

Leadership Vision for 2022: Applications

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Initiatives: [Applications and Software Engineering Leaders](#)

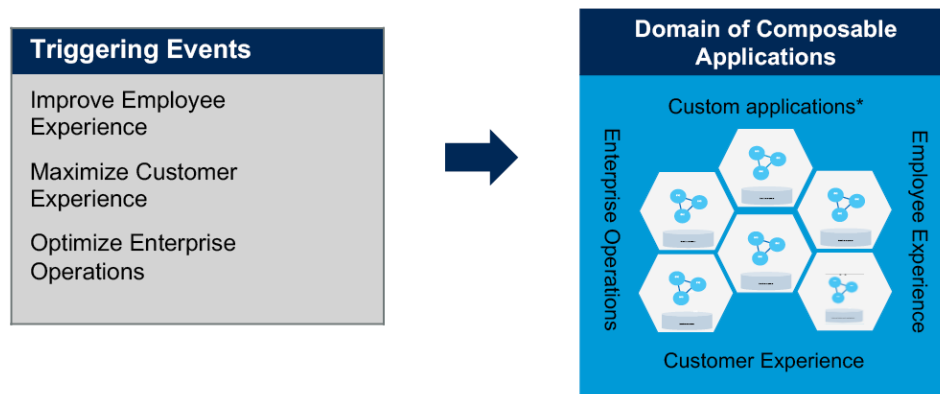
Application leaders are pressed to deliver transformational capabilities while also balancing investments in legacy custom applications and modularized SaaS applications. This Leadership Vision shows how to align transformational capabilities with composable applications.

Overview

To deliver on digital transformation objectives, Gartner believes that organizations need to evolve from their current state of inflexible, monolithic applications. They need to move toward a portfolio that is more adaptable to business change, featuring composable applications that can be assembled, reassembled and extended.

Domain of Composable Applications

Domain of Composable Applications



* Custom applications include capabilities automated using application development platform tools provided by commercial application providers, or using software development toolkits.

Source: Gartner

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Gartner

IT organizations today experience tension between the need to deliver digital transformation projects and the fact that they are limited in their ability to adapt. This is primarily due to the state of their application portfolio, which features legacy, hard-to-replace systems, as well as custom-developed applications.

To deliver on digital transformation, your organization needs applications that can be assembled, reassembled and extended. This will allow you to innovate and adapt to the changing needs of your business. You need to enable composable applications, and you need to start now.

An agile organization is an organization that delivers business outcomes and adapts to the pace of business change. It does this through the assembly and combination of packaged business capabilities (PBCs) and custom applications.

Impacts for Application Leaders

This Leadership Vision presentation examines critical impacts affecting for application leaders supporting employee experience, CRM and customer experience, and enterprise operations applications:

- Organizations must adjust to new ways of working to support digital transformation of employee processes. However, only half of all companies have a formal digital workplace strategy according to Gartner's 2020 Research Circle Digital Workplace Survey, and less than one-third consistently follow a formalized approach.
- The pandemic has made customer interactions more virtual, mobile and distributed. This requires organizations to transform their internal and external processes to deliver better customer experiences. However, Gartner estimates that less than 5% of all organizations have optimized their customer experience and CRM investments.
- Global economic disruption has caused businesses to seek opportunities to invest in new systems that will support agile business operations, particularly for business planning, cost management and digital business models.

Priorities for Application Leaders

Application leaders supporting employee experience, CRM and customer experience, and enterprise operations should use this Leadership Vision presentation to inform their strategy as they work to:

- Improve employee engagement, focusing on composable applications that provide higher degrees of employee engagement, collaboration, knowledge sharing and productivity.
- Rationalize the CRM and customer experience applications technology stack, particularly where there are a wide range of packaged business capabilities (PBCs) and custom-built applications. Adjust the organization's roadmap to include composable applications.
- Reduce reliance on customizations and proprietary vendor technology by adopting a composable enterprise operations strategy that includes cloud-based, configuration-only business processes delivered via PBCs.

Recommended Actions

To support the organization's employee experience, CRM and customer experience, and enterprise operations objectives, application leaders should:

- Deliver modern digital workplace and human capital management (HCM) applications that support a hybrid workforce and flexible work styles.
- Create integrated, personalized, and effortless customer experiences by putting composable applications at the core of CRM and customer experience technology stacks.
- Enable a flexible and vendor-agnostic composable ERP strategy by supporting the creation of a hybrid integration strategy that accommodates evolving and diverse technology needs.

How to Use Leadership Vision

This research is in the form of a presentation deck and provides Gartner's overall point of view on the important things that you, as an application leader, should focus on.

The presentation is segmented into three application categories:

- Employee experience, which includes digital workplace and HCM technologies.
- CRM and customer experience, which includes digital commerce, marketing, customer service and sales technologies.
- Enterprise operations, which includes ERP, finance and procurement technologies.

Each category conveys how composable applications are relevant to the current pain points experienced by your application leader peers. The conceptual models in each category should be used to stimulate thinking about your technology roadmap and the implications for application architectures.

This Leadership Vision is designed for you to download and use with your peers, your team or others who might benefit from it. You can also integrate it into your own materials. It is meant to provide input into your strategy or plans for the future.

Evidence

Gartner's 2020 Research Circle Digital Workplace Survey was conducted from 7 July through 16 July 2020.

Acronym Key and Glossary Terms

CRM	customer relationship management
CX	customer experience
HCM	human capital management
PBC	packaged business capability

Document Revision History

[Leadership Vision for 2021: Applications - 27 October 2020](#)

[Leadership Vision for 2019: Application Leader - 9 January 2019](#)

[Leadership Vision for 2018: Application Leader - 23 August 2017](#)

[Applications Leadership Vision for 2017 - 5 August 2016](#)

Recommended by the Author

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