iSG Provider Lens™

2019

Next-gen Application Development & Maintenance (ADM) Services 2019

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Definition

Application outsourcing in the recent years has evolved from being led by a waterfall-based traditional development approach into one that has incorporated disruptive agile-based operating models into it, thereby making core development model a direct competitive advantage for many enterprises. Enterprise customer requirements are currently being led by mobile and other emerging technologies, which, in turn, are fueling the transformation of the application services landscape.

Enterprises are adapting to this changing environment through faster releases and deployments of application services. Of course, not all application outsourcing is the same, because not all buyers and users have the same needs. The typical application development and maintenance (ADM) services include application consulting, designing, custom development, packaged software integration, operations, quality assurance, security and testing, but the elements related to speed and faster releases in this traditional approach are coming from DevOps and agile methodologies.

ISG has been witnessing contracts where clients are looking to leverage software capabilities to solve business problems and gain competitive advantage, coupled with the increasing need for speed-to-market. Service providers are augmenting their traditional ADM base with these emerging methodologies, technologies and collaborative frameworks to meet their clients' objectives. ISG terms such contract types as next-gen ADM contracts. This study tries to understand the client objectives and assesses provider capabilities to deliver on next-gen ADM contracts.

The ISG Provider LensTM study offers IT-decision makers:

- Transparency on the strengths and weaknesses of relevant providers;

- A differentiated positioning of providers by segments;

- Focus on different markets, including global, U.S., Germany, U.K., the Nordic countries and Brazil.

Our study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential new engagements.

Quadrant Research

As part of this ISG Provider Lens™ quadrant study, we are introducing the following six quadrants on Application Development and Maintenance Services:

Simplified illustration

Next-Gen Application Development & Maintenance Services
Next-gen ADM
Agile Development
Continuous Testing
DevOps Consulting
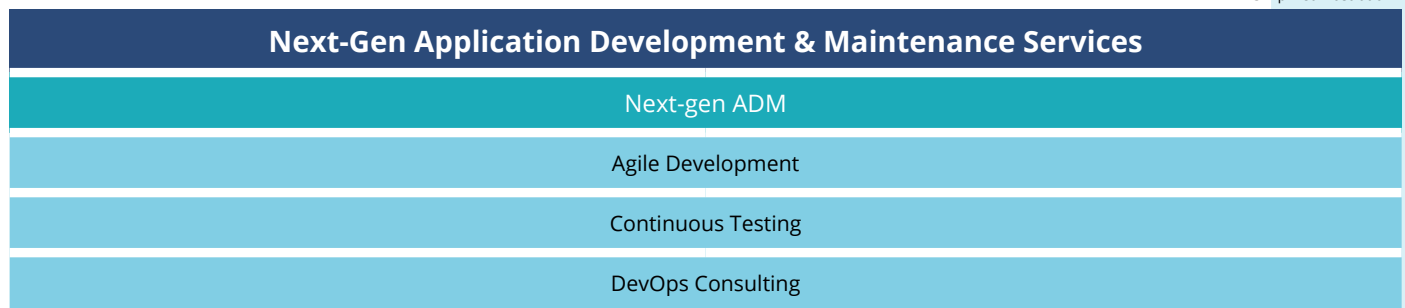
Source: ISG, 2019

Next-gen ADM

Like traditional application services, next-generation ADM includes consulting, design, custom development, packaged software integration, DevOps, agile, operations, security (including application security, governance and other related areas) and testing. However, the scope, delivery mechanism and outcome for such contracts pivot around a value-based approach where the focus is on achieving enterprise agility and solving business problems. This quadrant will assess vendors based on their capability to augment traditional ADM services with emerging technologies/methodologies like agile development, DevOps, automation, data analytics and artificial intelligence and digital and modernization techniques to deliver application lifecycle projects. It will also assess provider capabilities in incorporating new approaches to deliberately focus on business results during development and delivery of applications.

Eligibility criteria:

- Capabilities to offer the lifecycle of ADM services, which include design, development, integration security and testing along with consulting.

- The provider should also showcase the execution and use of emerging technologies/methodologies like agile, DevOps, chaos re-engineering and automation in their ADM processes.

- Capabilities to offer digital and modernization techniques for legacy application modernization and replacement.

Agile Development

Agile development mainly focuses on the frameworks and principles of agile, a collaborative way of working together in uncertain circumstances. In the software development domain, it showcases the incremental and iterative approach to application development with ability to adapt and respond to change as the key tenets. Because agile encompasses frequent, short development cycles and early releases of the software product, it is being viewed by enterprises as a medium for attaining enterprise agility and includes frameworks such as Scrum, extreme programing, feature-driven development (FDD) and the dynamic systems development method (DSDM)

This quadrant will assess capabilities of a provider to deliver tangible results through use of various agile methodologies like Scrum, Kanban, Crystal, extreme programming (XP) and others. It will also look at the focus a provider has toward use of agile development with respect to its overall application development practice.

Eligibility Criteria:

- Ability to deliver tangible results through use of various agile methodologies like Scrum, Kanban, Crystal, extreme programming (XP) and others.

- Capabilities and dedicated team of agile certified Scrum masters with certifications such as PMI-ACP, Scrum Alliance SCM, SAFe, EXIN and others

Continuous Testing

Continuous testing focuses on delivering quality assurance at speed. In terms of technology, it encompasses various aspects of automated testing such as shift-left and end-to-end automation across testing phases and at every phase of the continuous delivery process. However, in terms of people and processes, it goes beyond automation-based testing. Thus, it accomplishes higher collaboration among QA and development teams to sync with sprint cycles, feature-driven testing, responsiveness to change, creating a feedback loop and greater client involvement. Continuous testing is gaining momentum specially to help enterprises keep pace with their agile and DevOps initiatives.

Eligibility Criteria:

- Providers should exhibit execution using test-driven development (TDD), behavior-driven development (BDD) and other approaches;

- Capabilities exhibiting provision and use of service (test) virtualization processes.

DevOps Consulting

DevOps is a type of software development practice which combines development and technology operations in tandem to shorten the SDLC lifecycle. To achieve this objective, it involves three key principles: system thinking, feedback loops, and continuous experimentation and learning. Some of the methodologies involved in DevOps include lean management, continuous delivery, and people over process over tools.

Eligibility criteria:

- Provider should provide development teams with over two to three years trained in scripting languages such as Python, Perl, Shell and Ruby as well as operating systems like Linux and Unix.

- DevOps teams should have application level understanding of Git, Bucket (for source control), Jenkins, Bamboo (continuous integration), infrastructure automation (Chef, Puppet, Ansible), Docker (container) and Kubernetes, Mesos and Swarm (orchestration) among other areas.

- DevOps teams should able to implement automation technologies and tools at any level ranging from testing and operations to development.

Quadrants by Region

As part of the ISG Provider Lens™ Quadrant Study, we are introducing the following four quadrants (market) research on Next-gen Application Development & Maintenance (ADM) Services 2020 by region:

Quadrants	Global	USA	Germany	UK	Brazil	Nordics
Next-Gen ADM	√	√	√	√	√	√
Agile Development	√	√	√	√	√	√
Continuos Testing	√	√	√	√	√	√
DevOps Consulting	√	√	√	√	√	√

Note: We have highlighted some regions that do not have a quadrant report. The data for these regions is being collected for the Candidate Provider Qualification (CPQ) program.

Archetype Report

This strategic report supports improved awareness, knowledge and decision making on the capabilities and positioning of IT and business service providers. The new ISG Provider Lens™ Archetype studies provide a means to align sets of ISG-identified client requirements with known provider capabilities.

The report will identify four to six archetypes that represent buyer characteristics and buying requirements for IT or business process outsourcing service lines:

- Globally focused.

- Represent ISG advisor perception of client buying patterns.

- Non-prescriptive nor rank based.

- Help align buy-side needs with provider-side capabilities to reduce costs for both sides.

Figure 1: Sample ISG Provider Lens™ Study Provider Listing

Schedule

The research phase falls in the period between **June and October 2019**, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in **November 2019**.

Milestones	Beginning	END
Survey Phase	June 27, 2019	July 25, 2019
Sneak previews	October 23, 2019	November 20, 2019
Content provisioning	November 28, 2019	
Press release	December 05, 2019	

Please refer to the link below to view/download the ISG Provider LensTM 2019 research agenda: https://isg-one.com/docs/default-source/default-document-library/isg-provider-lens-annual-plan-2019.pdf?sfvrsn=c323cc31_0

Research production disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing work identified by the clients. This data is collected as part of the ISG FutureSource process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not to produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.

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Do you need any further information?

If you have any questions, please do not hesitate to contact us at isglens@isg-one.com.

List of companies being invited for the survey

Are you in the list or do you see your company as relevant provider that is missing in the list? Then feel free to contact us to ensure your active participation in the research phase.

1&1	Blueinfo Co.	Delage Consultoria e Sistemas Ltda
3CON	Bosch SI	Delloite
3ELOS INFORMATICA LTDA.	BRQ Soluções em Informática S/A.	Devoteam
Accellog Global Technology	BVR Tecnologia Ltda	Diebold Nixdorf
Accenture	CA Deutschland GmbH	Digital Intelligence Systems, LLC
Adobe Systems GmbH	Cancom	direkt gruppe
ADP SYSTEMS	Capgemini	DXC Technology
Adsoft Servicos de Informatica	CAST GROUP	Eccox
Agape Consultoria	Cegeka	EFICODE
Alegri	CenturyLink	Elastic.io
All for One Steeb	CGI Group	Elaxy
Alterdata Software	CI&T	EMC Deutschland
Amplex Consultoria e Desenvolvi-mento de Sistemas	Cigniti	Emis Group
AppSphere AG	Cognizant	Endava
Arvato Systems	Comarch	EngDB
Aspire	Computacenter	EPAM
ASW Sistemas	Concat	Evince
Atos	Consequor	Evozon Systems.
Avaya	CSC	Evry
Axians	Cumulocity	Ewave do Brasil Informática Ltda
AZ INFORMATICA LTDA	Cygnet Infotech	E-xyon Tecnologia da Informacao ltda
Base2 Tecnologia	DARZ	FH Consultoria Empresarial Ltda
Birlasoft	Data One GmbH	Finanz Informatik
BJSS	DATAGROUP	Flatrocktech
	DCSL Software	

Freudenberg IT	ITS - Tecnologia Informação Ltda.	Operational Services
Frontbyte	KPIT	Oracle
Fujitsu	LG Lugar de Gente (RH)	Orizon (saúde)
Gedys IntraWare	Lionbridge Technologies Inc	Pactera
GEO SYSTEM INFORMATICA LTDA.	LTI	Pass Consulting
Getronics	Lufthansa Industry Solutions	Persistent Systems
GRASS-MERKUR GmbH & Co. KG	Magna Sistemas Consultoria S/A	Pitang Consultoria e Sistemas S/A.
Grupo Assa	MariaDB Coporation	Plusoft Informática S/A
Grupo Benner	Materna	Prime Control Consultoria LTDA
Happiest Minds	META	PrimeUp Soluções em TI LTDA
HCL Technologies	Metasite	QualiTest
HDI	MI MONTREAL INFORMATICA S.A	Quality Software
Hetzner Online AG	Microfocus	Quallis
Hewlett-Packard GmbH	Mimecast	Quinnox
Hexaware	Mindtree	Reply
Horváth	MOVILE	RESOURCE
HTC Global	Mphasis	R-Performance
IBM	msg Systems	RSI (rsinet.com.br)
Ignitho	Mstech Educacao E Tecnologia S A	Saxonia Systems AG
Indra	MTP Internacional	Senior Sistemas S/A
Infor (Deutschland) GmbH	MZP	Skyrise
Infosys	NetApp Deutschland GmbH	SOFIST
Inmetrix	Nexxera	Softtek
Intellectsoft US	NIIT	Software AG
ITC Infotech	NTT DATA	SONDA
itelligence	O Data	Sopra Steria
iTeste	Octal IT Solution	Stefanini

Sulzer

SVLabs

T&M Testes

t2m

TCS

Tech Mahindra

TestGroup

Thorgate

Tieto

Tivit

TQI Consultoria e Desenvolvimento Ltda

TREND MICRO Deutschland GmbH

Trianz

Trivadis

T-Systems

Unisys

UOL DIVEO

UST Global

Validata

Verotthi Consultores

Vexia

VINTIN

Virtusa

Wipro

WIT Planejamento Tecnologia da Informacao

Xenonstack

Yash Technologies

Zensar

Zero-Defect