Kyndryl survey reveals 86% of enterprises are moving fast to adopt AI to accelerate mainframe modernization

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Respondents also report up to 225% return on investment on their mainframe transformation initiatives in one year

Mainframes continue to play a critical role in hybrid IT environments

NEW YORK, Sept. 10, 2024 /PRNewswire/ -- Kyndryl (NYSE: KD), the world's largest IT infrastructure services provider, today released the results of its second annual State of Mainframe Modernization Survey, declaring that 2024 is the year of AI adoption on the mainframe. The survey also reaffirmed that while modernization projects are delivering significant financial benefits, many organizations continue to face skills shortages, preventing the transformation of complex, mission-critical systems.

As business leaders face economic, competitive, technological and regulatory challenges, they are increasingly seeking to transform and derive new value from their IT estate, including the mainframe. Kyndryl's survey among 500 business and IT leaders reveals that 86% of respondents are quickly adopting AI and generative AI to accelerate their mainframe modernization initiatives. A third of respondents indicated that the platform has become a foundation for running AI-enabled workloads. Additionally, almost half aim to use generative AI to unlock and transform critical mainframe data into actionable insights.

"Mainframes continue to occupy a central role in the hybrid world and are evolving to serve new use cases, with AI and security increasingly influencing modernization plans. Kyndryl is at the forefront of this trend, providing mission-critical expertise to help customers achieve their goals," said Petra Goude, Global Practice Leader for Core Enterprise & zCloud at Kyndryl. "By working with partners on their mainframe modernization and AI journey, businesses can unlock new opportunities, enhance resiliency, mitigate skills challenges and drive better outcomes. This way, mainframes can continue to thrive and provide strong business value in hybrid environments."

According to the survey respondents, IT modernization projects and patterns are yielding substantial business results, including triple-digit one-year return on investment (ROI) of 114% to 225% and collective savings of $11.9 billion annually. Almost all organizations have opted for a hybrid IT strategy — a combination of modernizing on the mainframe, integrating with public/private cloud, and moving applications and data off the platform. Furthermore, 96% of respondents are migrating some workloads — on average 36% — to the cloud

New this year, respondents identified enterprise-wide observability as critical to effectively leveraging all data across their hybrid IT environment. In fact, 92% of respondents indicated that a single dashboard is important for monitoring their operations, but 85% stated they find it difficult to do this properly. Kyndryl Bridge provides an AI-powered open integration platform that can solve this challenge, helping organizations gain enhanced observability, orchestration and efficiency into their entire technology environments.

The survey also confirmed that many respondents are still grappling with a skills shortage, especially in new areas such as generative AI that can facilitate mainframe transformation and help alleviate the skills gap. In addition, security skills are in high demand due to increasing regulatory compliance requirements, with almost all respondents flagging security as the key factor driving modernization decisions. With this increased pressure, the survey revealed that 77% of organizations are using external providers to deliver mainframe modernization projects.

This second annual global survey of senior business and IT leaders provides insights into the current and future role of the mainframe in hybrid IT, and how it continues to transform. To learn more about how respondents view mainframe transformation and application modernization, as well as the challenges, risks, and benefits related to their initiatives, read Kyndryl's 2024 State of Mainframe Modernization Survey Report.

About Kyndryl
Kyndryl (NYSE: KD) is the world's largest IT infrastructure services provider, serving thousands of enterprise customers in more than 60 countries. The company designs, builds, manages and modernizes the complex, mission-critical information systems that the world depends on every day. For more information, please visit www.kyndryl.com.

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