Is your technical debt toxic or tolerable?

Every click, every byte of data and every investment in technology comes with a hidden cost. They may not be a singular line item, but they add up and can have wide reaching consequences.

According to new research from DXC,

Embracing modernisation: From technical debt to growth, which surveyed

750

C-suite information and technology executives,

99%

of executives acknowledge that tech debt is a risk to their business and nearly half

46%

said that tech debt is inhibiting their ability to innovate and grow.

Yesterday's quick fixes or perfect solutions can fail to hold up over time and eventually become a threat to an organisation.

This is how technical debt, or tech debt, is accumulated.

Tech debt is not inherently bad. The longer you've been in business and the bigger your organisation is, the more tech debt you will have created along the way. Tech debt is simply a normal byproduct of modernisation.

The real threat is not the debt itself, but when that tech debt becomes toxic. Toxic tech debt threatens a company's ability to operate in the short term or when it becomes visible to external stakeholders.

How to recognise toxic vs tolerable technical debt?

Tolerable tech debt is the debt you incur as you migrate your business from old to new systems.

This tech debt is accounted for, understood and can be lived with because it is the price of innovation. It also provides the benefit of resources being freed up in the short term. For example, if a company needs to innovate or migrate systems quickly.

Customers can see a better user experience, shareholders can see short-term gains, executives could be recognised for doing things on time and within budget.

Toxic tech debt is dangerous and comes at a cost.

It is often caused by multiple small changes made outside of the organisational strategy or roadmap.

It diverts funds, uses up resources, creates complexity, compromises security and impacts the ability for the organisation to innovate and improve. In worst case scenarios it can hamper an organisation's ability to function on a day-to-day level.

How to stop tech debt from becoming toxic

Tech debt is inevitable. It cannot be 'fixed' and it takes a continuous effort and iterative management to ensure that the tech debt within an organisation remains tolerable.

The key to ensuring your tech debt does not become toxic is to tackle it head on. This involves minimising the amount of debt that you accumulate, creating strategies to address your current tech debt and building an organisational process that limits the amount of future tech debt you create.

It can be hard to know where to start to address tech debt, which is why DXC has created a business guide – Tackling technical debt: How to get started – that provides practical advice for organisations beginning their tech debt journey.

Learn more at
dxc.com/au/techdebt

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