TECH CHOICES

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Identifying Service Providers' SOA Value
IT Services Firms Offer A Spectrum Of SOA Support And Solutions

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EXECUTIVE SUMMARY

Recent Forrester research with a group of leading IT services firms showed continued strong momentum for SOA projects and services in the global enterprise IT market during the past 12 months. To capitalize on enterprise demand, all of the 10 firms we spoke with have assembled SOA capabilities and resources. They choose varying routes to match their offerings to the market: Some seek to lead their customers and offer lots of structured resources; others take a leaner approach — following patterns of demand and stressing their customer responsiveness. When end user firms come to choose a service provider to work with on SOA, they will need to carefully match the provider's focus and approach to their own needs, resources, and objectives.

ACCELERATING SOA ACTIVITY STILL NEEDS NURTURING

To understand the state of the market for enterprise IT services for services-oriented architecture (SOA), Forrester spoke with 10 leading IT service providers from around the globe. We asked them about how they see client demand developing — taking note of past evolution and future progress. We also discussed with them how they position themselves to work with enterprise clients to implement SOA and what experience they have achieved in executing on SOA and related technologies in live projects. Here's what we found out about enterprise uptake of SOA:

- **Firms have accelerated their SOA interest and activity.** All of our respondents agreed: The past 12 to 24 months have seen a substantial uptick in the scale and frequency of projects with SOA content that they undertake with large enterprise clients. Engagements range from short, sharp consulting workshops to explore the potential applications of SOA for an individual client to companywide SOA implementation programs designed to impose this architectural approach across the client's entire IT infrastructure.

- **Many user companies still need much SOA help.** Many companies struggle to come to terms with either the business value of this approach or the execution of specific SOA initiatives. To help out in this area and support clients in strategy, planning, and implementation, service providers have prepared an array of conceptual frameworks, architectural and software development patterns, migration road maps, and consulting methodologies.

- **SOA offers many traps for the ill-informed or ill-prepared.** Several of our respondents expressed dismay at their clients' attempts to push through a doctrinaire technological approach to SOA implementation without defining clear business benefit outcomes for this exercise.[1] Most of these

service providers recommend a more incremental approach. Companies that try to build reusability and interoperability into every service created also risk a tumble over SOA. Carried too far, this approach will likely cause a repeat of the daunting complexities that revolved around the "spaghetti integration" of the point-to-point era.

Service Providers Offer A Diverse Pattern Of SOA Expertise And Experience

The pattern of enterprise behavior outlined by our interviewees was substantially consistent across the group — and well matched to Forrester's own research findings about enterprise SOA activity.[2] Among the service providers, on the other hand, a surprising degree of diversity emerged in philosophy, resources, expertise, and experience. These went well beyond the differences that Forrester expected based on the firms' varying backgrounds in consulting, systems integration, outsourcing, or cross-service breadth. We found this variation between the firms in four main areas:

- **Concepts and architectures.** Several firms — including IBM, Fujitsu Services, CSC, and Deloitte — placed great emphasis on linking SOA to their overall business-focused conceptual frameworks (see Figure 1).[3] In each case, these firms work with clients to define project objectives in the context of a conceptual approach like IBM's On Demand or Deloitte's Enterprise Value Maps. At the other extreme, Atos Origin gave little emphasis at all to such conceptual wrapping and largely built its SOA proposition on technical architectural frameworks. Overall, the majority of firms gave more or less equal weight to both the business concepts and the architectural underpinnings for SOA.

- **Service portfolios and portfolio development.** At one extreme lie those like Capgemini and IBM that have built SOA thinking on a long-term commitment to precursors like Web services-enabled integration (see Figure 2). They now deploy an SOA-informed approach in the broad range of horizontal technology implementations and vertical business solutions that they offer to clients. Such firms typically have strong SOA philosophy and frequently lead their clients toward certain preferred solutions and methods. By contrast, while firms like Fujitsu Services and Atos Origin still have a strong history of relevant work, they see SOA as less pervasive in the way they structure their solutions and services. These firms often prefer to follow their clients' lead on architectural issues rather than setting the pace themselves.

- **Tools and resources.** Most of these firms have created a substantial range of SOA resources — often stretching from online self-diagnosis tools, which clients can use to audit their SOA readiness, to substantial repositories of reusable software code. All have some resources of this kind, but the best-equipped firms in this area — like IBM, Capgemini, Accenture, and Infosys — stand out for the depth and range of assets in place. Accenture has created a dedicated SOA expert group as a global resource, with more than 300 full-time people available to support its delivery teams. Several firms — like Infosys, Capgemini, and Deloitte — possess a full range of consulting methodologies, tool sets, software patterns, and implementation frameworks that they deploy to accelerate SOA implementation.

- **Execution.** All of these service providers have high levels of execution capability for SOA, with all having clear references that show successful delivery (see Figure 3). But they vary much more substantially in their breadth and depth of experience and their ability to execute equally well in multiple locations. One or two — like Infosys or Fujitsu Services — cannot match their larger or more global competitors simply because their delivery resources are too localized to stand comparison. In other cases — such as Atos Origin — the firm's SOA experience remains limited to a few large completed implementations.

Figure 1 Some Providers Show SOA Thought Leadership

Firm	Emphasis on conceptual context	Systematic approach to architecture
Accenture	Strong	Very strong
Atos Origin	Moderate	Strong
Capgemini	Strong	Very strong
CSC	Strong	Strong
Deloitte	Very strong	Very strong
Fujitsu Services	Very strong	Strong
IBM	Strong	Very strong
Infosys	Moderate	Very strong
LogicaCMG	Strong	Strong
T-Systems	Moderate	Strong

Source: Forrester Research, Inc.

Figure 2 Most Providers Score Well On Depth Of Offering

Firm	SOA integration into portfolio	Strength of specific SOA offerings
Accenture	Strong	Very strong
Atos Origin	Moderate	Strong
Capgemini	Very strong	Strong
CSC	Strong	Strong
Deloitte	Strong	Very strong
Fujitsu Services	Moderate	Strong
IBM	Strong	Very strong
Infosys	Strong	Very strong
LogicaCMG	Strong	Strong
T-Systems	Strong	Strong

Source: Forrester Research, Inc.

Figure 3 A Few Providers Lag On Delivery Strength

Firm	Project execution capabilities	Evidence of work completed
Accenture	Very strong	Very strong
Atos Origin	Strong	Moderate
Capgemini	Very strong	Very strong
CSC	Strong	Strong
Deloitte	Strong	Very strong
Fujitsu Services	Moderate	Moderate
IBM	Very strong	Very strong
Infosys	Very strong	Strong
LogicaCMG	Strong	Moderate
T-Systems	Moderate	Moderate

Source: Forrester Research, Inc.

Above All, SOA Needs A Business Context

Just as in other areas of technology innovation, enterprise users need a business justification for investment in SOA. For example, Forrester includes SOA in its digital business architecture framework, stressing the need to design business process and technology change in parallel to meet defined business goals and outcomes.[4] Overall, several of the service providers we spoke with align well with this business-led approach to SOA by:

- **Putting business outcomes first.** Capgemini, for example, uses the concept of the services-oriented enterprise (SOE) to stress the importance of achieving the desired business goals or business change. But rather than sell this as a proposition to customers, the firm prefers to tackle business issues — such as supply chain reinvention for CPG businesses — and uses SOE and SOA frameworks and approaches in meeting those issues as a matter of course. Deloitte similarly prioritizes business outcomes — often taking the first steps in an engagement by using its Enterprise Value Maps to help clients identify opportunities to improve business performance. Deloitte talks of SOA in terms of "business-driven computing" and employs a methodology that links business priorities (strategic issues), operational priorities (tactical planning and delivery), and technological priorities (governance, architecture, and implementation).

- **Emphasizing parallel development of business process and SOA.** Accenture sets out an agenda of four major elements for projects that have strong SOA components: governance, enterprise architecture, business process, and solution delivery. It advises clients to move forward keeping these four elements in lockstep. CSC takes a similar approach, defining what it calls a process-oriented architecture (POA) within its overall e4 methodology. POA involves

parallel development of process and services architecture to create a standardized business services layer in the stack — leaving the client with the flexibility to adjust process functionality without re-engineering the underlying infrastructure or applications layers.

- **Addressing issues at multiple layers in the stack.** Some service providers offer particular strength in specific layers of the stack. For example, Deloitte has special expertise in process change, and IBM great depth of software and services resources in the infrastructure and middleware layers. A company starting out with SOA might begin in the process layer, using a service to link the previously separate billing processes of two business units. Equally, the first step might be to drive IT operational cost savings by applying a services layer as part of a server consolidation exercise. In each case, by tying the project to an over-riding architecture and governance structure, the company can use the work done to put another piece in a larger picture that will capture more value from the services deployed. In the first case, Deloitte would provide the needed expertise to support not only the process redesign, but also assist with technical implementation and change management issues. In the second example, IBM would bring a structured SOA tool set to accelerate the consolidation project.

R E C O M M E N D A T I O N S

MATCH SERVICE PROVIDERS TO YOUR SOA AGENDA

End user firms that want a service provider's help with SOA activities need to assess the philosophy, service scope, and track record of the providers under consideration and short-list those whose profiles best match their internal SOA agenda. That doesn't necessarily mean picking the supplier with the most sophisticated conceptual framework or the broadest range of service offerings. Forrester's recommendations:

- **Avoid major clashes of conceptual thinking.** If you have a deeply pragmatic IT shop with no strong religion about technological options like .NET or J2EE, don't line up a strongly philosophical provider to undertake a critical project. You may do better with a similarly pragmatic services firm like Atos Origin, whose engineering competence and willingness to follow the client's lead will match your requirements nicely.

- **"Technology-light" firms should look for plenty of handholding.** If your IT group — and the architecture and development teams in particular — lack real depth of expertise around SOA, look for a service provider that can fill that gap. That means strong consulting resources, proof of success in skills transfer, and well worked out programs to help you map out first steps and a future SOA development road map. The likes of Accenture, Deloitte, IBM, Capgemini, and CSC all fit this bill. Each of these firms also understands very well the link between business requirements and technology development.

> • **Buyers looking for focused deployment need specialists.** Implementations with strong industry-specific requirements will go forward faster and with fewer wasted resources if they call on a service provider that has deep expertise in the domain concerned. Examples include LogicaCMG with mobile communications, T-Systems in the telecom world, and Fujitsu Services in the public sector.

SUPPLEMENTAL MATERIAL

Companies Interviewed For This Document

Accenture	Fujitsu Services
Atos Origin	IBM
Capgemini	Infosys
CSC	LogicaCMG
Deloitte	T-Systems

ENDNOTES

[1] Many firms see the architectural common sense of SOA, but struggle to define its business value. Early adopters have shown the major business value available from SOA, however. See the September 15, 2005, Trends "Real-World SOA: SOA Platform Case Studies" and see the September 15, 2005, Trends "Real-World SOA: SOA Lessons Learned."

[2] As long ago as November 2004, Forrester's Business Technographics® research showed that almost half of large North American firms had an enterprise or departmental SOA strategy, while a further 29% had adopted SOA or were planning to do so. Medium-size and small enterprises, though less advanced, also showed significant progress around SOA in many cases. See the April 5, 2005, Trends "Large Enterprises Pursue Strategic SOA."

[3] Forrester interviewed senior executives — in several cases at CTO level — at each of the service providers covered in this document. We asked them for a detailed view of their firm's SOA architecture and frameworks, the adoption of SOA into their portfolio of offerings, the depth of SOA assets in place, and their expertise and experience for SOA projects. We backed this up with written material from each firm and with information from previous Forrester research. Based on this work, we rated each company against its peers in each of the four areas of evaluation discussed in this document.

[4] Digital business architecture brings together multiple strands of technology evolution encompassing networks, computing infrastructure, applications, and user interfaces and puts them at the service of business change and business value outcomes. See the November 7, 2005, Forrester Big Idea "Digital Business Architecture: IT Foundation For Business Flexibility."