IDC MarketScape

IDC MarketScape: European Human-First Digital Workplace Services 2023 Vendor Assessment

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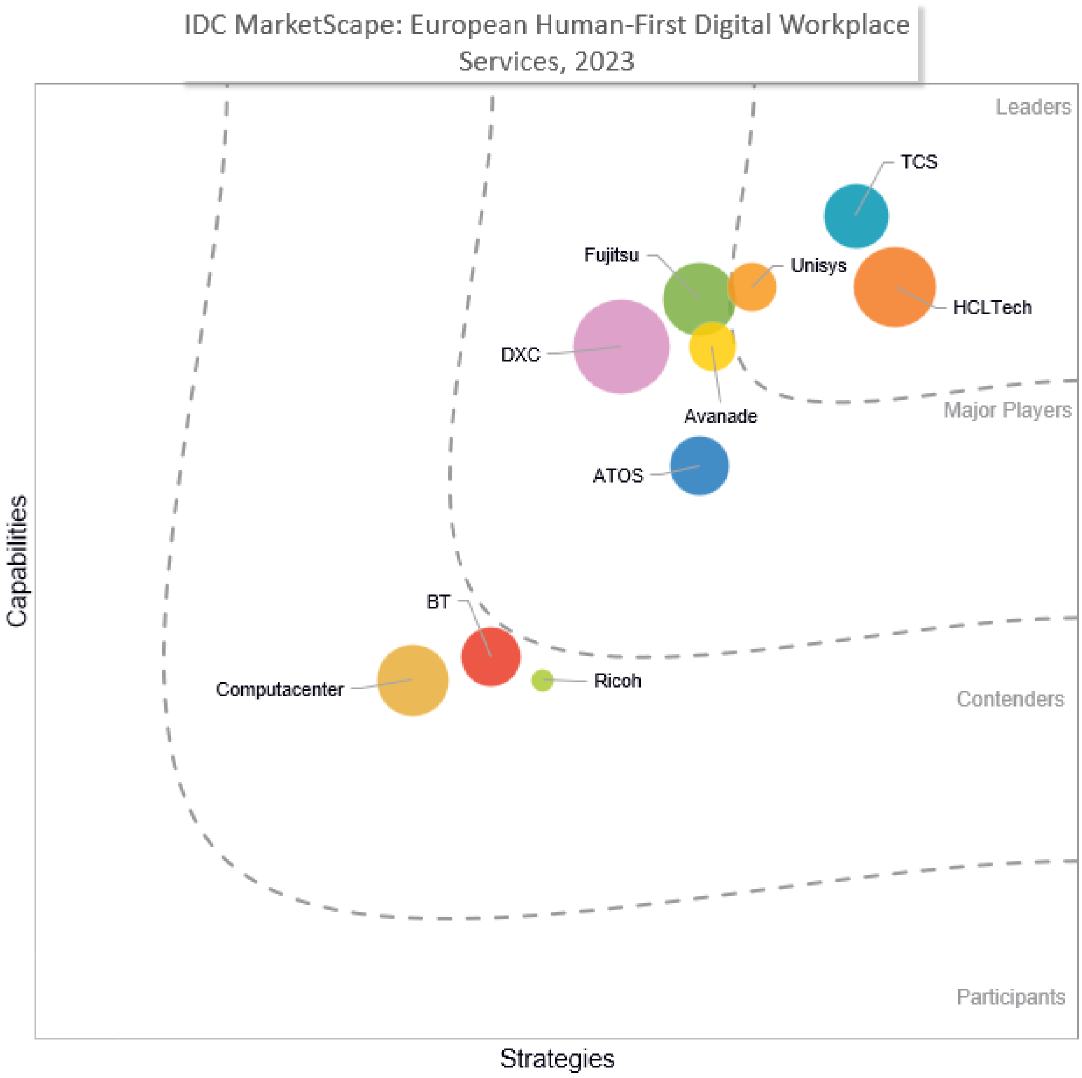
THIS MARKETSCAPE EXCERPT FEATURES: HCLTech

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape: European Human-First Digital Workplace Services, 2023



Source: IDC, 2023

Please see the *Appendix* for detailed methodology, market definition, and scoring criteria.

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IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: European Human-First Digital Workplace Services 2023 Vendor Assessment (Doc #EUR149968723). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Advice for Technology Buyers, Featured Vendor Profile, Appendix and Learn More. Also included is Figure 1".

IDC OPINION

This IDC study is a vendor assessment of the 2023 European digital workplace services (DWS) market. IDC defines DWS as the set of end-to-end business and IT services that focus on the consulting, advisory, planning, implementation, management, training, and/or support of digital workplace technology solutions and deployments. Please refer to the *Market Definition* section of the *Appendix* for a detailed market definition and scope of research coverage.

The past few years of macroeconomic and social upheaval have undeniably proven that new work models are here to stay, and European organizations need to acknowledge this fact. Actions that need to be taken include planning for experience equity across a multitude of work environments, reimagining the physical workplace/office, enabling effective engagement of and collaboration among a distributed workforce, and cementing security protocols across the hybrid workplace.

As enterprises plan for their digital workplace initiatives, ensuring their workplace is future ready, employee experience (EX) needs to be the top consideration. Unfortunately, less than 47% of business leaders and employees are currently aligned when it comes to hybrid work models (*Service Providers' Guide to Success in EX-Led Work Transformation* — IDC #US49934222, December 2022). Organizations ahead of the curve recognize this gap in expectations and are increasingly striving to build strategies for meeting employees as individuals where and how they work.

When employees lack the tools they need to effectively collaborate and communicate across locations, devices, and time zones, they can neither perform at their personal best nor connect with their organizations' corporate culture. As a result, employees will start to look for more meaningful work with effective technology implementations, instead of being bogged down with tedious tasks that are repetitive and error prone, taking them away from the more interesting, creative parts of their job.

IDC has found that organizations that work with service partners are 39% more likely to increase their likelihood of revenue growth. They are also 77% more likely to increase operational efficiency than those that pursue digital employee experience on their own (*Service Providers' Guide to Success in EX-Led Work Transformation* — IDC #US49934222, December 2022). Service-led guidance for a digital transformation that includes flexible work and superior employee experience also increases the likelihood of retention by upward of 92% for every dollar spent.

In the wake of the ongoing seismic shift in work models, business leaders responsible for employee engagement are reshaping their approaches. Even those initially declaring a digital-first future are realizing now that success also needs to be centered around a human-first approach. Technologies will play a significant role in personalizing and curating fit-for-purpose employee experiences, and DWS service providers play a crucial role in shaping these success stories.

Key Findings From This IDC MarketScape Study

Our research for this study has shown the following variables to be crucial components for establishing a DWS provider as truly human-first.

IT Support

- Intelligent helpdesks promote self-service, automation remediation, and proactive resolution of IT problems. Their aim is to "decongest" the volume of level 0 and level 1 service requests that need human intervention and shift helpdesk staff to more critical and complex IT issues.
- IT support and management is multichannel to accommodate different employee workstyles and needs. The focus is shifting away from only fixing IT problems to also empowering employees with digital skills for self-service support.

Employee Adoption of Technology

- Vendors support customers' employees in their adoption of innovative technology by using design thinking or user journeys in the creation of user personas. Some IT service providers go even a step further and define "moments that matter" as part of the user persona.
- Operational change management programs are integral to a vendors' digital initiatives offer and can be onsite and consultant led. This broadly includes training, communication campaigns, persona-based journey maps (that explain "what the changes are and what means to them"), and 1:1 coaching for special employees resisting change.
- Vendors track end-user experience in real time through multiple sources such as hard data (from devices, applications, and other IT assets) and sentiment (from poll questions and natural language processing-based chatbots). Intelligent analytics produce dashboards with achieved and targeted scorings (broken down into multiple categories) and provide relevant recommendations.

Business Outcomes

- Workplace services solutions are positioned from the start as a conduit for change and business performance, with the objective of delivering on the digital business mandate. The vendor uses frameworks (largely standardized based on industry expertise) that map proposed projects against a set of business key performance indicators (KPIs). Their business case also includes risks, assumptions, and recommendations.
- Vendors' fees are clearly connected to business outcomes. While experience-level agreements (XLAs) are now being offered to customers, due to the importance of end-user experience in the success of their deployments, some are linking their fees to agreed business performance KPIs or other financial metrics.

Every vendor assessed in this study reported a well-defined philosophy aimed at helping customers along an XLA adoption journey. This is a testament to the importance of EX when building a modern, intelligent digital workplace. However, IDC observed significant differences across vendors XLA strategies and capabilities.

The elements of variability include:

- Maturity of XLA framework and XLA evolution process
- Proportion of operational attributes among XLAs
- Experience dimensions considered and codified in XLA categories and XLAs
- Ability to contractually commit to XLAs
- Extent of contractual commitment to XLAs

Summary

The findings from this study suggest that as the DWS market evolves, efficient and seamless delivery of foundational workplace capabilities — communication, collaboration, productivity, asset life-cycle management, and service desk/support — is a basic expectation and no longer the source for competitive differentiation.

Instead, DWS vendors need to differentiate through robust workplace consulting and advisory services to help customers envision a workplace that provides concrete support for their organizational goals and unique workplace platforms and assets. This includes delivering hyper-personalization and contextualization, providing superlative EX through pervasive workplace intelligence and automation, and demonstrating a strong commitment to customers' success through innovative, skin-in-the-game contracting mechanisms.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

As the DWS market is a market comprising contributions from a number of different foundation markets found in IDC's IT services taxonomy, IDC does not have a preexisting market share estimate to use for entry criteria prior to this study. Instead, services vendors with total services revenues greater than $5 billion globally and significant presence in Europe were invited to participate.

Additional requirements were as follows:

- Has expertise in end-user computing solutions and delivers full life-cycle services, spanning consulting/advisory, implementation/migration, management, and support
- Offers a distinctive, standardized commercial service for the digital workplace, including productivity tools, collaboration platforms, and security solutions
- Has the service in general availability throughout Europe
- Has customers with these services in use for at least 12 months as of January 2023
- Includes change management in their offers to support a shift to desired cultural behavior, values, and experiences in the digital workplace
- Offers tools and diagnostics that enable measurement of cultural and/or experience change success factors

ADVICE FOR TECHNOLOGY BUYERS

IDC offers the following recommendations to Europe-based organizations looking to embark on a human-first digital workplace journey:

- **Make experience a priority.** All vendors now offer codified EX data collection that is tracked through XLAs and offered in addition to traditional service-level agreements (SLAs). Vendors have varied approaches to XLAs (prescriptive versus consultative), distinct levels of framework maturity (static XLA categories versus tiered evolutionary framework), and varying levels of XLA commitment in their service contracts. Investigate vendors' XLA frameworks and philosophy to see which offerings best meet your experience needs and aspirations.
- **Strive for a contextualized experience**. All vendors assessed in this exercise have robust foundational DWS capabilities. However, there is much value to be realized in workplace contextualization as well as function- and industry-specific workplace capabilities. Try to differentiate among vendors based on their ability to provide hyper-personalized workplace/dynamic workplace customization, industry/function-specific workplace assets, etc.
- **Insist on enablement through automation.** While most providers have in the past focused on uncomplicated process automation, the future belongs to artificial intelligence (AI) and cognitive learning, which have the potential to manage complex IT tasks. Although still somewhat futuristic, the solutions are expected to rapidly mature over the next few years with DWS vendors investing heavily in R&D. Evaluate existing proofs of concept (POCs) to decide what level of automation on offer best matches employee engagement for your specific use cases.
- **Look for change management.** Introducing any innovative technology can result in hesitant or even anxious employees. The purpose of change management is to implement strategies for

helping users to adapt to technological and process-oriented change. Ask for success stories, and establish that change management includes a mature, established framework with all components needed to drive technology adoption.

- **Prioritize sustainability**. Find out how your DWS partner can help your company become carbon neutral (or even negative), and set up an agreed set of "sustainability goals" over time. Don't forget to assess the environmental, social, and governance (ESG) credentials (including the accessibility aspect of the user experience) of a vendor's partner ecosystem.
- **Ensure governance and local market knowledge.** Ensure your DWS partner has full expertise in European data privacy and compliance as well as understands the influence of work councils in each European target country.

FEAUTURED VENDOR PROFILE

This section briefly explains IDC's key observations resulting in HCLTech's position in the IDC MarketScape. The description here provides a summary of the vendor's strengths and opportunities.

HCLTech

According to IDC's analysis and customer feedback, HCLTech is positioned in the Leaders category for this IDC MarketScape: European Human-First Digital Workplace Services 2023 Vendor Assessment.

HCLTech Limited is an Indian multinational information technology services and consulting company. HCLTech's solution stack is targeted at a broad and diverse workforce, ranging from employees in specific vertical industries in which it brings augmented/virtual reality (AR/VR), Internet-of-Things (IoT), or wearables solutions to contract workers who need a seamless onboarding experience. Its offer includes an extensive range of emerging technologies for the workplace (smart badges, AR/VR-powered immersive experiences, helpdesk support through digital twins, etc.).

HCLTech's human-first offering is led by its investment in its SafeSense suite of contactless return-to office workplace solutions and its Workplace Experience Consulting (WXC) practice. WXC is based on the FLUID workplace catalogue that covers every aspect of end-user experience and productivity including in-depth personalization of services. User experience/satisfaction is defined and measured using a User Delight Score (UDS) that is calibrated monthly to account for changing environments.

The FLUID model also underpins HCLTech's mature XLA framework, covering device/user experience, automation, contact reduction, adoption, sustainability, and customer satisfaction.

Outstanding new additions to HCLTech's human-first workplace portfolio include HCLTech Athena (persona specific, AI-based learning console based on Microsoft Viva learning), HCLTech eSENSE (user perception management and sentiment analysis), Virtuality (HCLTech's Metaverse Enterprise Solution), and HCLTech Nippon (employee productivity analytics).

Strengths

HCLTech has successfully strengthened its workplace consultancy capabilities with a focus on experience design and formalized its commitment to an XLA-based approach through contractual commitments with most of its customers. Extensive investment in human-first focused IP points to an ongoing commitment to future-proof its DWS offer.

Customers that IDC interacted with expressed remarkably high satisfaction and rated HCLTech highly for the effectiveness of its workplace services and human-first approach.

Challenges

Additional expansion of HCLTech's existing change management and well-being solutions could further increase its human-first value proposition.

Consider HCLTech When

Consider HCLTech if you are looking for an automation-rich, future-proof human-first workplace environment from a vendor with a strong commitment to delivering sustainable, personalized end-user experience from consulting through to support.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is with customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis or strategies axis indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, as well as business and go-to-market plans for the next three to five years.

To highlight the employee experience-focus of the report, the size of the individual vendor markers in the IDC MarketScape represents the number of managed DWS end-users each vendor served in Europe in 2022.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores — and ultimately vendor positions on the IDC MarketScape — on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

IDC defines digital workplace services (DWS) as the set of end-to-end business and IT services that fall under the existing foundation markets outlined in *IDC's Worldwide Services Taxonomy, 2022* (IDC #US47769222, July 2022) and are also focused on the consulting, advisory, planning, implementation, management, training, and/or support of digital workplace technology solutions and deployments. They are aimed at simplifying the management of the enterprise workspace technology environment management, improving productivity through the extensive use of automation, and delivering superior end-user employee experience.

A digital workplace technology solution is a comprehensive, integrated framework of technologies designed to empower employees to get their jobs done securely and effectively in today's workplace. It is not only targeted at knowledge employees, but also to blue-collar, frontline, and increasingly, digital workers (RPA/IA bots). Additionally, a modern digital workplace environment includes all manner of endpoints ranging from laptops, desktops, mobile devices at one end of the spectrum to IoT-enabled endpoints including sensors, appliances, and AR/VR devices.

Digital workplace services may include at least the following technology components:

- End-user computing management and security solutions, which includes System Center Configuration Manager (SCCM), desktop and application virtualization, application delivery and management, unified endpoint management (UEM), content management and file-sharing solutions, unified directory, identity access solutions, endpoint security, and DLP solutions.
- Integration and support capabilities for enterprise-grade apps addressing productivity, collaboration (including UCaaS), enterprise social networking ,as well as business and customer relationship apps (ERP, CRM, etc.)
- Next-generation integrated service management and digital support services (for HR, IT, procurement, and shared services) including smart ticket generation, automated service request fulfillment, chatbots, digital assistants for self-service support through a single point of interaction portal.
- Intelligent analytics to track the performance of devices, apps, and networks, and most importantly, to track the adoption and usage of apps and devices by employees. The latter helps with change management and to drive employee experience.
- Intelligent IT/security automation to predict issues causing downtime and proactively reduce incidents or reduce the time to resolve them, which also retains this information via knowledge management repository to capture, categorize, and proactively reuse solutions to common issues.
- Digital workplace framework that supports granular and customizable user-personas by functional role/industry/access modes and such.
- A cloud-agnostic point of view that can leverage the entire on-prem datacenter, private cloud, or public cloud paradigm, depending on the use case and context of the workload.

Concentrating on the human-first focus of this report, this study places primary emphasis on the following additional, human-first elements of digital workplace services:

- Enabling enterprises for optimized and secure workplace experience and operations in a hybrid work context (experience parity, seamless connectivity, remote-worker security, etc.)
- Supporting enterprise ESG initiatives and objectives through workplace experiences, operations, and enablement (environment-friendly sourcing, circular economy, sustainable workspaces, workplace inclusivity, etc.)
- Delivering an experiential and highly customized workplace experience across user personas and stages of employee life cycle (digital employee management or DEM, usability, and usage indices, XLAs, change management, etc.)
- Driving higher workplace efficiency and productivity through extensive and embedded automation, integration, and intelligence (digital assistants, intelligent workflows, automated workplace operations, etc.)

LEARN MORE

Related Research

- *Market Analysis Perspective: European Future of Work, 2023* (IDC #EUR150262423, September 2023)
- *Future of Work Market Size and Growth: A European TAM Perspective — 2021-2026 FoW Spending Forecast* (IDC #EUR151110923, August 2023)
- *IDC MaturityScape: Flexible Work 1.0* (IDC #US50998523, July 2023)

- *Pros and Cons of Hybrid Work: The Employee Perspective – Results from IDC's European Employee Experience Survey, March 2023* (IDC #EUR150510923, March 2023)
- *Service Providers' Guide to Success in EX-Led Work Transformation* (IDC #US49934222 December 2022)

Synopsis

This IDC MarketScape assesses IT service providers with a footprint in Europe that offer digital workplace services with a focus on a human-first experience. It is based on a comprehensive framework and a set of parameters that assess providers relative to one another and factors expected to be most conducive to success in the short term and long term.

"Digital workplace solutions are the most important set of technology tools to create cultural change, drive business outcomes, and retain the best talent," said Meike Escherich, European Practice Lead for Future of Work, IDC. "Digital workplace services vendors with well-articulated workplace transformation advisory and implementation capabilities as well as people-focused services offerings and ecosystems will be the partners of choice in this age of a human-first work experience.

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. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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