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IBM Enhances UX and Cloud Deployment and Monitoring Capabilities of its MFT Portfolio

Modernizing MFT solutions for evolving business IT requirements

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Summary

Catalyst

Given the velocity of today's business operations and ever-stringent data security and regulatory compliance mandates, managed file transfer (MFT) is a critical capability for enterprises. The need for greater agility at a lower cost of ownership is driving a shift toward cloud-enabled MFT solutions. Non-compliance to data security and privacy regulations and a lack of end-to-end visibility and monitoring remain the main concerns with regard to the features and capabilities of existing file transfer solutions. IBM continues to innovate and has introduced several new features and capabilities catering to a range of requirements for a modern and comprehensive MFT solution.

Ovum view

Over the last couple of years, we have seen MFT moving up in terms of priority for strategic business IT investment. Enterprises are revisiting their existing MFT deployments and looking to modernize with and consolidate onto a comprehensive MFT solution. This is not surprising, as data security, privacy, and regulatory compliance are at the top of the agenda for chief information officers (CIOs) and chief information security officers (CISOs); MFT is now seen as a key IT enabler in this regard. Enterprise IT leaders realize the necessity for better integration to mitigate "islands" of file transfer and other integration infrastructure that would otherwise make the proposition of end-to-end monitoring and visibility a difficult objective to achieve.

The combined value proposition of a flexible infrastructure provision and the economics associated with a cloud deployment model aligns with the need for greater agility to respond faster to changing business requirements. There is also a clear need for improving user experience (UX) for less-skilled, non-technical users and, of course, the same is true for user productivity in the case of IT practitioners. IBM has recently introduced several new features and capabilities to meet such critical requirements for MFT solutions, and is executing well against an advanced roadmap for this product portfolio.

Key messages

- Data security and regulatory compliance requirements and the need for agility are driving the adoption of modern MFT solutions.
- Cloud enablement, simplified integration via APIs, and UX improvement are key themes for IBM Connect:Direct development.
- IBM is focused on expanding visibility, monitoring, and management with IBM Control Center and beyond.

Data security and regulatory compliance requirements are driving adoption of modern MFT solutions

Enterprises now have a greater inclination for strategic investment in new MFT solutions

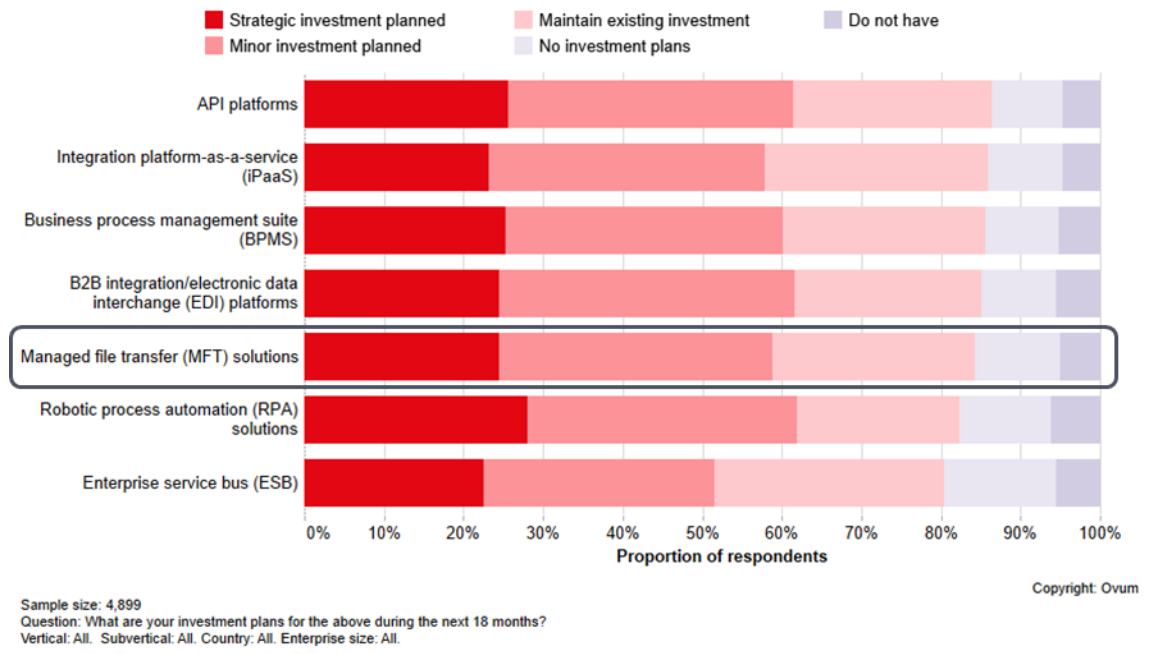
There have been many changes in regulatory compliance mandates over the last decade, including the introduction of new data security and privacy regulations, such as the Sarbanes-Oxley Act (SOX), the Health Insurance Portability and Accountability Act (HIPAA), the General Data Protection Regulation (GDPR), the Foreign Account Tax Compliance Act (FATCA), the Gramm-Leach-Bliley Act, the Basel III Accord, and the Solvency II Directive. These changes call for a rigorous review of existing enterprise security, governance, and compliance frameworks and policies. In particular, new compliance mandates require proper documentation of business processes and greater control over internal and external file transfers.

IT continues to face the dilemma of how to govern file transfers while meeting the ease-of-use and mobility requirements of the modern workplace. It is clear that traditional and ad hoc approaches to file transfer are inadequate for the current requirements of enterprises. File transfer protocol (FTP) servers do not offer the requisite security and reliability and are difficult to maintain. Homegrown file transfer solutions or, in other terms, proprietary or FTP/secure shell (SSH)-based file exchange solutions, are a liability and vulnerable to data security and compliance threats. The results of an Ovum MFT survey revealed that on average 4% of FTP-based file transfers fail. About 21% of the respondent enterprises reported a failure rate in excess of 6%, while for another 24% of respondents the failure rate was in the range of 4-6%. These failures can lead to major business disruptions and have an impact on the bottom line.

These requirements can only be met by a comprehensive MFT solution that helps ensure the security and privacy of mission-critical data, while offering real-time visibility, monitoring, and reporting at technical and business levels for governing file transfers, within and outside the enterprise. Moreover, there is a need for good visibility into information flow at a business-process level, which extends beyond a technical view of file transfers.

Results from the Ovum *ICT Enterprise Insights 2018/19* survey (see Figure 1) indicate that about 23% of respondent enterprises (out of a total of 4,899 senior IT decision-makers) are planning strategic investment in MFT solutions over the next 18-month period. Moreover, an additional 34% of respondent enterprises are planning a minor investment in MFT solutions over the same period. This is not much different from enterprises' inclination to invest in integration platform-as-a-service (iPaaS) and API platforms, which form the backbone of digital business integration capabilities in many enterprises.

Figure 1: Enterprises' inclination for investment in MFT solutions, 2018–19



Source: Ovum *ICT Enterprise Insights 2018/19* survey

Ovum forecasts that the global spend on MFT software (including under a SaaS model) will grow at a compound annual growth rate (CAGR) of 9.4% over the period 2017–22. Interestingly, at a global level, MFT software spend is forecasted to grow at the fastest rate among the more traditional integration software (middleware) market segments.

Table 1: MFT software spend forecast ($m), 2017–22

Technology	2017	2018	2019	2020	2021	2022	CAGR (2017–2022)
MFT solutions	967	1,062	1,163	1,272	1,389	1,515	9.4%

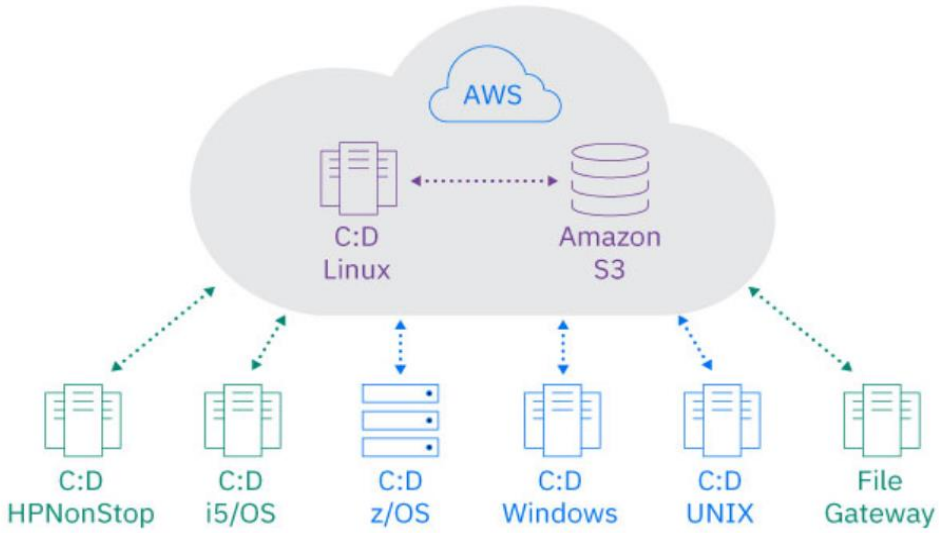
Source: Ovum

Cloud enablement, simplified integration, and UX improvement are key for IBM Connect:Direct development

New UX, REST APIs, and cloud enablement capabilities

In 1Q18, IBM initiated cloud enablement of IBM Connect:Direct (see Figure 2), with certification of the Linux version for Amazon Web Services Elastic Compute Cloud (AWS ECS). IBM supports direct read and write to Amazon S3 storage, thereby enabling seamless data movement between on-premises and cloud deployments. In terms of the near-term priorities for cloud enablement, IBM is focusing on auto scaling as per workload requirements, DevOps improvements aimed at supporting software container deployment, and support for deployment on a range of infrastructure-as-a-service (IaaS) provisions.

Figure 2: IBM Connect:Direct cloud enablement



Source: IBM

As part of a previous release, IBM introduced representational state transfer (REST) APIs for IBM's Connect:Direct Unix version, an evolution from Java APIs for this product. Connect:Direct now includes REST API support for Windows, Unix, Linux, and z/OS versions. For Connect:Direct, REST APIs enable administration tasks, such as node management, file transmission triggers, and file transmission status checks. Users can exploit the REST API to allow external applications to invoke commands and for integration with Connect:Direct nodes.

With the REST APIs, IBM has responded to one of the most anticipated customer requirements, which was often cited in Ovum's recent conversation with IBM customers. One of the main reasons behind the rise of REST APIs is their inherent flexibility, both from the perspective of structure and implementation. In particular, REST APIs ease integration with external systems without the need for a significant level of expertise in Connect:Direct functionality.

A close look at the heritage of the MFT solutions market reveals that UX has not been a focus area for product development. With most MFT solution vendors focusing on meeting the requirements of the "IT practitioner" user persona, less skilled, non-technical users have struggled to train on and work with traditional MFT solutions. However, due to a gradual shift toward cloud-enabled MFT capabilities, it is pertinent for MFT solution vendors to focus on providing a compelling UX for a range of user personas, so that new users can train faster and MFT adoption can expand beyond the IT or functional confines of the enterprise.

IBM has dedicated investment toward offering a modern, slick UX, which in Ovum's view has resulted in a remarkable improvement that will help drive adoption across non-technical users. The number of IT practitioners specializing in MFT has decreased significantly in recent years, and it is therefore critical for MFT solution vendors to focus on improving "ease of use" and user productivity for different types of user persona.

The latest release of Connect:Direct introduced a significantly improved UX aimed at four types of user persona: experienced MFT administrators, new MFT practitioners, application developers, and line-of-business (LoB) users. IBM now offers a common, improved GUI across Windows, Linux, and

Unix versions. A new web console facilitates automation of trading partner onboarding via the creation of intuitive new partner detail cards. The Connect:Direct Secure+ Admin Tool functionality used for creating and keeping encryption settings for node connections and data transfers is now consolidated onto the new web console, significantly simplifying partner on-boarding and administration.

IBM has adopted a "designed for the market" approach to product development, which encompasses a sponsor user program involving partnerships with key IBM customers, right from the design phase through delivery, and resulting in a generally available product release. As part of an early access program, IBM seeks feedback from a select group of customers on a beta version of the product released after the development phase. Not many MFT solution vendors are pursuing a customer-centric approach to product development. This is a move in the right direction from IBM, as it continues to focus on understanding the ground realities in terms of key areas for improvement and the most significant customer requirements.

IBM is focused on expanding visibility, monitoring, and management with IBM Control Center and beyond

IBM's focus is on offering centralized end-to-end management at scale

In terms of node management, IBM Connect:Direct users have the option of monitoring node and transfer information for individual nodes via the web console. Then there is the provision of IBM Control Center, a centralized monitoring and management system that can be used to track critical events across B2B/electronic data interchange (EDI) and MFT infrastructure. The latest version of IBM Control Center introduced several web console enhancements for driving "ease of use," including:

- improvements in the bulk editing function for displaying a higher number of events and concurrent status change for multiple events
- simplified filtering and sorting of monitored events and file transfer events views
- table customization updates simplifying the use of monitoring results and file transfer event tables
- customization setting updates for monitoring results, simplifying configuration and update table display settings by table rows, column sizes, and white space.

The same version introduced new options to simplify licensing and monitoring of new applications via IBM Control Center. Users can monitor applications via REST APIs to Control Center and via Control Center open server architecture and the events processor software development kit (SDK). In addition, there is support for monitoring applications and individual FTP servers via FTP logs.

While Control Center supports monitoring for individual nodes and groups of nodes at a reasonable scale, it offers limited node management capabilities; for example, configuration management and updates. One of the issues with any large-scale MFT deployment is a lack of a centralized governance interface, supporting end-to-end management. For MFT deployments involving a large

number of nodes (e.g., thousands of nodes), node installation, maintenance, and upgrades are daunting tasks requiring extensive resource and time commitments, thereby limiting scalability.

At a time when IT is hard pressed to "do more with less," the proposition of maintaining a substantial number of resources just for the monitoring and management of nodes and manual intervention in case of any issues is difficult to sustain. IBM is focused on providing an effective solution to such issues in the form of a centralized management interface, with an aim to simplify the way users work with and manage MFT environments. In simpler terms, with a centralized management interface, IBM is focusing on enabling the setup of an entire MFT network, installation of multiple nodes at scale, license management for all nodes in an MFT network, and node maintenance and upgrades for a large-scale MFT environment.

Appendix

Methodology

The views expressed in this report are based on Ovum's ongoing research into the global integration software (middleware) market and take into account observations from briefings with middleware vendors as well as analysis of the opinions of integration practitioners/developers and solution/enterprise architects, including those available on public communities and forums.

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