



From values to value creation in the French F/OSS industry

POSS 2018

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About CNLL

Who we are ?

French Union of Free / Open (Software) Companies

Aka “Conseil National du Logiciel Libre” (*French Open Source Software Council*)

= French association, founded in 2010 by joining 12 regional clusters, representing around 300 companies in France

Our mission : *bring together open digital companies (“ENL”) in a spirit of community and around **shared values**; and represent, defend, and promote the free / open source software and open digital industry in France*

Our vision

The CNLL is at the service of the ENL (Open Digital Companies) in France. It aims to create an environment conducive to their development by:

- Increasing the awareness on the specificities of our activity (**core values**; business models; customer benefits: economic, technical and strategic...)
- Encouraging both **collaboration** and **fair competition** between our companies, and collaboration with other players in the free software and open innovation ecosystem
- Removing institutional and environmental obstacles that could oppose their growth
- Collaborating with all organisations that share similar goals (in France and Europe, mostly)

Which values ?

- Technical excellence: transparency (-> pride in the code we're publishing), willingness to tackle technical challenges and learn new technologies, curiosity, "hacker spirit", striving for excellence...
- Way of working: collaboration, autonomy, willingness to share knowledge, fostering and leveraging interoperability...
- Sense of belonging, being driven by a mission

Our ecosystem and its values

A highly diverse ecosystem

- Companies / non-profits (including “foundations”, research, etc.) / individual developers
- Software vendors / systems integrators / consultancies / cloud providers
- Producers / consumers of open source software and/or services
- Beyond open source software: open hardware / open data / open government / ...

Systems integrators (traditional)

- Main motivation / KPI: sell “man days”
- Often master several technologies, but invest in knowledge in an "opportunistic" way
- Quality approach "focused on the short term" (maintenance provides predictable revenue with higher margin)

Systems integrators in the F/OSS ecosystem

- Open source integrators are often (but not always) more involved in a process of co-creation (ex: patches / modules) with either their customers and/or non-profit communities
- Motivated by the desire to appear as experts in technology (branding)
- This approach, added to the adherence to the open source values, implies a greater commitment on the rise in competence of the teams

Software vendors (traditional)

- Focus on passive and recurring income
- Strive to attain a dominant position, usually through massive initial capital expenditure
- Must work with multiple integrators, and convince them to use their technology
- Also offer "value-added professional services" that should not (usually) compete with the integrators' offer
- Quality approach that should take into account the short and medium term (technical debt management)

Software vendors in the F/OSS ecosystem

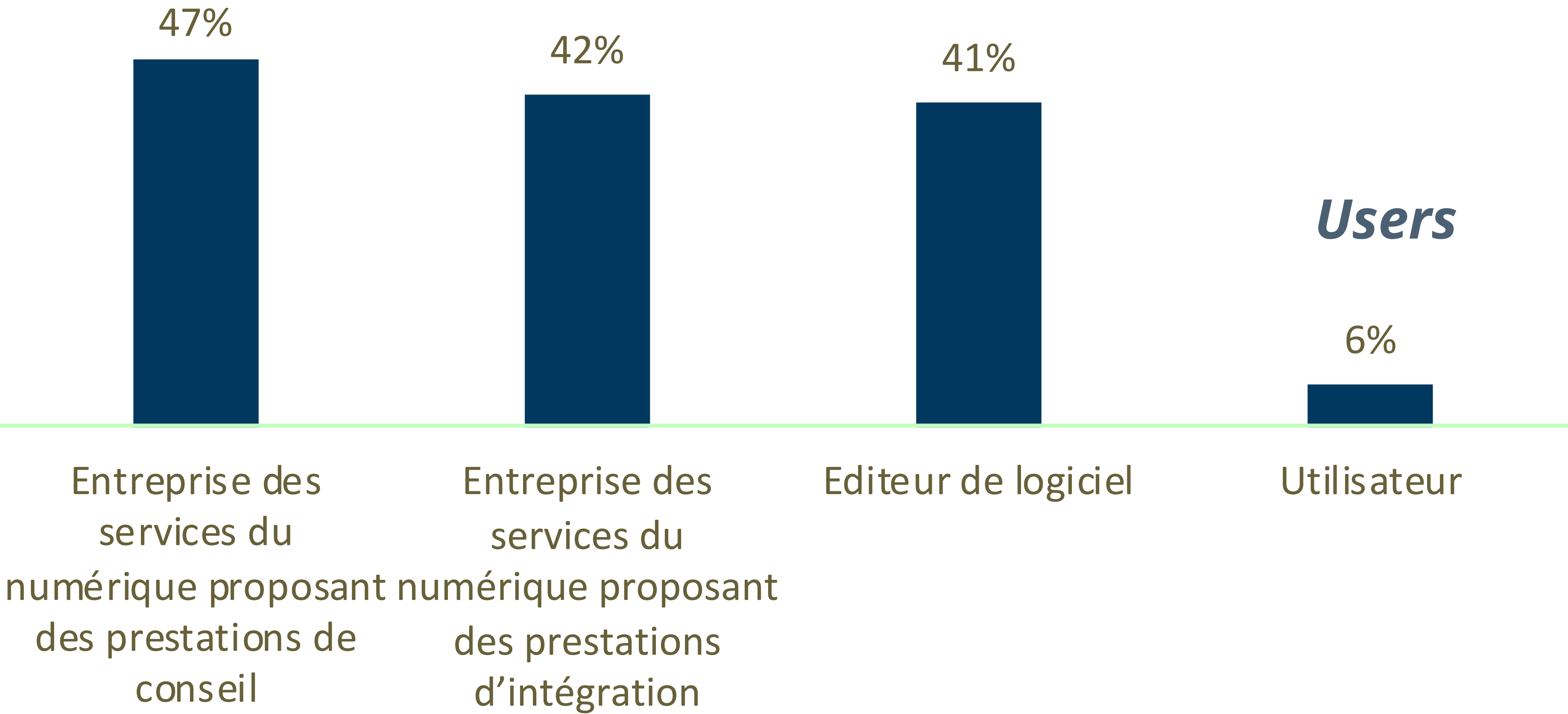
- More difficult to be in a dominant position, notably because of the risk of fork, which invites to favour persuasion rather than brutality in their approach to partnerships
 - Except for VC-backed startups, which share several characteristics of traditional software vendors
- Business models are potentially more fragile
- An open source software vendor is often more motivated and able to develop a community around his software (but this costs \$\$\$)
- Balance to find between control and community

Distribution of business models among our OS industry

Services (consulting)

Software vendors

Services (sys integration)



Large companies (i.e. our customers, or not)

- Seeking (too) often to **reduce their costs**, either directly or by developing means of pressure on their traditional suppliers, and **manage risks**
 - Ex: "Purchasing policies" that favour large suppliers
 - Some large users of open source software still believe that software grows on trees (i.e. "in the community"), and that vendor-led (specially by VC-backed vendors) projects must be avoided
- Can search externally for a capacity for **innovation** that they do not always have ("there are more brains outside our company")
 - Are able to invest in POCs, but often have considerable inertia for large scale production
- Now sometimes practice "**inner sourcing**", which is a testament to the power of the values and practices of open source development, but doesn't necessarily share the value with the outside of the company

Focus on HR issues

Our annual study (2018) on HR needs in our (OS) industry



347 students

Answered a survey on:

1. How they perceive open source
2. Their ideal employer
3. If they had specific training on open source



94 recent recruits in the open source industry

Answered a survey on:

1. Their professional experience
2. La perception du métier
3. L'attractivité du métier



90 companies

Answered a survey and/or were interviewed on:

1. How open source technologies fit in their business strategy
2. Their recruiting needs
3. Their ideal candidates
4. Their approach to HR management

3 main preoccupations for HRs in our companies



- Recruiting



- Managing



- Retaining

Recruiting and retaining employees

- Our companies have a hard time filling open positions
 - Competitions from “startups”, large companies, even the government
 - Tension is particularly high on profiles such as: data scientists, back-end and full-stack developers, devops
 - We’re looking for highly trained candidates (including PhDs: 13%)
- Employee turnover is generally high (up to 30% / year) in the IT industry
- Significantly lower (~10%) in the open source pure players

Expectations from future graduates



Project types

Responsibilities and autonomy

Compensation

Teamwork

The company's vision and strategy

Your job definition

On the job training

Relation with managers

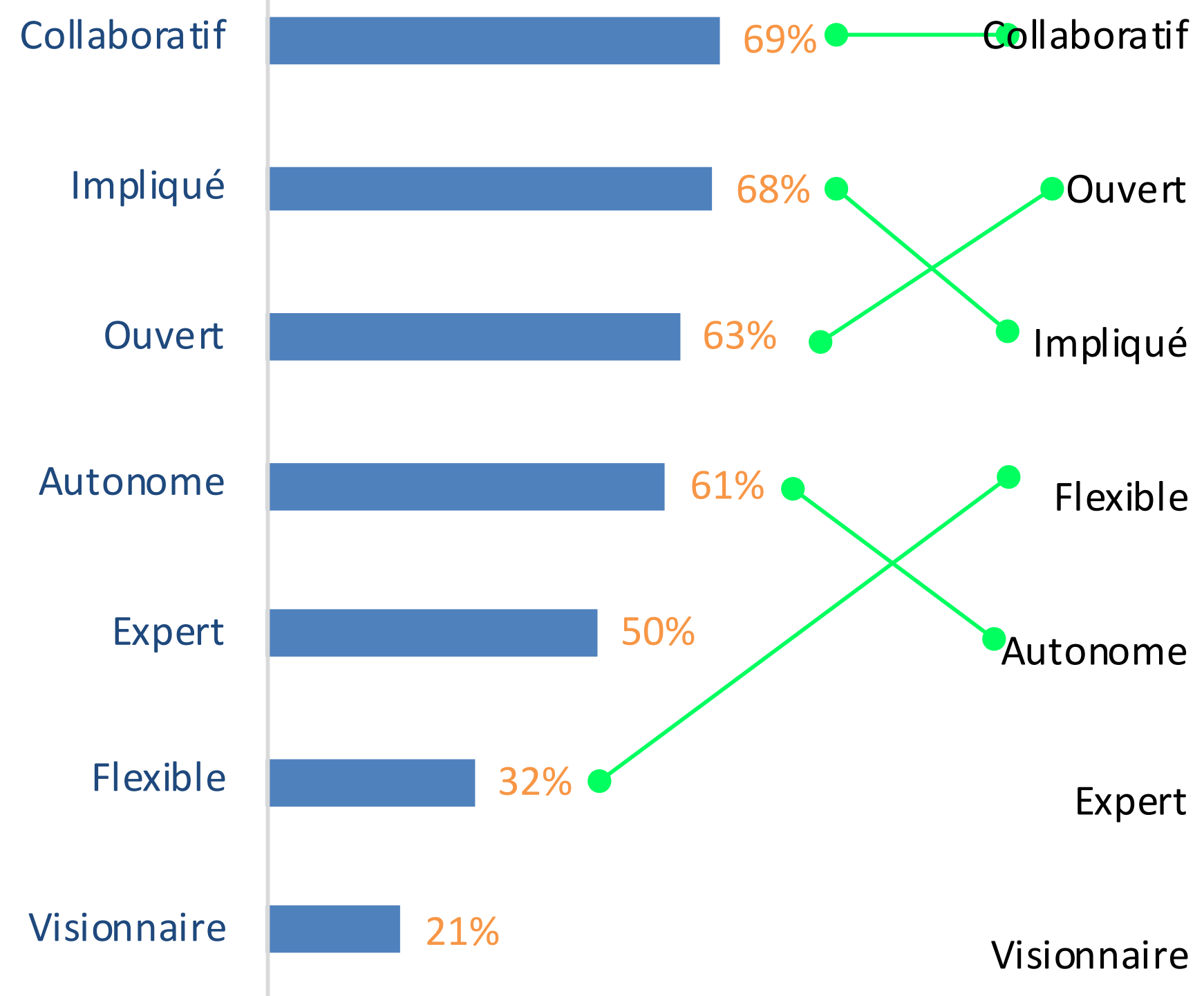
Sharing of practices

CRITERES IMPORTANTS DANS LE FUTUR METIER
(Retraitement Questionnaire étudiants 2018, total : 347 étudiants)

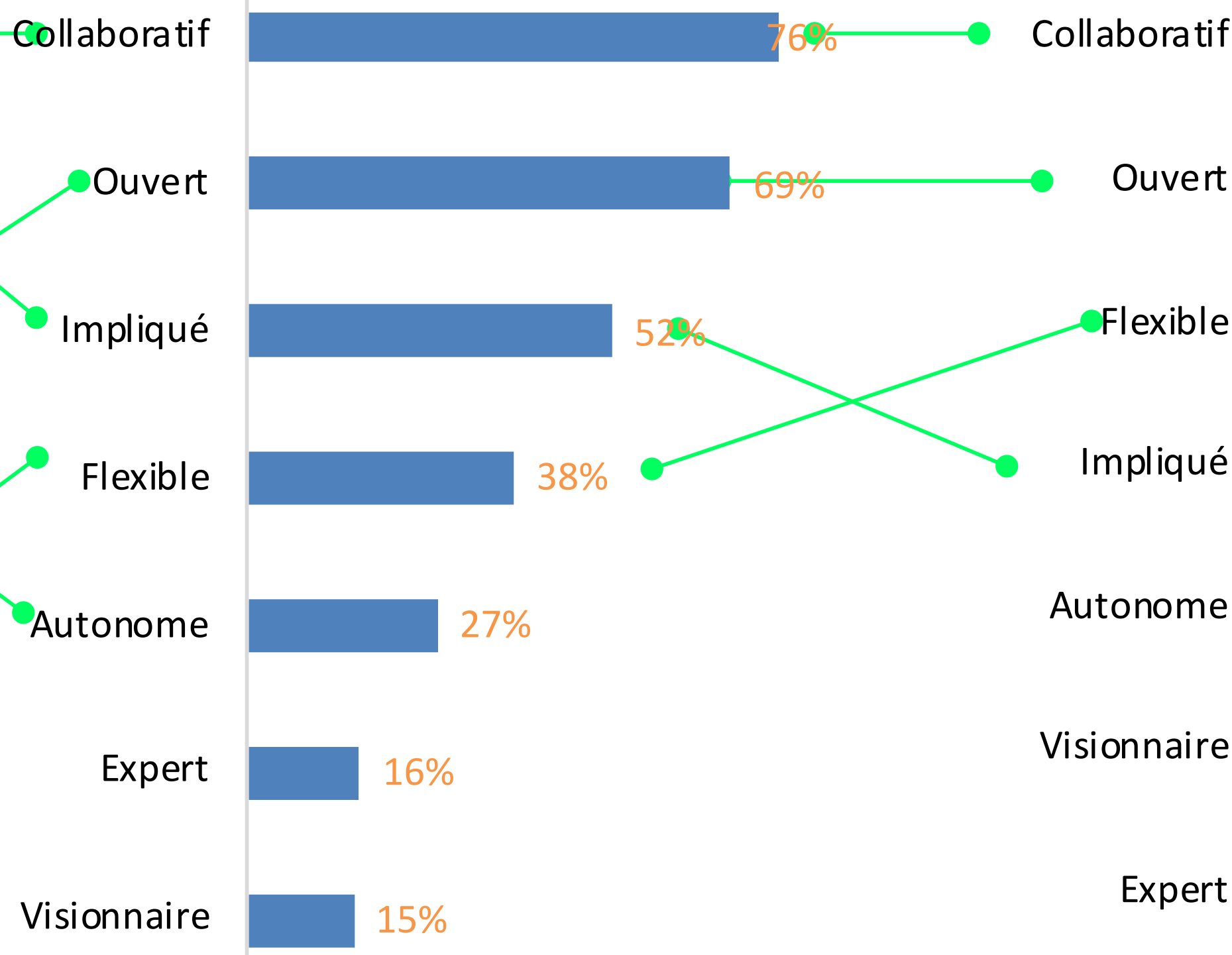
Which values are shared between companies and employees?



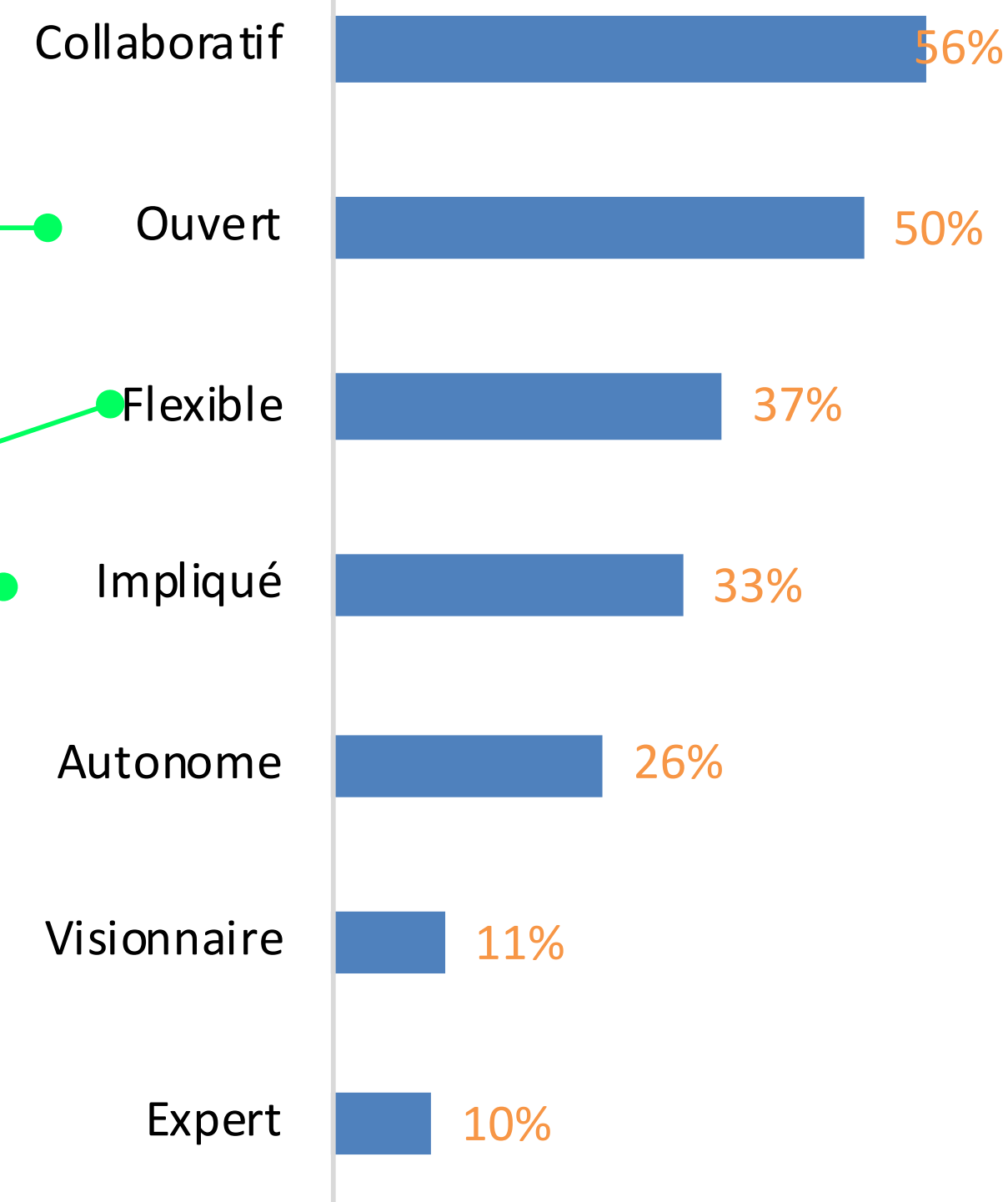
AVIS ENTREPRISES



AVIS SALARIES

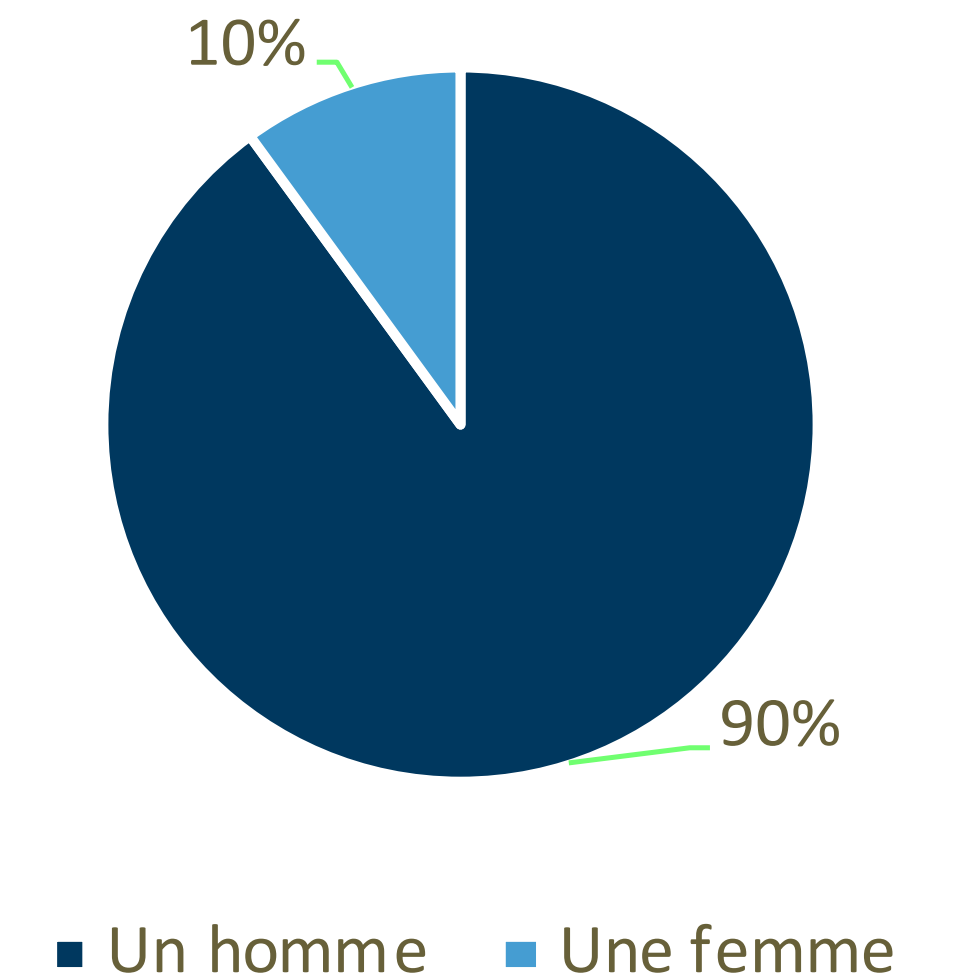


AVIS ETUDIANTS



Diversity

- Only 10% female respondents to our poll among students
- Based of anecdotal data, this is the average for IT engineering schools, less than the (already problematic) 27,2% reported for general engineering schools
- Some open source communities (e.g. Python) have made deliberate efforts, with success, to foster more diversity in their ranks, and may serve as examples for the ecosystem as a whole



La Charte “Libre Emploi” / *The Free Employment Charter* (1/2)

Launched in 2013, with about 100 signatories who pledge to:

- Provide a free / open source professional environment - operating system and application software - to each employee who wishes so.
- Promote employee contributions to free software communities, including by encouraging the redistribution of changes made to existing open source software in course of the company's business.
- ...

La Charte “Libre Emploi” / *The Free Employment Charter* (2/2)

- ...
- Participate, by sending collaborators and / or through financial support, to events in the open source ecosystem.
- To allow employees to train themselves over the course of their career on open technologies in order to ensure their professional development in the field of free software.
- When paying the compulsory apprenticeship tax, consider first and foremost the higher education courses which offer a teaching of methods, techniques and tools specific to free software.

Conclusion

We've identified 3 areas where free / open source values enable value creation for companies in our industry:

- More efficient **collaboration** with our customers, and within our ecosystem
- **Competitive** cost structures and risk patterns
- Attracting, training and retaining **talents**

And 3 areas where more effort would be useful:

- Keep communicating the **basic messages** around our models and values, and the necessity to give back somehow
- More / better initial **training** in universities and engineering schools
- More discussion to better align interests of open source software vendors and integrators, enterprise customers, and cloud providers (thorny topics)



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