

2021

STATE OF THE ATLASSIAN ECOSYSTEM

A RESEARCH REPORT



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Foreword

*Neal Riley,
Chief Information Officer, Adaptavist*

To say a lot has changed since we released our first report feels like a gross understatement. The COVID-19 pandemic has swept across the world. It has brought about seismic shifts in how we live, work, and function as a society. And, for many, it has come at a huge personal cost to their health, wellbeing, and livelihoods. As for the impact on businesses, we've seen many organisations grapple with the forced need to change, while others have used it to galvanise transformation.

Remarkably, despite a reported decrease in global IT spend and employment overall in 2020, the

Atlassian ecosystem continues to grow and evolve. This year the company surpassed \$US500 million in quarterly revenue for the first time, as demand for asynchronous collaboration tools continues to soar.

Throughout the pandemic, those already using Atlassian's flexible tools and services were able to power forward – seamlessly transitioning to new ways of working and doing business.

For many, the ecosystem provided a safe haven during a time of great uncertainty – offering organisations a level of resilience

and continuity others could not achieve.

For those who rely on Atlassian Server, the company's decision to sunset its Server products has forced some soul searching and tough decision-making. But, to make the journey from Server to Cloud smoother, Atlassian continues to focus on driving improvements around security, customisation, and feature parity. And, with the launch of Forge — its new Cloud app development platform — Atlassian is aiming to help developers scale up their efforts. With these enhancements in mind, it will be interesting to see how the adoption of Atlassian Cloud evolves.

Faced with the dual challenge of responding to the COVID-19 pandemic and Atlassian's move away from Server, Adaptavist wants to understand how organisations are responding to

these changes. By asking the right questions, to the right people, we hope to provide an accurate picture of where the future focus lies for organisations across the ecosystem.

Of course, this report will not provide all the answers you need — that's not its purpose. Instead, we hope you can use it as an opportunity to pause, think, and reflect. To look at the findings through the lens of your own organisation and to consider some of the decisions you will need to make in the future.

As we emerge from the pandemic, we are all learning what it means to be truly resilient and adaptable. Let's open up collaboration across the ecosystem and find new ways to tackle the challenges that lie ahead. And, who knows, we may even solve some of them together.





Introduction



Our experts' take on the trends

Look out for our insights on the latest trends shaping the ecosystem.

How is the Atlassian ecosystem helping organisations adapt to a rapidly changing digital landscape?

Our 2021 report sets out to reflect the current and future state of the Atlassian ecosystem. Building on our 2020 findings, we surveyed over 1,000 users of Atlassian tools and services, representing every major region and size of organisation. Our 2021 survey looked at how customers are using Atlassian now and how they plan to in the future. It also explored key transformational themes —

DevOps, automation, ITSM/ESM, and agile at scale — with a focus on how they are shaping the ecosystem.

This report is a go-to resource for any leader interested in the Atlassian ecosystem and serious about taking their business to the next level. Whether you've been part of the Atlassian ecosystem for many years or you're completely new to it all, we hope this report will prove invaluable in moving your organisation forward with confidence.

A note on terminology

If you are new to the ecosystem there can be a lot of terminology to get up to speed on. To make things a little easier, here's a short glossary of some of the key terms used in this report.

Agile is a mindset and practice based on iterations, frequent feedback, and close customer collaboration to deliver the highest priority items first. An agile approach embraces change and collaboration; depends on small, self-organising, cross-functional teams; and values quality, inspection, and adaptation.

Agile-at-scale is any framework an organisation uses to coordinate the efforts of multiple agile teams.

Automation is the process of creating IT software or systems to replace highly manual and repetitive processes or tasks.

Cloud is an environment in which Atlassian software is run on infrastructure managed either by a third-party hosting provider or by Atlassian themselves (SaaS).

Note: When Atlassian Cloud is referenced in this report, it refers to Atlassian's managed Software-as-a-Service (SaaS)

offering – where Atlassian products are hosted and maintained by Atlassian via their Cloud platform.

DevOps An organisational strategy [enabled by tools] to align software development and software operations teams to accelerate application development and delivery.

Integration is the process of bringing together multiple software subsystems (e.g. integrating Atlassian Jira Core with a third-party CI/CD tool such as Jenkins) to create a unified system.

IT service management or enterprise service management (ITSM/ESM) are the tools and processes that enable an organisation to manage the delivery of services to customers.

Note: ITSM vs ESM: ITSM refers to the delivery of IT services – mostly to internal users. ESM applies the same service management practices as ITSM but to all aspects of a business, not just IT.



WHAT WE LEARNED

Key findings

Here are the key insights and trends revealed through our 2021 survey:

2021 saw a significant uptick in Atlassian usage as adoption spreads far and wide across organisations



In a year where IT spend decreased overall, Atlassian usage continues to rise.

- Jira Software, Access, Trello, Align, and Advanced Roadmaps for Jira saw significant increases in usage compared with 2020.





Our research shows a significant increase in non-technical teams using Atlassian tools.

- With operations usage climbing from 65% of respondents in 2020 compared with 72% this year. Customer support usage rising from 57% of respondents last year to 62% this year. And, marketing usage increasing from 38% of respondents last year to 41% this year.



The biggest integration challenge organisations face is connecting Atlassian with other third-party apps

- Our research shows an increasing need to integrate Atlassian with other leading collaboration tools — such as Zoom, MS Office 365, and Slack — development toolchains such as GitLab and GitHub, and business applications like SAP, Salesforce and ServiceNow.

Atlassian Cloud adoption is steadily increasing year on year



Atlassian Cloud (SaaS) adoption has increased Y/Y with 34% of organisations using this deployment model in 2021 compared to 28% in 2020.

- Though Server continues to represent the majority of deployments among respondents, with 72% of respondents using this deployment model. And a further 32% of respondents are using Data Center.



Customisation, app integration, cost, and feature functionality are the main concerns about migrating to Atlassian Cloud.

- This year, 57% of respondents cited the ability to customise as a top concern in moving to Cloud, followed by the ability to integrate with other apps (48% of respondents), cost (46% of respondents), and comparable features/functionality (43% of respondents).



65% of respondents are expecting to change how they deploy Atlassian products in the next three years.

- 84% of respondents cited Atlassian's announcement to sunset its Server products by 2024 as a key driver.

Automation is in demand across the ecosystem

- Our research reveals 73% of respondents would like more automation capabilities across their Atlassian products — slightly down from the 78% reported last year.



Desire to optimise business processes is driving automation demand.

- According to our research, the top three reasons for seeking more automation include the need to optimise business processes (64% of respondents), reducing operational costs (45% of respondents), and improving integration between tools (42% of respondents).

Buy-in for DevOps as a strategy is increasing



According to our research, 54% of organisations have implemented a DevOps strategy —up from 48% in 2020.

- A further 27% of respondents are hoping to adopt a DevOps strategy up the next three years. There was also broader adoption across verticals, which speaks to a general growing awareness of the many business benefits of adopting DevOps.



The biggest drivers to DevOps are:

- Automating manual workflows (81% of respondents), faster development cycles (76% of respondents), better coordination across teams (60% of respondents), and an improved time to market (51% of respondents).



The biggest barriers to DevOps adoption are:

- Lack of automation capabilities (45% of respondents), inadequate skills/training (45% of respondents), and budget constraints (39% of respondents).

Greater need for efficiency is driving ITSM/ESM improvements

- Automating manual processes (64% of respondents) and increasing productivity (56% of respondents) are the top two drivers for making changes to ITSM/ESM environments.





Most organisations are using multiple tools to perform the functions of ITSM and ESM, with Jira Service Management the most commonly used tool (62% of respondents).

- ServiceNow is the second most popular choice (24% of respondents) — particularly among larger organisations.
- Non-specialist solutions are being used for ITSM/ESM, with 59% of respondents using email and 32% of respondents using spreadsheets — both of which are most commonly used in smaller organisations.



46% of respondents cite integration capability as the most important factor for choosing ITSM/ESM solutions.

Agile adoption heightens but barriers remain in scaling efforts

- According to our research, adoption of agile ways of working is increasing across organisations — with adoption in 2021 reaching 82% of respondents in 2021 compared to 77% in 2020.
 - 67% of large enterprises (>5,000 employees) have high agile adoption intentions.
- Additionally, agile at scale adoption has picked up considerably this year — increasing from 10% in 2020 to 49% in 2021 — and is expected to accelerate further in the next one to two years.



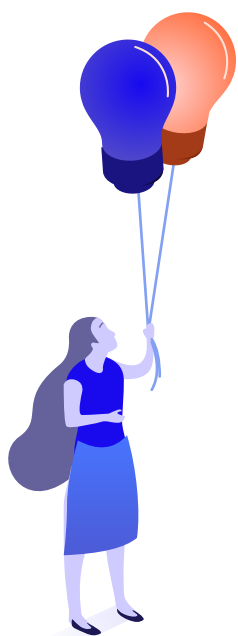
The biggest barriers to agile at scale adoption include:

- Other priorities (40% of respondents)
- Current method working fine (40% of respondents)
- Unclear ROI (26% of respondents)



The top three business outcomes organisations hope to achieve when adopting agile at scale include:

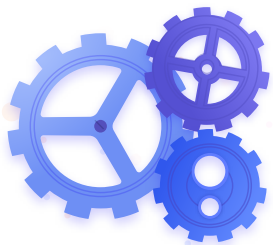
- Better coordination across teams (88% of respondents)
- Align strategy with delivery (74% of respondents)
- Increased visibility (57% of respondents)



01

Tools and integration

As Atlassian continues to expand its portfolio to appeal to all teams — we see adoption expand across organisations.



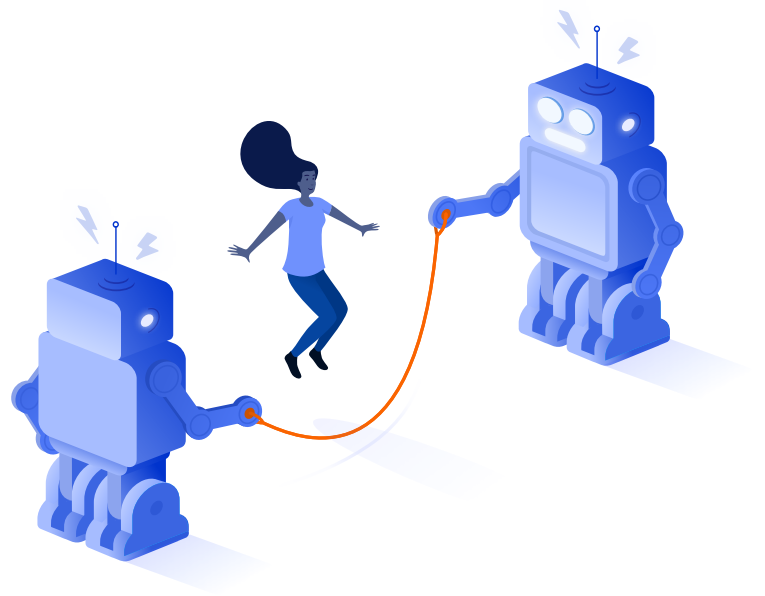
25%

of respondents use Trello compared to 19% in 2020.

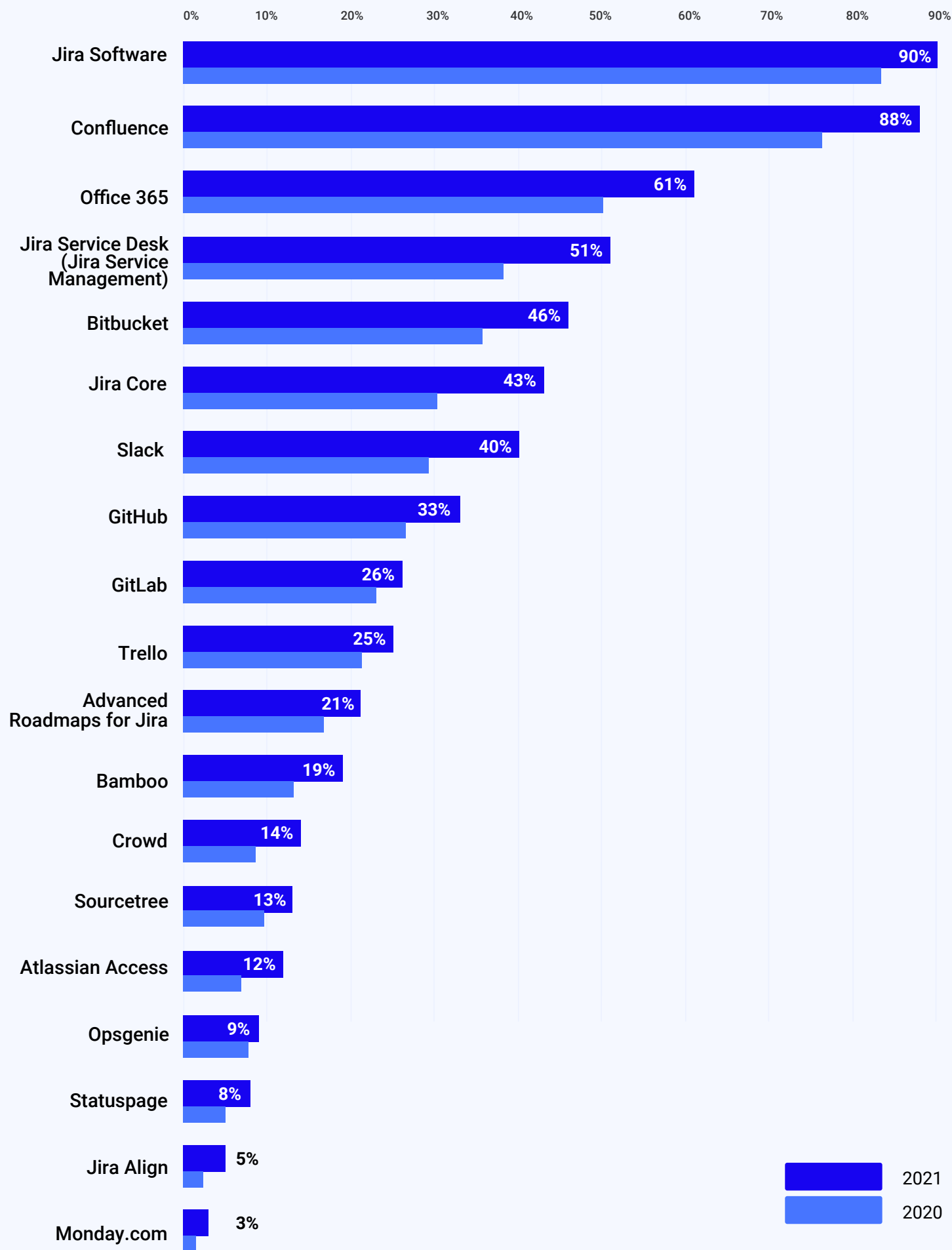
In a year where organisations have been forced to reimagine how work and value is delivered, our research shows increasing adoption of Atlassian tools across the board.

In particular, we are seeing a rise in the usage of Atlassian's newest

range of products compared with 2020. Trello saw a significant jump in usage, rising from 19% of respondents using it last year to 25% this year. Opsgenie also experienced a spike, increasing from 6% of respondents last year to 9% of respondents in 2021.



Which of the following software products does your organisation use?





Atlassian's products do a lot to enable teams to execute ideas, but up front in the early concept stages, we're seeing more teams turn to visual collaboration tools both in and outside the Atlassian ecosystem. As the industry moves towards hybrid working models, the use of tools that allow teams to quickly share ideas will continue to grow.

Doug Miller | General Manager, Gliffy by Perforce

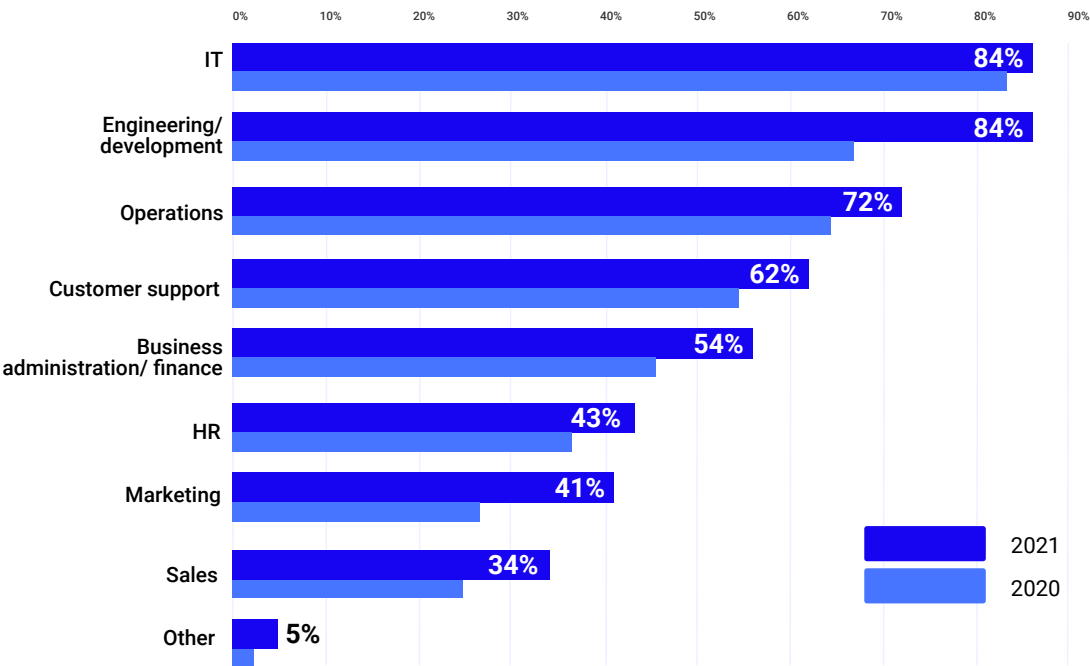
Opening up possibilities for all teams

Atlassian Access doubled, going from 6% last year to 12% this year — with usage particularly strong in the APAC region. Jira Align more than doubled, rising from 2% last year to 5% this year - with the highest usage reported in the financial services, comms, and retail verticals.

For many organisations, tools like Trello are a good starting point for

business users who like flexibility but don't require the full functionality of Jira or Confluence. Additionally, Atlassian has been focusing and investing in incorporating business-friendly templates across their product range to improve the user experience and overall usability.

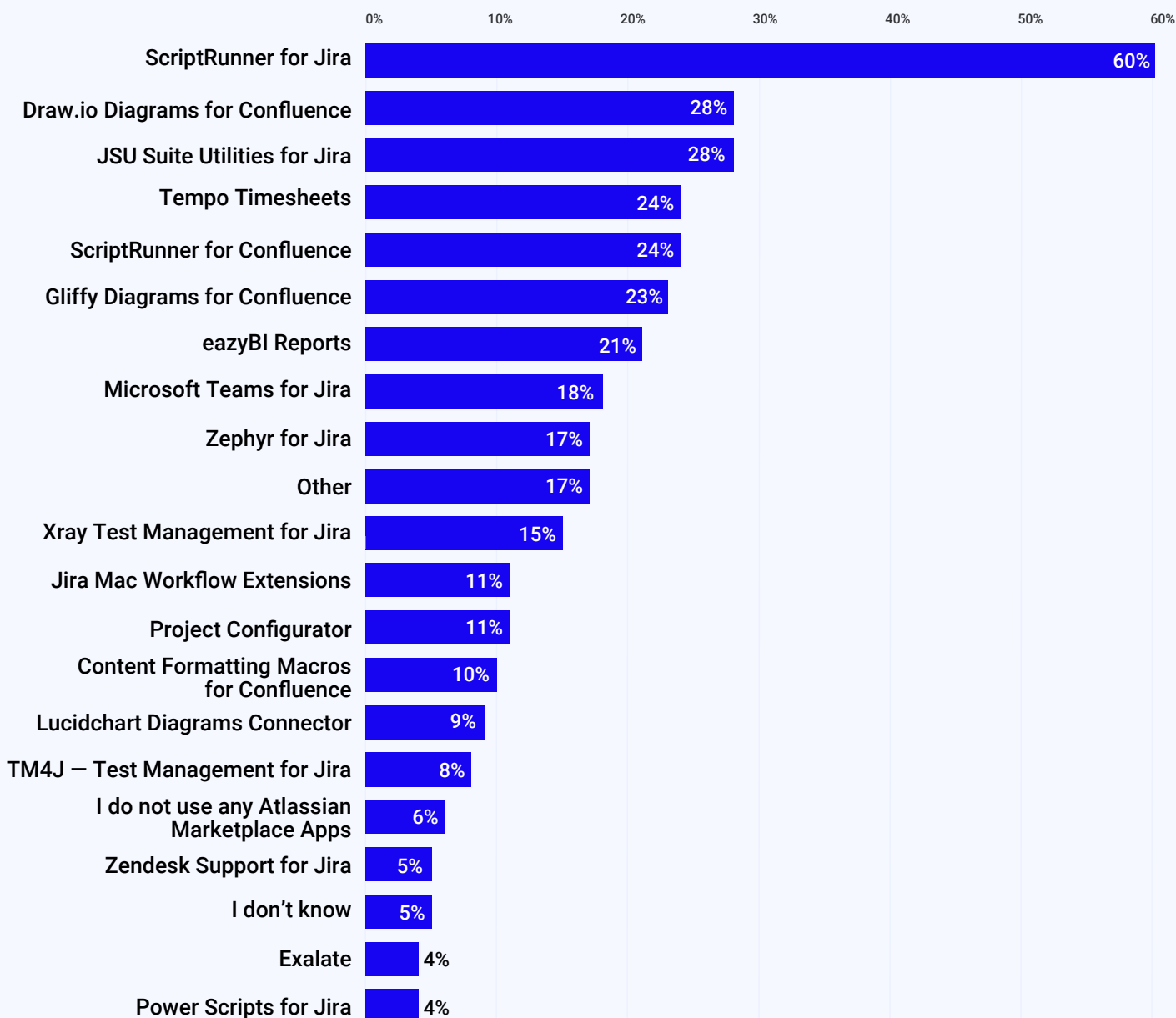
Which teams in your organisation are using Atlassian tools?



While Atlassian's stronghold in IT and engineering teams remains constant — 84% of respondents respectively — our research shows a significant increase in non-IT teams' usage of Atlassian tools. This year, we see operations usage

climbing from 65% of respondents in 2020 to 72%. Customer support usage rising from 57% of respondents in 2020 to 62% this year. And, marketing usage increasing from 38% of respondents in 2020 to 41% this year.

What Atlassian Marketplace Apps do you use?



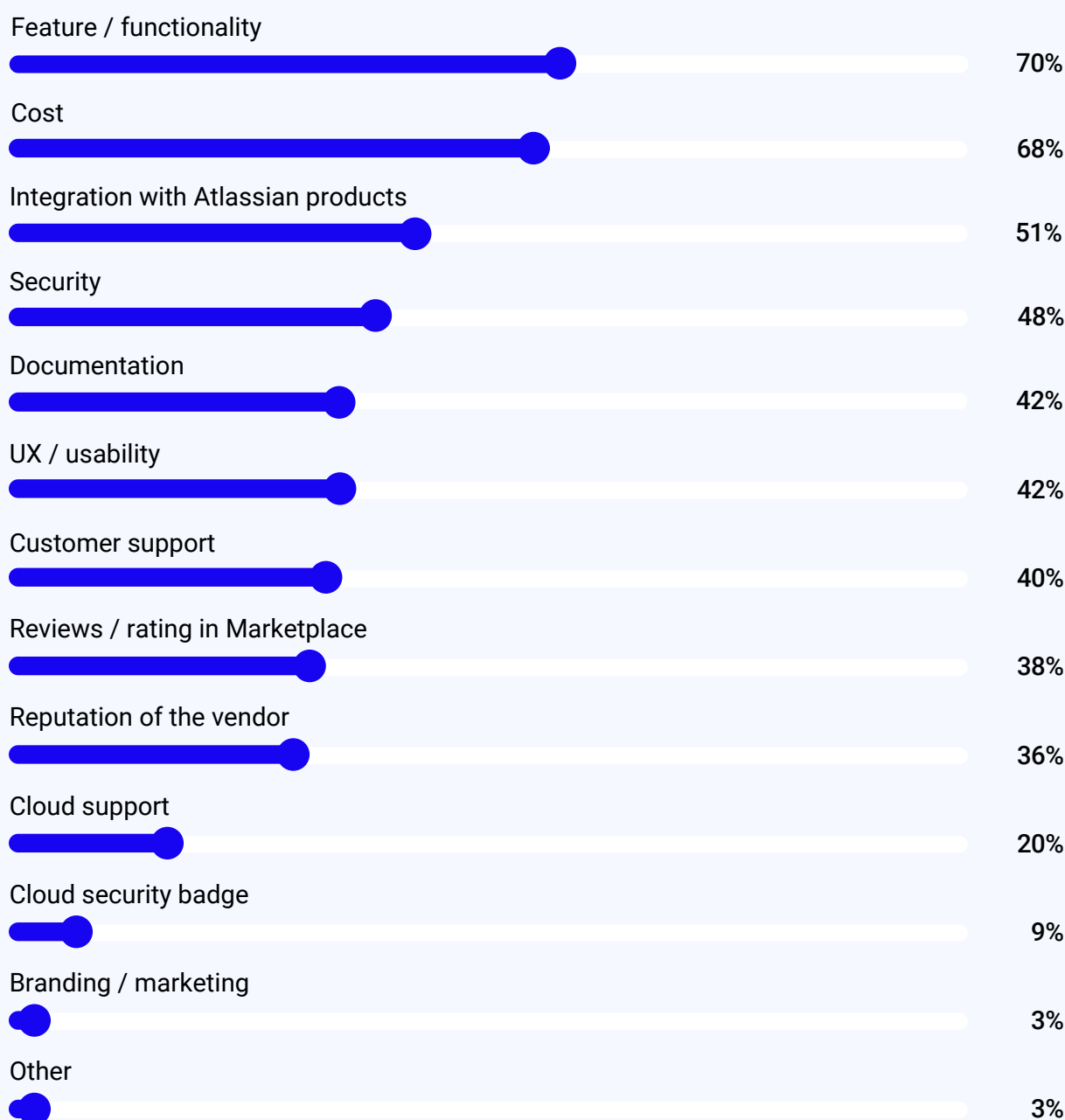
Atlassian Marketplace: what apps are most commonly used?

From the respondents we surveyed, the most commonly used Marketplace apps include: ScriptRunner, Draw.io diagrams, and JSU Suite Utilities for Jira.

ScriptRunner usage remains widespread, with 60% of respondents reliant on Adaptavist's automation engine for the Atlassian suite.

Draw.io diagrams for Confluence, and Suite Utilities for Jira (both at 28% of respondents) tied for number two this year. Followed by Tempo Timesheets (24% of respondents), ScriptRunner for Confluence (24% of respondents) and Gliffy for Confluence (23% of respondents).

What is the most important consideration for you when selecting a Marketplace App?

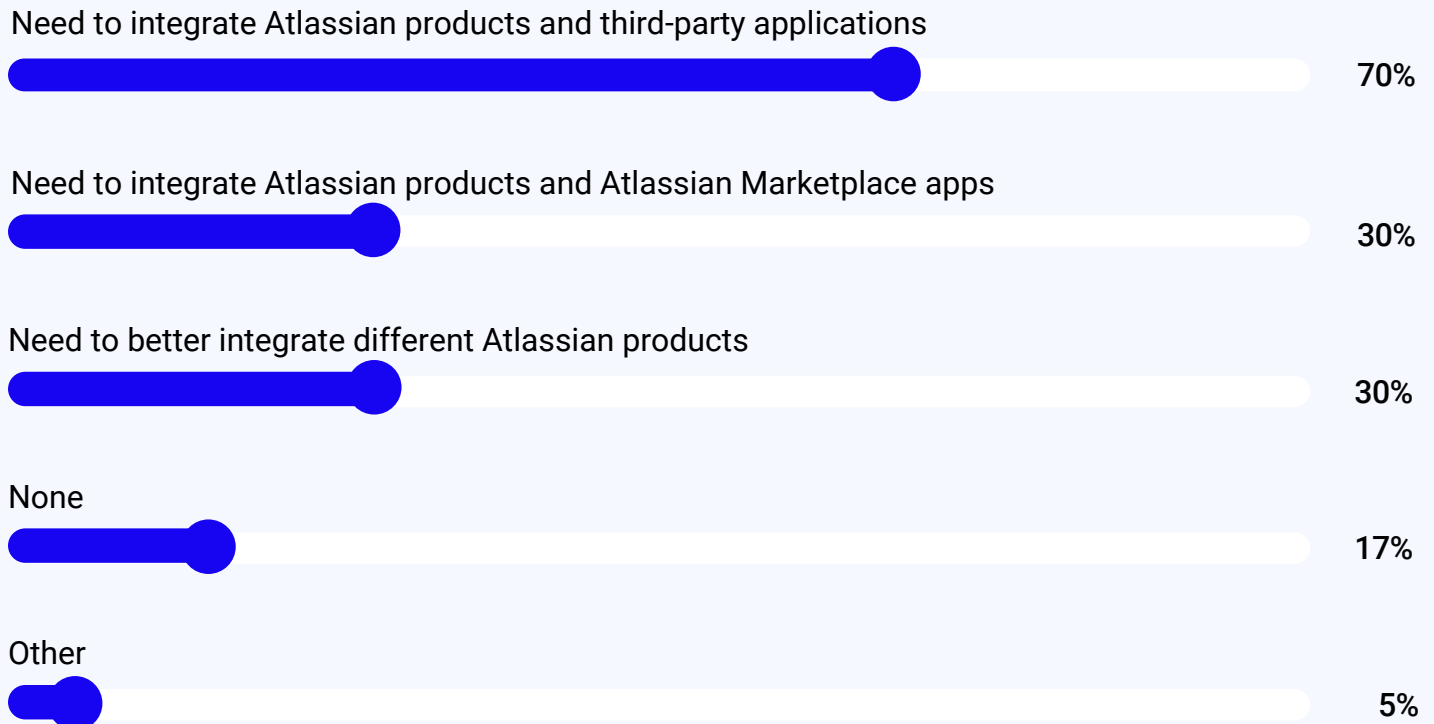


Marketplace is helping to bridge Atlassian feature/functionality gaps

When asked to choose their most important consideration when choosing a Marketplace App — feature/functionality came out top among respondents, with 70%

saying it was their top driver - followed by cost (68% of respondents), integration with Atlassian (51% of respondents, and security (48% of respondents).

What integration challenges do you currently face in your Atlassian environment?



“

Common authentication is vital when it comes to integrating enterprise tools successfully. Atlassian Access has made significant improvements in this space since 2020 – helping organisations balance security needs with the desire to deliver a seamless user experience.

Matt Doar | Author of
'Practical Jira
Administration' (O'Reilly)

Integrations: creating a seamless experience for users

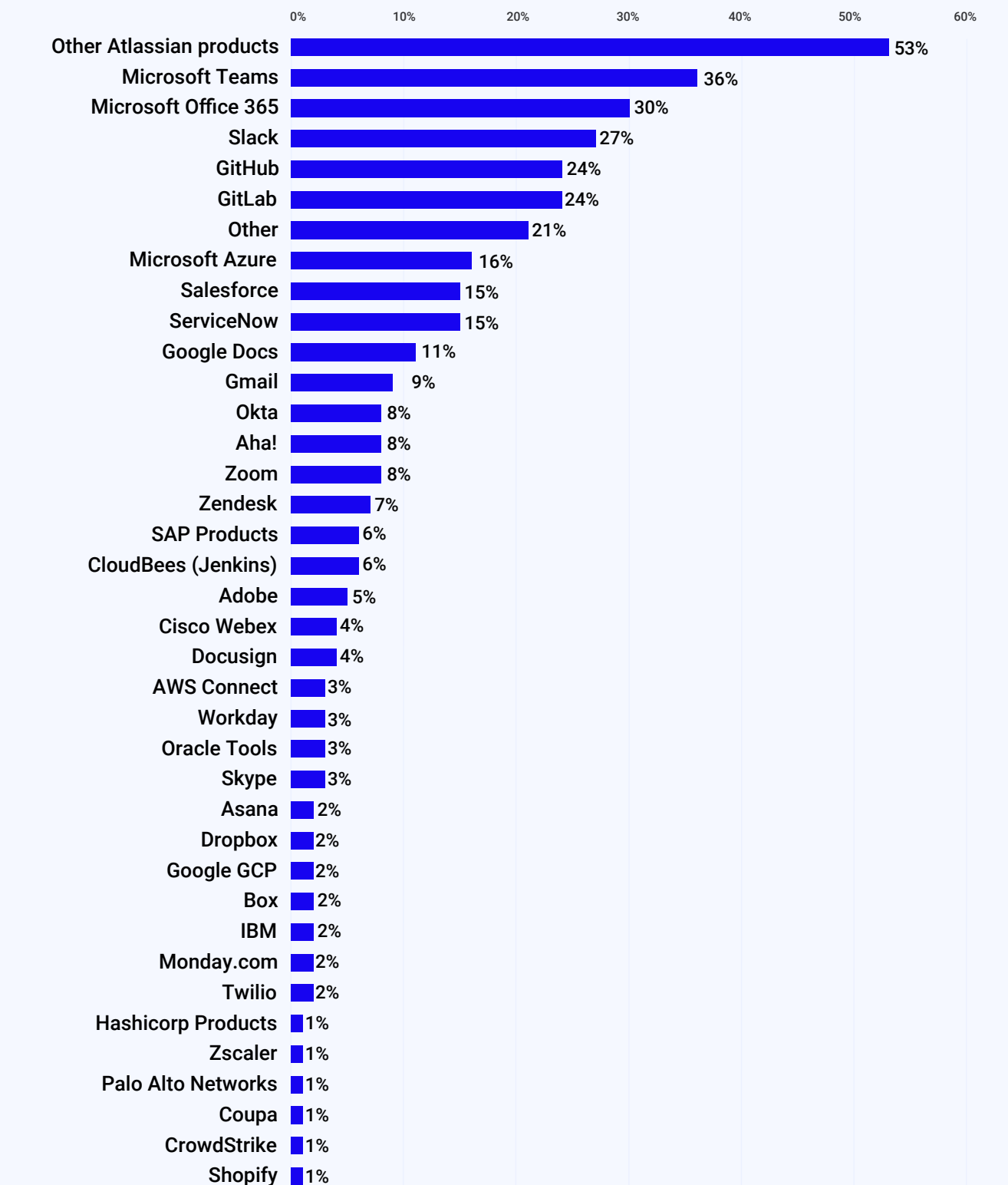
Due to an explosion in the number of apps and tools organisations now use, it's becoming more and more challenging to deliver a seamless user experience.

Our research shows the top integration challenge, by far, is integrating Atlassian with third-party applications, with 70% of respondents citing it as their top challenge.

According to 30% of respondents, better integration between Atlassian products and other Marketplace apps is needed.



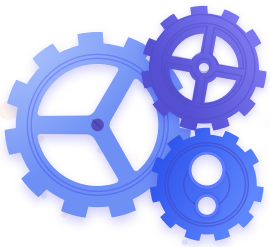
Which technology platforms or products do you most commonly use/integrate with Atlassian products?



The most common technology platforms or products integrated with Atlassian include: Other Atlassian products (53% of respondents), followed by MS

Teams (36% of respondents), MS Office 365 (30% of respondents), Slack (27% of respondents), and GitHub (both at 24% of respondents each).

Why do you want to integrate technology platforms or products with Atlassian products?



74%

of respondents believe integration will help optimise business processes.

Unlocking efficiency through integration

Remote work has caused nearly one third of organisations to need more integration, with 29% saying they need more tool integration.

Our research also shows the majority of respondents see integration as a way to optimise business processes (74% of respondents), improve team experience (66% of respondents), or improve customer experience (48% of respondents).





There's no one tool to rule them all!

Modern organisations use a lot of apps. In fact, the average enterprise now uses almost 300 different SaaS applications – up 30% year over year in 2020 ([Source: Atlassian Investor Day 2020](#)). Gone are the days when teams relied on the same heavy-duty monolithic applications to get work done.

Today, the focus has shifted towards offering choice and flexibility to users in the form of smaller scale, best of breed applications – aka microservices.

Empowering teams to choose the right tool for the job, rather than retro-fitting existing tools to meet requirements. And while choice always brings benefits for users, it can also lead to new challenges.

For starters, to connect work across an organisation and get the most value out of all the tools and apps used – seamless integration is critical. Our research shows an increasing need to integrate Atlassian with third-party collaboration tools, such as Zoom, MS Office 365, and Slack. As well as with development tool chains, such as GitLab and GitHub, and business applications like SAP, Salesforce, and ServiceNow. And, it follows that the more teams that tap into the wide choice of tools across an organisation, the greater the need for smart integration.

The rise of digitisation has also opened the door to shadow IT, where technology is adopted by users under the radar of the IT department's usual rigor and scrutiny. According to Gartner the trend is continuing, with shadow IT now accounting for 30–40% of all IT spending at large enterprises. It's clear modern organisations need to strike a fine balance – on the one hand continue to open the door to more flexibility and choice for users but at the same time ensure it's delivered in a safe, secure, and cost-efficient way.

02

Deployment

The adoption of Atlassian Cloud continues to grow at a steady rate year on year.

Our research shows Atlassian Cloud (SaaS) adoption has increased Y/Y with 34% of respondents using this deployment model in 2021 compared to 28% in 2020.

However, it's important to note that the majority – 72% of respondents – are still using Server. With, a further 32% of respondents using Data Center.



72%

of respondents are using Server and a further 32% are using Data Center.

In what environment does your company currently deploy Atlassian products?

Server (*self-hosted in your own Data Center*)



Server (*hosted in a public Cloud or Managed Service provider*)



Data Center (*self-hosted in your own Data Center*)



Data Center (*hosted in a public Cloud or Managed Service provider*)

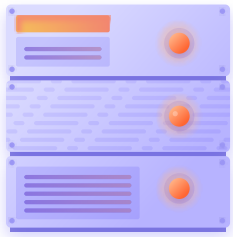


Atlassian Cloud (*SaaS, managed by Atlassian*)



I don't know





65%

of respondents plan to change their Atlassian deployment model by 2024.

Of course, every organisation is different and will have its own unique drivers when it comes to its choice of deployment. But, from our research, it's clear Atlassian's decision to sunset its Server portfolio – by 2024 – marked a

sea change for many. With 84% of respondents citing Atlassian's announcement as a key driver in their decision to change their choice of deployment in the next three years.

Are you planning to change how you deploy your Atlassian products in the next three years?



Did Atlassian's announcement to sunset Server products by 2024 impact this decision?



YES 
NO 

Deployment approach varies by organisation size

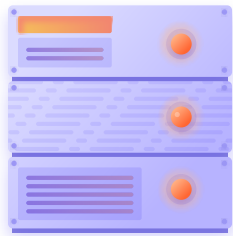
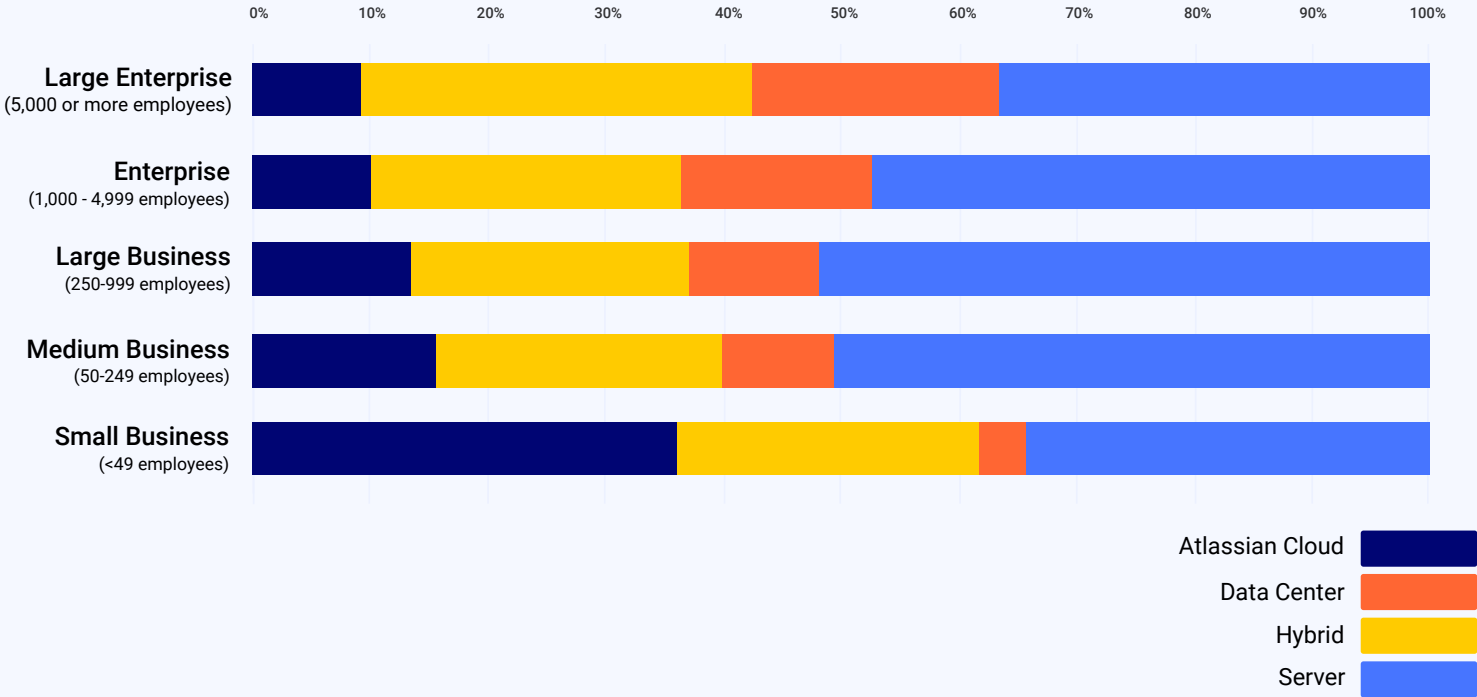
In line with last year's findings, our research shows use of Atlassian Cloud is most prevalent in smaller organisations – increasing from 32% in 2020 to 37% in 2021.

Data Center is a more common choice for enterprises (26% of respondents' organisations use Data Center compared to 9% in 2020).

Across all sizes of organisation, our research shows a growth in hybrid deployment models (mix of on-premise with Cloud hosting), with 30% of respondents' organisations opting for this blended approach, up from 10% in 2020.



Deployment choice by organisation size



16%

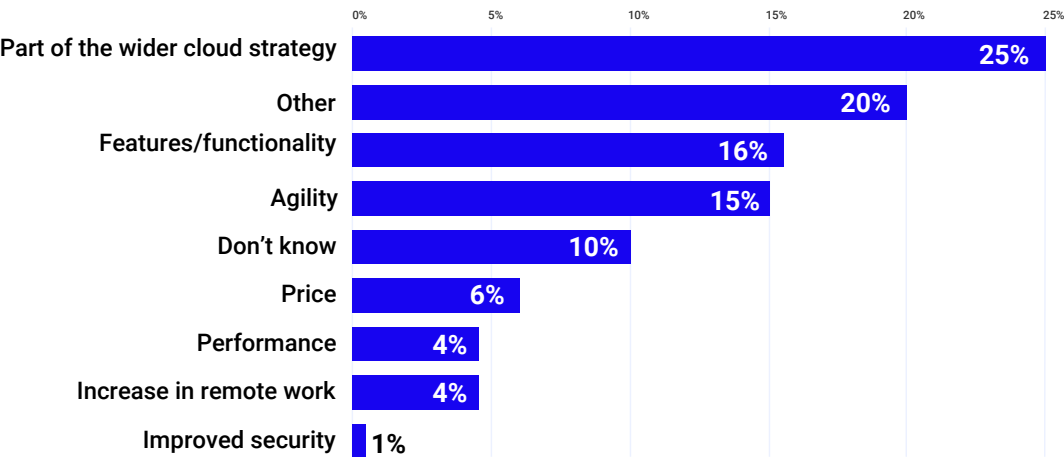
of respondents say features and functionality are key drivers in moving to Cloud.

Atlassian Cloud is part of a wider strategy for many organisations

A quarter of respondents (25%) say their decision to use Atlassian Cloud is part of a wider Cloud strategy for their organisation –

other Cloud drivers include features and functionality (16% of respondents), and agility (15% of respondents).

What drove your organisation's decision to start using Atlassian Cloud?





For many organisations, Atlassian Cloud offers new opportunities to introduce scalable agile development and testing processes that accelerate innovation.

Alex Zavorski | VP of Product Management at SmartBear

Ease of management is the greatest advantage Cloud offers

Ease of management is what appeals to 71% of respondents when it comes to Atlassian Cloud – followed by features

(43% of respondents), performance (28% of respondents), and having a better UX/UI (22% of respondents).

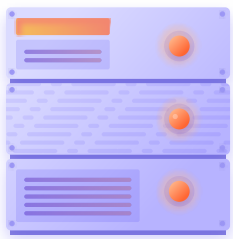
What do you like most about Atlassian Cloud products?



Enhanced features and functionality imperative for Cloud

When asked what improvements they would like to see with Atlassian Cloud, 63% of respondents said features/ functionality, followed by reduced

cost (56% of respondents), better UX/UI (39% of respondents), and better performance (38% of respondents).



48%

of respondents say app integration is a top challenge in making the move to Cloud.

What improvements would you like to see with Atlassian Cloud products?

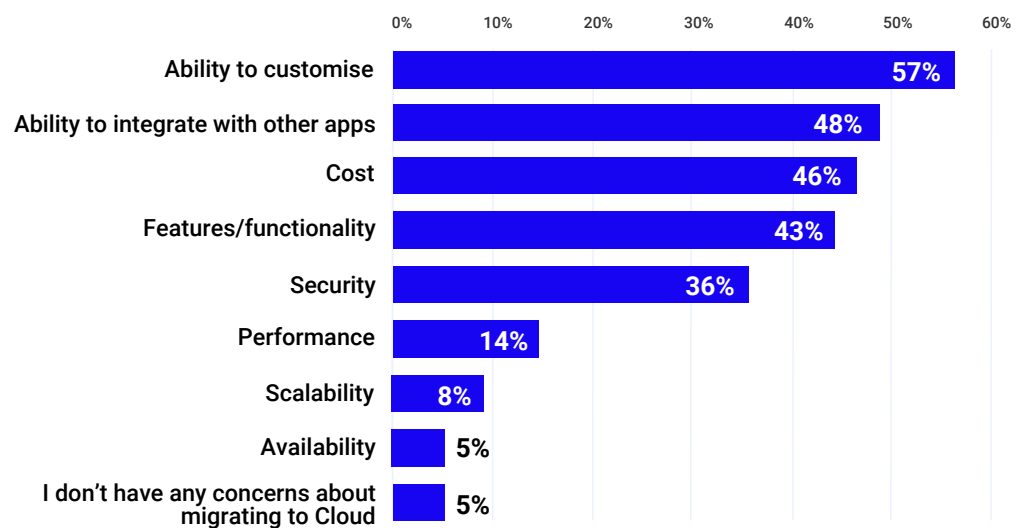


What are the challenges organisations face in moving to Cloud?

According to our research, customisation (57% of respondents), app integration (48% of respondents), cost (46% of respondents), and features/functionality (43% of respondents)

are the main concerns with migrating to Atlassian Cloud. With security also revealed as a top consideration for larger enterprises.

What are your main concerns about migrating to Cloud?





Weathering the storm with Atlassian Cloud

During a year of huge disruption, Atlassian Cloud (SaaS) has enabled organisations to spin up new services and support new ways of working.

It has also given organisations the ability to scale up or shrink back services in line with demand. The ability to dynamically adjust services in this way allows organisations to tightly control costs as well as rise to the challenges of a changing landscape. Considering all of these factors, it is also not surprising to see hybrid deployment models – where organisations leverage both on-premise and Cloud solutions – increasing significantly this year.

Interestingly, our findings show the top two deployment considerations for organisations shifting from non-functional requirements – security, performance, and scalability – to functional requirements, such as the ability to customise and integrate with other apps. This is indicative of organisations looking to push the boundaries of functionality with Atlassian Cloud, and Atlassian's focus on improving its Cloud security and performance.

For those organisations that were able to take advantage of Atlassian Cloud during the pandemic – for greater scalability, business continuity, and agility – it will be interesting to see how they capitalise on the opportunities it offers for the longer term.



03

Solution partners

Organisations are teaming up with Atlassian Solution partners for specialist support with licensing, implementations, and strategic technical changes.



53%

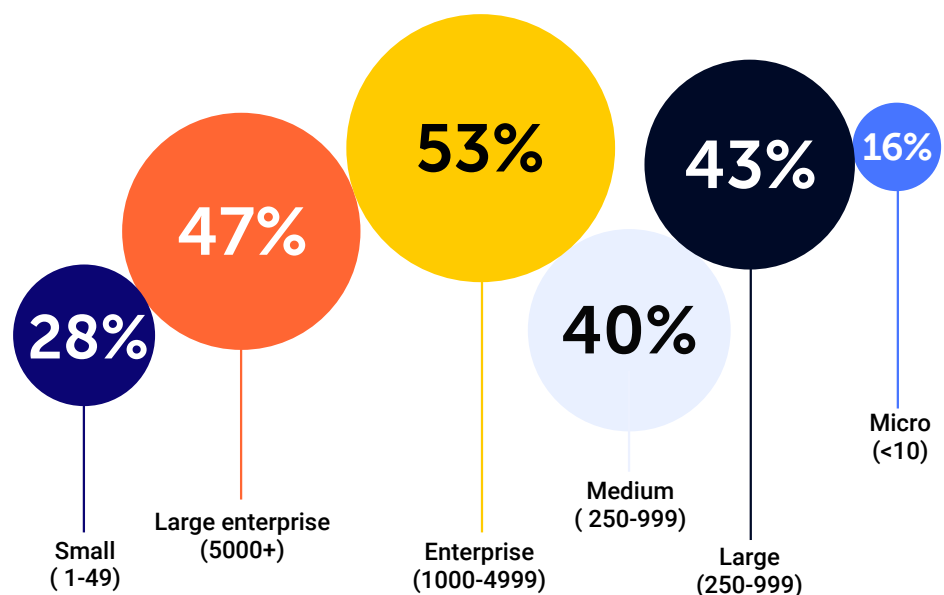
of enterprises have engaged with an Atlassian solution partner.

Close to half of all those surveyed (42%) have engaged with an Atlassian solutions or training partner in the past.

When we dig a little deeper, the results vary based on the organisations' size and region. Organisations of all sizes can

benefit hugely from the support and capabilities of a specialist Atlassian solution partner. But, there's no doubt the more complex an organisation's needs — legacy systems, security requirements, layered processes, etc. — the greater value a partner can bring.

Respondents who have engaged with an Atlassian solutions or training partner (by organisation size)



What engagement has your organisation had with Atlassian solution partners in the past?



46%

of respondents have engaged with Solution Partners to help implement Atlassian tools.

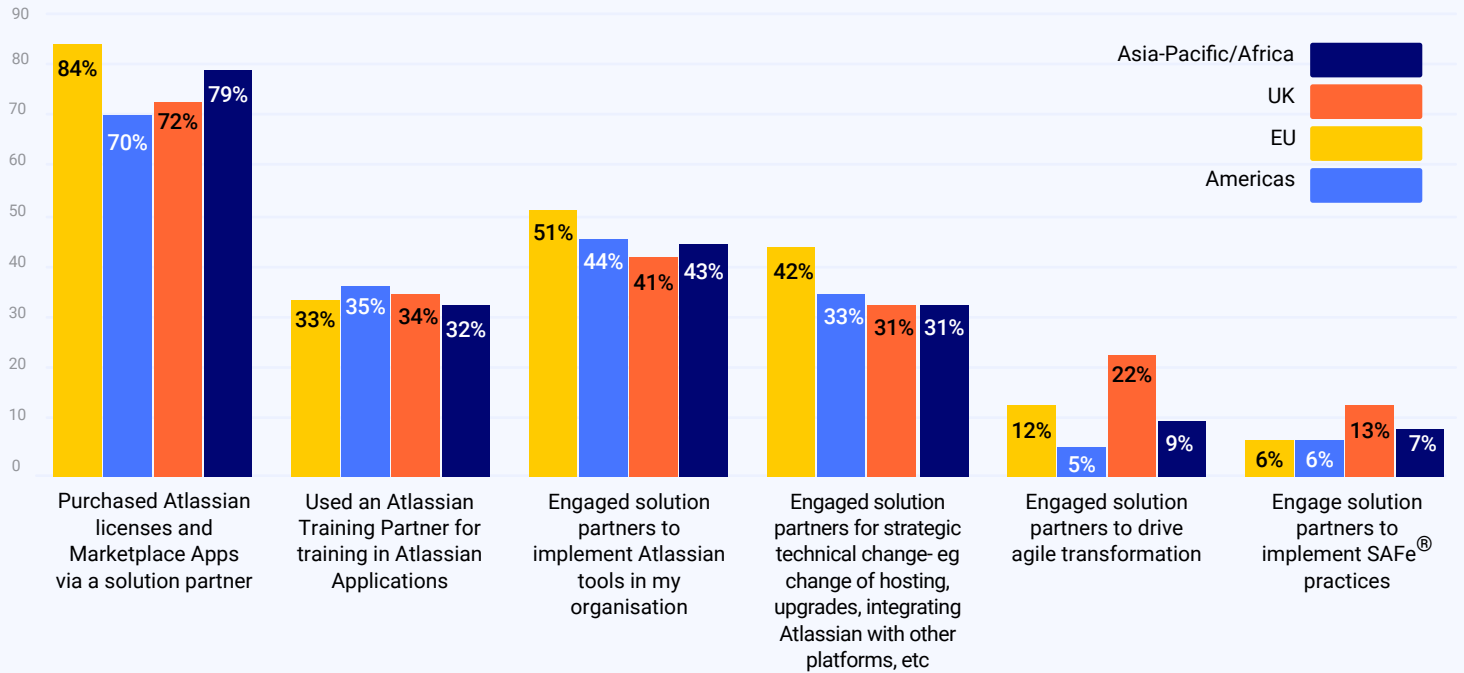
Majority of respondents are leveraging partners for licensing and app procurement

Of those who have engaged with Atlassian Solution Partners in the past, 78% have worked with a partner to purchase Atlassian licences and Marketplace Apps.

With organisational growth can come complexity, so engaging with

partners can help larger organisations in particular to gain better visibility and control over their licensing estate – reducing risk and cost in the process.

What engagement has your organisation had with Atlassian solution partners in the past?



Solution partners play a critical role in the success of our customers. Those organisations that engage with our partners tend to grow adoption faster and achieve higher retention rates. We see many leverage solution partners for expertise on localised billing services or to have a one-stop-shop approach for their services and licences.

Björn Malmström | Atlassian Manager Northern Europe Channels

Maximising value through Atlassian partnerships

Almost half of respondents (46%) engage with partners to support the implementation of Atlassian tools in their organisation. Europe leads the way when it comes to leveraging partners for implementation support (51%) and strategic technical change (42%). With all other regions ranging between 41–44% for implementation and

31–33% for strategic technical change.

UK organisations top the bill when it comes to engaging with partners for agile transformation (22% respondents) and SAFe® practices (13% of respondents). This is compared with all other regions, which range from 4–12% for agile transformation and 5–7% for SAFe® practices.





Powering forward with Solution partners

Atlassian continues to play a vital role in many organisations today. From ensuring the smooth running of day-to-day operations to scaling innovation efforts, it is helping many organisations keep their competitive edge. But, while leveraging Atlassian's portfolio brings with it many business benefits – such as agility, efficiency, and faster time to market – if not thoughtfully executed, it can introduce a whole new set of challenges.

From our experience, organisations that engage with Solution partners early in their Atlassian journey are more likely to achieve a successful outcome. It also holds that the more an organisation grows and scales, more likely it is to reach out to a Solution partner for support. For example, when one team's experiment with Atlassian explodes to enterprise-wide adoption.

In recognition of the critical role Solution partners play in the ecosystem, Atlassian recently launched a new **partner specialisation program** designed to help customers accelerate time to value with Cloud, Agile at scale, and IT service management (ITSM).

'Specialisations are the next logical step in the evolution of the Solution Partner Program; specialised partners will support enterprise-level complexities that our customers deal with on a day-to-day basis,' explains Allyce Mardesich, Atlassian's Head of Global Channel Programs.

As Atlassian expands its capabilities to meet the needs of all teams, it will be interesting to see how the role of Solution partners continues to grow and evolve in the future.

04

DevOps

DevOps — as a mindset and methodology — continues to build momentum.

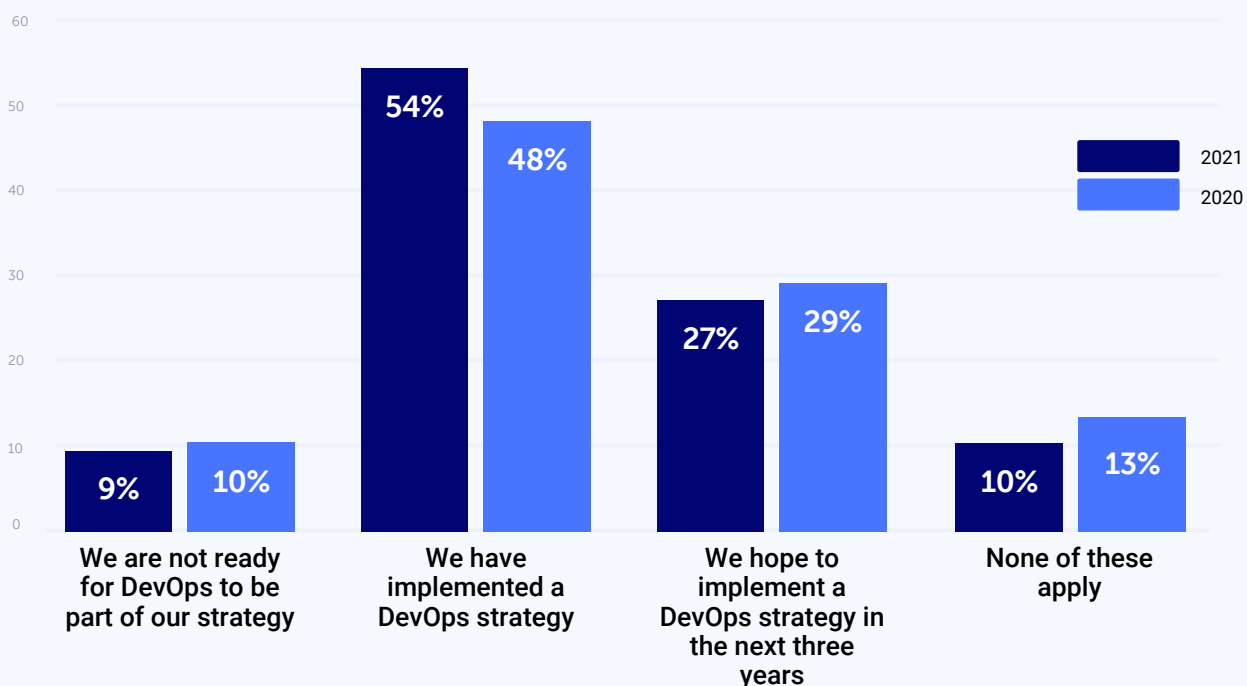
The sudden and swift shift to remote working by organisations in response to the COVID-19 pandemic has brought digital transformation into sharp focus — moving it to the top of the priority list.

With the need for organisations to adapt faster, it's not surprising to see the adoption of DevOps continue to grow year on year —

increasing from 48% in 2020 to 54% in 2021.

And, when we look at future adoption intentions, the rise of DevOps is set to continue with 27% of respondents (those who have not yet embraced DevOps) hoping to implement a strategy in the next three years.

Which of these statements best describe your organisation's approach to DevOps?





81%

of respondents say automation is a leading driver for DevOps.

DevOps adoption: larger enterprises lead the charge

Large enterprises (>5,000 employees) continue to be the greatest adopters of DevOps (representing 64% of respondents), a trend we suggest is due to longer-term transformation programmes working their way through the many niches of larger-scale organisations.

Also, according to our research, organisations from the automotive,

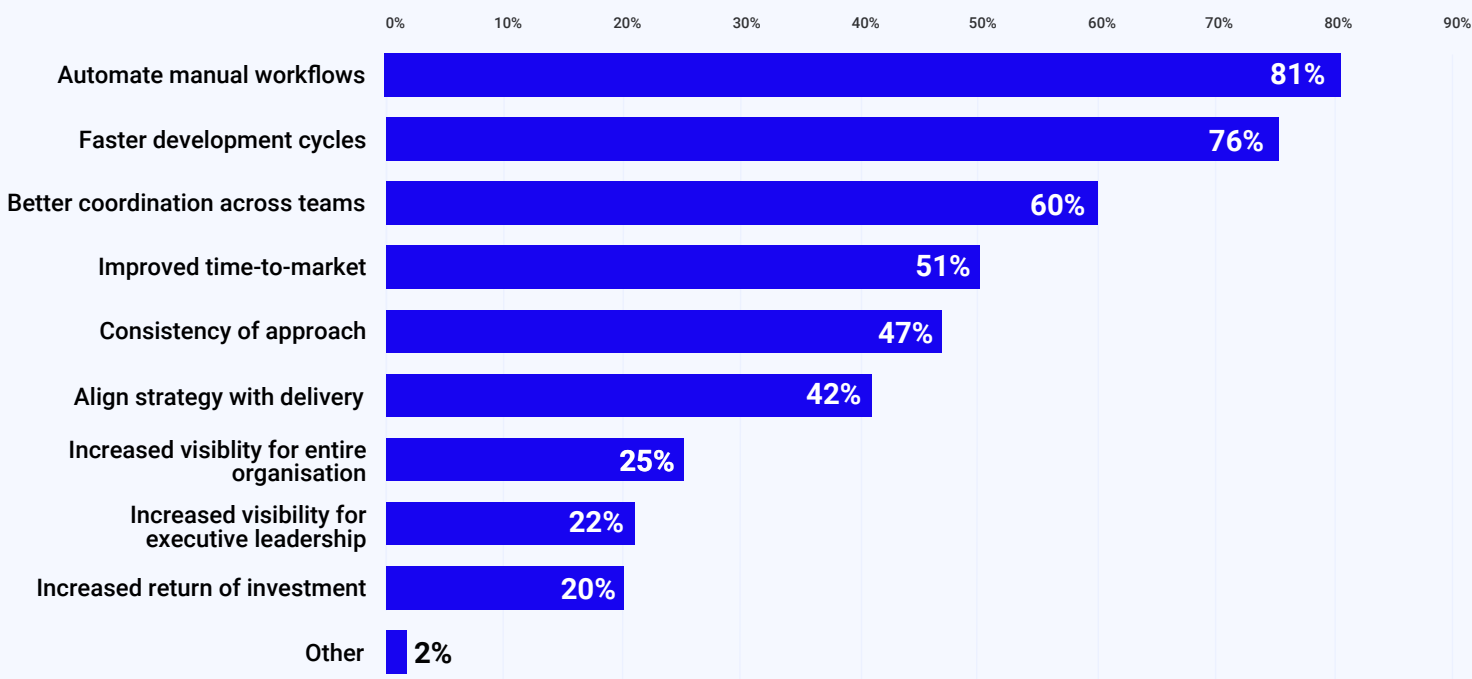
energy and manufacturing sectors are latecomers to the DevOps movement – with 17% of respondents representing these sectors saying they are not ready for DevOps to be part of their strategy. Interestingly though, these sectors also show the highest intentions of future adoption, with 33% of respondents hoping to have a DevOps strategy in place within three years.

DevOps promises speed, efficiency, and better collaboration

It's clear that an increasing need for speed and agility is fueling adoption, with 81% of respondents reporting automation as a leading driver for implementing DevOps –

followed by enabling faster development cycles (76%) and better coordination across teams (60%).

Why did you decide to implement a DevOps strategy?





In an increasingly complex business environment, the benefits of DevOps – speed, agility, and flexibility – can’t be ignored. But for many organisations, successful execution is still out of reach. For DevOps to flourish, you need more than just a new set of shiny tools – the right culture is vital. The most successful strategies involve tight integration of teams, processes, and tools in a common platform – like Jira.

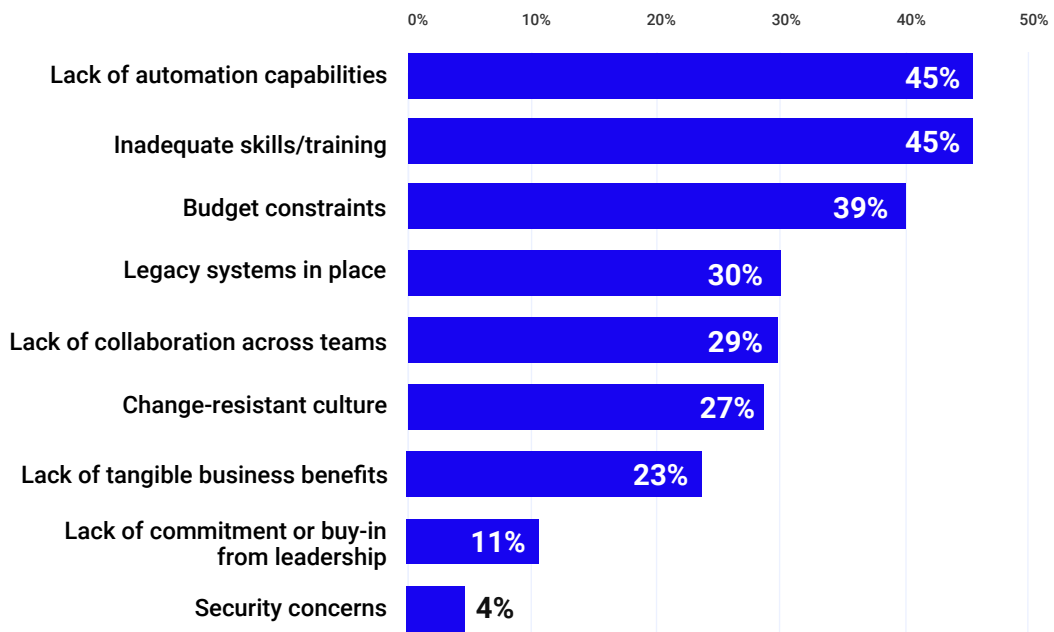
Andy Boyd | Appfire
SVP Product Management and Growth

DevOps and automation - it's a catch-22

According to our research, the top barriers to DevOps are insufficient automation and training, with 45% of respondents citing a skills deficit alongside a lack of automation capabilities holding back execution.

However, in our experience, a strong DevOps strategy will bring enhanced automation capabilities – with the trademark tighter feedback loops and iterative processes associated with DevOps going hand in glove with automation.

What’s holding you back from implementing a DevOps strategy?



Recognising the business benefits of DevOps

Through our research it is clear that many of the barriers holding back DevOps implementation – automation, skills, cost – are also some of the benefits organisations stand to gain from its adoption. But, it's worth remembering that the cultural and organisational change required to make DevOps work often takes time to bear fruit.

Encouragingly, our research shows that awareness of the business value of DevOps is growing, with only 23% of respondents citing a lack of tangible business benefits and 11% stating a lack of leadership buy-in as barriers.



DevOps doesn't happen overnight

The DevOps movement — now well into its second decade of existence — continues to grow and evolve, with many organisations adopting it as a strategy to help them adapt to a dramatically changing landscape.

But, even though our research shows an increased commitment from business leaders to embrace DevOps — lack of automation capabilities and/or inadequate skills in-house remain the biggest barriers to adoption.

No matter where you are in your DevOps journey, it's important to remember it's not just a new process or approach that can be easily implemented overnight. It involves both a cultural and mindset shift across your organisation.

With digital transformation moving up a gear as a result of the COVID-19 pandemic, we see the continued rise of all things 'Ops'. With the increasing adoption of Cloud technologies, we expect to see DevSecOps come into sharper focus in next year's report.

If you're not yet familiar with other 'Ops' terms like GitOps, NoOps, AIOps, etc., fasten your seatbelt as they are about to hit the mainstream over the next year or two. Stay tuned for more in this space.



05

Automation

Despite increasing automation capabilities across Atlassian's portfolio of tools and services, there's demand for more.

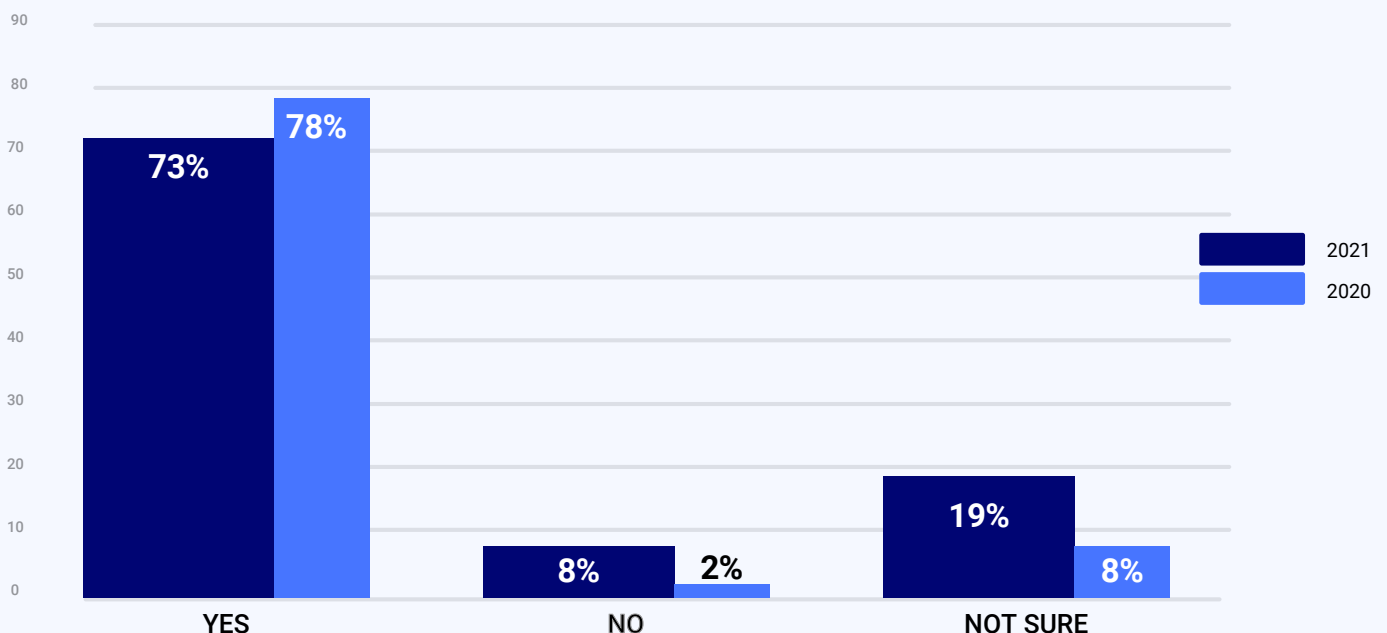
Driving efficiency through automation

2020 has forced many organisations to rethink how they operate — bringing cost and efficiency into acute focus.

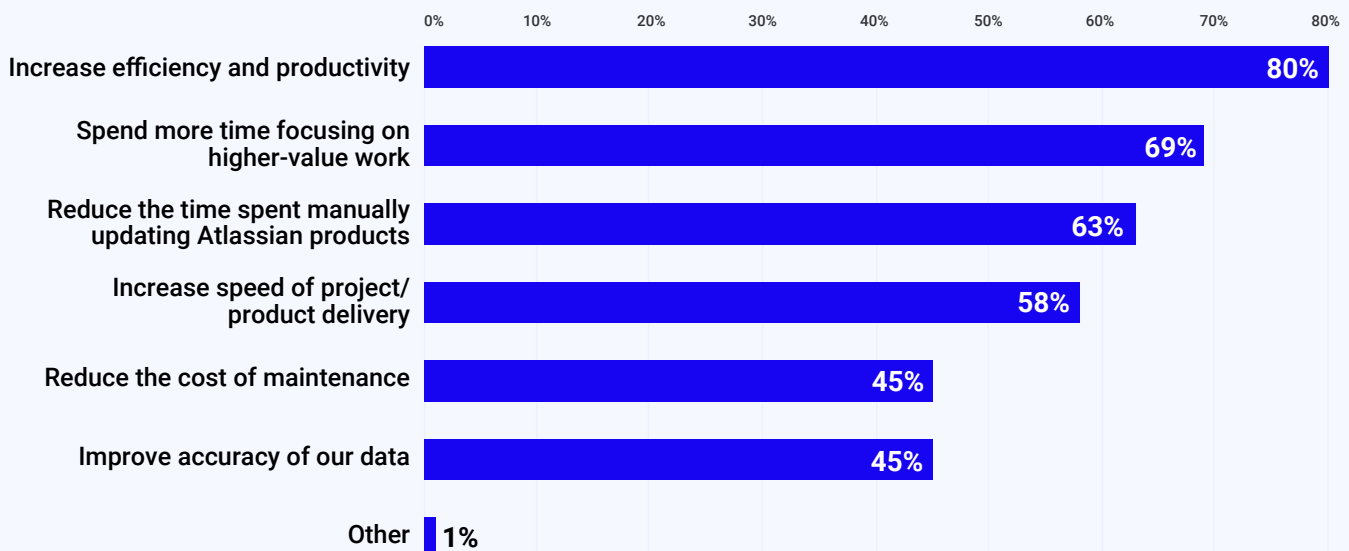
With this in mind, it's not surprising that 73% of respondents would

like to see more automation capabilities across their Atlassian portfolio — slightly down from the 78% reported last year, indicating Atlassian's improvements in this space are making an impact.

Would you like more automation capabilities across Atlassian products?



Why would you like more automation capabilities across Atlassian products?



46%

of respondents are using automation for continuous integration and development practices.

The majority of respondents (80%) say the need to increase efficiency and productivity is a top driver for automation. Followed by more time to focus on higher value work

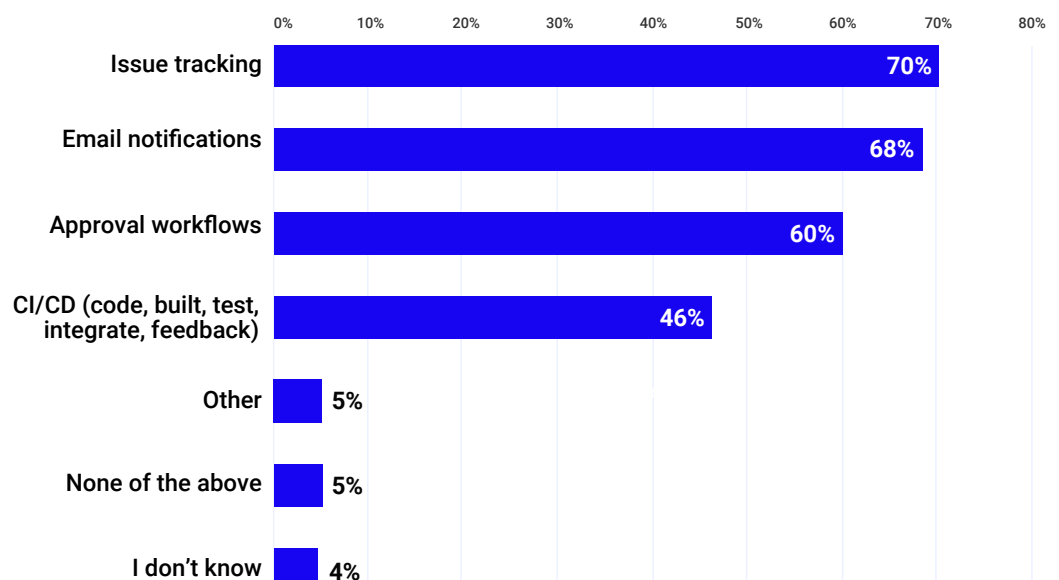
(69% of respondents), reducing manual effort (63% of respondents), and increasing speed of delivery (58% of respondents).

Issue tracking is a perfect fit for IT automation

70% of respondents cite issue tracking as the most common process to automate, followed by email notifications (68% of respondents), approval workflows

(60% of respondents), and Continuous Integration/Continuous Delivery (CI/CD) (46% of respondents).

What IT processes or tasks do you automate or are automated in your current role?





37%

of respondents would like more automation to unlock the benefits of DevOps.

Project management holds the most potential for automation

The main opportunities for automation include: project management (54% of respondents), data analysis and reporting (52% of respondents), and maintenance and support (44% of respondents).

According to our research large enterprise organisations are most interested in automation for data analysis/reporting and project management.

What processes or tasks do you wish you could automate?

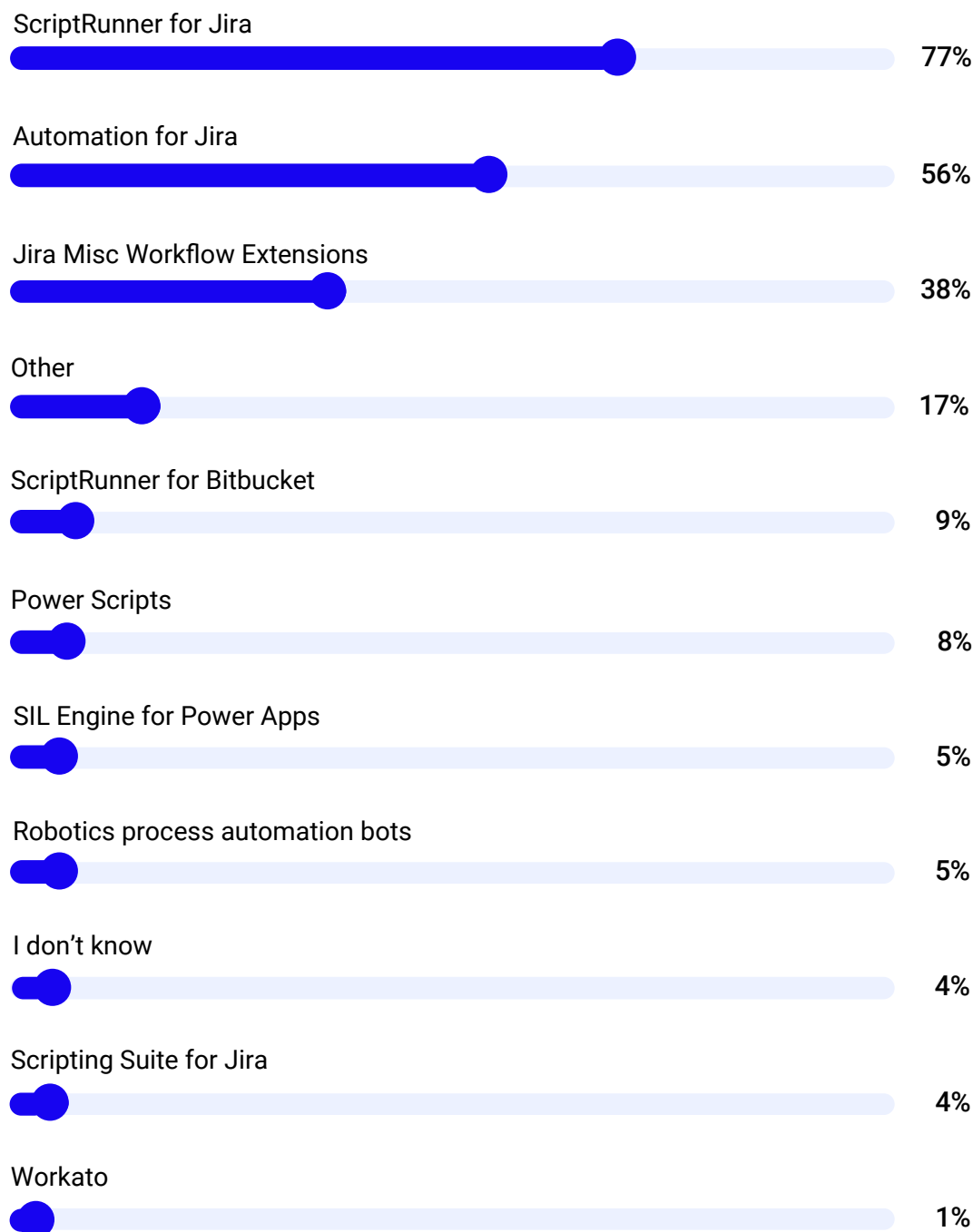




56%

of respondents
use Automation
for Jira.

What tools do you use to automate your processes or tasks?



According to our research, 77% of respondents use ScriptRunner for Jira to automate tasks and processes. With a further 56% of respondents using Automation for Jira and 38% of respondents using Jira Workflow Extensions.

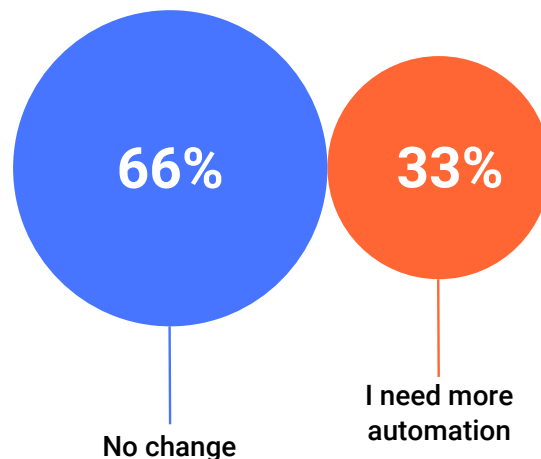
It's worth noting that Automation for Jira was more popular among smaller organisations, while ScriptRunner for Jira was more popular for larger organisations.

Remote working ramps up demand for Atlassian automation

Remote working has caused a third of respondents (33%) to seek more automation. With Asia-Pacific/

Africa regions representing 49% of total respondents who want more automation.

How has remote work changed your requirements around automation?

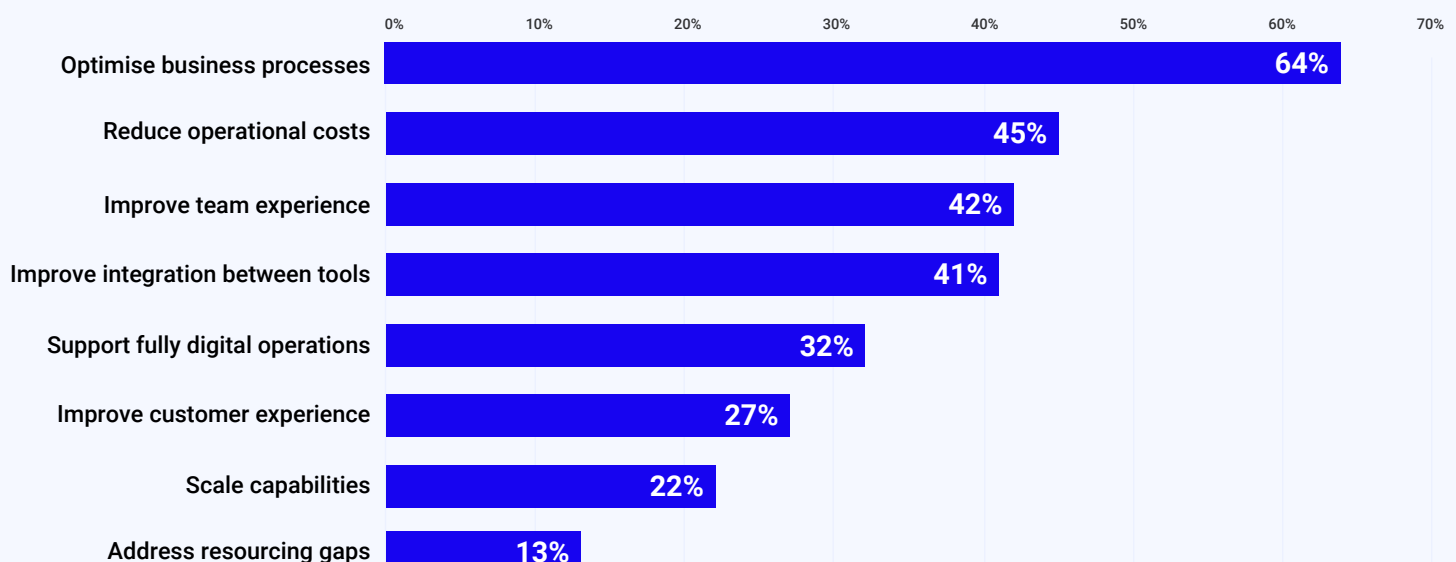


Optimising business processes is driving automation need

According to our research, the top cited reasons for seeking more automation include the need to optimise business processes (64% of respondents), reducing

operational costs (45% of respondents), improving team experience (42% of respondents), and improving integration between tools (41% of respondents).

Why have your automation requirements changed?





Automation moves up a gear

Automation continues to be a key driver for organisations keen to deliver more efficiencies, reduce costs, and stay competitive. And in the new remote-first working landscape, it's no surprise that demand for automation continues to surge.

When it comes to Atlassian automation, we are seeing an increased focus on bringing low-code and easy-to-implement automation capabilities to the masses, amplified by its acquisition of Code Barrel (makers of Automation for Jira) and launch of new built-in automation features for users of Jira Cloud. The inherent flexibility of the ecosystem allows organisations to implement automation either directly using Atlassian's native functionality (bolstered by the acquisition of Code Barrel) or through other apps available on the Marketplace.

The future outlook for the automation sector in the Atlassian space is interesting. There are a number of emerging trends which may impact customer decisions across the ecosystem. Robotic Process Automation or RPA is impacting repetitive tasks in areas such as enterprise resource planning (ERP) and financial services. Is RPA ready to be leveraged for ITIL, DevOps, and Software Development Lifecycle (SDLC) use cases?

We are also seeing a growing number of players in the automation and integration space offering low-code and no-code solutions – fuelling expectation and demand across the ecosystem. Improved choice for automation developers is another future trend to watch out for. When it comes to code, will developers want to work with traditional coding languages, such as Java and Groovy? Or, are they more likely to seek out more modern approaches using Python, Javascript, and Typescript?

To address many of these growing trends, Adaptavist released AutoBlocks, an Integration Platform as a Service (iPaaS) – giving citizen developers a richer choice of low-code automation using Google Blockly or a complete coding experience using javascript/typescript – all in one solution. Given the greater choice now available to users, it will be interesting to see what trends continue to emerge and develop in this space.

06

ITSM / ESM

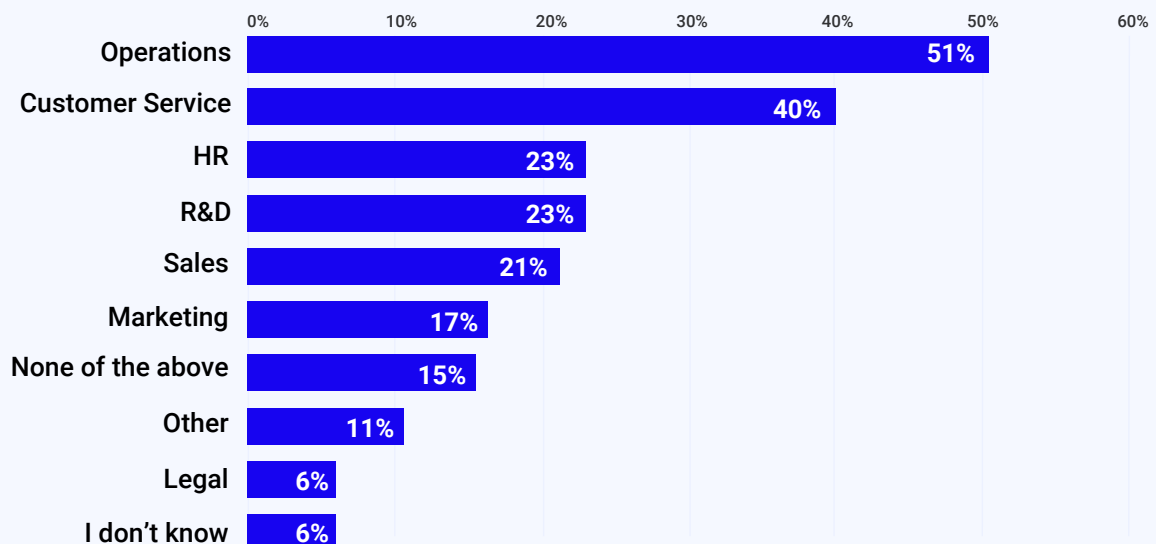
With technology now playing a key role in every organisation, we are seeing ITSM practices – once the domain of IT teams – moving enterprise-wide in the form of ESM.

Service desk models move beyond IT teams

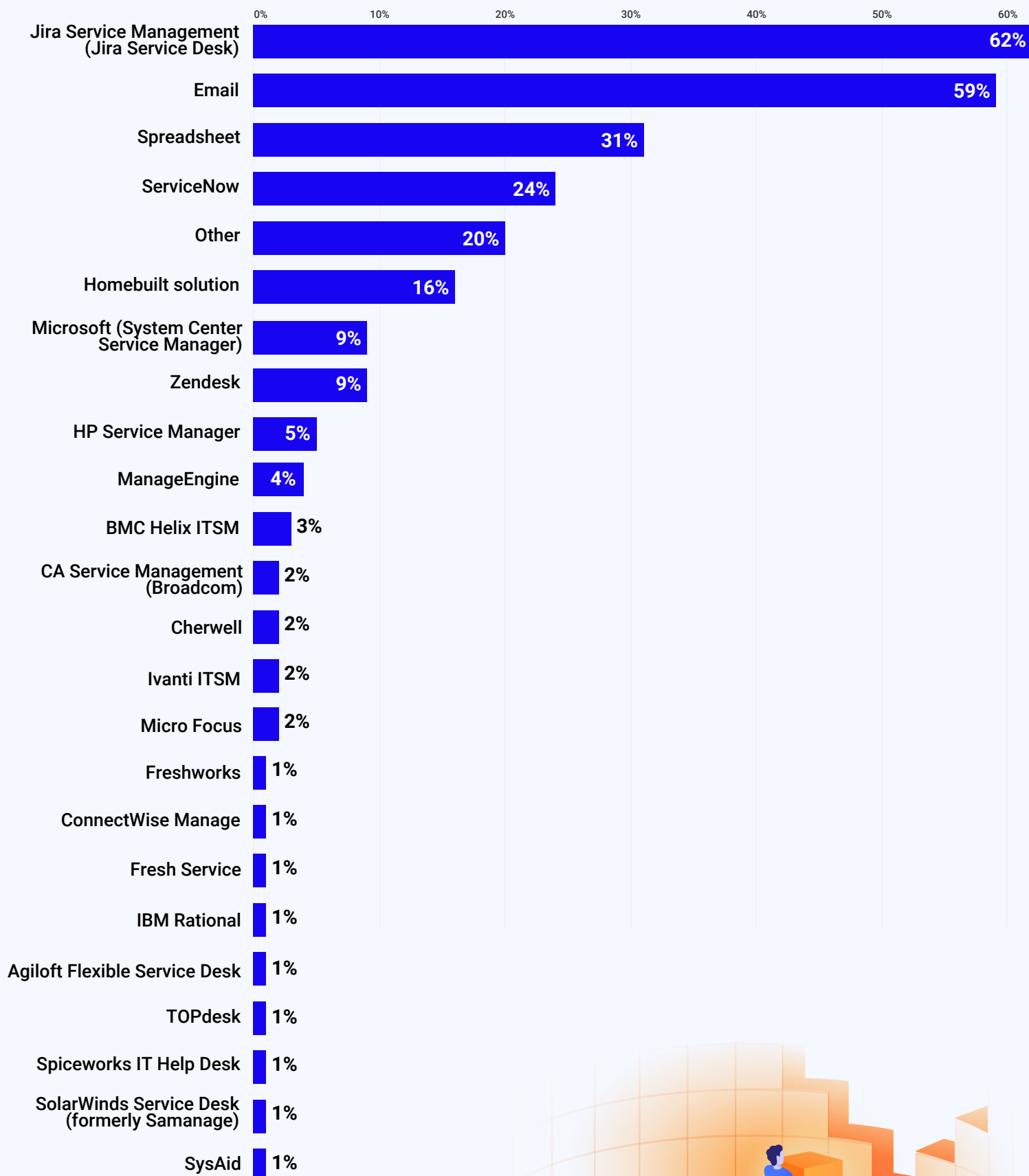
Our research shows that many different functions in organisations are embracing a service desk model to manage workflows. With operations coming out top at 51%

of respondents, followed by customer service teams (40% of respondents), HR and R&D (both at 23% of respondents), and sales (21% of respondents).

Are there any other areas in your organisation using a service desk model to manage workflows?



Which tools does your organisation use for ITSM/ESM?





70%

of respondents use more than one tool for ITSM/ESM.

Multiple tools are being used for ITSM/ESM

According to our research 70% of respondents use more than one tool for ITSM/ESM, with an average of at least three tools being used per organisation.

Following the relaunch of [Jira Service Management](#) (JSM) last year, it's not surprising that 62% of respondents (all of which are Atlassian customers) use Jira Service Management as the tool of choice for ITSM/ESM.

ServiceNow (24% of respondents) is the second most popular choice, particularly for larger organisations.

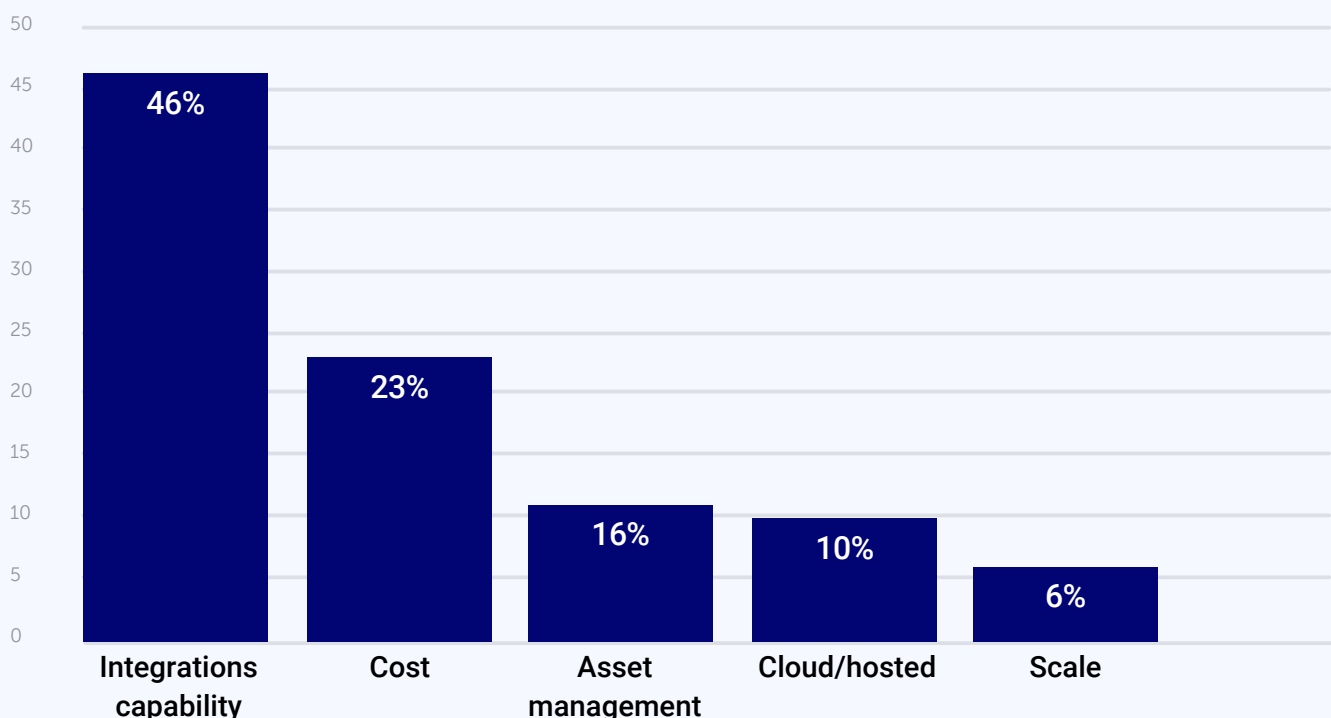
Non-specialist solutions, such as email (59%) and spreadsheets (32%), are most commonly used in smaller organisations for ITSM/ESM – most likely driven by ease of use and convenience.

Extending the power of ITSM/ESM with integrations

The ability to integrate (46% of respondents) is by far the most important factor when choosing an

ITSM/ESM solution. With cost (23%) and asset management (11%) next in line.

Please choose the most important factor when selecting an ITSM/ESM solution



Which of the following would be a key driver in making changes to your ITSM/ESM environment?



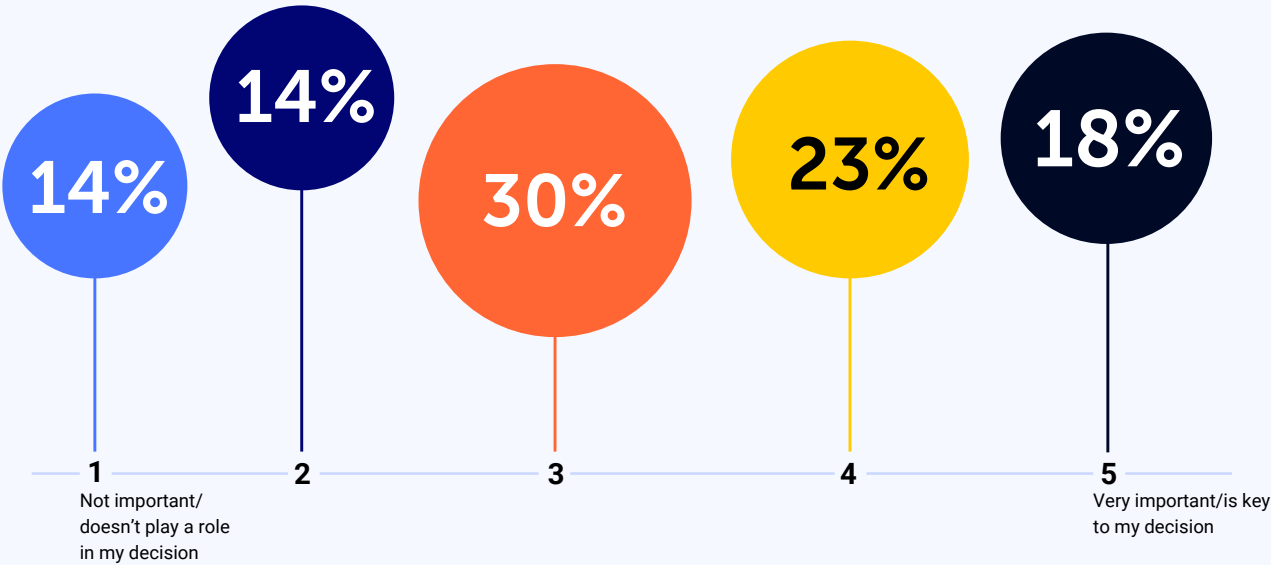
Business efficiency is driving changes to ITSM/ESM

Automating manual processes (64% of respondents) and increasing productivity (56% of respondents) are the top two drivers for making changes to ITSM/ESM environments – both of which go hand-in-hand in

achieving business efficiency. Next up is customer satisfaction (47% of respondents), signalling that organisations are keen to find ways to improve their relationships with customers.



When choosing an ITSM/ESM solution, how important is DevOps functionality (such as integration with the DevOps toolchain)?



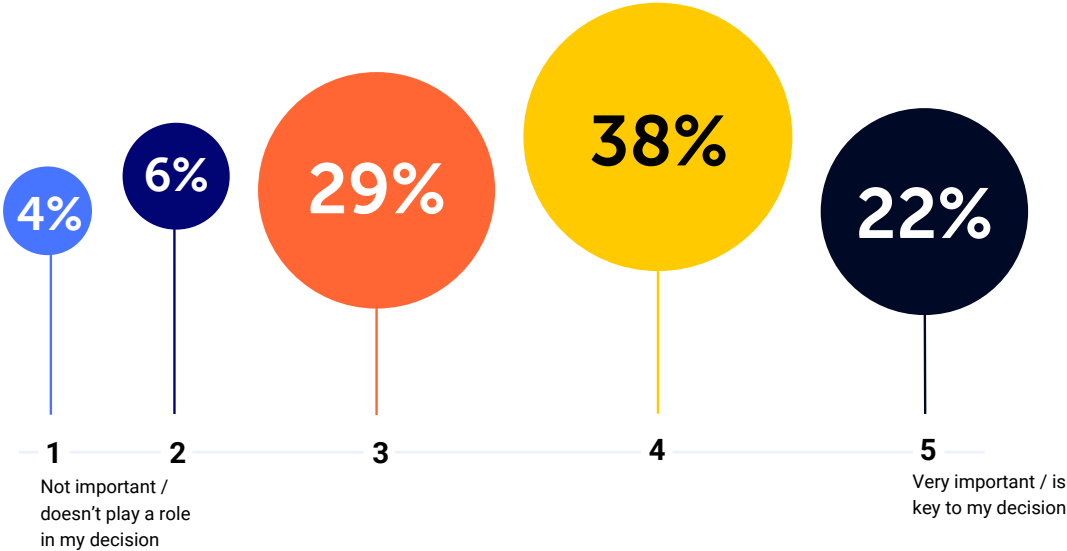
DevOps functionality is viewed as important or very important for 41% of respondents when

choosing an ITSM/ESM solution. It's particularly important for larger organisations (>50%).



of large enterprises say price is a top factor in choosing an ITSM/ESM solution.

How important is price when considering an ITSM/ESM provider?



Price is an important consideration when choosing an ITSM/ESM provider, with 60% of all respondents ranking it as important to very important – and

more significant than DevOps functionality.

72% of large enterprises cite price to be important to very important.



Service management expands enterprise-wide

Now more than ever, organisations must think and act like tech companies. Gone are the days when IT departments worked in silos, separated from the businesses they support. The last decade has seen IT rise in status from a back-office cost centre to an innovation enabler. And, in the same way that every organisation is now a tech company, almost every worker now uses technology in some way to perform tasks every day.

Over the years, IT teams have developed many best practices, like IT Service management (ITSM), to deliver fast and efficient IT services to customers (most often their colleagues!). From rolling out new computer systems to delivering cutting-edge digital solutions – IT teams have long been at the forefront of change. ESM was born out of the need to take some of the most effective practices developed in ITSM beyond IT to all parts of an enterprise.

With the same principles of ITSM at its heart, ESM enables rapid deployment of self-service operations; knowledge sharing; service and operational level agreements and, of course all the reporting capabilities associated with providing such services. A deeply integrated Service management system can provide quick and easy access to information deeply buried within an organisation, providing quick resolution pathways to business challenges.

As organisations continue to embrace new technologies to stay competitive, the continued growth of ESM shows no signs of slowing down for the foreseeable future.



07

Agile/ agile at scale

It's been 20 years since the [Manifesto for Agile Software Development](#) first hit the business scene, yet its core principles — openness, flexibility, and adaptability — feel more relevant today than ever.

Agile is gaining momentum

Adaptability and agility go hand-in-hand, so in a year that has brought about significant changes to how we live and work, it's no surprise our research shows an upward trend in agile adoption increasing 5% year over year – 82% in 2021 vs 77% last year.

Of those who have not yet adopted

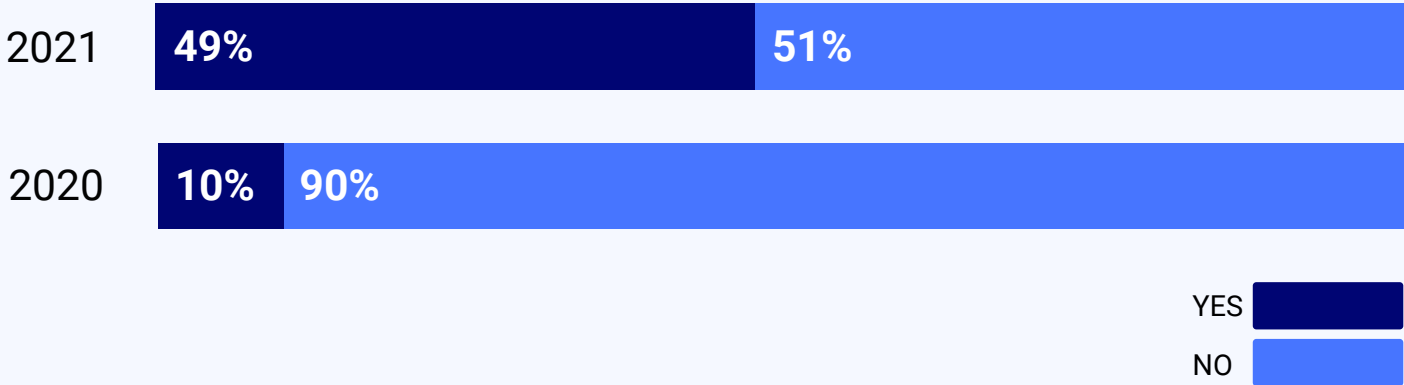
agile practices in their organisation, our research shows close to half (42% of respondents) plan to in the next year. And when we examine large enterprises (>5,000 employees) – arguably a fertile ground for transformation – two-thirds (67% of respondents) have high intentions of adopting agile.

Has your team adopted an agile way of working? *of those respondents who cited yes or no*



YES 
NO 

Has your organisation adopted agile at scale (i.e. multiple teams in the organisation operating in agile), using a framework such as SAFe®, LeSS, DA, or Scrum@Scale?



74%

of respondents are keen to scale agile to align strategy with delivery.

Is the journey to organisation-wide agility scaling new heights?

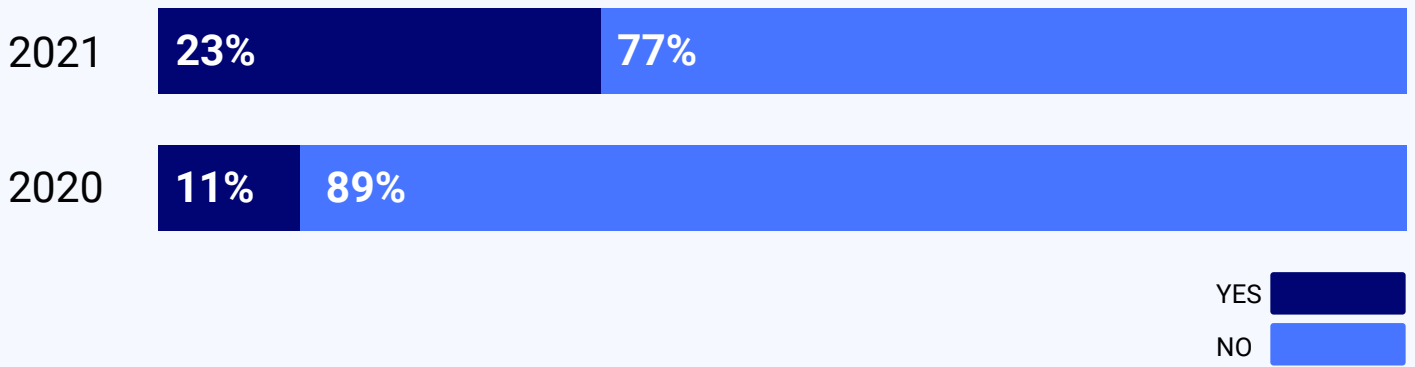
Agile at scale adoption is also up considerably, rising from 10% in 2020 to 49% in 2021; and for large enterprises, the trend is also upward, increasing from 19% to 56% in the space of a year.

What is driving organisations to expand agile practices?

What business outcomes do you hope to achieve when adopting agile at scale?



Does your organisation plan to adopt agile at scale?



With organisations under increasing pressure to respond and adapt to a changing and dynamic market, agility has become critical. But achieving agile at scale is still nirvana for many, with culture often the biggest hurdle to success.

Mark Lorion | CEO, Tempo

When we compare this year's results with last year's, future adoption intentions are higher for agile at scale – 23% in 2021 vs 11% in 2020. And, for large enterprises (>5,000) we saw a reverse in this trend with 9%

hoping to adopt agile at scale in 2021 vs. 14% in 2020 – most likely due to agile transformation already underway for many organisations in 2020 (Large enterprise agile at scale adoption increased from 19% in 2020 to 56% in 2021).

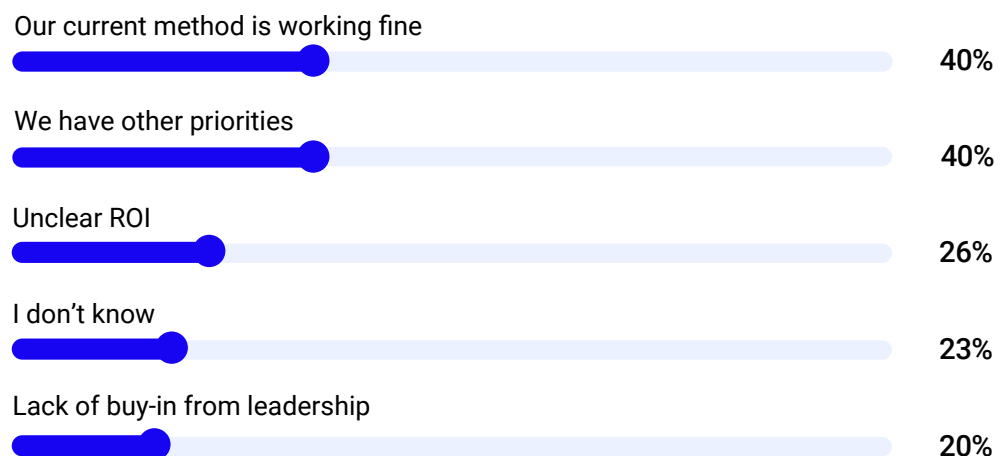
What's holding agile back?

With agile working practices having proven benefits for modern organisations, why are some still holding back?

It would seem resistance to change is the biggest hurdle to overcome in expanding agile to all

teams. With 40% of respondents claiming that the status quo is working fine without agile, a further 40% cite other priorities are taking precedence, and 25% are unsure if the investment will reap rewards.

Why have you not adopted agile at scale?





Agile starts with the right mindset

The rapidly changing nature of the pandemic amplified the need for businesses to be agile. And, it's likely those organisations that had already adopted agile practices before the pandemic fared better than their less agile peers. However, though the benefits of agile are clear, the journey is still a bumpy one for many organisations.

While the right tools supporting the right processes are important, the biggest barrier to achieving agile success is the mindset shift that needs to come with it – learning what it means to 'be' truly agile, not simply 'do' agile.

For agile adoption to 'land' an organisation needs to embrace an agile mindset with an eye towards developing every individual, encouraging cross-functional collaboration, and supporting autonomy – all while keeping the customer front of mind.

To emphasise only process and tools is to leave behind 50% or more of the potential gain. Good news, though, it is never too early to start sowing the seeds of an agile mindset in your organisation. Agile is a continuous journey, not a fixed destination, is your culture ready to fully embrace it?





Closing thoughts

Simon Houghton-Williams
CEO, Adaptavist

Few could have imagined, let alone predicted, how the past year and a half would play out. With hope on the horizon in the form of global vaccination programs – many leaders will be turning their thoughts to business beyond COVID-19. And they'll likely be wrestling with the long-term economic and social impact of a virus that has changed the world. Many will be evaluating their organisational readiness and resilience to be ready for future unforeseen events.

Will changes to ways of working imposed by COVID-19 become the new baseline? Will there be a 'snap back' from some organisations in an attempt to replicate a previous level of normality? Will others continue to push ahead and turn forced changes into strategic differentiators?

The reality is we are all still on a journey of discovery, and there is no single right answer for all. Over the next few years, we will see all these options play out in front of

“

Integration is key to unlocking the power of the pools of information held by SaaS platforms. It has also intensified our relationship with technology, bringing it to the forefront of our lives – if it wasn't already; connecting people during periods of forced isolation; helping businesses pivot at a moment's notice; and empowering teams to collaborate from anywhere.

Simon Houghton-Williams |
CEO, Adaptavist

us. But, I can say with certainty that whatever the future holds, change will be a big part of it.

For all the undoubted pain, trauma, and chaos the pandemic has brought with it, it has also opened the door to positive change. It has forced us to cast aside long-standing assumptions built up around the way we work – liberating us to embrace new approaches. Making changes that would have been unthinkable in pre-COVID-19 times imperative to business survival. It has also intensified our relationship with technology, bringing it to the forefront of our lives – if it wasn't already. We have seen it play a vital role in connecting people during periods of forced isolation, enabling businesses to pivot at a moment's notice, and empowering teams to collaborate from anywhere.

We are seeing this growing reliance on technology resulting in [the average enterprise now using around 288 SaaS applications](#) – up 30% year over year in 2020. And,

when looking at the Atlassian ecosystem, we see this wider industry trend carry through in our findings – with the adoption of Atlassian tools increasing organisation-wide, and demand for integration between Atlassian and other third-party apps rising.

As always, shifts like this bring both opportunities and challenges. For organisations, the possibilities afforded by outsourcing to a SaaS solution have to be weighed against the flexibility of on-premise or private Cloud deployments. Consequently many organisations now find themselves running a mix of SaaS and on-premise solutions simultaneously – creating a hybrid deployment landscape.

Of course this can bring with it added complexity, but if addressed well, planned integration can accentuate the power and flexibility of these systems. And it can offer a tantalising opportunity to bring the best of breed tools together to create something more or less purpose built – achieving the best of both worlds.





Making the ecosystem work for you

- **Remember meaningful change starts with a mindset shift** – leaders must be open to it and make it part of their organisational culture. Recognise that you can drive change or be driven by it – either way it's inevitable.
- **Close out any skills or capability gaps** – reflect on where your business is today and where it needs to be in the future – how can the ecosystem support you to get there?
- **Focus on knowledge and information flows across your organisation** – ensure the tools you use break down barriers and optimise collaboration, transparency, and efficiency.
- **Empower your team to use the tools they want to use** – leverage the interoperability of the ecosystem to create a seamless experience across your digital landscape – regardless of location.
- **Keep pace with change** – by embracing agile iterative approaches designed to optimise your culture, processes, and tools for the future.





Methodology

Our second State of the Atlassian Ecosystem survey — carried out in the first quarter of 2021 — was conducted to understand how organisations are leveraging the Atlassian ecosystem now and how they plan to in the future.

This year's survey covered everything from how organisations are using and deploying Atlassian tools to how they are embracing modern iterative methodologies, such as DevOps and agile at scale.

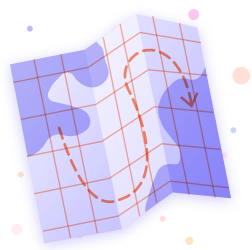
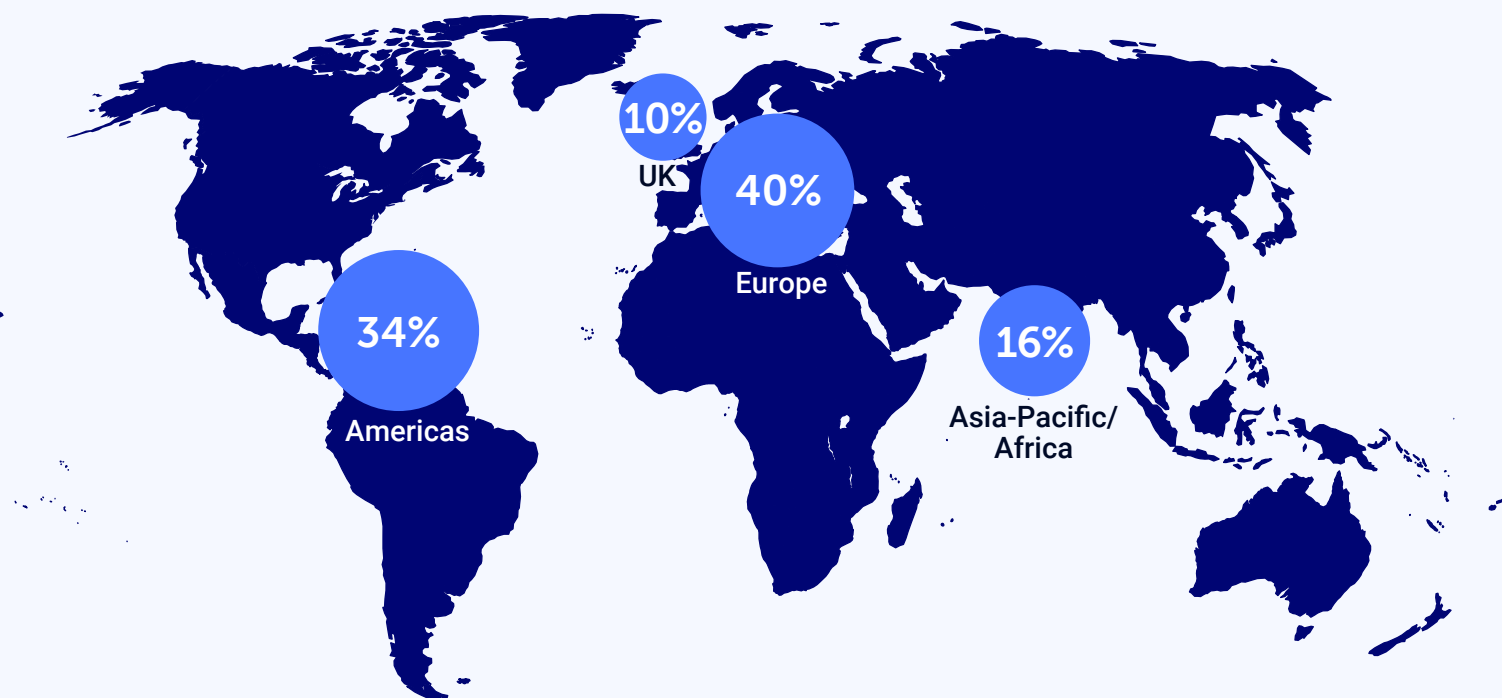
We invited our existing customers and partners to take part in the survey. And, with the goal of reaching a broader spectrum of users across the ecosystem, we

invited other Atlassian customers to take part via a social media campaign. Over 1,000 respondents completed our survey in full — representing all major industries and regions globally.

What's new this year?

The 2021 survey asked respondents many of the same questions as last year, with the exception of a few additional questions on how Atlassian solution partners are being leveraged across the ecosystem and how organisations are adopting and implementing IT service management and enterprise service management.

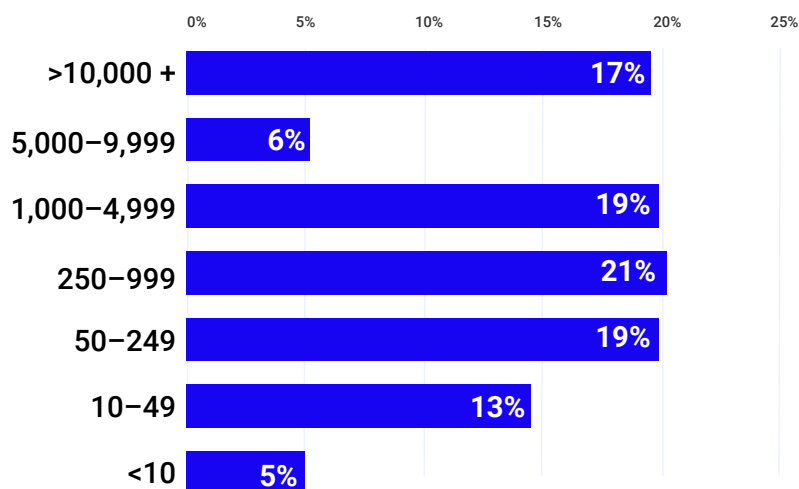
Locations of respondents



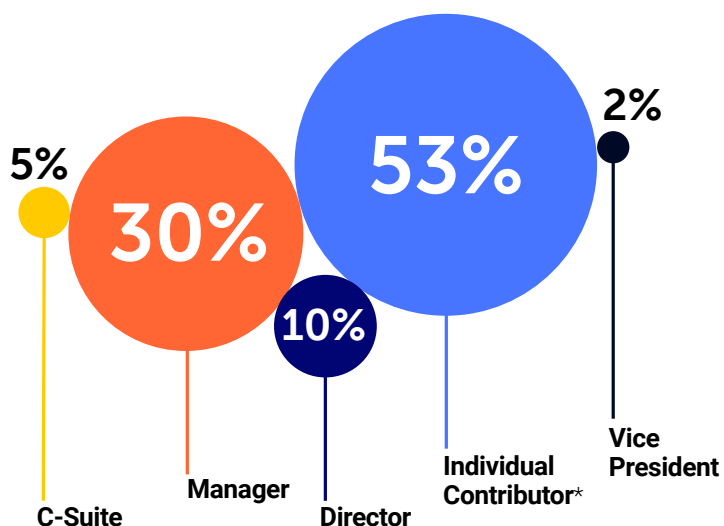
40%

of respondents
are from Europe.

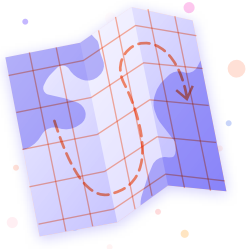
How many employees are in your organisation?



What best describes your role at your organisation? (by total)



**Representative Specialist, Analyst, Coordinator, Associate, etc.*



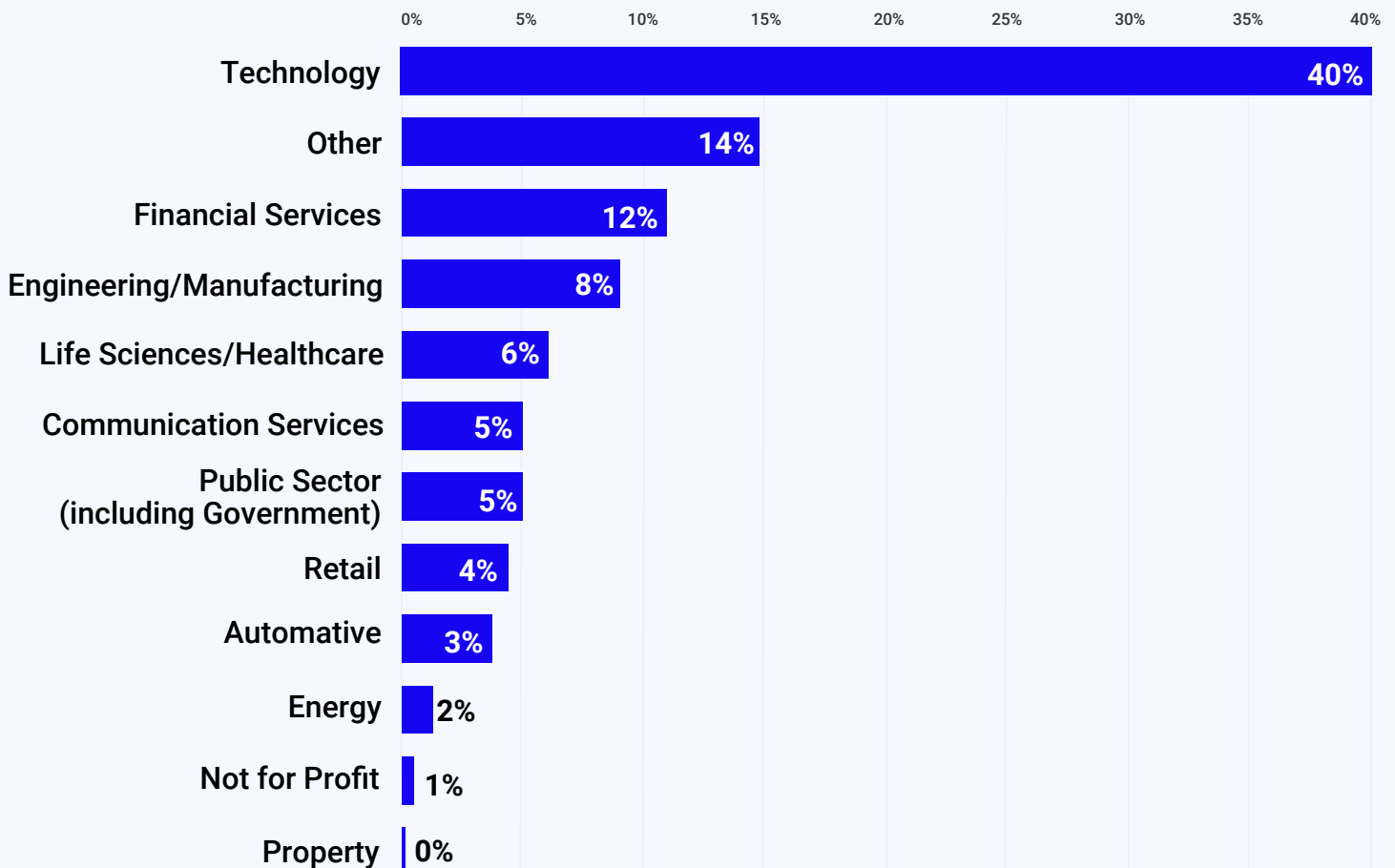
40%

of respondents are from the technology sector.

Which of the following departments do you work in?



What industry is your company in?



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About us

Adaptavist is a global technology and innovative solutions provider, helping organisations boost agility and overcome the challenges of digital transformation. Founded in 2005, its team spans over 400 employees globally, with a 13,000+ customer base representing more than half of the Fortune 500.

The company has been awarded the Queen's Awards for Enterprise, Deloitte's Technology Fast 50, and The Sunday Times Tech Track Award 2019.

To learn more about how the Atlassian ecosystem can benefit your business, visit:

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