Trend study

Digital Workplace in Europe

Objectives, status quo and investment plans

Lead analyst: Dr. Andreas Stiehler

January 2017

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PREFACE

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The PAC Digital Workplace Study is a balanced and forward-looking report on workplace modernization, which is extremely relevant and important for agile enterprises. It gives you a comprehensive analysis of how digital technologies are fostering employee engagement and workplace modernization in Europe.

The study elaborates on key challenges faced by workplace managers and how they balance between conflicting organizational goals. For best practices, you will get to learn how different organizations are driving key initiatives such as cloud adoption, process automation, mobility, unified communication and provisioning of workplace applications.

Hexaware Technologies has partnered with PAC for this report because, as a leading service provider for workplace solutions in Europe, we wanted to enable discerning CIOs and business leaders to make informed decisions. And we are glad to state that the study completely serves the purpose, as it shares best practices and actionable insights related to workplace modernization in Europe.

For example, the survey states almost three fourth of IT and HR managers' report a strong importance of the quality of IT work environments. Forty percent of companies in Europe present themselves in a relatively advanced state of workplace modernization, while nearly 10 percent are at an early beginning.

We hope that report will give you some practical guidance on formulating a holistic strategy for workplace modernization and empowering your employees with digital technologies.

Wish you a great year ahead!

Digital Workplace in Europe

Objectives, status quo and investment plans

Dr. Andreas Stiehler
Principal Analyst
January 2017

BACKGROUND

FOCUS

Companies that want to achieve a successful digital transformation must make fundamental changes. Whether businesses are looking to increase agility, improve customer service, streamline processes or drive innovation, change needs to start in the workplace. This is because the performance of individual employees is decisive in a world increasingly characterized by knowledge work.

However, employee performance can only improve when the work environment is adapted and optimized to their respective roles and requirements. Equipping workers with new mobile devices or collaboration tools is not a solution in and of itself. To properly support employees while guaranteeing a high degree of IT security and performance, these technologies must form part of a wider "Digital Workplace" concept that includes robust provisioning, operation, management, support and security services.

This study provides insight into current trends, investment plans and challenges relating to digital workplace initiatives at European companies. Based on our view of Digital Workplace as a holistic design and service concept, we offer a 360° view on critical issues related to workplace modernization.

This study provides insight into current trends, investment plans and challenges relating to digital workplace initiatives at European companies.

CONTENT

The study consists of three main sections:

The first section takes a close look at the ***strategic relevance and goals of workplace modernization initiatives in European enterprises.*** By doing so, we will discuss the necessity for holistic approaches and major paradigm shifts in the workplace segment.

In the core section of this study, we discuss ***concepts, status quo and investment plans in core action fields of workplace modernization*** –

including strategy & collaboration, design & integration, operation & provisioning, management & support as well as HR-related workplace issues.

The results of the study are summarized in a ***"Digital Workplace Index"*** which is presented in the final chapter of this study. The index forms the basis for a discussion of regional and industry trends and differences.

METHODOLOGY AND INTERPRETATION OF THE RESULTS

PAC interviewed more than 180 IT and HR managers in charge of workplace modernization in European companies with 1000 or more employees. The Computer Aided Telephony Interviews (CATI) took place between September and November 2016, and 'were conducted across a range of different regions, company sizes and industries.

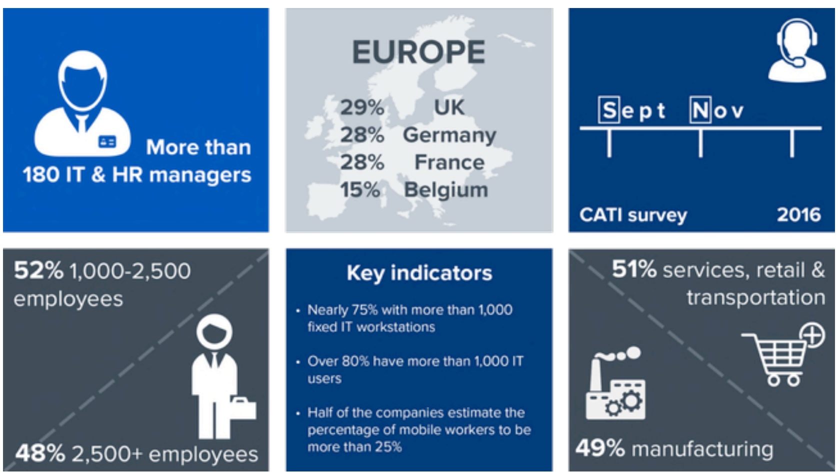


Fig. 1: Composition of sample

In order to understand current trends, survey participants were asked to score their progress in meeting different goals relating to workplace modernization on a scale from 0 to 10. In order to simplify the presentation, we structured the results in the following way:
Score of 9 or 10: Completely met (100% fulfilled)
Score of 6 to 10: A work in progress (partly fulfilled)
Score of 5 and lower: At an early stage (largely unfulfilled).

CORE RESULTS

STRATEGIC RELEVANCE AND CENTRAL GOALS

The role of the workplace is changing. Almost three quarters of IT and HR managers report a strong or critical importance of the quality of IT work environments for their companies' business success. However, this perception is only partly reflected in the investment agenda of European companies. Although in every second European company workplace modernization has a high priority, the topic appears on top of the investment agenda only in a small share of companies.

Our survey results confirm this: workplace managers today are asked to increase user experience and fulfill business goals, while keeping security and costs under control. Actually most European enterprises have not been able to completely meet these changing targets. The conundrum can only be solved if 1) work environments are optimized from an end-to-end perspective and 2) new approaches to workplace strategy, design, operation, management and support are adopted.

KEY ISSUES, STATUS QUO, INVESTMENT PLANS AND BARRIERS

Key action fields of workplace modernization as discussed in this study include:

Strategy and organization: The "digital workplace" requires a mature, open-minded and customer-centric organization. From this perspective, workplace modernization is still in an early stage, but is developing dynamically. Many European enterprises have workplace modernization initiatives on the way – and about every second IT or HR manager reports about measures planned to improve the organization. But only one third of IT and HR managers, for example, fully confirm that there is a workplace strategy in place – and many European companies are still struggling with basic requirements like an SLA-based delivery.

Design and integration: The workplace design should find answers to challenges caused by the increasing share of knowledge work. In fact, there is a tremendous willingness to invest in new applications and a significant need to mobilize and secure workplace environments. The increasing number and variety of workplace applications drives the need for integrated solutions. In fact, almost two thirds of IT and HR managers plan to invest in modern workplace applications and 60% of European companies have UCC on their investment agenda.

Operation and provisioning: This is all about "managed diversity". New methods have to be used to promote user centricity and flexibility with high efficiency and security standards. Today, however, many European companies are still working on the prerequisites for a cloud-based and user-centric delivery of workplace services. Large groups of companies are still struggling with basic issues such as network readiness or the consolidation of workplace infrastructure. However, the survey results also show a strong willingness to invest in new concepts. Most striking: every second company in Europe wants to invest in a central provision of workplace applications! Similarly, large groups of companies in Europe are interested in concepts built around user-centric equipment with workplace technologies and services.

Management & support: There are many paradigm changes ahead. First, there is an urgent need for action and investment in unified endpoint management. And in fact, 57% of our survey participants plan to invest in this field within the next one to two years. Another focus area for investment in the workplace segment is the harmonization and consolidation of support services across the board. More than half of enterprises in Europe are planning to invest in the establishment of global service desk structures. Finally, the results indicate the "digital service desk" is evolving.

HR-related workplace design and management: HR departments should participate as strategic partners and join forces with IT in workplace modernization initiatives. With respect to HR workplace functions, the results show an urgent need to invest in the availability and ease of access to HR support units. More than 60% of survey respondents report respective investment plans. Especially HR managers show a particularly strong appetite to invest, if the availability of access (67%) and the establishment of HR self-services (51%) as well as the development of digital HR and cloud strategies (47%) are considered.

THE DIGITAL WORKPLACE INDEX

PAC presents the Digital Workplace Index as a method for summarizing survey results on the status quo of workplace modernization in the different key action fields – and as a basis for further discussion of regional and vertical peculiarities. Based on the scores submitted by the participants, a total value of 74 (from 100) has been calculated. However, there is a strong spread. Overall, PAC classified almost 40% of companies in Europe as being in a relatively advanced state, while about 10% at an early stage. Every second European company shows work in progress with respect to workplace modernization.

Moreover, the study results reveal significant differences between European countries with respect to stated relevance, status quo and investment focus.

Belgian companies (avg. score 76) appear very advanced with respect to workplace modernization – based on the self-evaluations of the 28 Belgian IT and HR managers. Mobile working in particular seems to be well supported. However, there is backlog demand with respect to modern end-user centric workplace concepts.

French companies appear to be top performers with respect to workplace modernization – with a score of 77. One remarkable feature is the openness to cloud-based solutions. Nevertheless, in aspects such as mobile working support or SLA-based delivery, French companies still have a way to go.

German enterprises, on the one hand, are laggards when it comes to workplace transformation, and in particular the use of cloud offerings and the implementation of flexible use concepts (avg. score 69). On the other hand, the willingness to invest in and adopt modern concepts for workplace design and management seems to be particularly pronounced in Germany.

The UK economy shows a relatively weak performance (avg. score 73) with respect to workplace modernization. This is surprising at the first glance as this country often appears as a frontrunner in the adoption of new technologies and concepts. A main reason for this result might be the large share of service companies in the UK sample, which show significantly lower performance than manufacturers in this regard.

Although workplace infrastructure modernization is usually perceived as a horizontal topic, our results show striking and (at the first glance) even surprising **differences between different industries**. According to the results, the manufacturing industry shows an outstanding performance with respect to workplace modernization (avg. 77). This result underlines the increasing importance of a modern workplace infrastructure for the successful realization of IoT and Industry 4.0 concepts. In fact, 84% of respondents in the manufacturing industry consider the quality of workplace environment as strongly or critically important for their company business. In the entire service industry, this share is at 63%.

The role of the workplace is changing: Almost three quarters of IT and HR managers report a strong or critical importance of the quality of IT work environments for their companies' business success.

STRATEGIC RELEVANCE AND CENTRAL GOALS

STRATEGIC RELEVANCE

In an increasingly digitized, knowledge-intensive and globally networked economy, the quality and performance of employees' IT work environments is becoming of critical importance.

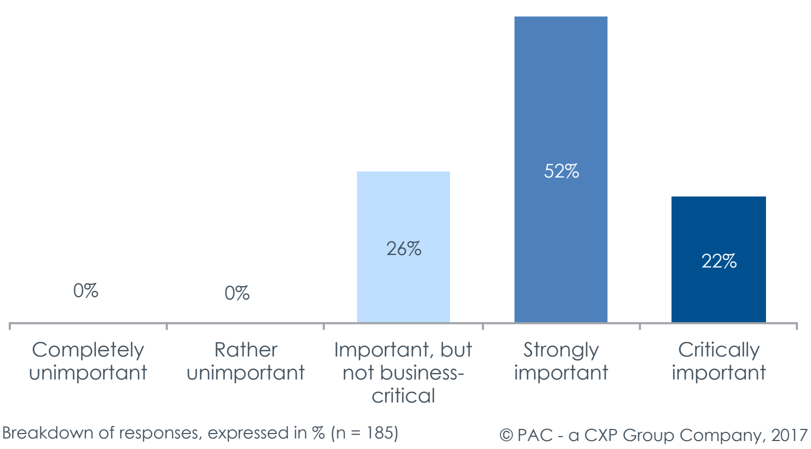


Fig. 2: Importance of quality and performance of IT work environments for the success of the companies' business

In fact, the effectiveness of digital transformation initiatives aiming to increase agility, innovation and customer service strongly depends on the engagement of employees. And in order to optimize performance, employees need the right tools to help them exchange knowledge and information in an effective way and to gain access to data and applications at any time, in any place.

RELEVANCE ON THE INVESTMENT AGENDA

Although almost three quarters of IT and HR managers confirmed the importance of modern IT work environments, the topic is typically not yet positioned at the top of the investment agenda of European companies. Actually, most of today's digital transformation initiatives focus primarily on the modernization of customer interfaces as well as the establishment of IoT (Internet of Things) infrastructures and big data factories.

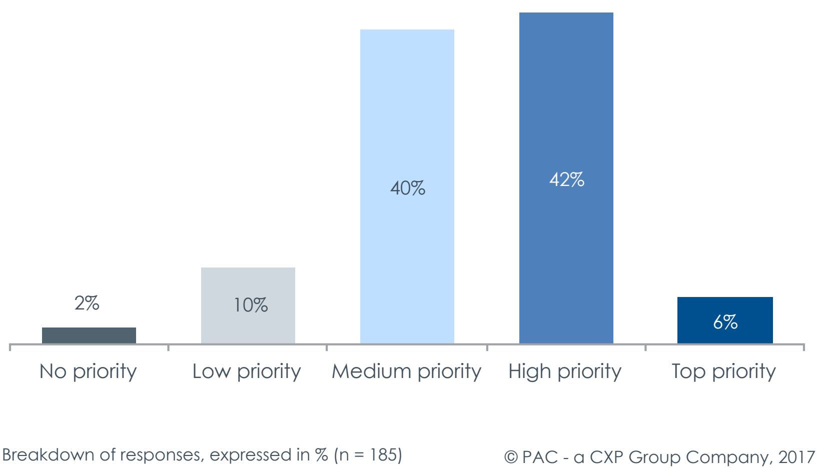


Fig. 3: Importance of workplace modernization on the investment agenda

However, digital initiatives will be only effective if organizations can create a digitally integrated enterprise with modern IT workplace environments as an integral element. Moreover, a growing number of employees know the potential of digital technologies from their use of consumer technologies such as Dropbox or Skype. Frustration grows if business services do not match the level of consumer alternatives. In the same way, more and more consumer apps are being used for work, posing new challenges in terms of IT security and efficiency.

As a result, workplace modernization is of growing importance and is becoming a stronger priority on the IT investment agendas of European enterprises. Nevertheless, controlling the cost of the workplace environment will remain an important factor.

Workplace managers today are asked to increase user experience and fulfill business goals, while keeping security and costs under control.

CENTRAL GOALS OF WORKPLACE TRANSFORMATION

WORKPLACE MODERNIZATION IS A BALANCING ACT

In line with the increasing business relevance of the IT work environment, the business case of workplace modernization is changing. In fact, workplace managers today have to consider a large variety of goals – as illustrated in the graph below. In the past, workplace modernization was primarily driven by efficiency targets, but today's digital workplace projects must meet a diverse set of business goals.

This puts workplace managers in a tough position. On the one hand, they are asked to increase employee satisfaction and support diverse business needs, including the promotion of collaboration and innovation. On the other, they must ensure a high degree of security and cost efficiency too.

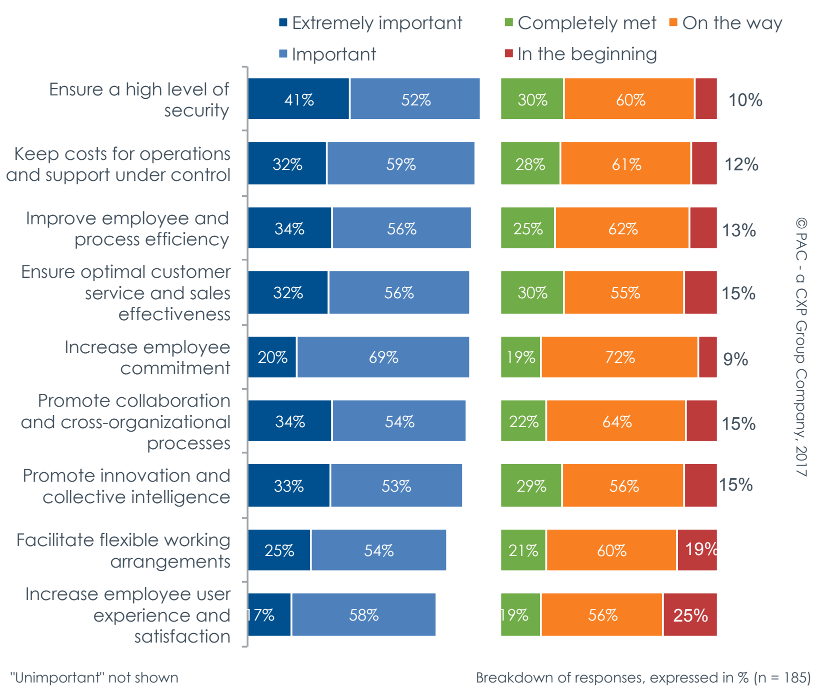


Fig. 4: Importance and fulfilment of goals for employee workplace modernization

And – as indicated by the survey results – most European enterprises have not been able to completely meet these changing targets. This does not come as a surprise. Business may intend to implement new devices and applications, but these technologies also have to be integrated, operated, managed and supported. Additional effort is needed to ensure high security and usability levels.

The conundrum – as illustrated in the graph below - can only be solved if 1) work environments are optimized from an end-to-end perspective and 2) new approaches to workplace strategy, design, operation, management and support are adopted.

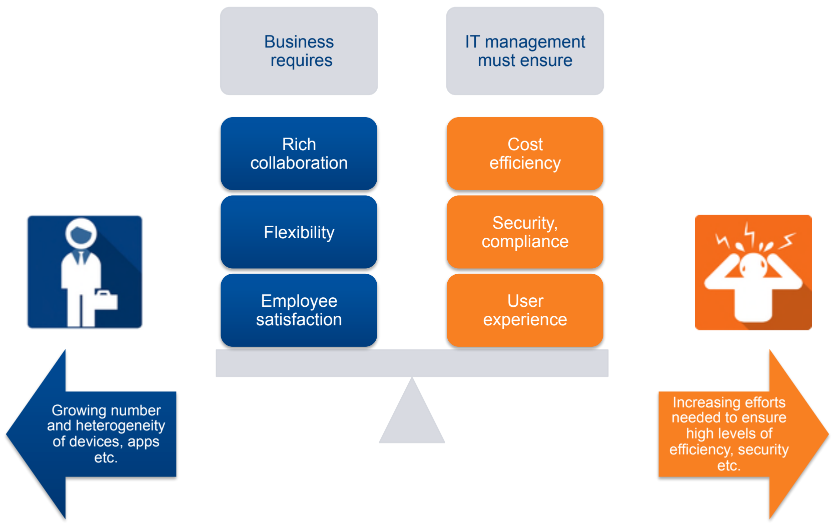


Fig. 5: Workplace modernization is a balancing act

In the following chapters, we will discuss the necessary paradigm shifts, which apply in the five key action fields of workplace modernization.

Fig. 6: Central action fields of workplace modernization

The "Digital Workplace" presumes a holistic approach for optimization and major paradigm shifts with respect to strategy, design, operation, management and support.

KEY ISSUES, STATUS QUO & INVESTMENT PLANS

STRATEGY & ORGANIZATION

KEY ISSUES & PARADIGM SHIFTS

Solving the balancing act with respect to workplace modernization is not only a technical challenge. It firstly presumes

- a **workplace strategy,** which is
- based on a **holistic design and service concept** and
- centers on **employee satisfaction,** which should be measured regularly and form an integral component when it comes to managing IT in the workplace environment.

The “digital workplace” requires a mature, open-minded and customer-centric organization.

Moreover, the necessary paradigm shifts can only be successfully implemented if IT and business cooperate closely and effectively.

- An **SLA-based delivery** of workplace services for the lines of business is a necessary pre-requisite in this respect.
- The different stakeholders of workplace modernization initiatives, including IT, HR, finance, etc. need to collaborate closely in the design and implementation stage – **collaborative design** processes are needed.

The “Digital Workplace” as defined in this study is primarily a change project.

New technologies and concepts can only be successfully implemented if they are accepted by employees and managers.

- **Change management** measures, which support the adoption of new technologies, should be defined and implemented based on a strategy and continual adoption plans.
- And it presumes an **organizational and cultural environment,** in which the use of new workplace technologies is aligned to the structure and culture of the business.

Finally, the "Digital Workplace" as a holistic design and service concept requires a new form of relationship to external IT services providers.

- **Strategic partnerships** should be formed with workplace outsourcing providers, in which end-to-end services are optimized, taking TCO aspects into consideration.

STATUS QUO & INVESTMENT PLANS

The survey results on current trends and investment plans with respect to strategy & collaboration show some remarkable findings. On the one hand, they reveal that workplace modernization is still at a very early stage. Many companies in Europe are still struggling to fulfill basic requirements like an SLA-based delivery of workplace services. Even more striking, only one third of IT and HR managers fully confirm that there is a workplace strategy in place, which forms the basis for workplace investments.

Workplace modernization is still in an early stage, but is developing dynamically.

On the other hand, the results illustrate the dynamic development and the strong willingness of IT and HR managers to invest in this field. In fact, many European enterprises have workplace modernization initiatives on the way – and about every second IT or HR manager reports about measures planned to improve the organization.

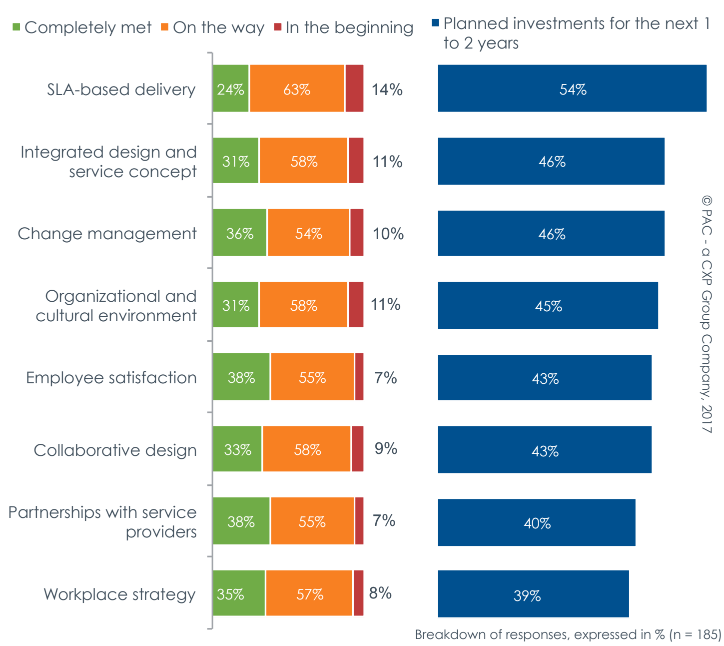


Fig. 7: Status quo and planned investments – strategy and decisions

DESIGN & INTEGRATION

KEY ISSUES & PARADIGM SHIFTS

Working patterns have transformed across all sectors in the last decade. Employees today are confronted with an increasing share of knowledge work, which requires an intense collaboration in (virtual) teams and is best done through seamless and secure access to information and applications – irrespective of time and location.

Various basic **technology investments** are necessary in order to support employees effectively in such a challenging environment. Topics to be addressed include:

- availability and performance of the **latest workplace applications**, which includes an
- effective **use of public cloud offerings** in the workspace area, including software and platform as a service;
- transformation of the applications landscape to **fully support mobile working**;
- **controlled access to apps and data** from any sources to any device;
- **availability of mobile end devices**, wearables and operating systems;
- high performance of **fixed and mobile network access** and last not least
- **automation** of routine tasks and processes through applications.

The workplace design should find answers to challenges caused by the increasing share of knowledge work.

At the same time, it is crucial not to overwhelm employees with an avalanche of new applications and devices. **The integration** of the manifold technologies to a single solution, which supports knowledge work in a natural way, is mission critical.

Topics to be addressed in this respect include:

- **Seamless access to communication and collaboration tools from a single source**, i.e. deployment of UCC solutions.
- **Process integration**, i.e., applications for communication and collaboration are intertwined with business and process applications to ensure a seamless process flow.
- **Flexible workspaces**, i.e., the provision of virtual work and/or project spaces where employees can access applications and information on demand, according to their individual needs.

STATUS QUO & INVESTMENT PLANS: BASIC TECHNOLOGY INVESTMENTS

The survey results first illustrate the investment dynamics in the workplace segment.

There is a tremendous willingness to invest in new applications and a significant need to mobilize and secure workplace environments.

Almost two thirds of IT and HR managers plan to invest in modern workplace applications

In fact, there is also a tremendous need to invest, with more than 80% of European companies behind the curve in this regard.

And investment in new workplace applications triggers further projects to support flexible use in a secured environment. From this perspective, it is striking that almost every fifth company in Europe is seemingly not able to provide controlled access to apps and data from any source to any device today.

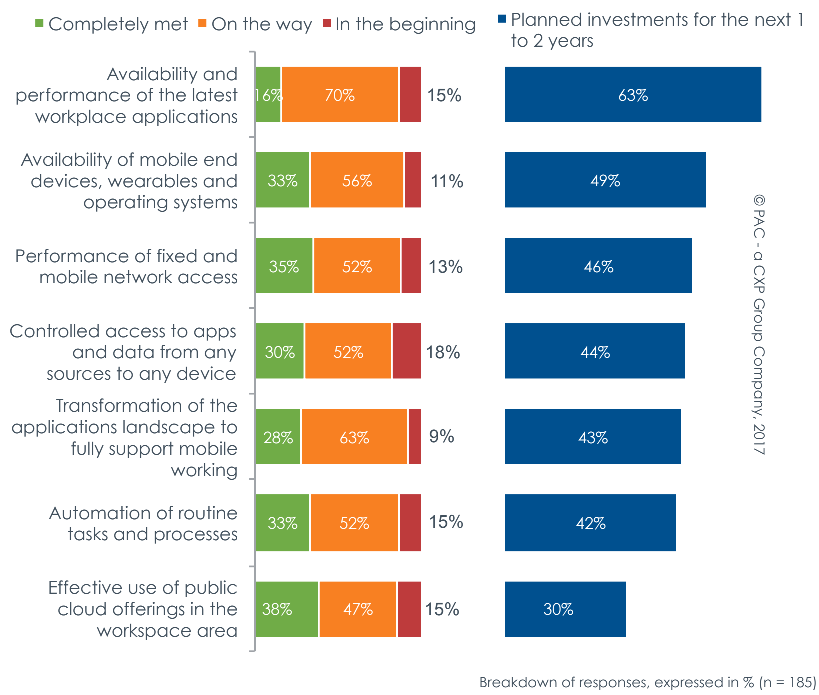


Fig. 8: Status quo and planned investments – workplace design

The study results show striking differences with respect to status quo and investment plans by region and industry – to be discussed further in the final chapter on the "Digital Workplace Index".

STATUS QUO & INVESTMENT PLANS: INTEGRATION CONCEPTS

UCC integration appears to be one of the biggest challenges European companies are facing today with respect to the design of workplace infrastructure. In fact, less than one quarter of survey respondents can report that this issue has been completely solved. In contrast, every fifth company does not seem to be able to provide seamless access to communication and collaboration tools from a single source.

The increasing number and variety of workplace applications drives the need for integrated solutions.

Why is this topic so central? According to a PAC study on collaboration in virtual teams, employees in Germany already spend about one third of their working time with communication and collaboration tasks. And about 20% of this time could be saved if collaboration processes were streamlined, according to the surveyed business leaders.

But without an integrated UCC solution, the time needed for managing the different tools as well as dealing with different business logics is likely to further increase. The situation will be further complicated for the large number of companies wanting to implement new workplace applications within the next few months.

This might explain why almost 60% of European companies have UCC on their investment agenda.

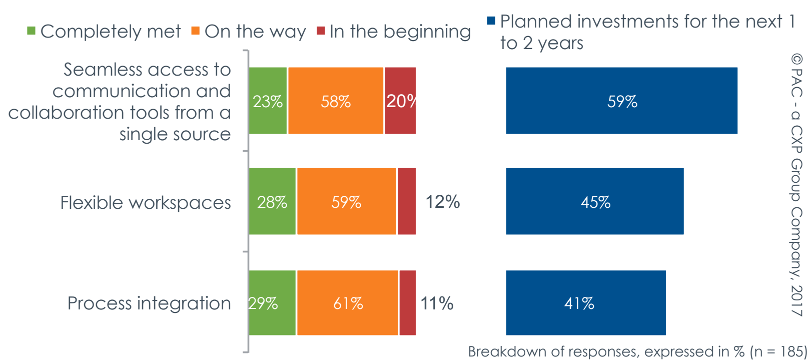


Fig. 9: Status quo and planned investments – workplace integration

While the willingness to invest in UCC is pronounced in all countries, investment plans related to topics like process integration and flexible workplaces are particularly prevalent in certain regions. In Germany, for example, almost two thirds of companies (63%) are planning investment in process integration.

Striking differences with respect to status quo and investment plans by region and industry will be discussed further in the final chapter on the "Digital Workplace Index".

OPERATION & PROVISIONING

KEY ISSUES & PARADIGM SHIFTS

In order to manage the balancing act discussed in the previous chapter, enterprises need to consider major paradigm shifts with respect to workplace application operation and provisioning:

- **Central provision:** To avoid an explosion of costs and meet performance and security standards in light of the increased number and heterogeneity of technologies, a central, and ideally virtualized, provisioning of workplace applications "as a service" from one single (cloud) platform is needed.
- **Role-based equipment:** Moreover, in light of the ever-stricter requirements regarding networking and mobility and the many options for meeting these requirements, a 'one-size-fits-all' approach is neither modern nor economical. It is better to differentiate equipment and support services based on employee roles and their associated requirements, such as mobility, communications and security, for example.
- **Personal/business use and BYOD support:** Employees are increasingly challenged by managing a rising number of devices for private and business use, while lines between private and business lives are blurring. From this perspective, companies should seriously check whether and how they can support concepts like BYOD or COPE, which support a blended use of devices.

But before such concepts are realized, companies must set the necessary conditions. Critical topics include:

- **Consolidation of workplace infrastructure**, which is a pre-condition for the rollout of "managed diversity" concepts;
- **Effective use of virtualization techniques/VDI;**
- Ensuring **cloud readiness and** establishing a **hybrid cloud infrastructure,** which allows businesses to centrally orchestrate cloud services from various sources;
- **Security readiness and identity access management**, i.e. modernization of security architecture and IAM to support flexible working;
- **Network readiness** to support cloud delivery and modern approaches for workplace design and operation [including microservices, DevOps, etc.]
- Effective use of third-party **workplace infrastructure outsourcing and managed services**.

It's all about "managed diversity"!

New methods have to be used to promote user centricity and flexibility with high efficiency and security standards.

STATUS QUO & INVESTMENT PLANS: BASIC INFRA-STRUCTURE

The survey results on status quo and investment plans with respect to workplace operation and provisioning underline that workplace modernization in Europe is still in a very early stage.

Large groups of companies are still struggling with basic issues such as network readiness or the consolidation of workplace infrastructure.

From this perspective, the comparably high share of companies claiming to fully meet requirements with respect to virtualization and cloud readiness indicates that respective concepts are mainly implemented as niche solutions to support dedicated use cases.

Today, many European companies are still working on the prerequisites for a cloud-based and user-centric delivery of workplace services.

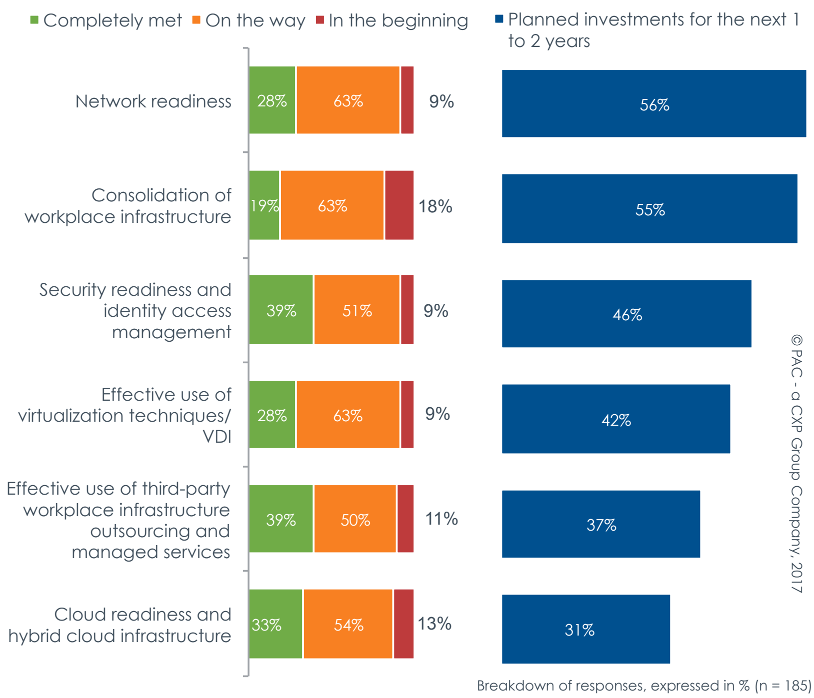


Fig. 10: Status quo and planned investments – operation

And from this perspective, it is less surprising that a hot topic like "hybrid cloud infrastructures" is not on top of the investment agenda in many European companies. Firstly, basic issues like network readiness and infrastructure consolidation have to be resolved.

The study results show striking differences with respect to status quo and investment plans by region and industry – to be discussed further in the final chapter on the "Digital Workplace Index".

STATUS QUO & INVESTMENT PLANS: IMPLEMENTATION OF NEW CONCEPTS

Every second company wants to invest in a central provision of workplace applications!

The survey results show strong interest in the central provisioning of workplace applications as a service and their orchestration via a single platform. Every second company in Europe wants to invest in a respective solution within the next two years. Similarly, large groups of companies in Europe are interested in concepts built around user-centric equipment with workplace technologies and services.

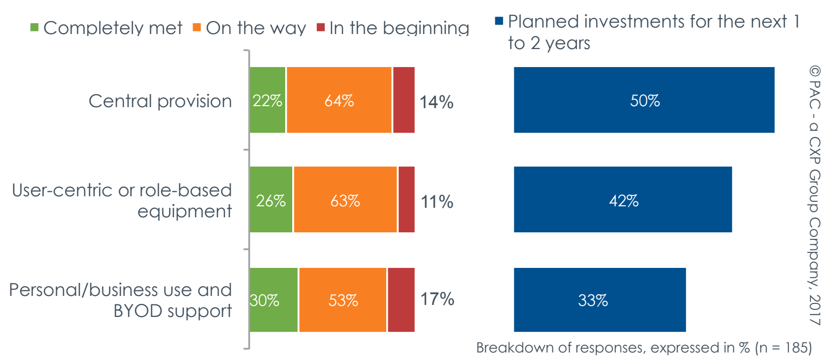


Fig. 11: Status quo and planned investments – provision

Survey results on concepts supporting the blended use of devices for private and business lives show a large dispersion.

There is a significant share of companies that have already completely implemented these concepts (30%). However, the share of companies not supporting such concepts at all seems here to be particularly pronounced (17%). A closer look into the survey results reveals that German companies are particularly behind the curve in this regard, while flexible use concepts are much more widespread in other regions.

Striking differences with respect to status quo and investment plans by region and industry will be discussed further in the final chapter on the "Digital Workplace"

MANAGEMENT & SUPPORT

KEY ISSUES & PARADIGM SHIFTS: MOBILITY MANAGEMENT AND SECURITY

There are many paradigm changes ahead with respect to workplace management and end-user support!

Managing the growing number and variety of mobile devices and applications in an efficient way and ensuring a high level of security belongs to the key challenges of workplace modernization today. Workplace managers have to define and realize concepts for:

- **Enterprise mobility management**, i.e., a solution for efficiently managing all mobile devices, applications and content;
- **End-to-end security** to thoroughly ensure the security of devices and applications as well as the information used.
- **Unified endpoint management** – as a further development of the mobility management concept –, which aims to manage all mobile and non-mobile devices and applications in a user-centric manner via a unified platform.

KEY ISSUES & PARADIGM SHIFTS: END-USER SUPPORT

From a support perspective, the rapidly growing number of devices and applications causes tremendous challenges as it makes it virtually impossible to offer a constant level of support services for employees in a conventional way without a corresponding increase in costs.

Therefore, managers in charge of end-user services are asked to streamline and redefine support concepts. Firstly, support activities need to be consolidated, including the establishment of:

- **A global service desk**, i.e., the establishment a single point of contact where users can reach out for IT-related help;
- **Integrated end-user support** processes and support teams to provide support services for all (mobile and non-mobile) employees, devices and applications via an integrated infrastructure.

Moreover, alternatives to the conventional service desk model should be considered, including:

- **Online/digital support** via an online portal, and supported by modern communication tools such as instant messaging or video messaging as well as:
- **Self-service and IMAC automation**, i.e., standard support tasks are automated as far as possible or transformed into self-service offerings.
- **Analytics- and BI-based management and support**, i.e. use of analytics tools to continuously monitor performance as well as to detect and remedy potential problems and escalations early on.

STATUS QUO & INVESTMENT PLANS: WORKPLACE MANAGEMENT

In light of the increasing number of mobile devices used for business, companies in Europe are facing an urgent need for action to support an efficient management and thorough security concepts.

The fact that more than two thirds of IT and HR managers report that they do not have respective systems in place is alarming.

Investments in this field are further triggered by the trend towards a unified endpoint management. In fact, it does not make much sense to manage mobile and non-mobile infrastructures with different systems. Actually, more and more traditional suppliers of mobility management solutions have launched respective offerings, which aim to reduce silos in today's IT infrastructure management. And there is a strong and growing demand for these solutions.

57% of our survey participants plan to invest in unified endpoint management within the next one to two years.

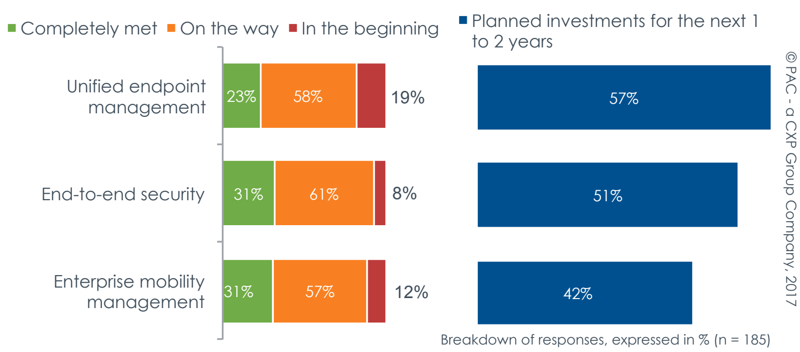


Fig. 12: Status quo and planned investments – management

The study results show striking differences with respect to status quo and investment plans by region and industry – to be discussed further in the final chapter on the "Digital Workplace Index".

There is an urgent need for action and investment in unified endpoint management.

STATUS QUO & INVESTMENT PLANS: WORKPLACE MANAGEMENT

Another focus area for investment in the workplace segment is the harmonization and consolidation of support services across the board. In fact, more than half of enterprises in Europe are planning to invest in the establishment of global service desk structures.

However, streamlining traditional support structures alone will not be sufficient for ensuring a high-quality service while keeping costs for supporting an increasing number and heterogeneity of devices under control.

The "digital service desk" is evolving.

In fact, a significant share of companies are willing to invest in "digital support services" with a high degree of self-service – by exploiting the potential of web-portal technologies, digital interaction channels as well as of modern BI and analytics tools.

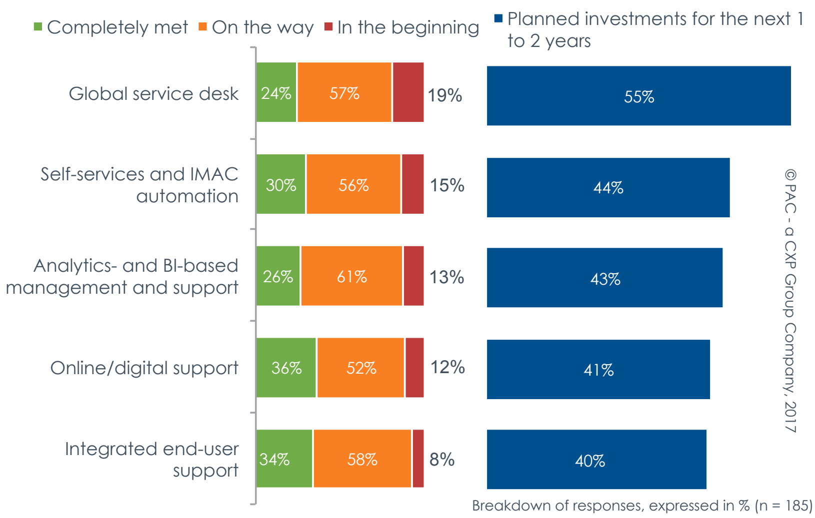


Fig. 13: Status quo and planned investments – support

The study results show striking differences with respect to status quo and investment plans by region and industry – to be discussed further in the final chapter on the "Digital Workplace Index".

HR-RELATED WORKPLACE DESIGN AND MANAGEMENT

KEY ISSUES & PARADIGM SHIFTS

HR departments should participate as strategic partners in workplace modernization initiatives!

Workplace modernization is not a pure IT issue anymore. HR departments in particular are increasingly concerned about improving employee experience as a key driver for company success.

And HR, in fact, has a strong influence on the success of workplace modernization projects.

On the one hand, HR departments may help IT in convincing top management and raising budgets for the necessary investment. HR also has the resources and competence needed to support IT as a strategic partner in the implementation phase, e.g. by designing rule-based workplace equipment concepts, supporting negotiations with employee unions and managing change.

On the other hand, HR applications and services make up an integral part of the workplace and have a significant influence on the employee experience in this field. HR jointly with IT departments should have a vital interest in investing into the following areas:

- **Availability and ease of access to HR support units,** including shared service centers or HR businesses;
- **Effective use of external HR** and payroll processes as a service, including subscription-based applications, analytics and reporting tools;
- **Digital HR platforms and apps**, including cloud-based HCM platforms and SaaS;
- **HR self-service access**, i.e. apps and measures encouraging employees to manage their own HR processes (i.e. requests for time off, training, clocking in/out, absence from work, etc.).

By doing so, HR is not only asked to support IT in developing and executing an overall workplace strategy, but also to work itself, supported by IT, on the following areas:

- **Digital HR strategy** deployment and execution, including business case, planning, delivery and maintenance, as well as on
- **HR and payroll cloud strategy** deployment and execution.

STATUS QUO & INVESTMENT PLANS

HR-related workplace design and management is at an early stage in the majority of European enterprises.

There is an urgent need to invest in the availability and ease of access to HR support units. More than 60% of survey respondents report respective investment plans.

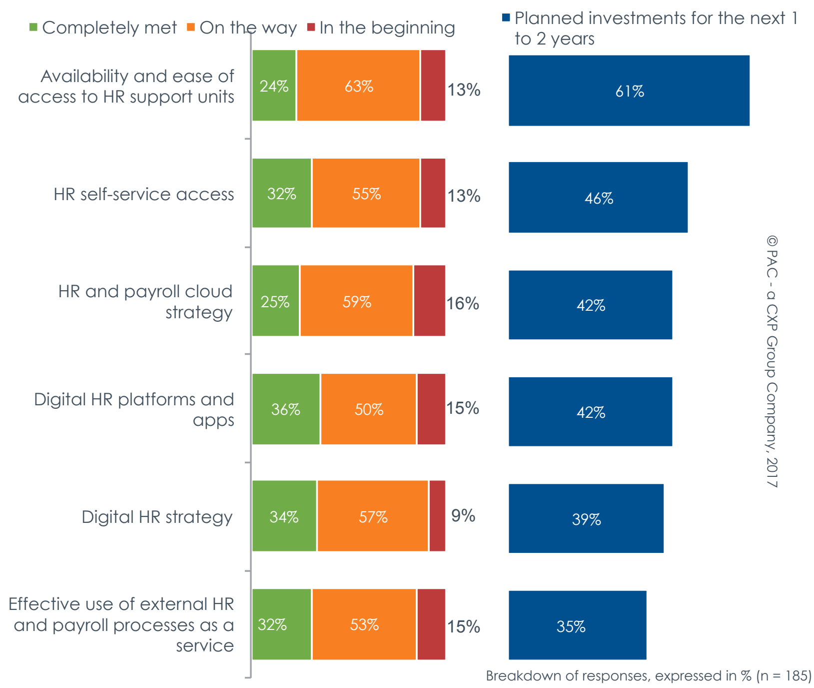


Fig. 14: Status quo and planned investments – HR-related employee workplace design and management

The results are even more striking if only the answers of HR managers are considered.

In fact, every fifth HR manager (20%) believes their company is at the very beginning with respect to the quality of HR services access, whereas only 8% rate this indicator as completely met (compared with average values for all participants of 13% and 24%, respectively). Similar differences occur if HR self-services or the effective use of external HR and payroll services are considered.

HR managers show a particularly strong appetite to invest, if the availability of access (67%) and the establishment of HR self-services (51%) as well as the development of digital HR and cloud strategies (47%) are considered. It seems as if HR and IT are often still working separately on the same issues. They would be better to join forces to make the "Digital Workplace" a success.

HR and IT need to join forces.

KEY BARRIERS TO WORKPLACE TRANSFORMATION

There are many challenges to be considered when planning "digital workplace" initiatives.

There is no single key barrier to "Digital Workplace".

It is a mixture of different issues, which makes the modernization of workplace infrastructure a difficult task.

Firstly, many workplace managers report challenges in raising budgets, finding supporters and particularly in winning the full support of top management. Moreover, the implementation of new technologies and concepts creates cultural and organizational challenges – as 40% of survey respondents confirm. Security issues as well as risks due to the rapid development are further inhibiting digital workplace initiatives.

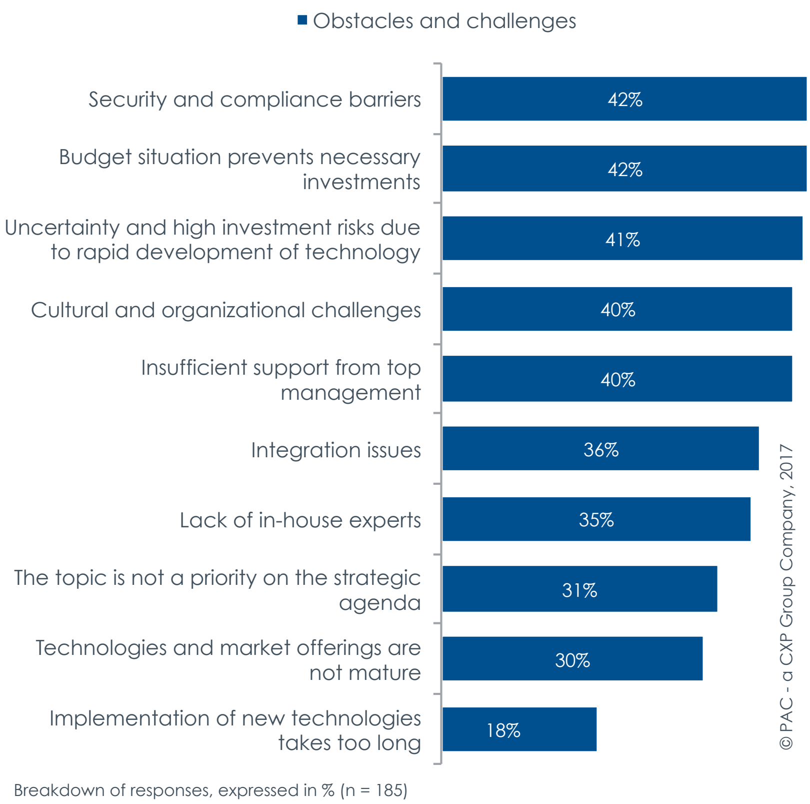


Fig. 15: Obstacles and challenges which are hindering modernization of workplaces

The study results show striking differences with respect to status quo and investment plans by region and industry – to be discussed further in the final chapter on the "Digital Workplace Index".

THE "DIGITAL WORKPLACE INDEX"

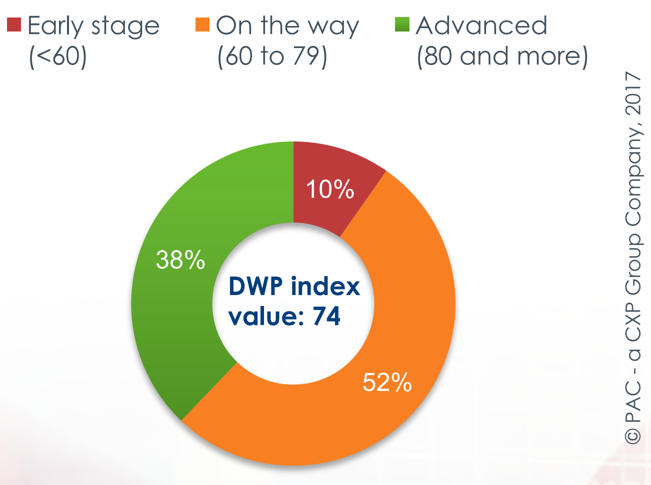
As follows, we present the "Digital Workplace Index" (abbreviated to DWP index) as a method for summarizing survey results on the status quo of workplace modernization in the different key action fields – and as a basis for further discussion of regional and vertical peculiarities.

We calculated a DWP index value of 74 (from 100) – representing the average from the average scores (from 0 to 10) for indicators evaluated for the five key action fields.

For a better illustration, we further distinguish between the respondents in three groups based on their index values:

- At an early stage: average score lower than 60
- A work in progress: average score between 60 and 80
- Advanced: average score of 80 and above

With respect to this classification, almost 40% of companies in Europe present themselves in a relatively advanced state, while about 10% are in the early beginning.



Digital workplace maturity (index), expressed in % (n = 185)

Fig. 16: DWP index – overall picture

The "Digital Workplace" index represents the average scores submitted for the fulfillment of key requirements of workplace transformation in the central action fields of workplace modernization as discussed in this study

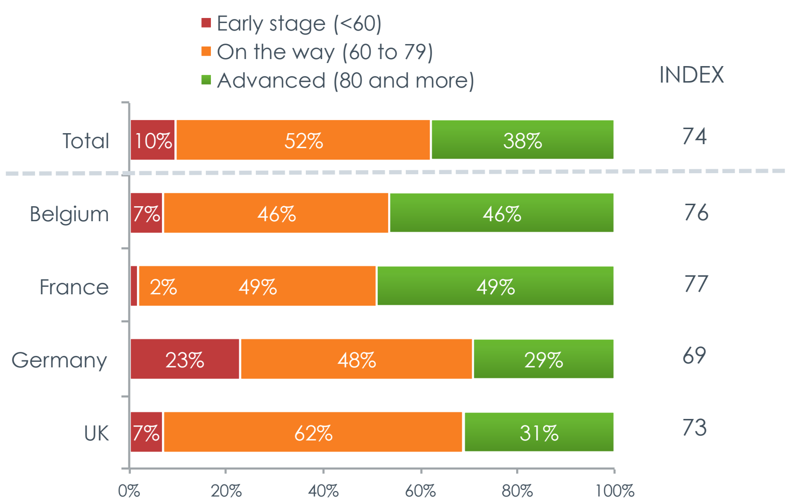
A REGIONAL PERSPECTIVE

STATUS QUO & INVESTMENT PLANS

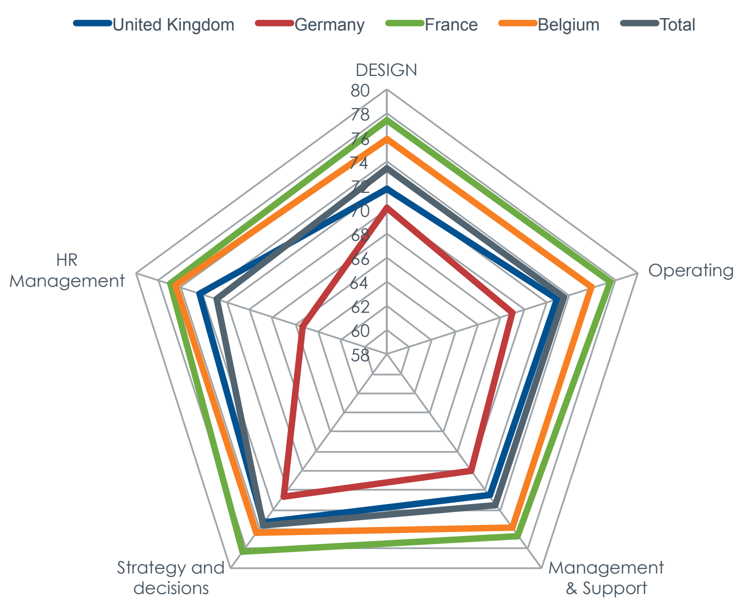
The DWP index results show strong regional differences. While French companies turn out as forerunners in this analysis, companies in Germany rather present as latecomers if workplace modernization is considered.

But it is not only the status quo evaluation that distinguishes the four regions from each other. The in-depth analysis by region – as will be presented in the following paragraphs – also reveals regional peculiarities with respect to stated relevance, investment focus and challenges.

The study results reveal significant differences between European countries with respect to stated relevance, status quo and investment focus.



Digital workplace maturity (index), expressed in % (n = 185) © PAC - a CXP Group Company, 2017



Digital wokplace maturity (index) by region (n=185) © PAC - a CXP Group Company, 2017

Fig. 17: Digital Workplace Index by region

IN-DEPTH ANALYSES: WORKPLACE TRANSFORMATION IN BELGIUM

Overall, Belgian companies appear very advanced with respect to workplace modernization – based on the self-evaluations of the 28 Belgian IT and HR managers. Mobile working in particular seems to be well supported. However, there is backlog demand with respect to modern end-user centric workplace concepts.

Relevance & central goals: Despite the generally strong performance of workplace modernization initiatives, Belgian managers are particularly dissatisfied with progress on several central goals of workplace modernization. Most striking: 29% of Belgian respondents report a relatively poor performance with respect to improvement of the end-user experience (avg. 25%) while only 11% score this goal as being completely met (avg. 19%).

Strategy & organization: Belgian workplace organizations are relatively advanced in this category. Some 39% of respondents report to have fully established SLA-based delivery (avg. 24%) and 43% claim to have a workplace strategy fully in place (avg. 35%). In contrast, Belgian companies are less advanced if the wider organizational and cultural environment is considered, with only 14% of managers saying they are satisfied (avg. 31%) with progress in this area. This issue along with the development of DWP as an integrated design and service concept are top investment areas in this sub-segment – with 46% of respondents planning to invest in these fields.

Design & integration: Belgian companies appear to be particularly well equipped to fully support mobile working (54%, avg. 27%) and to provide controlled mobile access to apps and data (50%, avg. 30%). Consequently, their willingness to further invest in these areas is comparably limited. Top investment areas are the implementation of the latest workplace apps (61%) and UCC integration (57%).

Operation & provisioning: Also from an operational perspective, Belgian companies seem to be forerunners in mobile work support: 36% of Belgian companies are rated as mature VDI users (avg. 28%), with 39% providing BYOD support (avg. 30%) and 32% of companies having a central platform for workplace app provisioning in place (avg. 22%). In addition, the use of third-party managed workplace and outsourcing offerings is particularly strong (46%, avg. 39%). Top investment areas are (similar to other regions) workplace infrastructure consolidation (46%) and central provisioning platforms (43%).

Management & support: Belgian companies are clear frontrunners in mobility management (46% completely met, avg. 31%) and unified endpoint management (46%, avg. 23%), which also belongs to the top investment areas in this segment (46%). Other key issues on the investment agenda are analytics and BI-based support concepts

(57%) – a field where Belgian companies today are seemingly lagging behind (14% completely met, avg. 26%).

HR-related workplace design & management: Particularly with respect to the availability and ease of HR access, Belgian companies show a strong performance if compared to other regions. 36% report this requirement as being completely met (avg. 24%). Key investment areas here include HR self-service access (50%) and the use of externally hosted HR services (functions and processes) as a service (46%).

Barriers: Complaints about budget restrictions are particularly prevalent in Belgium (57%, avg. 42%), while a lower share of companies are concerned about security and compliance barriers (32%, avg. 42%).

IN-DEPTH ANALYSIS: WORKPLACE TRANSFORMATION IN FRANCE

Overall, French companies appear to be top performers with respect to workplace modernization – based on the self-evaluation of 51 French IT and HR managers. One remarkable feature is the openness to cloud-based solutions. Nevertheless, in aspects such as mobile working support or SLA-based delivery, French companies still have a way to go.

Relevance & central goals: The share of workplace managers in France that are completely satisfied with the fulfillment of central goals of workplace modernization is well above average. Differences are clearest in the increase of end-user experience (27% completely met, avg. 19%), improvements in customer service and sales effectiveness (41%, avg. 30%) as well as cost targets (45%, avg. 30%).

Strategy & organization: Enterprises in France appear particularly open-minded with respect to the implementation of modern workplace concepts. However, this region lags behind if the fulfilment of basic requirements like SLA-based delivery is considered (17% completely met, avg. 24%). Obviously, many companies are planning to address this issue: SLA-based delivery (57%) as well as change management and the establishment of a DWP-friendly organizational and cultural environment (46%) are appearing on top of French investment agendas in this field.

Design & integration: French companies appear to be particularly advanced with respect to network performance (55% completely met, avg. 35%) and the use of public cloud offerings in the workplace area (55%, avg. 38%) as well as process integration (43%, avg. 29%). But there seems to be also some backlog demand in this field – particularly with respect to mobile work support (22%, avg. 28%). From this perspective it is not surprising that mobile work support and mobile devices appear as top investment priorities in this field – 57%

and 55% respectively of French respondents report investment plans (avg. 43% and 49% respectively).

Operation & provisioning: French companies are particularly open-minded with respect to the establishment of a cloud-ready infrastructure (45% completely met, avg. 33%) and BYOD support (43%, avg. 30%) – but progress needs to be made if the use of virtualization techniques is considered (25%, avg. 28%). Network readiness (52%, avg. 56%) and VDI implementation (52%, avg. 42%) are top investment areas in this sub-segment.

Management & support: In France, modern support concepts based on digital means (45% completely met, avg. 36%), self-services (39%, avg. 29%) and analytics/BI (37%, avg. 26%) are particularly widespread. Unified endpoint management (57%, avg. 57%), enterprise mobility management (55%, avg. 42%), and global service desk (55%, avg. 55%) are all flagged up as priority investment areas.

HR-related workplace design & management: French companies are slightly behind the curve regarding the quality of HR access (18% completely met, avg. 24%). Also with respect to a digital HR strategy, the rate of completely satisfied managers in France is slightly below average (31%, avg. 34%). It makes sense therefore that HR access (64%, avg. 61%) is clearly at the top of the investment agenda, followed by digital and cloud HR strategy (51% each, avg. 39% and 42% respectively).

Barriers: Key challenges raised by French workplace managers are the uncertainty due to rapid technology development (49%, avg. 41%), the lack of in-house experts (49%, avg. 35%) and insufficient top management support (45%, avg. 40%). In contrast, security barriers (35%, avg. 42%) and cultural or organizational barriers (31%, avg. 40%) seem to be less pronounced.

IN-DEPTH ANALYSIS: WORKPLACE TRANSFORMATION IN GERMANY

On the one hand, German enterprises (based on the evaluation of 52 IT and workplace managers) are laggards regarding workplace transformation, and in particular the use of cloud offerings and the implementation of flexible use concepts. On the other, the willingness to invest and adopt modern concepts for workplace design and management seems to be particularly pronounced in Germany.

Relevance & central goals: "Digital workplace" seems to be a hot topic in Germany: 90% of IT and HR managers in this region report the quality of the workplace infrastructure as critically or strongly important for the company business (avg. 74%). While they are relatively self-critical with respect to many aspects of workplace modernization, their ratings of the fulfillment of central goals do not differ much from those in other regions.

Design & integration: On the one hand, the survey results confirm the pronounced skepticism of German companies towards the use of public cloud offerings. Only 29% rate this criteria as being completely met (avg. 38), while 40% do consider it as a work in progress (avg. 15%). Consequently, the ratings for mobile working support, process integration and flexible workspaces – i.e., disciplines, in which the use of cloud offerings has some potential for improvements – turn out as particularly critical. On the other hand, the survey results show a tremendous willingness to invest in the latest workplace applications (73%, avg. 63%), mobile network access (65%, avg. 46%), process integration (64%, avg. 49%) and mobile devices (62%, avg. 49%) – but less so in the use of cloud applications (31%, avg. 29%).

Operation & provisioning: The German economy as a whole is not only particularly cloud-skeptical, it also behaves conservative with respect to flexible use concepts like BYOD (37% rather not fulfilled, avg. 17%) and user-centric equipment models (21% not fulfilled, avg. 11%). Also with regards to security readiness and IAM, many German decision makers report backlog demand (31% completely met, avg. 39%). But this situation is likely to change. In almost all sub-segments, German companies' willingness to invest is above average. On top of the investment agenda are security / IAM (67%, avg. 46%), network readiness (64%, avg. 56%) and workplace consolidation (60%, avg. 55%).

Management & support: For Germany, there is a particularly high share of very critical ratings (indicating that criteria are rather not fulfilled) – as is the case in this segment, e.g. with respect to end-to-end security (17% not fulfilled, avg. 8%), unified endpoint management (31%, avg. 19%), digital support (23%, avg. 12%) and analytics/BI-based support (29%, avg. 13%). At the same time, the shares of positive ratings (completely met) do not differ much from those in other regions or are even above – so for end-to-end security (38%, avg. 31%) or mobility management (35%, avg. 31%). Not so for unified endpoint management (15%, avg. 23%). This is likely to change. In fact, unified endpoint management ranks at the top of German investment agendas in this segment (62%, avg. 57%), followed by integrated end-user support (62%, avg. 40%), global service desk (56%, avg. 55%) and enterprise mobility management (52%, avg. 42%)

The large dispersion of the scores observed for Germany might be related to sector-specific issues. In fact, the sector analyses presented in the following chapter support this thesis.

Strategy & collaboration: German companies seem to be at a very early stage if the adoption of new concepts for workplace modernization is considered. Only 23% of respondents claim to have a workplace strategy fully in place (avg. 35%). Also with respect to other criteria, including collaborative design, employee satisfaction or partnerships with service providers, German ratings are comparably critical. But there is also a pronounced willingness to improve this situation: At the top of the investment agenda are employee satisfaction (65%, avg. 43%), collaborative design (65%, avg. 43%) and change management (58%, avg. 45%). Last but not least, 52% of respondents report plans to invest in the development and execution of a workplace strategy (avg. 38%).

HR-related workplace design & management: Also with respect to HR services, the cloud-skepticism in Germany turns out as particularly pronounced: 43% evaluate the requirement "effective use of external HR and payroll processes as a service" as rather not fulfilled (avg. 15%). With regards to the quality of HR access, the results show an ambiguous picture. While 29% (avg. 13%) report this criterion as rather not fulfilled, 31% (avg. 24%) report it as completely met. German companies show a pronounced willingness to invest in the quality of HR access (69%, avg. 61%), HR self-services (58%, avg. 45%) as well as in the development and execution of a digital HR strategy (62%, avg. 40%). With respect to cloud, however, the German economy seems to remain rather skeptical. Only 34% of German companies are reporting plans to develop a HR cloud strategy (avg. 42%), and 33% plan a more effective use of HR cloud services (avg. 35%).

Barriers: A key barrier to workplace modernization most frequently cited by German companies is the uncertainty and high investment risk due to the rapid development of technology. In fact, 50% of respondents see this as a key challenge (avg. 41%), followed by security and compliance issues (44%, avg. 42%) and organizational and cultural challenges (42%, avg. 40%). Another interesting feature is the comparatively high share of respondents referring to time needed to implement new technologies (35%, avg. 18%).

In contrast, the share of respondents referring to an uncomfortable budget situation in Germany is much lower than in other countries surveyed (27%, avg. 42%). This result indicates that the German economy does not only show a pronounced willingness, but also the ability to invest in workplace modernization.

IN-DEPTH ANALYSIS: WORKPLACE TRANSFORMATION IN THE UK

The relatively weak performance of the UK economy with respect to workplace modernization is surprising at the first glance as this country often appears as a frontrunner in the adoption of new technologies and concepts. A main reason for this result might be the large share of service companies in the UK sample (see annex), which show significantly lower performance than manufacturers in this regards.

Relevance & central goals: In the UK, workplace modernization does not seem to be such a big issue as in other European countries. Only about 53% of IT and HR managers in the UK report the quality of workplace infrastructure as strongly or critically important (avg. 74%). And also with respect to the fulfillment of the central goals of workplace modernization, the UK ranks behind other European countries – particularly in the improvement of employee satisfaction (41% rather not fulfilled, avg. 25%). This comes as a surprise at first glance. However, it should be noted that the service economy in the UK does not only comprise of banks and insurers. There are also a large number of less knowledge-intensive companies (wholesalers and retailers, for example), which rank this issue obviously much lower.

In fact, the sector analyses presented in the following chapter show significant differences between different industries with respect to workplace modernization.

Design & integration: When it comes to mobile working support and the availability of mobile devices, the UK economy shows a similar performance to other European countries. But for all other requirements – e.g., mobile network access (22% completely met, avg. 35%) and even the effective use of public cloud offerings (28%, avg. 38%) – UK managers show a pronounced dissatisfaction. Nevertheless, companies in the UK also show an above-average willingness to invest in selected topics. Issues at the top of the investment agenda include UCC integration (67%, avg. 58%), latest workplace applications (65%, avg. 63%) and mobile network access (50%, avg. 46%).

Operation & provisioning: IT and HR managers in the UK are particularly critical with respect to the central provisioning of workplace applications (11% completely met, avg. 22%) as well as their cloud readiness and hybrid cloud infrastructure (13%, avg. 33%). It should be noted that only a very small share positions their company as being at a very early stage in these disciplines. On top of the UK enterprises' investment agendas in this segment are workplace infrastructure consolidation (57%, avg. 55%), network readiness (56%, avg. 56%) and central provisioning platforms (54%, avg. 50%).

Management & support: UK companies still have some way to go in mobility management (completely met 22%, avg. 31%), unified endpoint management, global service desk (15%, avg. 24%) and self-service support (19%, avg. 30%) – while the scoring of other indicators is only slightly below average. Issues at the top of the investment agenda in this segment include global service desk (57%, avg. 55%), unified endpoint management (57%, avg. 57%) and end-to-end security (56%, avg. 51%).

Strategy & collaboration: UK ratings in this segment do not differ much from the overall average – with one exception. With regards to an SLA-based delivery, UK managers are particularly self-critical (completely met 17%, avg. 24%). Not surprisingly, this issue appears top of the investment agendas in this country: 61% of UK companies are planning to invest in SLA-based delivery (avg. 54%). The willingness to invest in other issues such change management (39%, avg. 45%) or collaborative design (22%, avg. 43%) is much less pronounced.

HR-related workplace design & management: The UK appears in another (less critical) light, when the use of HR-related services is considered. In fact, companies in the UK are frontrunners in the development and execution of digital HR strategies (completely met 41%, avg. 34%) as well as in the implementation of HR self-services (35%, avg. 32%). However, the quality of HR access is rated rather critically (17%, avg. 24%). This situation is likely to change. In fact, at the top of the investment agenda appears HR access (69%, avg. 61%), followed by digital HR strategy (62%, avg. 39%) and HR self-services (58%, avg. 45%).

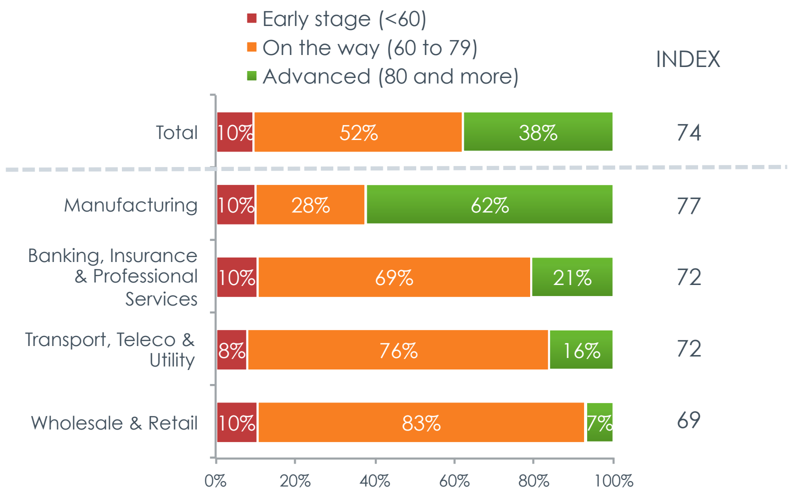
Barriers: Security and compliance issues are listed as the primary challenges for workplace modernization by IT and HR managers in the UK (50%, avg. 42%). Other key obstacles in the UK include cultural and organizational challenges (46%, avg. 40%) and budget restraints (44%, avg. 42%).

AN INDUSTRY PERSPECTIVE

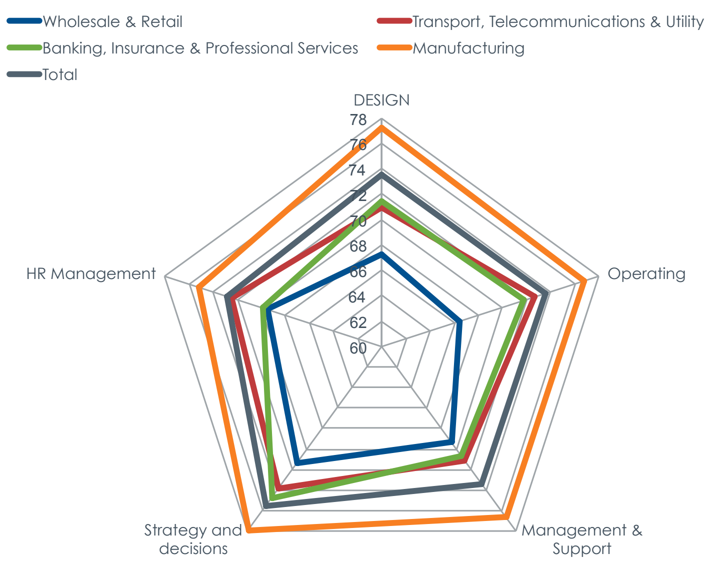
Workplace infrastructure modernization is usually perceived as a horizontal topic, which is equally relevant in each industry.

Our results, however, show striking differences between different industries with respect to the fulfillment of requirements in central digital workplace action fields.

The manufacturing industry shows an outstanding performance with respect to workplace modernization.



Digital workplace maturity (index), expressed in % (n = 185) © PAC - a CXP Group Company, 2017



Digital wokplace maturity (index) by industry (n=185) © PAC - a CXP Group Company, 2017

Fig. 18: Digital Workplace Index by industry

While differences between individual service industry groups could be expected due to the different relevance of knowledge work, the outstanding performance of manufacturing companies comes as a surprise – at least at first glance.

Why is manufacturing a forerunner with respect to workplace modernization – and this across all sectors and size classes?

Workplace modernization is of increasing importance on the manufacturers' digital agenda.

First of all, it should be noted that THE 'manufacturing industry' does not exist as such, but there are a number of different manufacturing industries. Among manufacturers, there is a **significant share of high-tech and engineering companies**. And these kinds of companies, which make up about one third of manufacturers in our sample, clearly rank on top with respect to workplace modernization. The evaluation of IT suppliers, which accounted for about 17% of the surveyed manufacturing companies, will have increased the average.

But the significant share of high-tech and engineering companies is not the only explanation behind this result. Note also that automotive and chemicals manufacturers perform significantly above average in many aspects of workplace transformation. There must be further reasons for this finding.

A further reason could be that **workplace modernization initiatives in many manufacturing companies is focused on the support of privileged groups,** including R&D units, sales and marketing – whereas the traditional core business remains relatively unaffected. Developing an infrastructure to support mobile working or the collaboration of selected groups within manufacturing companies is not as big a challenge as building infrastructure for almost all employees in banks, transport or professional services companies.

A further reason could be that for most manufacturers **investment in workplace modernization is relatively low in comparison to their investment in the core infrastructure** (production plants, machines, etc.) – and therefore comparably easy to afford. In most services companies, workplace modernization programs are perceived as a huge investment.

Workplace modernization is an increasingly important part of the digital agenda of manufacturing companies today.

If manufacturers want to successfully establish a service business or an Industry 4.0 strategy, they need to invest in workplace infrastructure. And in many manufacturing companies, this need has already been realized.

In fact, 84% of respondents in the manufacturing industry consider the quality of workplace environment as strongly or critically important for their company business. In the entire service industry, this share is at 63%. And 60% of respondents in the manufacturing industry report that the topic has a high or top priority on the investment agenda. In the service industry, the respective share is at 35%.

CONCLUSION

This study provides deep insight into the concept of workplace transformation as well as current trends and investment plans across European enterprises. By doing so, we have shed light on many aspects of workplace modernization. Here are our five key takeaways from the study:

Five takeaways from this study for workplace managers.

Increase your efforts to make workplace modernization a top priority on the investment agenda.

In increasingly digitized and knowledge-intensive businesses, modern workplaces are a key success factor. In fact, three quarters of IT and HR managers confirmed that the performance of the workplace infrastructure has a strong or even critical impact on the company business.

However, the topic appears a top priority on the investment agenda for less than 10%. Consequently, only a small share of companies has completely met central goals of workplace modernization today. Often even the basics such as a harmonized infrastructure or an SLA-based delivery of workplace services are missing.

Use a holistic approach for workplace modernization and question traditional approaches for design, operation, management and support.

Our results, including the stated importance of different goals of workplace modernization, confirm PAC's view that the "Digital Workplace" requires a holistic design and service concept. In fact, workplace modernization is a balancing act in which workplace managers are forced to improve collaboration and end-user experience while guaranteeing high security standards and keeping costs under control.

This can only be successfully realized if workplaces are optimized holistically and traditional ways of workplace design, management, operation and support are rethought.

Start with the basics! "Managed diversity" and user-centric concepts build on a well-managed and consolidated infrastructure.

Our results indicate that companies in Europe are generally open to the adoption of more flexible and user-centric concepts of workplace provisioning and support. However, many companies are still in an early stage with respect to workplace consolidation, infrastructure management or even SLA-based delivery.

But without fulfilling these basic requirements it is almost impossible to implement "managed diversity" – i.e., to increase flexibility and user centricity, while keeping high efficiency and security standards. There is an urgent need for action to further drive consolidation initiatives, professionalize service delivery and address topics such as unified endpoint management.

Be aware of regional peculiarities when planning workplace activities.

Our survey results show striking differences between regions and industries with respect to relevance, status quo and challenges. Particularly workplace managers in multi-national companies should carefully consider them when planning respective initiatives. Regional differences should also be taken into account by management and transformation providers.

Open your mind and be prepared for surprises. Workplace modernization in the digital age causes new mechanisms.

The study results have confirmed many of our previous assumptions – e.g. the widespread reluctance of German companies with respect to cloud adoption and the implementation of flexible usage modules.

But there are also many results that seem to be surprising at first glance – most striking here is the outstanding performance of manufacturing companies, and also the prominence of security issues both as key investment areas and the main challenge for workplace modernization in the UK. All these results are understandable if a new, digital perspective on workplace modernization is taken.

This experience underlines that it is crucial for workplace managers in user companies, for business developers on the supplier side as well as for analysts to consider market and technology developments in the workplace segment from a new perspective – taking the specifics of the digital world into account.

ABOUT HEXAWARE

Hexaware is a global leader and a fastest growing outsourcing provider of IT, BPO, consulting and next-generation services, with revenue over $ 485.47 Million. Hexaware is dedicated to delivering complex technology solutions and automation-led services, armed with 'Shrink IT Grow Digital' strategy and is focussed on large scale business transformation programs to large enterprises and fortune 500 companies. The Company focuses on key domains such as Banking, Financial Services, Capital Markets, Healthcare, Insurance, Travel, Transportation, Logistics, Hospitality, Manufacturing and Consumer. Our business philosophy, "Your Success is Our Focus", is demonstrated through the success we ensure for our clients. Hexaware focuses on delivering business results and leveraging technology solutions by specializing in Application Transformation Management (ATM), Enterprise Solutions, Human Capital Management, Business Intelligence & Analytics, Digital Assurance, Infrastructure Management Services, Digital and Business Process Services.

The organization, with its employee strength of 11,600 +, today serves in over 30+ countries. This expanded footprint enables the organization to support all time zones and regulatory zone requirements.

The company's 'Shrink IT Grow Digital' strategy provides a clear focus of reversing the pyramid and by fusing flavours of digitalization and automation, the company has been helping clients shrink their IT budgets by 30% through Application Support and Maintenance (ASM), Testing, Infrastructure Management Services (IMS) and Business Process Outsourcing Services. Hexaware has been modernizing enterprises by transforming their underlying application infrastructure to a Cloud based Composable Enterprise Model. The company's digital services focus on helping customers enhance their digital footprints to reach out to all the stakeholders - customer, employees and supplier.

For further information, please visit: http://www.hexaware.com

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ABOUT PAC

Founded in 1976, Pierre Audoin Consultants (PAC) is part of CXP Group, the leading independent European research and consulting firm for the software, IT services and digital transformation industry.

CXP Group offers its customers comprehensive support services for the evaluation, selection and optimization of their software solutions and for the evaluation and selection of IT services providers, and accompanies them in optimizing their sourcing and investment strategies. As such, CXP Group supports ICT decision makers in their digital transformation journey.

Further, CXP Group assists software and IT services providers in optimizing their strategies and go-to-market approaches with quantitative and qualitative analyses as well as consulting services. Public organizations and institutions equally base the development of their IT policies on our reports.

Capitalizing on 40 years of experience, based in 8 countries (with 17 offices worldwide) and with 140 employees, CXP Group provides its expertise every year to more than 1,500 ICT decision makers and the operational divisions of large enterprises as well as mid-market companies and their providers. CXP Group consists of three branches: Le CXP, BARC (Business Application Research Center) and Pierre Audoin Consultants (PAC).

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