Application Leaders Primer for 2020

Published 24 January 2020 - ID G00714304 - 8 min read

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Initiatives: Application Leaders

Application leaders play a vital role in every organization, sourcing the right applications to realize business ambitions. Delivering technology at a new pace of business change requires application leaders to reimagine their vision for leadership and how the application teams deliver outcomes.

Scope

Gartner’s research provides essential advice and tools to help navigate organizational and engagement changes; necessary to maximize the value of the organization’s investment in technology.

This initiative covers the following areas:

- **Leadership** — Organizations must define a vision and roadmap for how they use technology to deliver value. This must lead to continuous learning and change for the organization and its people.

- **Function Design** — As budget and control for applications shifts away from central IT control, organizations need to organize their teams to be deeply connected to the rest of the organization and flexible enough to change as business needs evolve.

- **Function Management** — The changing role of the application organization impacts budgeting, governance and monitoring. Identifying the skills necessary for success, attracting and developing talent, and creating a culture that encourages collaboration are all essential skills for the application leader.

- **Relationship Management** — Working collaboratively with business peers is essential to deliver business outcomes. Organizations must break the “us vs. them” mentality between IT and business to fully harness the capabilities of the organization.

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Analysis
Companies rely on applications to operationalize every aspect of the organization. Managing and delivering applications is based on a new continuum of business-IT relationship. The application leader role must change to better source the application platforms and ecosystems that provide the ability to deliver composable, packaged business capabilities (PBCs) over monolithic solutions.

Three key trends are forcing application leaders to reassess the impact their teams can have on meeting the evolving needs of the organization:

- **Pace of business change** — Digital disruption is forcing organizations to be much more flexible and responsive to business change. Applications can be an accelerator for business change but can also be a roadblock.

- **Tech fluency** — New technologies like AI/ML, blockchain, and AR/VR create opportunities for the organization to innovate and create competitive advantage — if the organization has the skills and operating model to capitalize on them. It is no longer the sole repository of technology skills. Application leaders need to embrace this change and find ways to use their teams’ skills to complement and amplify the value from business led IT. Today’s business leaders are technology savvy and increasingly provide the funding and skills to execute technology projects.
Application leaders have a critical role in helping their organization obtain value from technology investments, but the approach for how to do that must change. The structure of the application teams, the skills necessary for success, and engagement with the rest of the organization all need to evolve. The application leader's ability to empower teams and define a future vision will ensure the organization is built to deal with the dynamic environment of today’s digital business.

Topics

Application leaders have a tough job to deal with the heritage of the past, fulfill the present demand and prepare for the future. Gartner’s 2020 research for application leaders will provide clients with the vision and best practices on how to evolve their teams and their leadership approach to create a much tighter relationship with business peers to maximize the value that technology delivers to the organization.

Our research in this area addresses the following topics:

Function Design

The function design core topic covers the scope, organization structure and roles of the application organization now and in the future. The success of your organization will demand a radically different approach to the future of applications. Organizations need to support a team-based, product-centric delivery model including a higher level of collaboration or even amalgamation with business. The divide between business and IT must be reconsidered, organization structures flattened and integrated with business.

Questions Your Peers Are Asking

- How should the applications group be organized to meet the challenges of digital business?
- What new roles and skills are required to support a modern applications organization?
- How will the future of applications impact the way application leaders set up their organization?

Recommended Content

- “Designing the Application Organization: An Overview”
- “Emerging Practices in Organizational Design for Digital Product Delivery Organizations”

New business models — 60% of CEOs expect significant business model change over the next three years. Organizations’ transformation into digital businesses will require that they seek new revenue streams from sources such as data and business process expertise. Changing business models drives significant changes to the application portfolio and how the application organization delivers business capabilities.
“Applications 2024: How Application Leaders Should Prepare Their Organizations to Remain Relevant and Highly Effective”

“How to Prepare for the Future of Applications”

Planned Research

- How to transform to delivering packaged business capabilities for the composable enterprise
- Organizing for project- and product-centric delivery
- Use a capabilities map for application delivery to clarify roles and responsibilities
- Moving from hierarchies of authority to hierarchies of skills and competence

Function Management

The function management core topic covers maturity, talent strategy, budgeting and governance of the application function. A successful transformation of the application organization requires a change in all these aspects. Application leaders must assess their current state, understand the gaps and plan to evolve the management aspects of their organization.

Questions Your Peers Are Asking

- How will funding and budgeting of applications, products and platforms evolve?
- How can application leaders source and manage a pool of talent to cater for competencies and skills required in a team-based, product-centric delivery organization?
- How should one assess and continuously evolve the maturity of the organization?
- How should one measure the performance of the application function?
- How do I effectively manage the ecosystem or vendor partners?

Recommended Content

Some recommended content may not be available as part of your current Gartner subscription.

- “IT Score for Applications”
- “Overutilization of Your Team Is Reducing Productivity and Delaying Business Value”
- “Reinvent the Way You Identify Your Next Product Manager”
- “3 Steps to Designing a Future-Proof Business Application Integration Strategy”
- “To Create a Successful API-Based Ecosystem, Look Before You Leap”
Planned Research
- Evolve budgeting and governance to support the future of applications
- IT Score for applications — maturity assessment trends
- Creating an IT skills inventory to drive the learning organization

Leadership
The leadership core topic covers research on the vision, role and competencies of the application leader. This role is impacted by the continuing trend of moving toward team-based, product-centric delivery organizations and growing business-led IT. Application leaders must evolve their leadership style and competencies to support this transition so as to be better prepared for the future of applications.

Questions Your Peers Are Asking
- What is the 100-day plan for new application leaders?
- How do application leaders need to evolve their leadership styles and competencies?
- How will the role of the application leader evolve in the future?
- How to develop a roadmap for the future application vision?

Recommended Content
- “Succeeding as an Application Leader in 2023”
- “The Application Leader's First 100 Days”
- “Toolkit: Job Description for Application Leader”
- “2020 Strategic Roadmap for the Future of Applications”

Planned Research
- How application leaders become business leaders
- Driving innovation with wilful self-disruptions
- Leadership and motivation in a product-team-based development organization

Relationship Management
The relationship management core topic covers the connections and dependencies in the application delivery value chain. Applications have many stakeholders making it essential that application leaders collaborate with peers in business and IT to deliver business outcomes. Moving to an environment consisting of components like product orientation, agile, DevOps and business-led IT impacts these relationships.

Questions Your Peers Are Asking

- How does the relationship with the business evolve in a lean, agile, and DevOps world?
- How does the relationship with peers and IT stakeholders evolve?
- What metrics and reporting should application leaders use in stakeholder engagement?

Recommended Content

- “The Role of the Application Leader Must Change for Successful Digital Product Delivery”
- “How to Help Middle Management Thrive When Transitioning to Enterprise Agile and Product-Based Organization”
- “Don’t Let Human Resources Practices Be the Biggest Obstacle in Moving to Agile”

Planned Research

- Future of applications: strategic roadmap for the business-IT continuum
- Working with finance leadership on product-based budgeting

Suggested First Steps

- “IT Score for Applications”: Use this maturity assessment to evaluate the governance and management capabilities of your application organization.
- “The Application Leader's First 100 Days”: Follow the calendar and checklist in this research to plan for success and track your progress.
- “Designing the Application Organization: An Overview”: Choose the best organizational design by understanding the basic design structures and how they function within the operating model.

Essential Reading
“Succeeding as an Application Leader in 2023”: The future of applications require a new approach to software delivery and a different kind of application leader.

“2020 Strategic Roadmap for the Future of Applications”: Use this roadmap to navigate from static application experiences to composable business capabilities.


“Applications 2024: How Application Leaders Should Prepare Their Organizations to Remain Relevant and Highly Effective”: Develop new team skills, values and approaches to deliver successful applications through 2024.

“How to Prepare for the Future of Applications”: Exploit new delivery, governance and organization models from Gartner’s latest research.

“Reinvent the Way You Identify Your Next Product Manager”: Use different options to identify, source and develop the best product managers that will enable IT to be more product-centric.

“3 Steps to Designing a Future-Proof Business Application Integration Strategy”: Use a multilayer integration strategy to integrate applications without compromising future business agility.

“How to Help Middle Management Thrive When Transitioning to Enterprise Agile and Product-Based Organization”: Change the behavior and culture of middle management for a successful transition to agile practices and a product-based operating model.

Tools and Toolkits

“Toolkit: Job Description for Application Leader”: Use this sample job description for an application leader and edit it to the specific needs of the organization.

“Toolkit: The Application Leader’s First 100 Days”: Use the checklists, analysis tools and advice in this Toolkit to exceed stakeholders’ expectations within the first 100 days.

Recommended For You

Predicts 2019: Application Leaders
Toolkit: The Application Leader’s First 100 Days
The Application Leader’s First 100 Days
Predicts 2020: Application Leaders
Designing the Application Organization: The System Integrator
Learn more.  
Dig deep.  
Stay ahead.

Additional research
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