



What will the software industry look like in 3, 5, even 10 years from now?

Cloud computing will overtake on-premise computing as the primary way organizations acquire IT over the next five years thanks in no small part to the advancement of the mobile apps industry. This industry is huge and growing ever more powerful as new applications, devices and platforms are developed at a rapid pace. The mobile apps industry is currently estimated at \$7 billion with an increase to almost \$17.5 billion expected in 2012.

Cloud computing in my mind is the business software industry's response to delivering business applications that end users can access and use in a convenient way using the Web as a platform. Our thirst for operating system independence, social collaboration and mobile working, coupled with expanded, easy to use mobile services and lower prices, is driving the direction of software development. The mobile web will become a primary focus for software developers over the next five to ten years and the platforms for software distribution will become more diverse as more applications move to the cloud.

The way software is developed and used has already changed thanks to cloud computing and mobile device advancements and the possibilities are exciting. Through mobile devices and multi-tenant web applications, and increasing usage of social productivity tools, evolving best practices are already breaking down the typical barriers that have developed between different business functions, encouraging collaboration. Cloud accounting for example, is helping to bridge the gap between departments such as Sales and Finance for the first time. By plugging modern accounting into CRM on one cloud platform, Finance and Sales can work side by side to understand a customer's credit status, to invoice more efficiently and accurately and collect cash more quickly. With this approach, finance and sales teams can see *all* the sales, service and finance interactions concerning a customer whether they are in the office, working from home or on site in the customer's office. They can achieve common company goals and help each other to be more successful ultimately improving customer service and profitably. Deals are signed quicker and customers are satisfied; repeat business improves and forecasting

becomes more accurate and valuable; bad deals and bad debts are minimized.

And cloud isn't just for small companies. Although larger organizations may not yet be in a position to adopt enterprise-wide cloud models, and will likely opt for a hybrid model for the next several years, they will continue to evaluate targeted cloud apps such as customer relationship management (CRM), professional services automation (PSA) and accounting.

And what customer demands and business trends will drive changes in software products, how they're developed, and the industry that provides them?

The software industry has seen many significant trends and changes over the last two decades and typically reinvents itself every ten years. Consumer and business demand has necessitated a change in the way business software is delivered and cloud computing marks a paradigm shift and one that will be remembered as the big change in computing this decade.

We all use laptops or desktop computers on a regular basis, but what customers want is to be able to switch between mobile and office devices more easily no matter where their data might be stored. Imagine being able to access any information from any device no matter where you are in seconds. The type of innovation we see with the latest games consoles, like the ability to interact without a controller via the user interface, will evolve to the office in the next decade and the line between software development for mobile and business desktop will blur. Adoption among business users will take a little longer, as they get used to a new way of working. However, the influence of consumer technology on business technology will help improve adoption rates as the changes will be less foreign than some of those the software industry has seen in the past.

What we must do as developers is to ensure that both desktop and mobile are given equal attention. Mobile development may become prevalent, but for the next few years, the majority of office workers will still rely on their computers for the everyday. All of this means the way in which software is being developed will see modernization across the board. McKinsey proposes a new model for managing IT that "combines factory-style productivity to keep costs down with a more nimble, innovation-focused approach to adapt to rapid change." As cloud app developers, we use 'Agile' development techniques and have adopted a whole new mindset that allows us to respond quickly to customer demand and develop new functionality rapidly - in a matter of weeks rather than months or years. This new way of working means software developers can be confident of where they invest their time and money to ensure the majority of

customers benefit at the end. A more efficient approach for everyone.

Globalization and greater competition will also drive people toward the cloud. Over the next several years, we will find that the companies embracing cloud computing will be the most competitive and not just because cloud computing is a more economical way to do IT. The most underrated aspect of cloud computing is the speed in which you can develop, extend and change applications. Cloud platforms such as Force.com allow developers to focus on application functionality rather than technology stacks, so a company's IT budget is focused on developing new capabilities, not maintenance. Furthermore, cloud applications allow users with limited IT skills to build, customize and extend applications at a meta layer level. This allows mere mortals to add fields, tables, drop down lists and even build their own apps. Consequently, company's using cloud platforms will operate at higher velocity. Their ability to quickly adapt and roll out new capabilities will be a competitive advantage.

The result of these changes is that the underlying technology is starting to matter less; rather business users can focus on the applications and the service being delivered. More successful interaction with customers is the key to successful business and all these new tools will need to address that, providing a huge opportunity for innovation for developers in the areas of social collaboration, application software and web/platform development.

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