



CMMI Market Trends

Andrew Griffiths
Managing Director

What is the state of software development in the UK?

Only 16% of UK software projects are considered successful

20% of respondents did not even know what a project was!

weekly news stories of project or computer failure

did not even know what a budget was!*

71% of respondents reported that their project overran

**Source: BCS The Challenges of Complex IT Projects 2005

*Source: Lamri Planning and Estimating Survey

What is the state of software development in the UK?

It is TOO easy to be negative

Are companies still profitable?



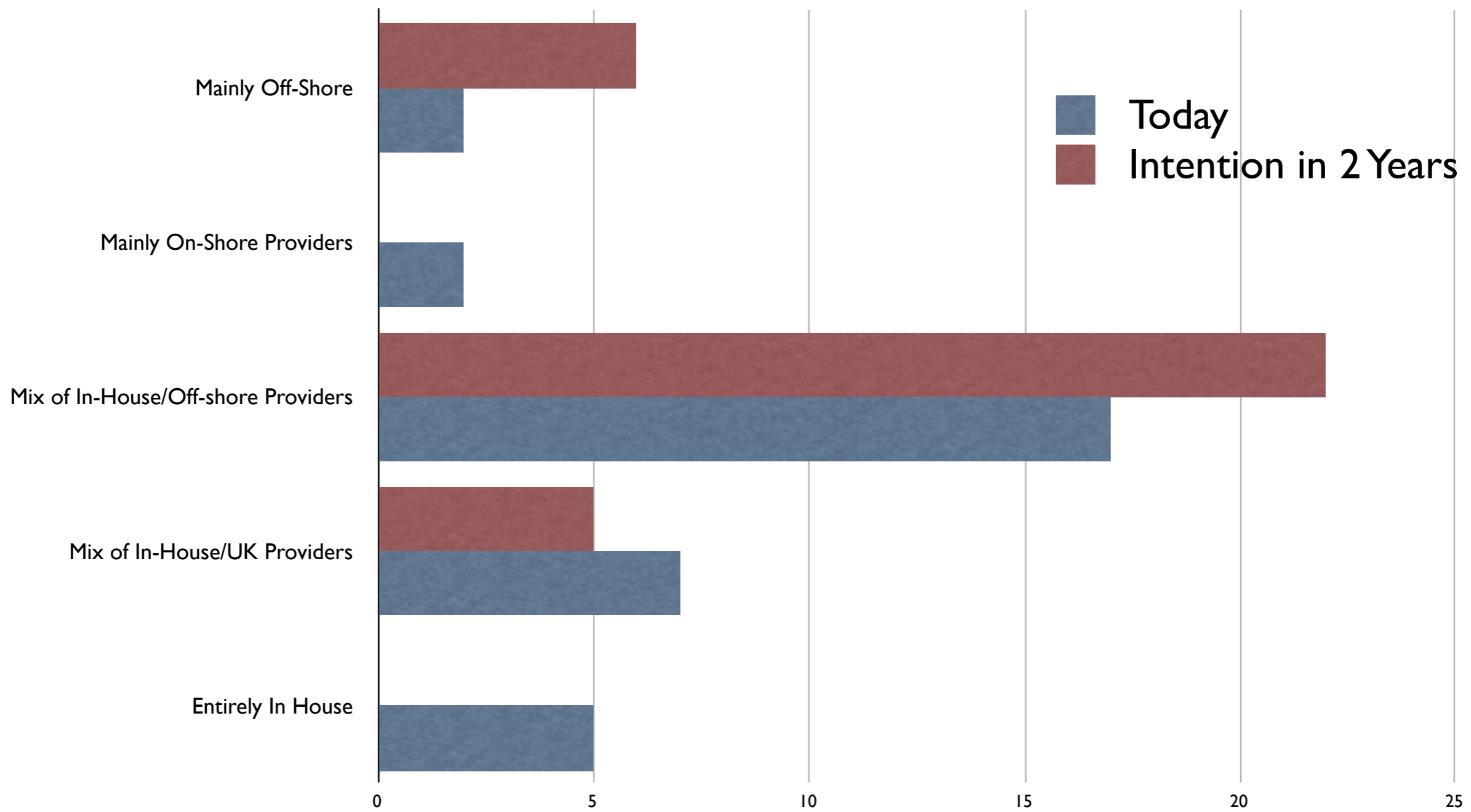
Is the out look good?



Do we need to raise the game?

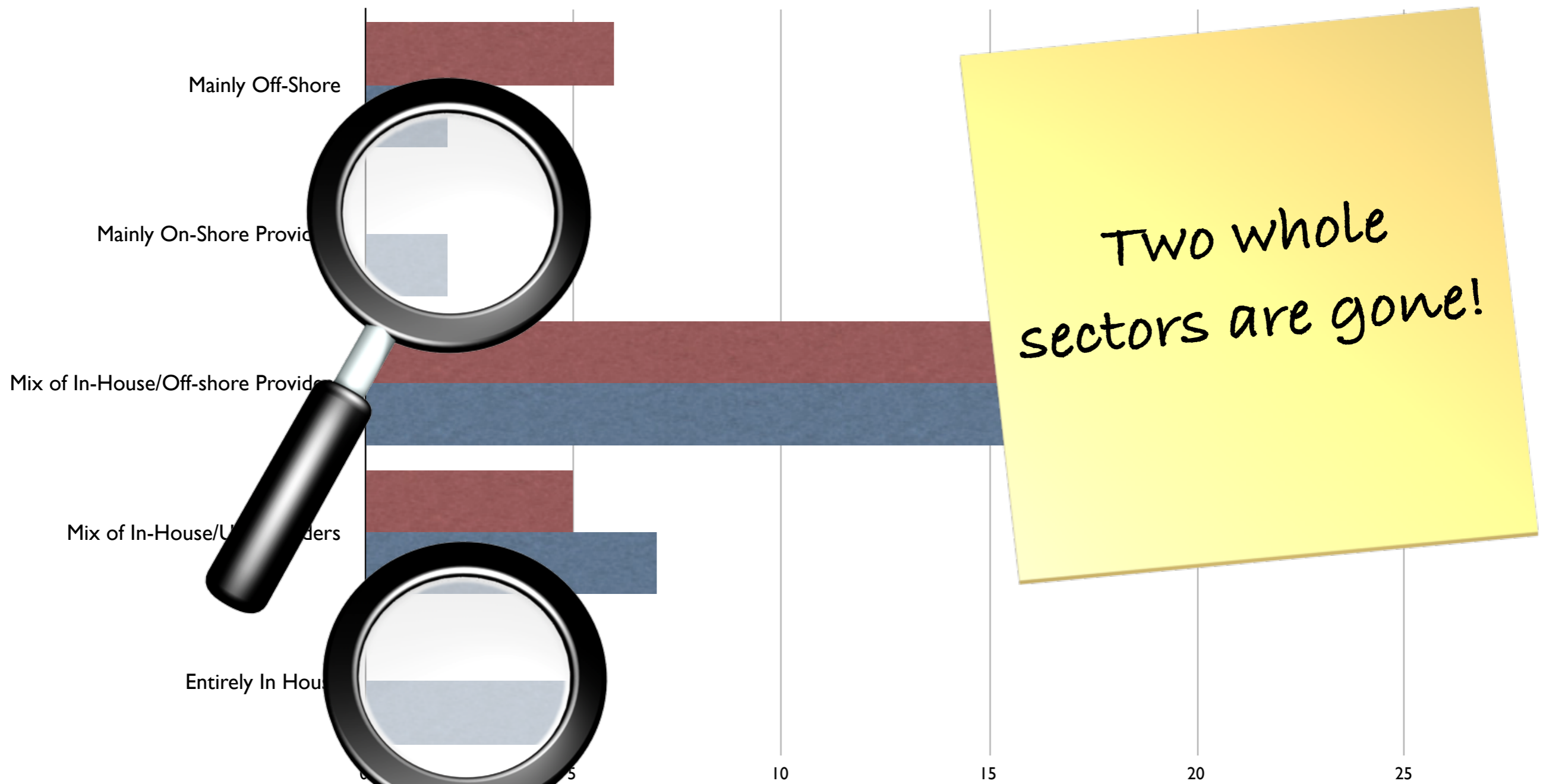


The move off-shore gathers pace



Source: Lamri Off-Shoring Survey 2005

The move off-shore gathers pace

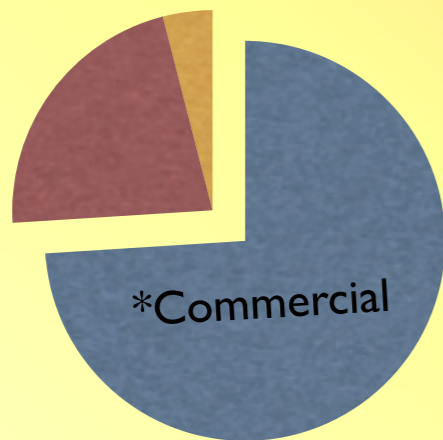


Source: Lamri Off-Shoring Survey 2005

What has happened around the globe?

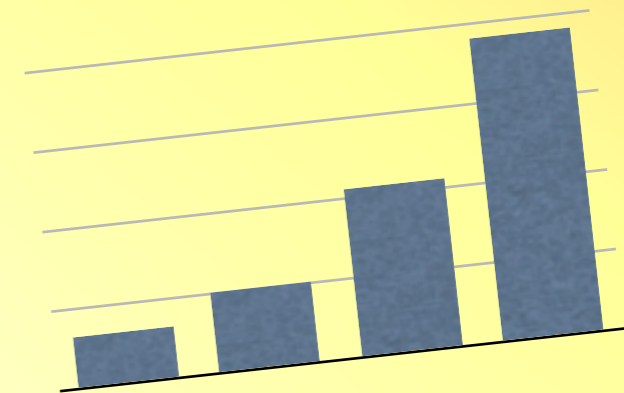
USA

- DOD "spawned" the CMM and mandated attainment of many government contracts
- Commercial companies are the largest users of the CMMI



Asia

- used CMM to jump qualification bar for off-shore supply
- High density of high maturity organisations that have been VERY successful growing their businesses



*Source: SEI Software CMM® CBA IPI and SPA Appraisal Results 2003 Mid-Year Update

What about the benefits CMMI?

**Saved \$2 million in first 6 months
after reaching CMM ML3**

30% increase in software productivity

15% decrease in defect find and fix costs

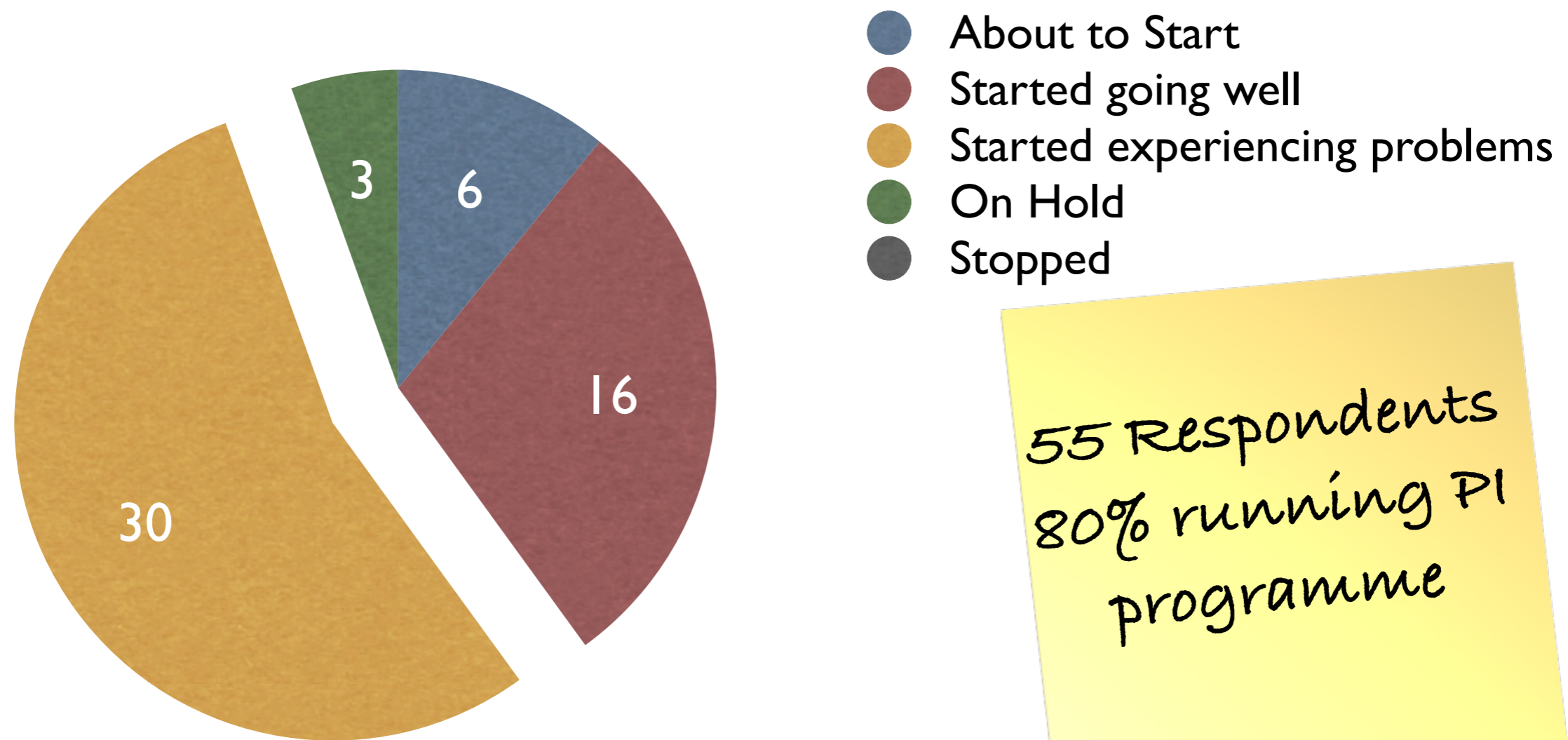
20% reduction in unit software costs

Demonstrating the Impact and Benefits of CMMI ®
An Update and Preliminary Results
Dennis R. Goldenson
Diane L. Gibson
October 2003



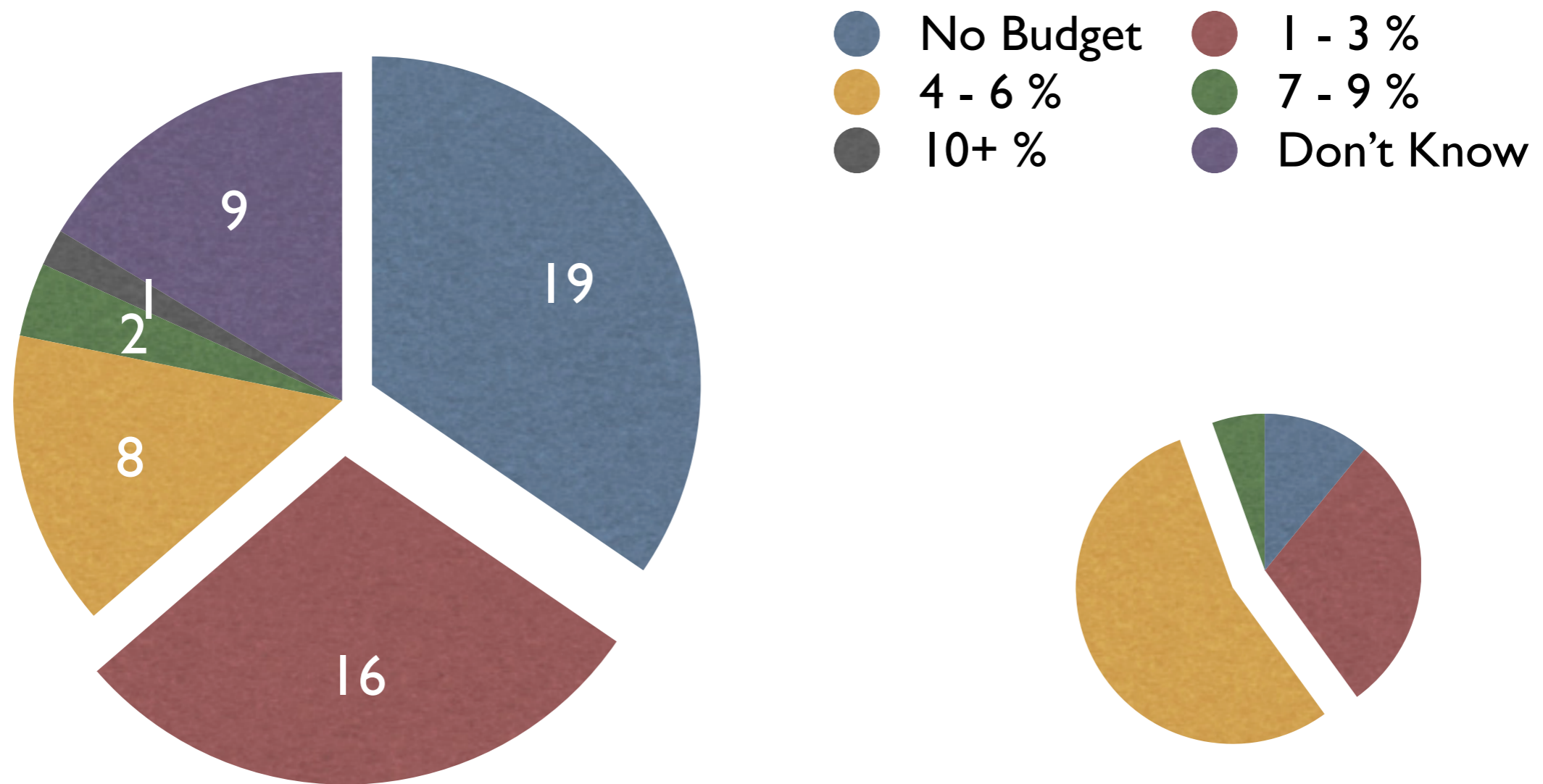
Trends

The lack of real investment in Process Improvement



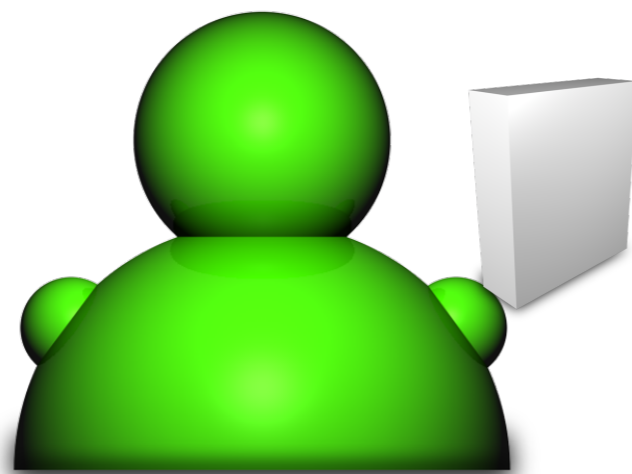
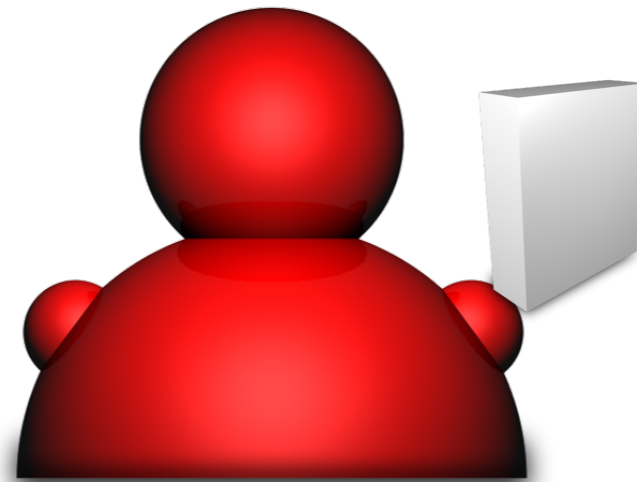
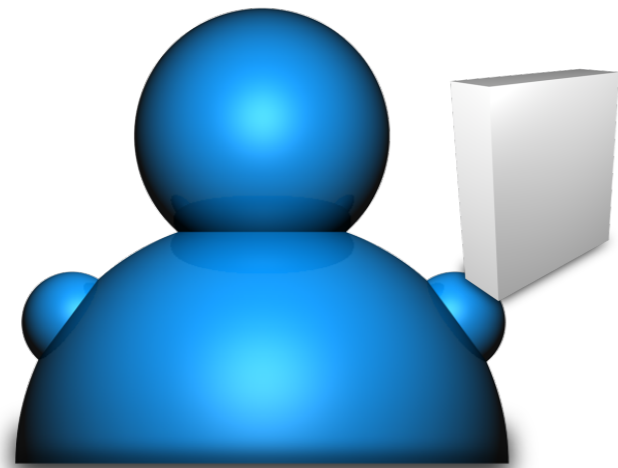
Source: Lamri ESEPG June 2004 Initial Results

The lack of real investment in Process Improvement



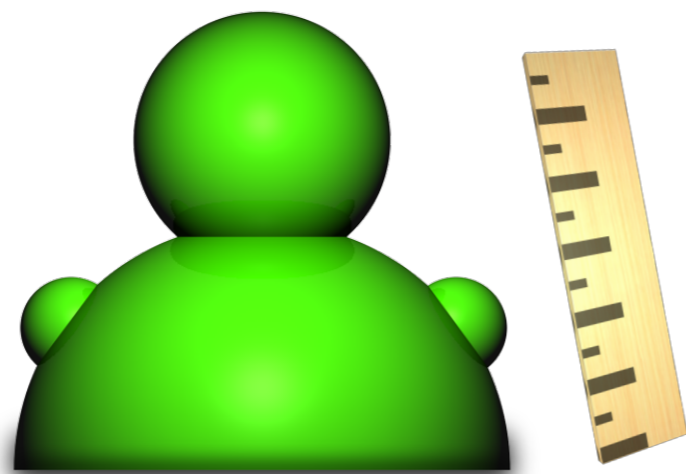
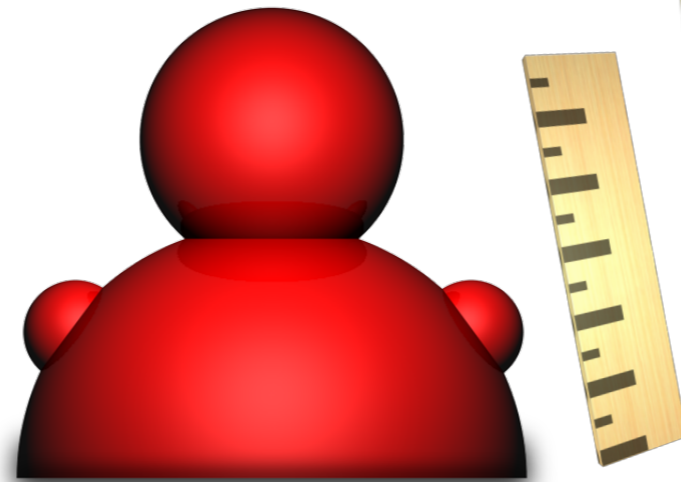
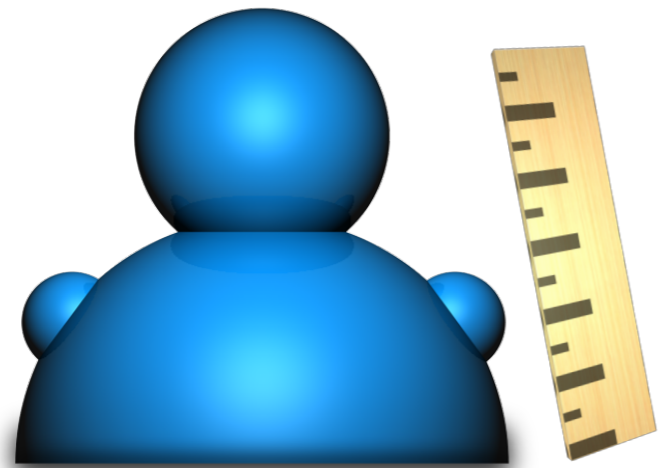
Source: Lamri ESEPG June 2004 Initial Results

Procurement is changing



Traditional
Process
RFP, RFQ etc

Procurement is changing



Assess them
using CMMI

Procurement is changing

UK Public Sector contracts are beginning to use CMMI as a qualification bar

Examine the project / contract to be placed and match to supplier

CMMI and Compliance



The revenue
"SUPPLY CHAIN"
is under more and
more scrutiny
today

Technology is a
strategic enabler
and a key risk to
most organisations
revenue



CMMI and Compliance



CMMI maturity
Level 2 and above
organisations find
SOX attestation
easier

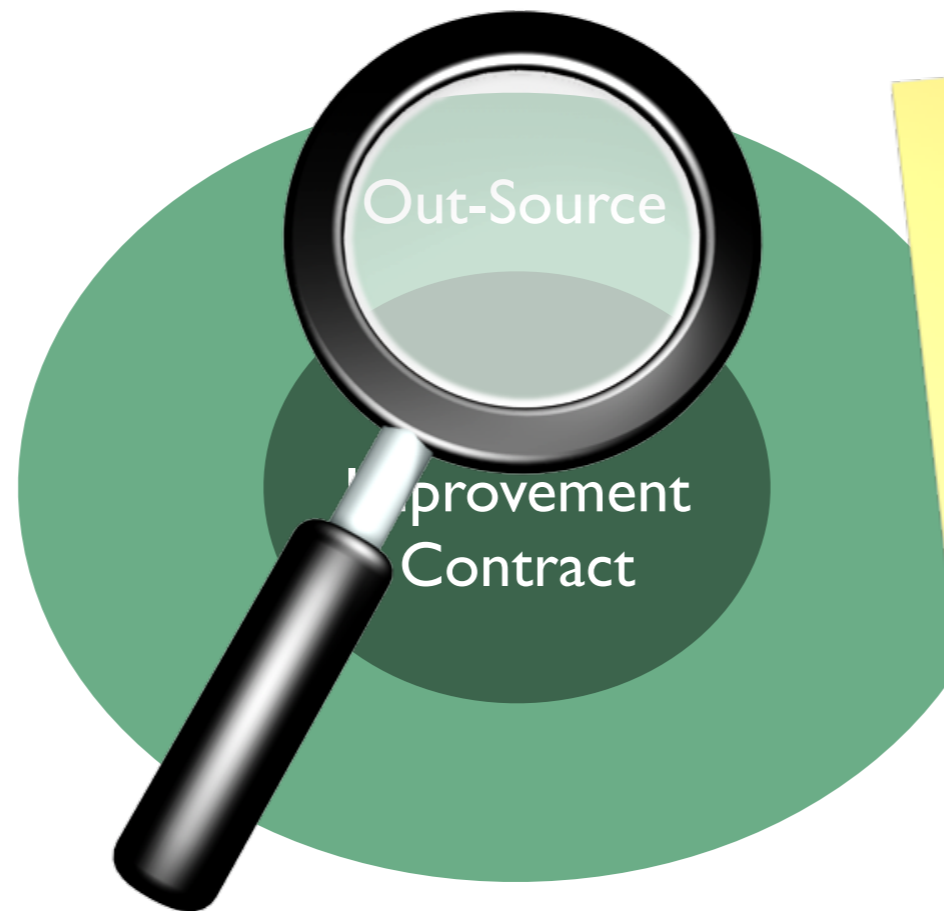


Off-Shoring is Changing



If you don't have any measures a clear strong business case can be "challenging" to produce

Off-Shoring is Changing

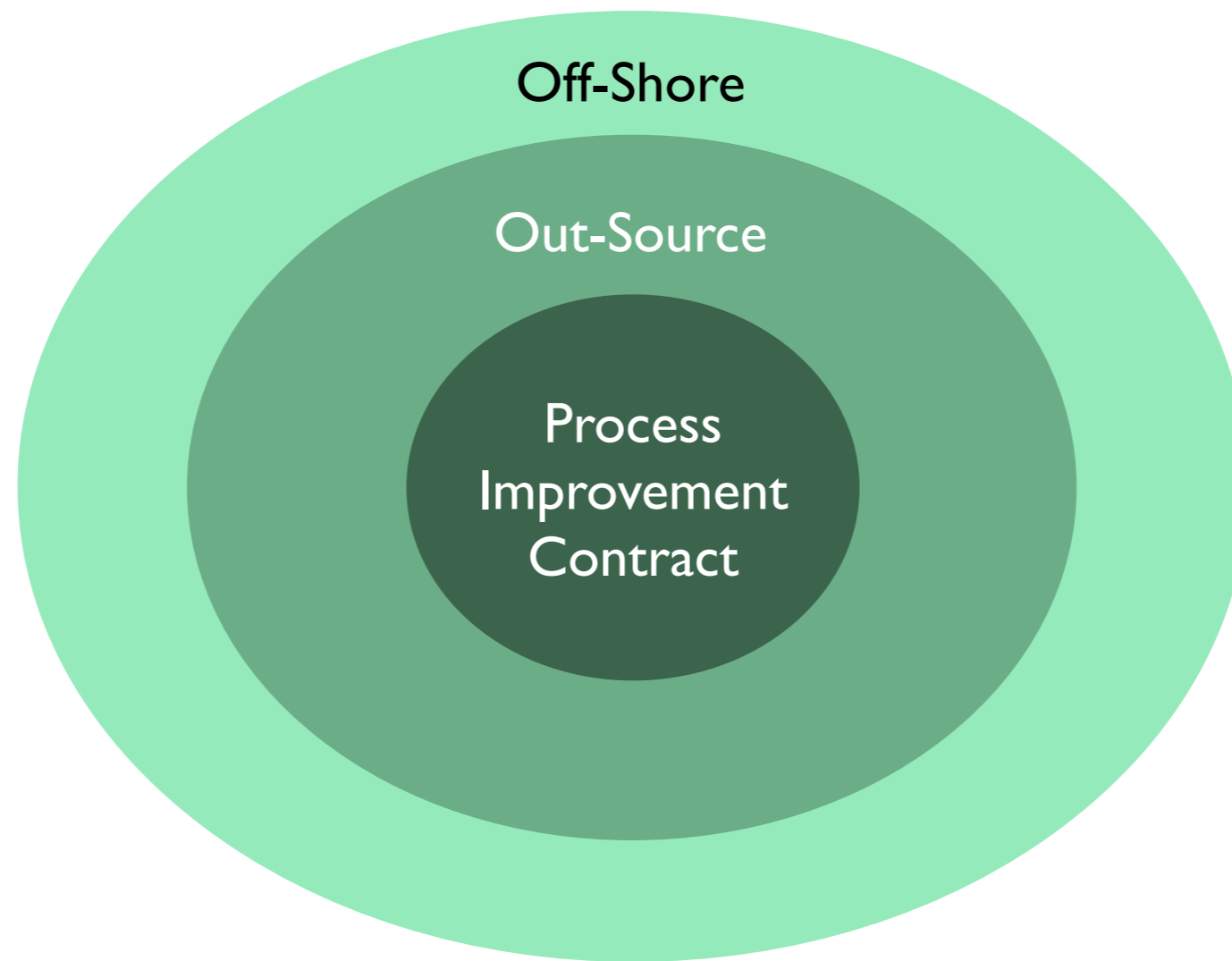


"Wrapping" is used to wrap a the PI programme into another set of benefits

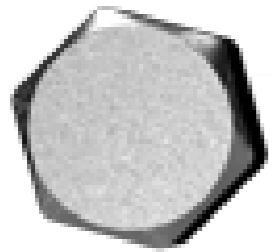
Off-Shoring is Changing



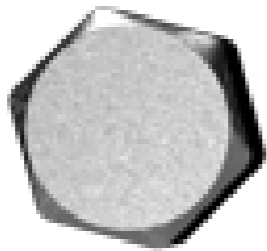
Off-Shoring is Changing



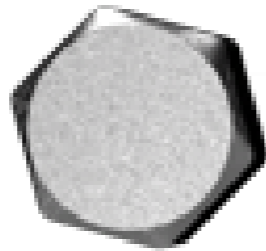
Small improvements make huge impact



Reduce Time from 7-20 years



Move from 19% to a 19%



From 3% to 30%

can you think of simple changes in your organisation that would achieve these small gains?



Cumulative effect: Double Business Unit Profit

My challenge to you

Make sure your process improvement targets are **Business Improvement Targets** and use them to **INSPIRE CHANGE**



SMALL CHANGES MAKE A DIFFERENCE: DO SOMETHING



Any Questions?