



Placing Employees at the Heart of Workplace Transformation

JUNE 2020

Author:

IDC #EUR146542720

An IDC InfoBrief, Sponsored by

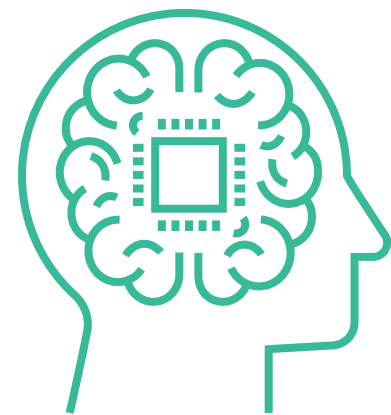


To thrive in the current digital economy, companies need to be at the leading edge of change

Digital transformation (DX) means applying new technologies to radically change processes, customer experience, and value.

DX enables organizations to become digital-native enterprises that support innovation and digital disruption rather than enhancing existing technologies and models.

DX is part of a strategic agenda for both business and IT executives. Digital capabilities are translated into meaningful value to drive new revenue streams.



By 2023, DX spending will grow to over 50% of all ICT investment from 36% today, with the largest growth in data intelligence and analytics as companies create information-based competitive advantages.

Despite the large investments in DX, many organizations find themselves in a **digital deadlock** — unable to move forward in their digital journey.

Cultural resistance to change



Inability to find talent and skills



Lack of know-how to execute objectives



Inability to retain and develop talent



Inability to keep critical talent and skills



The average life span of S&P 500 companies has shrunk from 60 to 18 years in the past half a century. By 2029, **75% of European organizations will be fully digitally transformed**. The rest will go out of business.

Workplace transformation is the best route to digital success — a major force for change with “people” at its heart

The digital deadlock affecting many organizations could be overcome if their employees were at the top of their agenda. An employee-centric workplace transformation strategy is a business mandate.

As organizations accelerate their digital transformation strategies, traditional work models are not fit for purpose. Our bureaucratic and siloed organizations, top-down management, and “static” roles can’t survive a volatile digital economy. Our organizations need to be agile, innovative, and resilient to disruption. For digital success, organizations need to implement employee-centric workplace transformation strategies — this is rise of humanism as the new driver of business value and differentiation.

Workplace transformation is a major force for positive change at three levels: driving a **human employee experience** that create a sense of belonging and meaning at work; supporting new **business models** for the digital economy; and fostering a culture of corporate **social responsibility**.



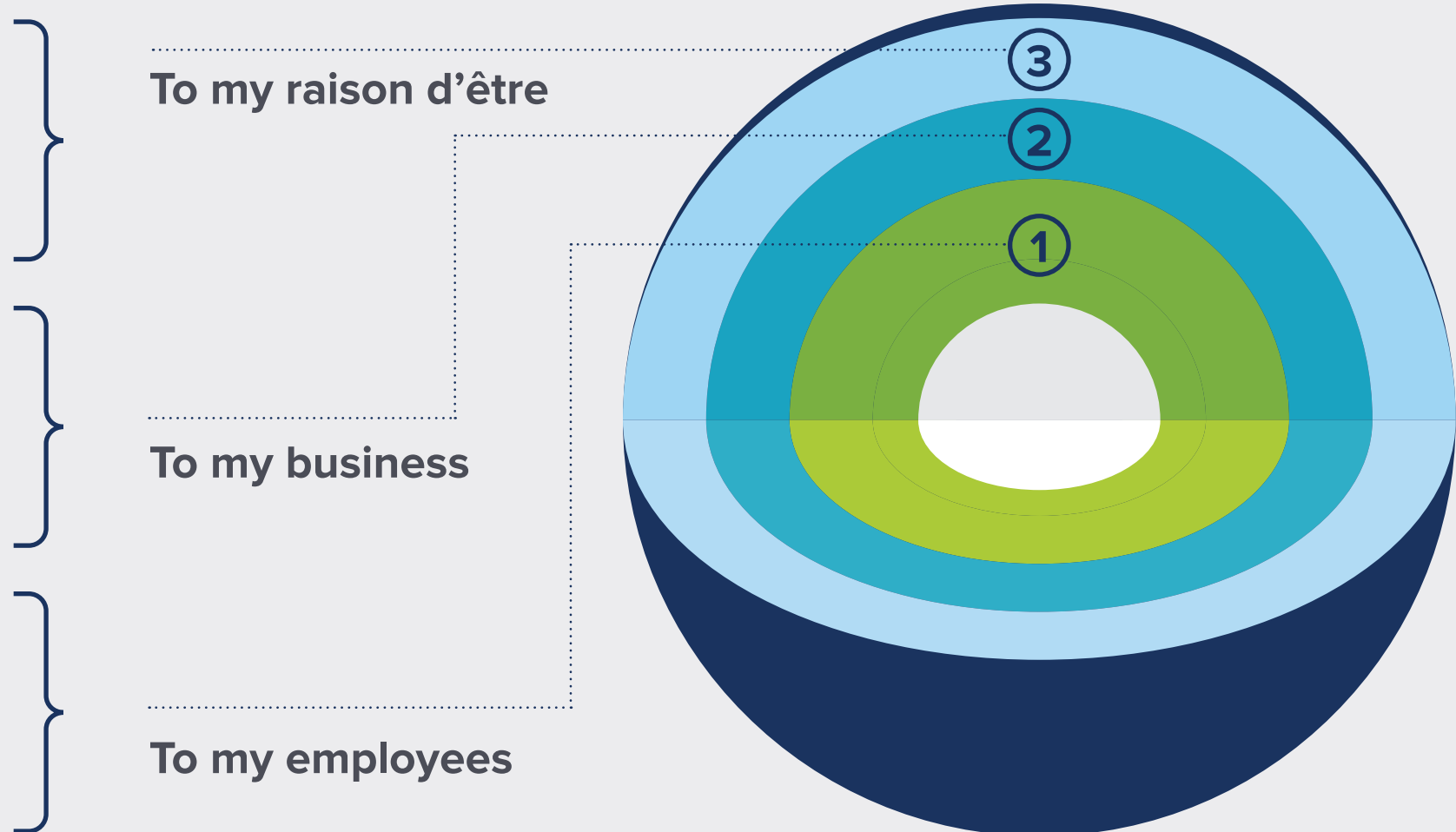
Ethic, socially responsible
How can my organization generate “long-term” value for all stakeholders? How can it drive social, humanitarian and ecological change?



Business outcomes
How can my company be more agile and deliver differentiated value to customers? How can I make it more operationally efficient?



Employee Experience
How can my employees feel empowered, valued and trusted? How can they feel more engaged?



Why are European companies investing in workplace transformation?





THE DIGITAL WORKPLACE

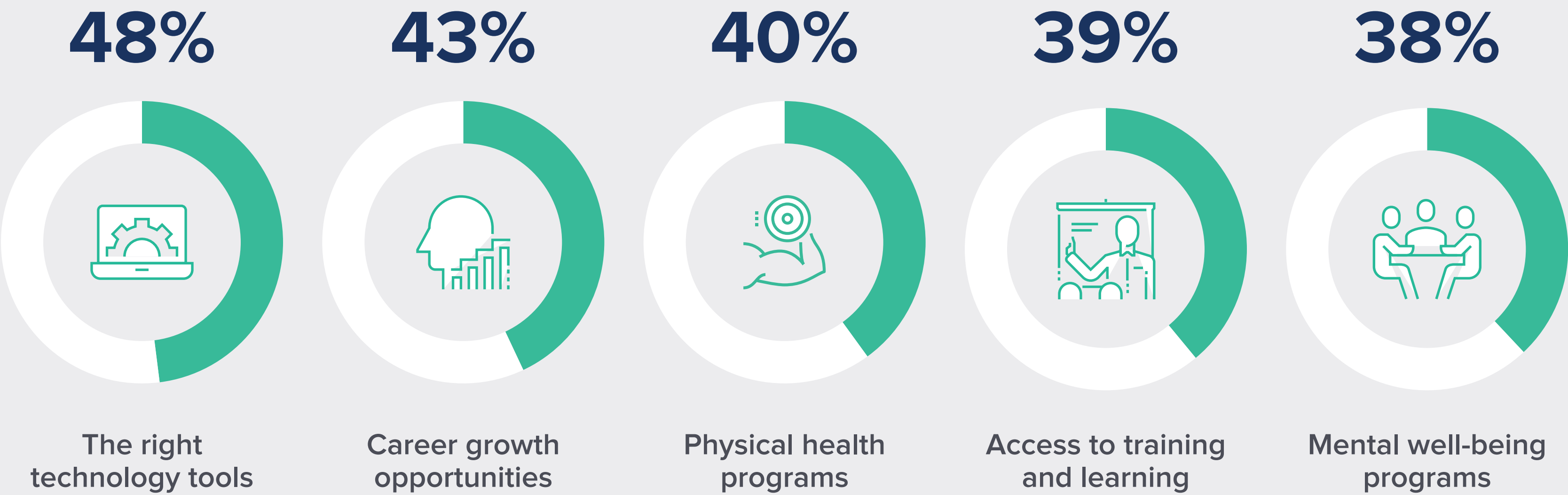
Humanizing the working experience often leads to positive results

European organizations often struggle to convince employees of a transformation's merits. Regulatory issues often get in the way.

As such, programs that improve the employee experience are important to the creation of competitive advantage, as an example of a transformational goal.

The employee's experience can be improved with the help of additional or better tools, career opportunities, and health or well-being programs that enrich their work lives as opposed to an office redesign, ultimately increasing the chances of a successful transformation.

Top 5 most impactful initiatives to drive Employee Experience (% of respondents)



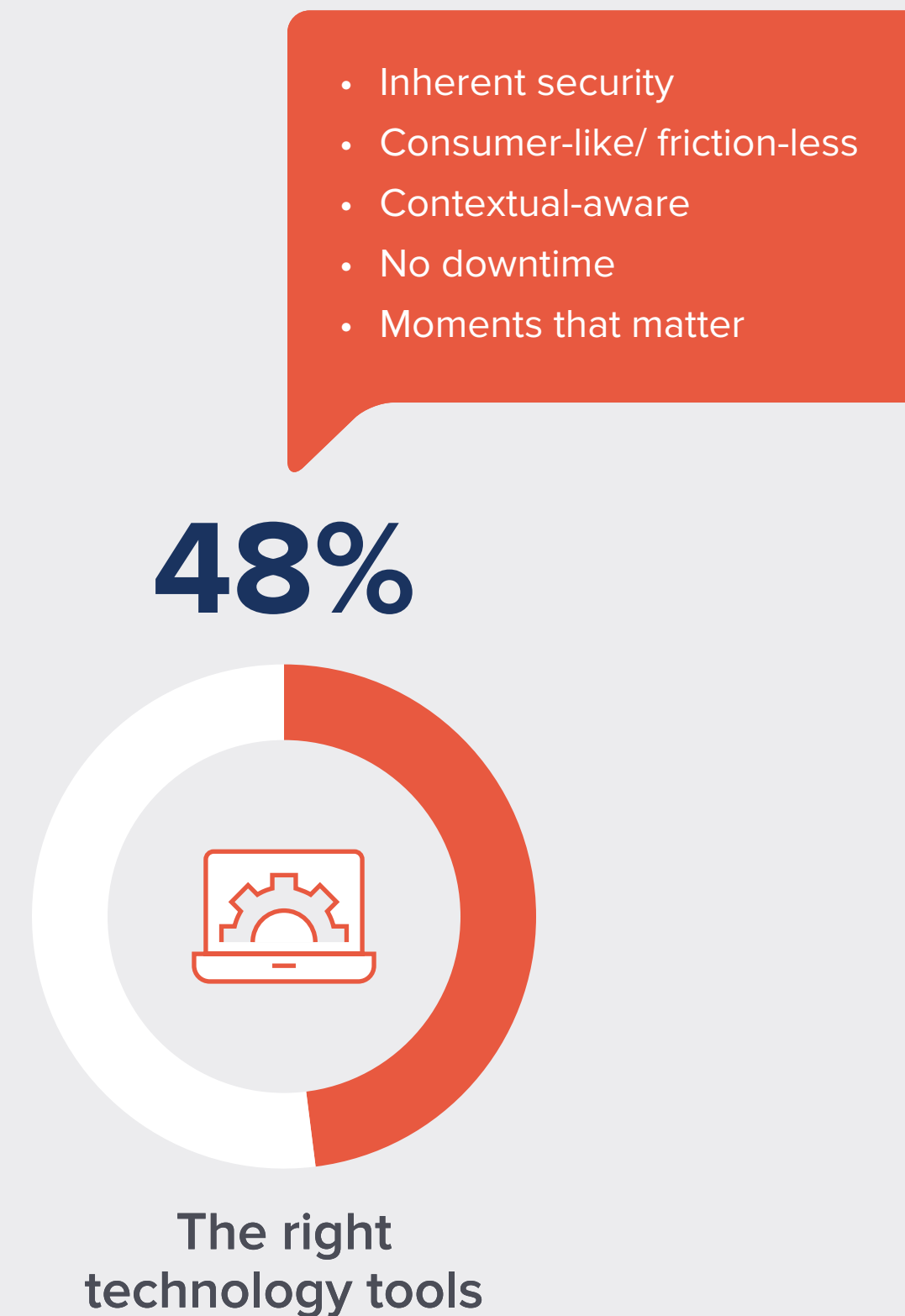
Empowering employees with the right tools and technology: end-user experience

Complexity and inefficiency are among the countervailing forces enterprises seek to counteract in a transformation.

However, engaged employees that “buy in” to a larger transformation are needed to effect change.

As such, enterprises need to supply them with the reliable productivity tools that reflect their personal preferences and protect the organization.

European organizations with work transformation budgets need to account for proper tools if the desired goals are to be reached.



Q. What are the top work challenges to drive business value?



Complex processes to get the job done **34%**



Outdated technologies **32%**



Inefficient and/or manual processes **31%**



Inability to efficiently access data **28%**

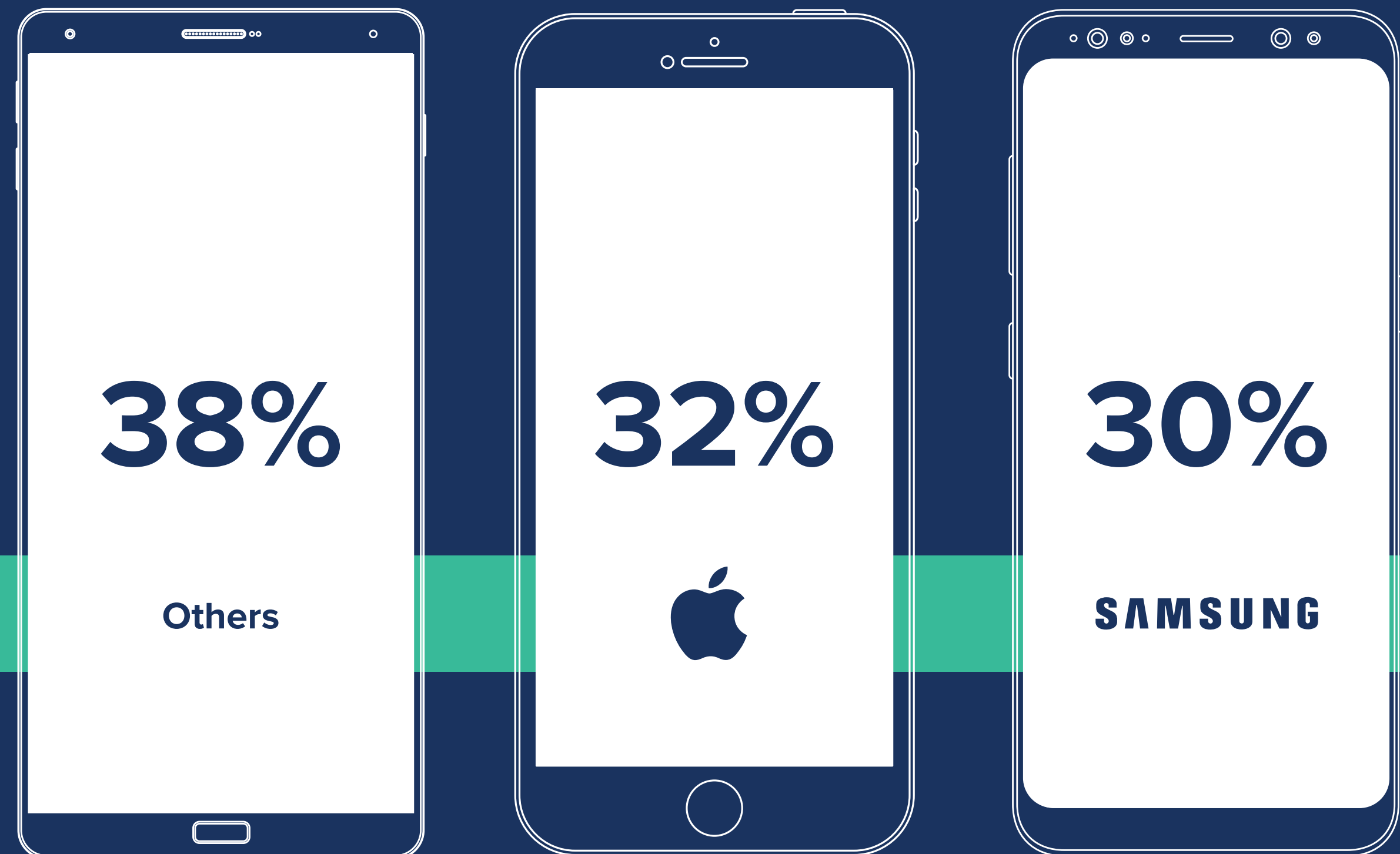


Overload of information **27%**

European enterprise tool of choice: Apple cited as the top smartphone brand in use


? What are the main smartphone brands in use in your organization?

Top Smartphone Brand in Use



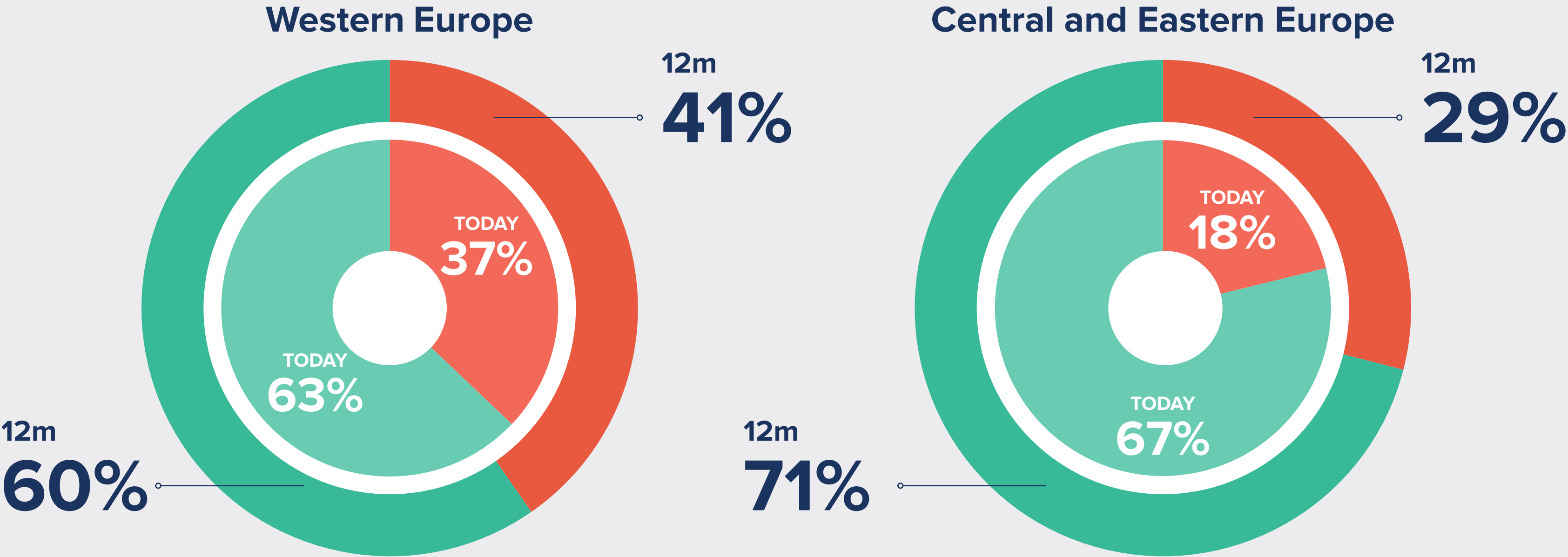
Whether it's a corporate-liable device or a device owned by the company, a plethora of devices are used by employees to access data and perform the task at hand. Apple's iPhone has been cited by decision makers as the top phone brand in use, so it should be among the tools organizations consider if productivity, user experience, and security are among the top buying criteria.

A shift in OS usage from Android to iOS is anticipated this year, a reflection of Apple's perceived importance to European enterprises


 Thinking about the smartphones planned for purchase, what percentage of employees will likely be using the following operating systems in your organization 12 months from now?

Apple will play a larger role in corporate technology adoption plans this year if purchasing intentions hold true. For example, enterprises could further mobilize their workforces by adopting newer models or extending support to employees that already have iPhones.

The combination of user experience and the relative simplicity of support development efforts are two elements that make iOS attractive to enterprises.



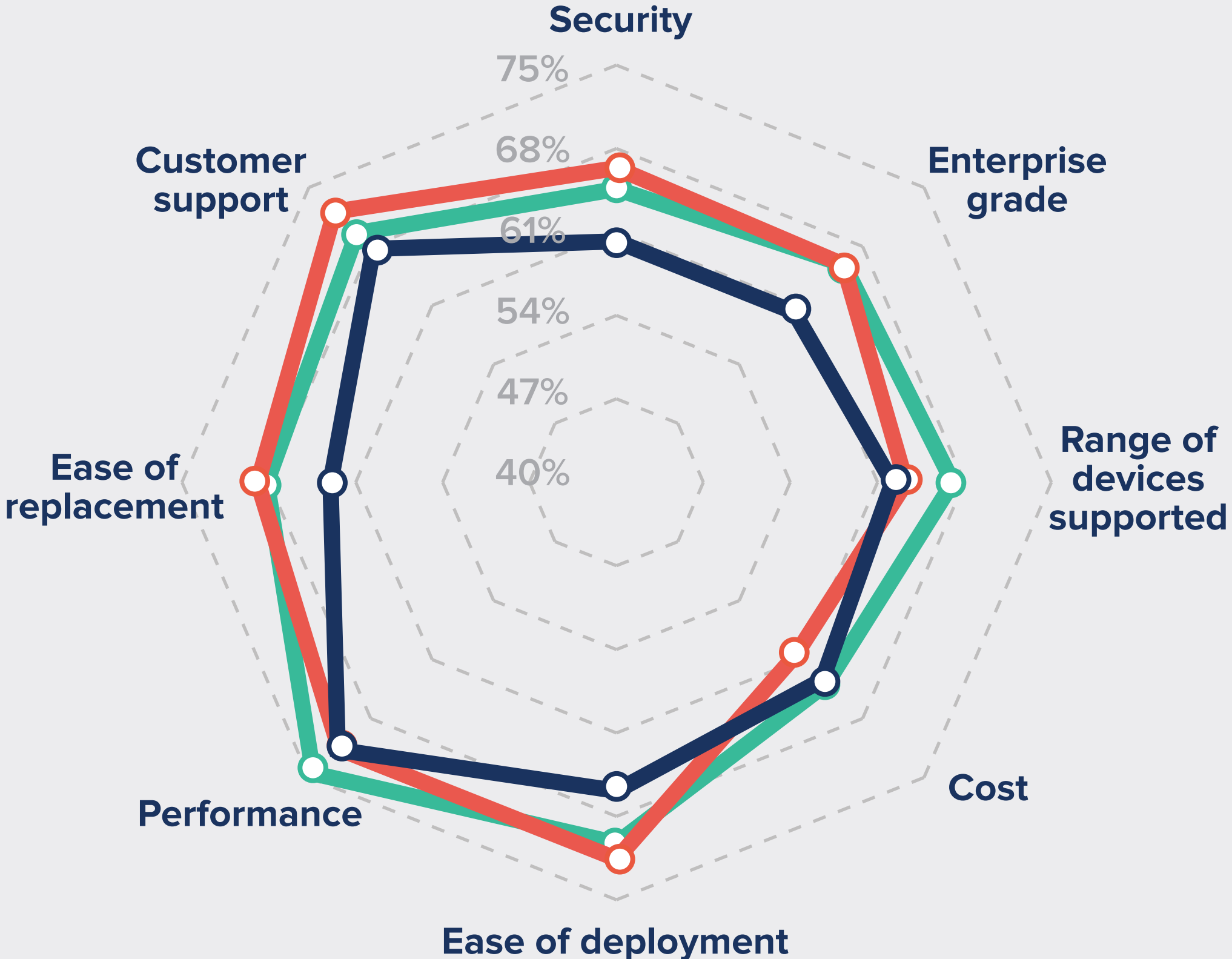
In Western Europe, Apple outscored or measured favorably versus enrolment competitors, reflecting user belief in the company's enterprise capabilities

 Please rate the following features of the following device enrollment programs — good or excellent.

Senior IT decision makers hold Apple in high esteem when it comes to key technological elements of a digital transformation such as devices and management software.

For example, Apple's Device Enrollment Program (now Apple Business Manager/ Apple School Manager) marginally outscored competitors on security, enterprise grade solution, customer support, ease of deployment, and ease of device replacement. The gradings by users demonstrate the perceived viability of Apple's mobile viability by a wide range of enterprises.

-  Android Zero Touch
-  Apple DEP
-  Samsung KME

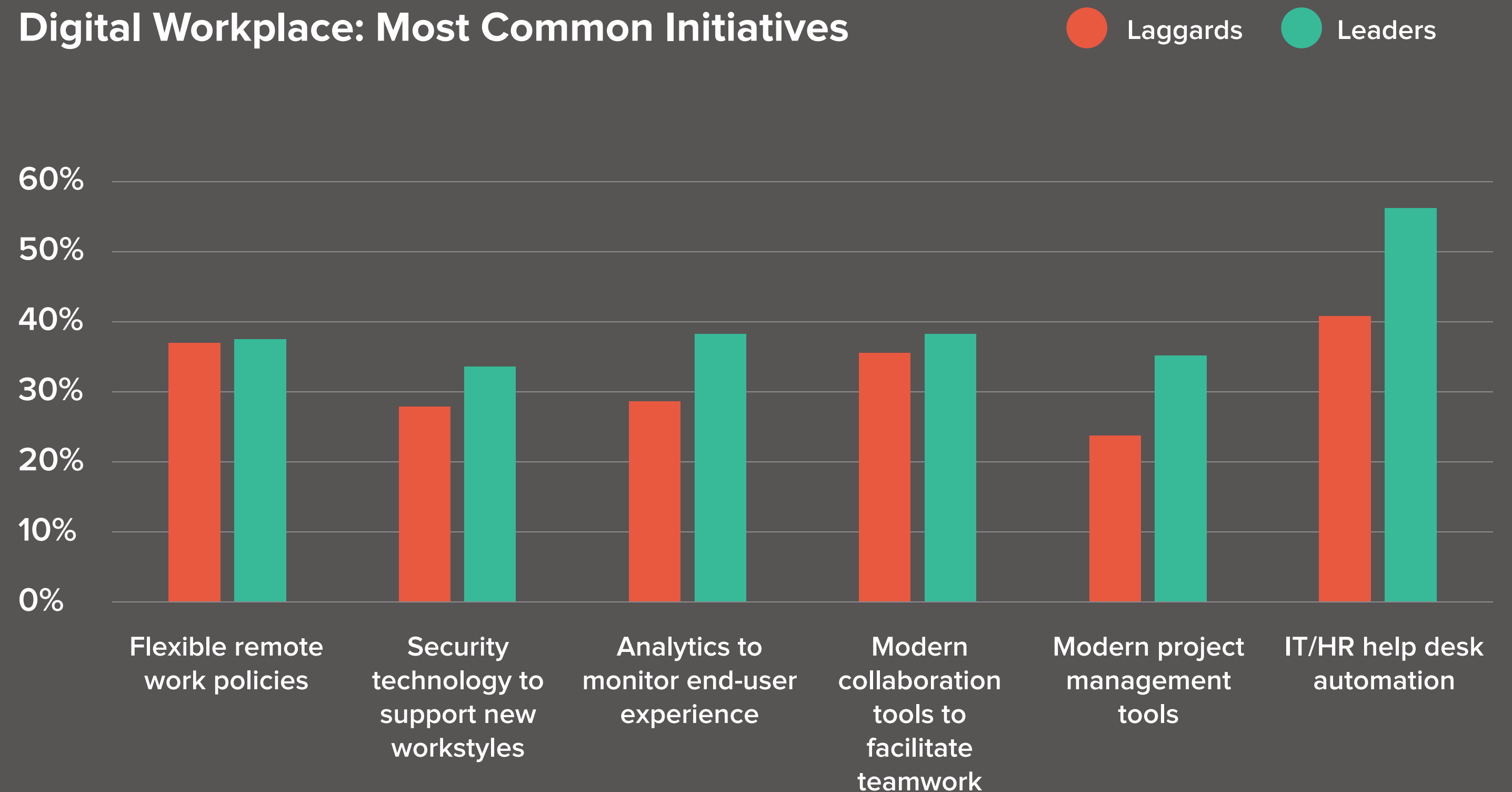


The “digital workplace” is the most important set of technologies to create cultural change, drive innovation, and attract the best talent

The “digital workplace” is a key strategic investment — 40% of European companies plan to increase spending in next 12 months.

Digital workplaces are a combination of three pillars — culture, space, and force. The necessary cultural changes that come with a workplace transformation need to be enacted with complementary technologies. For example, flexible remote working policies need to be coupled with a culture of trust on the part of management and appropriate security technologies to enable and protect distributed personnel. As such, digital workplace “leaders” expect to spend significant sums more on such initiatives over the next 12 months.

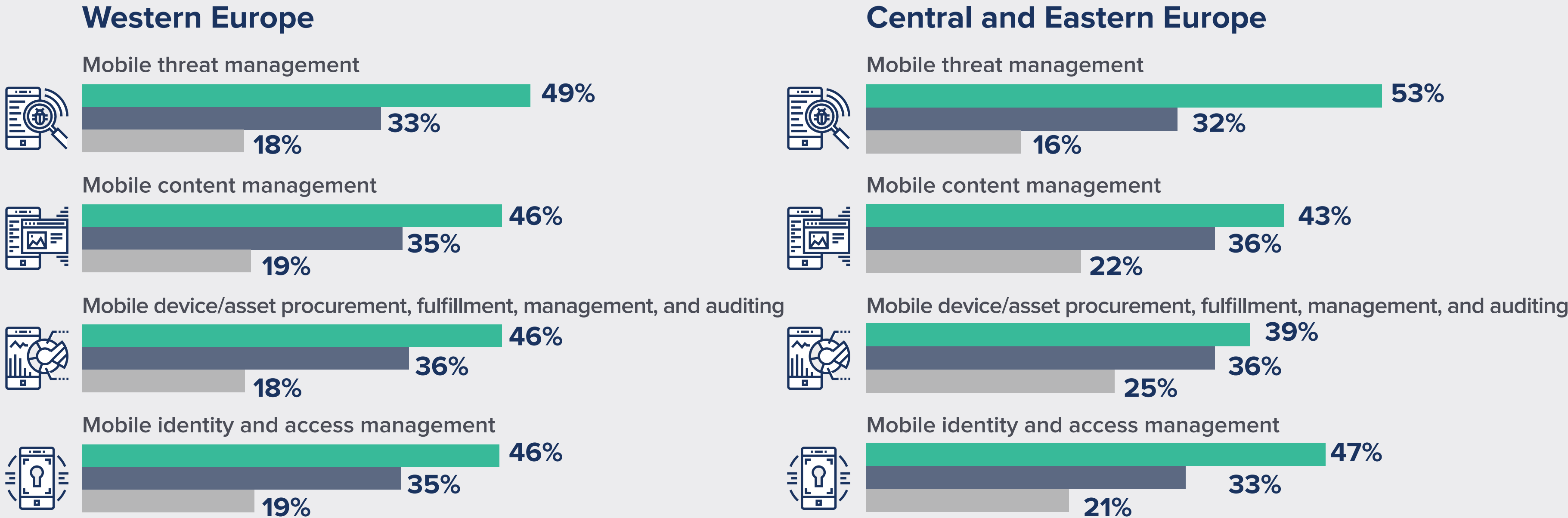
Digital Workplace: Most Common Initiatives



To help achieve productivity gains securely, enterprises have implemented different enterprise mobility management (EMM)/mobile security modules, but future system expansion preferences vary

 Which of the following IT systems does your organization currently have in place to support your mobility initiatives? And which will it likely have in place 12 months from now?

European enterprises are spending more proportionally on mobile devices and software year over year to drive productivity gains and increase employee satisfaction. Device management is a primary factor in the enterprise mobility equation. The potential for security breaches has increased as more employees work from home. As a result, security is of increased importance to decision makers.

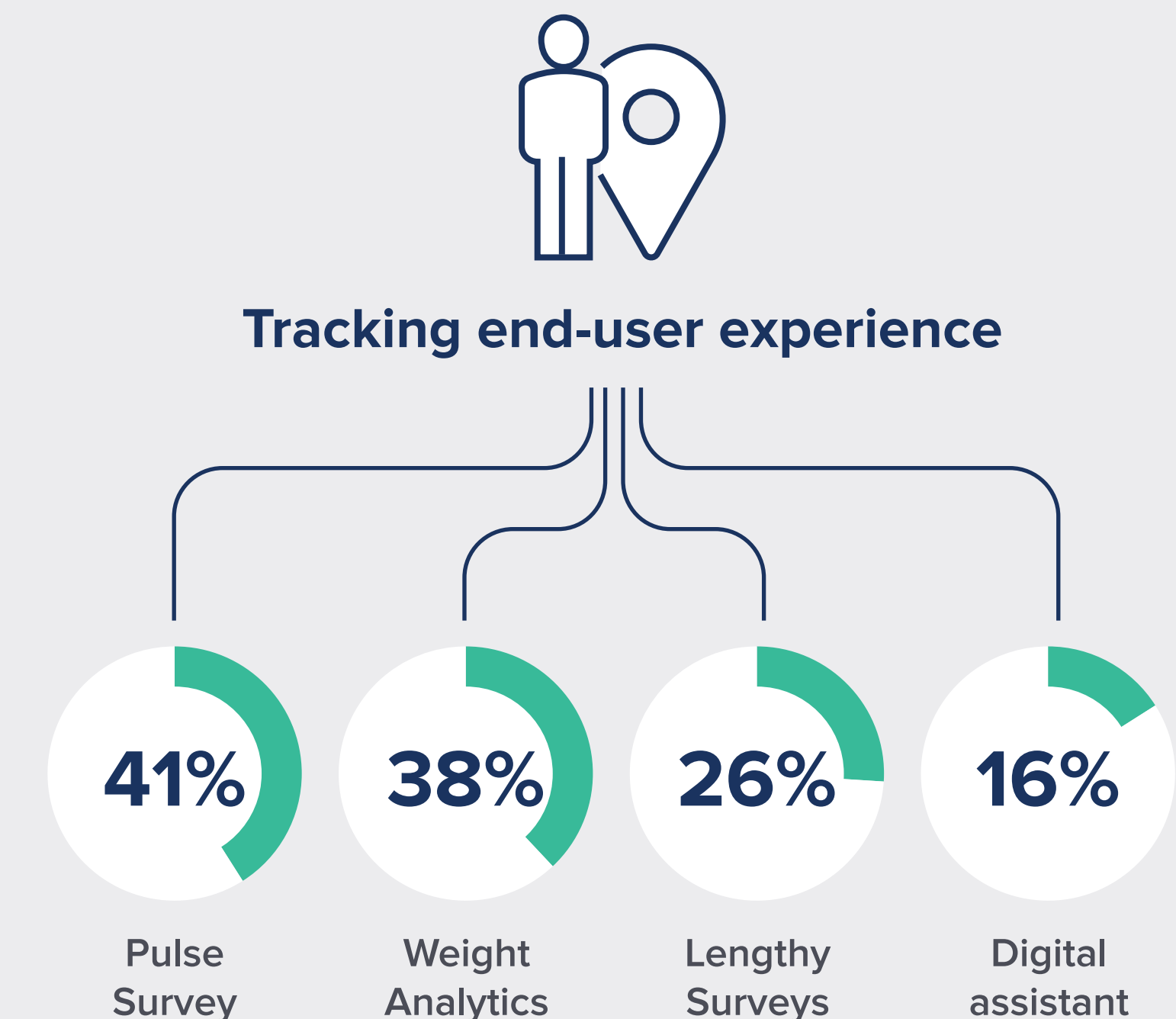
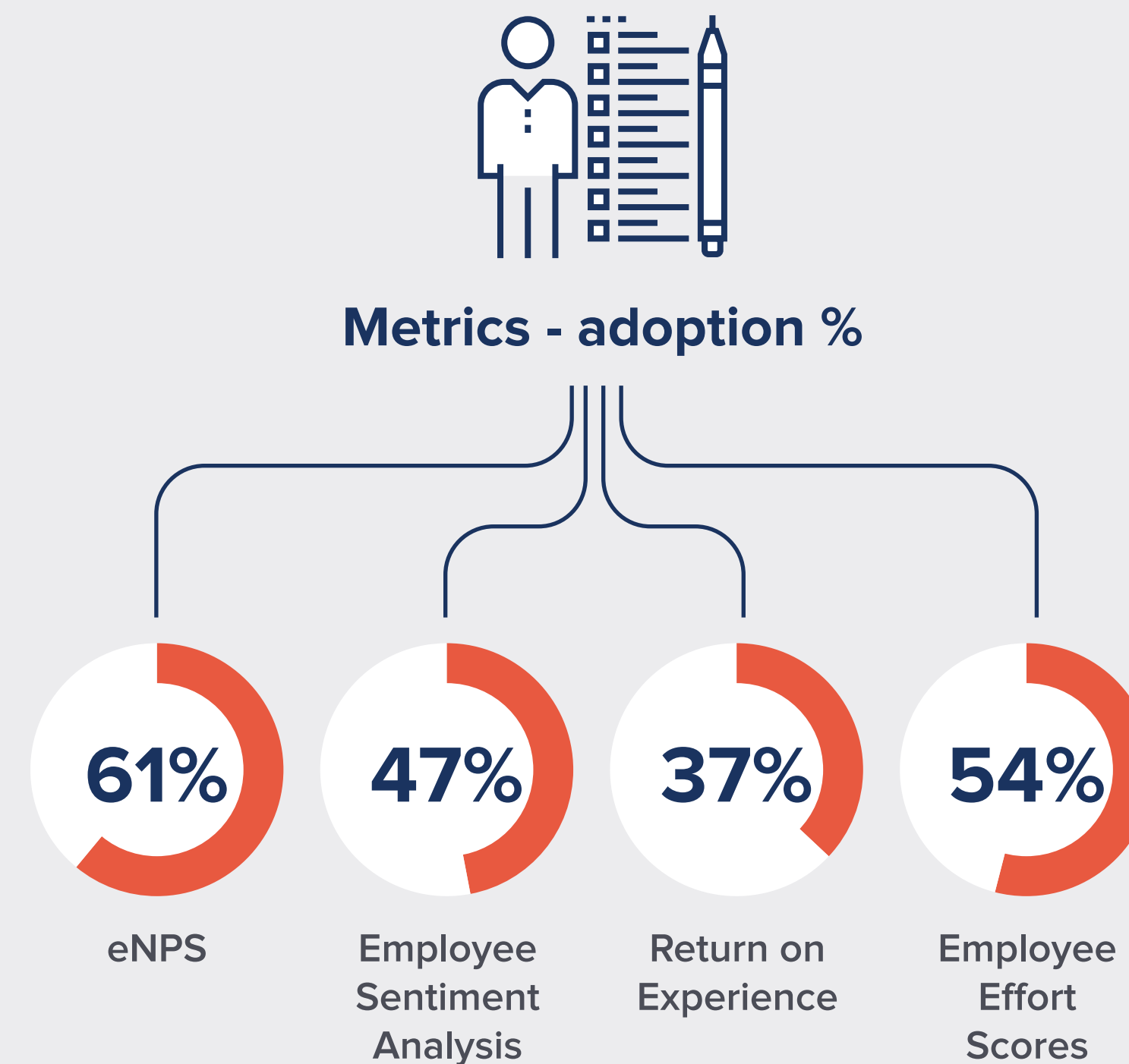


 Currently  12 months from now  Not using/no plans

“You can’t manage what you can’t measure”

The necessity of measurement and management of end-user experience in the digital workplace

Organizations need to gauge the business impact of transformation efforts and employee experience to determine the effectiveness of tactics. There are a variety of tactics employed to accomplish the task. Most organizations measure employee loyalty and satisfaction with the help of employee net promoter scores. Measurements like return on experience are far less frequently employed techniques in countries IDC has surveyed. The same is true of more advanced methods like experience-level agreements.



Happy and engaged employees means better business

Organizations that increase employee engagement are likelier to report better results in a variety of ways and stand a better chance of driving successful transformation efforts.

The best-performing companies — armed with digital-native culture, tools, and processes — also have an advantage over rivals that aren't as digitally equipped.

Companies that don't engage properly with employees could struggle to remain relevant in an increasingly digital economy.



What has been the business impact of increasing employee engagement?

43%



Revenue growth

43%



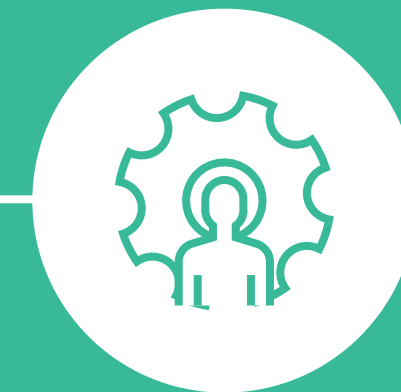
Profitability

43%



Employee loyalty and retention

41%



Employee productivity

41%



Customer retention and satisfaction

Organizations plan to turn more homes into branch offices

Remote working is driving increased interest in virtual workspaces and device management

 Compared with your organization's originally budgeted IT spending plans, in 2020 overall, how do you think your organization's actual spending on the following IT products and services will be affected due to COVID-19?

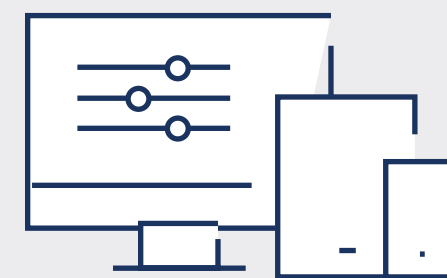
Top 2 long-term strategic priorities

European organizations are adopting technologies to enact transformations in the wake of the pandemic.

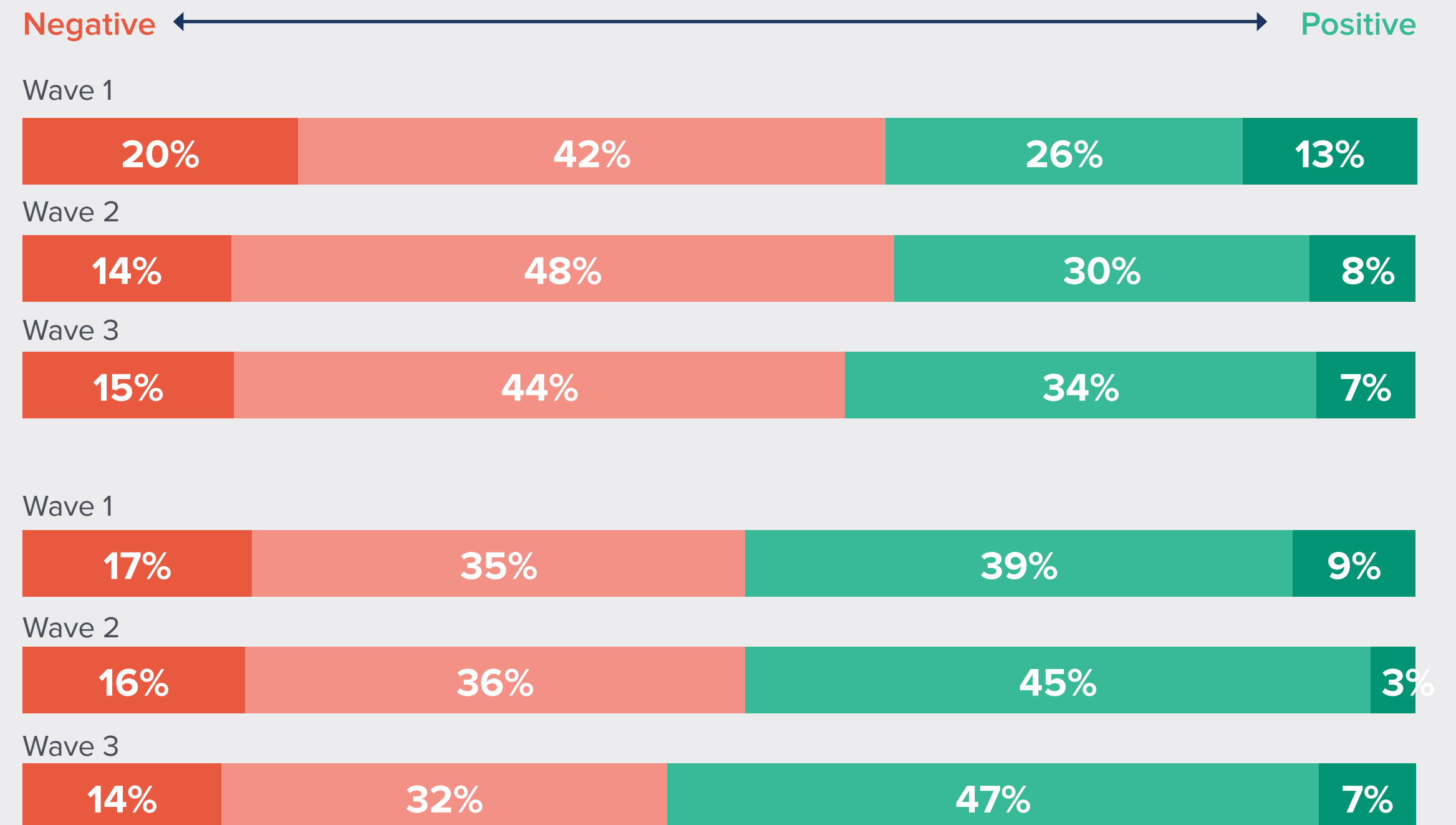
Endpoint device management and virtual workspaces are examples of mobility solutions that are in higher demand given the circumstances, and complement the following top long-term goals:

- Planning to encourage more working from home and adjust IT spending to support
- Deploy more applications and devices to support remote work

Endpoint device management



Virtual workspaces





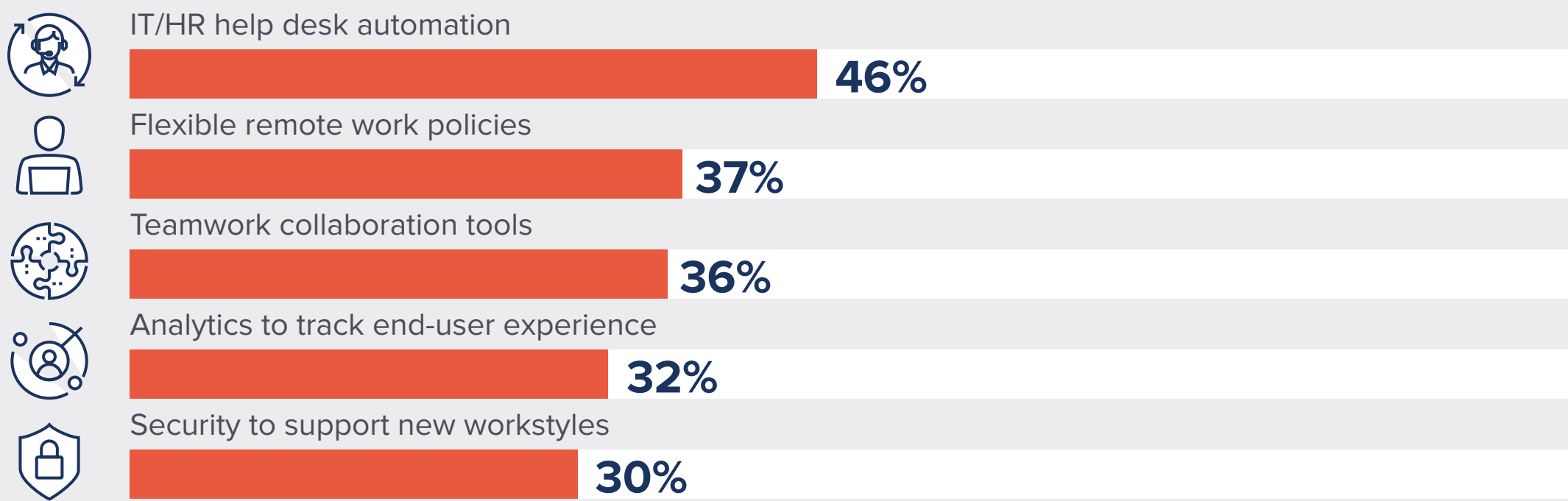
CREATING A SUPERIOR EMPLOYEE EXPERIENCE: “MOMENTS THAT MATTER”

Technology with superior end-user experience is most effective to drive business value and transformation, supporting employees in the “moments that matter”

IT management/security must be an enabler to the business rather than a blocker in those “moments that matter,” providing an employee first experience.

IT/HR help desk automation is the most effective way to support employees in the “moments that matter,” and a top digital workplace deployment at present. It’s a one-stop-shop answer to most employee queries, providing automated workflows for onboarding, ordering a new laptop, or even booking a parking space at work. They’re critical for a distributed workforce or remote workers.

Top digital workplace deployments



Ask yourself the following questions...

- 1. Can your employees securely and seamlessly access apps and resources?
- 2. Does your technology deliver a frictionless experience?
- 3. Can your technology provide a contextual-aware experience that securely delivers relevant content to employees when they need it?

Pushing IT to Business



Involve Business in IT

Security in the digital workspace is inherent from the bottom up and permeates every aspect of employees’ working day. It enables them to seamlessly and instantly access relevant enterprise content and apps through intelligent policy automation.



By 2021

60%

of G2000 companies will actively monitor and manage end-user experience and utilize it as a key differentiator to build and maintain B2B and B2C relationships.

Moments that matter:

1. Secure onboarding/offboarding of gig workers

To survive, companies have to be **adaptable** and dynamically evolve to meet changing market demands. Many companies are making use of gig workers and **external talent** to innovate and diversify their portfolio.

An intelligent and secure onboarding process can be most effective for work agility and productivity.



Gig workers can be productive from day 1. They can be quickly and securely onboarded (accessing the required resources and technology) and be easily discharged once their working project is completed.



European companies have on average

66%

Full-time workers

16%

Part-time workers

18%

On-demand workers.

The European region has over
26 million
temporary workers.

Source: Eurostat, May 2020



Moments that matter:

2. Secure remote working

The world witnessed the largest smart working experiment during the “great lockdown.”

Many suffered cyberattacks during the lockdown due to poor data loss protection (DLP) policies and supporting security technology. This impacted business continuity and productivity, as employees couldn't access enterprise resources and mission-critical apps.

Companies have now worked out how they can provide employees with secure connectivity to sensitive data from wherever the person is and on whichever device they're using.

Many have learnt that a VPN infrastructure is not suitable to support a large remote workforce and have therefore taken a multilayer security technology approach, investing in data encryption, identity access management, network access control, and device management, for example.



Pre-Lockdown

66%

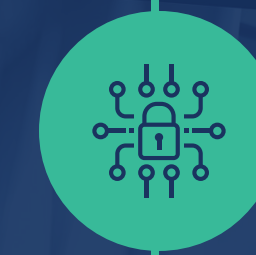
of European companies had very limited or no remote-working policies.

Post-Lockdown

35%

of European companies plan to keep their original setup, with very limited no remote-working policies.

Top 5 security technologies that have been implemented during the lockdown:



Gateway access and protection (e.g., network access control)

43%



Identity and access management

41%



Data loss/leakage prevention (e.g., encryption)

39%



Endpoint threat management and prevention

25%




MDM or unified endpoint management

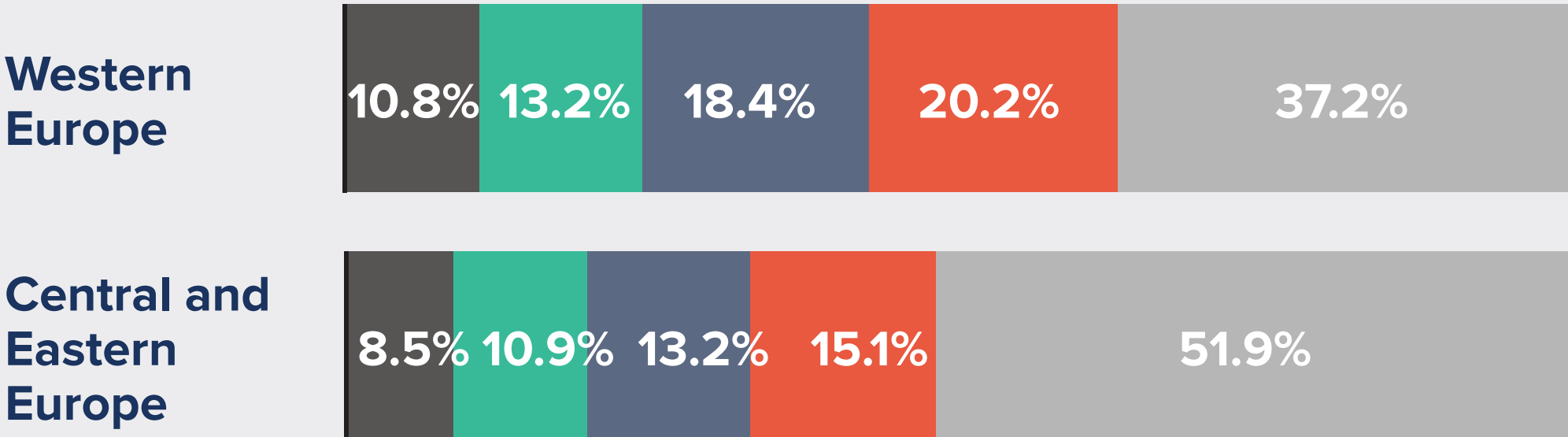
43%




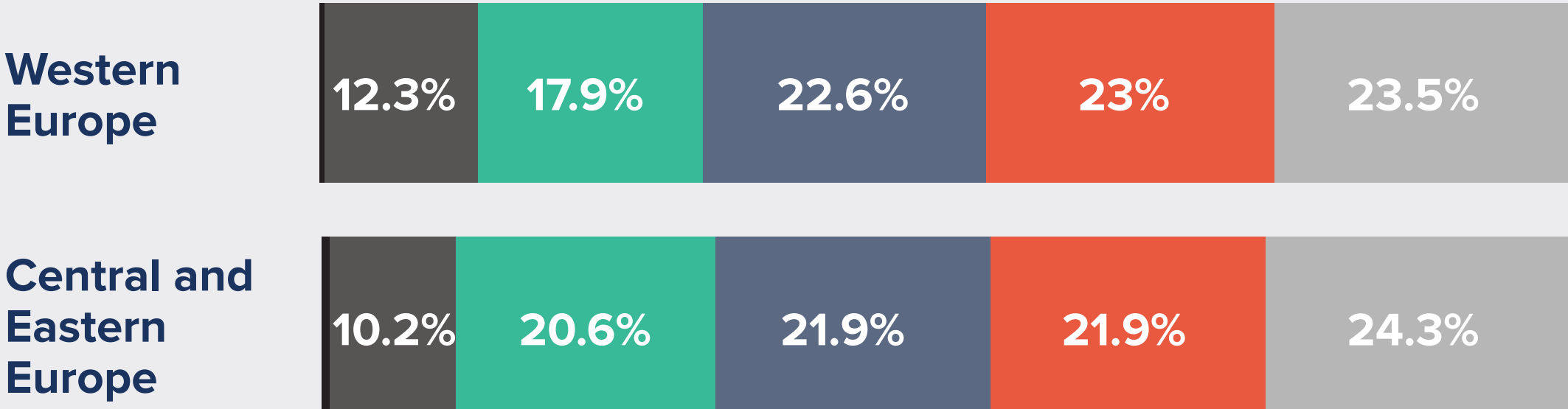
ORGANIZATIONAL CONSIDERATIONS

Senior decision makers in Europe are looking at a wider variety of suppliers for mobility software in the future; operators are just one potential source of mobility solutions

 What type of supplier are you currently using for your mobility software solutions?



 Are you planning to turn to a different supplier within the next 12 months?



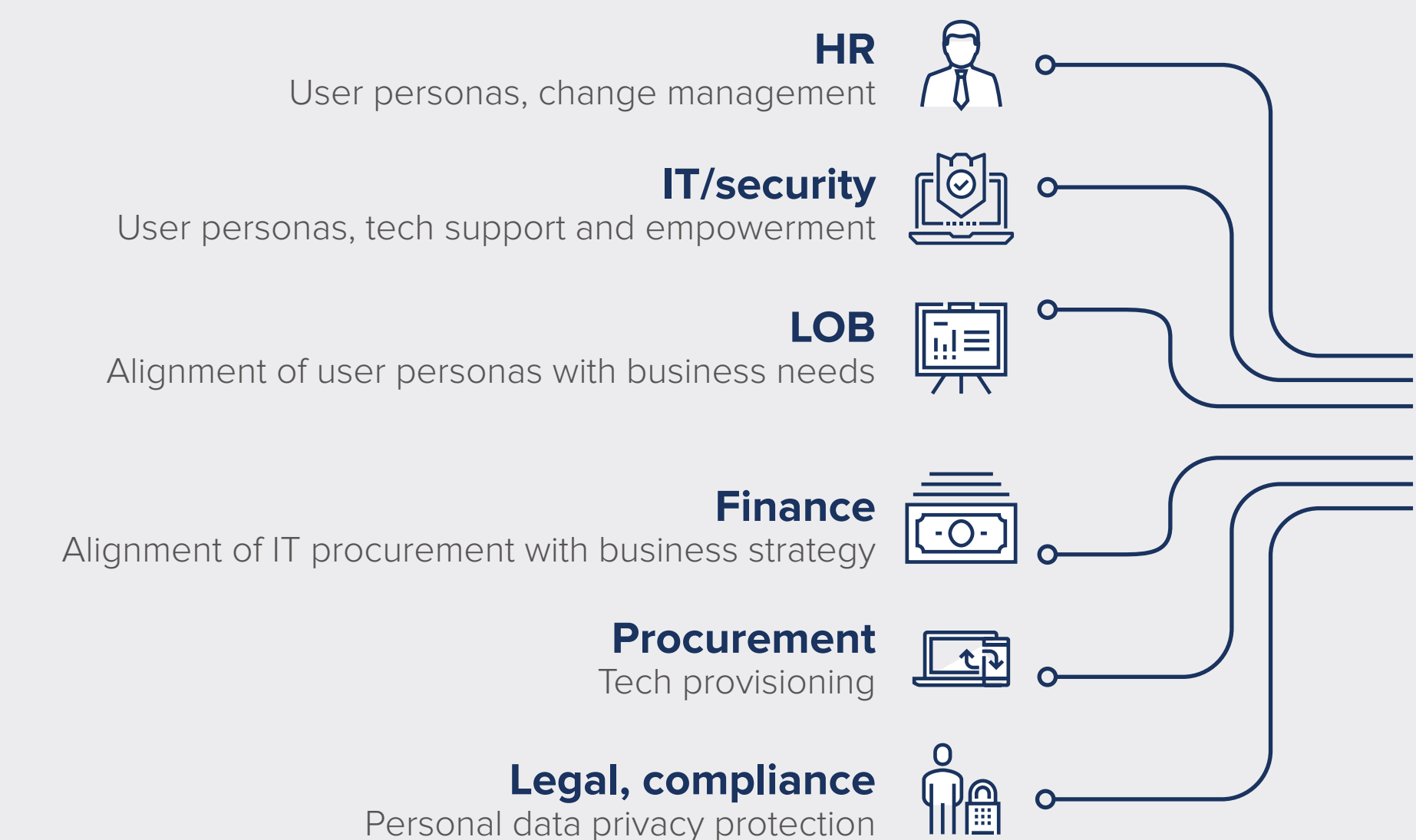
● Other ● Fixed telecoms provider ● Mobility software vendor ● Device OEM ● SI, VAR, or IT service provider ● Mobile operator

Telecom service providers have traditionally been viewed as the primary provider of yesteryear’s mobility solutions. That’s changing as enterprises seek closer relationships with the software providers and device makers tasked with transformation enablement. Increasingly, enterprises want the mobile software needs of the enterprise fulfilled by the latter two provider types.

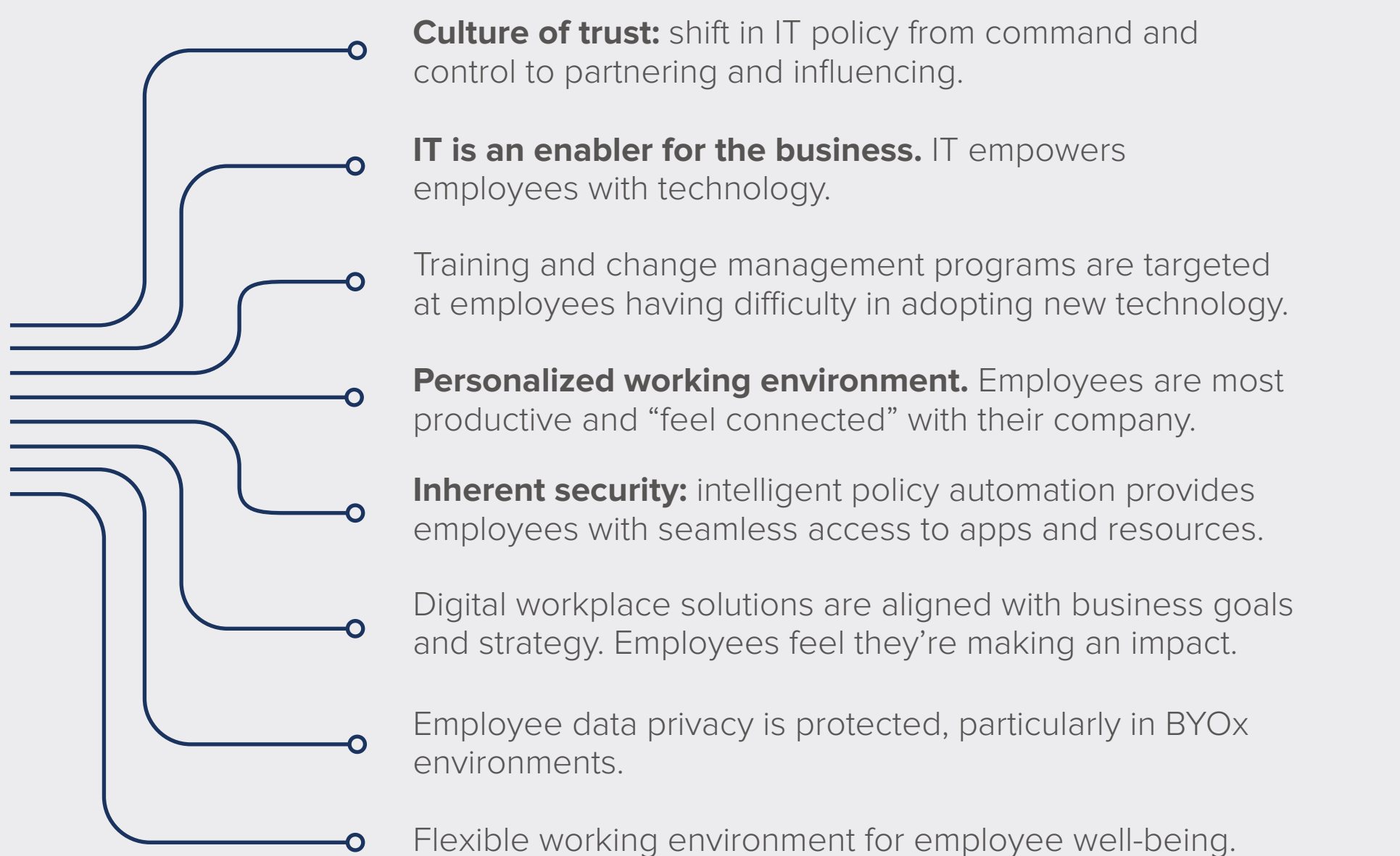
A digital workplace with superior employee experience requires intimate collaboration between IT, HR, business leads, and other key stakeholders

The alignment of different stakeholders is not an end goal but a journey in constant evolution to keep pace with changes in technology, employee needs, and business strategy.

INPUT (by type of stakeholder)



IMPACT (for a superior employee experience)



Workplace transformation strategies are funded by IT

(according to 43% of European companies), HR (30%), operations (15%), finance (7%), and other LOB (2%).

Creating a culture of trust builds corporate identity and reinforces positive employee behavior and engagement

Ask yourself the following questions...

How to create a culture of trust in which my employees feel valued, empowered, and engaged ...

Checklist:

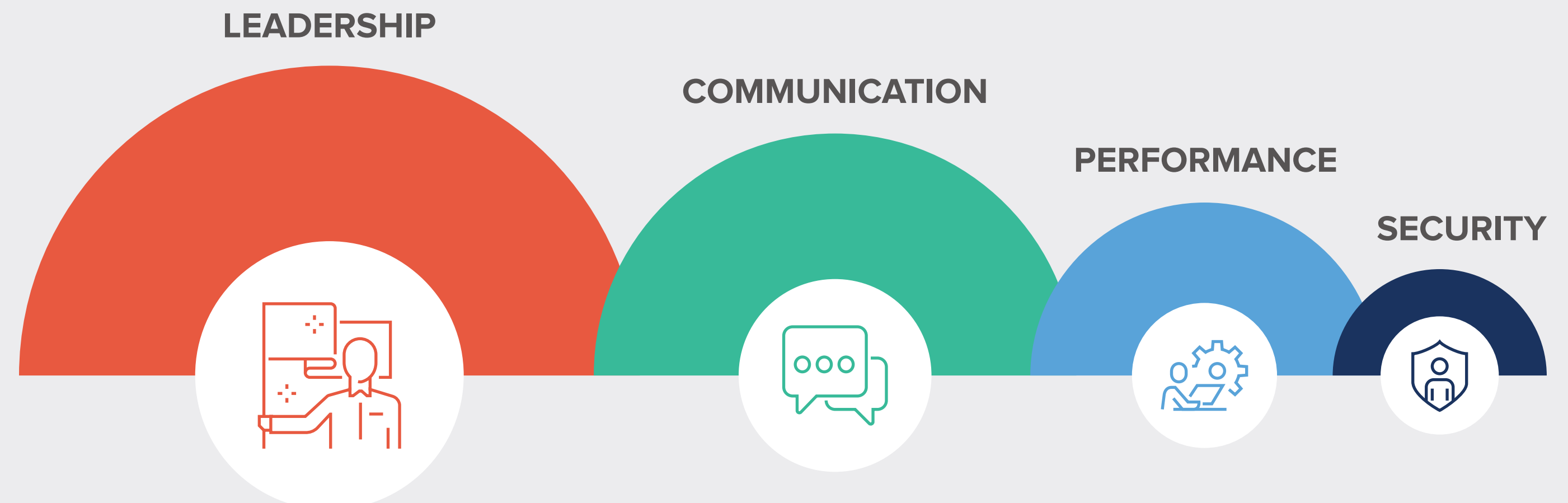
- a. Does your leadership style build employee trust and empowerment?
- b. Is your communication regular and transparent between managers and employees, and among employees? Does it drive employee engagement and sense of purpose?
- c. Rather than tracking individual employee performance, do you measure team performance? Are your teams data-driven and do KPIs positively drive business performance?
- d. Do you track the security posture of employees with device management solutions? Have you profiled employees according to different risk levels and assigned security policies appropriately?



By 2023

50%

of the G2000 will name a chief trust officer to orchestrate trust across functions including security, finance, HR, risk, sales, production, and legal.





RECOMMENDATIONS

Workplace transformation strategy considerations



Enable high-performance teams with collaboration platforms

Invest in an employee collaboration platform for an agile work environment that enables better accountability, alignment, and transparency. An agile work environment enables organizations to better address opportunities and assist with talent recruitment and retention.



Provide personalized workplaces to achieve employee “buy in”

Context is critical for the engaged employee. However, organizational barriers can make personalization difficult. Partner with different stakeholders (IT/HR/business leads) and apply design thinking for a holistic user persona.



Technology adoption must reflect business goals

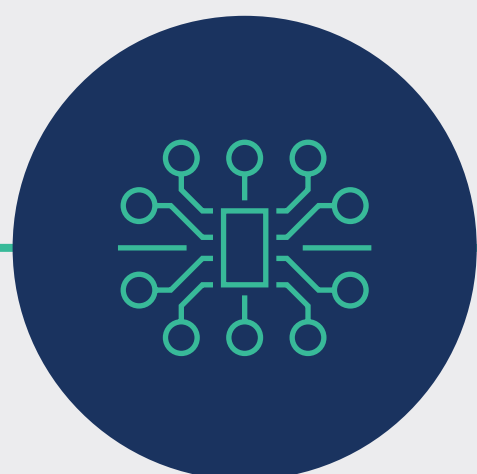
A digital workspace should have the necessary resources for the employee to complete the task at hand. Organizations should invest in change management programs to reach that goal, targeting employees in most need. Use gamification to drive employee participation.



ALL STAKEHOLDERS



Workplace transformation strategy considerations



Consider an intelligent digital workplace

Invest in an intelligent platform with high automation, self-service, and predictive maintenance capabilities to overcome productivity barriers (e.g., non-integrated apps, outdated KPIs) and other hallmarks of an inflexible work environment.



Security should enable transformations with digital trust

Shift from zero trust to a culture of trust, whereby security permeates every aspect of employees’ working day. Security must seek to understand and therefore manage the security risk of transformations, yet still enable the enterprise to securely fulfill its strategic ambition.



Ensure a superior end-user experience is delivered

Enablement can’t be a utilitarian exercise exclusively given that employee “buy in” to change is a necessity. Invest in enterprise-grade technology that is frictionless and provides seamless access to apps and enterprise resources.



TECH BUYERS



About IDC



International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

IDC UK

5th Floor, Ealing Cross,
85 Uxbridge Road
London
W5 5TH, United Kingdom
44.208.987.7100
Twitter: @IDC
idc-community.com
www.idc.com

Global Headquarters

5 Speen Street Framingham, MA
01701 USA
P.508.872.8200
F.508.935.4015
www.idc.com

Copyright Notice

Any IDC information or reference to IDC that is to be used in advertising, press releases, or promotional materials requires prior written approval from IDC. For permission requests contact the Custom Solutions information line at 508-988-7610 or permissions@idc.com. Translation and/or localization of this document require an additional license from IDC. For more information on IDC visit www.idc.com. For more information on IDC Custom Solutions, visit http://www.idc.com/prodserv/custom_solutions/index.jsp.

Global Headquarters: 5 Speen Street Framingham, MA 01701 USA P.508.872.8200 F.508.935.4015 www.idc.com.

Copyright 2020 IDC. Reproduction is forbidden unless authorized. All rights reserved.