



Everest Group PEAK Matrix™ Assessment for Products: IT Operations Automation (Focus on ISVs)

Focus on IPsoft
June 2017



Everest Group recently released its report titled [“IT Operations Automation – Market Update and PEAK Matrix™ Assessment for Products \(Focus on ISVs\)”](#).

As a part of this report, Everest Group analyzed eight leading Independent Software Vendors (ISVs) on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix specific to IT operations automation into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a composite framework that provides an objective, data-driven, and comparative assessment of IT operations automation vendors based on their absolute market success and technology capability.

Based on the analysis, **IPsoft emerged as a Leader**. This document focuses on IPsoft’s IT operations automation capabilities. It includes:

- IPsoft’s position on the IT operations automation PEAK Matrix
- Detailed profile of IPsoft’s IT operations automation capabilities

Buyers can use the PEAK Matrix to identify and evaluate different technology vendors. It helps them understand the technology vendors’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against technology vendor capability for an ideal fit.

Background of the research

- In today's digital age where “applications are the business,” establishing agile, resilient, and cost-effective IT operations has become critical for enterprises, as they look to build and push new products to the market faster than competition. The need for “business-aligned” IT operations has translated into mainstream adoption of automation products to tackle with the next-generation IT infrastructure concepts such as cloud, converged infrastructure, and operational analytics
- However, most enterprises continue to struggle to reap benefits that are commensurate with the extent of their investments. One of the key reasons that enterprises fail to realize the desired benefits is the lack of a “coherent and business context-centered” IT operations automation (ITOA) strategy. In order to obtain “true business benefits”, enterprises need to adopt an automation strategy that:
 - Offers high agility and resilience to support dynamic business requirements (i.e., self-learning / conscious IT infrastructure)
 - Takes a pragmatic adoption approach, supported by a clear decision framework (where to and where not to adopt)
 - Gives due consideration to existing process maturity levels, rather than driving a “big-T” transformation without proper evaluation of the criticality of underlying applications/businesses
 - Has a robust product strategy at its heart – a technology-agnostic platform that alleviates vendor lock-in concerns
- In this research, we present the assessment and detailed profiles of eight Independent Software Vendors (ISVs) featured on the PEAK Matrix for products: IT operations automation software. Each ISV profile gives a comprehensive picture of their IT operations automation products' vision, company performance & nature of operations, and product functionality
- The assessment is based on Everest Group's annual Request for Information (RFI) process conducted in Q4 2016 and Q1 2017, interactions with leading IT operations automation software vendors, and an analysis of the broader IT operations automation market

Scope of this report

- **Product:** IT operations automation software
- **Geography:** Global
- **Product vendors:** Eight leading IT operations automation ISVs

This report includes the profiles of the following eight ISVs on the PEAK Matrix for IT operations automation software:

- **Leaders:** Arago, IPsoft
- **Major Contenders:** Automic, Ayehu, Cortex, HPE, and Thoughtonomy
- **Aspirants:** Softomotive

1

Automation – at its most basic level – is a must utilize technology to replace a series of human actions. Not all technologies, however, provide automation, and replacing a single human action with technology (e.g., a mathematical equation in a spreadsheet) is not automation. At the same time, automation can be done by degrees, but some steps will still require human interaction

2

Much automation is already embedded in software systems (e.g., linking client information across marketing and supply chain systems); however, since it is part of the normal feature-functionality of a system, it is generally not considered as automation, but a simply more powerful system(s).

3

Automation for IT is very different compared to that for business processes:

- In IT, automation is generally addressed by improving the core functionality and is handled by the IT system management tools. Further, these activities are owned by central IT, which is naturally incented to create more efficient IT operations
- In business processes, system limitations are generally much more difficult to overcome, and follow a process that stretches across many systems in the organization. As such, the business case for significant system change is generally unappealing. Finally, the benefits of improved processes accrue to the business and are hard to quantify with a return on investment (ROI) that can motivate central IT groups to invest their resources

4

Cognitive computing is a breakthrough in automation. Traditional automation has used GUI-based workflows and scripts to automate routine human IT tasks. This has further progressed to self-learning systems or autonomies with particular relevance to the infrastructure services space. Cognitive computing, although in its infancy, represents the next horizon, as automation not only replicates human behavioral characteristics while executing judgment-intensive IT and business processes, but also creates the potential to spawn new businesses for IP-owners and enterprises.

This report focuses on IT operations automation products and offers insights into prominent ISVs operating in this space

NOT EXHAUSTIVE

Automation within IT operations management

- Automation within IT operations management (e.g., servers, storage, network, OS/virtualization, database, and middleware)
- Examples of tasks automated: Hardware or service provisioning, capacity management, performance monitoring, incident management, change management, scheduling self-healing, maintenance, compliance, and prevention
- Transformation and modernization – using performance data to identify areas for improvement and modernization of IT operations

Third party automation / analytics product providers (illustrative examples)



Automic
Let's Automate Business.

ayehu

CORTEX

IPSOFT

- Offer IT infrastructure services automation products
 - Sold either directly to clients or through channel partners (e.g. IT service providers)
 - Can also offer managed services in addition to products (e.g. IPsoft)

Service providers (illustrative examples)

CGI

HCL

IBM

Infosys

TATA CONSULTANCY SERVICES

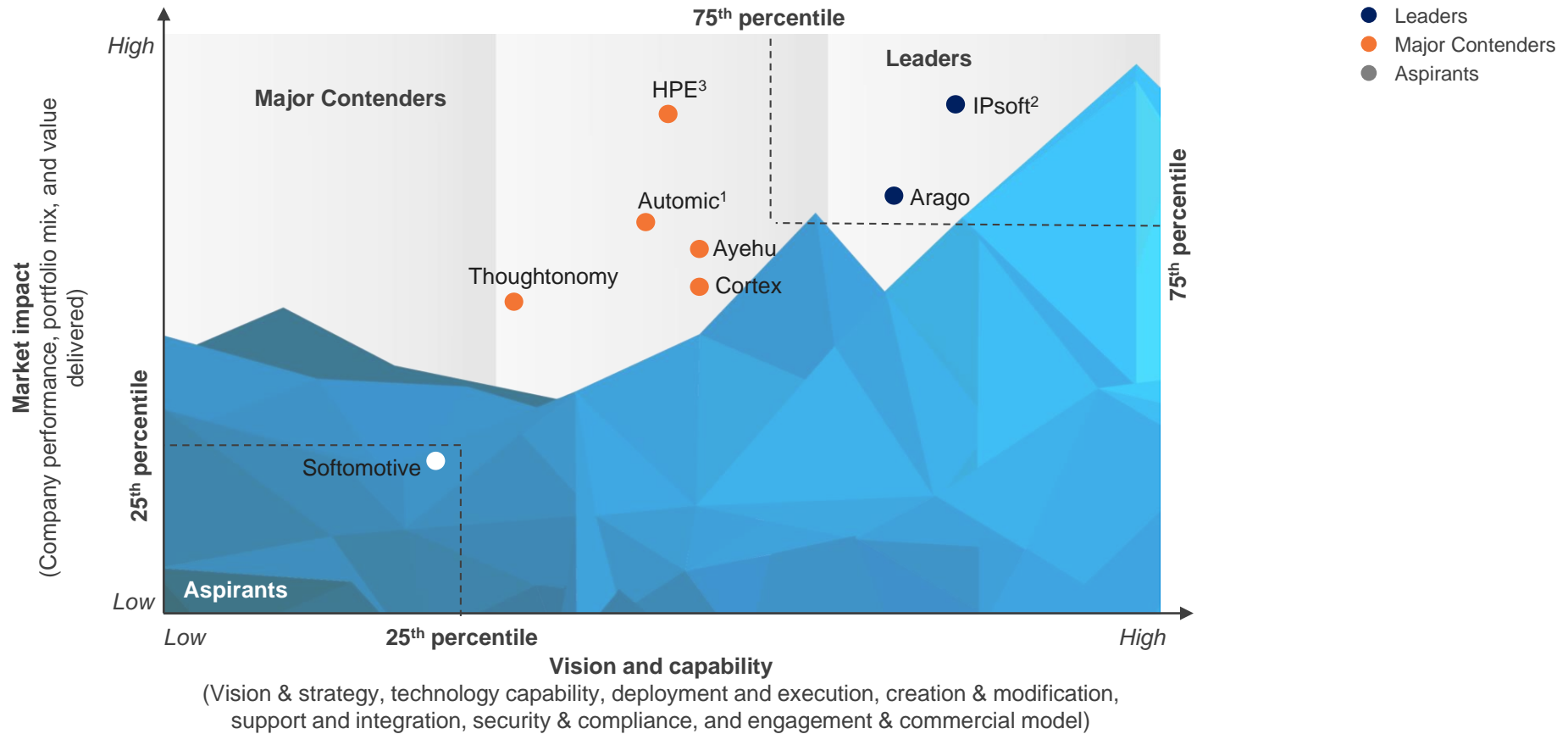


- Design, implementation, and management services for IT infrastructure services automation
 - Offered within managed services or as a stand-alone “automation as a service”
 - Cover third-party products and / or in-house IP

Focus of this report (Assessment of ISVs for IT operations automation focused on the product capabilities)

IPsoft is positioned as a Leader on Everest Group's PEAK Matrix™ for Products: IT operations automation

Everest Group PEAK Matrix for products – IT operations automation



1 Acquired by CA Technologies in January 2017

2 The assessment focuses only on IPsoft's product capabilities; IPsoft also offers managed services as part of its broader portfolio

3 HPE (Software) has been merged with Micro Focus in September 2016

Source: Everest Group (2017)

Company vision & strategy

IPsoft aims to deliver business and service outcomes through automation of routine tasks in order to drive cost efficiency, increased productivity, and innovation. Strong focus on providing end-to-end automation of IT processes across servers, networks, databases leveraging over 20,000 ready-to-use automations and over 1,000 virtual engineers. Automation in an 'as-a-service' construct is a key tenet of IPsoft's automation strategy. IPsoft is investing in ensuring high levels of compliance and expanding the scope of automation and cognitive / AI capabilities within its ITPA platform.

Strengths

- Huge library of pre built automations accumulated through years of large-scale enterprise deployments
- Established a strong mindshare among enterprises in the ITOA space
- Business value model to gauge the ROI of IPcenter under different scenarios has been found useful by clients
- Managed services offering positions IPsoft uniquely amongst ISVs in this space

Areas of improvement

- Needs to alleviate client/market apprehensions around IPcenter requiring a 'rip and replace' approach rather than seamlessly integrating into existing environments
- Needs to strengthen focus on cross-leveraging its cognitive capabilities within IPcenter in a more meaningful manner

Process coverage (mix of use cases deployed)

■ High (>30%) ■ Medium (15-30%) ■ Low (<15%)

Incident management ■ Request fulfillment ■
 Change management ■ Others ■

Automation type (mix of use cases deployed)

■ High (>50%) ■ Medium (15-50%) ■ Low (<15%)

Human in the loop ■ End-to-end functional automation ■
 Others (e.g. escalation automation) ■

Overview of capabilities and features – IPsoft IPcenter

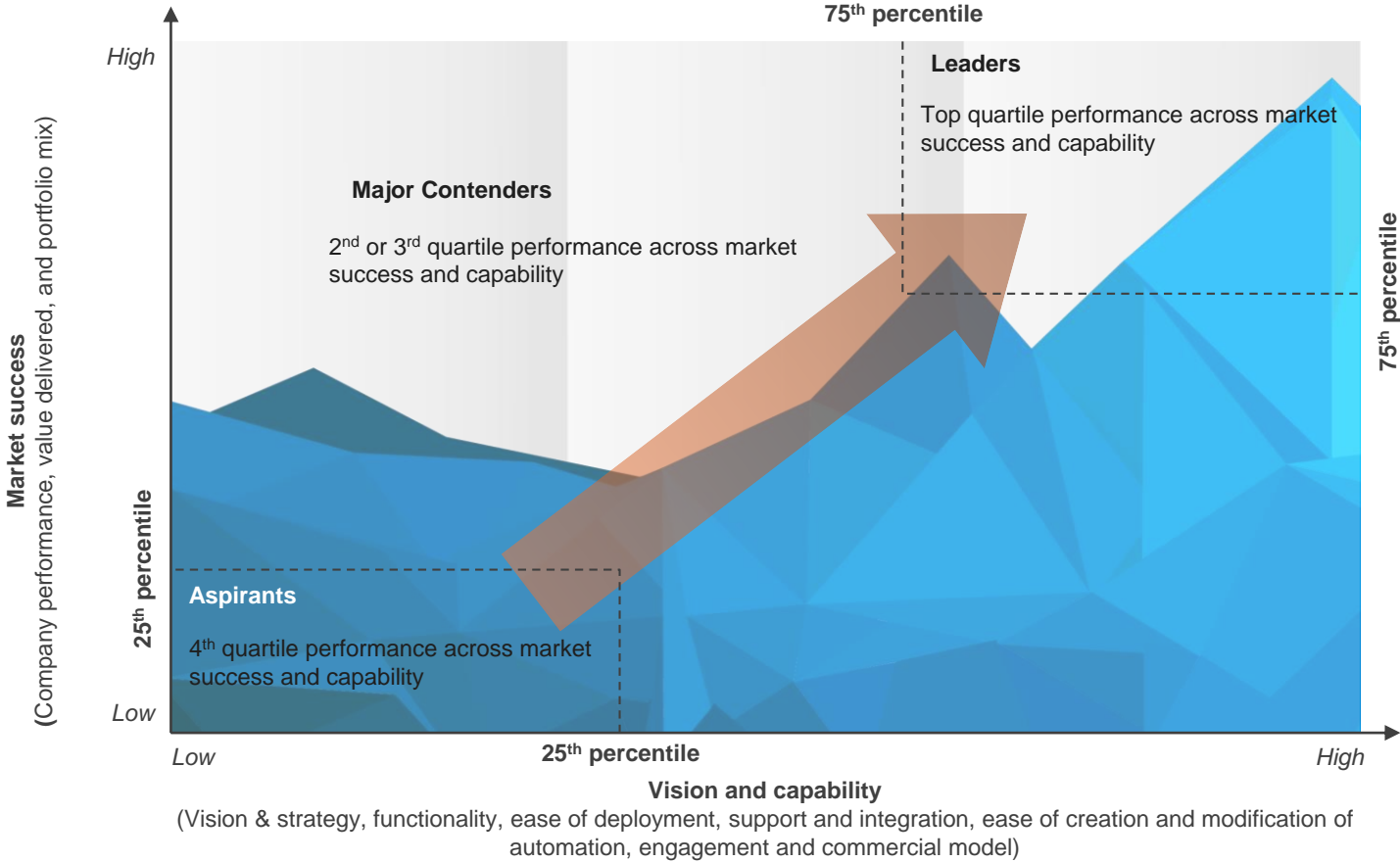
Capability/features	Details
Feature set	IPcenter includes virtual engineers focused on a specific infrastructure tower that can coordinate with each other to resolve complex and dynamic issues. Some of the key features include self-heal, automated discovery of an unhealthy asset or a new asset in the IT environment, and real-time tracking of service activity
Deployment options	Can be deployed in relevant formats – client-hosted, hosting by IPsoft, hosting by partners, and leveraging AWS and Azure
Creation and modification	Automation workflows can be created and modified through coding, drag-and-drop of components, and leveraging objects from previous automations
Support	Provides training leveraging internal resources and partners; consulting services through partners; also provides managed services
Commercials	Highly flexible commercial models with a strong focus on “as-a-service” constructs

Source: Everest Group (2017)

Appendix

Everest Group PEAK Matrix™ is a proprietary framework for the assessment of an ISV's capability

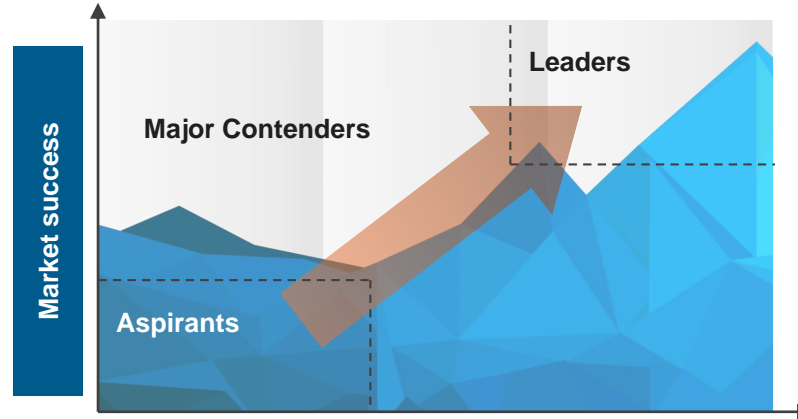
Everest Group PEAK Matrix™ for products for IT operations automation



Everest Group's IT infrastructure automation – PEAK Matrix for products is a composite index of a range of distinct metrics related to an ISV's vision & strategy, functionality, ease of deployment, support and integration, ease of creation & modification of automation, engagement & commercial model, and resultant market impact in the context of offering IT operations automation software.

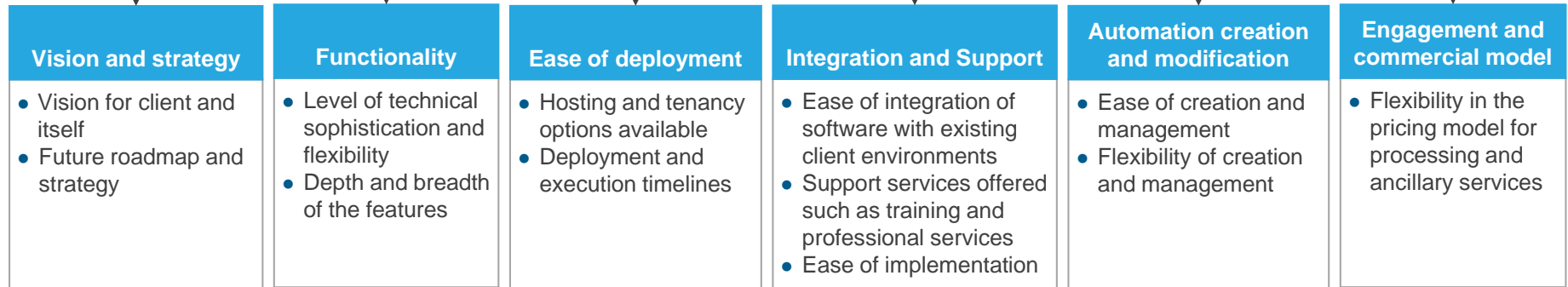
Dimensions of ISV's capability and market success underlying the PEAK Matrix for products

- Company performance (revenue & growth in revenue)
- Portfolio mix (deployment footprint across geographies, industries, and buyer size segments)
- Value delivered¹ (buyer satisfaction levels for the products)



Vision and capability

Measures the product's technical sophistication, capabilities, and enterprise-readiness
 This is captured through six subdimensions



¹ Measured through responses from referenced buyers for each software vendor as well as regular market interactions with industry stakeholders

Source: Everest Group (2017)

Does the PEAK Matrix assessment incorporate any subjective criteria?

- Everest Group's PEAK Matrix assessment adopts an objective and fact-based approach (leveraging software vendor RFIs and Everest Group's proprietary databases containing vendors' deals and technology capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and ISV briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

- No. PEAK Matrix highlights and positions only the best-in-class software vendors in a particular functional/vertical operations area. There are a number of vendors from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and vendors besides the “PEAK Matrix position”?

- PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix vendors assessed in its report. The detailed metric level assessment and associated commentary is helpful for buyers in selecting particular vendors for their specific requirements. It also helps vendors showcase their strengths in specific areas

What are the incentives for buyers and vendors to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix ISV” profiles

What is the process for a software vendor to leverage their PEAK Matrix positioning status ?

- Vendors can use their PEAK positioning rating in multiple ways including:
 - Issue a press release declaring their positioning/rating
 - Customized PEAK profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- **The vendor must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group**



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

Dallas (Headquarters)

info@everestgrp.com
+1-214-451-3000

Bangalore

india@everestgrp.com
+91-804-276-4533

Delhi

india@everestgrp.com
+91-124-496-1000

London

unitedkingdom@everestgrp.com
+44-207-129-1318

New York

info@everestgrp.com
+1-646-805-4000

Toronto

canada@everestgrp.com
+1-647-557-3475

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