reframe your technical debt**