Continuous Management Software Anchor Vendors For The Enterprise

An Overview Of Six Anchor Vendors Through The Lens Of Continuous Management

ABRIDGED VERSION

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ABOUT RESEARCH IN ACTION:

Research In Action GmbH is a leading independent information and communications technology research and consulting company. The company provides both forward-looking as well as practical advice to enterprise as well as vendor clients.

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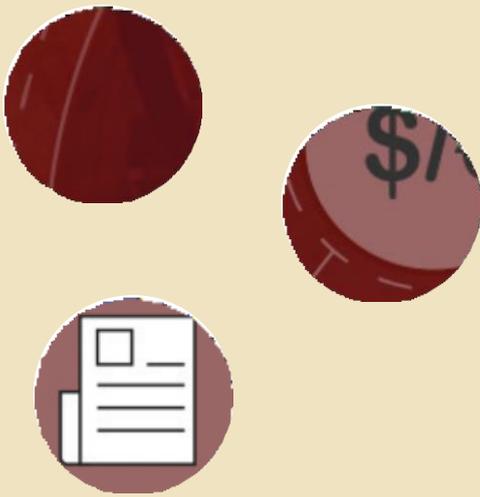
Continuous Management Definition:

The core of Continuous Management is the ability to empower, automate and continuously manage the ongoing demands of all digital functions within an enterprise no matter if they are IT or business team related.

Summary

The approach to automate a variety of tasks, processes and enable different functions which are responsible for end-to-end delivery of a product or service is not new. The one challenge lies in what to call this approach, what solution frameworks are best suited for this and who are the vendors which have the capabilities within their solutions and products to enable such. While there are many solutions leveraged by teams, each has its own stack, addresses key processes, and potentially integrates with other products and solutions. The other challenge is that teams spending way too much time on evaluating technologies, integrating, and maintaining the integration and figuring out which lens is the correct lens to use to shift towards a proactive, connected way of Continuous Management. Additionally, we suspect that many IT organizations are neglecting the fact that they need to focus on enabling value to their organization and customers at large. Through an analysis of six anchor vendors leveraging the Continuous Management lens and survey details, we are excited to share this report.

A New Taxonomy We Know, But Have Never Defined

Continuous Management is the adoption of a continuous improvement effort which will influence the success of the ongoing execution of value streams work across key functional owners within an organization. This management category is comprised of interrelated functional modules for contextual usage across the enterprise to automate capabilities accelerating a variety of functional owners and teams towards velocity, agility, and productivity.

While members of IT and business functions (modern or traditional) need to focus on their responsibility (ideate, plan, develop, test, deploy, release, and operate), attention must be placed towards enabling and automating key tasks, processes, and decisions which increases their productivity, and their ability to deliver value at the agreed velocity and quality. This includes service desk functions, IT Service Management (ITSM) functions, Enterprise Service Management (ESM) functions and any additional capabilities which will increases the productivity and execution way of working for both IT and enterprise team members.

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Research In Actions Market Deep Dive takes a closer look at the following six anchor vendors:

- BMC

- Broadcom

- IBM

- Micro Focus

- ServiceNow

- Splunk

Key Characteristics Of Continuous Management

- The functional models should include ITSM, ESM, SAM, ITAM, Cloud Management and Configuration Management.

- Integrations into project and portfolio management to allow for collaboration and prioritization of necessary automation or service deliveries are optional.

- Purposeful integrations into IT Operations Management for proactive insight into potential or existing bottlenecks around managed services.

- Analytics capabilities leveraging Artificial Intelligence and Machine Learning technologies are aiding in predictive insights and advance key automation categories such as incident response as example.

- Additional intelligent automation via RPA or virtual agents might be part of it to orchestrate and intelligently automate service delivery of any kind in correlation with each other.

- A common enterprise portal with digital access points for easy and efficient self-service for all functions and team members.

- A common automation engine able to extract or federate data from the existing management environments or platforms to feed analytics engine.

- Integrations into key functional tools such as EUEM and IAM and other critical capabilities to enable the productivity of the workforce.

- Ability to integrate into workflow automation solutions to streamline business and IT processes and tasks.

Methodology Used

Research In Action is using a combination of evaluating strength, room for improvements, opportunities, and threats across these six vendors while also leveraging its survey data gathered around topics such as strategy and execution capabilities which were collected during a survey of budget holders across the globe at the end of 2020 (see Figure 1) for each vendor to support this report. (Note: this shortened version does not include each vendor scores in details).
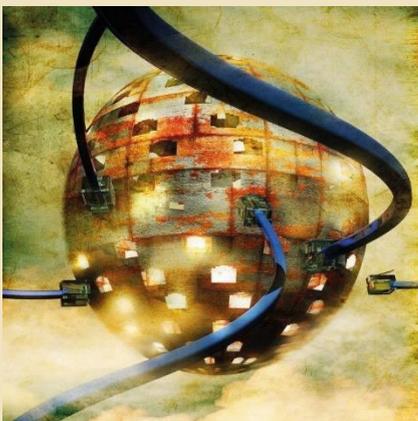
STRATEGY		
Vision And Go-To-Market	30%	Does the company have a coherent vision in line with the most probable future market scenarios?
		Does the go-to-market and sales strategy fit the target market and customers?
Innovation And Differentiation	30%	How innovative is the company in this market?
		Does the solution have a unique selling proposition and clear market differentiators?
Viability And Execution Capabilities	15%	How likely is the long-term survival of the company in this market?
		Does the company have the necessary resources to execute the strategy?
Recommendation Index	25%	Would customers recommend this vendor in this market to their peers?
EXECUTION		
Breadth And Depth Of Solution Offering	30%	Does the solution cover all necessary capabilities expected by customers?
Market Share And Growth	15%	How big is the company's market share and is it growing above the market rate?
Customer Satisfaction	25%	How satisfied are customers with the solution and the vendor today?
Price Versus Value Ratio	30%	How do customers rate the relationship between the price and perceived value of the solution?

Figure 1: Vendor Selection Matrix ™: Evaluation Criteria

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Point Management Has Its Place To Augment Existing Management Solutions

Point management solutions provide IT Enterprise teams and constituents with the ability to manage a specific task or process across the different functional areas of developing, delivering, deploying, operating, and supporting value streams. Progressively, some of these solutions evolved into a set of "recommended collection of phases, procedures, rules, techniques, tools, documentation and management used to manage something". However, as continuous becomes a more predominant way of operating, management systems need to become more holistic in their nature and organizations should reduce their time and effort on selecting different tool chains avoiding, costs and other challenges.

IT Operations Must Adopt Continuous Management To Address The Challenges Of Today

The pandemic has brought a variety of challenges in 2020 which will continue to exist in 2021. When we asked survey participants on their top three challenges, we found that 1) managing home office workers; 2) finding budget for improvements and 3) the ongoing focus towards digital transformation of IT will keep IT leaders and their teams busy. While methodologies and operating models such as DevOps, Agile, SRE are being adopted aggressively throughout the globe, IT Operation teams must continue their focus on the top three priorities (as indicated in our survey) which are 1) improving mobility and remote work capabilities; 2) continue to drive process automation and manpower reduction; and 3) reducing CapEx and OpEx. The IT automation category of Continuous Management plays a significant role in reducing these challenges while aiding IT Operations to achieve their goals.

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The Six Anchor Vendors At A Glance

While a strength, weakness, opportunity, and threat (SWOT) might be the typical way to analyze companies, we are replacing the weakness attribute with Room for Improvement to signal that there are things which can be rectified with specific interventions from the vendor. This turns the SWOT into a SROT and positions each vendor relative to the Continuous Management market. The SROT is not intended as a comparison of each vendor with the other but rather to provide a top view of all six anchor vendors. This perspective highlights that each vendor has a different vision, while all are targeting the IT enterprise customers globally (see Figure 2).

Figure 2: SROT Analysis Of The Anchor Vendors At A Glance

Vendor	Strength	Room for Improvement	Opportunity	Threat
BMC	Excellent long-term vision for the future of IT enterprise organizations where Agility, customer centricity and actionable insights are correlated into automated value creating systems enabling the organization and its ecosystem to focus on higher-value responsibilities. Key word: The Autonomous Digital Enterprise.	While this vision is attractive for organizations to embrace, the reality of existing system of records, system of engagements and legacy technologies requires key roadmaps for IT to understand and take on. BMC could create roads to value for its customers specifying how to get there with its automation solutions.	The evolution towards a Autonomous Digital Enterprise (according to BMC) requires transcendent customer experience, automation everywhere, Enterprise DevOps, data-driven business, and adaptive cybersecurity. This is great opportunity for BMC to partner with key software and services partner for reality in its routes to value.	Budget challenges and balancing long term visions with immediate executions within IT Enterprises will require a holding on and leading BMCs installed base towards the Autonomous Digital Enterprise. This means fighting off competitors with existing solutions such as BMC Helix and helping customers to continually upgrade to stay current is essential.
Broadcom	Broadcom challenges the status quo in its enterprise installed base with the vision of BizOps. The strategy and vision are excellent but does require a focused go-to-market activity including thought leadership and ideation sessions with customers to show proof of both ROI and conversion from the old to the new operating model.	While its vision of BizOps is attractive, practical and defined roadmaps of how this vision can be accomplished and implemented within IT enterprise organizations which struggle with legacy and transformations into new models is essential.	The existing portfolio has tremendous strength while the vision for BizOps is compelling. The opportunity for Broadcom is to evangelize and show proof points of successful customer adoptions.	The loyalty of Broadcom enterprise customers has always been the Achilles heel for the company. The threats do not necessarily come from the competition yet, but attractive offers which might include conversion of the continuous management solution set into competitive platforms might just be what some of its loyal customers are waiting for.
IBM	The shift towards hybrid cloud and some new acquisitions in the IT management space have brought renewed attention that IBM is a player in this space. Its large existing portfolio around service and IT operation management is still existing in many large IT organizations and is a fruitful installed base. Watson AIOps is also an offering that adds to experience in the space.	A clear strategy communicated to its enterprise customers and partners on where the IT management solutions are heading is an absolute key for IBM and its customers.	The recent announcement of the acquisition of Instana is an excellent opportunity for IBM to set the stage of where they are today and where they are going in the future with regards to the broader space of continuous management. The renewed focus on a clear Automation platform is also an opportunity.	While a partnership with ServiceNow is unavoidable as ServiceNow has penetrated IBMs installed base for a while, it is unclear if the bet will pay off.
Micro Focus	Rework across its architecture and focus on what is essential for IT organizations in terms of IT management is what brought Micro Focus back into the automation autobahn. A diligent effort to focus on key value chains and essential collaborations within its teams to ensure that services and IT operations solutions are modern and work together is paying off.	Communication of what has changed, how it impacts its customers and what will change further so that there is ongoing collaboration is the key for the future. While Micro Focus has established and leveraged feedback loops with its customers, showing actions and improvements go a long way to retain and ensure loyalty of its installed base.	Accelerating transformations, no matter which ones, requires shifts in culture, processes, and technologies. This is painful for many IT organizations but no one better than Micro Focus has this expertise. Sharing how to transform with its enterprise clients across all three will eliminate some anxiety and drama within its installed base assisted with its continuous management portfolio.	As the solution portfolio and architecture have received not just a face lift but a reengineering effort, if Micro Focus stays on the course they will continue to gain leadership in this space. Only execution issues with its channels and partners could stop them.
ServiceNow	The abilities to automate workflow keeps accelerating within its solution portfolio supported by the Now Platform. The ability to automate anything across the different value streams inside and outside of enterprise organizations has attracted a giant installed base as well as partners and integrators.	While such phenomenal success is envied by many of its competitors, attention to customer experience and value gained must not get lost in the ongoing journey for more. While almost everything can be automated with ServiceNow, price versus value ratio must be managed carefully as not all customers want and need every bell and whistle.	Ensuring that there are solid value parameters which are fulfilled through its automation of workflows will be essential in the next normal. While budgets might grow within IT organizations and business functions, value metrics such as revenue generating, being a better company, reducing cost and risks both internally and externally is driving the purchase of IT automation solutions in 2021.	Releases come every six months for the platform and monthly or more on the ServiceNow Store. Its enterprise customers might not be able to shift to another solutions due to customizations and configurations done and the platform is too ingrained. As the ongoing digital evolution brings ongoing changes within the ecosystem, existing customizations might make it difficult for new operating models or agile ecosystem integrations.
Splunk	Sticking to its roots of ingesting data across the managed ecosystem is working well. Accelerating this big data approach with the additional capabilities to bring intelligence with the adoption of Artificial Intelligence allows Splunk to be management agnostic and therefor fitting into any operating model no matter if DevOps, NewOps, CloudOps or alike.	Splunk IT Service Intelligence is a application for IT Operations, which has integrations with service management solutions like ServiceNow and others. Splunk must position its IT Service Intelligence product as a premium solution for IT Operations stressing the importance of data ingestion.	The endless discussion of which IT or business automation solution is the best can be avoided if organizations are focusing on the data they have and need and what they can learn from it. Splunk has a giant opportunity to rise above the anchor vendors by applying its unique data platform which ingest data across every domain, analyse and then provide actionable intelligence across all layers of the technology stack.	Splunk management, product teams and sales must continue its evangelizing journey of big data and not get lured into the IT and business automation space through shiny objects which might divert its course. It is essential to highlight the uniqueness of its data platform and broad data ingestion capability.

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Conclusion

You cannot buy all your IT automation solutions from one vendor as there are still significant needs for best-in-class or innovative solutions to address a specific use case or functionality. However, when putting on the lens of Continuous Management, which is central and critical to all larger organizations to ensure the ongoing management of services and applications for its employees, customers, patients or partners in its ecosystem, there are six anchor vendors present in the market today. While enterprises might already have put their bet on one (or more) of such anchor vendors, it is important to know the following when re-evaluating or selecting an anchor vendor, paying less attention to individual product details or promises and focusing on the total picture:

1. How accessible and credible are the key teams at the vendor?

2. Will they support you long-term?

3. Can they help you to drive change within culture, people, and processes, and help you accelerate the shift towards modern technologies?

When developing a closer partnership with your selected anchor vendor, make it clear that you are also continuing to consider an alternative vendor. This requires you to spread your investments across at least two vendors but will ensure that your current anchor vendor values its position and continues to fight to stay there. Our research has shown that the IT decisions made around the globe are facing these top five challenges today and, in the future.

1. **Managing home office workers.** The pandemic has accelerated this need for managing and supporting home office workers. According to Bitkom calculations from a survey across 1,500 working individuals in 2020 in Germany, more than one in three (35 percent) will choose a flexible work location. That corresponds to 14.7 million professionals. 3.2 million (8 percent) will work exclusively in a home office, and another 11.5 million (27 percent) will work partially. This requires IT teams to focus on key initiatives such as asset, service, and security management to name a few.

2. **Finding budget for improvements are always a challenge.** IT budgets are never endless. A recent study by CapGemini asking budget holders in DACH, however, predicts some good news in 2021. For 48,8%, IT budgets will increase in comparison to 2020, 27,3% said their IT budget will stay the same and 14,9% indicated that their budget will decrease. Bottom line, while budgets exist, the key to unlock them is to push towards digital innovation and automation.

3. **Digital transformation of IT.** CIO Magazine reports that digital transformations snag the biggest budget priorities. Our survey takers priority is to digitally transform IT, which is done through the automation and digitization of the planning, developing, deploying, and supporting phases of the value chain leveraged to deliver applications and services to customers and ecosystems.

4. **Finding skilled people.** The finding of essential talents with the ability, aptitude and skills keeps getting tougher, but mostly for finding people who possess a broad range of skills according to Comptia. This challenge is met with a new approach by many organizations – upskilling and training of existing individuals within current and new technical skills while also improvement around human skills such as collaboration, communication, and interpersonal skills, amongst others.

5. **Cultural shift to new operating models.** The good news about living in and through a worldwide pandemic is that leaders and organizations are taking a hard look at their organizational design, culture, and changes to be made. Those changes will also affect the IT organization. However, changes in how IT operates have already changed with the onset of Agile and DevOps. But it cannot stop here as technology delivered is more than just technology itself and needs to be managed and presented in terms of its value of increasing profits, being better, and reducing cost and risks (both internally and externally focused). New operating models such as end-to-end workflow management paired with data for insights and action across the value chain will help IT to ensure ongoing value for any organization.

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What This Means

Throughout the past decade, the phenomenon of technological convergence and the adoption of new operating models such as Agile and DevOps has increasingly gained the attention of leadership and decision makers. Due to digital transformations and the speed of technology technological change, the coming-together of previously distinct IT management models (IT and Enterprise Service Management, IT Operations Management, IT Analytics) gives rise to rethinking how IT teams apply existing and new automation solutions. When innovations emerge at the intersection of how people, processes and technologies must interact, the resulting new way of Continuous Management may change previously established management boundaries and practices. Consequently, a convergence of management practices does not only promise the creation of new value but may support the management across value streams end-to-end, and with it, how these vendors might shift their strategy of delivering and selling their IT Automation solutions in the future.

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