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OSS Adoption Patterns In Enterprise IT

Jeffrey Hammond, Principal Analyst

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A photograph of a narrow canyon with a river flowing through it. The canyon walls are made of reddish-brown rock. The river is dark blue and reflects the sky. In the distance, there are some trees and a bright sky. A semi-transparent dark green box with a yellow border is overlaid on the right side of the image, containing white text.

When it comes to Enterprise
IT adoption, Open Source
Has “Crossed the Chasm”

A word about the surveys used in this deck...

1. Forrester's Enterprise And SMB Software Survey, North America And Europe, Q4 2008/9(2227/2165 total – 1114/940 for Development)
Primarily **Directors, VP App Dev, VP I&O, CIO**
2. Forrester – Dr. Dobbs Developer Technographics Q3 09 (1298 total)
Mostly developers – slightly skewed toward **systems** and **.NET**
3. 2009/2010 Eclipse Community Survey (1498 total)
Mostly developers – skewed toward Java

Agenda

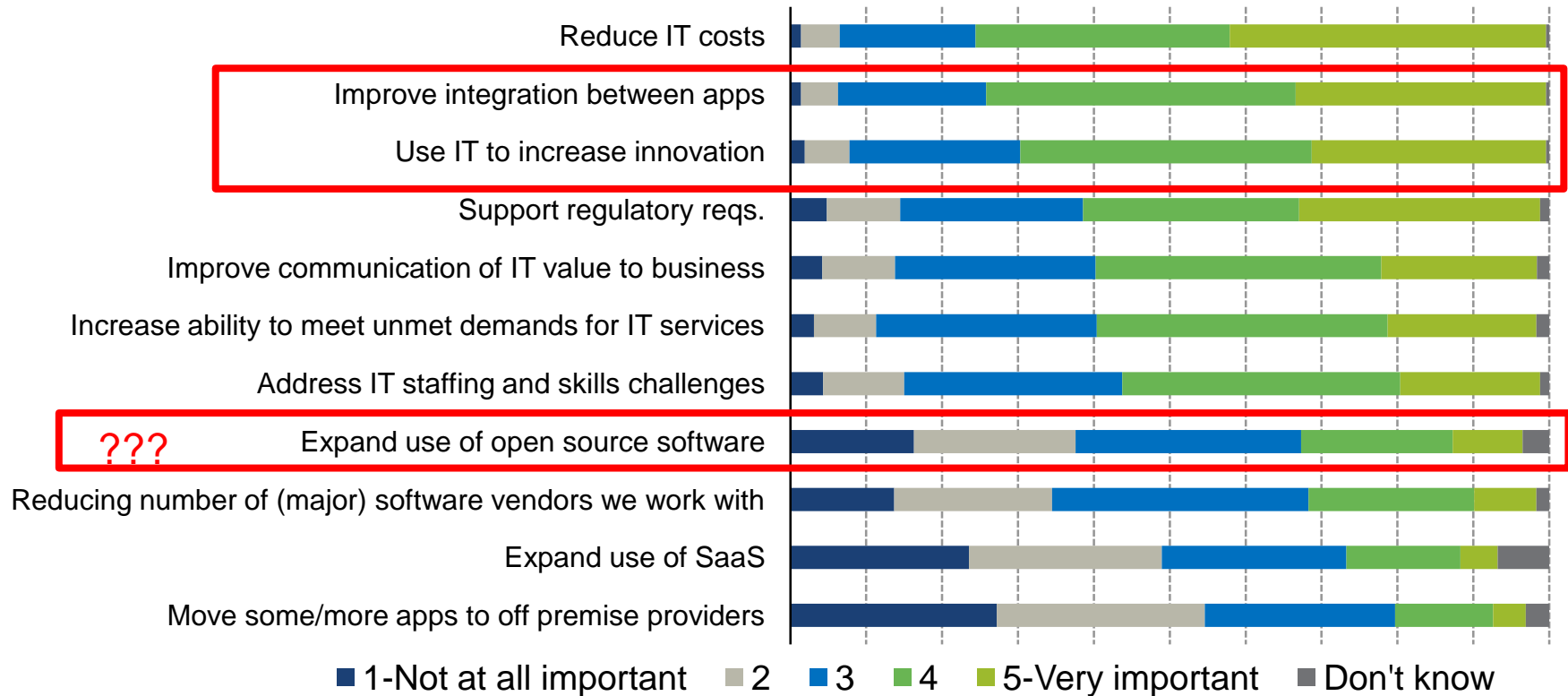
Market Trends And OSS Evolution

Examples And Best Practices

In 2009 integration and innovation were top of mind

“Thinking of your firm’s current planning cycle, how important are each of the following goals?”

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

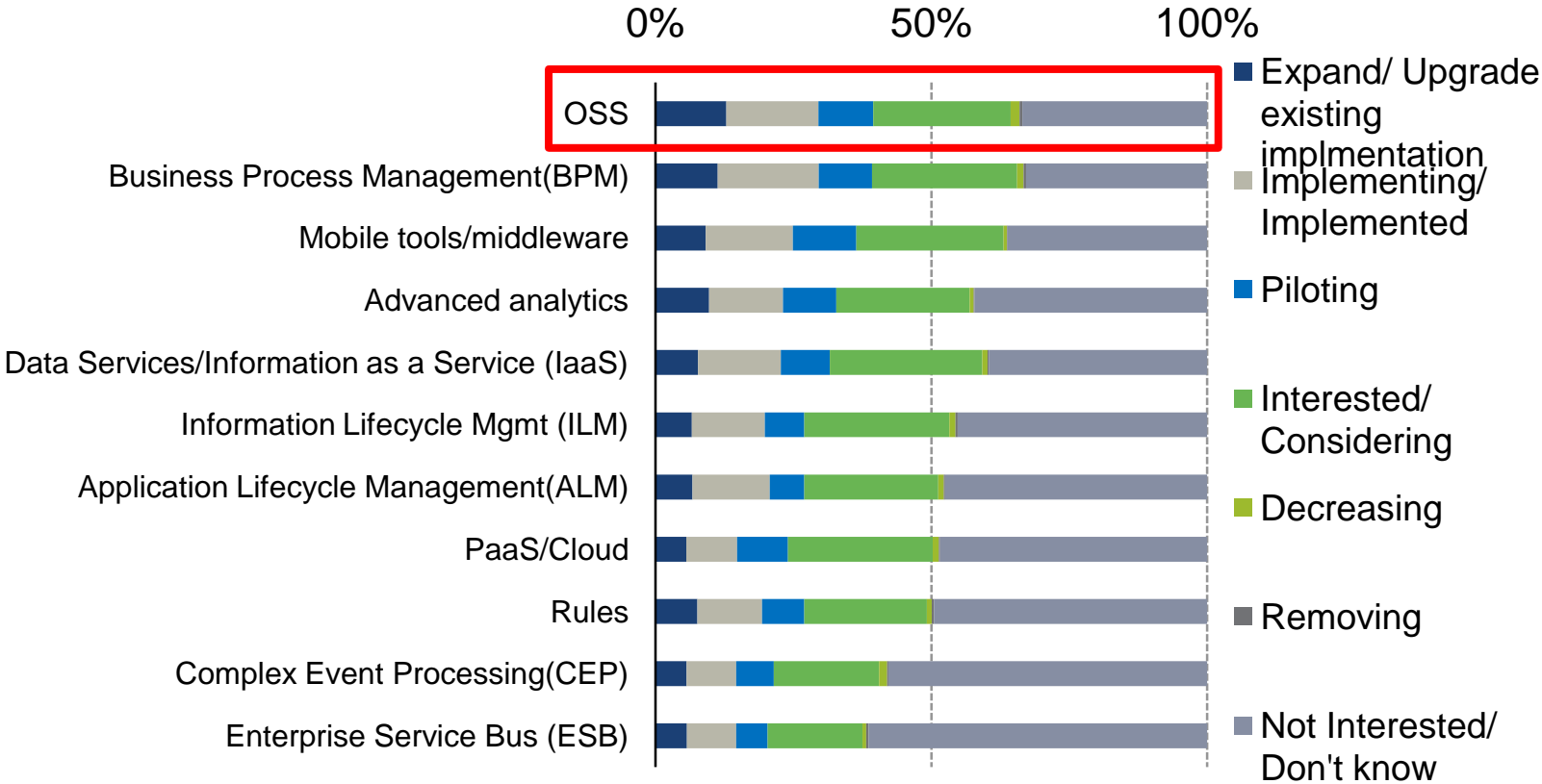


Base: 2227 software decision-makers at North American and European enterprises and SMBs

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2008

Adopting OSS was an important *technology* goal

“What are your firm’s plans to implement or expand its use of the following software **technologies** in the next 12 months??”

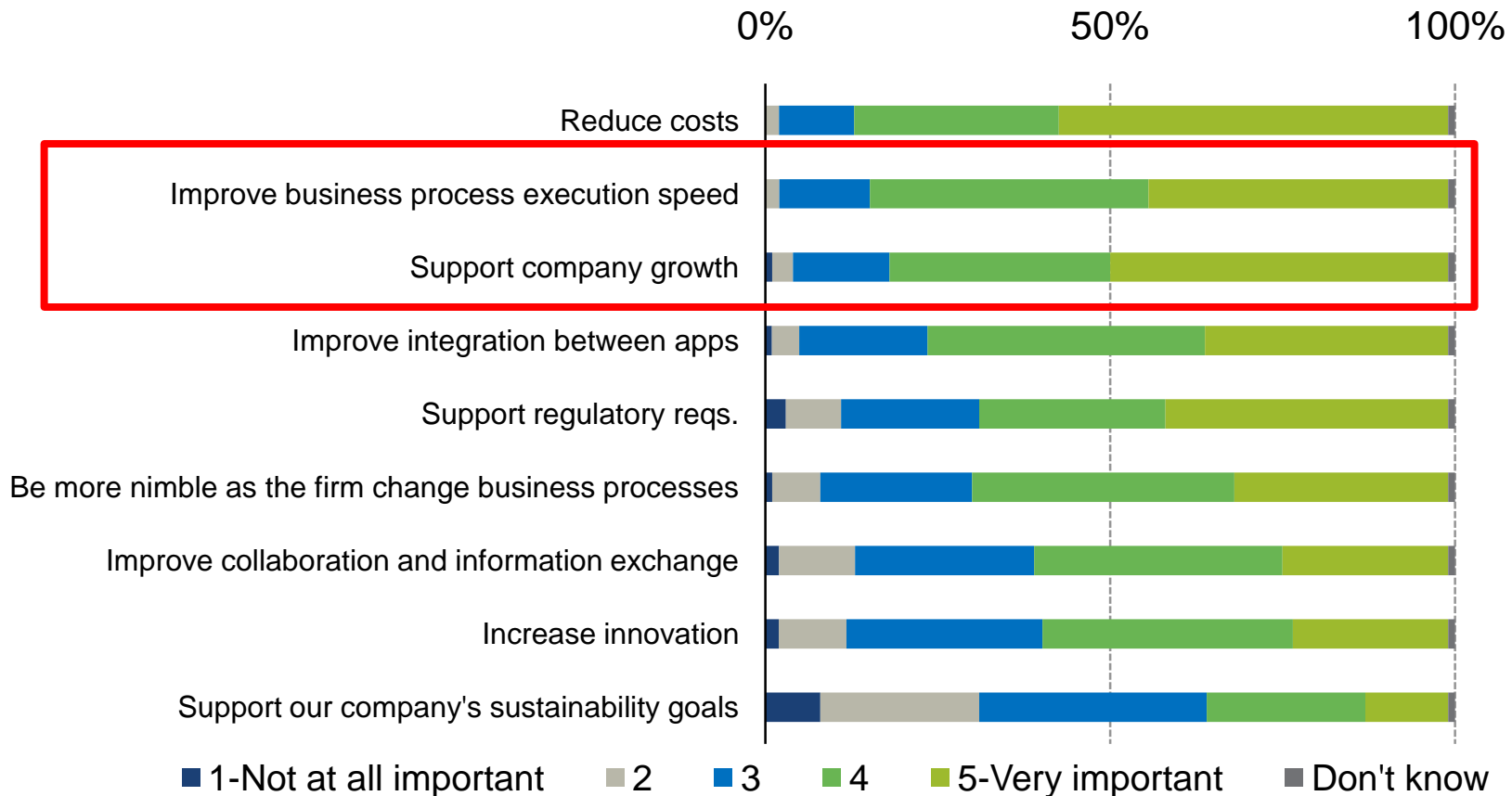


Base: 2227 software decision-makers at North American and European enterprises and SMBs

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2008

IT is leaning out for growth at speed in 2010

“How important are each of the following business goals to your internal IT organization when making software decisions?”

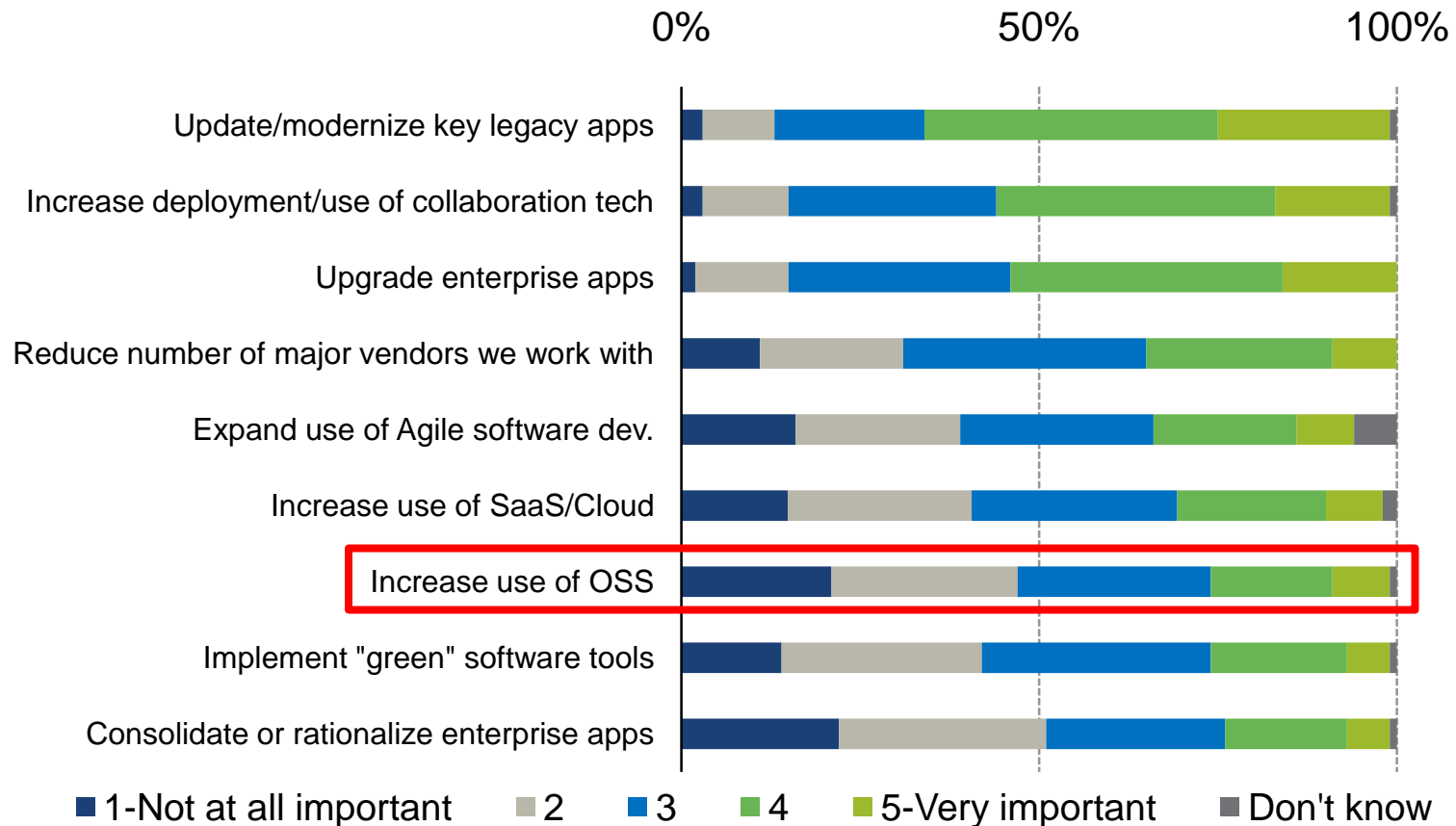


Base: 1900 software decision-makers at North American and European enterprises and SMBs

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2009

Urgency to adopt OSS is fading...

“How important are each of the following business goals to your internal IT organization when making software decisions?”

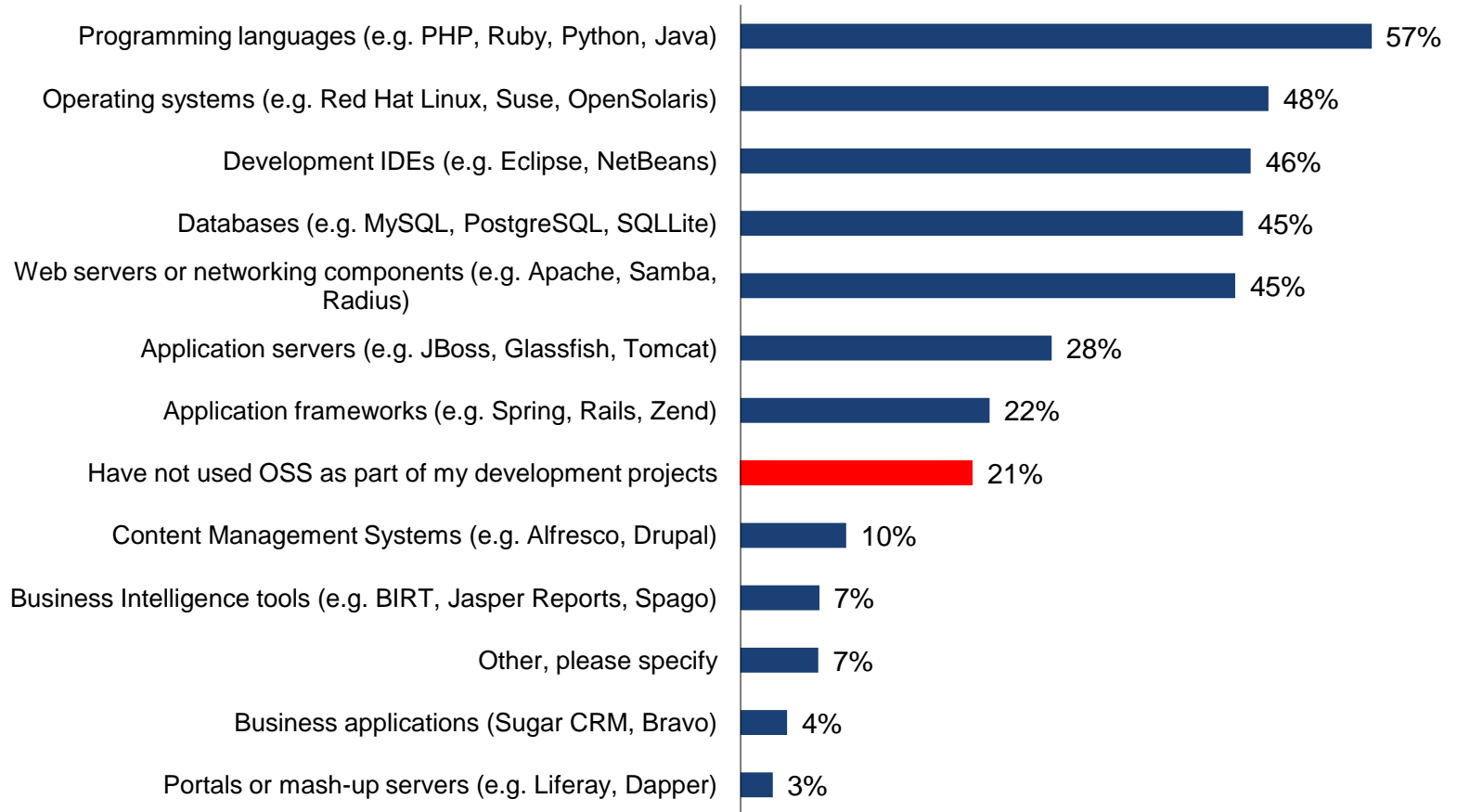


Base: 1900 software decision-makers at North American and European enterprises and SMBs

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2009

...because it's now widely adopted...

“Which of the OSS infrastructure tools have you included as part of your development activities or deployed an application or software project to?”
(Select all that apply.)

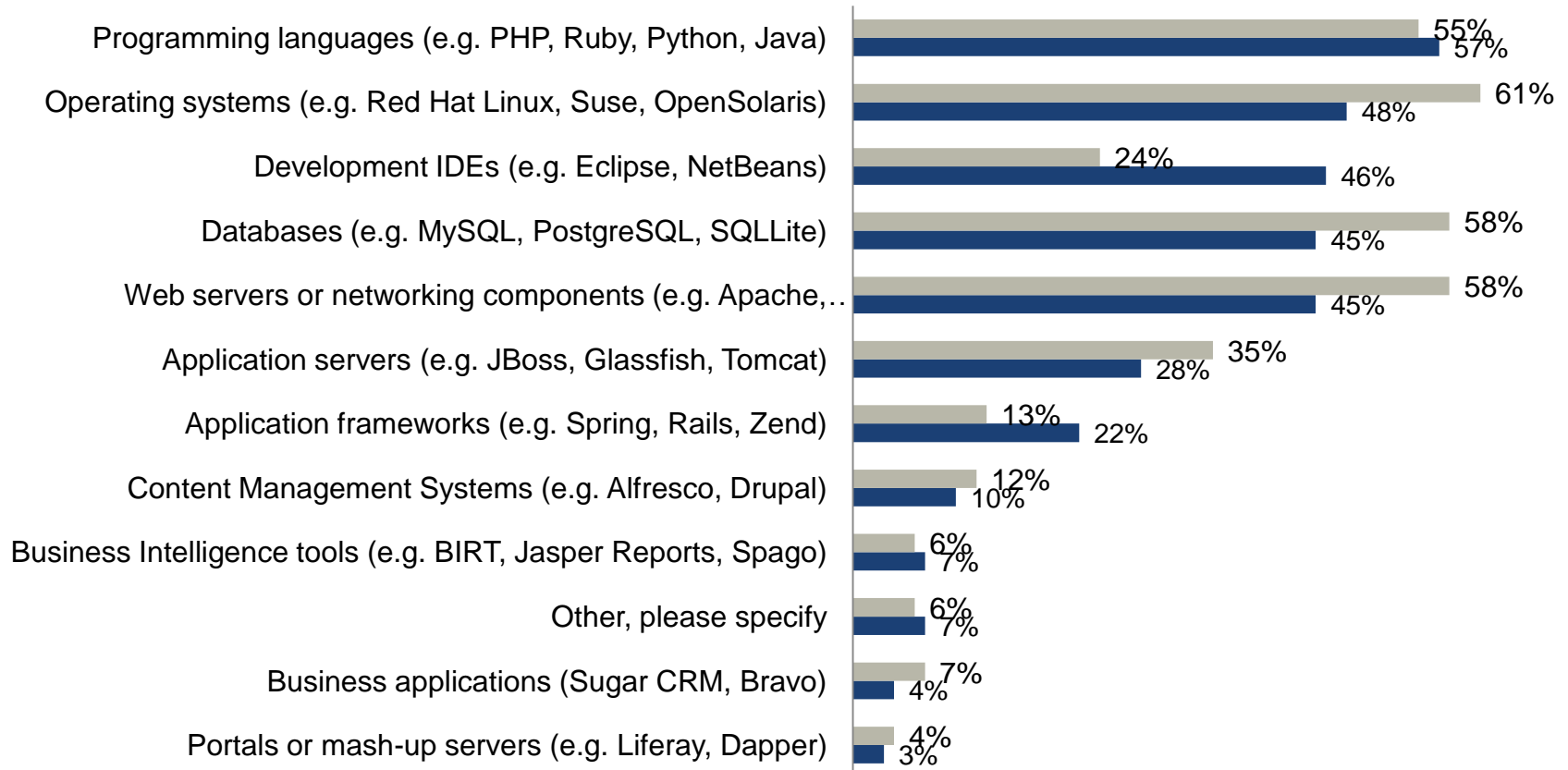


Base: 1,298 development pros at North American and European enterprises and SMBs

Source: Forrester -Dr. Dobb's 2009 Developer Technographics Survey, Q3 2009

...and management has caught up to developers

“Which of the OSS infrastructure tools have you included as part of your development activities or deployed an application or software project to?”
(Select all that apply.)

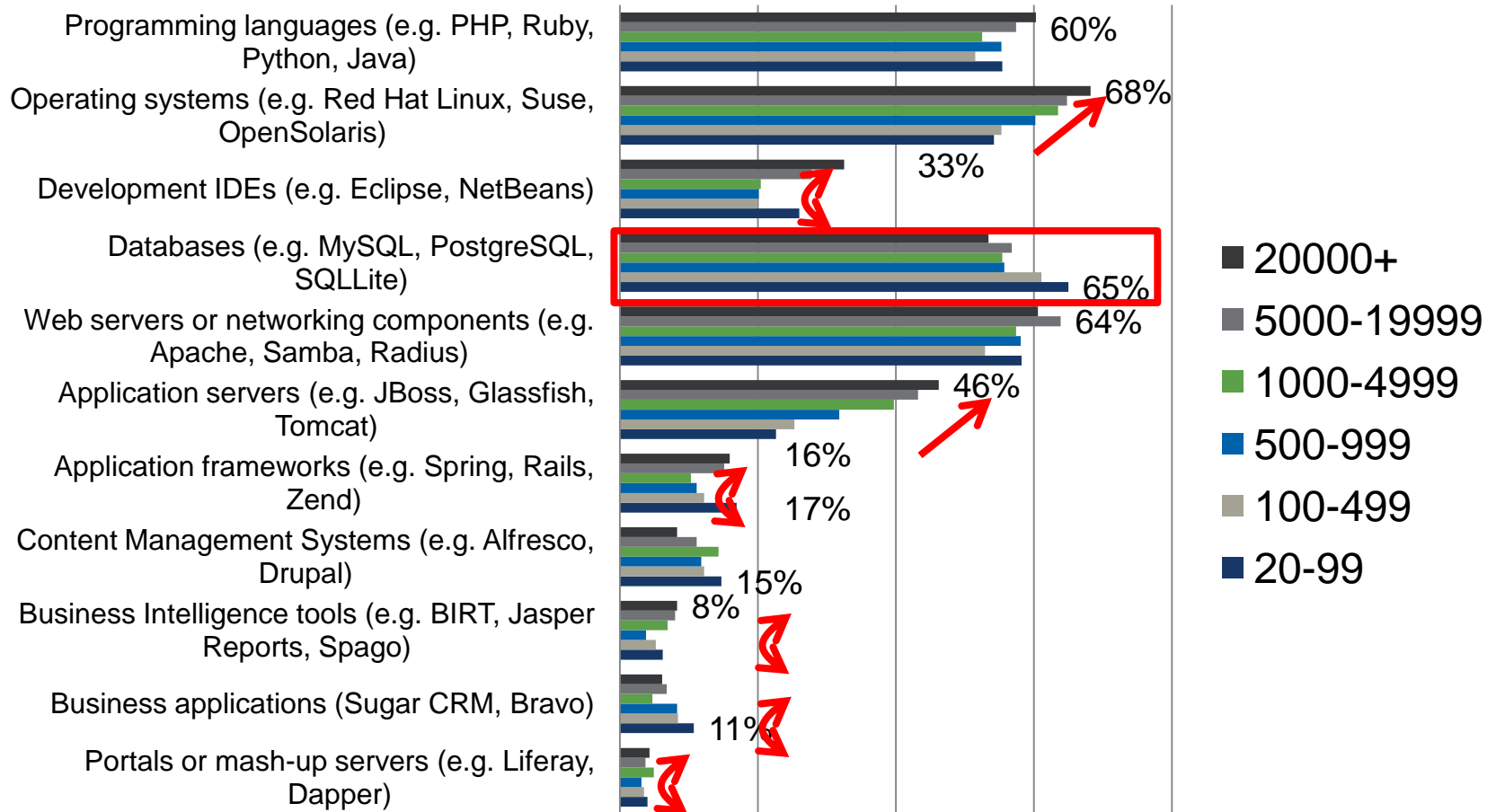


Base: 1,298 development pros at North American and European enterprises and SMBs and 1,298 development pros at North American and European enterprises and SMBs

Source: Forrester -Dr. Dobb's 2009 Developer Technographics Survey, Q3 2009, Enterprise And SMB Software Survey, North America And Europe, Q4 2009

OSS adoption by company size

“Which of the OSS infrastructure tools have you included as part of your development activities or deployed an application or software project to? “(Select all that apply.)

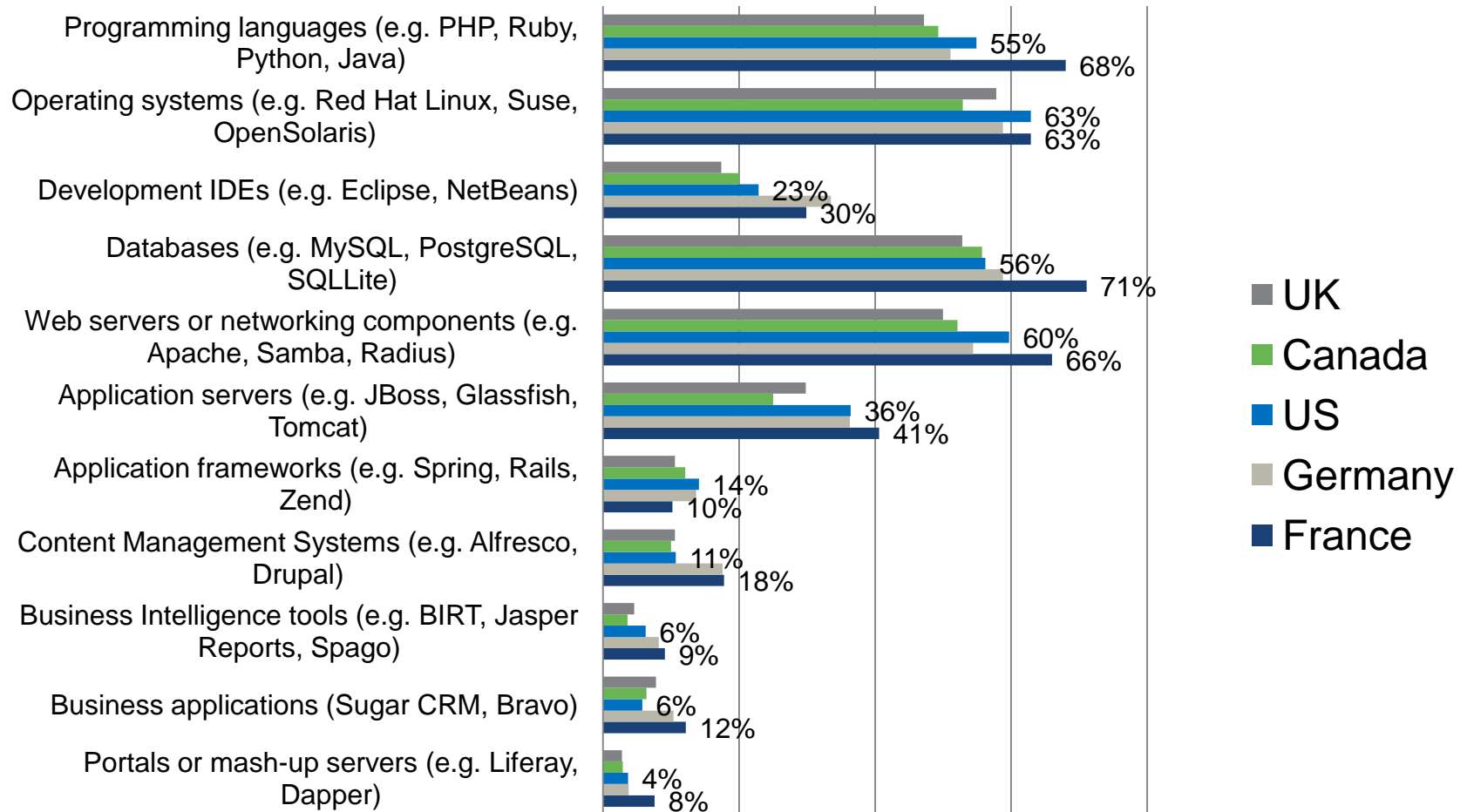


Base: 1900 software decision-makers at North American and European enterprises and SMBs

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2009

US adoption is closing the gap with Europe

“Which of the OSS infrastructure tools have you included as part of your development activities or deployed an application or software project to? “(Select all that apply.)

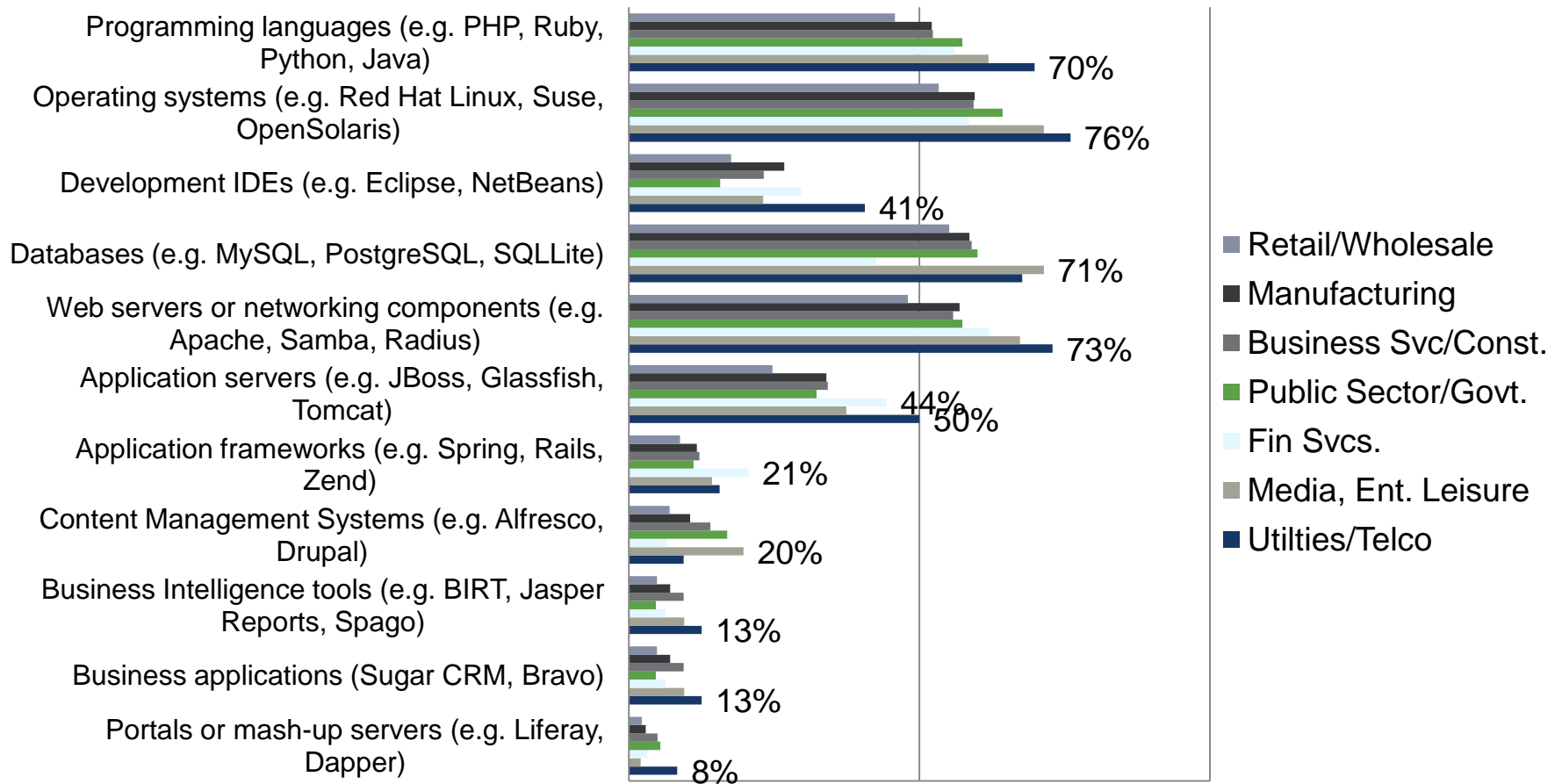


Base: 1900 software decision-makers at North American and European enterprises and SMBs

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2009

Telco, MEL & Fin Svc lead industry adoption

“Which of the OSS infrastructure tools have you included as part of your development activities or deployed an application or software project to? “(Select all that apply.)

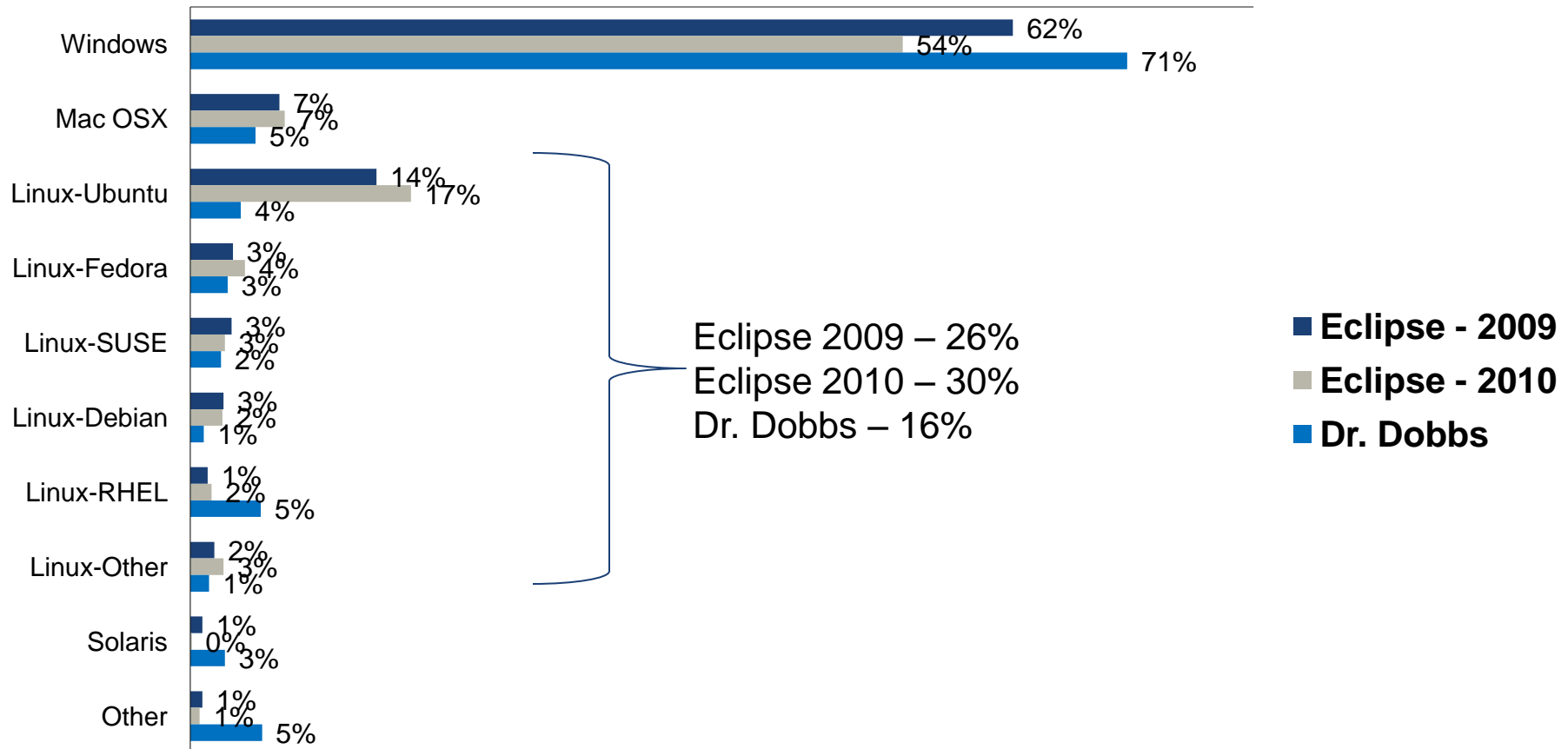


Base: 1900 software decision-makers at North American and European enterprises and SMBs

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2009

At the operating system level - development

“What is the primary operating system you use for development” (Choose one)

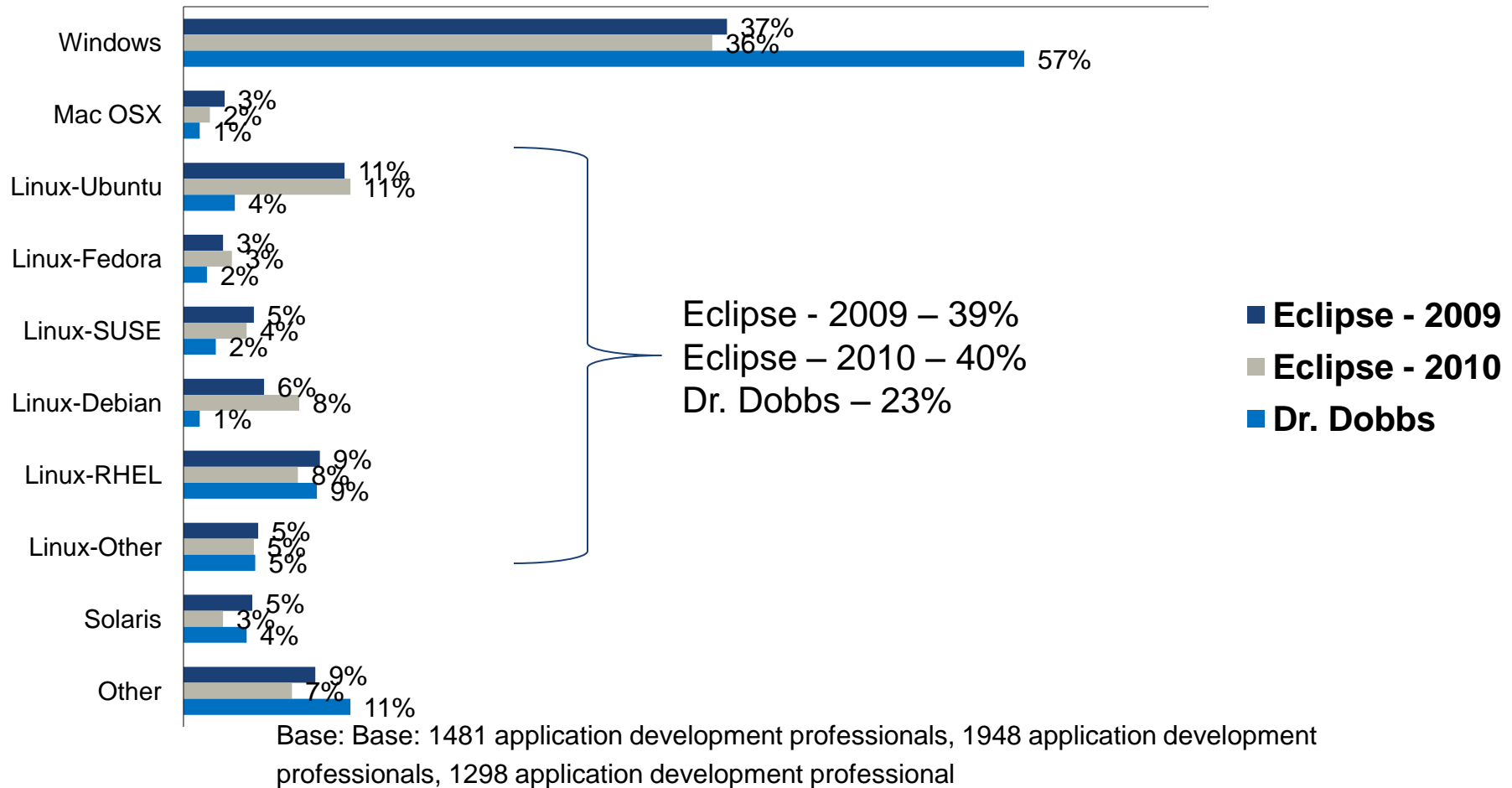


Base: Base: 1481 application development professionals, 1948 application development professionals, 1298 application development professional

Source: 2009 Eclipse Community Survey, Q2 2009, 2010 Eclipse Community Survey, Q2 2010, Dr. Dobbs Developer

At the operating system level - deployment

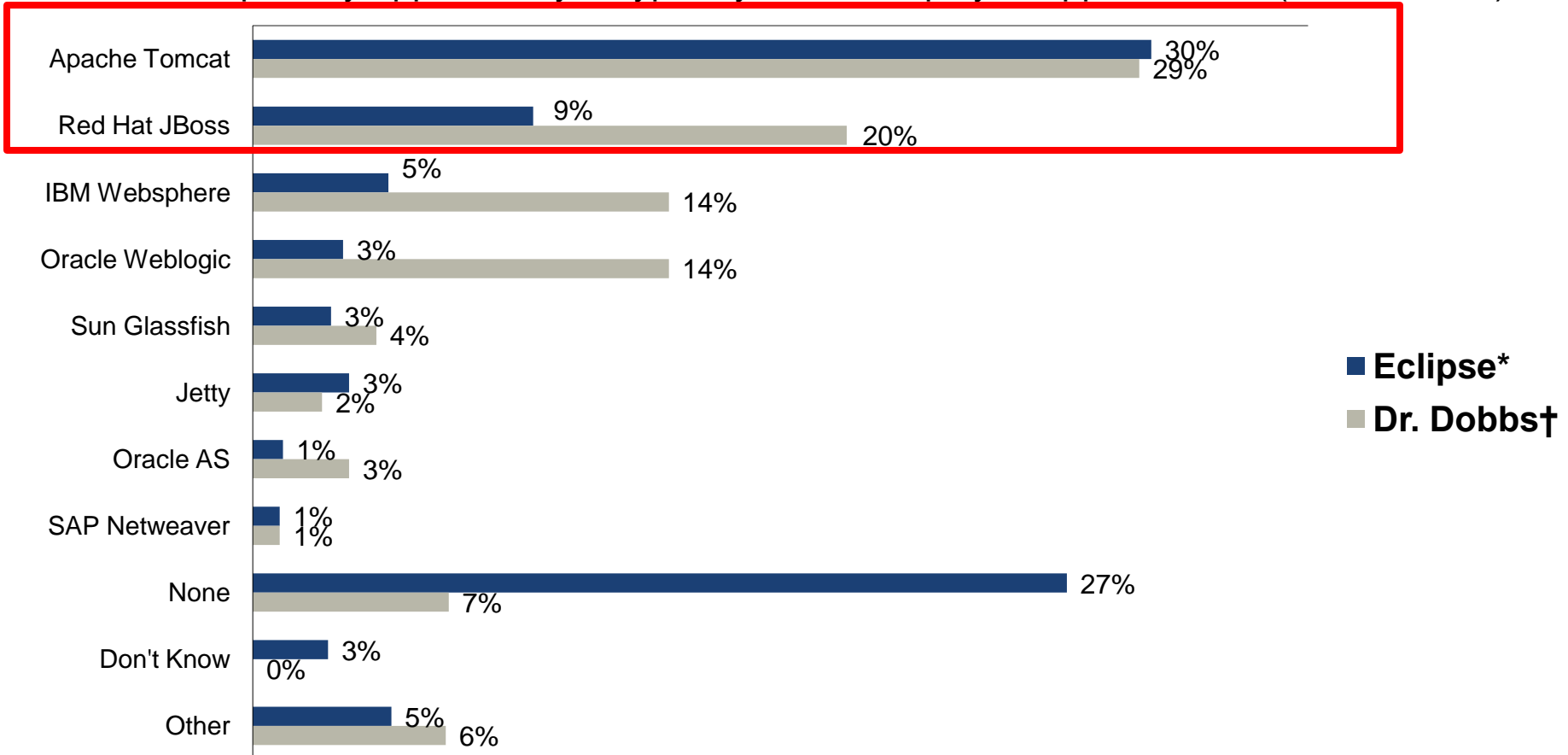
“What is the primary operating system you use for deployment (Choose one)”



Source: 2009 Eclipse Community Survey, Q2 2009, 2010 Eclipse Community Survey, Q2 2010, Dr. Dobbs Developer

At the app server level

“What is the primary app server you typically use for deployed applications?” (Choose one.)



*Base: 1948 app dev professionals building server apps and programming in Java

† Base: 218 app dev professionals building server apps and programming in Java at least 50% of the time

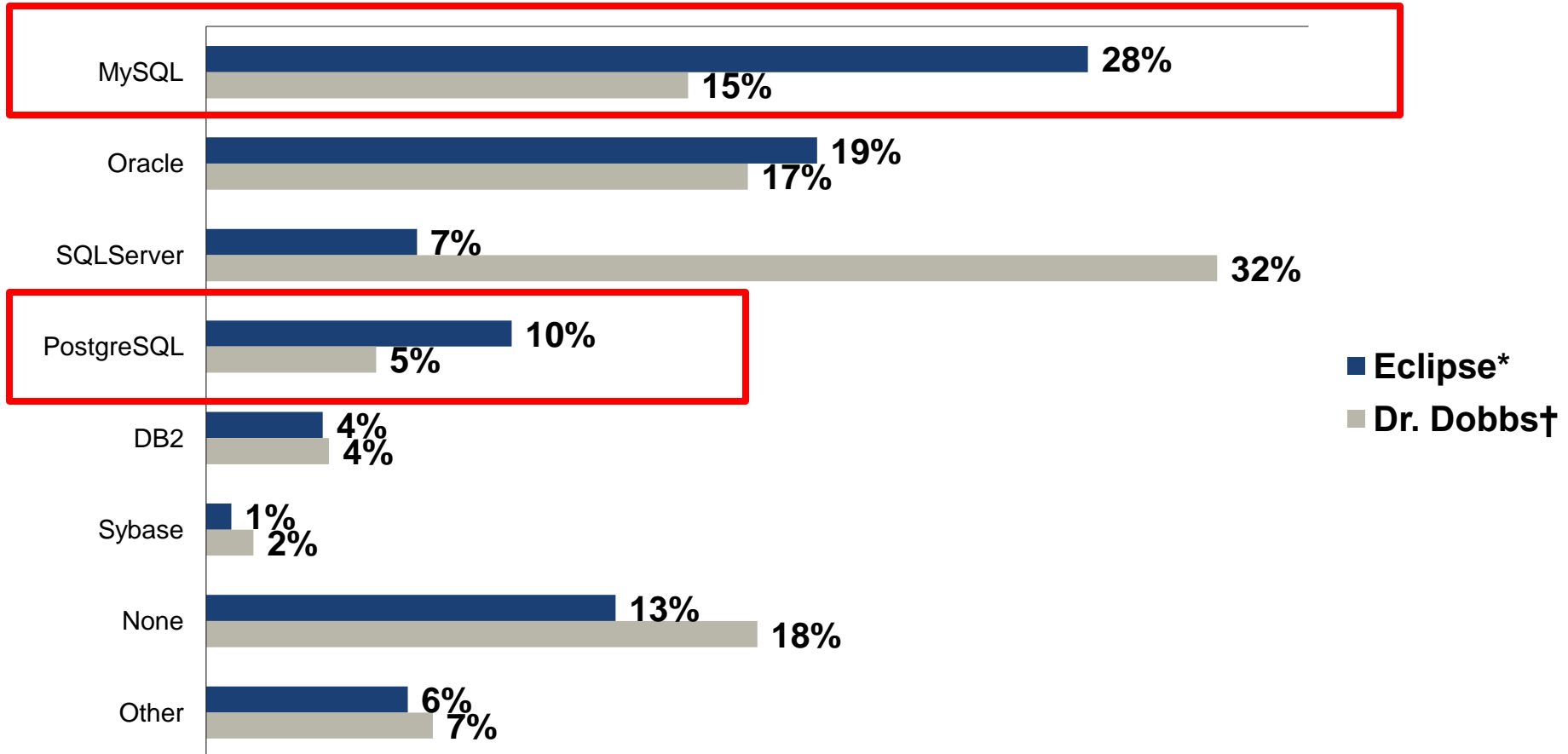
*Source: 2010 Eclipse Community Survey

† Source: Forrester -Dr. Dobbs 2009 Developer Technographics, Q3 2009

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At the DBMS level

“What is the primary app server you typically use for deployed applications?” (Choose one.)



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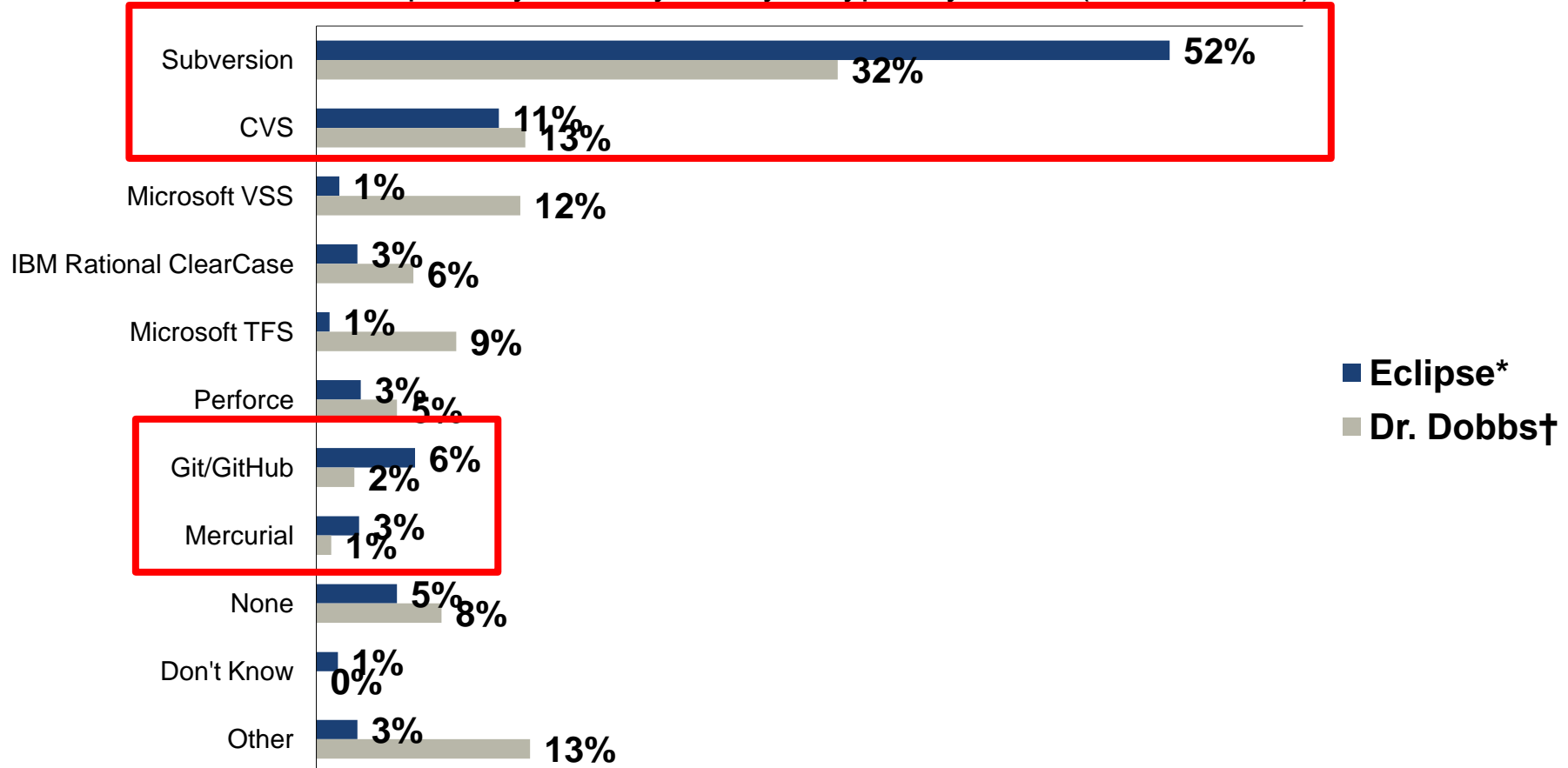
*Source: 2010 Eclipse Community Survey

† Source: Forrester -Dr. Dobbs 2009 Developer Technographics, Q3 2009

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At the SCM level

“What is the primary SCM system you typically use?” (Choose one.)



*Base: 1,948 application development professionals

† Base: 1,298 application development professionals

*Source: 2009 Eclipse Community Survey

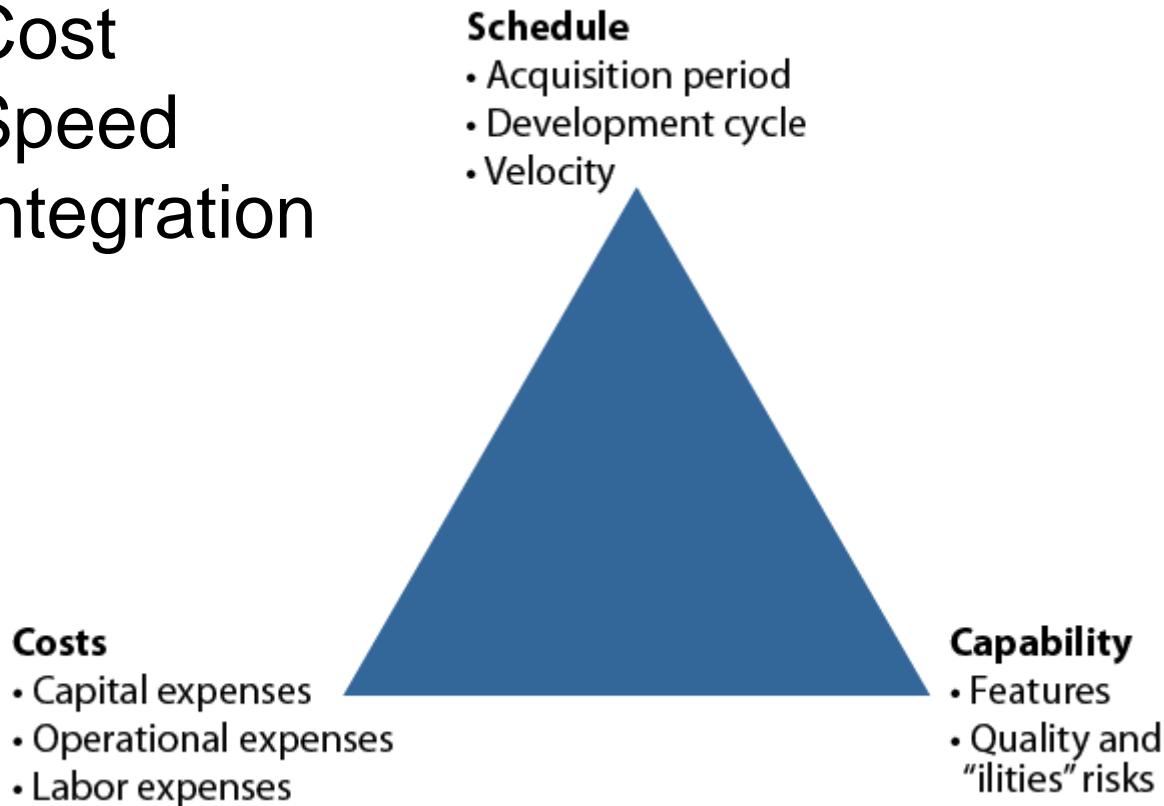
† Source: Forrester -Dr. Dobb's 2009 Developer Technographics, Q3 2009

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Why developers drive adoption of OSS

The software “iron triangle”

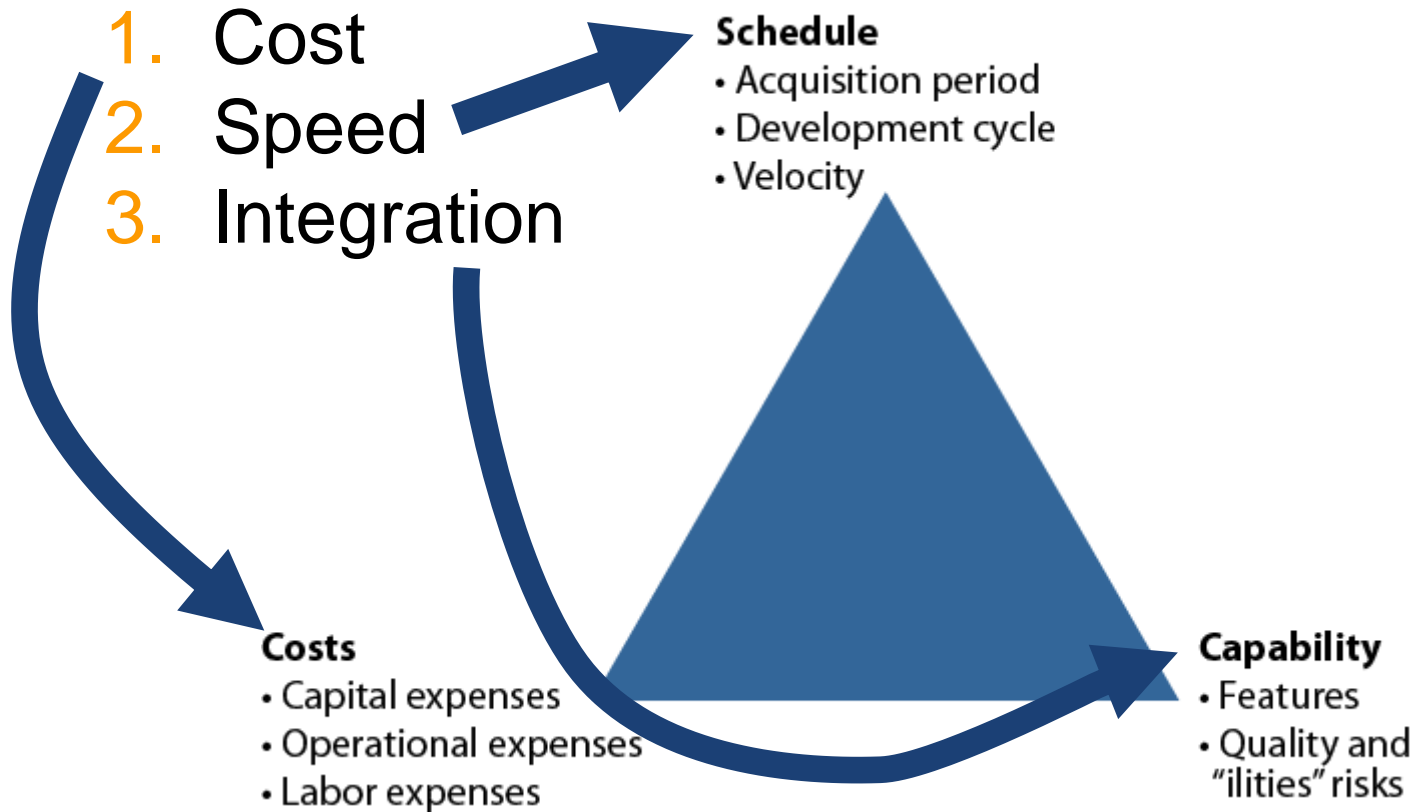
1. Cost
2. Speed
3. Integration



Source: February 2, 2009, “Best Practices: Improve Development Effectiveness Through Strategic Adoption Of Open Source Software”
Forrester report

Why developers drive adoption of OSS

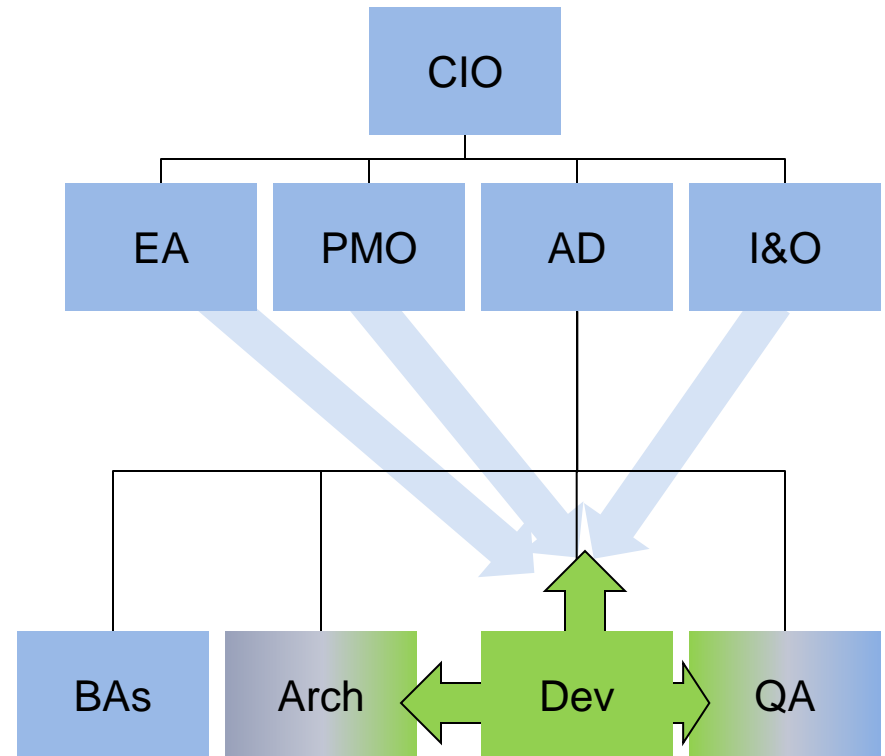
The software “iron triangle”



Source: February 2, 2009, “Best Practices: Improve Development Effectiveness Through Strategic Adoption Of Open Source Software”
Forrester report

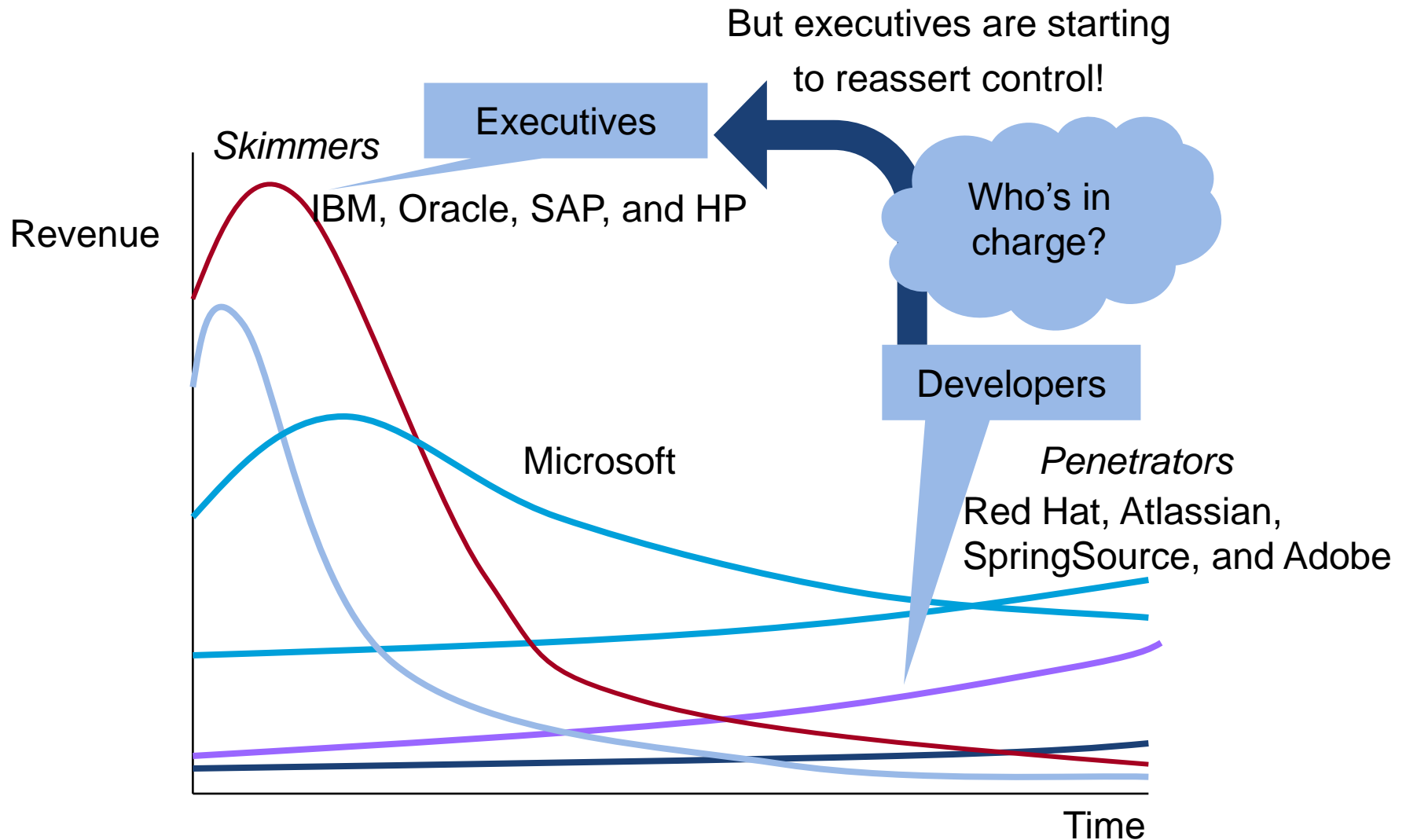
Adoption paths are shifting toward devs

- Developers resist technology that doesn't meet their needs
- Traditional financial controls are of limited value
- LOBs defends dev teams that produce value
- Management is willing to yield when a “win-win” results
- The path from developer to customer is getting shorter
- Developer productivity is no longer the problem



More than ever: Developers can block – or significantly aid the adoption of software!

A shift in decision makers affects adoption



What it means

- Economic uncertainty and cost reduction was driving OSS adoption, now were shifting toward speed and innovation
- Continental Europeans lead in adoption but the US is catching up
- Very small and very large organizations have “more time than money”
- As OSS business models evolve, concerns over viability and IP are receding
- Developer adoption of Linux continues to trend upward, and a focus on UX pays off
- The enterprise software market and the OSS market are set for an inevitable collision, and then a convergence
- To win you must drive adoption and affirmation through developers, and purchases through management

Agenda

Market Trends And OSS Evolution

Examples And Best Practices

Case Study 1: Leading fin services firm

Provides asset management, investment banking, private banking, treasury and securities, and commercial banking.

- Using Linux since 2001, OSS now moving up the stack.
- Using OSS app server keeps big ISVs honest.
- Need good developers – not average ones.
- Used OSS as an opportunity to refashion dev processes.
- Now looking at BI, using a lot of Spring
- Need to manage the support ‘fear factor’
- Dev community very happy, I&O is mixed

Result: Per project software costs savings range from 30% to 80%. For every \$10 they put in, they get \$4 back.

Case Study 2: Global fin services firm

Market leader in securities, asset management and credit services

- Replacing proprietary ECM with Alfresco – in production since 2007
- Extensibility and flexibility due to OSS and APIs
- “First major firm to do Linux as a strategic play”
- Still evaluate commercial option – but license costs are increasingly untenable
- Have created their own fork, and work with Alfresco to manage change delivery back to trunk

Result: Reduced upgrade costs compared to commercial solutions by high 6 figures

Case Study 3: Sabre

Leading provider of technology and marketing services for the travel industry

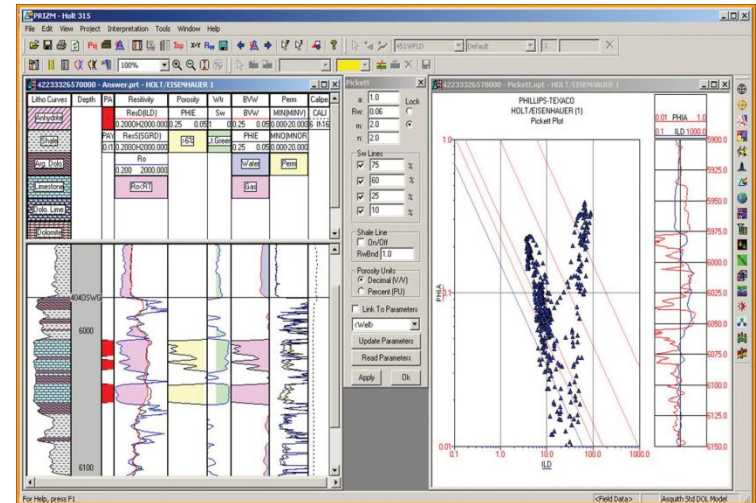
- Rewrote z-based reservation app using scale-out arch with Linux, Tomcat, FUSE – now running at peak volumes on 6 M tpd
- Need to make investments in architectural competency
- Acquisition policy “OS first, buy next, build last”.
- Took three tries to get it right
- Anticipate higher costs of training, risks of proliferation
- Always buy support

Result: Saving millions over multiple years vs. mainframe environment.

Case Study 4: Landmark Graphics

Landmark Graphics supplies software to Oil and Gas industry across a broad variety of application areas

- OSS Steward monitors policy compliance
- Prioritize standardization
- Restructured release process
 - Use BDS to monitor compliance
 - PM assumes responsibility for OSS
 - Remediate if/as violations are found
- Contributing back in limited cases



Result: Rapid adoption of the latest models and technologies, with accurate identification of OSS dependencies

Case Study 5: Reliant Security

Reliant sells PCI compliant in-store systems that include many OSS subsystems.

- Set a clear policy for OSS use
- Tuned acquisition policies
 - OSS first mandate
 - Prioritized “ilities”
 - Loosely coupled design
- Adjusted dev processes
 - OSS use identified at design
 - Developer on the hook for provenance



Result: Significant customer savings (7 figures in large deployments) over commercial alternatives

Case Study 6: European Airline

Global carrier created by merger of two large carriers

- Set a goal for tactical cost savings in operations
- Replaced Solaris and AIX as base OS supporting SAP
- Rolled out a combined SAP implementation on Linux

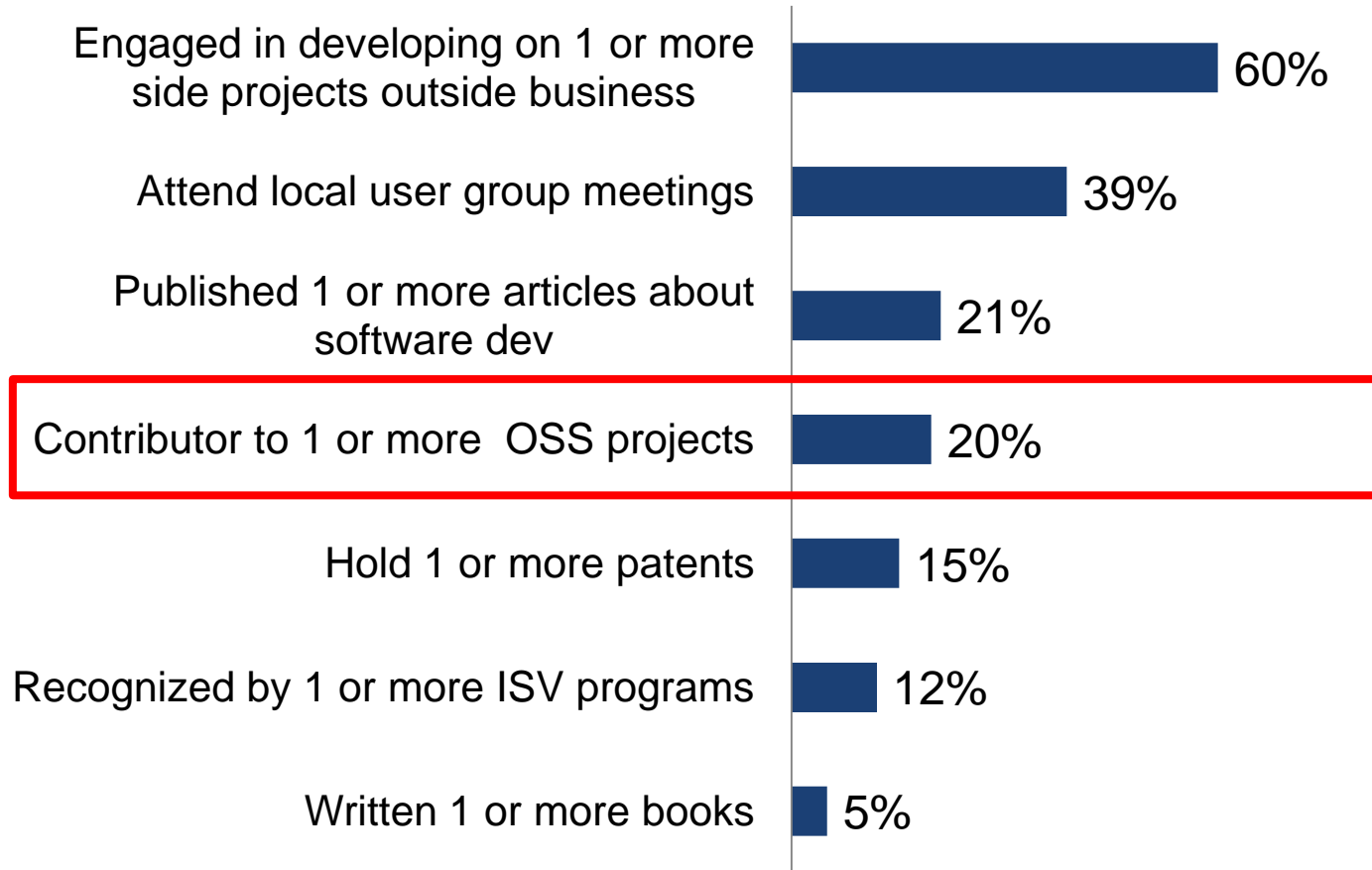
Result: Savings of close to E 1 million.

10 Best Practices From Enterprise OSS Adopters

1. Appoint an OSS steward
2. Create a comprehensible policy
3. Frontload acquisition processes
4. Require project leaders to identify OSS dependencies
5. Use EA to regulate exploitation and maintenance
6. Trust teams - but verify with code-scanning utilities
7. Maintain a repository of preapproved OSS components
8. Don't dwell on processes and artifacts; focus on outcomes
9. Don't expect perfection, and plan for remediation
10. Set a contribution policy – it will happen over time anyway

Companies may be slow to contribute, but not devs...

“Please select any statements that describe you as a developer.” (Select all that apply.)



Base: 914 development pros at North American and European enterprises and SMBs

Source: Forrester -Dr. Dobb's 2009 Developer Technographics Survey, Q3 2009

What it means – Looking ahead

- Open source adoption is moving from “don’t ask, don’t tell” into a period of strategic adoption
- Business critical OSS systems exist; they work and they scale
- IT is still learning about different OSS business models – help them understand
- It’s time to focus on the secondary virtues of OSS, speed, flexibility and engagement
- Most companies aren’t averse to paying for value fairly delivered
- Contributions from IT developers are coming, but not through official channels – need to work to assuage their concerns over risk
- It’s not really about the Cathedral OR the Bazaar – it’s more about a mixed source combination

Thank you

Jeffrey Hammond

+1 978.226.8886

jhammond@forrester.com

Twitter: [jhammond](#)

www.forrester.com