



Future of Work Survey Report #2: Business requests for new software applications soaring globally, but 50-percent end in failure

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European companies make significantly more requests than U.S. companies, but all are held back by technical debt and development complexity

LONDON, Oct. 09, 2018 (GLOBE NEWSWIRE) -- Appian (NASDAQ: APPN) today announced the second set of findings from its [Future of Work global survey](#), conducted by IDG. According to the data, European companies are even more overloaded in trying to meet the required pace of digital business transformation than U.S. companies. An average EMEA enterprise generates 230 internal requests for new business software applications and major feature enhancements every year. In Germany that figure is as high as 306, in France it's 263, and in the U.K. it's 137. The European average is well above the U.S. figure of 153 requests.



Despite this disparity, global success rates are all equally dismal. Across all surveyed geographies, 50% of all new app development requests end in the failure. They are either not delivered at all, or are delivered without meeting the business need.

The research, being released in a series of reports, examines the state of business transformation and its impact on the future of work. Key findings from the survey of senior IT leaders across the U.S., U.K., Germany, France and Spain include:

- 16% of new development projects requested by EMEA enterprises never get started (compared to 14% in the U.S.)
- 14% of new EMEA development projects are started but never finished (compared to 16% in the U.S.)
- 20% of new development projects in both EMEA and the U.S. are delivered but don't meet the business need

Digital demand is spreading through the enterprise

Demand for new development projects is now generated across the enterprise, showing that all business units are looking for ways to change how they operate in the Digital Age. In the U.S., marketing is still somewhat more likely than other departments to request new apps, while EMEA skews slightly to finance and accounting. The survey data shows the following breakdown of business unit app development requests in the U.S and EMEA:

- Finance requests 14% (U.S.)/16% (EMEA) of all new applications and features
- Marketing requests 19% (U.S.)/16% (EMEA)
- Sales requests 17% (U.S.)/18% (EMEA)
- Customer service/Contact centers request 16% (U.S.)/17% (EMEA)
- R&D requests 15% (U.S.)/16% (EMEA)
- Legal 11% (U.S.)/10% (EMEA)
- All other departments request a further 7% (U.S.)/8% (EMEA)

Enterprises are piling up technical debt

Across the board, IT departments are struggling – and failing – to meet evolving business requirements, primarily due to the slow pace of coding and issues related to technical debt.

Technical debt is the implied cost of additional rework caused by choosing an easy solution now over the right solution. It also reflects the “lost opportunity” cost of not developing the right application needed to take advantage of a market opportunity. IT organizations spend 50% of their time coding new apps and enhancements - but they lose about two-fifths of their development time to technical debt (39% U.S./36% EMEA). Overall, the global business impact of technical debt is:

- 55% - Higher operational expenses
- 52% - Simple software enhancements take much longer than expected
- 47% - Reduced performance and scalability
- 35% - Longer time-to-market
- 17% - Customer-experience improvements are not made

When asked how to combat technical debt, the number #1 response from survey participants – 53% – was “look for new ways to accelerate application development.”

Enterprise low-code: a new approach

[Enterprise low-code development platforms](#) accelerate application creation with robust but easy-to-use drag-and-drop visual design tools. They also ensure that all applications are connected, governed, and future-proof. This gets applications and features to market faster without creating new application silos, or compromising on quality, performance, and experience. As a result, enterprises can minimize technical debt and react quickly in seizing new market opportunities.

“The survey data shows that all companies must accelerate IT development without sacrificing quality or accumulating more technical debt,” said Appian CEO Matt Calkins.

To find out more about how technical debt is holding European companies back and how low-code development can help, [download Appian's Future of Work Survey Report #2](#).

Methodology

The Future of Work survey, conducted by IDG, gathered responses between August and September 2018. Respondents comprised of 500 IT leaders (50% C-level, all Director or above) with at companies with over 1,000 employees. For this leg of the survey, 50% of respondents were U.S. based, and 50% were from Europe (U.K., France, Germany, and Spain). To qualify for the survey, respondents also had to be undergoing digital transformation efforts for at least one year.

About Appian

[Appian](#) provides a software development platform that combines intelligent automation and enterprise low-code development to rapidly deliver powerful business applications. Many of the world's largest organizations use Appian applications to improve customer experience, achieve operational excellence, and simplify global risk and compliance.

For Information Contact:

Nicole Greggs
 Director of Media Relations
 +1 703-260-7868
nicole.greggs@appian.com

A photo accompanying this announcement is available at <http://www.globenewswire.com/NewsRoom/AttachmentNg/3aed1b16-30be-4d30-899e-38c3cf76c6f9>



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