

## From The Corner Office

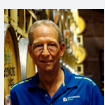
I hope this newsletter finds you well and that you've enjoyed some well-deserved relaxation while staying cool amidst these summer scorchers. Our team remains vigilant at work helping organizations like yours confront the challenges of tomorrow, while balancing some summertime leisure of our own.

If you're a new reader, please allow me to briefly introduce Enterprise Iron: Since 2002 we've been providing expertise through our suite of practical Business, Technology, and Workforce Solutions for public and private sector clients. Whether it's optimizing operational efficiency, solving complex technology woes, improving customer satisfaction in a highly-competitive landscape, or ensuring regulatory compliance and business-readiness – we've got your back!

In this issue, we share insights from our recent whitepaper on modernization entitled *Escaping the Quagmire of Legacy Systems: A Guide to Modernization*. EI was delighted to be featured again on the Broadcast Retirement Network (BRN) last week, which you can watch [here!](#) Next, we cover an occurrence seen far too often in *The Hidden Cost In The Lowest Bid*.

We have many exciting projects in the works and are looking forward to seeing you soon at the NAGDCA, ASPPA, and SPARK conferences. As always, I welcome any follow-up questions about this newsletter or our services. I wish you and your family a wonderful remainder of Summer as we gear up for the change of Fall!

All the best,



**John Crocker**  
 Co-Founder & EVP  
[jrc@enterpriseiron.com](mailto:jrc@enterpriseiron.com)

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## Escaping the Quagmire of Legacy Systems: A Guide to Modernization

By **Sergio DuBois**, Director of Solutions Architecture

In today's fast-paced digital landscape, legacy systems are often a significant roadblock for organizations aspiring to innovate and grow. Clinging to outdated technologies not only hampers efficiency but exposes businesses to considerable risks, including security vulnerabilities and maintenance challenges.

Our latest whitepaper dives deep into these issues, laying out a comprehensive and strategic roadmap for Legacy Application Modernization. Here's a glimpse of what the paper entails:

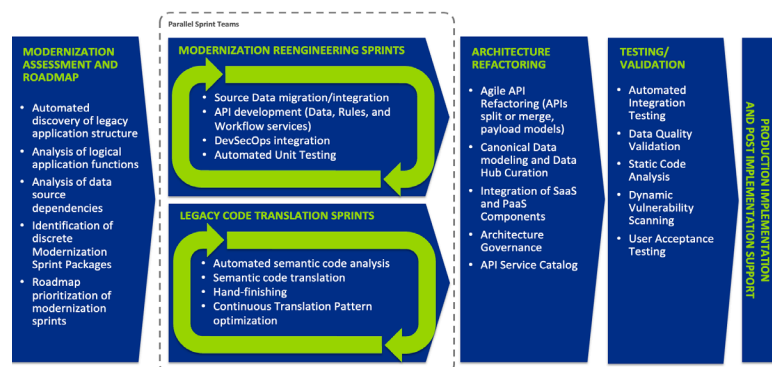
### The Pain Points

**Competitive Disadvantages** – Legacy systems can result in a lack of self-service customer experience, manual staff processes, and a disadvantage against more agile competitors.

**Retiring Experts** – Losing seasoned engineers with legacy system expertise makes replacement a tough task in the current job market.

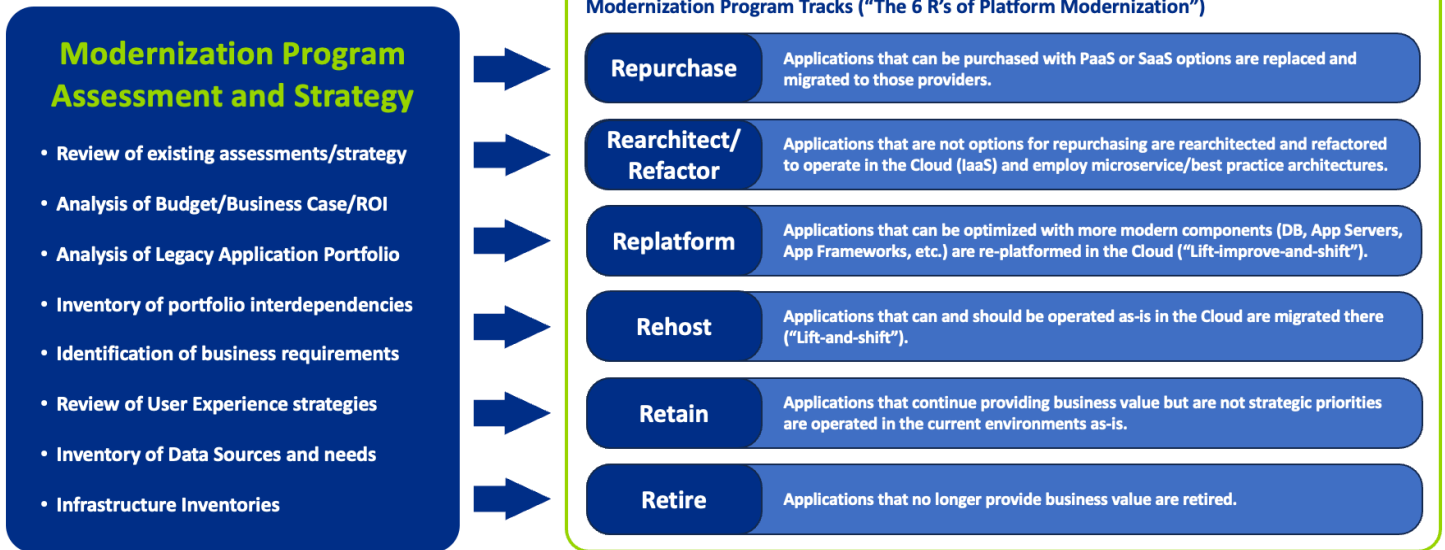
**Outdated Technologies** – Sticking with technologies that are decades old and unsupported can drastically affect operations, increasing costs and risks.

**Security Risks** – Audits often reveal shocking security vulnerabilities, leading to assumable risks.



### The Modernization Goals

Modernization is not a mere tech exercise, but rather it's a carefully planned strategy that aligns with both the Business Goals and Information Technology Goals of an organization.



Business Goals such as **Risk Mitigation**, embracing a robust **Digital Strategy** (including web and mobile platforms), and acquiring the **Agility to Adapt** to market demands and regulatory changes are vital.

IT Goals focus on **Reducing Technical Debt**, **Retiring Legacy Technologies** (such as COBOL, Assembly Language), and **Refactoring legacy application monoliths** into more agile, Cloud-based solutions.

### An Iterative Approach

The whitepaper details a phased methodology:

**Assessment and Roadmap** – From automated discovery of legacy application structure to prioritizing sprints.

**Legacy Code Translation Sprints** – Including automated semantic code analysis, translation, and hand-finishing.

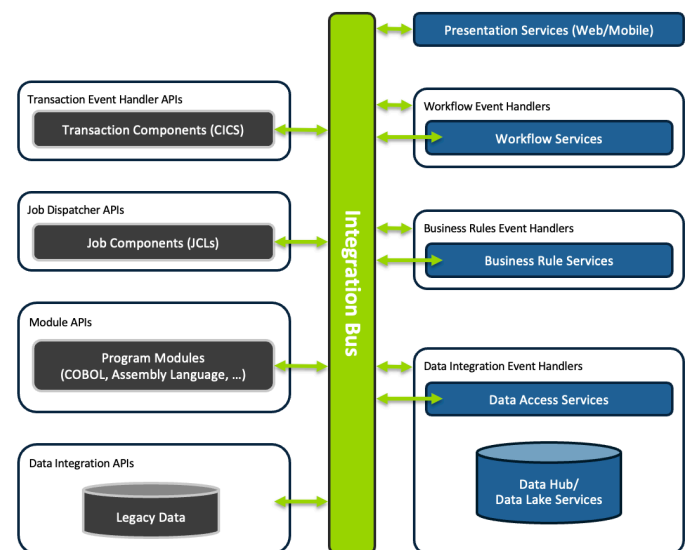
**Modernization Reengineering Sprints** – Covering source data migration, API development, and DevSecOps.

**Architecture Refactoring** – Ensuring that the rebuilt architecture employs the best practices.

**Testing/Validation** – Rigorous testing for ensuring robust security and quality.

### Lessons Learned and the Six R's

Practical insights for a **Data First Approach**, understanding how **Legacy and Modern platforms must coexist**, and the all-important "**Six R's of Platform Modernization**" (Repurchase, Rearchitect, Replatform, Rehost, Retain, and Retire) round up this insightful guide.



*(Enterprise Iron and the Broadcast Retirement Network are dedicated to empowering businesses with innovative solutions. Stay connected with us for more exciting content and expert insights.)*

## A Must-See Discussion

This compelling read is just the tip of the iceberg. Last Wednesday on the **Broadcast Retirement Network (BRN)**, **Mark Kalafsky**, our SVP of Solutions & Delivery, and I, discussed real-life experiences on the subject of Legacy System Modernization. Click [here](#) to watch that episode.

Whether you're a technical expert looking to navigate the intricate pathways of modernization or a business leader aiming to align technology with strategic goals, this conversation promises to offer valuable insights.

Enterprise Iron is at the forefront of Legacy Application Modernization, helping businesses escape crippling technical debt and setting them on a path to success. Don't miss this chance to learn from the best in the field, take the first step towards modernizing your legacy systems by contacting us today to learn more.

Email: [technologysolutions@enterpriseiron.com](mailto:technologysolutions@enterpriseiron.com)



## The Hidden Cost In The Lowest Bid

By **Robert Holman**, Solutions Architect


It is a common occurrence in the IT world to receive and evaluate vendor bids. At first, choosing the right vendor may seem like a no-brainer: The lowest bid wins. Unfortunately, this rule of thumb is shortsighted and contains several fatal flaws which can lead to spending more money over the life of the contract than any up-front savings. Other factors to consider include a prior track record of success, proposed timeline, perceived quality, and any additional benefits or scope.

### Why is the bid lower?

Suppose your firm receives 3 well-crafted bids for an IT project. The first bid is for \$150,000, the second would cost \$140,000, and the third suggests they can do all the work for \$90,000. The variation between the first two bids is 6.6%, while the variation between the first bid and the third bid is 40%. A large variance on the lowest bid is a red flag and you should dig deeper to understand why that consulting firm believes they can deliver the same quality service for a drastically lower cost.

There are a few common reasons for a significantly lower bid to look out for:

**The bid does not cover the same scope** – The higher bid offers greater functionality and better support (both pre- and post-implementation baked in). The lower bid may offer a basic package with improved functionality and support only available for an additional charge.



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	<b>50x</b> <small>Compared to the other traditional, low and zero-coding platforms.</small>	<b>2x</b> <small>Compared to the other traditional, low and zero-coding platforms.</small>
<b>Better</b>	<b>Increased Ease of Use</b>	<b>Scale to Multiple Solutions</b>
	<b>5x</b> <small>Compared to the other traditional, low and zero-coding platforms.</small>	<b>10x</b> <small>Compared to the other traditional, low and zero-coding platforms.</small>
<b>Cheaper</b>	<b>Reduced Build Cost</b>	<b>Reduced Subscription Cost</b>
	<b>10-50x</b> <small>Compared to the other traditional, low and zero-coding platforms.</small>	<b>3x</b> <small>Compared to the other traditional, low and zero-coding platforms.</small>

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**The bid uses less experienced resources** – It is a common misconception that all resources are equal believing that you can pull one person out of a role and replace them with anyone else with no impact on quality or productivity. Ask yourself: if you needed heart surgery, would you want an experienced surgeon who had successfully performed the same surgery hundreds of times over a 20-year career? Or would you feel just as comfortable with a surgeon who just completed their residency, and this would be their first time as a lead surgeon? Experience matters, particularly relating to reduced mistakes, greater efficiency, and faster execution. Paying a bit more for expert resources is well worth the greater value they bring to the project, otherwise, you're relying on limited experience to navigate anything that may arise.

**The bid includes offshore resources** – In a specialized and regulated industry such as Retirement Recordkeeping, there is a variation on the Less Experience Resources problem. On top of the previously stated concerns, there are often language barriers and cultural or time zone differences that impact communication and response times. Anything that slows down the project contributes to added cost.



### What are the hidden costs?

**Longer project times** – Time is money. The longer a project takes to complete, you increase the odds of running over budget due to extended hours of labor cost for those resources. Additionally, longer project deadlines mean you are unable to complete other projects in the same timeframe, so your overall productivity suffers.

**Mistakes** – If a resource makes a mistake, it costs time and money to fix. If the mistake is caught during the project, it leads to longer execution times, but the overall fallout is

limited. If the error makes it into Production, there may be downtime for the system, financial loss, data leakage, and damage to the company's reputation. Less experienced or knowledgeable resources are more prone to mistakes, which increases the risk to the project.

### Summary

Remember that you get what you pay for. We recommend that a thorough evaluation of the IT vendor bids you receive should always include:

- Verification that the bids are for identical service(s)
- Balancing potential risk to the project against experience and the cost of the project resources

We have extensive experience evaluating vendor bids for clients and we can help your firm make the right assessment by weighing vendor reputation, expertise, quality, and cost of bids received to reach the best-fit decision for your organization's project.

Beware of the hidden costs of lowest bids and don't assume cheaper is necessarily best – experience matters!

From **Platform & Provider Search** to **Program & Project Management**, and **Staff Augmentation** our team provides expertise and practical guidance every step of the way.

Email us at [info@enterpriseiron.com](mailto:info@enterpriseiron.com) to get started.

### CALENDAR OF EVENTS

**NAGDCA 2023 Annual Conference**  
October 8-11 | Seattle, WA

**ASPPA Annual 2023**  
October 22-25 | National Harbor, MD

**SPARK Forum 2023**  
November 5-7 | Palm Beach, FL