Why Low-Code Can Help You Overcome the Digital Deadlock

An IDC InfoBrief, sponsored by

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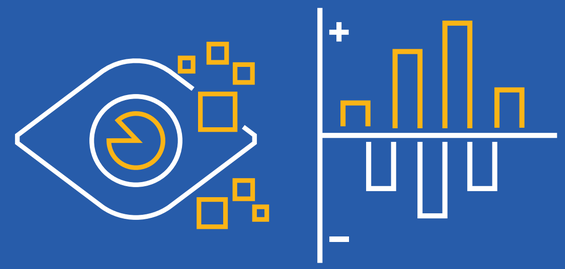
Digital transformation is board level

80%–90%

of European enterprises recognize digital transformation (DX) as a major business priority.



What is DX?

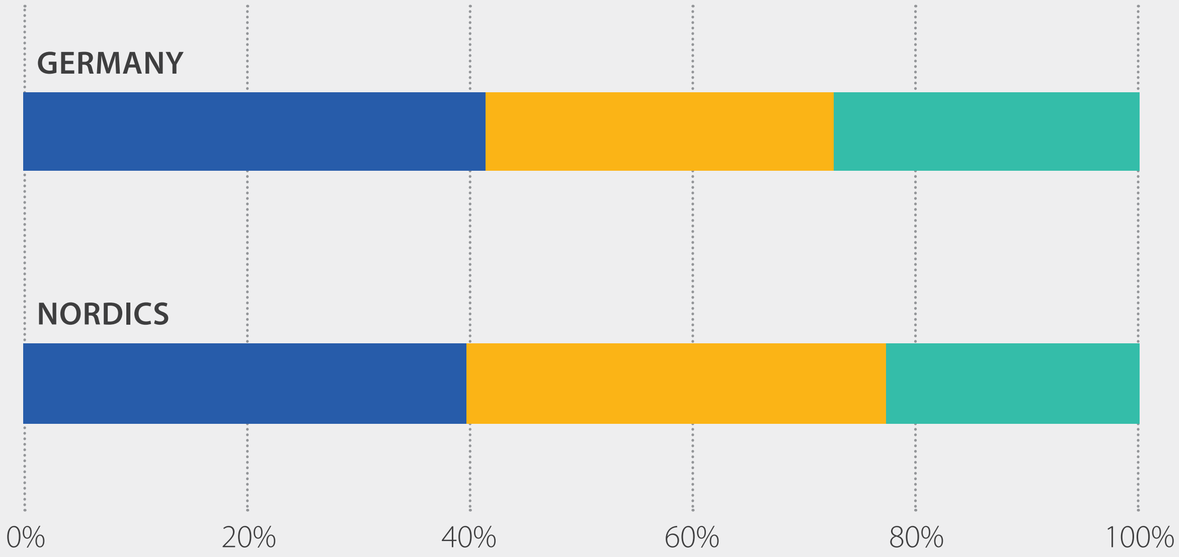
IDC defines DX as the act of transforming an organization into one that can scale all or part of its business, and innovate at a pace that is an order of magnitude greater than traditional businesses. Digital organizations are driven by a customer-centric and empowered workforce that embraces risk taking as it seeks to continuously innovate. Technology and data are the lifeblood, fueling more efficient operations, new revenue streams, and customer loyalty.

Digital agendas are evolving

DX agendas are evolving from a primary focus on operational efficiency enhancements to a focus on improving customer interactions through digital experiences and the creation of new revenue streams connected to digital business models. Essentially three core use cases open up:

- Ability to create digital experiences
- Ability to optimize digital operations
- Ability to create a digital core to unlock business models

Why are organizations making bold changes?



Improving the customer interactions through digital experiences

Launching new revenue streams with digital business models

Optimizing company operations through digital processes and automation

Q. What is the key priority in terms of investments for your organization in terms of digital business transformation for the next 12 months?

Source: IDC European DX Survey, 2017

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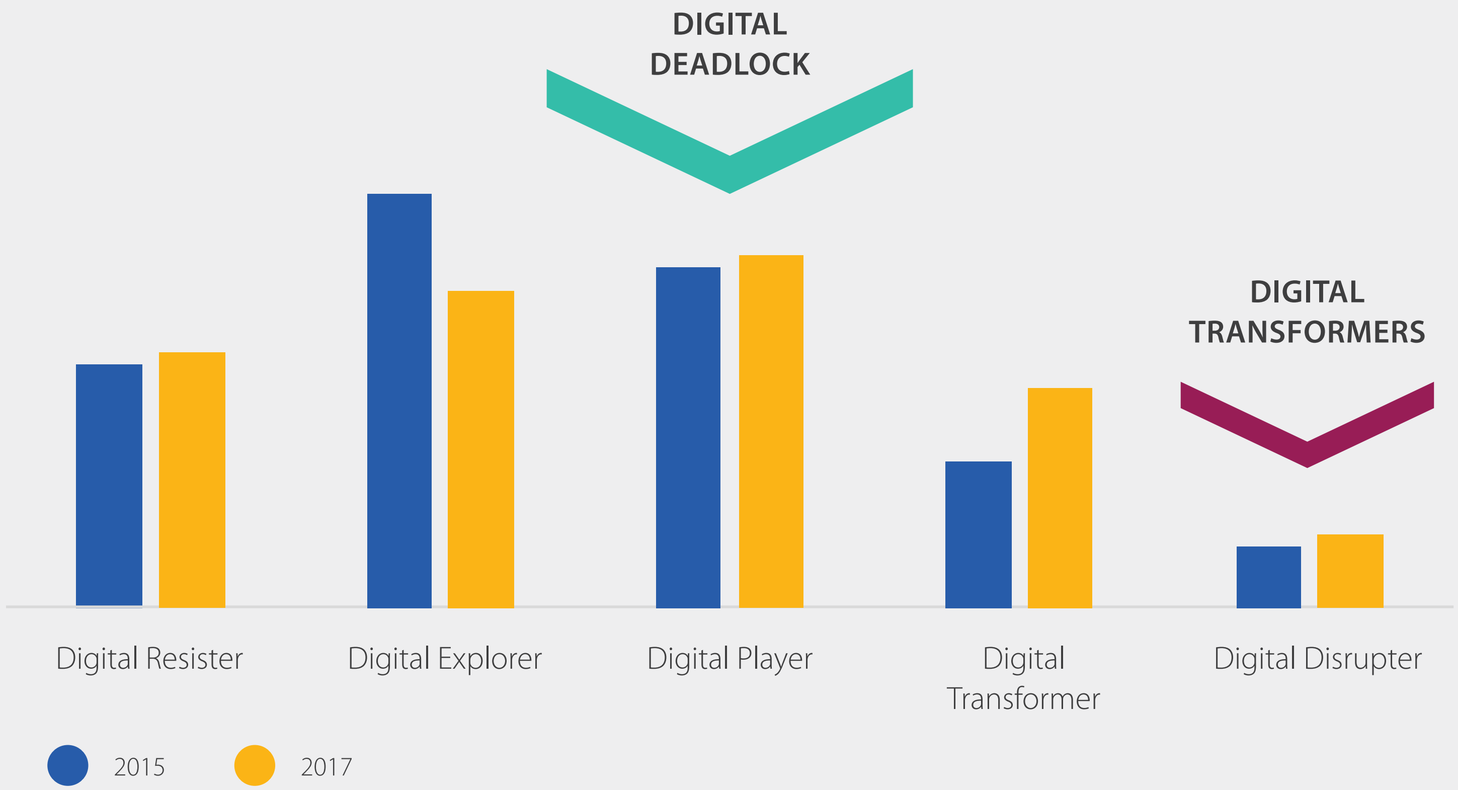
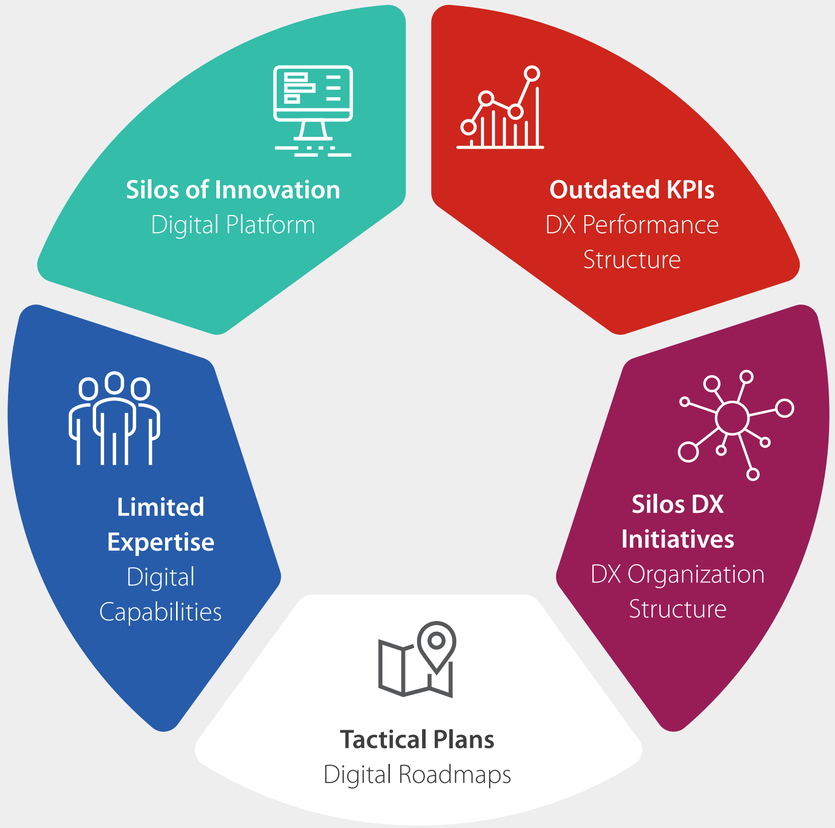
Some organizations are excelling on their DX journey, but many European organizations are in a digital deadlock

- The number of organizations that have digitally transformed has grown from 17% in 2015 to 24% in 2017.
- Yet despite progress many organizations are at an impasse or deadlock; 55% of European enterprises are at either stage 2 or stage 3 of their DX journey.
- Many are running individual digital programs but are not making the headway required to achieve the greater goal of digitally transforming the entire enterprise.

Stages of Digital Transformation Maturity



The emergence of a new set of challenges slows DX progress



Being digitally fit is not a business goal or destination. Rather, it is a new way of being, working, and succeeding in the digital economy.

Once through the challenges, you are cleared to digitally transform.

2027

DIGITAL TRANSFORMERS

75%
of organizations will have digitally transformed

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Source: IDC, European Digital Transformation Maturity Model Benchmark, 2017

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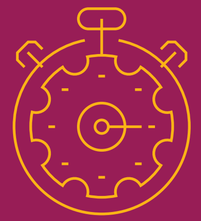
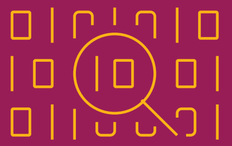
How do you get past the digital deadlock?



To lead and excel in a digital economy requires faster response, better quality, and more secure products and services. At the end of the day organizations are being tasked to deliver more quality apps faster that drive enhanced experiences.

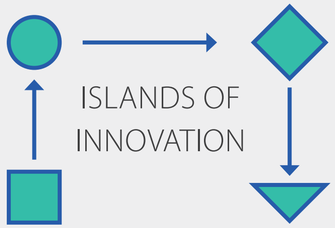


We live in this data-driven economy where software is an enabler of new customer experiences and markets. Software development is no longer viewed as a cost of doing business, but rather as a core competency and strategic imperative that defines the business.

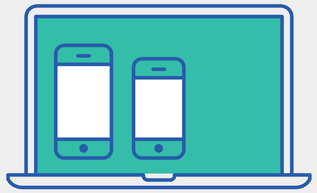
In this digital age, there are new rules for enterprise agility. Survival requires a laser focus on innovation and customer experience. The ability to deliver unique customer experiences at speed is critical; this demands agility at the core of your business.

You must break through the silos and enable business agility.

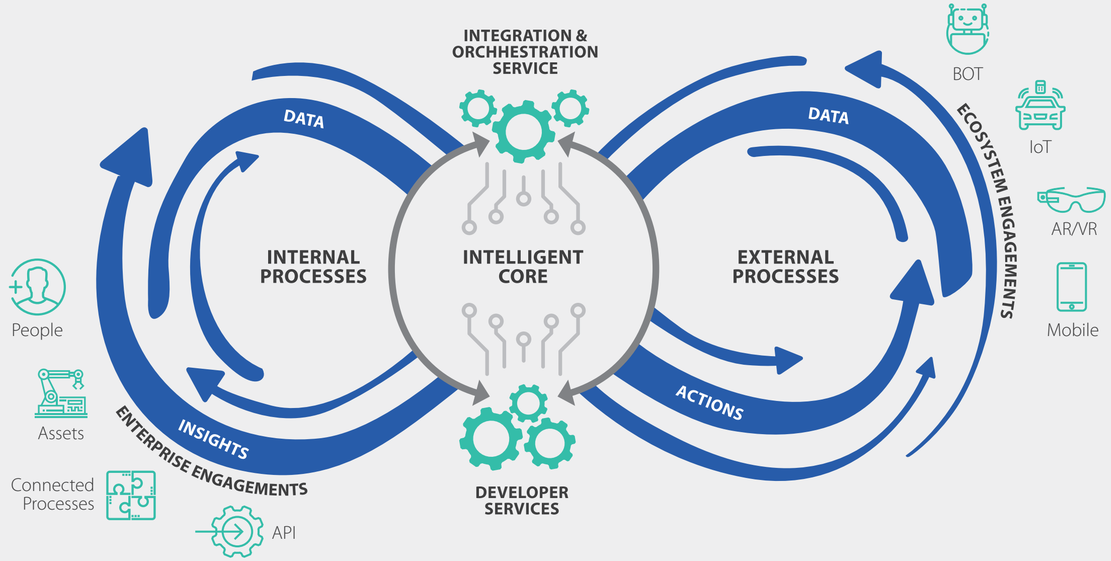
You must focus on the ability to scale DX initiatives …



Enterprise
IT Platform



Digital Platform
(Side Car)



SINGLE USE CASE — **CONTINUOUS PORTFOLIO**

STAGE 1: Islands of Innovation

In the early phases of the DX journey a range of new use cases spin up across multiple domains. Typically these initiatives will sit outside the traditional IT enterprise platforms.

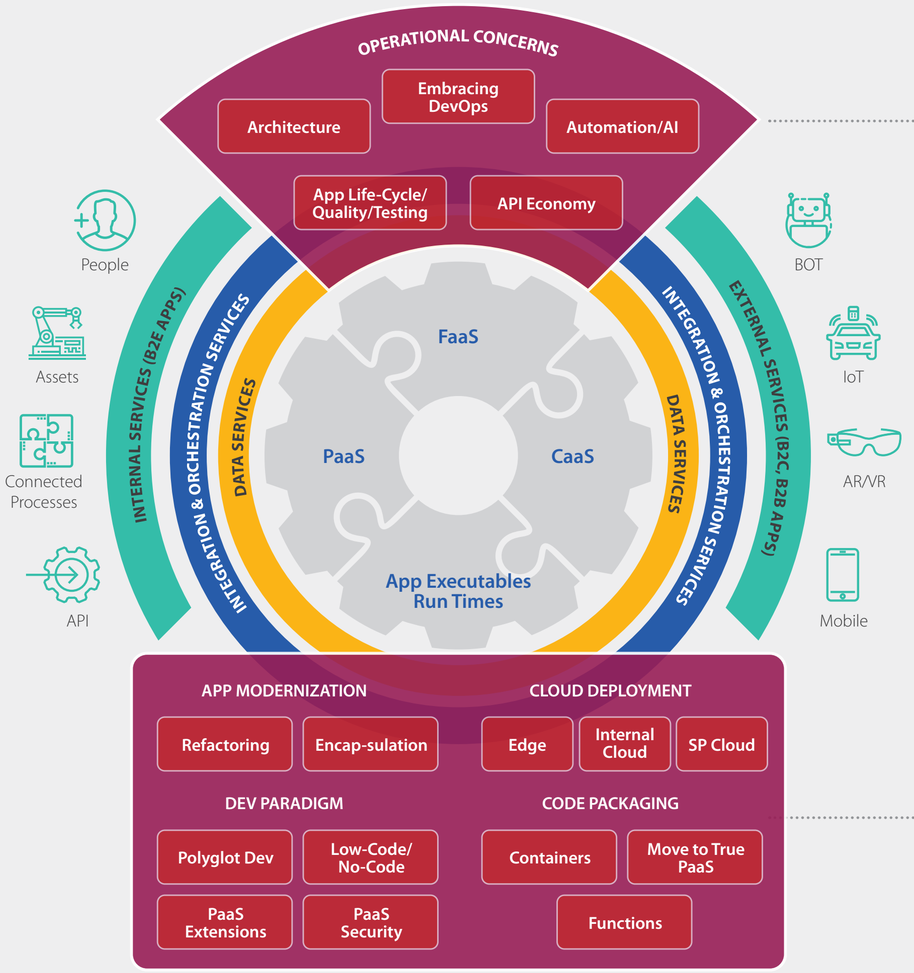
STAGE 2: Digital Side Car

This involves the setting up of a parallel technology environment that is seperate from traditional enterprise IT platforms, often known as "digital IT." These units are designed to support new types of engagement and join up the islands of innovation.

STAGE 3: Enterprise DX Platform — Continuous Portfolio Management

The DX platform is the future technology architecture that accelerates DX initiatives for the enterprise, enabling the rapid creation of externally facing digital products, services, and experiences while aggressively modernizing the internal IT environment toward an "intelligent core" in parallel. The intelligent core is where the algorithms, code, and models live that enable you to get the insights and actions from the data. Success requires the coordinated use of governance, talent, processes, and technology.

. . . And enable modern development



Focus on enabling modern development that supports your digital transformation journey. You must have an eye toward modernizing critical existing applications while introducing new cloud-ready applications.

There are two critical but separate aspects to the development process:

OPERATIONAL SHIFTS: These are as much about the need to embrace a functionally different process and organizational approach when building and maintaining a DX platform.

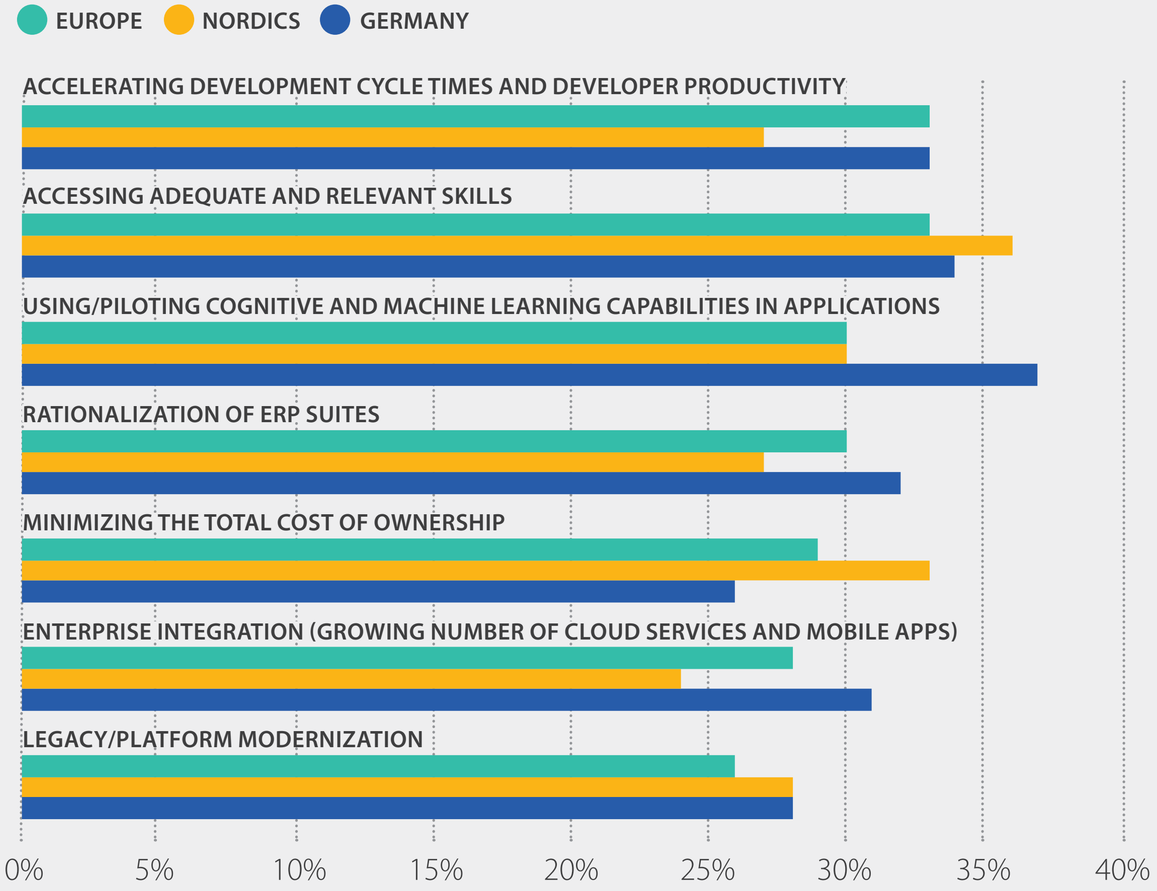
Development and deployment decisions: These are the decisions that have to be made as an organization transitions to a modern application environment.

At the heart of any organization's digital transformation there is the need to embrace a different way of running the business, of processing data, reacting to changing market conditions, and engaging with customers.

Accelerating development cycle times and developer productivity is critical

- Digital transformation begins with applications that are built to deliver a truly digital-native experience. The challenge, however, is to figure out how to create relevant business apps quickly, that can be easily adapted and maintained.
- Speed of change and speed of deployment in an age of delivering enhanced and unique customer experiences must improve. This is not only a technology challenge but is very much about addressing the talent shortage.
- Organizations must look at how to enlarge the development talent pool, and provide business stakeholders with an enriched toolbox to solve business problems.

Most Critical Application Modernization Challenges



Q. What are the top 3 challenges you face in terms of application modernization?

Embrace business-centric collaboration — DevOps is mandatory

The number 1 driver of DevOps adoption is increased agility and business innovation

What is DevOps?

- **DevOps** is the integration of **application development** and **IT operations** at many levels including culture, process workflows, and infrastructure management, as well as application creation, deployment, and delivery.
- DevOps represents a **faster, more agile approach** to conceptualizing business innovation and driving those ideas or processes into customer — and user — accessible code, whether delivered as packaged software, mobile and web apps, or online business services.
- An organization adhering to DevOps **embraces a collaborative, business-centric approach** to development staff, IT operations, and infrastructure managers.

Lengthy, cumbersome, and restrictive software development cycles are no longer acceptable.

53% of European enterprises use DevOps; 30% are now pushing through weekly changes to the applications.

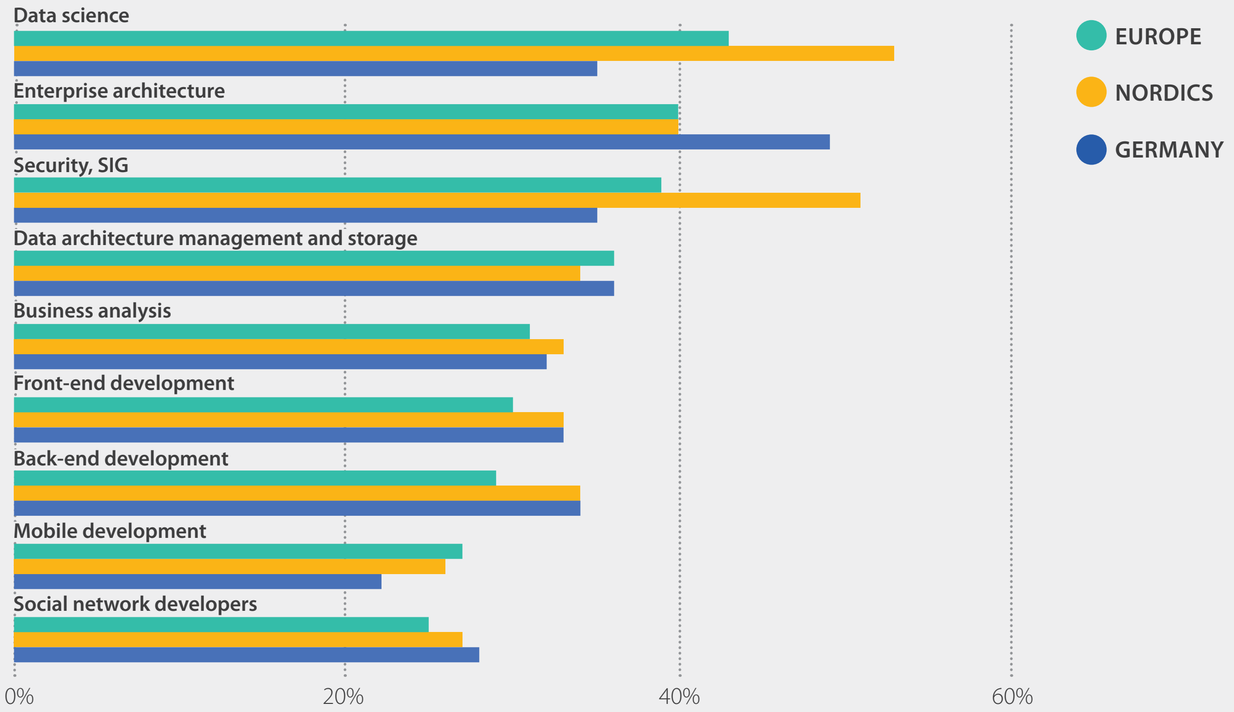
DevOps practices are knocking down traditional organizational silos across IT and the business that exist and inhibit change.

European organizations are attracted by faster deployments, increased agility and business innovation, and enhanced customer experiences.

Talent management must be a top priority

The next battle in the race to digitally transform is the war on talent, and this is very apparent in Europe. Acquiring development talent is proving very or extremely difficult for a third of European organizations.

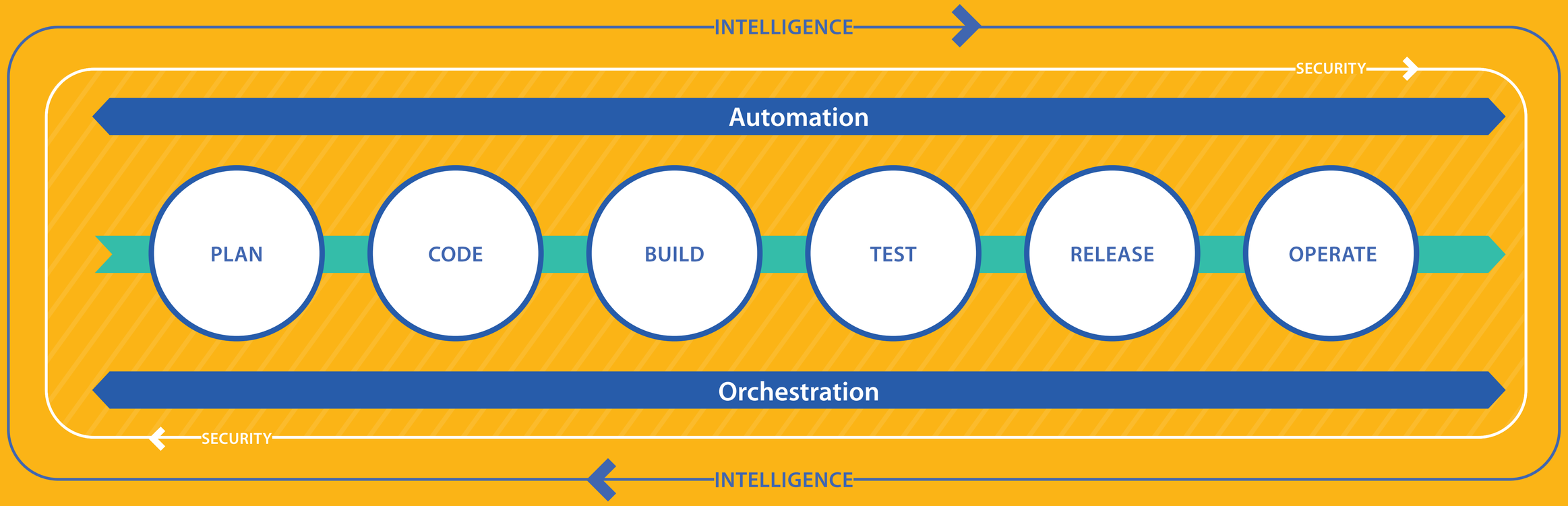
Q. Considering the growing lack of talent, how difficult is it for your company to fulfil the following IT positions? (Only showing % of organizations that indicated very or extremely difficult)



Q. Where are you finding the right talent needed to support your organization's digital transformation efforts?

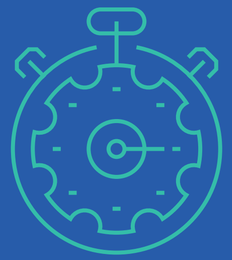
Talent management and acquisition become key defensive weapons. Reskilling, cultivating, and retaining the existing workforce becomes critical. With a scarcity in talent, organizations need to get creative and focus on how to expand the development community beyond the traditional walls of IT. IT and business relations need to gel to drive faster transformation.

Continuous delivery excellence is the goal, this requires an integrated, automated and agile pipeline



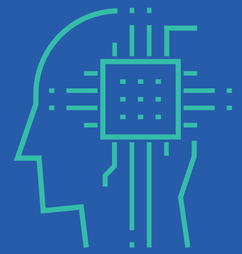
- Current level of process automation across build, deploy, test is around 30%.
- Process automation across build, deploy, and test becomes critical. It is about integrating silos of automation.

Low-code platforms can address the speed, quality, and innovation challenge



Low-code platforms accelerate application development and provide IT with an enriched toolbox to help solve business problems — not only improving business agility, but increasing the capacity and productivity of IT teams.

These platforms support workers with knowledge of the core data and the business outcomes needed, rather than deep expertise in specific programming languages. In a DX scenario, an organization can leverage such tools to quickly develop business solutions, create new user experiences, and generate new revenue streams.



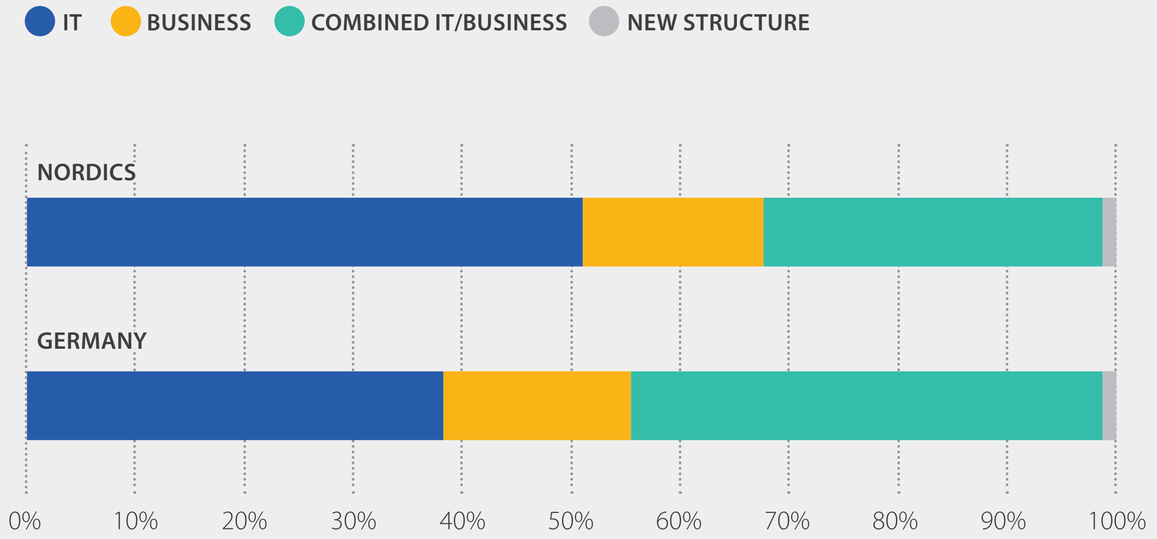
Low-code development tools have a high affinity with DevOps style practices. These platforms integrate deployment tools allowing developers to build simplified apps and deploy them onto infrastructure of choice. They also provide developers with tools to perform application life-cycle management (ALM) and performance monitoring following deployment.

Low-code brings IT and the business closer together

Low-code platforms are a way to enhance IT-LOB alignment and collaboration, and to extend IT capabilities and impact across the organization, helping to knock down organizational silos.

DX initiatives are increasingly driven by a team that blends IT and business stakeholders.

Q. What part of the organization is best prepared to lead digital transformation?



Low-code platforms are a way to bridge the gap and drive unity between IT and the business. The line of business brings domain expertise, customer knowledge, and resources (developers), and IT brings ownership of the environment and governance. Such platforms help to catalyze the acceleration of DX initiatives by providing developers and organizations with enhanced tools to create software applications that solve business problems and enhance operational processes.

Low-code catalyzes the acceleration of DX for six key reseasons:

Accelerates development cycle times, productivity, and time to market

Expands the universe of developer resources

Enables modern development through disruption and innovation

Influences and transforms the culture of dev and deploy

Unites IT and the business

Delivers enhanced customer experiences and generates new revenue streams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