

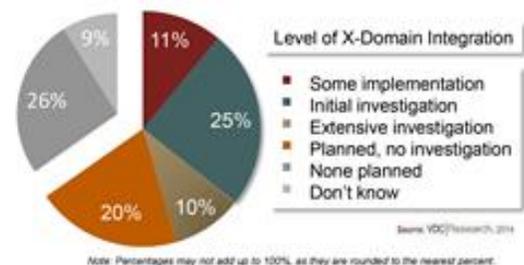
## Increased Use of More Collaborative System Development Strategies is Driving Change Across the ALM Tool Landscape, According to New Research by VDC

*Disruptive changes in the selection and use of development tools are underway as Agile adoption continues to rise and 66% of developers report plans or initial actions toward integrating teams across the engineering domains.*

“Incumbent tool suppliers are investing in product improvements, extending partnerships, and expanding solution organically or through M&A, while newer suppliers look to sustain their growth by increasingly targeting users of the market leading tools.”

Natick, MA (PRWEB) September 29, 2014

New data from VDC Research shows the increased use of collaborative methodologies, such as Agile, and strategies that integrate tooling infrastructure and workflows across engineering workflows continue to be a major driver of the software & system lifecycle management tool markets ([click here](#) for more info). Results from VDC’s annual engineering end-user survey demonstrate both a clear interest in iterative development and a strong correlation between Agile methods and the increased use of formal development tools.



“Both embedded and enterprise/IT organizations face similar challenges from time-to-market pressure, burgeoning software complexity, and increased system interdependencies that are encouraging greater collaboration across the full development lifecycle,” said André Girard, Senior Analyst of M2M Embedded Software & Tools at VDC Research. “There is growing recognition for the effectiveness of more flexible, iterative strategies such as Agile and cross-engineering domain integration in addressing system development challenges and rapidly responding to change.”

Organizations adopting more cooperative or iterative development methodologies are their modifying their tooling strategies to support these practices. They are more frequently incorporating formal software and system lifecycle management solutions into their development lifecycle to aid in the generation and facilitate sharing of design artifacts. Decisions about tool selection reflect this changing environment. Research by VDC confirms the emphasis on collaboration and information sharing has augmented the importance of a tool’s integration with a wide range of lifecycle management solutions as a selection criterion.

Interest in new development practices is inserting volatility. Changing expectations for development tools are providing new opportunities for suppliers that can leverage expertise in facilitating increased collaboration or can support the full development lifecycle with an integrated tooling portfolio. Offerings from companies such as Rally, Sparx Systems, Atlassian, and Jama Software will increase pressure on incumbent tool suppliers to improve their UI and incorporate more social collaboration features. Expect legacy tool suppliers to respond by broadening their solution portfolio through acquisitions such as PTC’s planned acquisition of Atego, strengthened partnerships such as Siemens recent investment in Polarion and updating older tools, as IBM Rational is doing with DOORS Next-Gen.

“As we predicted last year, the static analysis market proved ripe for mergers and acquisitions,” said Girard. “Further consolidation is likely as development tool use accelerates and suppliers adjust their portfolios to serve rapidly changing customer needs.”

**About VDC Research:**

VDC Research is a leading technology market analyst firm covering the connected world. Founded in 1971, the firm provides market intelligence to the world's leading technology vendors, who rely on VDC analysts for winning market strategies and technology adoption decisions. With unmatched domain expertise and rigorous primary research methodologies, VDC enables clients to find new opportunities for growth and make critical decisions with confidence. Based on a unique blend of quantitative and qualitative analysis that offer granularity and breadth of coverage, VDC is organized around five practice areas, each with its own focused area of coverage. For more information, visit <http://www.vdcresearch.com>.