



Application Definition Survey of IT Organizations

Summary Report

Conducted May 2008

Executive Summary

iRise, the worlds leading visualization solutions company, conducted an online survey of IT professionals from various size companies to uncover issues that internal technology organizations are facing when specifying software applications.

Conducted in May 2008 the survey was completed by 119 IT professionals. Some of the key results from the survey were:

- 72% of respondents suffer from increased development costs in software projects due to rework and scope creep;
- Over 60% of companies experienced delays, cost overruns or missing features in an application development project;
- Poor communication between the business and IT is a key factor in project delays;
- IT professionals that are prototyping applications are using MS Word, MS Excel, MS PowerPoint and MS Visio to document requirements, and over 60% of these respondents are not fully satisfied with their current method of defining applications;
- 40% of participants said that they were not testing applications before development at all; and,
- Almost 80% of respondents are interested in eliciting customer feedback using a fully functional prototype before coding.

The results of this survey illustrate that there continues to be a significant set of problems within most IT organizations when it comes to communicating with the business and accurately specifying business software.

Objective

The goal of the survey was to expose the principal frustrations around software definition currently affecting both emerging and large companies.

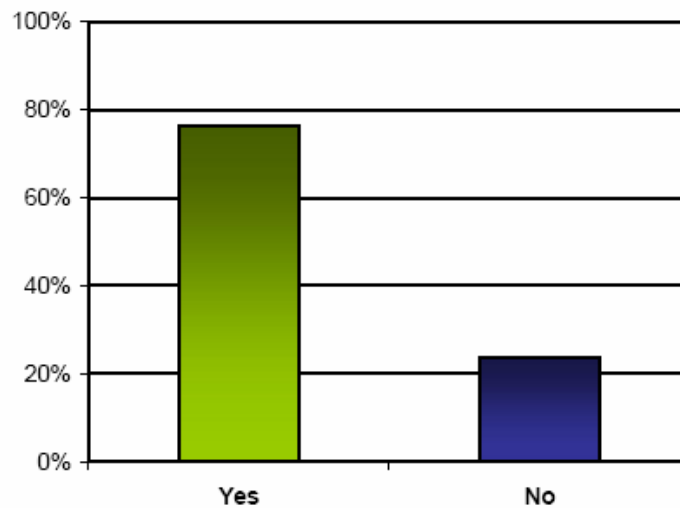
Methodology

The survey was commissioned by iRise and conducted by Zoomerang a division of market research company MarketTools. The survey was sent out via email to approximately 15,000 IT professionals, with 119 registrants completing the survey.

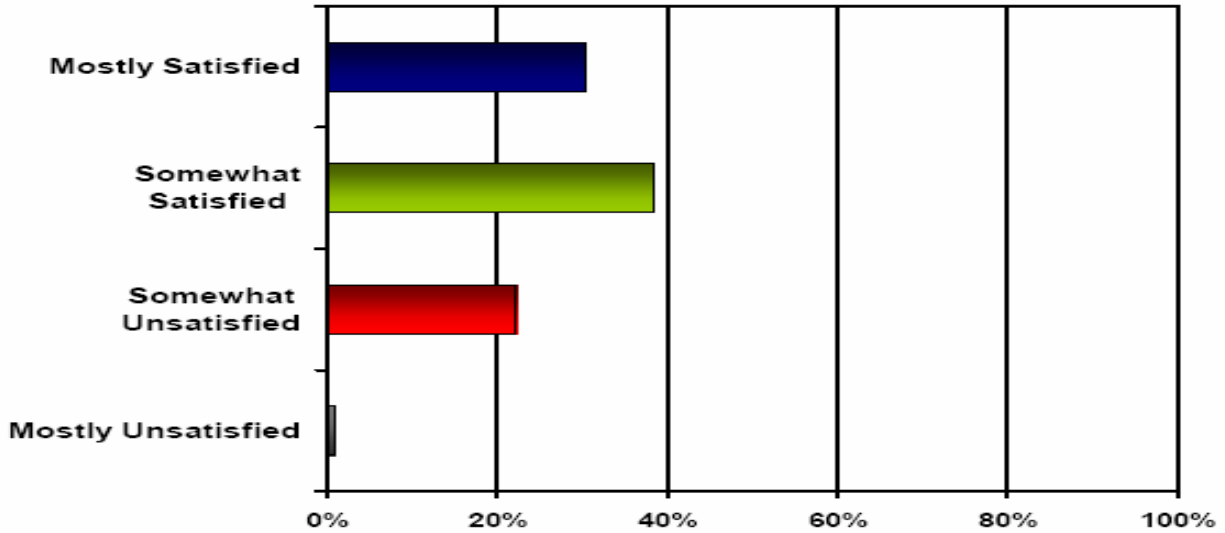
Key Findings

Over 75% of IT professionals surveyed have experienced delays, cost overruns, or missing features in recent application development projects.

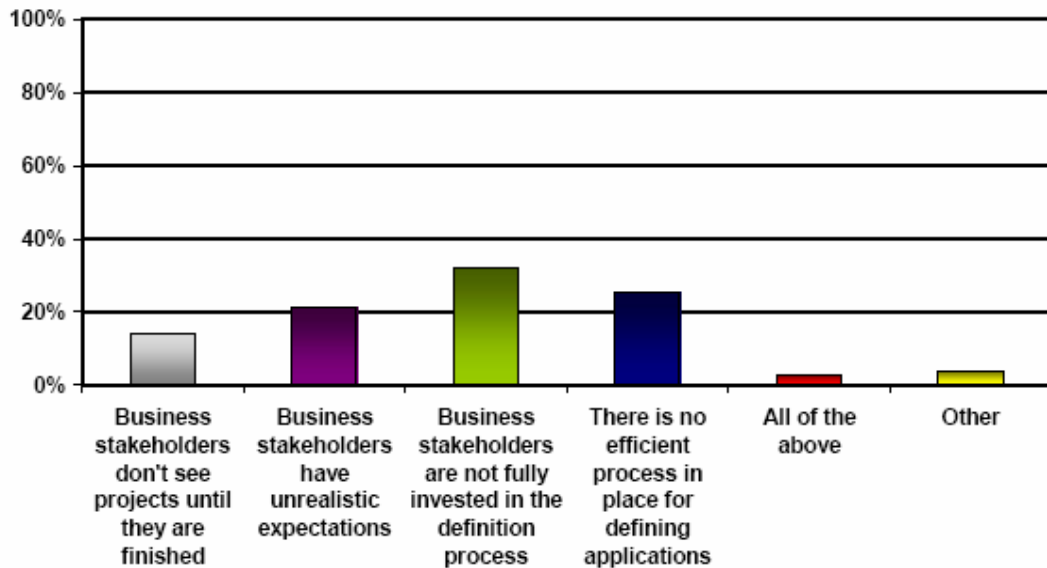
Experienced delays, cost overruns, or missing features in application development projects in the last 2 years



Over 69% of respondents said that they are not fully satisfied with the current methods of defining applications.

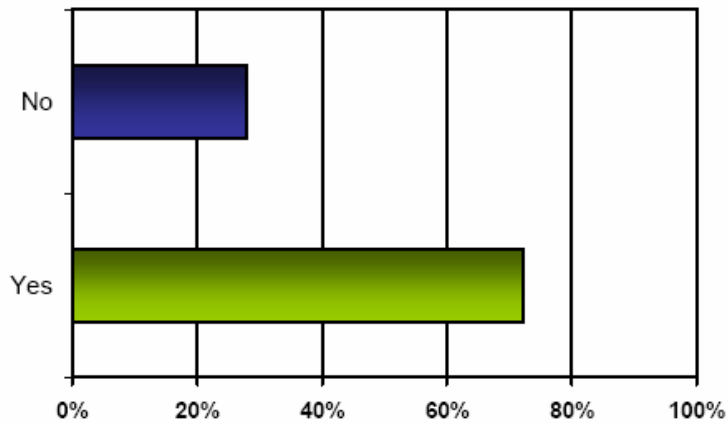


Satisfaction level according to current method of defining application at your organization



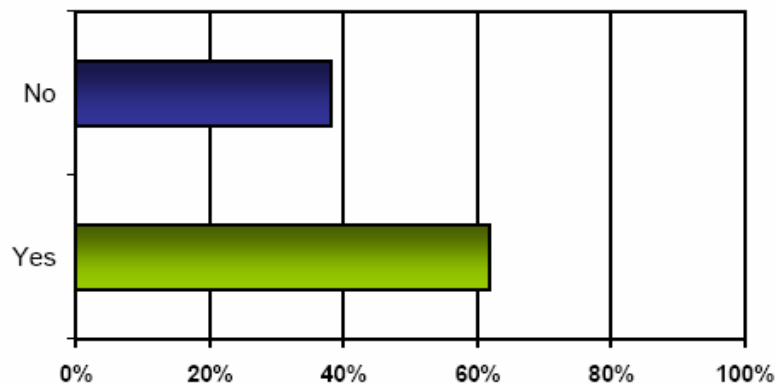
72% of respondents have suffered from increased development costs due to rework and scope creep.

Organizations suffer from increased developmental costs due to rework and scope creep



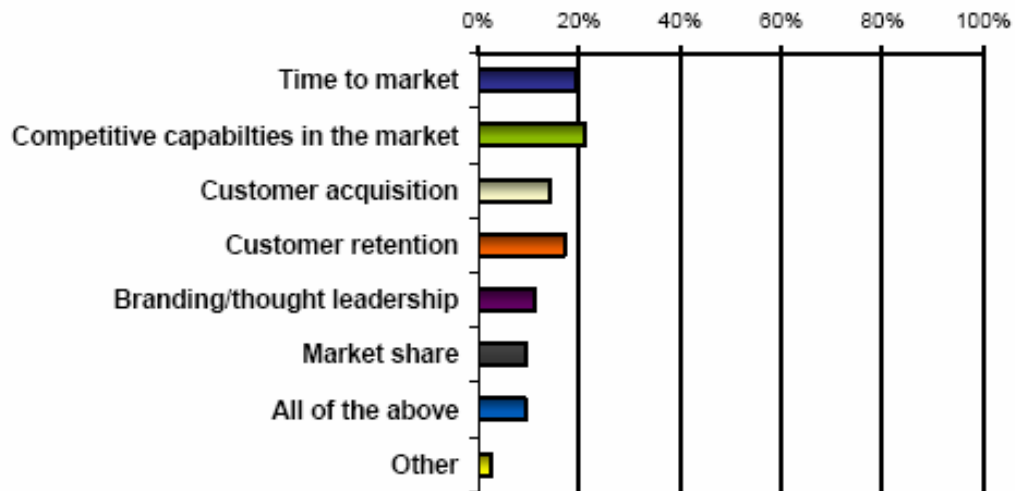
61% said that poor communication between IT and businesses has played an active role in delaying projects.

Poor communication between IT and businesses play an active role in delaying projects



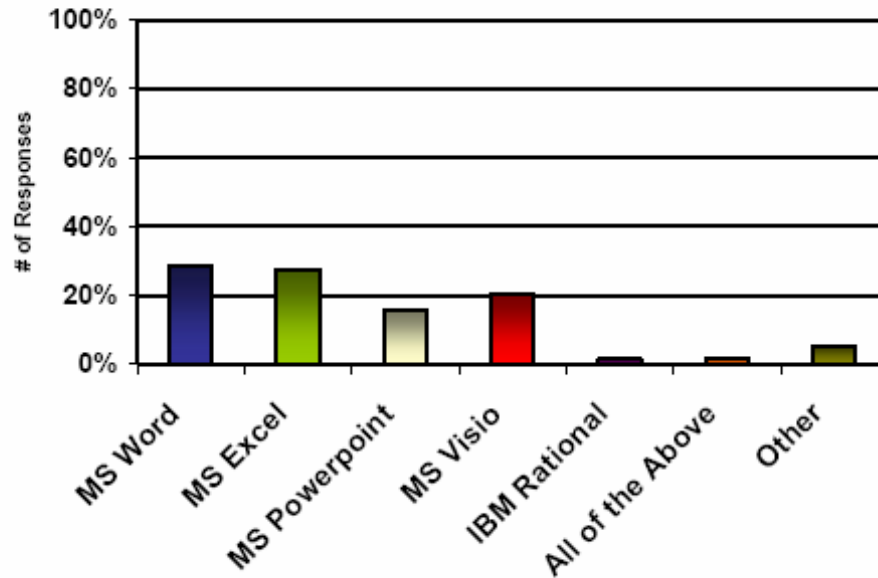
Time to market, competitive capabilities and customer retention are among the top indicators IT professionals use to measure performance of development projects.

Measurable Performance Indicators for Application Development Projects



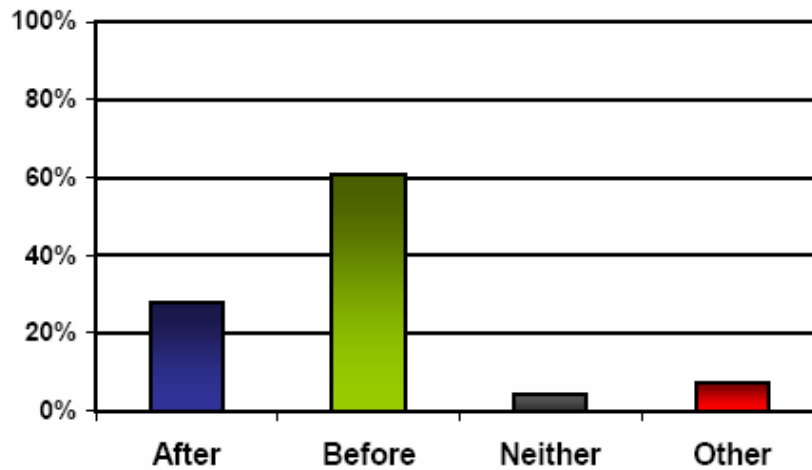
The tools currently being used to document and manage requirements such as MS Word, MS Excel, and MS Visio may not be succeeding in clearly communicating application requirements between business and IT.

Tools used to document and manage requirements

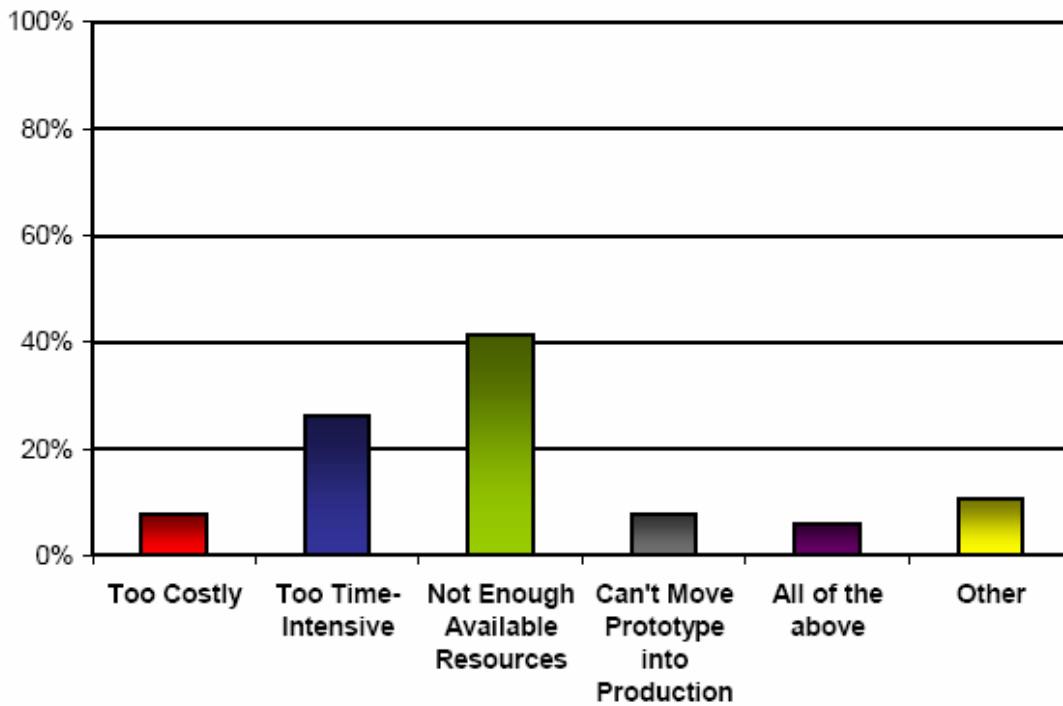
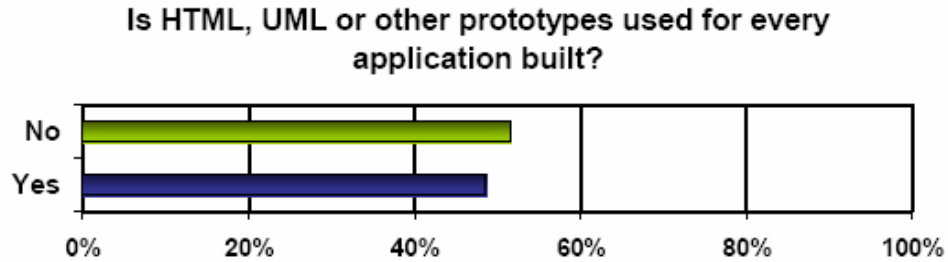


Over 30% of participants are not testing applications before development.

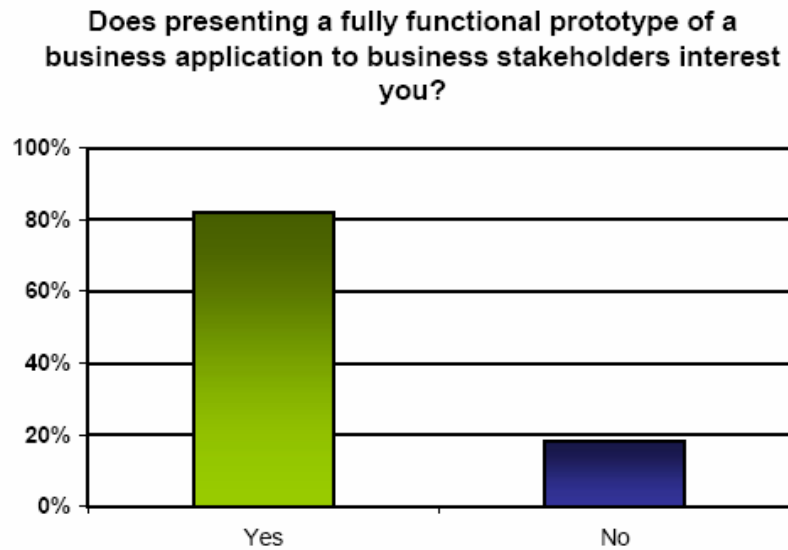
Business applications tested before or after development



49% of people surveyed are not using coded prototypes before development because they are too time-intensive or there are not enough available resources.



More than 75% of respondents said that a fully functional prototype of a business application to show to business stake holder or elicit customer feedback before coding would interest them.



Characteristics of Respondents

Job Title	
CIO	12%
CTO	8%
VP/Director IT	23%
VP/Director Program Management Office	5%
IT Manager	22%
IT Employee	12%
Developer	3%
Business Analyst	5%
Project Manager	7%
Other	3%
Total	100%

Company Total Revenue	
\$0 - \$500 million	71%
\$500 million - \$1 billion	23%
\$1 million - \$4 billion	5%
more than \$4 billion	1%
Total	100%

Conclusion

The results of this survey show significant patterns of dissatisfaction with the current methods and processes for application definition. The vast majority of respondents said that they are having difficulty communicating between business and IT and are suffering from increased development costs and rework.

Many participants are not using prototypes to define applications, even though most respondents agreed that having a fully functional prototype to test with business stakeholders would be valuable.

iRise offers a unique solution to many of these issues; a collaborative software platform that enables businesses to quickly visualize and “test market” applications before a single line of code is written. For the first time, business people can validate what they need, and then communicate their ideas to others using visualizations that replicate the exact look, feel and behavior of the proposed solution, taking the guesswork out of application definition. Just as computer-aided design (CAD) tools transformed the automotive, aerospace and semiconductor industries iRise is now transforming the global business application market.

With thousands of projects completed successfully, the value of visualization has proven to be enormous for businesses in highly competitive markets:

- o Get to market twice as fast;
- o Eliminate 30% of project costs;
- o Ensure success of global sourcing strategies; and,
- o Improve customer experience.