

Poste Italiane creates cloud-ready digital platform with Red Hat

Posteitaliane

Software

Red Hat® OpenShift®
 Red Hat Ceph® Storage
 Red Hat AMQ
 Red Hat Runtimes
 Red Hat Process Automation Manager
 Red Hat Ansible® Automation Platform
 Red Hat Enterprise Linux®

Services

Red Hat Technical Account Management
 Red Hat Consulting

Poste Italiane, Italy's largest service distribution network, has prioritized innovation to enhance its services for more than 35 million customers across the financial, insurance, payments, tele-communications, and logistics markets. Using Red Hat OpenShift, supported by storage and automation solutions from Red Hat, Poste created a cloud-ready platform for developing digital applications internally and in collaboration with third-party innovators. Poste is now more agile, innovative, and flexible to address new market opportunities.



Logistics, Financial services

125,000 employees
35 million customers

Benefits

- Reduced project development time from 6-12 months to 2-4 months
- Created container-based environment for third-party collaboration on innovative new services
- Gained in-house skills through Red Hat partnership to operate new environment independently

"I believe we're at the forefront of digital transformation in Italy. We're rapidly executing our strategy of creating an open hybrid cloud platform. Thanks to its culture, vision, and technology, Red Hat was the right partner for this journey."

Mirko Mischiatti

Chief Digital, Technology, and Operating Officer,
 Poste Italiane



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“We recognized containerization as the de facto industry standard ... Red Hat is a leading contributor to Kubernetes. From a technology perspective, we knew the choice of Red Hat was a sensible one.”

Armando Salvatori
Head of Technology, Poste Italiane

Modernizing Italy’s national postal institution

Poste Italiane is Italy’s largest service distribution network. It serves 35 million customers through 12,800 post offices nationwide, and it delivers more than 150 million parcels and approximately 2.7 billion mail items per year. Poste Italiane also provides payments, telecommunications, insurance, and financial services.

Poste Italiane is a national institution that provides services through a physical network of post offices, complemented by proprietary digital channels, as well as third-party networks and distribution partners. Its size made adapting to an increasingly digital business challenging. Its legacy platforms were complex, costly to maintain, and lacked the modular flexibility required for more iterative development.

To gain the agility and responsiveness needed to stay competitive against other logistics and financial services providers, Poste Italiane sought to create an IT infrastructure that would maintain the advantages of its established physical operations with the efficiency needed to develop and deploy digital applications and services. This platform would provide support for adoption of modern and emerging technology, from hybrid cloud to containers to application programming interfaces (APIs).

“Our goal is to be the distribution platform of choice in Italy by ensuring a truly omnichannel customer experience,” said Mirko Mischiatti, Chief Digital, Technology, and Operating Officer, Poste Italiane.

“We want to help many of our customers bridge their physical and digital communications, logistics, and financial transactions.”

Adopting Kubernetes containers with Red Hat OpenShift

When Poste Italiane looked for an enterprise-ready Kubernetes platform to support its focus on digital business, the company turned to its trusted Linux and middleware vendor: Red Hat.

“We recognized containerization as the de facto industry standard,” said Armando Salvatori, Head of Technology, Poste Italiane. “We chose OpenShift, and when we did, we knew we needed to work with Red Hat. Red Hat is a leading contributor to Kubernetes, and they offered the ability to share technology, expertise, and engineering resources.”

Based on Kubernetes and Red Hat Enterprise Linux, Red Hat OpenShift offers a consistent foundation for building and scaling container-based applications across hybrid IT environments, from on-premise to cloud. OpenShift Container Storage offers integrated software-defined block, shared file, and object storage.

Poste Italiane also adopted other Red Hat technology to support its digital transformation, including:

- Red Hat Ceph Storage, a distributed object storage platform, for managing unstructured data.
- Red Hat AMQ, a lightweight messaging platform, for real-time integration between applications and data across IT environments.
- Red Hat Runtimes, a set of products, tools, and components to develop and maintain cloud-native applications, for portability across cloud environments.
- Red Hat Process Automation Manager, a platform for developing containerized microservices and applications, to automate business decisions and processes.
- Red Hat Ansible Automation Platform, a solution that automates provisioning, installation, configuration, and patching tasks, as well as support application life cycle and cloud management.

During design and delivery of its new Red Hat OpenShift-based environment, Poste Italiane worked closely with Red Hat consultants. Additionally, the organization engaged three Red Hat Technical Account Managers (TAMs)—specializing in Red Hat OpenShift, Red Hat Middleware, and Red Hat Storage respectively—to provide ongoing support and minimize business disruption by resolving potential issues before they occur.

Within 18 months, Poste Italiane now has 108 new projects in production—such as its core open banking application—and 220 new projects under development. These projects include strategic support for helping customers grow their savings, new digital channels for financial products, and optimizations for its logistics business. Several applications are now available from Poste Italiane, including a new unified front end for digital sales and Codice, a new application that supports payments via QR code.

Speeding and simplifying collaborative development

Reduced project development time from 6-12 months to 2-4 months

With a foundation of Red Hat OpenShift, Poste Italiane has standardized and unified all development efforts across service lines and IT environments. Combined with a container-based approach, the new infrastructure has helped developers split work into smaller, more manageable tasks that can be worked on in parallel. Code can be reused to improve quality and reduce repeat work.

As a result of these improvements, Poste Italiane's project development time has decreased from 6-12 months to just 2-4 months. The organization can now deploy 150 new containers per month.

One key example of Poste Italiane's successful shift to more efficient, streamlined development was a recent project to support the Italian Government in managing wage advance payment requests by furloughed workers. By government decree, furloughed workers can ask their banks to provide an advance on salaries normally paid by the Italian National Institute for Social Security (INPS). In just three weeks, Poste Italiane's development team created a new portal for up to 2 million users to submit and track these requests.

The success of its new approach has helped Poste Italiane grow its digital customer base from 1.3 million daily online users in 2017 to 2.46 million daily online users as of June 2020. During the COVID-19 pandemic, the organization supported a 64% increase in digital channel transactions. Its mobile applications have now been downloaded 36.5 million times, and it now manages 6.4 million active electronic wallets.

Improved collaboration with third-party innovators

Adopting a new, digital-focused approach, supported by innovative enterprise open source technology from Red Hat, has helped Poste Italiane position itself as a hub for innovation—and an ideal partner for service and technology startups to gain support and growth opportunities from a national organization.

With Red Hat OpenShift, supported by Red Hat Runtimes and Red Hat Ceph Storage, Poste Italiane can create container-based, project-specific environments for collaboration. Red Hat AMQ and Process Automation Manager provide fast-paced processes and communication at the speed of business.

“We have created the perfect environment for start-ups to experiment,” said Mischiatti. “Our cloud-ready, open API platform supports sales of third-party products, networks, and distribution across all channels. Innovative partners can scale their operations by taking advantage of our unmatched market reach, and we get to add new services to our customer-facing offerings. It’s a win-win opportunity.”

Through these partnerships, Poste Italiane is forming connections with some of Italy’s largest businesses. For example, customers can pay bills at ENI gas stations, as well as collect packages and pay utility bills at tobacconist shops. The organization has also begun partnering with companies in other countries, including working with Swedish technology firm Tink on open banking services and hosting an innovation workshop in London.

Established in-house experience with Red Hat support

Poste Italiane worked closely with Red Hat specialists before, during, and after its deployment to ensure a successful transition not only to new technology, but also to a new business culture.

The organization engaged Red Hat Consulting to design the architecture and plan its deployment of Red Hat software, as well as provide guidance on OpenShift, container storage, and middleware.

“Maintaining our excellent customer service has always been our priority, and partnering with Red Hat Consulting has been key to our transformation journey. We’ve now gained the skills to independently operate, design, and integrate applications on Red Hat OpenShift,” said Salvatori.

With this guided experience from partnering with Red Hat consultants and a Red Hat TAM, Poste Italiane’s teams are constantly enhancing their skills to effectively and independently operate and maintain the organization’s OpenShift environment.

Exploring a hybrid cloud future

Shifting to a digital business focus with Red Hat software has helped Poste Italiane create a responsive IT foundation to meet current and future challenges, from introducing new services to ensuring staff have access to work resources through digital applications to work safely during the COVID-19 pandemic.

The organization has plans to adopt a hybrid cloud strategy in the long-term future, including reducing its physical footprint from 10 to three datacenters.

“We now have a scalable, adaptable architecture,” said Salvatori. “The next step is to implement a hybrid cloud strategy that will help us create cloud environments that can operate independently from the underlying infrastructure.”

Challenges to these efforts include effective orchestration and retaining flexibility to choose the optimal development and production environments, but Poste Italiane plans to continue working with Red Hat to find solutions.

“I believe we’re at the forefront of digital transformation in Italy. We’re rapidly executing our strategy of creating an open hybrid cloud platform,” said Mischiatti. “Thanks to its culture, vision, and technology, Red Hat was the right partner for this journey.”

About Poste Italiane

Poste Italiane is Italy's largest infrastructure network, providing postal, financial, insurance and payments, mobile, and digital services to households, businesses, and public administrations across the country. For 158 years, with 12,800 post offices, 125 thousand employees, €548 billion total financial assets, and almost 35 million customers, Poste Italiane is an integral part of the country's social and productive fabric, unparalleled in Italy in terms of size, brand awareness, reach and trust. In 2019, the group's activities generated direct, indirect, and induced impact on the Italian economy equal to approximately €12.5 billion GDP. www.posteitaliane.it

About Red Hat



Red Hat is the world's leading provider of enterprise open source software solutions, using a community-powered approach to deliver reliable and high-performing Linux, hybrid cloud, container, and Kubernetes technologies. Red Hat helps customers integrate new and existing IT applications, develop cloud-native applications, standardize on our industry-leading operating system, and automate, secure, and manage complex environments. Award-winning support, training, and consulting services make Red Hat a trusted adviser to the Fortune 500. As a strategic partner to cloud providers, system integrators, application vendors, customers, and open source communities, Red Hat can help organizations prepare for the digital future.



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North America
1 888 REDHAT1
www.redhat.com

**Europe, Middle East,
and Africa**
00800 7334 2835
europa@redhat.com

Asia Pacific
+65 6490 4200
apac@redhat.com

Latin America
+54 11 4329 7300
info-latam@redhat.com