

Making Distributed Agile Work – An Enterprise Adoption Guide

April 2021: Complimentary Abstract



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- Pinnacle Model® reports
- PriceBook
- Virtual Roundtables
- Workshops

Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

Contents

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Background of the research

Success of agile development projects has traditionally been attributed to close collaboration and regular communication among the team members and with the customers. Pandemic-induced remote working threw the agile model into chaos and tested its limits. As enterprises rapidly transitioned into a remote delivery model, they replicated the processes, governance, and workflows of traditional agile development. However, the increasing need for continuous value delivery alongside risk-efficient, employee-centric operations is driving enterprises to adopt a more sustainable software development methodology.

The next generation of agile will embrace a natively distributed construct with communication, processes, and workflows optimized for remote delivery. The model will be poised to deliver multiple benefits such as increased productivity, higher talent availability, and cost savings.

In this report, we examine the drivers for enterprises to adopt a distributed agile model and the key considerations for charting a path to distributed agile. We focus on:

- Changes required in the workflow, processes, talent, and governance constructs to operationalization and scale the model
- Establishing TRUST as a foundation for distributed agile
- Selecting the right services partner for access to emerging and specialist skills to implement this model

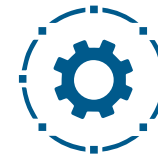
Scope of this report:



Geography
Global



Industry
The report is applicable for all industries currently leveraging agile / distributed agile construct



Services
Application services



Use cases
Only publicly-available information has been used for the entire analysis in this report

Summary of key messages



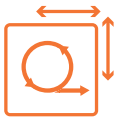
Post COVID-19, distributed agile is gradually emerging as the de-facto software development model



It can offer 13-15% cost savings and 2-5x improved access to talent – when done right



Distributed agile teams need to be built on a foundation of Transparency, Resilience, Understanding, Self-reliance, Tech bedrock (TRUST)

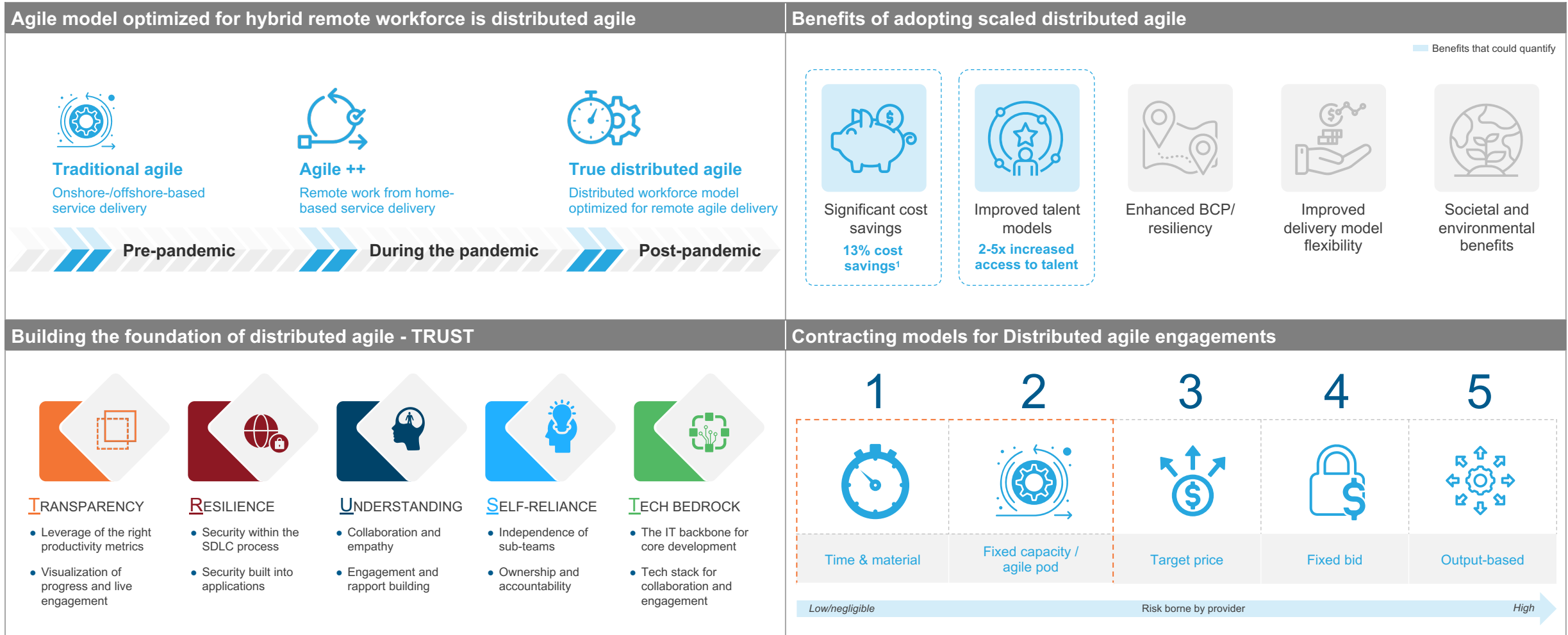


Measurement (leveraging relevant, holistic metrics) is the key to high productivity in distributed agile model



Third-parties can help accelerate the distributed agile journey – through right contracting practices and relationships

This study examine the drivers for enterprises to adopt a distributed Agile model and the key considerations for charting a path to distributed Agile



Glossary of key terms used in this report

ACV	Annualized Contract Value is calculated by dividing the Total Contract Value (TCV) by the term of the contract
Buyer	The company/entity that purchases outsourcing services from a service provider of such services
BCP	Business Continuity Planning – process followed by business to continue operations in case of unplanned disruptions
Contract term	The duration of the outsourcing contract. It drives the schedule over which the buyer or service provider amortizes capitalized costs or the period over which Net Present Value (NPV) / Internal Rate of Return (IRR) is calculated
FTEs	Full-Time Employees on the rolls of the company
GIC	Global In-house Centers are service delivery operations in low-cost geographies, which are owned and operated by the same company receiving the services (i.e., not third-party outsourcing)
ITO	Information Technology Outsourcing is the transfer of ownership of some, or all information technology processes or functions to a service provider. This could include administrative-, delivery-, or management-related processes or functions
SDLC	Software Development Lifecycle is a process used by software industry to design, develop, and test high quality software
TCV	Total Contract Value is the potential revenue associated with the contract and estimated at the commencement of the contract (e.g., sum total of revenue accrued to the service provider from the contract over the entire contract term, usually measured in millions of dollars)
WFH	Work From Home describes work being done remotely, used here in the context of the Pandemic induced changes in working constructs

Research calendar

Application Services

■ Published
 ■ Planned
 ■ Current release

Flagship Application Services reports

	Release date
Application Transformation – Business Pioneering the Agenda – State of the Market	February 2020
Next-generation Quality Assurance – State of the Market	February 2020
Cloud-Native Application Development Services PEAK Matrix® Assessment 2020	August 2020
Cloud-Native Application Development Service Provider Compendium	September 2020
Application Services – Preparing for the Post-pandemic World	October 2020
Cloud-native Application Services – the Cloud-native Juggernaut is Rolling; Be Mindful of Pitfalls	January 2021
Making Distributed Agile Work – An Enterprise Adoption Guide	April 2021
Next-gen Application Management Services PEAK Matrix® Assessment 2020	Q1 2021

Thematic Application Services reports

	Release date
Breakthrough Transformation	October 2019
Talent Readiness for Next-generation IT Services PEAK Matrix® Assessment 2020 – Closing the Demand-Supply Gap	December 2019
Upcoming Contract Renewals – Application Services 2020	March 2020
Rapid Application Development Platform Trailblazers: Top 14 Start-ups in Low-code Platforms – Taking the Code Out of Coding	May 2020
Strength in Adversity: Enterprise Service Resilience During the COVID-19 Crisis	June 2020
Winning the War for Talent: An Enterprise Guide to Building a Sustainable Workforce Strategy	July 2020
Cloud-based Application Modernization	July 2020

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