

# White Paper

## Automate Or Die

### How You Can Survive The Recession



#### Executive Summary

Increasingly, management is asking CIOs to do more with less. Recent studies indicate that growing numbers of CIOs are planning to cut personnel, forgo equipment purchases, and eliminate consultants to help survive the current recession. Yet, the pressure on CIOs to perform miracles continues to intensify.

To combat this mounting pressure, they must increase a business's efficiency, shave its expenses, and enhance its customer service. Automation is the only effective way of doing this. And time is of the essence. For CIOs, it's automate or die.

This White Paper discusses the roadblocks to effective automation and how Argent can help CIOs enhance automation – on a very limited budget. Built around the concepts of security, stability, and scalability, Argent's products and solutions are robust and easy to use, and help CIOs not only combat the effects of a recession but also thrive in intensely competitive markets.

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## Introduction

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If this isn't a recession, it sure feels like one. All the telltale business signs are there - from pullbacks in spending and houses that don't sell to dismal job reports. Almost without notice, economic data has taken on new urgency for managers while vital economic signs have grown erratic, casting doubt on future activities. Meanwhile, financial experts are issuing dire economic predictions. On the downside, these predictions often surprise and shock. Suddenly, keeping watch over key economic indicators is the new pastime for harried business executives. Unfortunately, this is exactly what happens when an economy sinks into a recession.

Businesses worldwide are feeling the effects of this economic pinch. And they're taking appropriate actions to combat it - tightening budgets, laying off workers, cutting expenses, and eschewing consultants. IT is a key target for these measures. At risk are thousands of IT staff jobs, including both in-house workers and outside contractors. A survey recently conducted by Goldman, Sachs, & Co., the investment banking and securities firm, indicates that the pipeline for IT spending, especially for discretionary projects, is quickly being capped. This survey of 100 managers with strategic-decision-making authority - mainly CIOs at multinational Fortune 1000 companies - asked about a company's IT staffing plans.

A second survey by Goldman, Sachs & Co. gives further proof of this developing trend. This survey indicates that IT hardware suppliers as well as professional service providers will feel the brunt of these spending cutbacks, although all of IT will eventually feel it. This survey also indicates that CIOs plan to emphasize economizing measures over investments in fancy new technologies, such as cloud computing. Instead of spending freely, CIOs are buying on a need versus want basis. They're also downsizing deals to fit with current budget constraints and searching for solutions with a high and fast ROI.

These responses are a far cry from a little over year ago. For example, when managers were asked a year earlier which area of IT services delivery resources they would cut for application related development or maintenance work, they said none as far as in-house staffing was concerned. Managers now say that they are likely to cut IT programming staff by anywhere from 8 percent to 11 percent, according to one survey. That means tens of thousands of IT jobs lost. Whatever happens, one thing is clear: Managers are scrutinizing IT closely and cutting costs wherever they can. Yet, they expect IT to do more with less. Increasing productivity is a must for IT while generating a high return on investment (ROI) for each software purchase is the name of the game.

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## Automate Or Die

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There is no denying automation's benefits. Automating IT and business processes within a data center increases productivity, slashes costs, and generates a high return on investment on software purchases. It also streamlines operational activities and translates corporate priorities into improved customer service. In addition, it helps businesses achieve key recession-busting goals like increased uptime, improved business continuity, enhanced performance management, and faster response to changing business demands. Automation even speeds responses to compliance requests and reduces human error - key factors in cutting costs.

But that's not all. Given the sudden concern for energy utilization, automating your processes provides key "green" benefits, such as initiating green practices by managing virtualization, server consolidation, power conservation, and provisioning. In other words, automation improves the bottom line and generates competitive advantages while saving IT jobs and increasing profits. It also boosts corporate agility. These benefits are hard to dismiss during tough times. Clearly, automation is a win-win for all involved - managers, CIOs, IT staff, and customers. Yet, some CIOs are still reluctant to automate IT and business processes.

## Reasons For Not Automating

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One reason CIOs may be reluctant to automate IT and business processes is because it's a major challenge. Legacy systems notwithstanding, CIOs must concern themselves with things like security, stability, and scalability when it comes to implementing software solutions. Unfortunately, not every software solution available to CIOs addresses these concerns adequately. An effective software solution designed to automate an IT or business process must also be easy to install and easy to use. Implementing a solution that takes weeks or months to install and learn does little for the bottom line and provides a poor ROI. In addition, an effective solution must be flexible enough so that CIOs can customize it to meet his or her company's specific needs. If a CIO can't do this, the software product's benefits are lost.

Another reason CIOs ignore automation may be the software companies themselves. While many CIOs prefer an approach using best-in-class strategy to automating business processes, it presents its challenges. For example, getting different individual software solutions to operate seamlessly - with each other and with a company's legacy systems - is often a chore, forcing IT to spend hundreds of man-hours installing the solution - hours they could have spent doing other critical tasks.

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Unfortunately, few software companies design their software solutions to connect easily with other vendors' systems and provide a solid foundation for growth. When CIOs are battling a recession, they can't afford extensive delays in time to market to address these problems. Every minute counts.

## Argent's Approach To Automation

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Argent's approach to designing software is unique and compelling. Unlike other software firms that address automation half-heartedly, Argent offers a seasoned and well-thought out approach. Taking an evolutionary perspective rather than a revolutionary one, Argent bases its solutions on decades of experience working directly with some of the most demanding businesses in the world, like GlaxoSmithKline, U.S. Federal Reserve, Barclay's Bank, Social Security Administration, Honda, Sony, Intelink, Charles Schwab, U.S. Coast Guard, Eastman Kodak, ExxonMobil, and over 2,000 other companies and organizations worldwide.

The software solutions Argent develops using this time-tested approach help CIOs overcome the challenges of automating IT and business processes and prepare their companies for future growth. What's more, unlike other software companies that often release a product before its time, creating nightmares for users that implement them, Argent tests its solutions for up to a year before releasing them.

Argent's solutions help businesses weather difficult recessions and boost corporate profits.

Argent builds its software solutions on three key cornerstone requirements for a contemporary, full-featured product - Security, Stability, and Scalability. While stability and scalability are important for CIOs, security is by far the most important cornerstone, especially when times are tough. As the increase in the levels of professional hacking and regime-based penetrations from political entities ratchets upward, CIOs' need for security grows. When it comes to automation, CIOs know that security is paramount. Without it, all is lost.

The advent - and growing sophistication - of spoofing, injection, substitution, and the other techniques for hacking a computer system, means that security is - and probably always will be - the single most critical area of automation.

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To address this concern, Argent creates software solutions based on a key idea: Today's most sophisticated security techniques will be passé tomorrow, opening businesses up to exploitation. To combat this threat, all Argent software offers an open security model, enabling users to easily upgrade security. When 512-bit encryption replaces 256-bit encryption, CIOs have a simple, yet secure upgrade path, speeding time to market, cutting operational expenses, and - most importantly - generating a better ROI.

## Security And Scalability Are Vital

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Improved stability and scalability are also key requirements in a recession-busting software solution. Like security, they provide a better return. Stability may not rank as high as security when it comes to automating a business center, but it's also critical to success. When a product fails, it may not damage a system. But it inhibits productivity, something no CIO wants or needs when times are tough and competition intense. Lost productivity means lost revenue. Lost revenue means lost profits. Businesses combating a recession must squeeze out every bit of profit they can. This is especially true of intranets, as intranets are now the lifeblood of most companies and organizations.

While stability is vital, scalability - the ability to adjust a software solution to the expanding needs of a large enterprise quickly, cost-effectively, and with few problems - is just as critical. Scalability in a software solution helps CIOs reduce costs by enabling them to meet a business's growing needs cost-effectively, increasing profits and helping weather economic storms. And like security and stability, scalability speeds time to market. The faster one's time to market, the more agile a business is and the better the company's ability to capitalize on emerging opportunities.

## Automating Compliance

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Compliance ranks as a prime target for automation. Thanks to corporate scandals, like Enron and Tyco, compliance is a major issue in executive boardrooms. These scandals created laws and standards like Sarbanes-Oxley, PCI, and GLBA, which tightened regulatory compliance requirements. United States-based and European-based businesses must keep accurate records of business activities. While the main focus of these mandates for CIOs is on reporting financial data, information technology and security records are also areas of importance. In fact, the list of compliance requirements is long, giving CIOs nightmares.

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Even e-mails sent between employees fall under the auspices of regulatory compliance. Automation represents a CIO's best way of addressing these compliance issues cost-effectively.

For example, among the most widely publicized of these acts is the Sarbanes-Oxley Act (SOX). Signed into law on in 2002 by President Bush, SOX governs the financial reporting landscape for finance professionals. It stiffens legislative audit requirements for businesses and prescribes measures designed to protect investors from fraud by improving the accuracy and reliability of corporate disclosures. SOX also covers a wide variety of compliance issues like auditor independence, corporate responsibility, and accurate financial disclosure. And SOX significantly tightens accountability standards for directors and officers, auditors, securities analysts, and legal counsel.

Another compliance measure is PCI DSS. PCI DSS stands for Payment Card Industry Data Security Standard. Developed by the major credit card companies to help businesses process credit card payments, PCI helps prevent credit card fraud, hacking, and various other security vulnerabilities and threats. With PCI DSS, businesses processing, storing, or transmitting payment card data must be PCI DSS compliant or risk losing their ability to process credit card payments. Merchants and payment card service providers must validate their compliance periodically. Specially trained PCI DSS Qualified Security Assessors (QSAs) conduct audits to validate compliance.

## Violations Are Costly

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Bad things happen when companies (and CIOs) ignore compliance issues. Take Sarbanes Oxley, which applies to publicly trade companies in the United States. Briefly, SOX requires businesses to disclose all investment risk to its shareholders and to produce accurate financial records. In addition, the Health Insurance Portability and Accountability Act (HIPAA) requires health care providers to guard a shareholder's privacy closely. Failure to perform this due diligence opens up a company to potential fines, litigation, and loss of customer loyalty, not to mention a mountain of bad publicity - all of which can severely damage its bottom line. Responsible federal agencies, healthcare providers, and businesses must take privacy seriously.

Unfortunately, in an online world, protecting an individual's private information isn't easy. Criminals often use "sniffers" and other digital measures to hack into a company's databases and obtain credit card numbers illegally.

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They then use that information later on for making unauthorized purchases, costing the individuals concerned billions of dollars. To meet their obligations, businesses must conduct routine Privacy Impact Assessments to ensure that laws and regulations aren't violated. That takes time and money.

Some experts estimate that it takes more than 10,000 hours annually to meet regulations. That's 10,000+ hours of lost productivity – 10,000 hours is over six full time employees, you can calculate the cost to your company. Much of the burden of being in compliance falls on the backs of CIOs.

## Argent Compliance Automator Automates Compliance

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The Argent Compliance Automator is a scalable, robust software solution for gathering data that provides a complete audit and compliance trail for management. With Argent, CIOs can quickly comply with audit requests and initiate internal audits in response to events and certain behavior patterns uncovered by Argent and all using an open ODBC centralized database. Key features include true n-tier architecture, complete fault tolerance, engine replication, load balancing, built-in scheduler, and consolidation with or without the use of agents. (One large New York state agency consolidates over 800 GIGabytes per day.)

Using the Argent Compliance Automator, CIOs can now consolidate data from any platform or server quickly and easily. Easy to use and install, the Argent Compliance Automator supports all common hardware platforms, including Windows, Linux, AIX, HP-UX, SCO, Solaris, iSeries, and Novell, as well as all legacy mainframes. And the Argent Compliance Automator snaps easily into the Argent Management Console.

Examples of the types of data CIOs can consolidate are brokerage firm archiving and scanning of e-mail files, consolidation of II, Apache, or Unix logs, and proprietary security data files and logs. CIOs can also use the Argent Compliance Automator's powerful OCX control feature to analyze and collect any type of data and regardless of the internal format. In addition, CIOs are able to create OCX controls to analyze confidential files while the files are consolidating.

## Pre-Defined Automation

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To assist CIOs in collecting information, CIOs have at their disposal over 500 predefined automation "rules" designed to automatically provide compliance with Sarbanes Oxley, PCI DSS, and other regulatory and compliance measures.

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By implementing rules created by Argent, CIOs can dramatically cut both the time and cost of automating compliance. That frees IT staff for doing other tasks that boost productivity.

## A Case Study: Argent Automates SQL Server

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Automating SQL Server environments is another way for CIOs to increase productivity, cut costs and increase SLAs.

All areas -- Accounting, Human Resources, Customer Service, and Manufacturing—all depend on the proper storing and sharing of database information. As these production databases grow, meticulous monitoring is mandatory, but if a business wants to squeeze the most out of every IT dollar, then automation is critical.

Unfortunately all production databases, such as SQL Server, require lots and lots of handholding, and without this handholding their performance and reliability can quickly suffer.

But with paper-thin budgets, many companies can no longer afford SQL Server specialists.

That's where Argent's automation can help.

## Event-Driven Job Scheduling

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Triggering of processing tasks on an event, rather than timed, basis is a frequently overlooked solution to common requirements. Many data transfer routines need only be executed when the data of concern appears or is updated in the source database. Quite often a file transfer or page update is contingent on successful data processing but is programmed to happen at a predetermined time.

Consider a nightly updated report on a corporate Intranet. Data from every office is transferred to a central location, there is a data-warehousing step, a backup occurs, and data is extracted for publication on a web page. The data-warehousing process kicks off at 1 a.m., because all the data from the offices could never take longer than that to complete. The backup is driven by a separate system but the sequence that server falls into never starts before 4 a.m. - plenty of time to complete the data-warehousing process. The process that updates the web page happens at 7 a.m. every day, not because that's when it should happen, but because if it happens any sooner the backup may still be running and any later and some early starting executive may be viewing the wrong data.

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Problem is, a saturated WAN link may cause an office to be late with its data, and the data-warehousing will then have to be done manually the next day. The backup might start hours late due to a problem on some unrelated system and get in the way of the Intranet update. And that executive viewing the report first thing the next morning is completely unaware he is looking at old data.

Now, introduce event-driven job scheduling.

A simple query will allow the Argent SQL Monitor to detect if all the data for the offices has been updated, the DBA most likely has the query needed on his laptop already. Once detected, the Argent Console reacts with a SQL stored procedure initiating the data-warehousing process, records the time the update completed in another database using a SQL statement, and informs the support staff by e-mail they need not check that in the morning. The data-warehousing routine is already coded to write to a log when it finishes, so the Argent Compliance Automator is used to detect when that happens and inform support of its success or failure.

It may just as easily start the backup job on the separate system responsible for that step. Detecting the backup job has finished with that server can be done by any number of Argent products, whichever is most convenient. Once detected, the intranet page update is launched. The end user experience of the updated report page is then tested by Argent.

If the process fails at any step, or if at 7 a.m. the intranet update is not complete for whatever reason, the Argent Guardian launches a separate process that places a banner across the report page informing viewers the report is less than complete and what to do if they need the information.

## Operations And Support Automation

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All database environments are unique in some way. Skilled DBAs rapidly develop a set of queries to mine relevant support information from the systems they operate. When something goes wrong within the environment, or questions are asked as part of wider troubleshooting exercises, DBAs will spend time running those queries with different parameters to reveal the information they need.

With some simple automation, the Argent SQL Monitor can use those queries to deliver the information proactively when a fault or condition is detected.

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In many cases, the logic used to determine an appropriate action from that information is straightforward and can also be automated. Instead of being informed of a fault, spending 30 minutes to an hour gaining information, and then executing what is a common response, the fault, the relevant information, and the outcome of the response can be delivered at the same time. The same automation could even raise the service desk ticket, populate it and close it. What was an hour-long service worked on by highly paid support personnel and a team of service desk staff has been reduced to a statistic in the daily Operations Report.

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For more information and to take the next step, please email [Automate@Argent.com](mailto:Automate@Argent.com) or visit [www.Argent.com](http://www.Argent.com)

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