IDC MarketScape

IDC MarketScape: Worldwide Agile PPM 2017 Vendor Assessment — Enabling Adaptive Planning for Emerging Markets, DevOps, and IoT
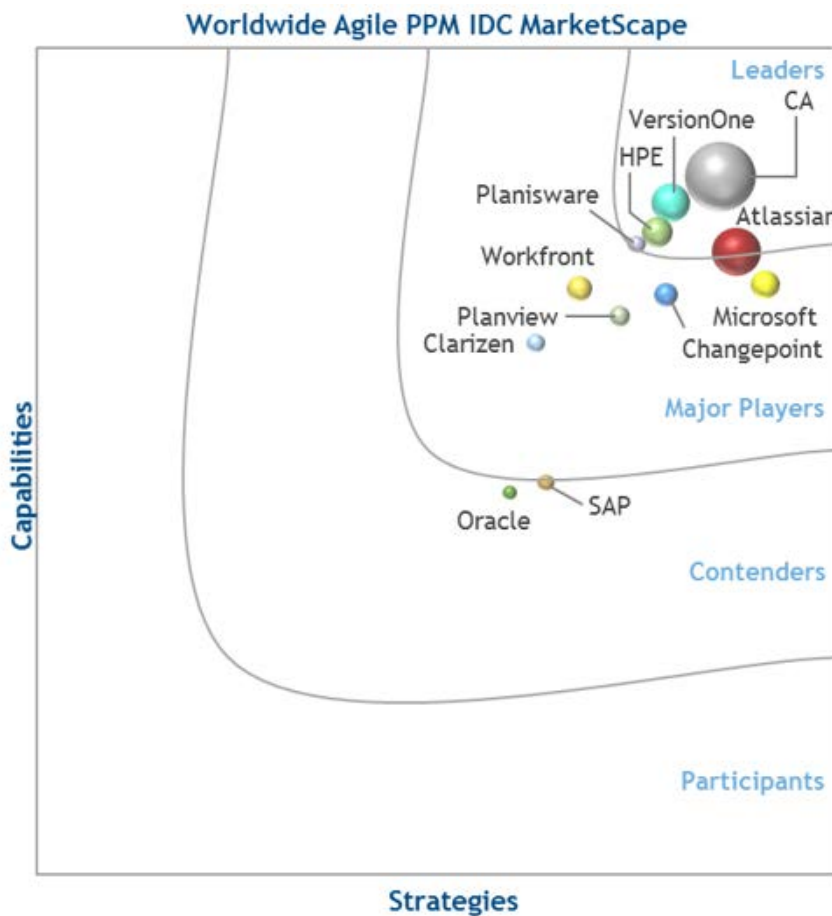
Melinda-Carol Ballou

THIS IDC MARKETSCAPE EXCERPT FEATURES: CA TECHNOLOGIES

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Agile PPM Vendor Assessment

Source: IDC, 2017

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Agile PPM 2017 Vendor Assessment – Enabling Adaptive Planning for Emerging Markets, DevOps, and IoT (Doc # US40913616). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

Software drives competitive advantage more than ever at an increasing velocity for releases along with higher, overwhelming levels of deployment complexity. Dramatic growth in mobile applications, analytics, systems of engagement, and cloud demands that organizations respond adaptively, even as resource constraints make it challenging to nearly impossible to do so. As a result of these combined factors, IDC sees increased interest in, demand for, and adoption of agile approaches to development and also for business initiatives driving adoption of agile approaches to overall project, program, and portfolio management. As we receive inquiry on this area increasingly, it makes sense to assess this market. Further:

- As core benefits, agile strategies can enable prioritized, compressed, tighter, faster, and iterative cycles for software development, business evolution, and project and portfolio management (PPM). We see demand for agile strategies increasing significantly in those areas and also playing a role in the emerging market for embedded software, ideation, and product life-cycle management.

- All businesses benefit from the advantages of agile approaches, particularly in a volatile, highly competitive global economy. But with increased agile engagement and adoption also comes a commensurate need for governance and management. IDC's analysis shows that the initial and/or more systemic agile strategies are in place at over 70% of the organizations with which we interact.

- Pervasive uptake of agile approaches for software development is increasingly driving demand for agile automation, given business dependence on software velocity for competitive position across platforms. The focus for IDC's current agile PPM IDC MarketScape is on the coordination between agile and project and portfolio management as we see agile adoption spilling into business and IT environments, which will continue to drive adoption overall. Embedded software development also demands agile adoption and management (during 2017-2020 increasingly). Continuous release (CR) and continuous integration (CI) and the role that agile will play as part of DevOps are subsidiary in this analysis, which focuses on agile project, portfolio, and program management primarily but underlies agile initiation and adoption at many organizations.

- This IDC study provides a 2017 comparative vendor analysis and assessment for agile PPM. Project execution in brittle worldwide economic and political environments demands adaptive prioritization, and we saw demand for these capabilities driving strong engagement for all major and key innovative agile ALM vendors in 2016-2017.

- The complexity of multimodal deployment/DevOps environments with mobile, social, cloud, and big data and analytics is a business necessity. And the complex sourcing needed for IT projects also demands agile PPM automation as an adoption enabler to execute effectively. SaaS offerings for agile PPM by major providers such as CA Technologies and emerging from Microsoft and others augment existing offerings from Atlassian, VersionOne, and smaller and other providers will significantly contribute to a portfolio of offerings for agile PPM in the cloud and where needed, on-premises.

- These are not "nice to have" capabilities but are core to business execution. As companies invest in projects, programs, and portfolios, we see a commensurate need for agile approaches to enable iterative, timeboxed, speedier decision making, and investment. Agile can help increase relevance and velocity at a time of fierce global competitive pressures and ongoing economic and political volatility.

- More generally, the increasing role and complexity of IT in the enterprise and the need to align IT with business needs, corporate governance, and a plethora of regulatory requirements have combined to support ongoing engagement with agile PPM.

- Agile vendors have been evolving their offerings and we see an increasing crossover to the business from IT for agile processes and a role for agile across industries – from business, product, and marketing initiatives to embedded software and smarter project creation as well as obvious demand for agile application creation for software development. This began to have an impact in 2014-2015 – with best-of-breed agile providers such as CA Agile Central (formerly Rally Software), VersionOne, and Atlassian offering solutions and PPM vendors coordinating partnerships (including CA Technologies' acquisition of Rally) and building out offerings – and we expect will continue to play a role for increased user adoption at least through 2021.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

IDC evaluated 12 vendors for inclusion in the agile PPM IDC MarketScape. Vendors needed to have deep, granular agile-specific functional capabilities available and/or partnerships to augment more limited agile process functionality. Vendors needed to appear in IDC discussions with end-user clients as part of RFP and other inquiry for Agile PPM during 2016-2017 and needed minimum overall revenue of $20 million for CY16, with at least $5 million of that revenue as Agile ALM. Vendors evaluated are Atlassian, CA Technologies, Changepoint, Clarizen, HPE, Innotas (acquired by Planview in 3Q16 and considered as one vendor for this analysis), Microsoft, Planisware, Planview, Oracle, SAP, Rally Software (acquired by CA Technologies in 2H15 and considered as one vendor), VersionOne, and Workfront.

IDC structured its approach to inclusion for vendors in the Agile PPM category based on the strength of their products' Agile capabilities complemented by portfolio management (and in some cases, project and program management capabilities and partnerships), on revenue share in part (as indicators of agile adoption and longevity), and for differentiated agile position and capabilities in emerging markets of concern. The focus for IDC customers on agile-specific functionality and existing and emerging support for Scaled Agile Framework (SAFe), as well as process support for systemic adoption and engagement have been key drivers.

VENDOR SUMMARY PROFILES

This section explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a vendor profile, user reference summary discussions, and a summary of one vendor's strengths and challenges overall where specific analysis is included for agile PPM positioning.

CA Technologies

Products — CA PPM 14.1, 14.2, 14.3, 15.1, and 15.2

CA Technologies is positioned as a Leader in this Agile PPM IDC MarketScape (combining CA Agile Central with CA PPM and the broader CA Technologies portfolio).

CA Technologies has historically executed well and early on emerging market areas since its foray into the PPM arena over a decade ago. CA Technologies entered the IT PPM market with an acquisition in 2005 and has since leveraged its high-end solution functionality across multiple areas of evolving importance for users with over 2,141 distinct customer sites as of 1H17 using CA PPM. CA Technologies moved from its acquired base in IT PPM to initial integration with existing traditional strengths in service desk and asset management with CA Service Management and CA IT Asset Manager, setting the stage for its current foray into DevOps. The company's portfolio of capabilities leverages CA Technologies' 2013 acquisition of Nolio and emerging cross-portfolio offerings. CA Technologies' 3Q15 acquisition of Rally Software positions the company well to be able to incorporate needed agile capabilities for PPM and for DevOps, over time (see *Leveraging a Needed Agile Play, CA Technologies Rallies Around Agile with Intent to Acquire Rally Software,* IDC #lcUS25663815, June 2015). CA Technologies was positioned as a Leader in the enterprise IT PPM IDC MarketScape (see *IDC MarketScape: Worldwide Enterprise IT PPM 2016 Vendor Assessment – Enabling Business Execution and Optimization,* IDC #US40473615, February 2016) and as a Major Player in the worldwide cloud PPM and PPM SaaS IDC MarketScape (see *IDC MarketScape: Worldwide Cloud PPM and PPM SaaS 2015-2016 Vendor Assessment – Facilitating PPM Adoption and Business Optimization,* IDC #US40688615, December 2015).

For the product announcements moving into 2017-2018, we see CA Technologies creating a combined group of offerings to leverage emerging areas of what CA Technologies calls Agile Management to help fuel better plans and execute faster in an application economy that is increasingly driven by software. (Global 2000 user demand for visibility across key applications is business critical.) This product portfolio includes CA PPM, CA Service Management, and CA Agile Central (formerly Rally). Agile Management aims to help companies manage their digital transformation by enabling them to plan, build, and service their IT investments using agile as a key business advantage. The Agile Management portfolio combines select software and service components from CA Technologies and Rally to give business leaders a technology and education platform that helps redefine how business deliverables are planned and executed. This holistic approach can help organizations adopt agile approaches and a cultural mindset required to drive digital transformation and adapt to rapidly changing business demands. The combined offerings build on CA Technologies' Rally acquisition in 3Q15.

CA PPM's SaaS hosted offering (initially shipped in 2008), has grown in adoption significantly for CA Technologies over the past two years particularly, is primary for CA Technologies (and complements on-premises offerings). This is an example of the way in which CA Technologies has seen user demand and executed with a combined product offering. It is exemplified in CA Technologies'

execution and evolution of SaaS offerings from the perspective of both pricing and customer-adoption models, as the company moves to a hybrid multitenant architecture for CA PPM. More challenging has been CA PPM's execution for overall PPM revenue in making that transition from on-premises. This is a challenge for many providers as they shift revenue models. In that context, CA Technologies broadened its portfolio with acquisitions in cloud-based applications (such as CA Agile Central and CA Flowdock), which coordinates with PPM and expands its DevOps and application life-cycle portfolio (with GridTools in 2Q15, Blazemeter in 3Q16, and Automic in 4Q16).

As a result of its excellent capabilities in the high-end IT PPM arena and breadth across other areas with an emerging DevOps strategy (continuous deployment) and for end-to-end life-cycle management, CA Technologies is positioned as a Leader for our enterprise IT PPM IDC MarketScape. For CA PPM SaaS, we see CA Technologies evolving its offering (in conjunction with the broader CA Technologies portfolio) and improving product capabilities, ease of use, and moving toward a hybrid multitenant architecture in 2017 and is positioned as a Major Player. For agile PPM, IDC rating combines both CA PPM and CA Agile Central into one company (with tighter integration pending between CA PPM and CA Agile Central) and is positioned as a Leader because of the combined enterprise agile positioning with CA Agile Central. CA Agile Central appeared separately in our graphics for prior PPM IDC MarketScape research. (For software life-cycle management, CA Technologies is beginning to leverage internal quality, service virtualization, and DevOps capabilities and can improve its leverage of internal functionality on the Software Change Management side for application life-cycle management and strengthen partnerships, as it has done already, including alliances with ALM open source and other vendors.) Overall, CA Technologies' capabilities and strategies across the areas weighted by IDC indicate effective positioning and focus for core IT PPM and PPM areas.

CA PPM v14.1 and 14.2 (1Q15), 14.3 (3Q15), 15.1 (3Q16), and 15.2 (1Q17) improve prior offerings with additional functionality. CA PPM v14.1 added Studio Content Management and VersionOne integration, an Integration Adaptor, and improved integration with Microsoft Project (MSP) with better performance and support for additional features (such as MSP elapsed days). CA PPM 14.2, shipped 1Q15 on-premises and 2Q15 on-demand, includes embedded ad hoc reporting (with Jaspersoft) and CA Technologies' own embedded CA PPM Data Warehouse making key improvements to leveraging analytics by including a business representation of the CA PPM database. Information users access the data warehouse through domains without having to understand the complexities of the database. Domains exist for Investment Management, Resource Management, Financial Management, Application Management, Idea Management, Project Management, and Time Management.

In 3Q15, with CA PPM 14.3, CA Technologies extended its embedded business intelligence (BI) capabilities introduced in 14.2 with mobile analytics and dashboards, a new accelerator for application portfolio management (APM), and RESTful APIs for an extensible CA PPM integration platform. The embedded business intelligence capabilities focus on the mobile workforce with mobile dashboards and ad hoc reporting on iOS and Android devices. New mobile dashboards can be configured to help assess the impact of resource availability on strategic planning and do analysis on what investments are at highest risk, spending on strategies, agile and traditional project health, and integrated financial metrics. The APM accelerator helps manage application risk and complexities with new analytics and dashboards leveraging the BI capabilities. An initial integration with the CA Agile Central (formerly Rally) product leveraging CA Technologies' RESTful API support provides agile support and is the first of many planned integrations.

With the 14.3 release, CA Technologies built out CA PPM as a platform for additional applications via RESTful APIs to enable coordination with new user experience designs, its own products (e.g., CA Agile Central), and other emerging software.

With the release of 15.1, CA Technologies brought significant, urgently needed improvements in user interface designs which it showcased to the customer base at its CA World event in 4Q16. We expect this new version to go quite a way toward engaging new customers and bridging the gap for existing CA PPM users with dynamic approaches for project and resource managers and teams. This release also optimizes and improves reporting with leverage of Jaspersoft and Data Warehouse capabilities.

The CA PPM 15.2 release had new user experience designs targeted to resource managers to help streamline the staffing of projects, resource leveling, and the handling of resource requests. This approach to resource management included built-in conversations for managing the "handshake" between project and resource managers, pinning and filtering for isolating specific problems and staffing conflicts, and a new telescoping timescale that allows customer to manage short-term needs in smaller increments and long-term needs in longer increments – all within a single view. PPM 15.2 also had more integrations to CA Agile Central by embedding CA PPM timesheet directly within the Agile Central interface and introducing templates that automatically insert standard timekeeping tasks under each agile feature. PPM 15.2 also had further refinement of the adaptive project management experience originally released in 15.1 with the reintroduction of document management – including document tagging and navigable folder hierarchy – as well as the ability to filter the Tasks view to just see "My Tasks." Release 15.2 also had further optimization of business intelligence and data warehouse capabilities, including the addition of three new agile dashboards and a new Product/Application Roadmap Report.

Underscoring CA Technologies' enterprise deployments, 31% of CA PPM on-premises deployments have over 1,000 users (1,000-5,000 users is at 24%, 5,000-10,000 users is at 4%, 10,000-20,000+ users is at 3%) and an additional 26% consist of 500-999 user deployments. This means that a majority – at 57% – of CA PPM on-premises sites have 500+ users. For CA PPM SaaS (leveraged also as an on-ramp for small and medium-sized businesses), 17% are over 1,000 and an additional 16% have over 500 users (so 67% have fewer than 500 users, with 49% of deployments with over 100 users).

One of the greatest opportunities for CA Technologies has been that of seeking to improve CA PPM adoption rates – typical issues in the past have included not merely the expense of the product but its usability and complexity. (This is a common issue for both CA Technologies and its enterprise IT PPM competitors that have depth and breadth of functionality – these products are, by their very nature, hard to use and difficult to implement; shelfware can be a problem.) CA Technologies has sought to address this issue and improve PPM adoption rates, with the new user experiences released in 15.1 and 15.2, its CA PPM SaaS offering, along with packaged services and education offerings. CA Technologies' Solution Delivery Methodology and Rapid Implementation Service offerings have had the potential to enable faster, more effective adoption through a service that includes predefined best practices. In addition, the CA Productivity Accelerator has been a training tool intended to enable faster in-context adoption for key areas of the product that seek to map to the organization's PPM and business processes (or lack of process), which can be coupled with Acceleration Services. That strategy, coupled with its SaaS offering, has been part of an effort on the part of CA Technologies to help enable effective adoption on the part of users. At CA World 2015 and again in 2016, CA Technologies demonstrated a redesigned, more intuitive version of CA PPM, which greatly improves

usability for CA Technologies customers since it shipped 3Q16 with CA PPM 15.1 and 1Q17 with CA PPM 15.2, as was discussed previously.

CA Technologies has significant partnerships with integrators – given the cultural and organizational change necessary to make a transition to effective use of enterprise PPM and IT PPM, this is key.

We see CA Technologies as well positioned to execute as organizations continue to deal with a volatile world economy, dynamically changing deployment needs (with 3rd Platform cloud, mobile, social, and big data demands), and ongoing resource and portfolio management challenges. User references typically opt for CA PPM because they want to take advantage of the breadth of the project and product portfolio and global support. Many couple their adoption with significant, up-front investments in process and organizational change as a prerequisite for successful implementation.

With CA PPM SaaS, CA Technologies has been able to begin address opportunities for small and medium-sized businesses (and Global 2000 companies with lower PPM maturity models) needing a faster on-ramp and greater usage rates along with a de-capitalized purchase model. Enterprises seeking broader standardization via a subscription-based approach have also been evaluating CA PPM SaaS. Increasingly, IDC has been seeing interest and analyzing requests for proposal (RFPs) from enterprises seeking to standardize on PPM SaaS or PPM in the cloud for those reasons.

With this current Agile ALM IDC MarketScape, we see the combined established agile capabilities of CA Agile Central driving opportunity and growth in this dynamic area, which CA Technologies is positioning as a key part of its DevOps portfolio. Combining CA Agile Central with CA PPM's enterprise PPM capabilities enables opportunities for those seeking the ability to target both areas as they have differing parts of the organization with the need to closely coordinate agile with enterprise PPM. These capabilities contributed to CA Technologies' leadership position in this category.

CA Technologies User Reference Input

The user references with whom IDC spoke for this study over the past several years opted for CA PPM because they wanted to take advantage of the breadth of the product portfolio and global support. IDC spoke with six references, most of them at that time using CA PPM on-premises and also one using CA PPM SaaS. These companies typically coupled their adoption with significant, up-front investments in process and organizational change as a prerequisite for successful implementation. One user that began several years ago by using CA PPM in the IT project context evolved its adoption to incorporate integration between the IT software project and asset and service management portfolios. The business side of this organization gained visibility into costs of the overall IT portfolio and financial management – which signed off across the board for funding for projects for this company of 8,500 – and had updated data across both IT projects and operational infrastructure. That level of control was important to this organization in a volatile economy and paved the way for it to be able to outsource development and other areas. As one other example, IDC spoke with a major office supply company and 60,000 employees, seeking to do a 2,000 user CA PPM SaaS deployment. The company needed to standardize on a single source for project management information to optimize project and program execution. The company's existing product was outdated, and the company needed an alternative since that product was being sunsetted. The company evaluated eight products and opted for CA Technologies as the strongest enterprise solution to meet its needs. The company was able to get price points down since it had expected to use another product, which strengthened its negotiating position. It engaged a third-party implementer to help deploy and roll out CA PPM SaaS and spent 11 weeks structuring requirements and processes for the SaaS deployment. The product has been in place for over a year now, with excellent data access and reporting info for CXOs. The company

mandated use, and a 400-user training that was rolled out prior to initial adoption was also helpful to its success. The company had 850 users established when IDC last connected with it (with a plan to move to 2,000 users).

The biggest challenges for CA PPM users overall were cultural ones — making the transition from lack of management and discipline to consistent approaches to IT PPM (and usability issues). A number of users are looking forward to new analytics and reporting being made available with Jaspersoft (but some were concerned about making the transition quickly enough with the current CA Technologies analytics being sunsetted by the end of 2015). We spoke with additional users that opted for CA PPM for its financial and portfolio management capabilities, with savings in key areas such as financial management (estimating, capitalization, audits) and coordination with service management and end-to-end costing as an emerging area of focus.

Strengths

CA Technologies' strengths lie in the company's high-end, enterprise functionality; broad adoption by a majority of enterprise customers; established market position; and global sales and customer service support. As a major Global 2000 organization, CA Technologies is in a position to execute well internationally, which is key for its large, multinational client base. With its acquisition of Rally Software (3Q15), CA Technologies is also able to leverage Rally's agile capabilities and market stature in conjunction with the enterprise CA PPM functionality and positioning. CA Technologies also has been making a strong push into the DevOps sphere, which CA PPM focus and positioning can complement well, with appropriate and effective CA Technologies execution. CA Technologies has evolved the CA PPM architecture for the cloud providing additional opportunities for the organization. CA Technologies' SaaS offering is evolving its strategy for multitenant support. (CA PPM is architected to be multitenant at the middle/application tier and have chosen to be single tenant at the database tier to provide enterprise customers higher levels of security for their data. This also allows us to perform many operations that require tenant-level isolation such as backup and recovery.) CA Technologies has provided a hosted service offering for clients that has been helpful and engaging for customers as the company moves forward. The lack of a full multitenant offering impacted CA Technologies' placement in the cloud PPM IDC MarketScape. CA Technologies is very well positioned for agile PPM, having both a strong enterprise agile solution with CA Agile Central (which is being interwoven into its DevOps product portfolio) and a high-end enterprise PPM solution with CA PPM, which is being more closely integrated with CA Agile Central for clients seeking coordinated agile PPM capabilities.

Challenges

Challenges for CA Technologies have included a lack of an intuitive user interface currently (although significantly improved in 2H16 with version 15.1 and in 1H17 with version 15.2), the expense needed to implement and deploy CA PPM, and consequent adoption challenges. Execution in 2015 moving into 2016 was challenging, but CA Technologies succeeded in growing revenue 2.6% in 2016, which is all the more significant given high single-digit losses during the prior year. One of the hurdles for CA Technologies from a revenue recognition perspective was a shift to SaaS purchasing on the part of clients; another was international execution challenges, which was sufficiently addressed during 2016 to lead to revenue growth. We see new leadership taking over for CA PPM business units and major opportunities both for DevOps and with Agile Central post the Rally acquisition. CA Technologies' executive vision for the product portfolio and business laid out at CA World 2016 4Q16 emphasized core areas of coordination and growth for CA Technologies, which set appropriate targets and if achieved effectively, bode well for CA Technologies' agile execution and for leverage of the company's combined emerging presence in dynamic and emerging markets such as agile PPM and DevOps.

Product (2H16-1H17) — CA Agile Central, Formerly Rally Unlimited Edition (Includes CA Flowdock, CA Agile Central Insights, and CA Agile Central Portfolio Manager)

For this current agile PPM IDC MarketScape, IDC has positioned CA Technologies' CA PPM and CA Agile Central in the Leaders category and assessed the two as one vendor with a combined offering.

CA Agile Central (acquired by CA Technologies as part of Rally Software), was created originally by Rally Software, a company headquartered in Boulder, Colorado, and founded in 2001, has a SaaS-based agile platform (also available on-premises), with deep, granular, expansive agile-specific functionality and process support. Now a part of the Agile Management group at CA Technologies, Rally had around 513 employees as of 1H15 (prior to its acquisition by CA Technologies in 2H15), and targets scaling agile teams as well as enterprise-scale agile market adoption. CA Agile Central now has over 900 customers and 366,000 seats deployed. CA Agile Central has agile-specific process content focusing on a range of areas. CA Agile Central is a configurable solution and enables product uptake with delivery options and services practices that help facilitate adoption, important to help organizations transition to consistent usage and agile adoption "at scale." With Scaled Agile Framework 4.0 support and excellent, differentiated, targeted mentoring and agile transformation consultants (and appropriate internal organizational and cultural commitment), CA Agile Central customers are well positioned for evolving to enterprise-scale agile adoption. CA Technologies and Rally were rated separately for two prior PPM IDC MarketScape research documents since that evaluation was in progress prior to the acquisition. For this current Agile PPM IDC MarketScape, we are rating CA Technologies' CA PPM and CA Agile Central as a Leader and as one vendor with a combined offering. For our prior research, CA Technologies and CA Agile Central/Rally were positioned as Major Players in the worldwide cloud PPM and PPM SaaS IDC MarketScape (see *IDC MarketScape: Worldwide Cloud PPM and PPM SaaS 2015-2016 Vendor Assessment – Facilitating PPM Adoption and Business Optimization,* IDC #US40688615, December 2015); CA Technologies was a Leader, and Rally (now part of CA Technologies) with CA Agile Central as a Contender in the enterprise IT PPM IDC MarketScape (see *IDC MarketScape: Worldwide Enterprise IT PPM 2016 Vendor Assessment – Enabling Business Execution and Optimization,* IDC #US40473615, February 2016). The combined offerings from CA Technologies with CA Agile Central (combined with CA PPM) are extremely well positioned as a Leader for this current agile PPM IDC MarketScape.

CA Agile Central's product capability for high-end, project and portfolio management functionality is less than that of enterprise PPM competitors (and has not been a company focus or an "area of association"). Exemplifying this synergy, CA Technologies acquired Rally in 3Q15 as a complement to its CA PPM (formerly CA Clarity) solution and to augment CA Technologies' DevOps strategy for continuous agile deployment (longer term). CA Technologies put close integrations in place for CA PPM and Agile Central in June 2016, with additional integrations in November 2016 and 1Q17.

CA Agile Central's integration with a range of high-end PPM products (such as Planview prior to CA Technologies' Rally acquisition 3Q15 and emerging close integration with CA Technologies' products post-acquisition) supplements its agile portfolio management support. CA Agile Central's differentiated agile-specific capabilities are broad and deep, appropriate for the market that CA Agile Central primarily seeks to serve — the agile portfolio management and ALM needs for businesses and broader departmental implementations evolving for enterprise agile adoption.

Company Strategy

CA Technologies offers three editions of CA Agile Central:

- **CA Agile Central Community Edition,** which targets small teams getting started by leveraging agile and lean processes in conjunction with Flowdock (which is free for up to 10 users and up to five projects)

- **CA Agile Central Enterprise Edition,** which tracks and rolls up work across multiple teams (and offers unlimited users with either SaaS or on-premises support)

- **CA Agile Central Unlimited Edition,** which enables coordinated planning and tracking across multiple teams with features that include agile portfolio management (with **CA Agile Central Portfolio Manager**), metrics and analytics (with CA Agile Central Insights), and broad organizational collaboration (with CA Flowdock)

Earlier, CA Agile Central improved its Capacity Planning and Release Tracking capabilities to target and better support "Big Room Planning" shipped in 3Q15. (The premise of Big Room Planning is to enable a broad range of core participants from business stakeholders to architects and development teams, and so forth to coordinate with one another for agile project planning and evolution.) The intent with these capabilities is to give a group of coordinated teams a shared understanding of the quarterly goals and scope and early visibility into risks and dependencies to avoid churn after Big Room Planning. Capacity Planning can help ensure the better scoping and that the right teams are brought into Big Room Planning by helping match business demand to agile teams' capacity. As the teams create stories out of features and pull together detailed release plans, the Release Tracking capability helps provide visibility into incomplete or suboptimal planning, dependencies, and risks. After a plan is in place, Release Tracking provides progress tracking across teams executing on the release plan commitment.

Beyond agile portfolio management, the company also offers CA Agile Central Portfolio Manager and CA Agile Central Insights enabling users to understand performance against a variety of metrics and teams to improve team performance and collaboration with CA Flowdock, which includes a rich set of connectors for version control, continuous integration, and continuous deployment, among others.

CA Agile Central has executed well with its agile-focused approach and commitment to evolving enterprise agile "transformation" via targeted, consistent client relationships, as indicated by the references contacted by IDC. Product updates have evolved product functionality for capacity planning and portfolio management, in particular, and deepened the company's agile portfolio management focus and improved leverage of agile capabilities. CA Technologies 2H16 release includes personalized navigation to coordinate management across teams and facilitate users' ability to access what they need easily and quick detail pages, which allow users to more efficiently view and edit fields on portfolio items, defects, user stories, and tasks. In the current release in 1H17, CA Agile Central has added a differentiated capability, Team Board, focused on bridging the gap between team-level and company strategy by empowering development teams to use their own agile processes (including Scrum and Kanban) while still tying that work to company initiatives and giving business stakeholders visibility into deliverables.

CA Agile Central's strengths include the company's focus on enterprise agile deployments with the ability to act as an on-ramp from midsize to large, globally distributed organizations. (CA Agile Central's multitenant SaaS architecture plays into that.) With its earlier history, CA Agile Central pioneered agile beyond teams and has continued that path within CA Technologies; the former Rally organization has had an adaptable, lean innovative approach to execution for its business, which CA Technologies has sought to leverage as part of its own agile transformation (and which was partly responsible for the original acquisition). CA Technologies has enabled the former Rally organization to continue to operate as part of its Agile Management business unit (headquartered in Boulder), led by

Angela Tucci (formerly Rally's Chief Revenue Officer). The Agile Management business unit includes CA Agile Central, CA PPM, and CA Service Management to help enable coordination across areas (a strength for CA Technologies' Agile PPM portfolio.)

The company's differentiated agile portfolio management capabilities position it very well for IDC's Agile PPM assessment. With multitenant SaaS support, CA Agile Central is positioned extremely well as a Leader for IDC's agile PPM assessment as part of the overall CA Technologies portfolio.

We have already seen and expect the combined companies to coordinate well to build out on an enterprise sales and marketing strategy and to target DevOps and continuous integration and continuous deployment (CD) increasingly as a collective entity. Strong partnering will remain important for CA Agile Central, which we saw evolving in the time following the acquisition of Rally by CA Technologies (2H15). While some former Rally partners (competitive with CA Technologies) backed off, there is a large stable of CA Technologies partners that have begun to be leverageable by the CA Technologies-Rally combined entity.

CA Agile Central User Reference Context: Medical Company, Payment Management Provider, and Major Financial Institution Target Agile Transformation

References with whom IDC spoke recently and over the past several years chose Rally as a result of its enterprise agile portfolio management capabilities, broad and deep agile focus, configurability, analytics capabilities, targeted services and agile mentoring capabilities, and flexible delivery model. These references when we spoke with them were seeking close partnership as they evolved enterprise agile transformation at their companies with their agile practices.

The size of the companies with whom IDC spoke ranged from 5,000 employees (a medical company that provides equipment and software for cancer and brain disorder treatment) to 16,000 employees (at a major payment management provider) and to 250,000 employees (at a major financial institution). All were seeking targeted agile-specific functionality and a collaborative vendor with whom they could work closely to more effectively evolve their agile strategies and transform their companies to more consistent agile adoption.

The medical company was evolving from waterfall approaches with legacy software – it was consistently behind schedule, over budget, had extremely low predictability, low morale, and low employee engagement with project execution. The company evaluated Rally and some other PPM and agile products but opted for Rally because of its scalability along with team orientation. It also has been able to partner well with Rally to drive product evolution; this company provided input into capacity planning prototype and is pleased with the results. The company since has transitioned to applying capacity planning more broadly to help transform adoption by balancing portfolio demand with available capacity, producing scenarios with data that has taken the emotion out of the discussion and pivoted the entire software organization to work from a fixed capacity model to help fund release trains. It has moved from distrust to building trust and predictability with data-driven analysis. This company now has around 550 licenses with deployments ranging from the United States to Shanghai, England, Italy, Sweden, and Japan. The transition to consistent adoption of the initial 150 users was facilitated by internal organizational and process approaches; the initial package purchased from Rally was insufficient to meet its needs but with additional training support in the past year, adoption has become consistent. The company set up an internal agile program management office and an agile center of excellence (COE) transitioning from a legacy waterfall PMO and was supported by a team of four from Rally (three onsite and one offsite) and seven individuals from the company.

Key features in use by this company involved using basic user stories and rolling up to epics and portfolios to have visibility into initiatives as well as the ability to create custom dashboards (and not merely canned reports). Benefits include the ability to create pragmatic, realistic planning; pre-Rally, it would plan to accomplish 4.5 times the amount of work that its teams could accomplish, which led to missing deliverables "all across the board" and poor quality. The teams are now organized and empowered and feel that they have a voice and that management is listening and coordinating. This company would like to see a full program board put in place (now delivered with the CA Agile Central Release Tracking capability) and to have metrics that are closely aligned with Rally's SAFe support for enterprise agile execution.

The payment management organization was also seeking to standardize its agile initiatives and to gain consistency (instead of using a range of different products and approaches). Around 30% of the company was already engaged in Scrum initiatives, so there was an initial basis for broader agile transformation. After an evaluation, the decision was made to adopt Rally because of its ability to scale up from team adoption. With four to five different product lines yet with high degrees of dependency across products, platforms, and APIs, the company needed the ability to coordinate effectively across product planning and releases. This organization opted to adopt Rally in the cloud with a fast transition for which it prepared extensively – it brought in 25 agile trainers who then mentored around 200 trainers with significant use of online training as well. The product was rolled out to several thousand users simultaneously and has formed the basis for effective product line execution across teams.

After a number of acquisitions, a major banking institution needed to have visibility into agile initiatives across the organization, which was challenging with a mix of products. The company evaluated and opted for Rally as it realized that a lower-end agile product was not going to give it the enterprise support that it needed after doing a proof-of-concept initiative with Rally that was successful, scaling from the agile team to the portfolio level. This organization began with about 300 users and moved to nearly 900 in shared service environment and has now scaled to nearly 2,000 users. This team found the portfolio management and agile scaling capabilities of Rally to be key benefits. The ability to look across the agile portfolio landscape and get a rollup view or drill down to lower levels quickly has greatly increased efficiency for this organization. The company has also coordinated Rally with the company's DevOps continuous integration and continuous software deployment process with IBM Urban Code Deploy to facilitate software releases. It is looking into coordinating quality gates for release promotion. It estimates about 20% increase in "lift" or project efficiency as a result of the company's agile transformation so far. Similar to the medical management company, this organization found that Rally was very responsive to requests for new product capabilities and that Rally partnered well to commercialize functionality suggested by this reference. This organization also said that the toughest challenge for the company was organizational change – and that being successful at the transition requires being highly contextualized to enable transitions within targeted parts of the organization with strong executive buy-in and being attuned to the needs of the teams while building enterprise adoption based on incremental, localized change. (Similar to the adage "Act locally; think globally.") This organization is considering a move to a SaaS deployment of Rally but remains on-premises so far.

Strengths

Strengths for CA Agile Central include a product that can scale from smaller teams to enterprise adoption (with a significant number of multi-thousand user deployments and examples of enterprise agile transitioning). This is well complemented by the organization's consulting and mentoring teams to enable process and organizational changes, which are necessary if the agile transition is to work and if

adoption is to become systemic. Partnerships and integration with a range of key tools to enable positioning for CA Agile Central across related areas of importance for agile (e.g., development environments and emerging continuous deployment and DevOps) are also key areas of focus. Customer responsiveness and support are key positives for CA Agile Central, as well as the company's incorporation of requested functionality, when possible. With CA Technologies' acquisition, these will be key areas of opportunity and a necessary focus (that does not always remain consistent post-acquisition). Customers have a strong on ramp for successful agile transitioning, which must be accompanied with strong process, cultural and organizational support, training, and executive buy-in. For the IDC cloud PPM/PPM SaaS IDC MarketScape specifically, CA Agile Central has strength in its multitenant SaaS architecture and majority revenue in the cloud. CA Agile Central has its core strength in enterprise agile execution; that, in combination with strong CA PPM capabilities, position CA Technologies as a Leader in IDC's agile PPM IDC MarketScape.

Challenges

CA Agile Central is an enterprise-scale agile product and, in that context, tends to be more expensive than competing alternatives and not as intuitive to adopt. This has resulted in CA Agile Central seeking additional packaging solutions. CA Technologies (formerly Rally), like the other vendors that are agile centric in their positioning, has less deep functionality for enterprise project and portfolio management. This lack of enterprise PPM capabilities necessitates partnerships and, in the case of Rally-CA Agile Central, resulted in the acquisition by CA Technologies. Prior to the CA Technologies acquisition, Rally had partnered closely with Planview. Two years post-acquisition, it remains important for CA Agile Central to continue to partner and integrate with products and companies that compete with CA Technologies to support customer demand, even as it benefits from being part of CA Technologies' broad product portfolio. (We see DevOps as a core additional opportunity, beyond enterprise IT PPM.) Strong execution across what we see as largely complementary toolsets is key. For the IDC cloud PPM/PPM SaaS IDC MarketScape specifically, CA Technologies was well positioned as a Major Player and was positioned as a Leader for the enterprise IT PPM IDC MarketScape when evaluated separately from CA PPM last year.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of a review board of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

The agile project and portfolio management (PPM) market resides under IDC's application life-cycle management (ALM) software market, a "competitive" market with primary revenue from the software configuration, code, and process management (SCCPM) functional market and additional revenue from the project and portfolio management (PPM) functional market and the automated software quality (ASQ) functional market (for agile testing and quality management). IDC's focus in this IDC MarketScape on PPM provides visibility into agile-specific use of agile, and therefore, also includes capabilities associated with PPM (such as portfolio management). The primary focus here, however, is agile-specific capabilities.

As context, it is helpful to surface the traditional definition of agile.

Agile development is a group of software development techniques based on iterative and incremental development where requirements and solutions evolve through collaboration between self-organizing cross-functional teams. It promotes adaptive planning, evolutionary development and delivery, and a time-boxed iterative approach and encourages rapid and flexible response to change.

IDC sees agile approaches moving beyond software development increasingly and being applied to non-IT business and other projects (including continuous flow). Sample agile methodologies include Kanban and Lean, Extreme Programming (XP), Scrum, Agile Modeling, Feature-Driven Development (FDD), Dynamic Systems Development Method (DSDM), and Crystal.

Agile ALM and agile PPM automated software can be used for automating, managing, estimating, tracking, optimizing, and reporting on initiatives that incorporate time-boxed, iterative approaches to completion. Boundaries to define the automated, sample functional capabilities and approaches of agile PPM and agile ALM products in this market include:

- Fast feedback loops, the ability to manage projects, software change and test quality with feedback loops, and the ability to deploy quickly with continuous builds
- Iterative development and iterative project management and sprints, adaptive planning, and the ability to manage burndown rates, processes, and workflow, and user stories and epics
- Automated build and continuous backlog management
- The way the work is done — having acceptance criteria drive development and pulling off highest-priority stack items — in other words, in agile environments, developers prioritize business value with a notion of completeness versus functional tasks completed (e.g., "whole requirement" creation)

- Support for agile processes, such as Scrum, XP, and Kanban – a continuous flow process that relies on kanban boards, with policies and limits for how users move from one column to another with work-in-progress (WIP) limits
- WIP limits – being able to manage the project in progress (x number of items) and the way of incident when it has more than those number of items
- Cycle time or throughput, agile metrics, burn charts, and cumulative flow visibility and reporting also exemplify agile automation
- Leverage, visibility, and integration across agile and non-agile PPM systems for transitioning organizations

In addition to PPM and business evolution of related products, we see agile playing a key role to fully incorporate agile DevOps automation, bringing in additional providers and broadening revenue allocation to encompass continuous release and continuous deploy. As is a focus for this agile PPM IDC MarketScape, beyond development, agile is increasingly used cross-industry to enable more adaptive and collaborative development and business approaches. Agile PPM enables agile project execution as a key aspect of that trend.

LEARN MORE

Related Research

- *IDC MarketScape: Worldwide Enterprise IT PPM 2016 Vendor Assessment – Enabling Business Execution and Optimization* (IDC #US40473615, February 2016)
- *Worldwide Agile Application Life-Cycle Management Software Market Shares, 2014: Enabling Adaptability for Business Velocity, Underpinning DevOps, IoT* (IDC #US40815015, December 2015)
- *Worldwide Agile Application Life-Cycle Management Software Forecast, 2015-2019: Driving Dynamic, Adaptive Business Execution* (IDC #US40818015, December 2015)
- *Worldwide Project and Portfolio Management SaaS Forecast, 2015-2019: SaaS Paves the Way for Broad PPM Adoption, Process Still Needed* (IDC #US40784515, December 2015)
- *Worldwide Project and Portfolio Management SaaS Market Shares, 2014: Burgeoning SaaS Adoption Drives Growth* (IDC #US40766015, December 2015)
- *IDC MarketScape: Worldwide Cloud PPM and PPM SaaS 2015-2016 Vendor Assessment – Facilitating PPM Adoption and Business Optimization* (IDC #US40688615, December 2015)
- *Worldwide Project and Portfolio Management Market Shares, 2014: Subscription Delivery Models, Cloud, and Agile Engage Adoption* (IDC #256704, June 2015)

Synopsis

This IDC study uses the IDC MarketScape vendor assessment model to evaluate the agile project and portfolio management (agile PPM) market. This research enables analysis of quantitative and qualitative characteristics to provide metrics and context for users evaluating solutions in this area and to help analyze a vendor's current comparative success in the marketplace and to anticipate vendor evolution. Main user focus areas for this market include agile-specific capabilities in the context of coordination with project and portfolio management functionality, with established, significant numbers of user deployments, intuitive access and support of highly iterative approaches across business, IT, and new product development. We are seeing the coupling of agile processes to enable innovation and business execution in highly dynamic competitive environments, as well as ongoing PPM leverage

for DevOps and end-to-end application life-cycle management capabilities with strong analytics for enterprise Agile PPM automation. These emerging capabilities help support iterative processes and growing demand for complex, multimodal deployments from cloud to mobile and embedded and the emerging systems of systems and IoT markets. Metrics with analytics based on this data can help provide visibility and iterative collaboration to understand and improve internal and external services execution on IT projects, programs, and portfolios. Also included are in-depth vendor profiles with user reference summaries for the 12 vendors assessed. This analysis complements the IDC MarketScape evaluations for enterprise IT PPM and PPM cloud published already, which enable three weighted PPM IDC MarketScape views. The IDC MarketScape for cloud PPM includes assessment of multitenant and single-tenant PPM SaaS offerings, with intuitive, configurable product capability playing a role in adoption. Enterprise IT PPM includes evaluation of high-end PPM capabilities in the context of IT initiatives. This current Agile PPM analysis includes assessment of agile-specific functionality within a PPM context, such as agile processes, agile-specific functionality (work in progress, burndown charts, backlog, agile metrics, etc.), and agile frameworks.

"IDC continues to see adoption of agile PPM solutions for dynamic execution and innovative decision making via automation to enable speedy responsiveness and invocation for dynamically changing initiatives," said Melinda Ballou, research director for IDC's Agile ALM, Quality and Portfolio Strategies service. "Complementing these capabilities, increasingly, we observe coordinated agile and project and portfolio management approaches for businesses and technology teams with agile PPM, helping to focus teams with targeted execution, cutting delays to benefit, and improving metrics. It is in part due to these trends that IDC has chosen to prioritize this area as one of several areas of focus for our PPM IDC MarketScape research. Leverage of agile to facilitate the handoff from project inception to execution, for business initiatives and from development to deployment (as well as DevOps for IT software project portfolios) brings key benefits. Coupling appropriate automation choices with organizational and process change for systemic Agile PPM adoption is key."

About IDC

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Global Headquarters

5 Speen Street
Framingham, MA 01701
USA
508.872.8200
Twitter: @IDC
idc-insights-community.com
www.idc.com