

Prognosis for business software trends for the years 2005 – 2015

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Although we are used to the fast pace of city life, it can be surprising sometimes to realise that things around us are developing faster than we can actually perceive.

Psychologists have proved that we tend to expect radical changes in the short term and therefore it seems to us that development is slow, but we are not able at the same time to perceive and predict the radical changes taking place in the long term.

When the first PCs came out in the early 1980s, their popularity was expected to grow, but nobody dared to forecast that in just ten years PCs would go to the masses and it would be so self-evident to use one.

It is exactly the same with the radio, the television and the mobile phone. Or software – would anyone have dared to forecast Microsoft such enormous success (as they have achieved by today) during their first ten years of operating? We have rather been disappointed all the time with the slow development of the Windows operating system...

Let's now take a look at the development of business software. We can remember how in the 1980s automated accounting and management systems were expected to replace all human book-keepers. Of course nothing of this kind happened. At the same time a few people would predict that just by the middle of the 1990s a document based multi-windows user interface business software would become the *de facto* standard, and that the accounting of any larger company would be greatly dependent on its business software system.

Taking all this into consideration and having myself experienced the above described developments, I would forecast the following business software development trends for the next five and ten years:

By the year 2010:

- The total number of business software vendors has decreased as a result of the consolidation process. In the more developed regions of the world, there are few developers to start from scratch on their own with classic business software systems.

Instead, there are consulting companies, who offer their customers 'Lego-type' solutions based on some large business software system.

- This has become possible thanks to the massive changeover to the Service Oriented Architecture (SOA) based development, as a result of what systems are much more compatible with each other than they are today.
- Direct data exchange between companies' business information systems is widespread (today's electronic and paper invoices will be replaced by XML messages).
- Business analysis solutions have replaced classic reporting devices wherever possible.
- Integrated vertical solutions form part of the standard functionality of all larger business software packages.
- Use of mobile computing (WiFi, laptops, PDAs, smartphones) increases.
- Use of ASP – buying business software solutions as services – increases.

By the year 2015:

- Software vendors have either consolidated or specialised on niches.
- Any business information system is able to automatically exchange whatever transaction information between any parties.
- Furthermore, most of the data is gathered into the system using automatic data entry (different sensors, RFIs, smart cards, bar codes, etc), mostly on the spot and making use of thorough validation systems.
- The most popular management tool is the digital dashboard, which provides you with the information necessary for decision making. The dashboard is connected to the business analysis devices.
- Most of the companies are dependent on their complex fully integrated systems.
- Business software has become the environment where inquiries for detailed managerial information are made and received.
- The business information system is normally bought as a service, and from a vendor capable of adding on further developments to the solution.

Taking also into consideration the natural law, we can predict that the more complex the business information systems grow and the more tightly they get intertwined with different business processes, the more resources are required for their development and maintenance.

Therefore we can claim that future systems will be created by either very large companies or well organised multi-member co-operating unions (a la today's open code projects).

It would probably be very difficult to start from scratch with some innovative idea on your own, or successfully develop a complex business information system having

detached yourself from a larger company. In the long run, if there is any potential seen in you, you will probably be taken over by one of the big ones.

In conclusion, I must admit that the main driving forces in the business software world are the general trends in technology. As the technological background is developing at an ever accelerating pace, in ten years we might reach solutions which in their turn have a great impact on the development of the society as a whole (let me remind you the role of the internet in our everyday life today).

As the main idea behind the development of any system is to achieve ever higher efficiency, it would be wise to keep an eye on the new solutions offering us practical benefits fast.