IDC MarketScape

IDC MarketScape: Worldwide DevOps Services 2018 Vendor Assessment

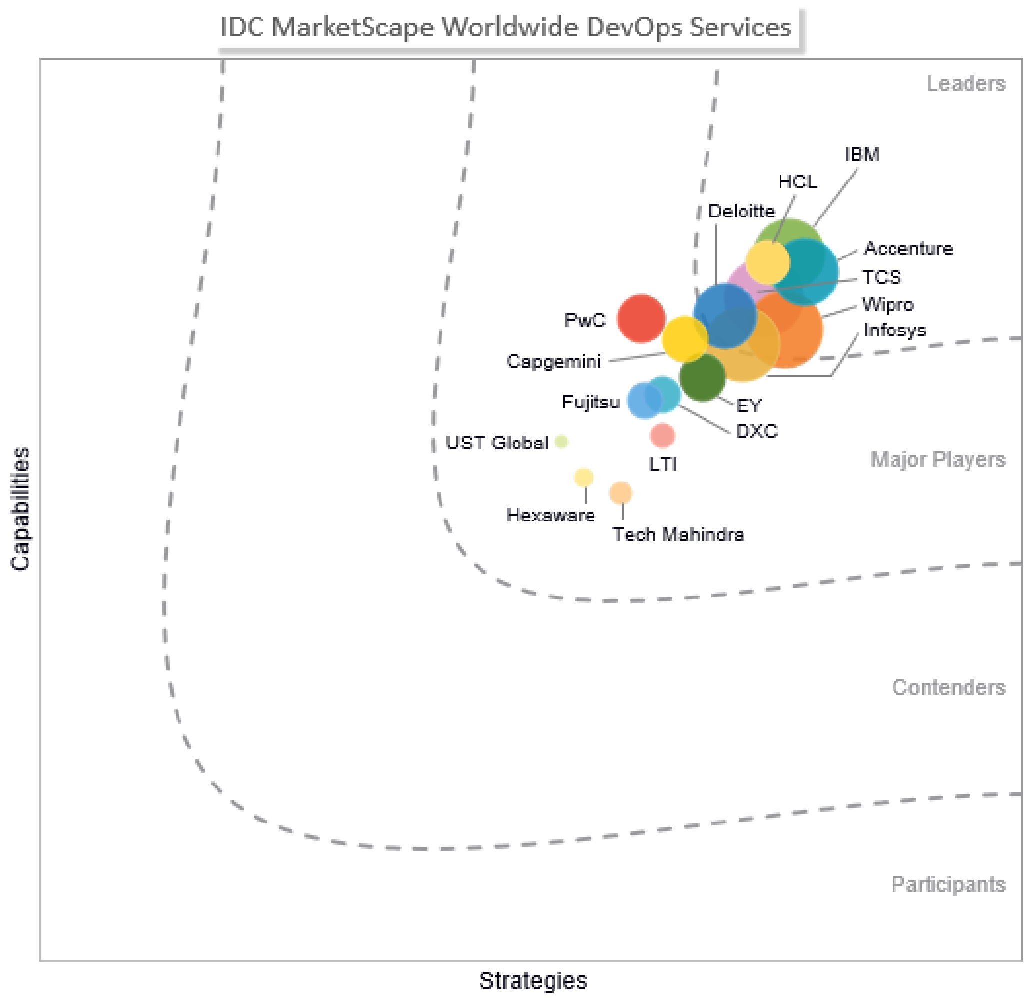
Peter Marston

THIS IDC MARKETSCAPE EXCERPT FEATURES HCL

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide DevOps Services Vendor Assessment



Source: IDC, 2018

November 2018, IDC #US41235417e

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide DevOps Services 2018 Vendor Assessment (Doc # US41235417). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

Using the IDC MarketScape model, IDC compared 16 companies that provide DevOps services. Over the past two years, IDC has observed that more organizations are adopting DevOps as a predominant application delivery methodology. Yet many struggle with driving the dynamic cultural change that's necessary to be a mature DevOps organization facing steep hurdles to maximize DevOps value through the extended enterprise. IDC's research has also found that organizations get stuck with driving tighter synergies between application life-cycle management processes and personnel with line-of-business (LOB) processes and personnel. That's where third-party services providers that offer DevOps services can help. Using more than 100 criteria and 34 in-depth customer interviews spanning 11 countries and 10 industries to compare DevOps services providers, IDC examined an array of players. IDC's findings revealed that the providers possess deep capabilities to serve a variety of client needs. While providers largely differentiate in the size of their services teams, tenures of their DevOps services practices, and types of services engagements they tend to form with clients, IDC's findings also uncovered that providers possess many similarities, notably in their delivery models as well as strategies for automation investments and practice innovation. If your organization is focused on digital transformation and wants to use DevOps as a catalyst, leverage this IDC MarketScape as a companion tool to compare and contrast the providers your organization is considering to zero in the right partner to support your transformation journey.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

IDC collected and analyzed data on 16 service providers within its 2018 IDC MarketScape for DevOps services assessment. The market for DevOps services is robust, and there's abundance in suppliers that offer DevOps services to help organizations change their application life-cycle models as well as support and be a part of application delivery. IDC narrowed down the field of players that participate in the DevOps services market based on the following inclusion criteria:

- **Multifunctional and end-to-end services capability across DevOps disciplines.** Each service provider was required to possess service delivery capabilities that spanned end-to-end service delivery, including consulting and advisory, infrastructure procurement and management, application design, implementation, testing and delivery, and ongoing managed services.
- **Revenue.** Each service provider was required to have 2017 total revenue (for DevOps services) that exceeded US$100 million.
- **Completed DevOps services projects to date.** Each vendor was required to have completed at least 50 application projects via DevOps delivery before 2018.

- **Customer references.** Each service provider was required to supply IDC with a minimum of two customer references whom IDC could interview as part of the research.
- **RFI questionnaire completion.** Each service provider was required to complete an exhaustive RFI questionnaire covering more than 100 capabilities and strategy criteria.

ADVICE FOR TECHNOLOGY BUYERS

DevOps adoption has surged. Organizations are seeking to drive more speed and velocity with their application delivery to better support their line-of-business needs. Moreover, many enterprises are in the midst of large, companywide digital transformation efforts. DevOps has become a critical enabler of those organizations' transformational change. Although DevOps concepts and practices are not new, many organizations struggle with driving optimization throughout their continuous delivery processes as well as developing seamless integration with line-of-business personnel as part of their overall application life-cycle management. As many organizations' digital transformation journeys are multiyear efforts, so too are their DevOps transformation journeys. Because of this, advisory and consulting firms, systems integrators, and traditional outsourcers have all positioned themselves as key players in the DevOps services market. But, while the supply of DevOps services providers is abundant, buyer organizations must consider providers carefully to identify the right partner provider that will help not only execute more progressive application delivery but also address the buyer organizations' business, technical, and strategic needs. As a result, IDC suggests buyer organizations:

- **Think about cultural fit first.** Throughout the course of 34 customer interviews, IDC found that a top selection criterion for using a third-party service provider for DevOps services centered on the provider's ability to mesh well with the buyer organizations' business and information technology (IT) teams. Many large organizations tend to integrate service providers as part of their overall IT operations, including those that outsource development and/or testing activities. To run a lean and effective IT operation, organizations must possess a strong cultural dynamic that fosters teamwork, collaboration, trust, and communication across all delivery teams (whether internal or external — or a combination of both). Along these lines, it's critical that your organization partners with a service provider that works in harmony, culturally, with your business and IT teams for continuous delivery to ensure that the anticipated value of applications comes to fruition once they're in the hands of users.
- **Evaluate capabilities and experience.** Customer interviews for this IDC MarketScape revealed that transformational expertise that service providers brought were top considerations that buyer organizations made to evaluate service provider worthiness. Beyond the cultural fit aspect, buyers wanted to be assured that the service providers possessed the requisite leadership skills and competencies, not only from understanding the tactical technical elements of application deployment but also to keenly understand the business drivers, incentives, and imperatives for cultural change. Buyer organizations didn't simply source providers to do just technical execution, but they sought business guidance, industry expertise, and experience gleaned from other DevOps services initiatives that the providers had accumulated to help enrich business and technology strategies and improve cultural organizational dynamics.

- **Engage with customer references**. As evidenced through this evaluation, there are plenty of service providers that offer enterprise-class DevOps services. IDC learned from the customer interviews that, while many customers had preexisting relationships with the providers they used to support their DevOps initiatives, they opened dialogs with the service provider's customers and references that had used the providers for DevOps services. From those conversations, the buyers IDC interviewed stated they were able to gather insights from their projects and develop change management strategies to proactively circumvent potential issues and strengthen the likelihood for successful transformation. Along these lines, demand providers you've short-listed to provide references that are relevant to your organization's industry and application needs and engage in dialogs with those customers to learn their experiences and insights.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

IDC evaluated 16 service providers against more than 100 criteria as part of its IDC MarketScape for DevOps services analysis. IDC also interviewed 34 buyer organizations to learn more about how the organizations were able to navigate cultural change and generate business results from using DevOps services. Companies that IDC interviewed came from the retail, wholesale trade, insurance, banking, healthcare, consumer products, government, high-tech, aerospace, and telecommunications industries. IDC spoke with DevOps services buyers that were located in the United States, Canada, Germany, the United Kingdom, Belgium, France, the Netherlands, Denmark, Australia, India, and New Zealand. Vendors that participated in the analysis are Accenture, Capgemini, Deloitte, DXC Technology, EY, Fujitsu, HCL, Hexaware, IBM, Infosys, LTI, PwC, Tata Consultancy Services (TCS), Tech Mahindra, UST Global, and Wipro.

HCL

HCL is positioned as a Leader in the 2018 IDC MarketScape for DevOps services. HCL's breadth of DevOps technical expertise spans a wide variety of continuous development tools like Spring framework (Spring MVC, SpringBoot, etc.), Pivotal Cloud Foundry, Microsoft (.NET, c#,.NET Core), JavaScript (Node.js, AngularJS, ReactJS), and Scripts (Python, Ruby); continuous integration tools like Atlassian (Bamboo), Open Source (Jenkins, Maven, Gradle), Microsoft (TFS, VSTS, MSBuild), Hewlett Packard Enterprise (HPE) (ALM), and IBM (IBM RTC); continuous testing tools like Open Source (JUnit, Selenium, SonarQube), SmartBear (SOAP UI Pro, ServiceVPro), IBM (RFT, RPT, AppScan), CA Technologies (Service Virtualization, BlazeMeter), and HPE-Micro Focus (LeanFT, UFT, Fortify); and continuous deployment tools like Open Source (Jenkins, Ansible, Chef, Puppet, SaltStack, GoCD), IBM (UrbanCode Deploy), CA Technologies (CA Release Automation), RedHat, and Microsoft (TFS, VSTS). The provider's top DevOps automation areas include infrastructure environment provisioning and management, back-end application code build and packaging, and unit testing and functional testing.

Strengths

HCL was assessed well in the areas of DevOps services offering, intellectual property, and portfolio benefits. To its credit, HCL has a good number of years of DevOps experience. The provider's practice has a tenure that spans more than 10 years. HCL was rated well against IDC's intellectual property criteria for the number of DevOps platforms it has and utilizes with clients as well as how quickly HCL can deploy them according to client requirements. Both metrics in terms of quantity of platforms and speed of platform deployment were greater and faster than expected. HCL also has a high utilization rate for DevOps services reusable assets. Clients IDC interviewed said HCL was very strong in infrastructure, and that its DevOps maturity was higher than others in the industry. Clients went on to say that HCL's culture dovetailed well with theirs. HCL integrated well with clients' application delivery teams. The provider possessed a keen understanding of DevOps delivery pain points and how to overcome them, leveraging stability in technical leadership and account leadership throughout the engagement.

Challenges

Two areas where HCL has opportunities to further enhance its DevOps services offering center on the proportion of consulting and advisory-related DevOps services work it does and looking to support more opportunities for applications with user bases of 1,000 or fewer. Within its DevOps services offering, IDC found the relative percentage of application delivery-related services was very high. That deep concentration on delivery means that the amount of consulting advisory-related services was not as high as it might be. By bolstering more focus on consulting and advisory DevOps services, HCL could potentially expand more opportunities with customers, deepen existing relationships, and guide clients by gaining more value out of DevOps delivery. Similarly, IDC found that HCL appeared to have strong DevOps services focus in using DevOps to deliver applications with 1,000+ users. By contrast, the focus in using DevOps services for applications with 1,000 users or fewer was less. Providing additional focus to the smaller user base segment could create more opportunities for HCL with organizations that may have a high concentration of applications in their portfolio that are geared for smaller user bases.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities, menu of services, and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of a review board of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Scoring Scale Criteria and Definitions

IDC's Application Services Survey, conducted in 2Q17, helped shape many of the rating scale criteria and definitions in the 2018 IDC MarketScape for DevOps services. The study probed buyers on maturity levels, interests, and preferences for DevOps. The survey findings highlighted several key areas where buyers expect DevOps service providers to possess and excel at a range of capabilities, and IDC utilized that survey data to help structure and shape evaluation ratings. In addition, the results of the survey as well as buyer interviews also influenced criteria weightings for various categories reviewed in the evaluation.

Service Provider Customer Interviews

As part of this IDC MarketScape, IDC conducted interviews with vendor-provided client references. IDC utilized these customer interviews to learn about six areas: the customers' project backgrounds, how customers approached the service provider selection process and what critical criteria they used to select their vendor, what sort of results customers were able to generate from DevOps, next steps for their DevOps evolution, key lessons learned, and what customers felt were the differentiating and key strengths their chosen DevOps service provider possessed. IDC then leveraged the results of the interviews to establish weighting scales that were most meaningful to the feedback customers gave.

Weightings

Criteria weightings used in this IDC MarketScape were sourced and derived primarily through the customer interviews IDC conducted as well as IDC survey data. Customer interviews revealed multiple criteria that buyer organizations cited as critical in their service provider selection and retention processes. IDC distilled and consolidated the criteria customers shared into several major categories and weighted criteria based on volume of responses within the categories across the IDC MarketScape Model. IDC also utilized survey data based on 403 U.S. respondents to assign weightings to select criteria.

The IDC MarketScape for DevOps services assessment is designed to evaluate the characteristics of each firm and each firm's global presence, measured by head count and share of vendor revenue coming from IDC-defined macroregions. Many technology services organizations and traditional consulting services firms compete in various aspects of DevOps delivery. As such, this evaluation is not an exhaustive list of all the players to consider for a particular project in each and every phase of the application life cycle. Instead, this evaluation reviews the primary players that offer capabilities spanning continuous development, integration, testing, and deployment that are part of executing DevOps. Factors like business and IT objectives, business and IT requirements, and the business and IT culture of an organization play integral roles in determining which firms should be considered as potential candidates for a DevOps services engagement as well as a longer-term application outsourcing agreement.

Market Definition

DevOps Services

DevOps services are professional and managed services that center on aiding buyer organizations with developing, integrating, testing, and deploying applications in an iterative and continuous fashion as well as procuring and managing application environments to support ongoing development and deployment. DevOps represents 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. Fundamentally, DevOps represents an agile, more fluid approach to conceptualizing business innovation and driving those ideas or processes into customer- and user-accessible code — whether delivered as packaged software (in component form or as a full logical application), mobile and web apps, or online business services.

Exceptions and Exclusions

DevOps services can include consulting and advisory activities that are embedded in application service delivery and center around organizational change management and IT operations strategy. This study evaluated end-to-end service capabilities, inclusive of IT consulting and advisory components of enterprise DevOps services tied to application delivery. The study herein focused on application delivery as the primary output. As such, this study did not evaluate providers that simply offer advisory, strategy, and consulting services for DevOps and organizational change management. Rather, it evaluated a suite of services utilized to help buyer organizations adopt DevOps, improve DevOps delivery capabilities, and execute continuous application delivery.

LEARN MORE

Related Research

- *Worldwide and U.S. Hosted Application Management Services Forecast, 2018-2022* (IDC #US43736616, April 2018)
- *Worldwide and U.S. Application Management Services Forecast, 2018-2022* (IDC #US43736415, April 2018)
- *Worldwide and U.S. Custom Application Development Services Forecast, 2018-2022* (IDC #US43736515, April 2018)
- *DevOps Services, 2018: Part 2* (IDC #US43709516, April 2018)
- *DevOps Services, 2018: Part 1* (IDC #US43456216, January 2018)
- *Application Services Survey, 2018* (IDC #US43456116, January 2018)
- *Market Analysis Perspective: U.S. Application Development, Testing, and Management Services, 2017* (IDC #US43015617, September 2017)
- *Worldwide and U.S. Discrete Testing Services Forecast, 2017-2021* (IDC #US42882316, July 2017)

Synopsis

This IDC study represents a vendor assessment of providers offering enterprise mobile application development and testing (DevOps) services through the IDC MarketScape model. The assessment reviews both quantitative and qualitative characteristics that define current market demands and expected buyer needs for DevOps services. The evaluation is based on a comprehensive and rigorous framework that assesses how each vendor stacks up to its peers, and the framework highlights the key factors that are expected to be the most significant for achieving success in the DevOps services market over the short term and the long term.

"DevOps adoption continues to surge among organizations. But while more than 95% of organizations are either strategizing about DevOps or utilizing DevOps for their application life-cycle management, the majority of organizations using DevOps struggle to drive high levels of maturity. Culture, leadership, strategy, and process and governance continue to be primary impediments to optimizing DevOps capabilities. Because of this, IDC expects the use of DevOps services will be strong over the next several years as organizations strive to optimize their DevOps processes and drive tighter synergies between IT and business organizations," explains Pete Marston, research director, Application Life-Cycle and Cloud Services at IDC.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

Global Headquarters

5 Speen Street
Framingham, MA 01701
USA
508.872.8200
Twitter: @IDC
idc-community.com
www.idc.com