Re: Think
by MicroGenesis

The Software Adaptation Imperative

Can your applications change as fast as your business?



Nordic organisations have invested heavily in digital platforms, cloud, data and AI.

The next challenge may be less about adding technology and more about how easily the technology they already have can change.

Bringing together industry research and practical observations from more than 25 years of supporting engineering and technology organisations, including more than a decade of customer engagements across Germany and five years across the Nordic region.

MicroGenesis
Custom Application Development | Application Modernisation | Integration | Quality Engineering

The Nordic Tension

More digital capability. More pressure to adapt

The Nordic region is among Europe's most digitally mature.

In 2025, AI was used by **42%** of enterprises in Denmark, **38%** in Finland and **35%** in Sweden compared with **20%** across the EU.

Cloud adoption is similarly mature. In Finland, **79.2%** of enterprises used paid cloud services in 2025.

At the same time, organisations are under pressure to improve efficiency and control costs.

The automotive sector makes the tension particularly visible.

In 2025, Volvo Cars announced a SEK 18 billion cost and cash action plan, including an estimated reduction of around 3,000 positions globally, with around 1,200 employee positions affected in Sweden.

The direction is clear.

- **Do more.**
- **Change faster.**
- **Spend carefully.**

The question

What happens when the business needs to change faster than its applications can?



The Question Behind the Technology

Most organisations do not struggle because they lack software.

They struggle because changing the software environment can be difficult.

A new business process may depend on several systems.

A legacy application may still run a critical operation.

A new digital capability may need to work across existing platforms.

An AI initiative may require access to data and workflows that were never designed for it.

And every new change can introduce another dependency.

The result is a familiar pattern:

The business changes.

The technology changes.

But the application landscape becomes harder to change.

A leadership question

Are your applications enabling change or making change harder?



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Three Signals From the Market

01 Digital maturity is already high

Nordic organisations are not waiting for digital transformation.

AI and cloud adoption are already among the highest in Europe.

02 Software is becoming more strategic

In automotive, software is increasingly central to competitiveness.

McKinsey estimates that more than 40% of R&D employees at newer OEMs outside Europe specialise in software, compared with around 15–16% at incumbent European OEMs.

03 Efficiency pressure is increasing

Organisations are being asked to improve productivity while maintaining investment in digital capabilities.

This creates a different technology challenge.

Not how to add more technology.

How to make existing technology easier to evolve.



The next digital advantage may be adaptability, not adoption

What We're Seeing

The problem rarely starts with “We need a new application.”

Across our engineering engagements, conversations usually begin somewhere else.

A process has become too complex.

A legacy application is slowing change.

Two systems don't work well together.

A new capability needs to sit across an existing technology environment.

A business-critical workflow depends on manual intervention.

The common thread is not a lack of software.

It is the difficulty of changing the software environment without creating more complexity.

This is where we increasingly see application engineering becoming a business capability not simply an IT activity.

The application is no longer an isolated technology asset.

It is part of how the business operates.



The problem rarely starts with “We need a new application.”

When Application Complexity Becomes a Business Problem

The symptoms are often familiar.

Change takes too long

A seemingly simple business requirement requires changes across multiple systems.

Legacy limits the future

An application still works, but becomes increasingly difficult to maintain, integrate or extend.

Integration creates friction

Critical processes depend on disconnected systems, data and workflows.

New technology creates another layer

AI, cloud or new digital services are introduced without simplifying what already exists.

Quality becomes expensive

Testing, security and reliability become harder as the application landscape grows.

The issue is not necessarily that any individual application is wrong

The issue is the environment they create together.



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A Different Way to Think About Application Development

The traditional question is

Build or buy?

A better question is

Where does the business need software capability that its existing environment cannot provide?

That may mean three things.

BUILD

Create a purpose-built application where the business needs differentiated capability.

MODERNISE

Improve or transform legacy applications that have become constraints.

CONNECT

Integrate applications, platforms and data so they work as part of a connected environment.

These are not three different technology strategies.

They are three ways of making the application environment **more adaptable.**

Our perspective

The objective isn't to replace every application.

It is to make the application environment easier to change.

What Happens When the Application Environment Becomes the Constraint?

A Customer Perspective

A global automotive OEM was managing a highly distributed software and systems engineering environment.

Multiple business units and suppliers were working across different processes, tools and technologies.

The result was familiar

- Inconsistent ways of working
- Limited visibility across the development ecosystem
- Rework caused by disconnected processes
- Delays in delivery
- Increasing difficulty coordinating a growing technology environment

The Challenge Wasn't a Lack of Technology

The organisation already had a substantial engineering technology landscape.

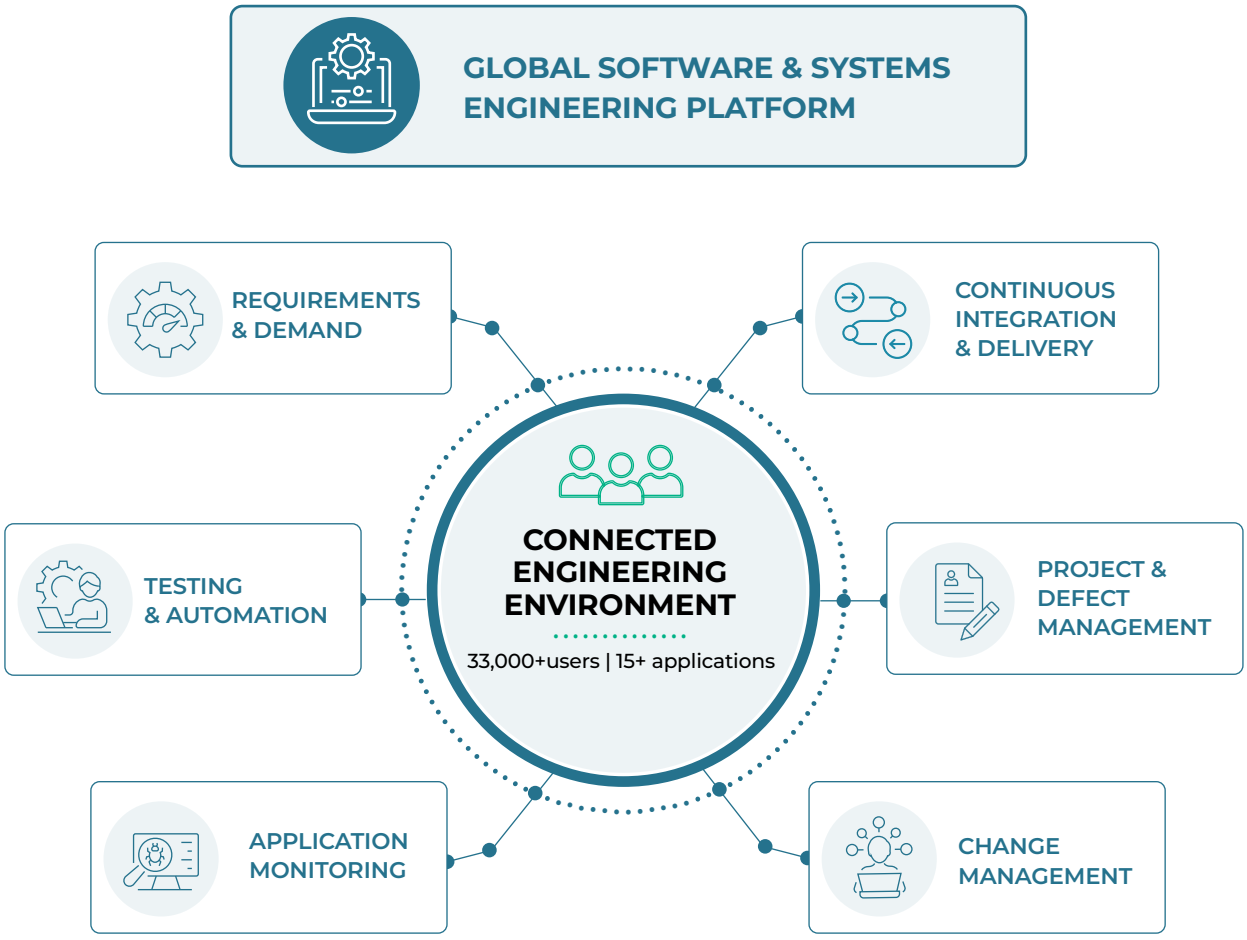
The challenge was making it work together.

What MicroGenesis Did

MicroGenesis developed and implemented a **Global Software & Systems Engineering** Platform to bring the organisation's engineering environment together.

The platform connected requirements, delivery, testing, project and defect management, monitoring and change management across the development lifecycle.

Custom application development, integration, automation and DevOps brought the engineering landscape together.



The Outcome

2× ROI	80%	<10 min	60%
within 12 months	Increase in operational efficiency	Deployment time, reduced from 4 hours	Reduction in monthly helpdesk tickets

The transformation also improved **engineering agility by 70%**, helping the organisation respond faster to market and engineering changes.

The Leadership Lesson

The objective wasn't to build more software.

It was to make the software environment work better together and make change easier.

What This Tells Us

Application development creates the greatest value when it is understood in the context of the entire environment in which the application needs to operate.

How Adaptable Is Your Application Environment?

A quick leadership check

Rate each statement from 1 to 5: ▼

1. Not True
2. Rarely
3. Sometimes
4. Mostly
5. Consistently

Capability	Statement
Business Change	We can introduce changes to critical business processes without major application rework
Legacy	Our legacy applications can be extended or modernised without significant disruption
Integration	Our applications can connect to new platforms and data sources without extensive custom work
AI Readiness	We can introduce AI capabilities into existing workflows without creating disconnected technology layers.
Complexity	We understand where application dependencies are creating delivery or maintenance friction

What Does Your Score Suggest?

20 – 25 Adaptive

Your application environment is relatively well positioned for change. The opportunity is to continue improving flexibility and speed.

14 – 19 Friction Emerging

Your application environment may contain hidden constraints that make change slower or more expensive than it needs to be.

05 – 13 Adaptability Risk

Application complexity may already be affecting business agility. Identifying the biggest constraints could be the first step toward improvement.

The Leadership Question

How much easier would it be to change the business if changing the applications was easier too?



Why MicroGenesis

For more than 25 years, MicroGenesis has worked at the intersection of engineering, enterprise technology and software.

That experience has shaped a simple view:

Application development does not happen in isolation.

Applications need to work with existing engineering platforms, enterprise systems, data, processes and teams.

Our experience spans

- Custom application development
- Application modernisation
- Enterprise integration
- Engineering lifecycle environments
- DevOps and cloud
- Quality engineering

But the capability is only part of the story.

What matters is understanding the environment in which the application needs to work.

- **Understand the environment.**
- **Build around the business.**
- **Connect with what already exists.**
- **Modernise where it creates value.**
- **Design for what comes next.**

One Final Thought

The next phase of digital transformation will not simply be about adding more technology.

It will be about making technology easier to change.

AI will evolve.

Business models will change.

Engineering environments will become more connected.

Applications will continue to accumulate.

The organisations that adapt fastest will not necessarily have the most technology.

They will have technology that is easier to adapt



Continue the Conversation

Every organisation has a different application landscape.

Some applications need to be built.

Some need to be modernised.

Some need to be connected.

And some may simply need to be rethought.

Application Landscape & Modernisation Review

A focused discussion around:

- Application complexity
- Legacy constraints
- Integration dependencies
- Modernisation priorities
- AI readiness
- Opportunities to improve adaptability

Start with one question

Which applications are helping your organisation change and which ones are making change harder?

Continue the Re:Think Conversation

This Executive Brief is part of the Re:Think editorial series from MicroGenesis, exploring the ideas shaping the future of engineering, technology and business transformation.

Perspectives on Engineering, Technology, and What Comes Next.