axway

Delivering data in an always-on world

Understanding the mission-critical importance and evolving role of managed file transfer with the cloud

Data makes it possible to do everything, whether it's to buy groceries or execute financial transactions in the billions of dollars. It helps patients take control of their health and empowers doctors to find cures for complex diseases. Because of data, today is profitable and tomorrow is predictable. In short, data makes the world go around.

But with every new day, the old ways of moving data are no longer able to keep pace with demanding customers and hungry competitors brought on by an exponential adoption of the cloud across all domains. Businesses have higher standards for security, control, and reliability. They also have greater expectations for the power of data and how it can be used to create new business opportunities, improve customer experiences, and provide a competitive advantage in a crowded marketplace.

Many have come to take the everyday movement of data – in the form of managed file transfer (MFT) among interconnected applications – for granted. To business and IT leaders, MFT is like running household water: it's largely reliable, does its job without much fuss, and barely elicits a second thought. But today, it's just not that simple. Now, companies must think beyond merely moving data and consider whether their MFT solution can deliver the scalability, self-service, and speed required to support new business paradigms such as moving applications currently on-premises to the cloud. As MFT's role evolves, so should the way you think about it and the technology you use to handle it.

This white paper explores how a modern and cloud-enabled MFT solution can provide a competitive advantage in today's digital world.
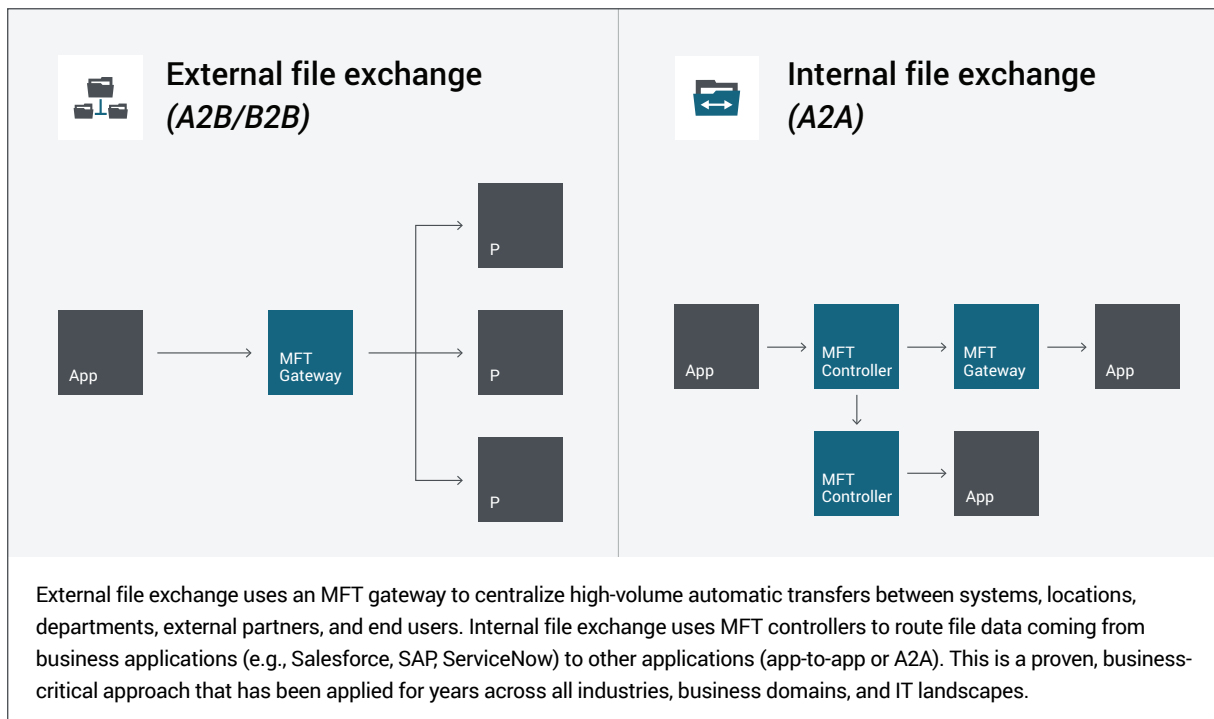
What is MFT?

Managed file transfer gives you the ability to securely share your high-value, high-volume business data. It takes all the complexity of file sharing off your hands by helping you automatically meet the security, compliance, and performance requirements necessary to send and receive file data such as money transfers, sensitive data containing personal information, or proprietary business files.

Even if, as an end-user, you don't currently use MFT, you still benefit from the technology in your everyday life. MFT powers everything from global money market exchanges and healthcare file transfers to order processing and transaction tracking. It's what makes business work today.

MFT enables all types of file data transfer, including transfers between businesses, people, and apps. These exchanges can be made automatically or on an ad hoc basis both inside and outside of your organization. When a data transfer is initiated, the MFT solution encrypts the data to ensure it stays secure in motion and at rest. It may also compress the data to improve delivery speed. Once the data is prepared for delivery, it's sent to the recipient using your chosen set of security protocols.

MFT pattern overview

External file exchange *(A2B/B2B)*

App → MFT Gateway → P / P / P

Internal file exchange *(A2A)*

App → MFT Controller → MFT Gateway → App
MFT Controller → MFT Controller → App

External file exchange uses an MFT gateway to centralize high-volume automatic transfers between systems, locations, departments, external partners, and end users. Internal file exchange uses MFT controllers to route file data coming from business applications (e.g., Salesforce, SAP, ServiceNow) to other applications (app-to-app or A2A). This is a proven, business-critical approach that has been applied for years across all industries, business domains, and IT landscapes.

How has MFT evolved?

Modern MFT solutions, as opposed to legacy solutions like FTP and HTTP, emerged at a time when transfer scalability, speed, and control started to be critical. As a result, these solutions made it simple and cost-effective to conduct the frequent, high-value and high-volume data transfers that today's enterprises rely on. What's more, modern MFT solutions that, until recently, made it possible to meet the needs of a digital business, no longer provide the ability to adapt or create new digital experiences faster.

For IT teams and line of business workers, the struggle was real. The burden fell on IT teams to make sure security, governance, and compliance are well taken care of – all while keeping up with the constantly changing needs of the business for data transfers. MFT operations teams with dedicated tools and processes became the norm and are still a best practice in many organizations today. Simply put, those teams keep the lights on – whatever it takes.

On the other hand, their counterparts on the business or the finance side of the ledger have been evolving as business changes dictate. Increasing emphasis has been put into SaaS adoption, cloud-native applications, and more generally, a move to the cloud for all new investments. Today, a cloud strategy is being established at the highest levels of decision-making across all organizational disciplines and it directly impacts past decisions on how to run MFT operations.

It's fair to assume that keeping the lights on has never been so challenging. Transitioning to the cloud for potentially all critical data flows, and attempting to do so with an overstretched IT department, brings many risks, including:

- **A lack of security.** More and more data transfers involve interconnection between on-premises and cloud infrastructure. Many legacy or ad-hoc systems are unable to secure data at rest or in transit in this hybrid cloud context. In addition, they don't provide audit trails or the ability to ensure data protection every step of the way, especially when vulnerabilities surface.

- **A lack of compliance.** Even if the data is secured, you have to verify and prove it. However, as data is exchanged outside of the firewalls, it becomes more difficult to ensure compliance with security regulations like HIPAA, which can expose your organization to regulatory scrutiny and penalties.

- **A lack of control.** Data spread far and wide across multiple systems is difficult to track both on-premises and in the cloud. This makes it hard to manage data as it transfers between thousands of apps and partners that reshape the IT landscape daily.

- **A lack of scale.** As data volumes grow and new apps or departments demand more secure data transfer capabilities, legacy MFT may require IT to manage the process of scaling the underlying IT infrastructure, perpetuating a point of friction for business users who want to move quickly on their own.

- **A lack of quality of service.** File transfer errors prevent people and processes from leveraging the data and impact potentially the bottom line. Errors require IT to spend time and resources tracking down and fixing the issue, impacting their ability to focus on strategic initiatives. With the Great Resignation and an aging workforce, skilled and experienced resources scarcity is resulting in increasing service disruptions.

A cloud-enabled MFT solution is designed to overcome all these obstacles while giving both IT and business teams the tools they need to support their cloud strategy.

The business benefits of a cloud-enabled MFT solution

Sticking with the utility metaphor, when you flip a light switch, you don't think about how electricity gets from the switch to the bulb. You expect it to work — and you only notice a disconnect when it doesn't. MFT hasn't always had a direct correlation to the bottom line, but it's critical to preventing the kind of catastrophic disruption that can seriously erode ROI.

Yet in the last year, there's been a massive data boom as processes that have always been handled on paper or in person were digitized in the wake of the pandemic. Companies across the industry spectrum were compelled to modernize. Now, being able to share data and files at scale and at the speed of business has real effects on the success of an enterprise. It's no wonder that 91 percent of decision-makers expect file transfers to become even more important in the future.[1]

1   Internal Axway global survey of 500 IT decision makers, 2019-2020

A cloud-enabled MFT solution can empower your business to do more than just share data. It can help you meet the demands of a data-driven world by enabling you to create innovative products, services, and use cases quickly and at scale. An MFT solution delivered in the cloud:

- **Increases business agility.** Managed cloud services open the door to maintaining high B2B integration security by outsourcing the tasks, time, and resources to a trusted third party.

- **Improves security and governance.** With centralized visibility and control of the entire MFT ecosystem via a single administration console, you can ensure your service level agreements and PCI DSS compliance requirements are met.

- **Empowers users with self-service capabilities.** Besides IT teams, business users can easily create file transfer services, subscribe partners, and manage file transfers.

- **Centralizes administration.** Reduce complexity and standardize all administration tasks for the entire MFT ecosystem.

Six key characteristics of a cloud-based MFT solution

Progressive enterprises are discovering the value of moving away from strictly ground-based MFT solutions to a managed cloud service that reduces costs and sets them up to adapt, compete, and win. Here's what you get with a best-in-class managed cloud service:

- **Scalability.** The more your business grows, the less likely you'll have the people or resources available to manage file data transfers manually. With the right managed cloud service, you can adjust, adapt, and optimize your operations as needed without hassle and in real time. Scale up and down easily based on your evolving organizational requirements. Outsource your complete solution operations to Axway or have us manage the system platform while you maintain control and configuration.

- **Security.** The best managed cloud service can help you not only do your job faster, but also do your job before you even know it needs to be done. Protect against the latest security threats, vulnerabilities, and intrusions. You get detailed reporting and analysis so you can integrate your managed service into your existing security and governance program.

- **Compliance.** Get peace of mind when subscribing to a trusted managed cloud service provider. Axway provides an advanced security architecture that makes it simple to achieve security standards such as ITIL, SOC, ISO9000, ISO 27001, EU Directive 95/42/EC, GDPR, and HIPAA.

- **Self-service.** Line of business managers shouldn't have to wait for a busy IT department in order to provide greater business value to their customers. A cloud-enabled MFT solution with self-service capabilities not only relieves the burden on IT, but also empowers business users.

- **Resiliency.** When your bottom line is on the line, you can't wait until your employees or customers raise their hand when they spot a file transfer error. Ensure your enterprise mission-critical business processes are ready and accessible at all times with tiered, robust SLA option bundles for high availability.

- **Control.** While cloud solutions make it easier to centralize and secure data, they are unable to provide sophisticated control and management capabilities. Stay in control with a private, single-tenant managed cloud environment that allows you to select the deployment region while giving you the flexibility to choose the maintenance services you want.

The real-world results of MFT as a managed cloud service

Enterprises around the world rely on MFT to optimize operations, save money, and improve their customer experience. Here are just a couple of the organizations that have leveraged MFT to power their operations.

- The U.S. Internal Revenue Service needed to find a way to comply with legislation mandating reporting of all foreign financial accounts of U.S. taxpayers. This required it to develop within six months a secure data exchange system that would include hundreds of thousands of global partners. Using Axway Managed Cloud Services for MFT, the IRS was able to collect and consolidate data from offshore financial accounts of U.S. taxpayers, allowing it to recover $8.7B in lost tax dollars globally.

- Bpifrance had been using Axway technologies for more than ten years. Axway Managed Cloud Services for MFT provides the flexibility, scalability, reliability, and short time-to-market that a public investment bank in charge of administering the PGE scheme needs. The company established more than 700 secure file transfer connections with French banks, absorbing a 300 percent increase in data volumes within just three months. Bpifrance enabled French enterprises to access more than 200 billion euros in loans to help them keep trading during the global Covid-19 pandemic.

Axway Managed Cloud Services for MFT
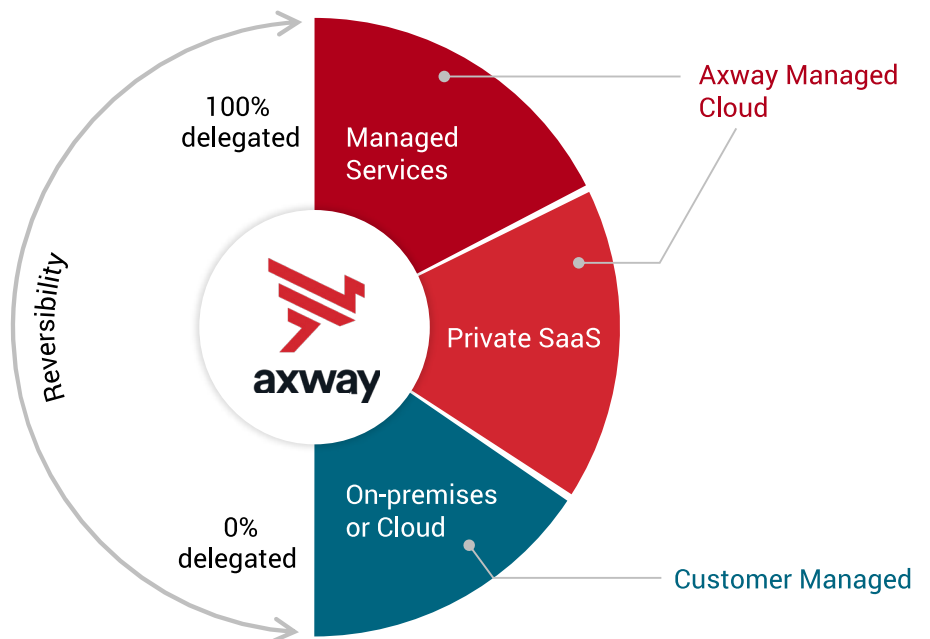
Discover Axway Managed Cloud Services

Axway Managed Cloud Services gives you the best of both worlds — the power of a cloud platform with the business and technical expertise of a world-class team. For more than ten years, we've been securely managing critical business process environments and lowering operational costs for hundreds of enterprises, small and large.

Let our reliable experts operate, manage, and secure your API, B2B/EDI, and MFT processes while you take care of more important things – like growing your business. Our MFT solution makes it easy to scale and adapt with powerful self-service capabilities that shorten flow creation times to minutes while removing the need for IT involvement. Our always-on solution is designed at its core to provide robust data security so you can meet the latest regulatory standards without extra effort – reducing your business risks and improving your customer experience.

Learn how Axway Managed File Transfer with the cloud can prepare your business for future growth $\longrightarrow$