

# balancing agility with governance

A survey of portfolio management  
for agile IT

A CA Technologies survey  
October 2010



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# 1.0 survey highlights and summary



88%

- **88%** believe that the volume of projects developed using the agile methodology will grow.
- **59%** of European organisations use/will use a combination of agile development and waterfall.
- **5%** of European organisations intend solely to use the agile methodology and **12%** intend only to use waterfall.
- **43%** of European organisations believe that the importance of agile development will grow in the next few years. By contrast, **56%** believe that agile development will become more important but waterfall will continue to play a significant role in most projects.
- A quarter of the audience is using agile development in **20%** their projects.
- The challenges inhibiting organisations from implementing an agile approach include cultural change, control, and lack of executive buy-in.
- Agile projects are managed via a variety of disparate systems.

The research provides conclusive proof that more and more organisations are choosing to plan and execute their portfolio of projects using agile methodologies in some form—with a majority of organisations increasingly using a blend of both agile development and waterfall techniques. This new approach is being fuelled in part by consumers of cloud services, who demand the right balance of governance, rapid delivery, and fast response to requests for enhancements and new services. The survey also reveals that the majority of organisations will continue to use a blend of both agile and waterfall development, with the trend towards agile development in the next few years.

# 2.0 preface

CIOs are challenged to increase IT agility and innovation, improve visibility and portfolio decision-making, all while automating Project and Portfolio Management (PPM) processes to reduce cost. In an effort to increase time-to-market, many IT organisations are now beginning to adopt agile development practices. The agile methodology is an approach to software development which helps teams respond to the unpredictability of building software through incremental, iterative work cadences, known as ‘sprints’.

Going beyond by the ‘waterfall’, or traditional sequential development, the agile development methodology provides opportunities to assess the direction of a project throughout the development lifecycle. This approach greatly reduces both development costs and time to market. In an agile paradigm, every aspect of development—including requirements and design—is continually revisited throughout the lifecycle. Each development cycle is limited giving stakeholders recurring opportunities to calibrate releases for success in the real world. In essence, agile development helps companies build the right product at the right time: empowering teams to optimise each release as it’s developed to be as competitive as possible in the marketplace.

Analysts widely predict growing demand for agile over the next several years. Gartner, for example, reports that “by 2012, agile development methods will be utilized in 80% of all software development projects.”<sup>1</sup> Dan Stang, principal research analyst at Gartner comments, “Delivery of technology-based products is shifting more and more toward iterative, rather than waterfall-based projects. As a result, PPM solutions must help organisations address the needs of agile teams and those responsible for project governance.”

The adoption of cloud services is increasing the need for agile, disrupting established enterprise IT governance processes. Consumers of cloud services demand the right balance of governance, rapid delivery, and fast response to requests for enhancements and new services. In response, organisations require more agile and incremental approaches to IT service delivery that strain existing project governance processes and force the convergence of requirements management, agile planning, and service portfolio management.

## CA Portfolio Management for Agile IT

The CA Portfolio Management for Agile IT solution provides an integrated on-demand service designed to minimise the inherent cost and risk of software implementation, improve end-user adoption, and establish a solid foundation from which to grow PPM maturity. Comprised of two products—CA Agile Vision™ and CA Clarity™ PPM On Demand—the solution captures all costs for completing deliverables across agile and non-agile projects, and provides a portfolio view to determine when deliverables will be complete.

The solution helps to deliver the right projects, faster, in a consistent and predictable way. As a result, IT executives are empowered to better balance agility with governance, make smart IT portfolio decisions, accelerate the delivery of their commitments, and achieve PPM success—all while allowing their teams the flexibility to deliver and execute the way they are most comfortable with.

<sup>1</sup>Gartner, Inc., “Predicts 2010: Agile and Cloud Impact Application Development Directions” by Jim Duggan, December 3, 2009.

## 3.0 research methodology



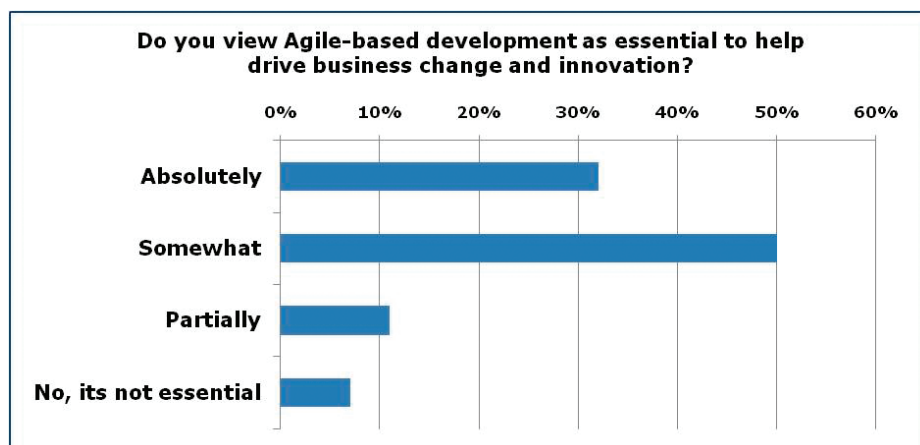
CA Technologies commissioned this pan-European survey to explore and examine opinions towards agile development, the position it takes in cloud computing, and how European organisations are reacting to the agile development trend. The Survey of Portfolio Management for Agile IT was conducted by Pole to Pole Communications, an independent Technology Market Research Specialist, on behalf of CA Technologies. The research was conducted among 116 European and Middle Eastern delegates attending the Gartner PPM Summit in June 2010. They were from a variety of industry sectors, including financial services, technology, telecommunications, and the public sector.

# 4.0 detailed research findings

## 4.1 agile-based development drives business change and innovation

The respondents from across Europe and the Middle East were asked whether they believed agile-based development is essential to helping drive business change and innovation. The overwhelming majority (82%) ‘absolutely’ or ‘somewhat’ agreed this was the case (see figure 1). Only 12% believed it to be partially true. Organisations committed to the agile methodology need enterprise visibility of all their agile projects and their waterfall projects. CA Portfolio Management for Agile IT provides this transparency for all project deliverables, costs and resources.

Figure 1



## 4.2 demand for agile-based software development is growing

Respondents were asked whether their organisation applies agile-based software development techniques (see figure 2). 59% reported that they use/will use a combination of agile development and waterfall, while 5% intend solely to use the agile methodology and 12% intend only to use waterfall. 43% also believe that the importance of agile development will grow in the next few years (see figure 3). By contrast, 56% believe that agile development will become more important but waterfall will continue to dominate. Figure 4 looks at it another way: here, 88% believe that the volume of projects developed using the agile methodology will grow. 11% expect it to remain stable.

Figure 2

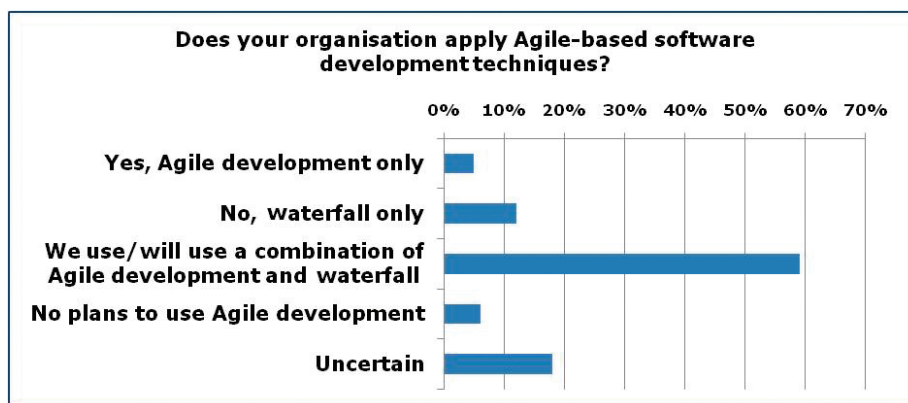


Figure 3

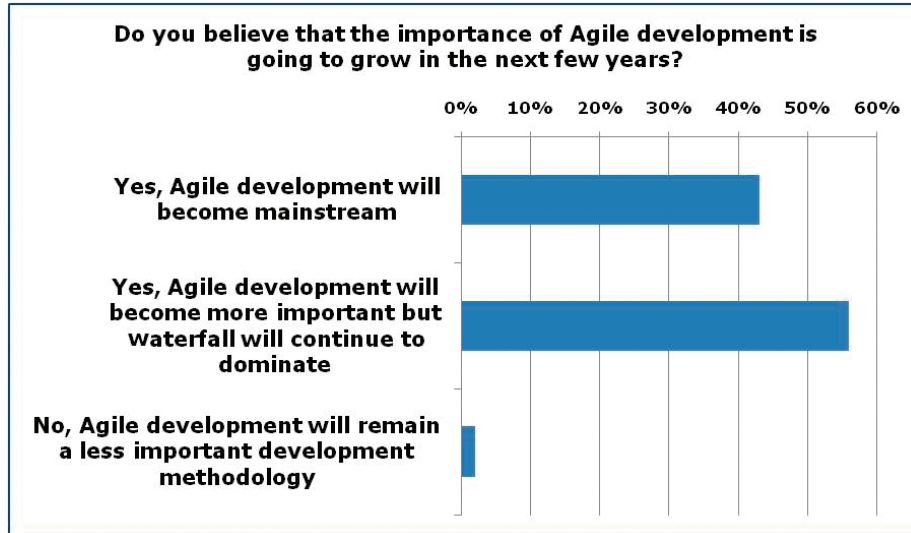
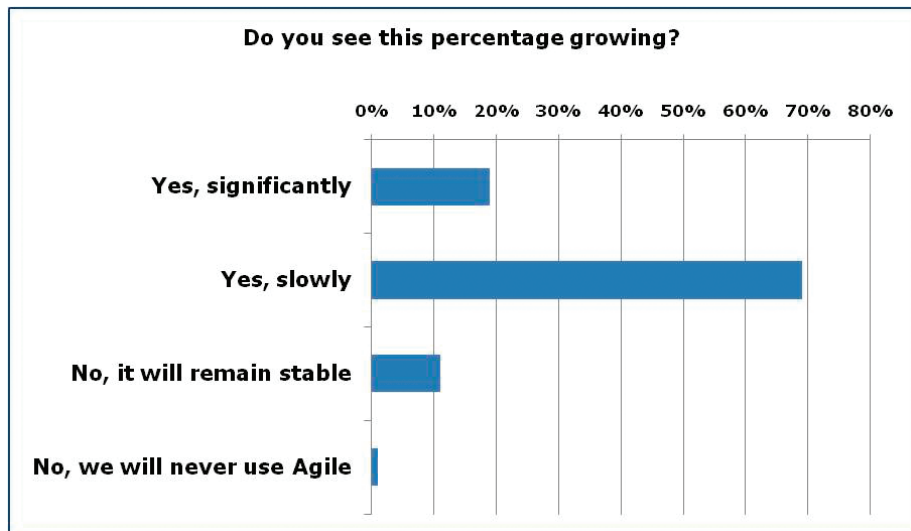
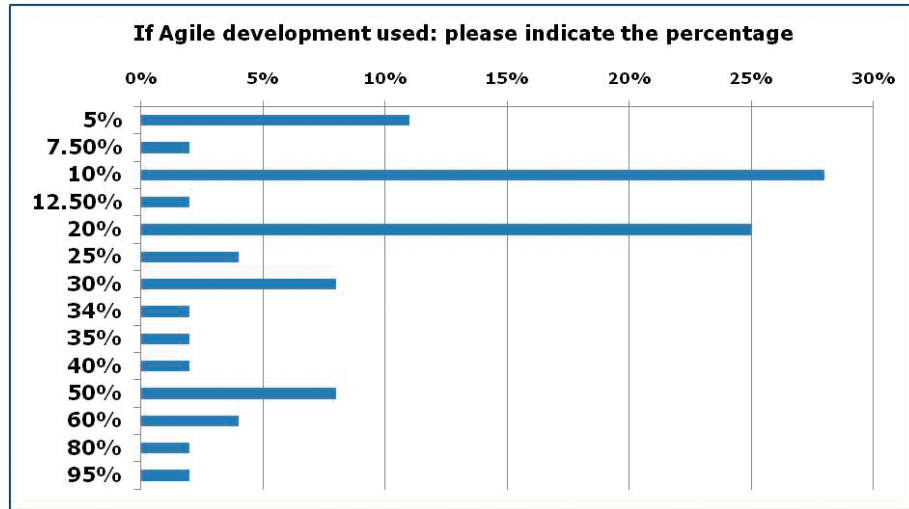


Figure 4



In instances where agile development is used, figure 5 indicates the percentage of projects agile is used for. One quarter of respondents, for example, use agile for 20% of their projects.

Figure 5



### 4.3 The inhibitors to implementing agile development

When asked what the organisational challenges were of implementing an agile approach, the most common responses were:

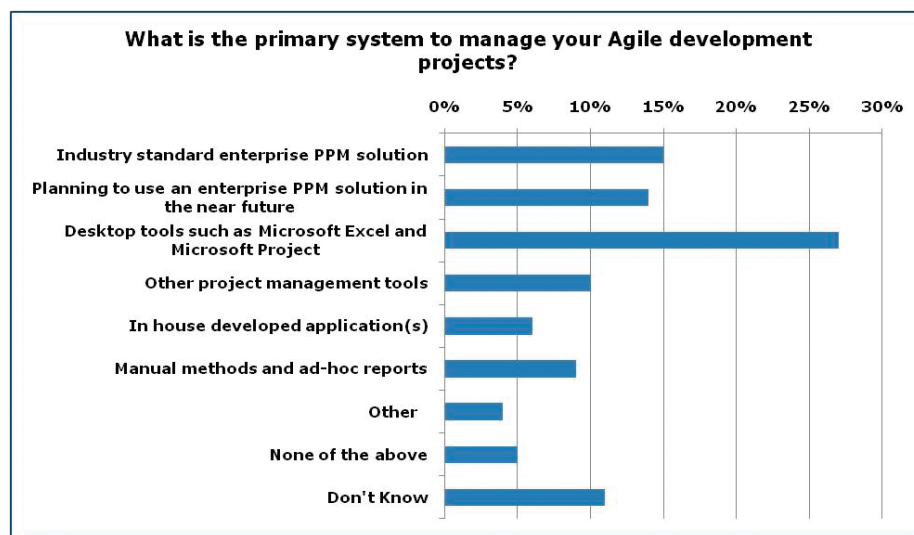
- Change management
- Resource management
- Cultural change
- Loss of visibility and control
- Executive buy-in

The CA Portfolio Management for Agile IT solution overcomes these challenges. For example, it helps organisations to achieve an equitable balance between resource capacity and project demand. It improves IT efficiencies and supports innovation across the organisation by leveraging agile sprint planning, agile burn-down velocity charts, and agile ‘virtual wall’ capabilities. CA Agile Vision provides configurable views to guide the user through each step of the project, making it easier to stay focused on the critical tasks that must be completed.

## 4.4 The primary systems used to manage agile development projects

The survey finds that agile projects are being managed via a variety of disparate systems. The Project Management Office (PMO) is using enterprise PPM solutions whilst the project teams are using a variety of desktop applications and agile-only tools. (see figure 6). Traditionally such tools are not integrated and operate in silos creating inefficiencies, communication break down and confused decision making. CA Portfolio Management for Agile IT provides a single solution for both the PMO and agile project teams enabling enterprise visibility and agile flexibility.

Figure 6



CA Technologies (NASDAQ: CA) is an IT management software and solutions company with expertise across all IT environments—from mainframe and distributed, to virtual and cloud. CA Technologies manages and secures IT environments and enables customers to deliver more flexible IT services.

Our innovative products and services provide the insight and control essential for IT organizations to power business agility. The majority of the Global Fortune 500 relies on CA Technologies to manage evolving IT ecosystems.

For more information on CA Portfolio Management for Agile IT, please visit [ca.com/agile](http://ca.com/agile).

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