



Driving Powerful Transformation: Bridging Teams and Managing at Scale with Automation

Daniel Newman: Tom Anderson, welcome to the 2021 edition of The Six Five Summit. We are so pleased to have you and Red Hat here. How are you doing today?

Tom Anderson: I'm doing great. And I really appreciate you having me.

Daniel Newman: I'm excited, really excited that we were able to make this work out. Today is day five of the event, it's a big day. AI ML automation, all big top of mind conversations that are going on across the enterprise. And Red Hat's, right in the forefront and you and your team and Ansible are doing a lot of really interesting things. Would love to talk automation with you and spend this next 20 minutes or so really diving into how transformation is being driven across the organization, with the implementation of automation, all the things you guys are doing. So if you're ready, I'm going to jump right in.

Tom Anderson: Okay. Let's do it.

Daniel Newman: All right. I love a guest that's ready. So let's start with automation and strategy. Through your lens and the work you're doing, what does it mean to have an automation strategy? What are some of the challenges that you're seeing right now in organizations trying to really determine that approach for automation in their business?

Tom Anderson: Yeah. So for us, an automation strategy is really thinking about automation first, right? If you go back when the dev ops revolution evolution happened 10, 15 years ago, that was really about breaking down barriers between a development team and an operations team. And a lot of it was focused on people and process, right? At that time. Thinking about the old people process technology puzzle all the time. That was really focused on breaking down some of the cultural barriers and process activities between developers and operations teams.

As you start to get more sophisticated and as application needs become more complex and speed becomes more of an issue, technology needs to play a role, right? So how do I drive business agility? How do I drive transformation? How do I take friction out of the system? How do I remove the friction from my teams that are trying to do their job to deliver business services? How do I remove the friction from access to IT and application subsystems? And the way you do that is through automation. Right? And so that's how we're trying to get



our customers to think about automation first. Not automation last. Not build an application and think how we're going to automate it or build a subsystem and think how we're going to automate it. Really think about it right from the get go. And that is a challenge for organizations who still oftentimes have domains or silos and personas that operate pretty independently.

Daniel Newman:

Yeah. It's interesting that you point that out. I think the conundrum that you're mentioning is of the biggest challenges, probably isn't limited automation, it's a behavior that's existed inside of enterprises that are deploying new technologies for the last hundred years plus. But I think about the cloud era, I think about software development. Think about the deployment of systems of record across companies. I mean, Tom, how frequently do companies basically look at their current process and try to digitize it? Okay. Here's how we do it right now. Let's see what new technology can we layer in to do project management, human capital management ERP.

And it's to your point, it's backwards, right? What you're really suggesting is that you need to kind of blow it up a little bit and say, if anything is possible now, again, anything is a broad term. But if automation can enable a world of possibilities for how I process is handle. Whether that's dev ops, it ops a line of business, that's something in the network, security, all these different things. Because you're really talking across the spectrum, using your tools to automate. What could we do? If we took our old process, old tools, old technology, threw them all out the window, what would be the perfect scenario? Would be the way you're suggesting to think about it instead of how do we layer some automation into what we're doing today to make it work a little bit better?

Tom Anderson:

Yeah. In the perfect scenario, all of the application services in IT subsystems would be exposed to the end users. To the subscribers of these systems. And allow them to consume them on their terms. Right? And not have to open up a incident or a service desk ticket to ask for access to some resource. To be able to access it when they want. In a way that they want. In a modality that they want. Right. So that they can do their job quicker, faster, deliver services. Like I said, it's always about delivering services back to the business and agility. And so the conundrum there is that the teams that are responsible for those subsystems are apprehensive about exposing those to users that are not themselves, right? How can I expose my subsystem? How can I expose my network infrastructure? How can I expose my system of record?

How can I expose my security systems to my consumers, my IQ consumers in a way that doesn't compromise security, that doesn't compromise performance, that doesn't cost me a bundle of money to do it? So how can I do that in a way that I feel comfortable with? How can I, as an ops team, whatever it is, sec ops, dev ops, IT ops, network ops, whatever it is. How can I, as an ops team, expose



my service to my stakeholders in a way that I'm comfortable with? And that is really the biggest challenge oftentimes. And that's where we try and provide a common automation back plane that crosses domains and crosses disciplines across an organization, so that they're using the same language to kind of share their subsystems and access to their resources with their teams. And do it in a way that they're comfortable. Like I said, that it is compliant and yet my consumers can grab that resource on their terms.

Daniel Newman: No, that makes a lot of sense. And so working along the spectrum of companies that are... You're working with companies that are in various stages of deployment. I'm sure you have your case study customers that have gone end to end talk about them in every sales meeting. And then you have customers in varying stages. But when a customer or an organization that you're working with gets this in place. Talk a little bit about the benefits, besides what's obvious for these customers.

Tom Anderson: Yeah. So let me just start with that journey, if you will. That transformation journey, if you will, that customers are on. And we are determined to meet our customers where they are on that journey. So not pitching them that you need to start at the end state, but we need to meet you where you are today. So, I mean, one of the biggest challenges, historically with large strategic, grand mall, IT projects is the risk and the rate of failure that comes when you're trying to do a top-down. I must do all of this all at once in order to get any benefit at all. And that is a real challenge for organizations. And with Ansible, what we allow teams to do is automate at their pace. A bottoms up automation, as well as a top down, if you will.

So we have lots of customers who are really dipping their toes and enterprise automation with Ansible, just to automate the individual tasks that they do on a day-to-day basis. Over a period of time, that bubbles up from an individual to a team. To cross teams. To cross domains in an organization. But you don't need to swallow the whole thing all at once to get going. So for us, automation is a journey that never ends, right? It really is a journey and you're not, there is no perfect state. And I have lots of customer examples that I could share with you, of examples of customers that we've engaged with at early stages of that transformation process and how they've moved along it.

Daniel Newman: Yeah. And I may hit you up on that. When you said that though, it just took me down memory lane. I still remember having, writing and opining quite a bit about the same scenario with big data. A lot of companies felt lost. They felt trapped. They felt they had to be able to enable all the data to be able to move forward. And really again, it just draws all these parallels. But what you're really saying is that, you eat the elephant a bite at a time, right? With automation, you look across your organization. What are those key projects, key workflows, key



activities in the organization that could benefit from automation? And then how do we implement? And then how do we start to realize returns?

And then once people start to see, they get trained, they get educated, they get faster and more efficient. You start to see these processes get rolled out across more and more of the organizational needs. So top priorities to, mid-range priorities, to lower priority activities, but you start to say, Hey, we understand the workflow. We understand how to do it. Each time we do it, we're able to measure the return or the improvement or the efficiency that we're able to extract from it. It sounds like, that's really been your approach. Land and expand, I think is what we used to call it in consumption economics.

Tom Anderson:

Ansible is totally about land and expand. The way users engage with Ansible is almost always through the community. They go, they've heard about Ansible from somebody else. They go and grab the community version. They bring it down. They create a few playbooks to automate whatever tasks they do in their day-to-day job. Configuring a network switch, deploying a EC2 instance, whatever it might be. And they automate that task using the Ansible and all of a sudden the lights start to turn on of, wow, this is really easy to do, and it is powerful. And then it starts to grow from there.

And frankly, you start to empower individuals to become creators or builders themselves. So they start thinking, not just how do I automate my own tasks that I do day to day? But how do I start to automate these workflows across these teams? And how do I start to create and collaborate with these other individuals in the organization? And that's one of the wonderful things about Ansible. It really is a collaboration tool. In addition to being an automation tool is a collaboration tool, where you're using the same language across these different disciplines. Across these different personas in an organization to take the friction out of what they're trying to do. And it really becomes a bottoms up thing.

Daniel Newman:

Yeah, absolutely. And by the way, I didn't plan, but you mentioned it. So I'd love to have you just expand upon this for a minute. Red Hat is pretty well known within the developer community, especially around Open-source, Hybrid Cloud, Ansible is a little less known. But it sounds to me based upon what you're saying is that this, the Red Hat community that has really created a lot of momentum around Open-source and Hybrid Cloud development is also becoming quite the catalyst for your team and your product. And helping build Red Hat's, reputation for automation.

Tom Anderson:

Yeah. So it's interesting. We don't market Ansible as much as a developer tool, but when you look at the people who engage the personas, that engage with us, engage with our community, come to our community events, contribute to



what the community project is, a very large percentage of those people are classic application developers. They're the folks who need access to IT infrastructure and subsystems. And who've often seen the ops team as a roadblock to access. And so they're the ones who initially built a lot of the automation because they have development skills and they think of solving things like software. As opposed to solving things like logging onto something and configuring it. Right? And so they've driven a lot of the innovation in the Ansible community and in the Ansible platform. So even though we don't, it really is a tool generally thought of as enabling ops teams to deliver service. It really is about making developers more efficient. And they've been one of the initial consumers and one of the biggest contributors to the project.

Daniel Newman:

Yeah. No, that makes a lot of sense. I just couldn't help when you mentioned that, I'd be like, oh, it'd be really interesting to understand that, how you're gaining momentum. Because to your point, Red Hat is historically just a well-kept secret, except for those that use it. And those that use it are quite visible and quite loud, in their community groups, within their forums that they're talking about it. But it's not necessarily, you're not turning on the, while you're a parent company. IBM you turn on the masters, you're going to see commercial for IBM. You're not going to necessarily see the commercials for Red Hat. But that community that it brought has been pivotal in the companies shift to cloud. So let's talk a little bit about the risks and implications. You're like I mentioned, you're seeing companies across the spectrum of adoption. For companies that are the laggards. There's always risks, no matter what, you're a laggard at. But what about them for companies that are lagging in terms of adopting a strategic automation approach? What are some of the biggest problems you're seeing for these organizations?

Tom Anderson:

Yeah. So some of the biggest problems, so divided into two pieces, which is of the business problems. Are they able to compete? Are they able to compete on speed? Are they able to compete on cost? Are they able to respond to market changes? I mean, look, we just went through a global pandemic and that caused organizations to have to shift immediately. And we saw a lot of change in the way they were consuming our product and the things that they were being forced to automate right now. And if they didn't have a strategy in place, some of those organizations really struggled. They really struggled. They were behind the eight ball. The ones who are out in front in terms of having automated those subsystems so that they could be turned on and off through software, if you will, were far more responses.

So there's the business implications. Can we do, can we run our business cost effectively? Right? Can we take friction out of the system so we can respond faster? And then there's the talent aspect of it. Am I able to attract and retain good talent? Right? Organizations are looking for folks, need folks, not just



looking, but need folks who are creators. Who want to create and innovate. And if you are an organization that is behind in certain areas like automation and someone has to spend part of their day doing mundane tasks. Opening service desk tickets. Waiting for somebody to call them. All of that stuff. That is not a creative environment to be in. So I consider it both the business challenges around cost and speed, but also around the talent challenges around attracting and retaining top talent for their organization.

Daniel Newman:

Yeah. And I think now more than ever the pandemic, which we are in the later months of, if you use that metaphor, right? We're in September, October, we hope. And we're coming out of it. But we have seen remote work definitely opened the world to best talents. Has more options than ever before. In a world where people are allowed to work at least in some cases, if not all from anywhere and companies are identifying that. So companies that are moving slow, I would say across the spectrum of adoption of technology are going to be less competitive, less attractive, and best talent will not stick around. And asking at your top talent employees to work on mundane, repeatable tasks, repeatable, repeatable tasks that they fully know could be automated is it's insulting to these architects, developers, network engineers and even business line leaders.

Those that are actually indirectly impacted by the systems records and tools that don't work well for them. They're not optimized because they're lacking the automation that could let them focus on more important needs for the business. So let's bounce to open source for a minute. One of the things that I've noticed, and of course there are always different ways to slice the apple you'll say. But open source is becoming an increasingly popular approach for automation projects. What do you think is contributing to that? We talked a little bit about the community and the developers. What's contributing to the growth and what's driving open source to be so interested in investing and putting work behind adding to the open source tools and available software code for automation.

Tom Anderson:

Yeah. So I can talk from an Ansible perspective and that is, I think pretty representative of a vibrant open-source community and project. And the way I see it is the barrier to entry for participation is relatively low, right? Individuals users can get involved in the Ansible community. They don't have to be software engineers, they can be operations people, they can be software developers, they can be line of business users. They can engage in that community in a way that allows them to participate meaningfully. They don't have to be a code contributor. They can be a consumer and a helper and a documenter. So the barrier to entry is relatively low. Compare it to a Linux community. A Linux project, right. Where there are very few people in the world who are qualified to be Linux Kernel engineers, making contributions to the



Linux kernel, right? For all kinds of good reasons. But that's a relatively modest sized community. Super skilled, super specialized. Getting involved in an automation community or automation, open source project.

The barrier to entry is much lower. So it attracts a lot of people to come in and to participate. Dip their toes in, if you will. See how it is. And we, as a company, Red Hat, we are there to catalyze those people. To be a catalyst in that community. To provide forums for community members, to engage and to share. And to share not just code, but share their experiences. To ask for help. To get help. So we try and really foster and be a good steward of an upstream project or community that encourages folks to come in and not feel like they're just a part of a commercialization effort on our part, right? We are there to be good stewards of that community and really engage with our community members. Ultimately it's to the benefit of our customers, because we take that innovation from that vibrant community and we package it up, make it enterprise ready and provide it to our customers in a subscription way. But it is no different than the bits that are upstream. So we are really there for us. That upstream community is about participation and innovation.

Daniel Newman:

Yeah. I think that's a great way to wrap things up. I mean, you really hammered home the community piece. And that was something, as I was, investigating and preparing for this particular session, Tom. That I said, I think it's becoming well understood. That automation is going to more deeply infiltrate every organization. And it is probably one of the most common today's the AI ML automation. Automation is not always AI. Automation can be AI. It's typically driven by some code and or data or a combination that makes automation work extremely well. But we are moving into an era of deeper human machine partnerships. And I never miss a chance to tell of something I did. I wrote a book called, Human Machine about two years ago.

And one of the things that I, my thesis, the whole thesis of this book that myself and my co-author Olivia Blanchard had, was that the deepening of these partnerships will actually lead to a better world and a better society. Now, there are always going to be those at different points of the adoption curve that feel the new technology is not to our advantage. But in the end, automation will bring, it's the high tide that rises all boats. It allows the humans to do things that machines cannot and will not be able to do well for a long period of time. Which is the interesting inflection point of an AI day in a tech summit is that, things like empathy. We are a long way away from being able to do that with a machine. Now, not to say it will never happen. That's what keeps all of us both awake at night and lets us as tech industry folks sleep like babies.

But anyways, I would love to get your take on that as a final wrap, final question. As you're talking to organizations, by the way, this is a little bit off the



cuff. So I hope you have an answer. But as you're talking to organizations and they're coping and dealing more culturally with adoption and automation versus a disruption of culture and displacement. Are you seeing that conversation evolve? Are companies still worried about it. And are there any things as someone that engages with the industry, any just thoughts you could share through the lens of Red Hat and Ansible?

Tom Anderson:

Yeah. Interestingly, our experience with it is somewhat geographically different. Depending where in the world you are. I've experienced different things in different thoughts about organizations, automating tasks in Southeast Asia, let's say for example, versus in north America or in Europe, right? So there's some geo differences and cultural differences in the way they think about, they still think of it as job displacement sometimes. And in a lot of the areas now, it really isn't. I don't experience that much anymore. It's really about how do we do more with the same number of people that we have today? And the only way to do that really is through automation, right? How do I break the linear relationship between agility and cost, right? I do that through automation. It's not through getting rid of people. It's by doing more with software and tooling versus with people. And then how do I encourage those people that I have to think about it in that way? How do I get them to be creators and innovators? To take the mundane and the task oriented stuff out of their day-to-day job and automate all of that end to end.

Daniel Newman:

Yeah. It's a great answer. And I think it's a conversation we're going to need to continue having. It's probably a little bit, even more practical than some of the AI dilemmas we love to have about, a vehicle is approaching and it's got three options. I mean, we love that conundrum and it is one. And it's something that we have to decide who makes that call, right? Do the builders make that call? Is it a regulatory call, societal call? But it's the same thing. But I mean, this is really pragmatic. We've got a society of disparity between its most skilled and least skilled workers. We want to keep our society productive. We want to implement technology. We want to make everyone's lives better. So that's a fascinating conversation and I hope we'll be able to have more of it with you and with folks here at The Six Five Summit and through all of our various communications with the market. But Tom Anderson, Red Hat, Ansible, thank you so much for joining me here at The Six Five Summit 2021.

All right, everybody. That's it for this session. But stick with us. We are in day five and we are wrapping up the event. It's been a great five days. We are thrilled that all of you were able to spend it with us. All the sessions as promised will be available on demand. All five days. Whether you want to look and check out semiconductor sessions, infrastructure session, SaaS app, 5G, or all the rest of the AI sessions, please get them on demand. For this session though, it's time to say goodbye and we'll see you later. Thanks for tuning in.