

Approaches to Application Development



Red Hat

Summary Results | March 2020

Survey Summary

- ▶ **Between August 2019 and March 2020, Gatepoint Research invited selected IT executives to participate in a survey themed *Approaches to Application Development*.**
- ▶ **Candidates were invited via email and 252 executives have participated to date.**
- ▶ **Management levels represented are predominantly senior decision makers: 6% hold the title CxO, 13% hold the title VP, 32% are Directors, and 49% are Managers..**
- ▶ **Survey participants represent firms from a wide variety of industries including business services, construction, consumer services, financial services, healthcare, media, manufacturing (general, primary and high tech), mining, public administration, retail trade, telecom services, transportation, utilities, and wholesale trade.**
- ▶ **Responders work for firms with a wide range of revenue levels:**
 - **63% work in Fortune 1000 companies with revenues over \$1.5 billion;**
 - **16% work in Large firms whose revenues are between \$500 million and \$1.5 billion;**
 - **21% work in Mid-Market or Small firms with \$250 million to \$500 million in revenues.**
- ▶ **100% of responders participated voluntarily; none were engaged using telemarketing.**

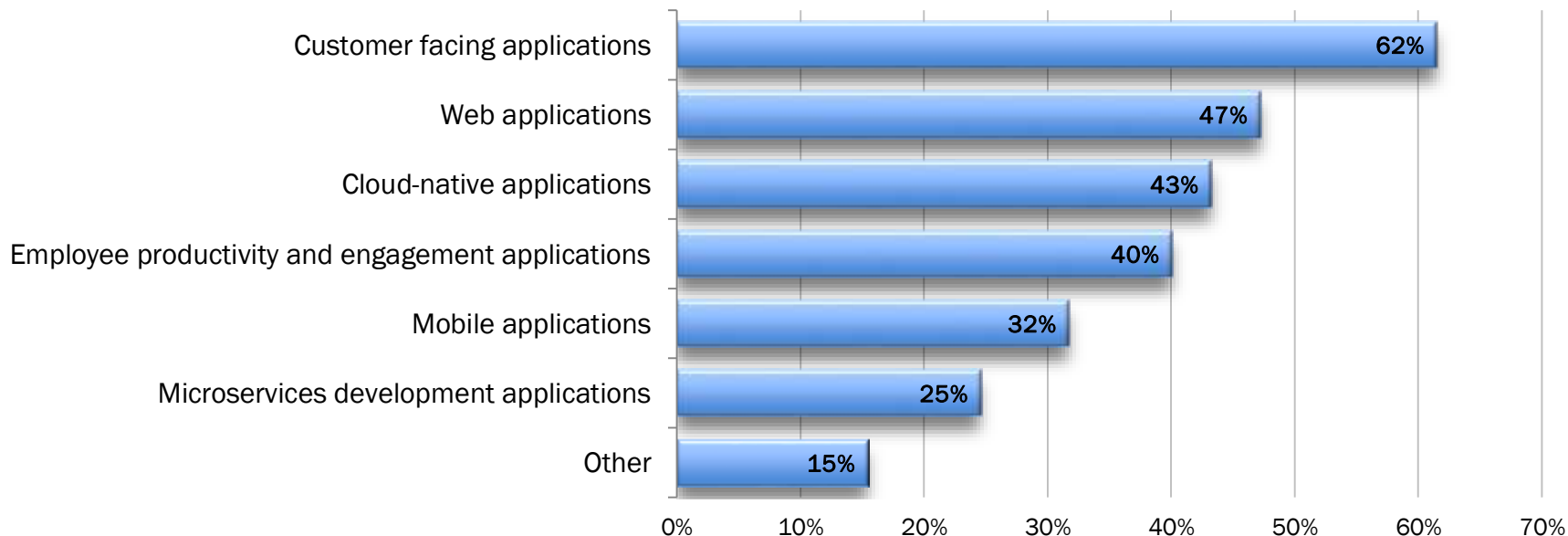
Executive Overview

As organizations rely more and more on software that makes innovative business initiatives possible, efficient and reliable application development is key to business success. How do companies view their application development processes? Are they meeting the demanding goals of their customers, and today's ultra-competitive business environment?

This survey asks respondents to report:

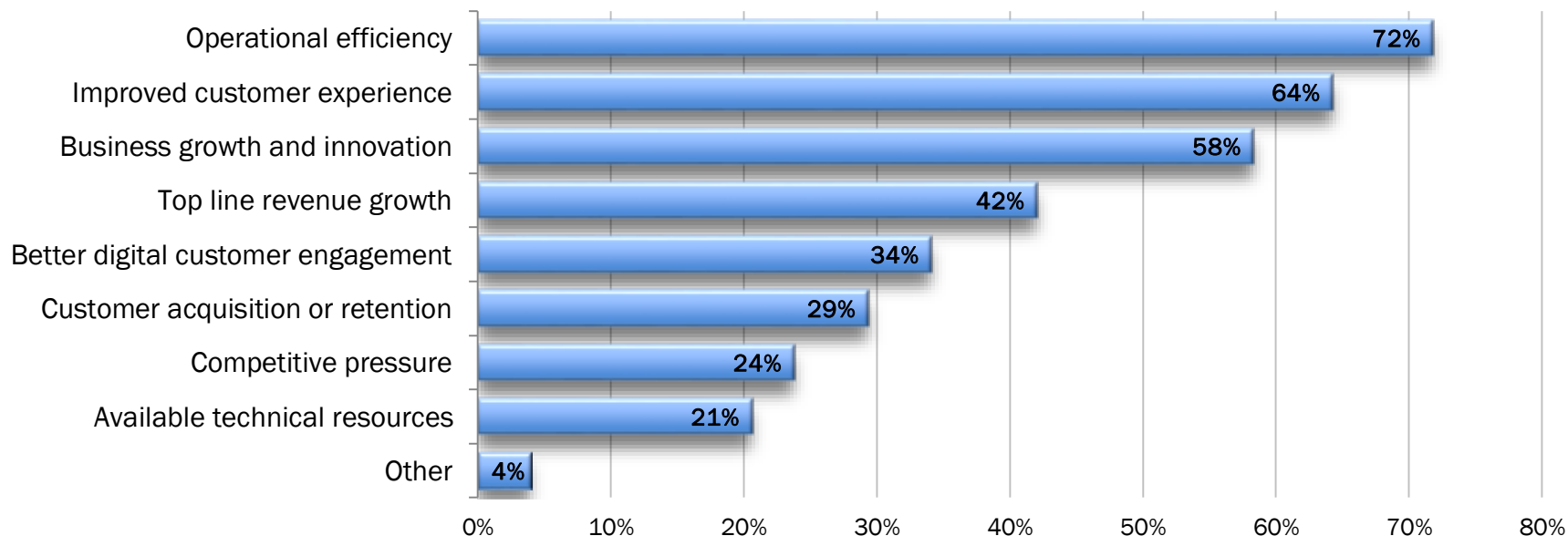
- ▶ **What are the business drivers of their projects? Are their projects aligned with their company's strategic vision?**
- ▶ **What kind of applications do they oversee? What applications are they developing in the current year?**
- ▶ **How big is their project backlog?**
- ▶ **What are their application development challenges?**
- ▶ **What changes would improve their organization's application development process?**

What kind of applications are you responsible for overseeing?



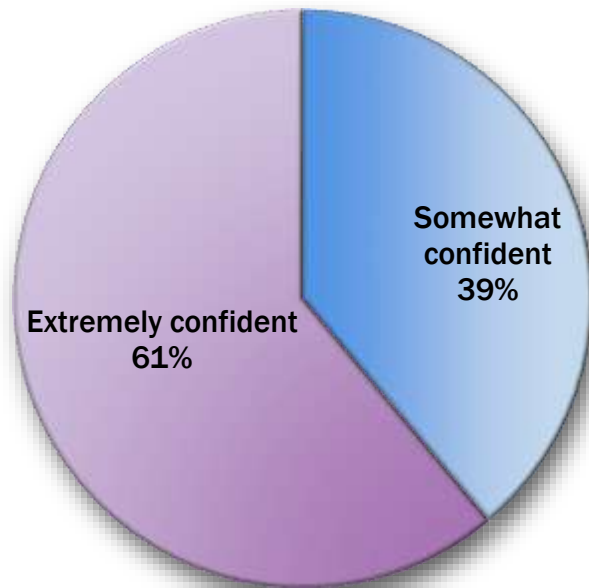
Most respondents participating in the survey are responsible for overseeing customer facing applications (62%) but many also manage applications for web (47%) cloud native (43%) and employee productivity/engagement (40%).

What are the business drivers for your projects?



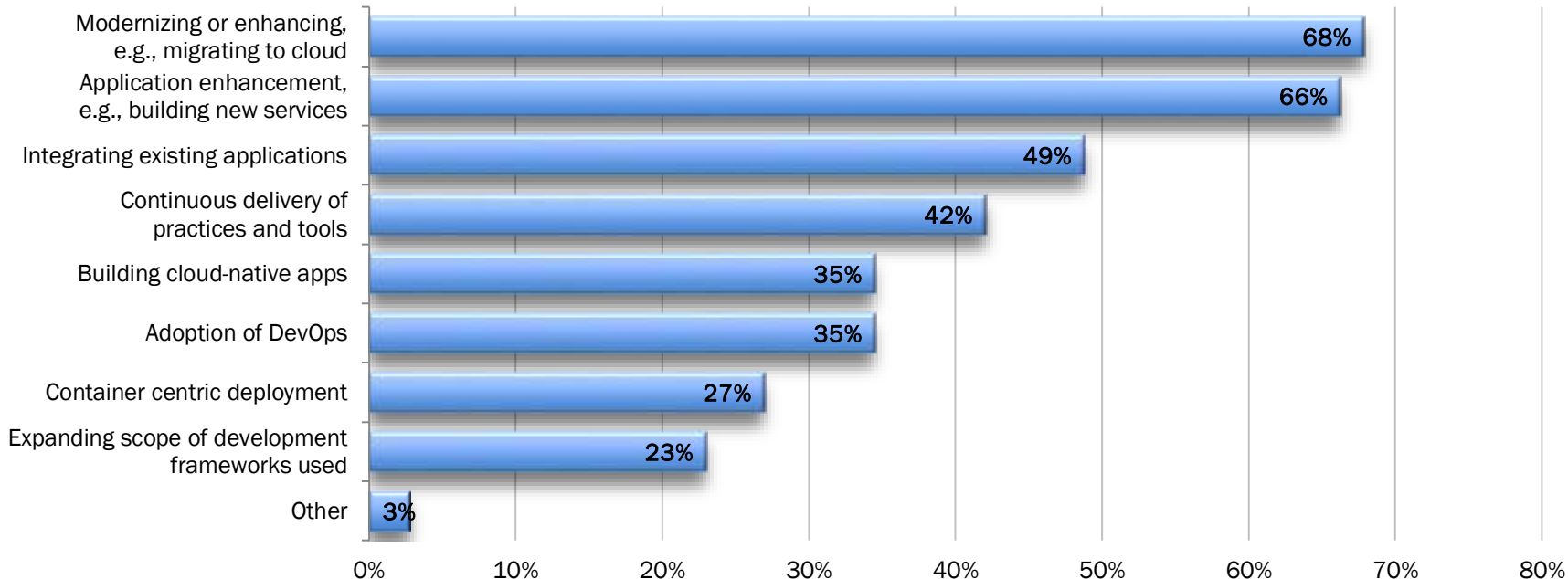
Top three business drivers that drive most respondents' projects are operational efficiency (72%) improved customer experience (64%) and business growth/innovation (58%). Competitive pressure and resources are relatively weak driving forces.

How confident are you that your projects are aligned with your company's strategic vision?



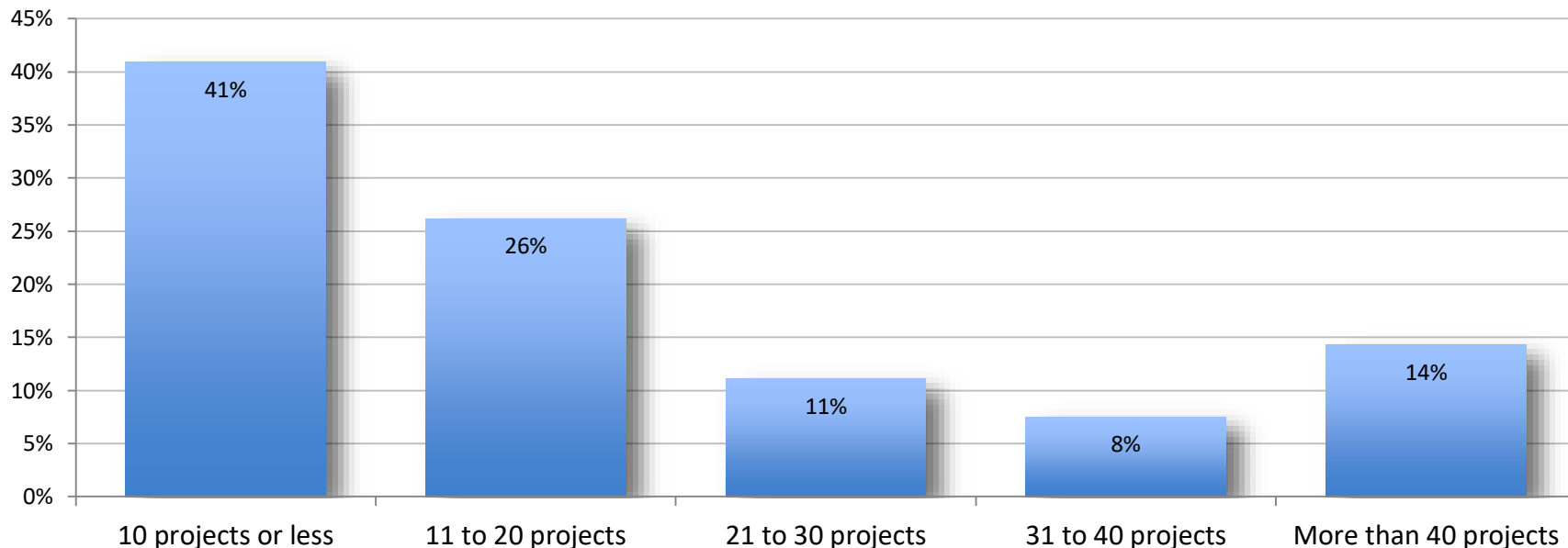
Though 61% claim they are extremely confident their projects and the company's strategic vision are in alignment, 39% are not so confident.

What kinds of application development initiatives do you have in the coming year?



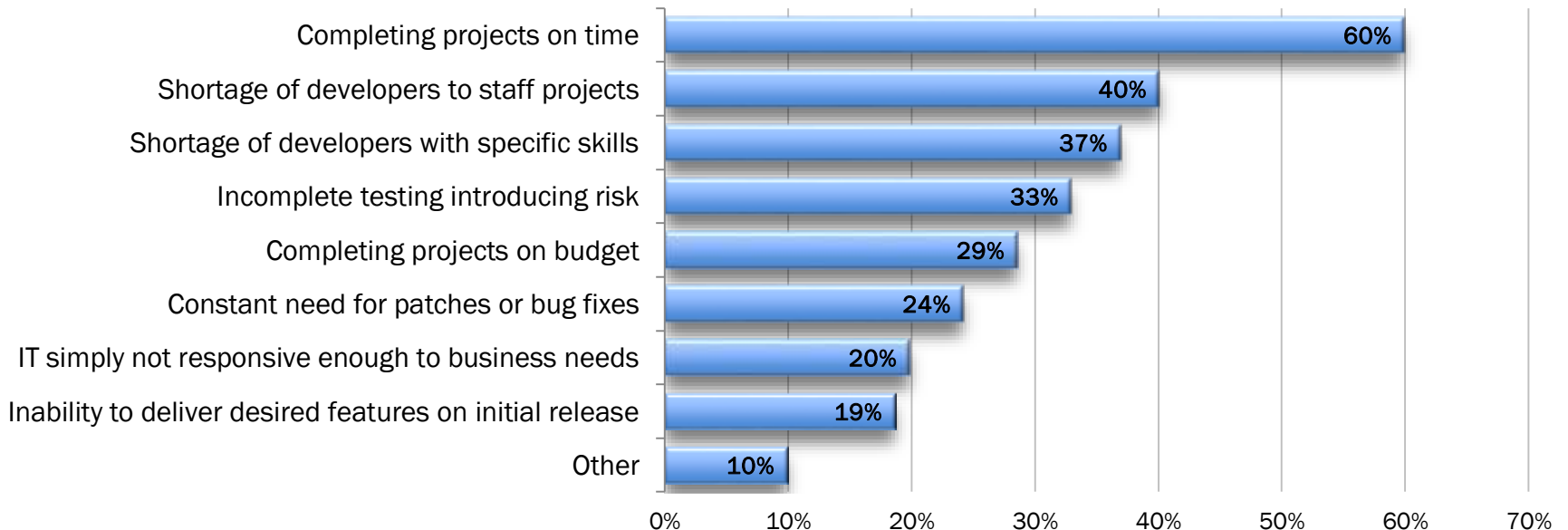
Neck-and-neck for the lead in respondents' application initiatives are: modernizing/enhancing by migrating to the cloud (68%), and enhancing applications via service build-outs (67% of respondents).

How big is your project backlog?



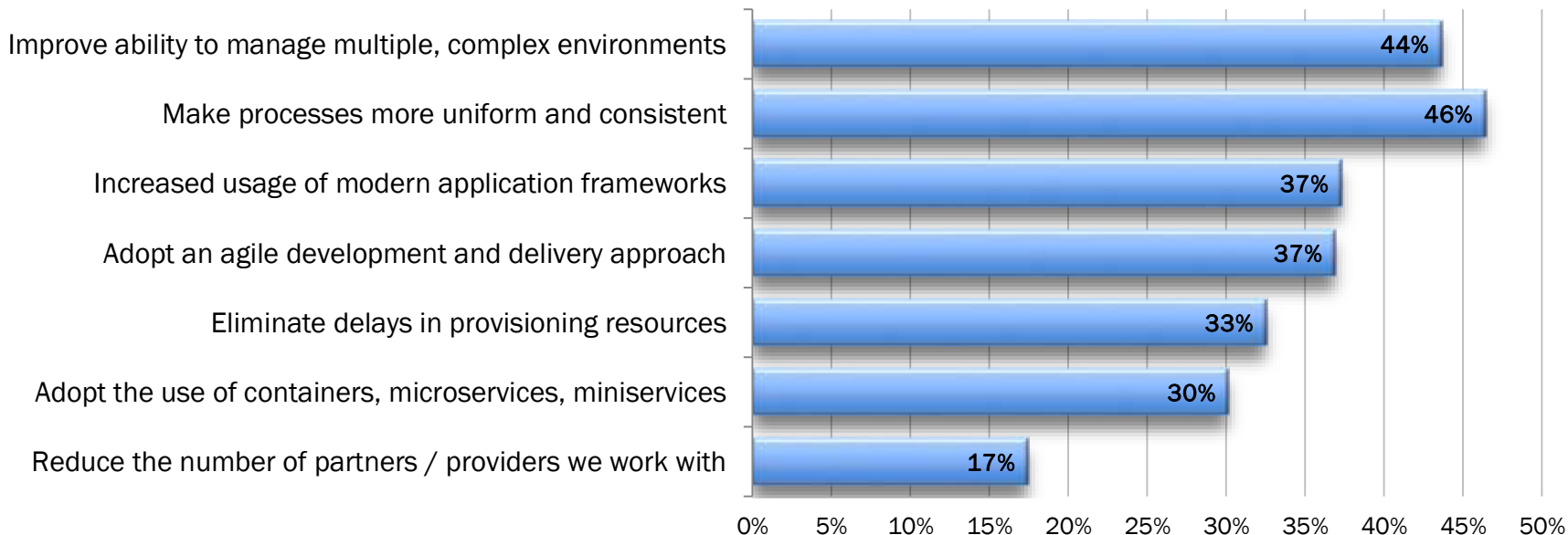
Somewhat astonishingly, 59% of respondents report project backlogs of 11 or more projects – including 14% who say they are backlogged more than 40 projects.

What are some of your ongoing challenges with application development?



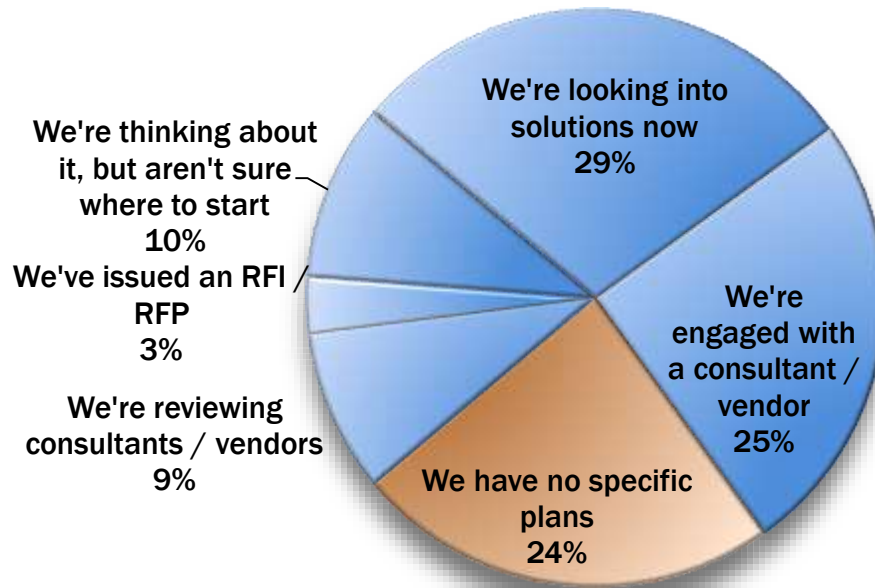
Nearly two thirds of respondents admit they have trouble completing application development projects on time. Perhaps contributing to this statistic is that many are also challenged by a shortage of developers to staff projects (40%) and shortage of developers with project-specific skills (37%).

What do you think needs to change about your company's approach to application development?



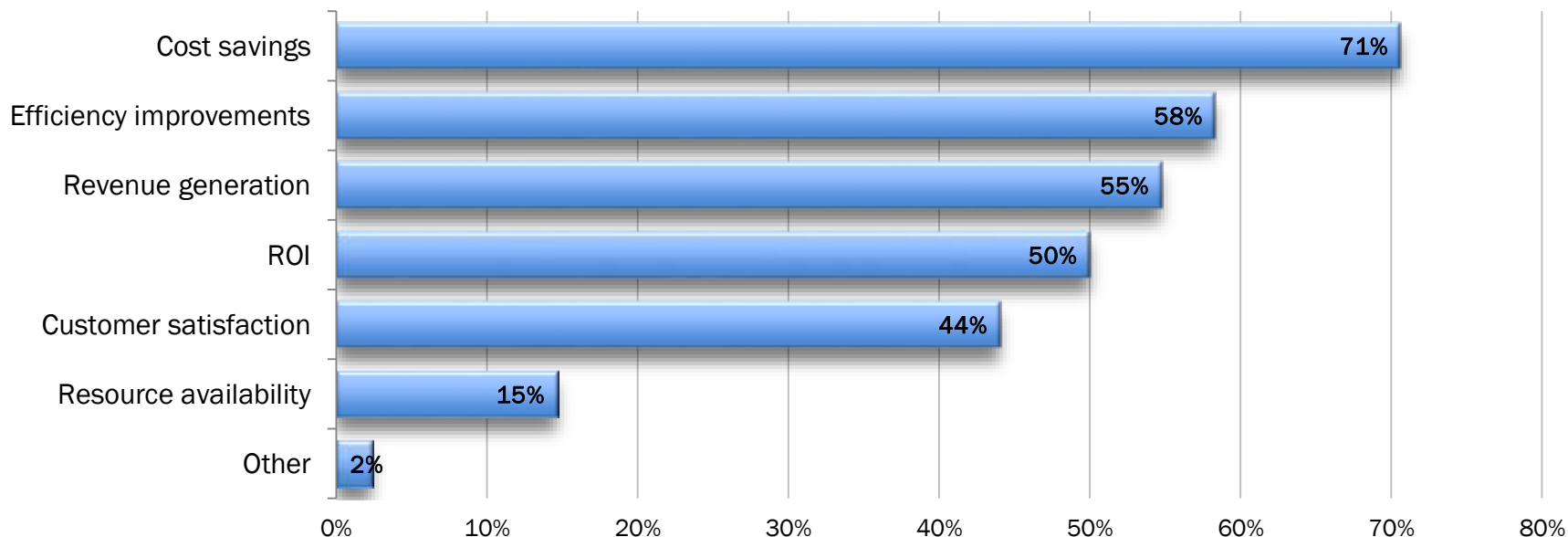
Those surveyed say focusing on weak management of multiple, complex projects is a prime focus for improving application development in their organizations.

Where are you with regard to making the changes you need to improve application development?



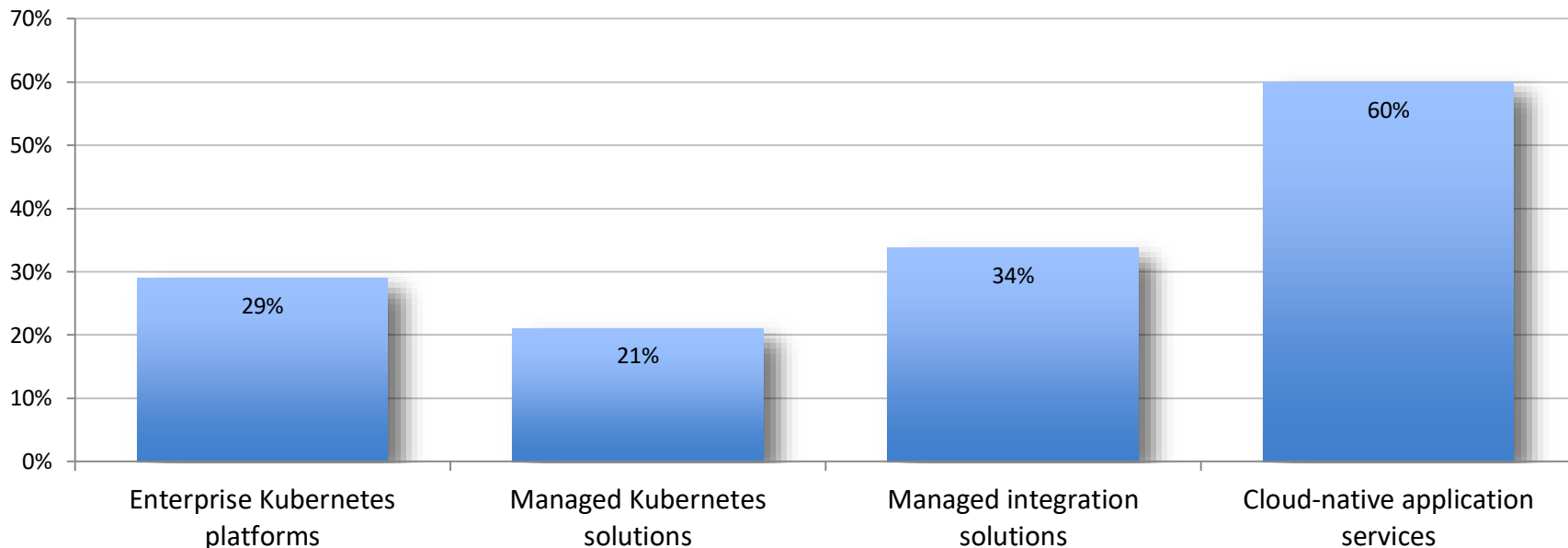
76% of those surveyed are currently engaged in the process of improving their application development.

What arguments for new technology tend to get funded?



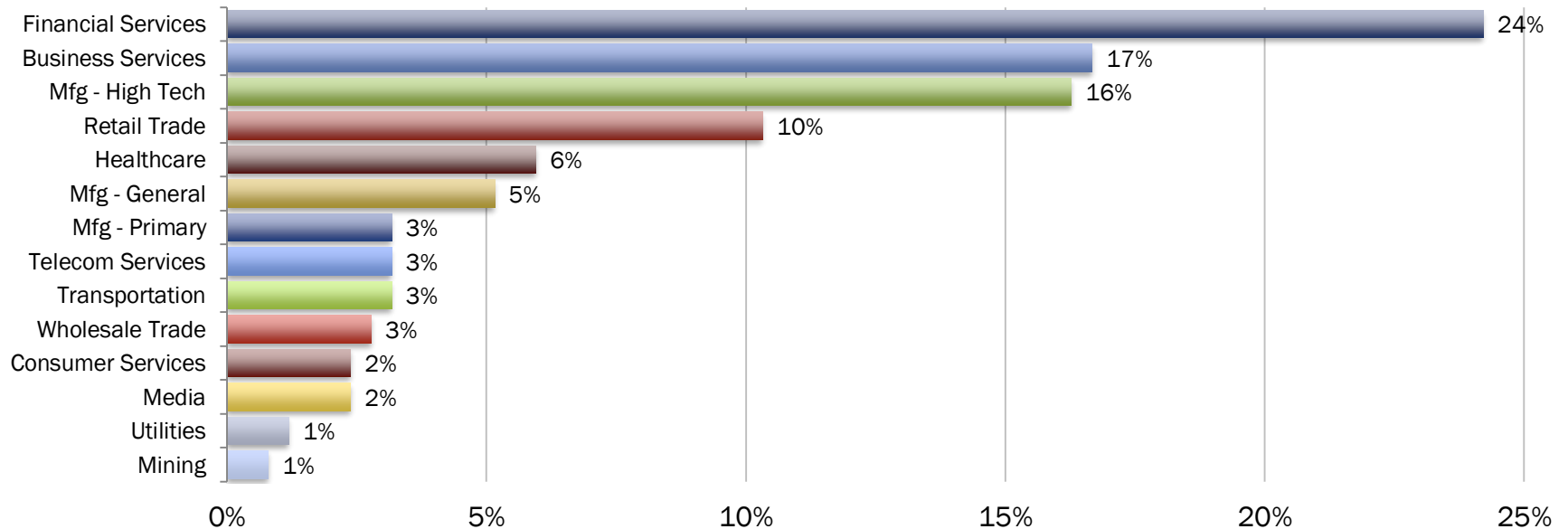
Not surprisingly, three of the top four most compelling arguments cited for funding technology are directly related to cash flow: cost savings (71%), revenue generation (58%), and ROI (50%).

Are you interested in learning more about the following?



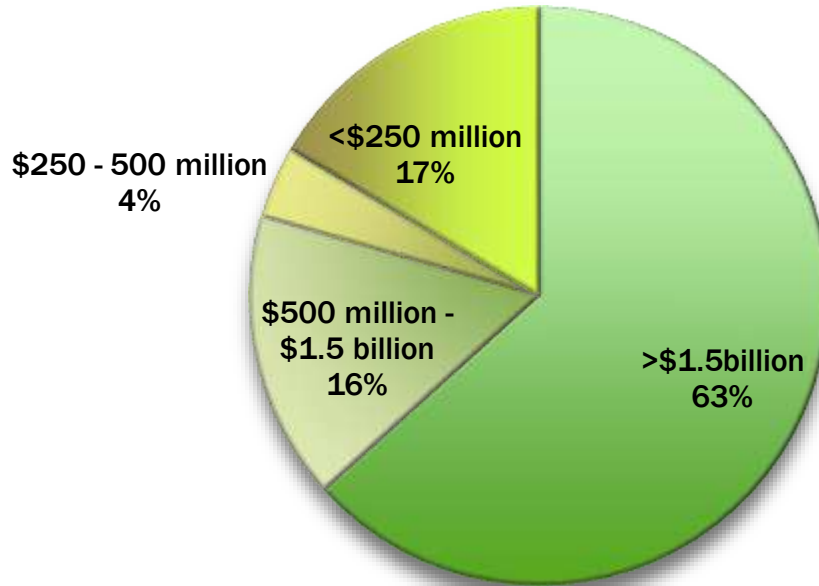
By a wide margin, respondents reveal their greatest interest is in learning about cloud-native application services.

Profile of Responders: Industry Sectors



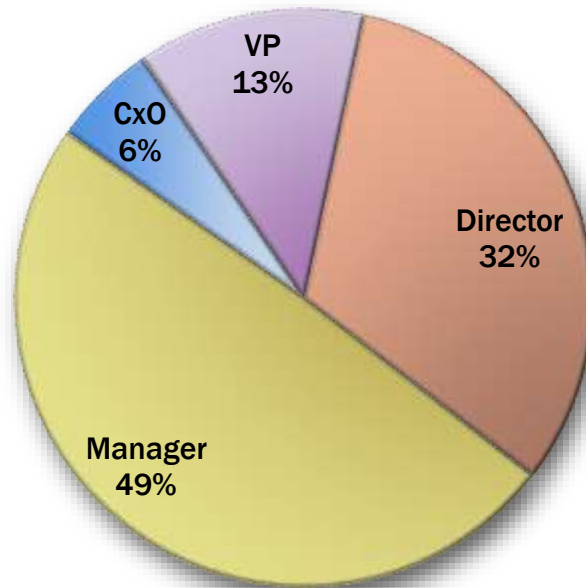
Responders represent a wide variety of industries.

Profile of Responders: Revenue



63% of those surveyed work in Fortune 1000 companies with revenues over \$1.5 billion.

Profile of Responders: Job Level



51% of those surveyed hold Director or executive level positions in their organizations.



Red Hat offers open, modular, embeddable, and cloud-ready development platforms that help transform legacy applications into agile, optimized environments that increase business value.

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