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The Digital Workplace Report: Transforming Your Business

*Understanding the trends that are
driving the workplace evolution*

Digital transformation manifests itself in organisations in many ways. Business leaders want their employees to work together more effectively to boost productivity. They want to retain clients and gain new ones through better customer service. They want to drive down costs by consuming technology in new ways and leverage it to improve business processes. They want to gain an edge over their competitors. They want to embrace digital transformation to remain relevant in the face of the quickening pace of technology advances.

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1.

Introduction



Digital transformation: Revitalising the workplace through collaboration and communication

What is digital transformation?

Is it improved business processes via the use of digital technology that creates:



**greater collaboration
among employees**



**better interaction
with customers**



**more productive
relationships
with partners**



**increased agility through
new workstyles?**

Digital transformation manifests itself in organisations in many ways. But ask business leaders what they hope to accomplish and it ultimately boils down to the same things: They want their employees to work together more effectively to boost productivity. They want to retain clients and gain new ones through better customer service. They want to drive down costs by consuming technology in new ways and leverage it to improve business processes. They want to gain an edge over their competitors. They want to embrace digital transformation to remain relevant in the face of the quickening pace of technology advances.

Drawing on responses from more than 800 IT and business leaders in large enterprises in 15 countries and across seven industry sectors.

Achieving any one of these goals can be a long and difficult process. Technology and change management issues can complicate workplace transformation. Different styles of working can require different toolsets to provide different groups of workers with the same productivity benefits. Questions about the best way to modify existing office spaces to facilitate intracompany collaboration. Even formulating and executing on a digital workplace strategy can challenge the most forward thinking of business leaders.

Some organisations are far along in their digital transformation initiatives and are already reaping the benefits. Others are still in the early stages of developing a plan but have nonetheless learned valuable lessons about how to go about defining how narrow or broad their goals should be.

We have published this report to help organisations learn how their peers are approaching digital workplace transformation. Drawing on responses from more than **800 IT and business leaders in large enterprises in 15 countries and across seven industry sectors**, this study offers insights into

- how employee **workstyles are changing**
- **top drivers and barriers** to workstyle changes
- **how office environments** are changing
- **technologies, toolsets, and services** important in driving workplace transformation
- **how digital transformation strategies** are devised and who devises them
- **coordination between IT and lines of business** when choosing and implementing digital workplace technology.

We hope this report provides insight and guidance as digitisation changes how employees in your organisation collaborate with each other, support partners, interact with customers, streamline processes, and otherwise build a more effective, more efficient business.

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Key findings



Flexible workstyles are on the rise

Forty percent of organisations have **employees working from home full time today**; **56%** say they will have employees working from home full time **two years from now**.

Forty-six percent have **employees working from home part of the time today**; **77%** say they will have employees working from home part of the time **two years from now**.



Most organisations – even large ones – don't have a comprehensive digital workplace strategy

Some 60% of organisations haven't developed a formal and comprehensive strategy around how they deploy or plan to benefit from workplace technology.



Devising and executing on a digital workplace strategy is a collaborative effort

Thirty-nine percent of organisations get significant input from lines of business when defining their digital workplace strategies.

Twenty-eight percent count on Lines of Business (LOB) to help IT implement workplace technology.



Trusted partners are vital for implementing digital workplace technologies

Two-thirds of organisations need support from external partners when planning, designing, deploying, and benefiting from workplace technology solutions.

One-third requires a significant amount of support, with third-party partners taking a central role.



Analytics optimises business performance

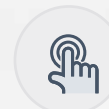
Fifty-eight percent of organisations use analytics to benchmark their use of workplace technologies.

Sixty-four percent use analytics to improve customer service.



The need to improve business processes drives the adoption of new workplace technology

Sixty-nine percent of organisations determine which business processes need to be changed, then implement workplace technology to help effect that change. That means that **31% make new workplace tools** available to employees and expect that to lead to changes in the way they work.



Companies require workplace tools that help them achieve results that are specific to their business

Forty percent of organisations have employees working from home full time today;



Traditional collaboration technology has considerable value despite the rise of new collaboration tools

Fifty percent of organisations report that traditional conferencing technology has significantly improved business processes, whereas only **25% say the same about enterprise social software**.



New and innovative technologies will have a place in the future workplace

A quarter of businesses believe that **workspace analytics tools, augmented reality tools, and micro-learning/training** will have a role in the office environment within the year. The majority of these believe that they will invest in such technologies.

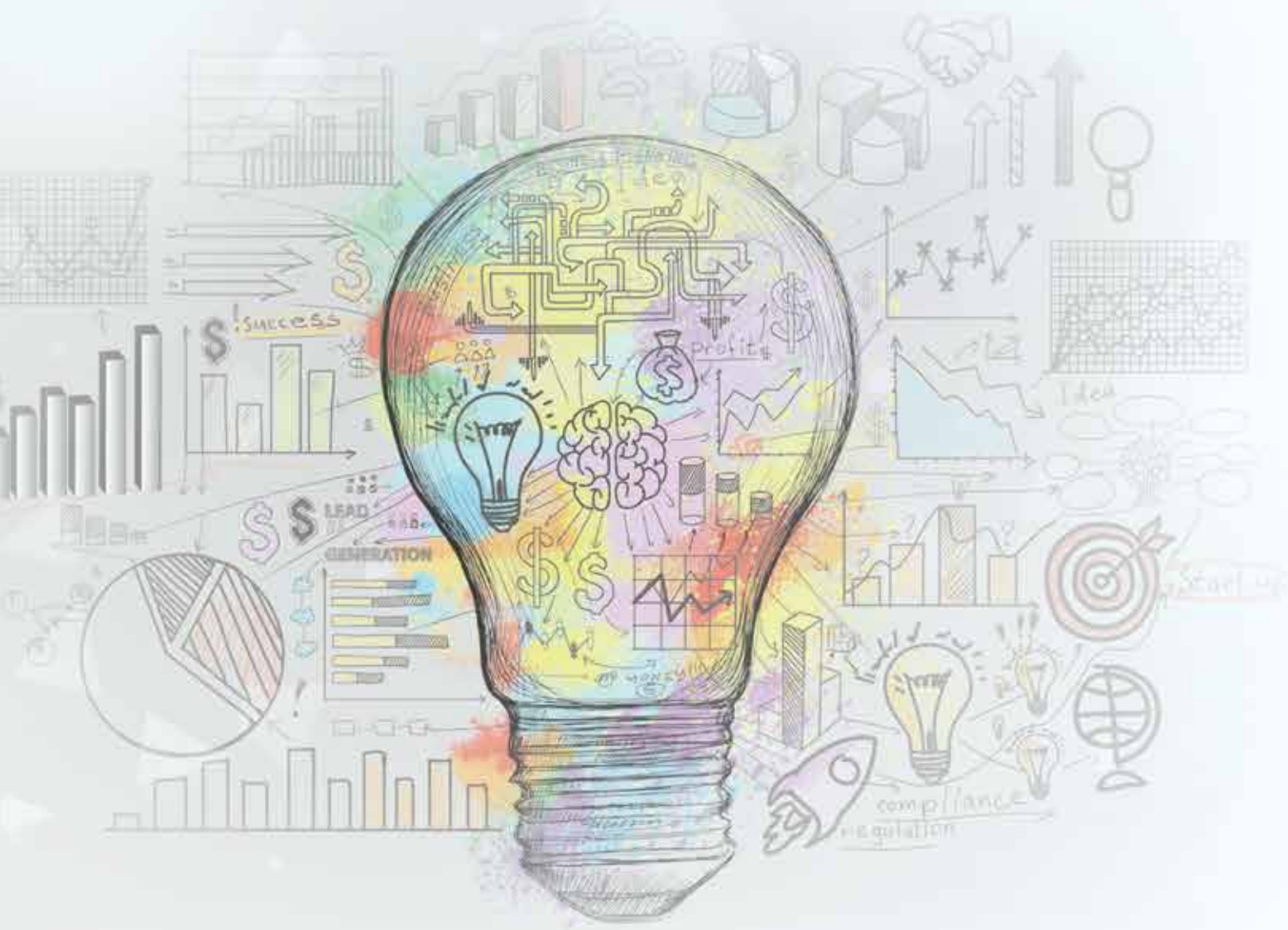


Purchasing workspace technology as an operational expense is highly attractive to enterprises, but cost is still a concern

Forty-eight percent of organisations say they adopt cloud-based services because it's a better cost model compared to traditional deployment methods, and nearly half of those (21%) say that is their topmost reason for moving to the cloud.

3

Methodology



Global scope, global results

To gauge the state of the digital workplace, we surveyed **850 business and IT leaders** driving technology and organisational changes in their companies. They are from organisations with 1,000 or more employees and represent a wide range of industries, including

-  **financial services & banking**
-  **energy & utilities**
-  **manufacturing**
-  **media & communications**
-  **pharmaceuticals**
-  **public sector**
-  **retail**

The goal was to determine how organisations are evolving from a traditional office environment to a digital workplace.

To gain a global perspective, we interviewed individuals whose companies are based in a number of countries around the world, specifically

- Australia
- Belgium
- Canada
- France
- Germany
- Hong Kong
- Italy
- India
- Malaysia
- Netherlands
- Nigeria
- Singapore
- South Africa
- UK
- US

The goal was to determine **how organisations are evolving from a traditional office environment to a digital workplace.** We asked about the technologies and services that enabled this transformation. This spans

• **Digital workspace technologies:** The tools that help employees collaborate and work effectively both inside and outside of the office environment. These includes **devices, software, and services and spans traditional voice and messaging, collaboration applications (including instant messaging, conferencing, social media use for employee collaboration, and video), business productivity applications, and support services.** They also include management of the end-user computing environment, whether desktops, laptops, tablets, or smartphones.

• **Digital workspace services:** **The services that involve the deployment, ongoing support, and proactive monitoring and analysis of productivity and collaboration tools and technologies aligned to business goals.** These also provide the management of endpoints such as smartphones, tablets, laptops, and even connected things, as well as business applications running on an optimised and adaptive network infrastructure

Because an employee's physical workplace may include a formal physical office and/or a home or field location, and that may change according to employee role, profile, and behavior, we also asked about changing workstyles.

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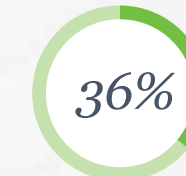
Productivity and flexibility central to the digital workplace



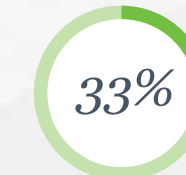
Drivers

Enterprises see the adoption of new workstyles as something that will benefit the business – a flexible workforce will use time more productively, will work collaboratively, will be more satisfied with working arrangements, and is more likely to stay with the business. Enterprises can bring efficiencies by helping people work better, and there is no longer a need to focus so strongly on reducing costs.

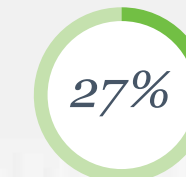
There are several important drivers of changes to workstyles in enterprises, the most important being the need for productivity gains and employee demand for greater flexibility:



of organisations identify **productivity gains as a top driver for workstyle change.**

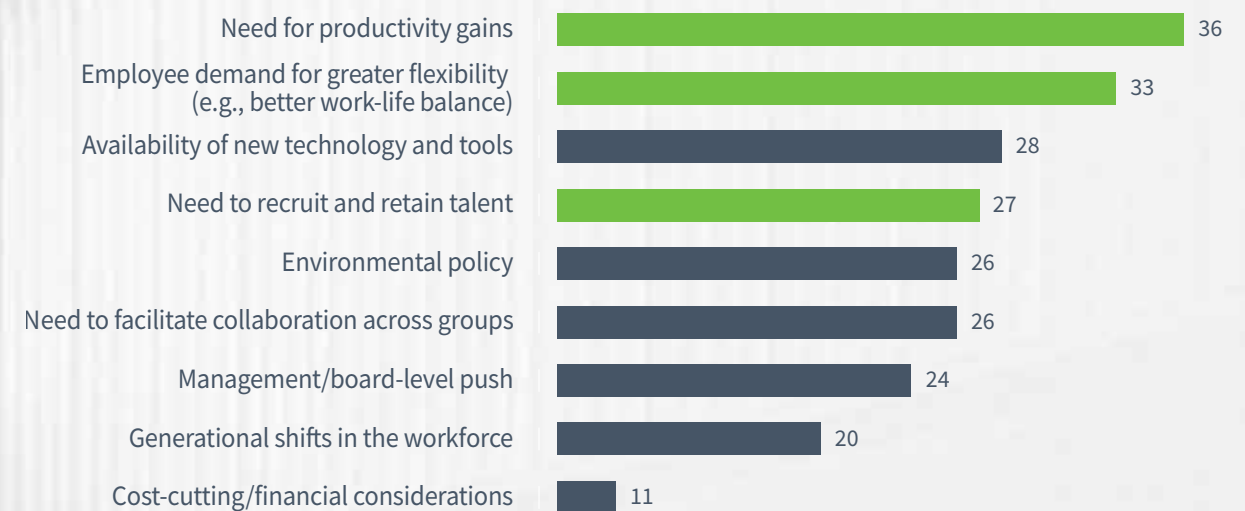


say better **work-life balance is a top driver.**



place the most emphasis on **attracting and retaining the best talent.**

Figure 1: Productivity, employee demands drive change in workstyle
 Most important drivers of workstyle change

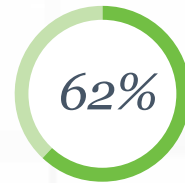


Source: Dimension Data

Barriers

Enterprises see several barriers to the successful implementation of new workstyles. Foremost among these are not-always-unrelated IT and organisational issues, including a lack of alignment between IT and business processes and the scarcity of IT resources to support new workstyle initiatives that may be driven by line-of-business heads.

IT issues are the No. 1 barrier to successful adoption of new workstyles. The complexity of the existing IT infrastructure can present a major hurdle to implementing new collaboration and productivity tools to support flexible workstyles. The need to extend and support internally developed applications on a diverse range of mobile devices and operating systems can be challenging, particularly where multiple device ownership models are supported. It is also worth noting that the main reason given for use of consumer applications by employees is the inadequacy of applications provided by IT.



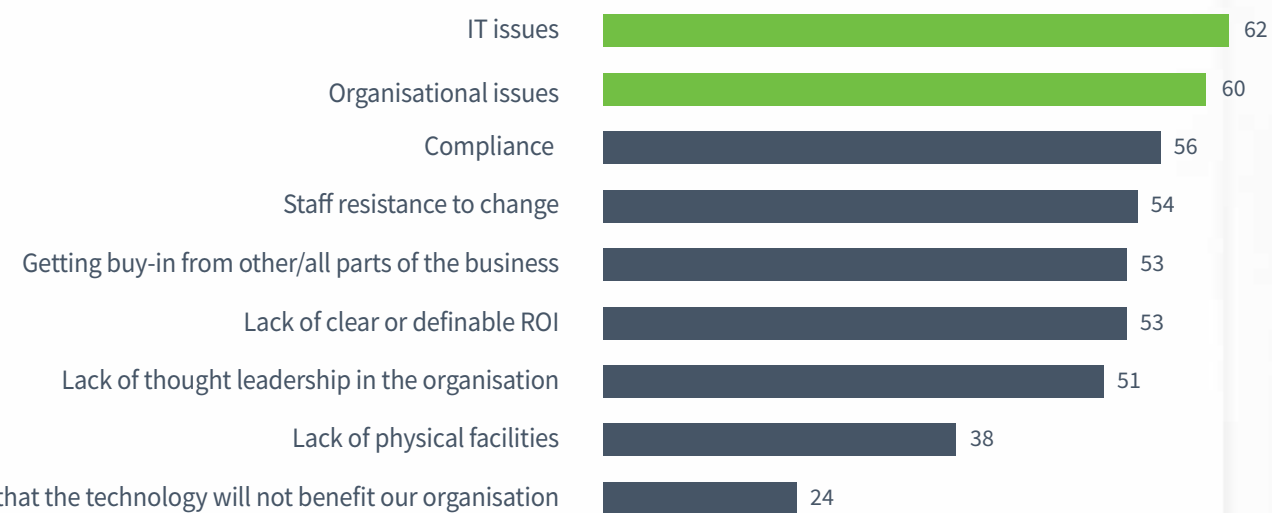
of organisations say **IT issues are a major barrier** to successful adoption of new workstyles.



say **organisational issues are a barrier**, with employees discouraged from sharing information and collaborating with others outside their departments or even with those in different roles in the same department.

Other issues are also seen as significant barriers to adoption of new workstyles in more than half of companies. They include **compliance issues (56%), employee resistance to change (54%), getting buy-in from other parts of the company (53%), lack of a clear and measurable return on investment (53%), and lack of thought leadership (51%).**

Figure 2: IT and organisational issues are the biggest hurdles
 Barriers to successful adoption of new workstyles



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Firms adopting digital workplace strategies at a fast pace

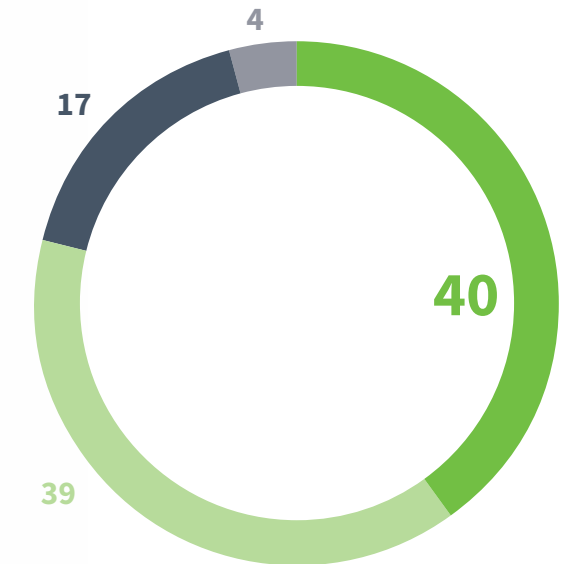
The importance of devising and implementing a comprehensive strategy

Enterprises need a digital workplace strategy. It should be comprehensive, embracing practices such as activity-based working and utilising technologies and tools that let employees collaborate and work effectively both inside and outside of the office environment. These tools include devices, software, and services and span traditional voice and messaging, collaboration applications (including instant messaging, conferencing, social media use for employee collaboration, and video), business productivity applications, and support services. They also include management of the end-user computing environment, including desktops, laptops, tablets, and smartphones.

- **Only 39% of enterprises** say they already have a defined and agreed-on digital workspace strategy encompassing the elements above.
- **A further 40% have elements of a strategy**, such as a strategy encompassing communications and collaboration tools or mobility and end-user computing, but not all components.
- **Seventeen percent have plans** to devise a formal digital workspace strategy in the next two years, meaning that very few enterprises (only 4%) have no immediate plans in this area.

While it may seem surprising that fewer than half of organisations have a comprehensive strategy in place, it is encouraging that most are well on the way. If plans are followed through, almost all will have a strategy in place before 2020. It is imperative that large companies have, and communicate, their strategies throughout their organisations and to business partners as soon as possible.

Figure 3: A minority of enterprises have a comprehensive digital workplace strategy now
Do you have a digital workspace strategy?



- We have elements of a digital workspace strategy
- We have a defined and agreed-on digital workspace strategy
- We do not have a formal digital workspace strategy but plan to have one in 12-24 months
- We do not have a formal digital workspace strategy and have no plans for one

Source: Dimension Data

Change starts at the top

Workplace transformation initiatives are most successful where there is a "champion of change" driving the initiative.

This is one or more people in a leadership position who have a clear vision for how the organisation would be able to benefit from digital transformation. These leaders also have an understanding of what technologies are available to bring about that transformation. And they need to be in a senior enough position to effect change, either across the entire organisation or across the groups and divisions whose processes will be most impacted by the digital transformation initiative.

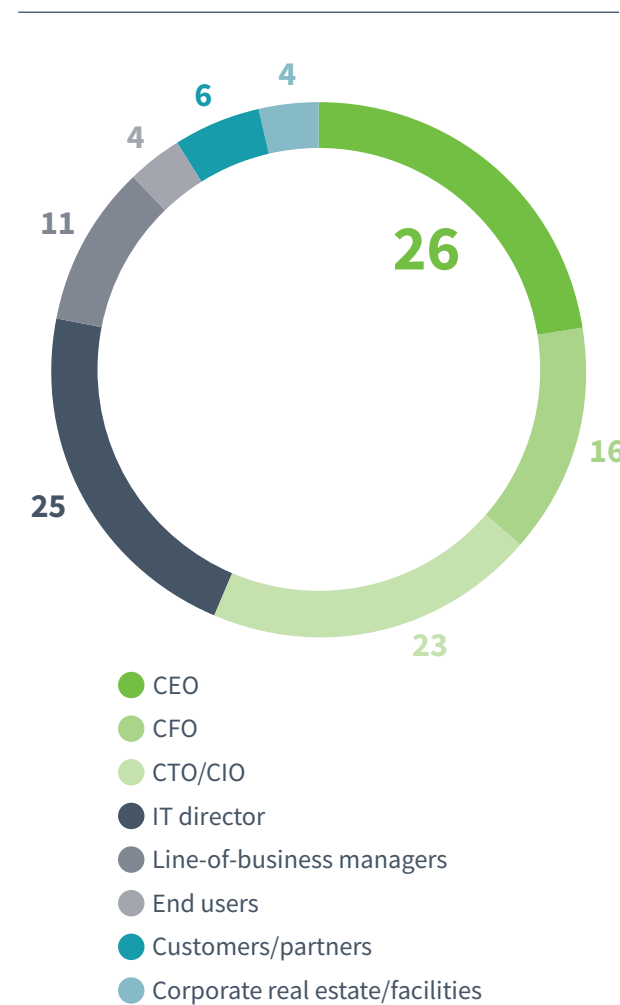
For most organisations – 65% of them – these champions of change are **C-level executives, such as CEOs and CIOs**. They are, after all, the individuals responsible for strategic initiatives, whether internal or external to the organisation. And they are best positioned to ensure that proposed workstyle changes are in fact acted on.

Changes that result from digital transformation initiatives often require leaders directly involved with how technology is implemented. For that reason, IT directors are closely involved in strategic initiatives, with 25% of organisations indicating they have the most influence in driving workstyle changes in the organisation.

65% For most organisations – **65% of them** – these champions of change are **C-level executives, such as CEOs and CIOs**.

25% IT directors are closely involved in strategic initiatives, **with 25% of organisations indicating they have the most influence** in driving workstyle changes in the organisation.

Figure 4: The main champions of change are on the board
Most influential in driving workstyle change



Source: Dimension Data

Workplace transformation initiatives are most successful where there is a "champion of change" driving the initiative.

Successful projects need line-of-business involvement

Company leaders may champion changes that lead to digital workplace initiatives, but it's often less clear who in the organisation is responsible for devising and executing on digital transformation initiatives. It is important that business leaders take an active role in digital workplace projects if they are to deliver the desired benefits. Digital transformation affects the whole company – without buy-in and involvement in execution from LOB heads, companies will find it very difficult to drive change throughout the organisation.

When asked who is most influential in driving workstyle changes in the organisation, few – only 11% – indicated that LOB leaders are the most influential. This is somewhat surprising since it's employees in an organisation's various lines of business who are most directly impacted by workstyle change. And it's the LOB managers who are most in touch with how employees work, which workstyles are most and least effective, and which processes or practices should be changed for positive results.

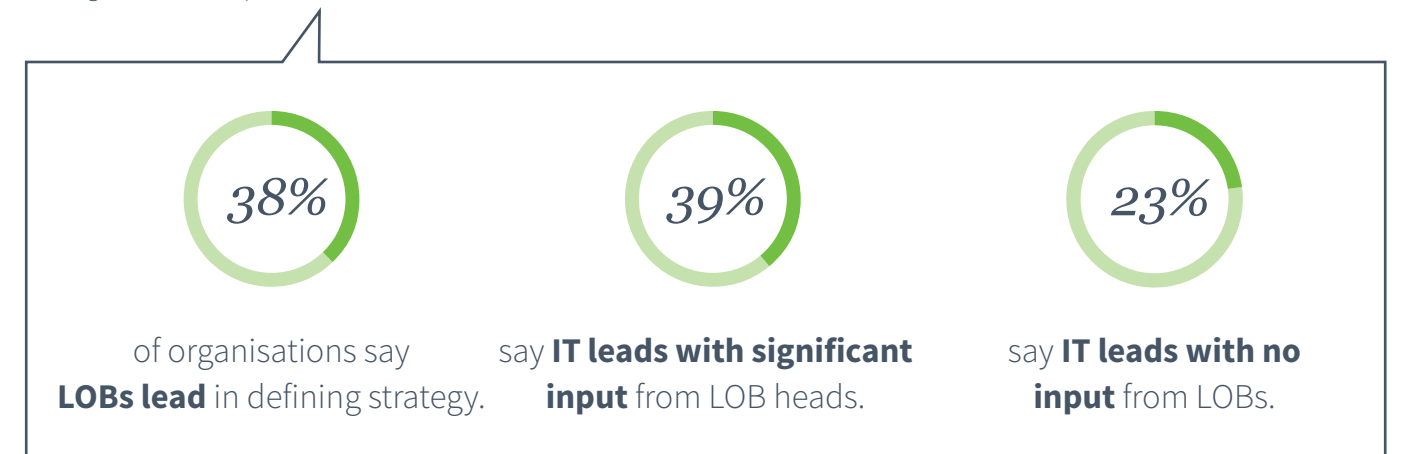
End users themselves have very little direct influence in driving change (only 4% of companies say employees are most influential in driving workstyle change), even though formal employee feedback is the main way of measuring the success of workplace initiatives. So it is essential that the LOB leaders, who have the responsibility to define the requirements of the vast majority of employees, are involved in driving new workplace strategy. This lack of LOB buy-in at the start may be one important reason only 39% of companies have a comprehensive digital workplace strategy in place now.

However, LOB managers are in fact more active in other parts of their organisations' digital transformation strategies. For example,

Funding of digital workplace projects seems to be evenly split between projects where IT leads with little input from LOBs, projects where IT leads with significant input from LOBs, and projects where LOBs lead. When it comes to delivering on strategy, LOBs are not taking as active a role as IT, as evidenced by their lack of influence in workstyle change:



Regardless of how much LOBs are involved in funding, implementing, and supporting workplace technology, there needs to be a clear delineation of responsibilities. IT needs to understand when it is involved and, when LOBs take a degree of ownership over the technology, when it is not involved. This will help minimise any possible conflict or misunderstanding over who actually owns the applications and other technology put into the hands of end users. In general, implementing and ultimately benefiting from workplace technologies needs to be a joint effort between IT and lines of business to truly be effective.



Increased productivity and accelerated decision-making are the most important goals of organisations' digital workplace strategies

Enterprises have many goals for their digital workplace strategies, but it is encouraging to see that the most critical of these are about business improvement – growing revenues, gaining competitive advantage, improving processes. The main goal of a digital workplace strategy is to enable a company to stand out from, and better face off against, its competitors.

The top five goals of organisations' overall digital workplace strategies are to

- 1 grow revenues
- 2 gain competitive advantage
- 3 improve business processes
- 4 accelerate decision-making
- 5 improve employee productivity

Interestingly, cost reduction comes well down the list of enterprises' digital workplace strategy goals, a sign of a maturing view reflecting a much greater focus on driving revenue growth and profitability.

Figure 5: Business goals dominate digital workspace strategy
 Critical goals of digital workspace strategy



Source: Dimension Data



6

Adopting the right tools for success



Communications, collaboration, and business apps are the most important workplace tools

Businesses can choose from a very large set of tools when they select those that employees will use in the transformed digital workplace. These tools range from communications services and collaboration software to business applications, from enterprise social software to mobile and wearable devices. **The trick is choosing the right tools for the job.** Each can play a vital role depending on who in the organisation uses it and how well it's integrated into business processes.

Asked to rank the technologies most important to their digital workplace strategies, **IT leaders most often pointed to communications and collaboration tools, as well as business applications.** And 50% say the conferencing (video, web, and audio) systems have resulted in business processes that have become much more streamlined and effective. They are what employees use to directly interact with one another and what they use to accomplish the various tasks required of them.

However, just because a particular type of technology is deployed doesn't necessarily mean it's effective. Being able to quickly and easily start web and video conferences, for example, is a clear pain point, particularly in traditional conference room settings. Some legacy conferencing systems are so complicated that IT technicians need to be present when meetings are initiated. Others can theoretically be used by regular employees, but often have interfaces that only the most technically savvy workers can comprehend. Difficulty in reserving, initiating, and managing meetings makes conferences less productive, which in turn impacts the effectiveness of business processes. It is little wonder that 53% of organisations say smart meeting rooms that provide workers with intuitive access to various types of conferencing technologies are central to significantly improving business processes.



of organisations say **smart meeting rooms that provide workers with intuitive access to various types of conferencing technologies** are central to significantly improving business processes

Digital workplace is built on a well-architected network

In focusing on the collaboration and other tools in the hands of employees, the leadership of many organisations may be undervaluing, or taking for granted, other less discernable technologies that are, in fact, vital to the digital transformation. Only 9% of organisations identify ubiquitous network access as the most important element of their digital workplace strategies, and only 27% place it in their top three. This is potentially problematic. The network is a vital part of an organisation's digital transformation initiatives:



The performance of digital workplace applications assumes a network with sufficient bandwidth, well-configured quality-of-service policies, and constant availability.



Nomadic workstyles within a campus environment are predicated on ubiquitous wireless connectivity.



Networks must be ready to address the needs of virtual workers as technologies such as artificial intelligence and robotics begin to have an impact in the workplace.

When embarking on a digital workplace initiative, organisations need to ensure that they have a modern, well-architected network that's ready to serve as the foundation.

Only 9% of organisations identify ubiquitous network access as the most important element of their digital workplace strategies, and only 27% place it in their top three.

Gradual transition to cloud

The cloud has far-reaching implications for almost every kind of business technology, and workplace technologies are no exception. Many communications systems and collaboration applications continue to be purchased as capital expenses and deployed on-premise. This is, after all, the way organisations have traditionally purchased and implemented them. For example, 60% of companies say their corporate telephony solutions are on-premise and internally managed, while 49% say office productivity software is delivered in a similar manner.

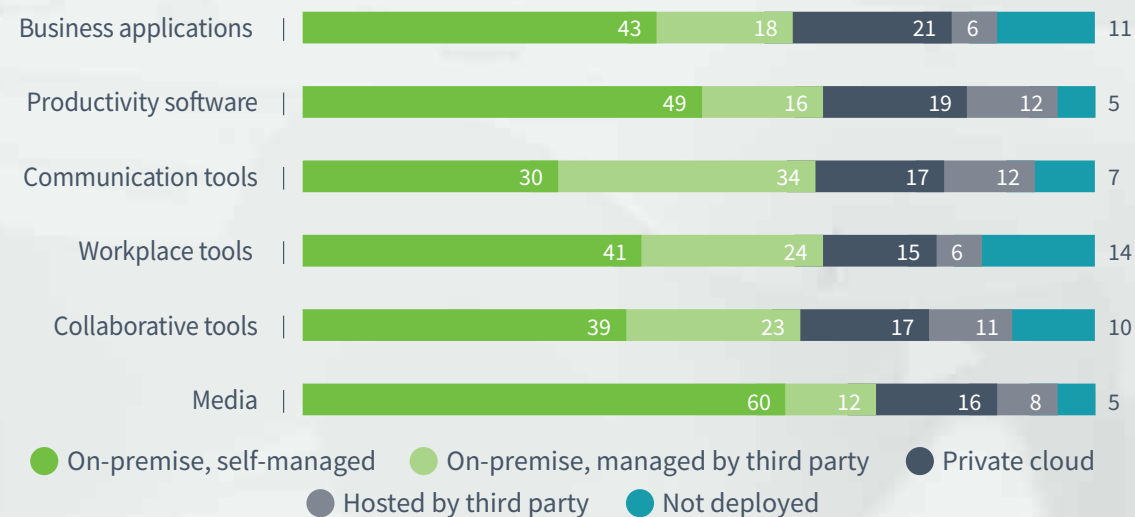
However, this is changing. Organisations are turning more and more to trusted partners to manage systems and software on their behalf. Nearly half of all CRM, ERP, and other business applications deployed on-premise are in fact managed by third parties, while more than half of collaboration tools (such as SharePoint, Yammer, and Exchange) are managed by others. That lets enterprises reduce IT resources or reallocate them to support other, more mission-critical applications and projects.

Workplace technologies are increasingly being delivered as cloud-based services. According to the survey, 28% of organisations have collaboration applications delivered as private cloud or public cloud services, while 24% have business telephony delivered in the same way.

A better cost model tops the list of reasons organisations are either considering or actively migrating workplace applications to the cloud. Many businesses are looking to reduce capital investments made in IT systems, and centralising software in data centres allows them to do just that. Some businesses are also looking to avoid capital expenses entirely. Rather than purchasing the many applications needed to run their businesses, and then having to keep the applications up to date and manage licenses, many organisations are instead opting for the less complex alternatives that cloud services provide.

Organisations are turning more and more to trusted partners to manage systems and software on their behalf.

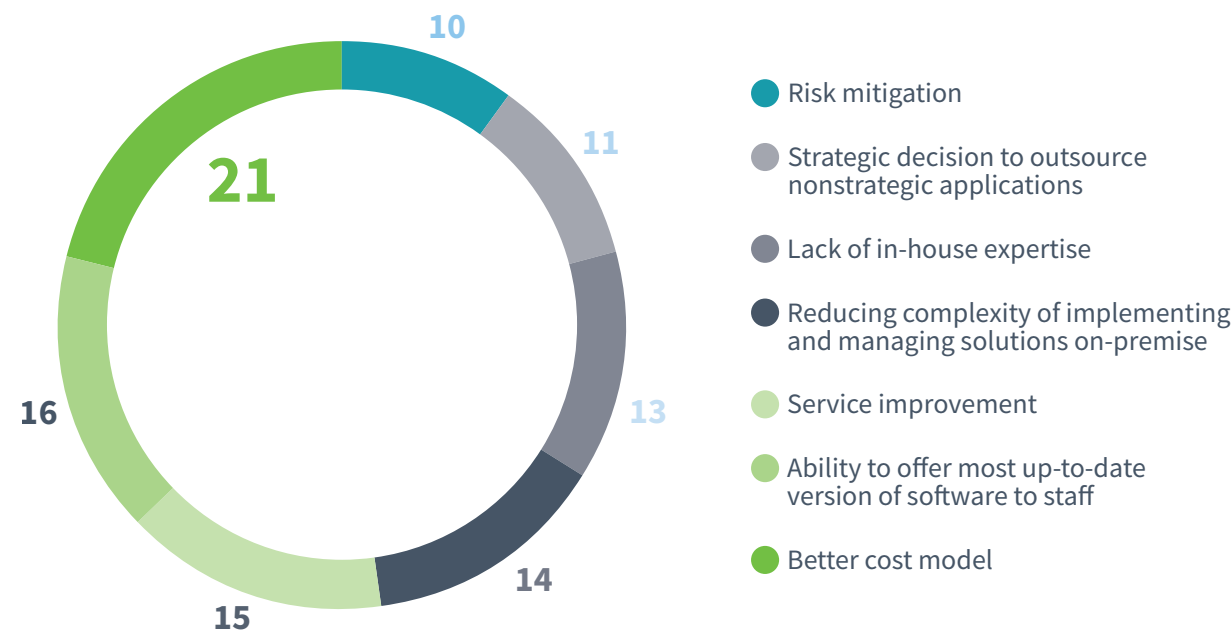
Figure 6: Premise-based deployment models predominate, as cloud grows in importance
How workplace technologies are deployed



Source: Dimension Data

62% expect virtual advisors to have a place in their companies in the next two years.

Figure 7: Companies looking for better ways of purchasing workplace technology
Top reasons organisations turn to the cloud



Source: Dimension Data

Many also have questions about data security, with 15% citing that as their top concern about cloud services. While this may dissuade some organisations from adopting cloud services of any kind, for many it will result in a tempered approach to cloud services. Rather than transitioning immediately, many organisations will move away from premise-based systems and applications gradually.

During this gradual transition, hybrid deployment models will be vital. Hybrid deployments let organisations move some workloads to the cloud, while retaining others on-premise. Organisations with security or compliance concerns can keep applications on site or in private data centres under their own management, while moving other, less sensitive applications to the cloud. Enterprises with significant investments in systems and applications deployed on-premise can transition them to the cloud over a period of years, retiring legacy technology slowly as it becomes obsolete.

“Virtual employees” in the office

The digital workplace is no longer made up of just managers and those managed, coworkers collaborating with one another to complete projects, and employees interacting with customers and partners. It is increasingly populated by “virtual employees” who do not exist in a physical sense, but nonetheless play an important role in the organisation.

Artificial intelligence technology is still in its infancy. But it is sufficiently advanced to be working its way into companies in the form of virtual assistants and, in certain industries such as banking, virtual tellers and virtual advisors. Manifested as bots embedded into specific applications, virtual assistants draw on AI engines and machine learning technology to respond to basic queries.

More common in consumer devices (such as Amazon Echo) and mobile apps (such as Apple Siri), AI-driven virtual assistants are helping businesses reduce costs by automating basic tasks that would otherwise require people to perform.

When asked about intelligent agents,

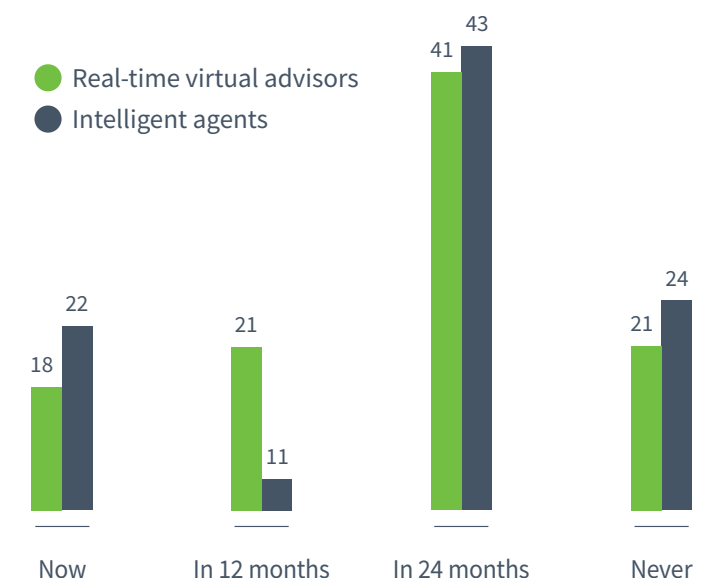


When asked about virtual advisors,



Clearly, businesses will have to address employee concerns that such technologies might present a threat and ensure that education is in place to make sure they understand that AI will support them in their various roles.

Figure 8: Groundswell of interest in AI
When intelligent agents will have a practical use case



Source: Dimension Data

Most organisations allow the use of consumer apps in the workplace

Whether or not management and IT leaders choose to admit it, all large organisations have been affected by consumer technology. Personal mobile devices are widely used in the workplace, and employees regularly use the apps on them for business purposes. Similarly, collaboration and communications applications – including Skype, Google Hangouts, and Dropbox – frequently work their way onto company-issued laptops and PCs.

In years past, some enterprise IT departments took a draconian approach to the consumerisation of IT, banning the use of personal devices in the workplace and blocking consumer applications that employees bring to the office. Security was – and rightfully remains – the primary concern, particularly in industries such as financial services, healthcare, and retail where compliance regulations govern the storage of sensitive data. But IT departments believed – and continue to believe – that employees in one department should use the same set of workplace technologies as those in other departments, rather than creating technology silos where different groups use different tools

Today, 98% of organisations have some kind of policy regulating the use of consumer technology in the workplace. These policies tend to be more relaxed compared to years past. Only 8% of IT departments prohibit the use of consumer apps and devices. Another 8% allow them without explicit approval from IT. But the vast majority of organisations – 82% – have in place a formal process that allows employees to bring their own applications to work so long as IT has a chance to approve them.

There is no one reason behind consumer applications taking hold in the workplace. However, the top three reasons that IT leaders point to are as follows:



IT has not provided the department with the **communications and collaboration apps** that employees need.



The process for getting IT to approve consumer-grade applications **is slow and difficult**.

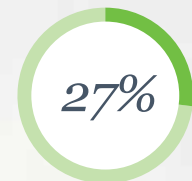


End users want to **use the same applications for personal and business use**.

Most organisations are increasing the number of mobile and flexible employees

Support for workers outside the traditional workspace becomes a key objective as enterprises introduce new ways of working. Most enterprises already need to support workers with highly mobile roles, such as field engineers, sales teams, and community health professionals. But increasingly IT departments are also required to support the mobility needs of employees once considered firmly tethered to their desks, but now working flexibly in a variety of locations.

As a measure of how mobile the workforce is now,



of organisations say **most or all employees work nomadically** in the workplace.



say **most or all employees work in a non-office environment**.

Many of the benefits of flexible working translate into the benefits of a mobile workforce. Enterprises that enable their mobile workforces with the devices and applications that let them respond faster become more productive, improve customer service, and collaborate with colleagues more effectively.

In delivering a more flexible and mobile workforce, enterprises are finding that they must support a diverse range of devices and device ownership models, as well as mobile-centric applications, including consumer apps. Security is an imperative as IT departments need to protect corporate data and assets in this environment. And of course companies have a requirement to ensure protection of employees' personal data at all times. Consequently, an IT strategy with mobility at the centre is moving higher and faster up the list of priorities for CIOs.

But increasingly IT departments are also required to support the mobility needs of employees once considered firmly tethered to their desks, but now working flexibly in a variety of locations.

Mobility is core to the digital workplace

In this research, we found that CIOs and business leaders are switched on to the importance of mobility – in its broadest sense – in the digital workplace. They certainly recognise that many of the technology trends that are important in driving their digital workplace strategy have to do with delivering, managing, and supporting their employees’ use of applications and services on a range of devices. For example,

- Forty-four percent say that managing and leveraging the proliferation of mobile devices in the enterprise is of high importance. And 42% say they are embracing multiple device ownership models – in this research, we found a fairly even mix of companies supporting company-provided and employee-owned devices in the work environment.
- Half of businesses say that embracing consumerisation of IT for collaboration and productivity apps, a trend that goes hand in hand with support for employee-owned devices in the workplace, is important.

Most employees are now using multiple devices in the workplace – laptops, tablets, smartphones, and wearables – under a mix of device ownership models.

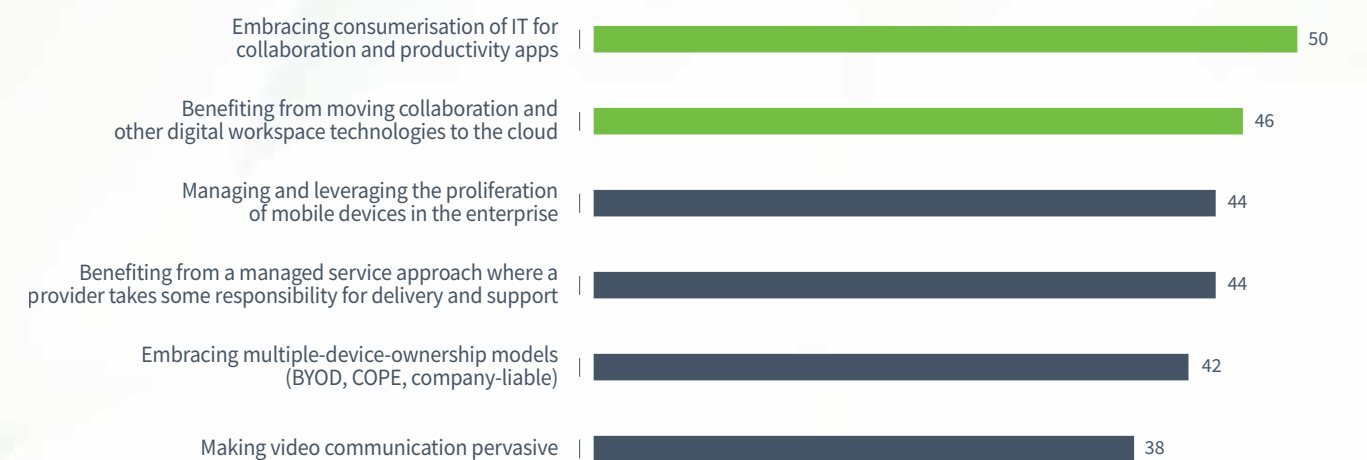
And many employees also now use a variety of cloud-based collaboration and productivity applications on their devices – under a mix of application ownership models, those that the company provides and those that the employee sources.

The focus for businesses is to securely provide access to the applications that their employees need on whatever devices they are using. Applications need to be seamlessly available across multiple screens. Businesses must also ensure that applications are delivered to devices in a way that ensures that business processes can be maintained and/or improved.



Half of businesses say that **embracing consumerisation of IT for collaboration and productivity apps**, a trend that goes hand in hand with support for employee-owned devices in the workplace, **is important**.

Figure 9: Businesses recognise the importance of mobility in determining strategy
 Tech trends important in determining workspace strategy (most important or important)



Source: Dimension Data

7

Digital tools drive workplace, customer service transformation

CRM, supply chain, operations, and sales seen as most affected by collaboration

Workplace technology, when implemented correctly, increases collaboration and fosters communications within organisations, but its benefits can't stop there. Enhanced collaboration and streamlined communications need to result in tangible business benefits, and those are achieved by improvements to business processes.

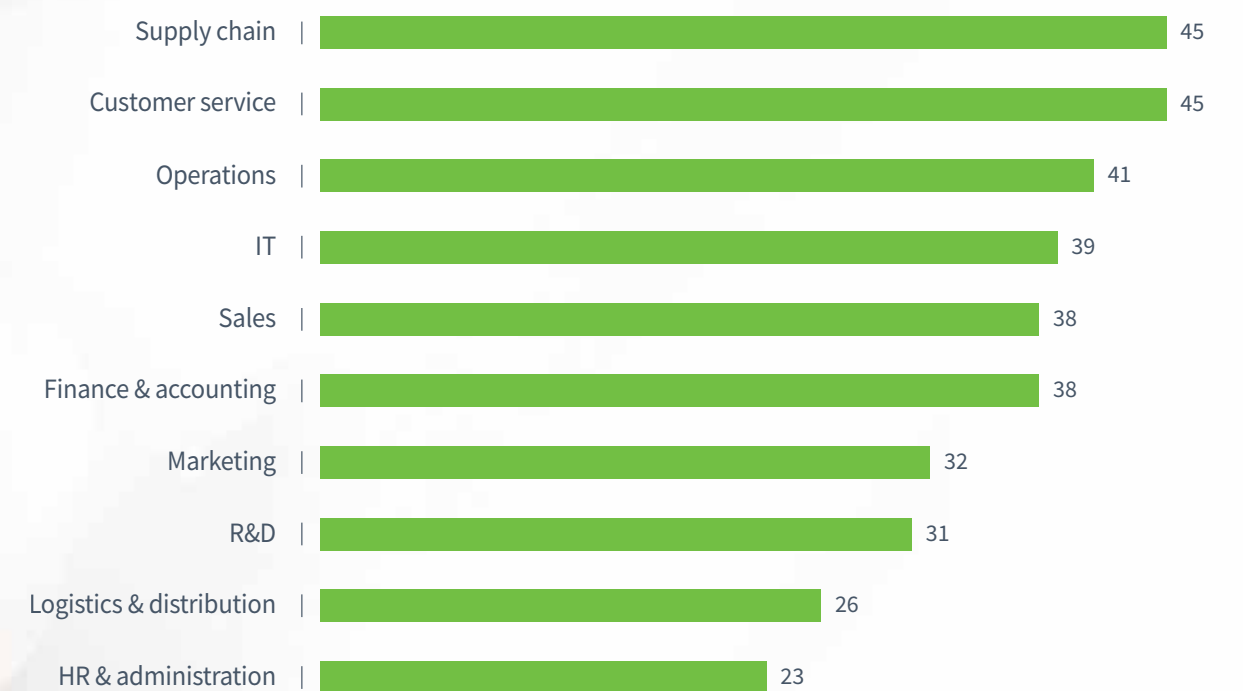
When asked which business processes can be most improved by workplace technology, **the highest number of organisations pointed to processes related to managing supply chains, supporting customers, and managing internal operations.** Each of these can involve highly complicated situations, where a department in an organisation needs to interact closely with partners (in the case of supply chains), clients (in the case of customer service), and other corporate divisions (in the case of operations). **The easier and clearer the paths of communications, the smoother the process runs.**

And digital tools that foster a collaborative environment can result in business process changes that can make endeavors such as supply chain management easier, less time consuming, and more cost-effective.

However, making workplace technologies available to employees managing supply chains, supporting customers, and so forth is only the first step. Actually improving processes is a much more complicated task. IT departments can contribute to improving processes by making sure that the right digital tools are available to the right set of workers, and that those workers understand how best to use them. Executed correctly, workplace technologies can have a dramatic impact on business execution by enabling faster decision-making and increasing employee productivity.

Leveraging digital tools to optimise and streamline specific business process needs to be a deliberate decision on the part of an organisation's IT leaders. In many cases this will require careful planning, end-user profiling, ongoing training, and detailed analysis of how technology is used and what changes need to be made if it's not used in the most efficient manner.

Figure 10: Identify which processes can and should be improved
 Business processes greatly improved by workspace technology



Source: Dimension Data

Most enterprises turning to new workplace technologies to improve customer service

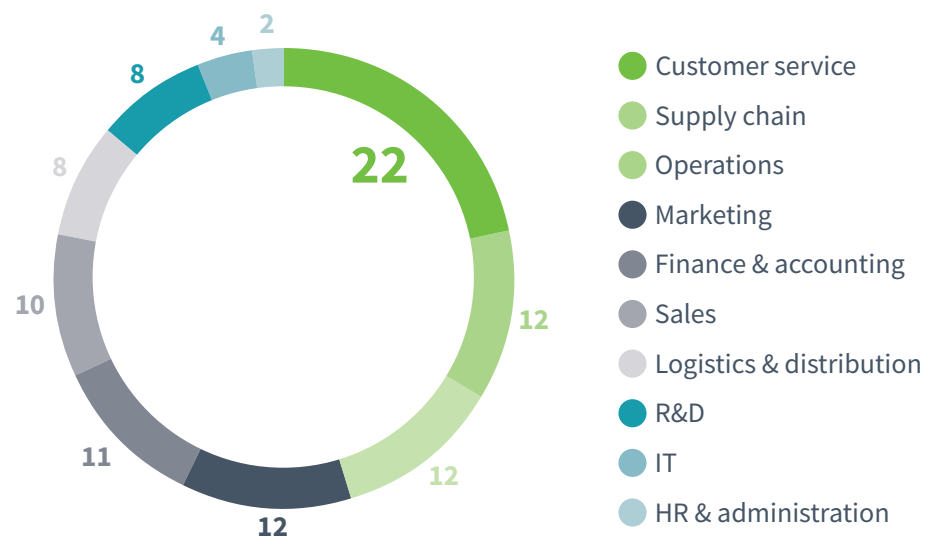
When IT leaders consider how digital tools can best improve the way they do business, customer service is consistently at the forefront. For example, when asked which business processes most need to be modernised, 12% of organisations each flagged supply chain, marketing, and operations as their top priorities. But the greatest proportion – 22% of respondents – indicated that they need to modernise the way they approach customer service.

The focus on customer service improvements is in no way surprising. Retaining existing customers and attracting new ones has a direct impact on fiscal health, and it's key to competing against rivals. Providing quality customer experience has traditionally been resource-intensive. But digital technologies can automate certain aspects of it, driving the costs down. Even organisations without customers in a traditional sense – schools and governmental organisations, for example – can dramatically reduce support costs by correctly applying digital workplace technology.

For that reason, customer service improvement permeates every step of organisations' digital workplace strategies, from articulating a strategy in the first place to using advanced analytical tools to measure its effectiveness. For example,



Figure 11: Customer service tops the list of processes organisations need to modernise
Customer service tops the list of processes organisations need to modernise



Source: Dimension Data

For most, the need to change leads to new workplace technology use

Implement new workplace technology and hope business processes change as a result of it? Or identify business processes that need to change and use workplace technology to make it happen?

Both approaches can lead to positive changes in an organisation. Both can fail to improve business processes. The majority – more than two-thirds – of IT leaders, however, much prefer to deliberately drive specific changes in their organisations in a staged process:

- 1 **Identify what business processes** are most in need of modernisation.
- 2 **Determine how** they should be modified.
- 3 **Invest in and apply** the most appropriate workplace technology to affect change.

Yet, sometimes new workplace technologies work their way into organisations without consent or direct supervision of IT. A team of developers in an R&D department might spontaneously start using a team collaboration application. HR personnel might start using Skype to interview applicants. Or employees might start using enterprise social software in ways IT leaders did not originally expect. Each of these scenarios could easily lead to business process changes for a subset of workers. In all of these cases, the adoption of new workplace technologies is preceding changes in the way organisations do business, something that nearly a third – 31% – of survey respondents notice happening in their companies.

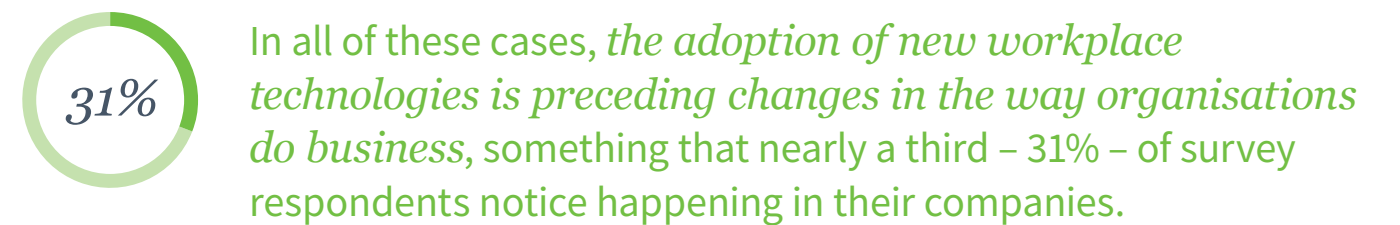
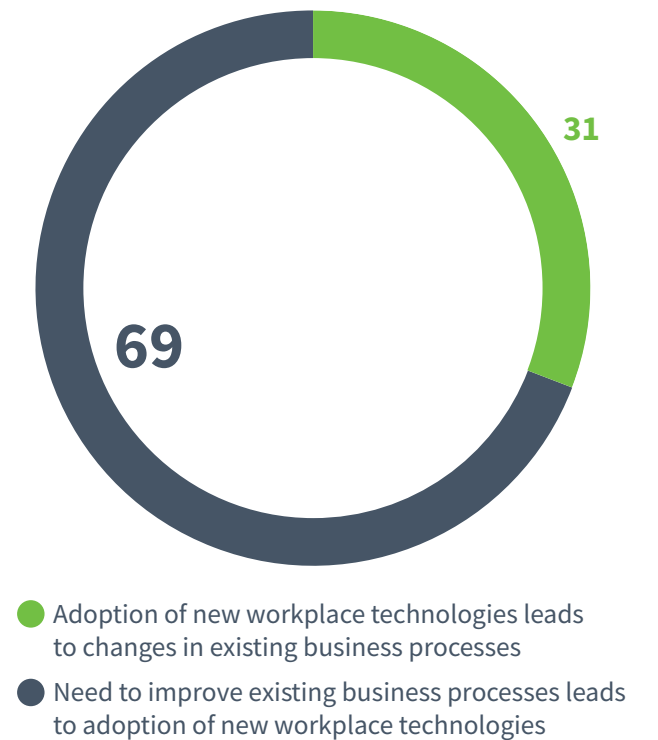


Figure 12: Deliberate use of technology drives change



Source: Dimension Data

8

Ensuring the success of the digital workplace



Decreased costs, increased customer satisfaction determine success of digital workplace projects

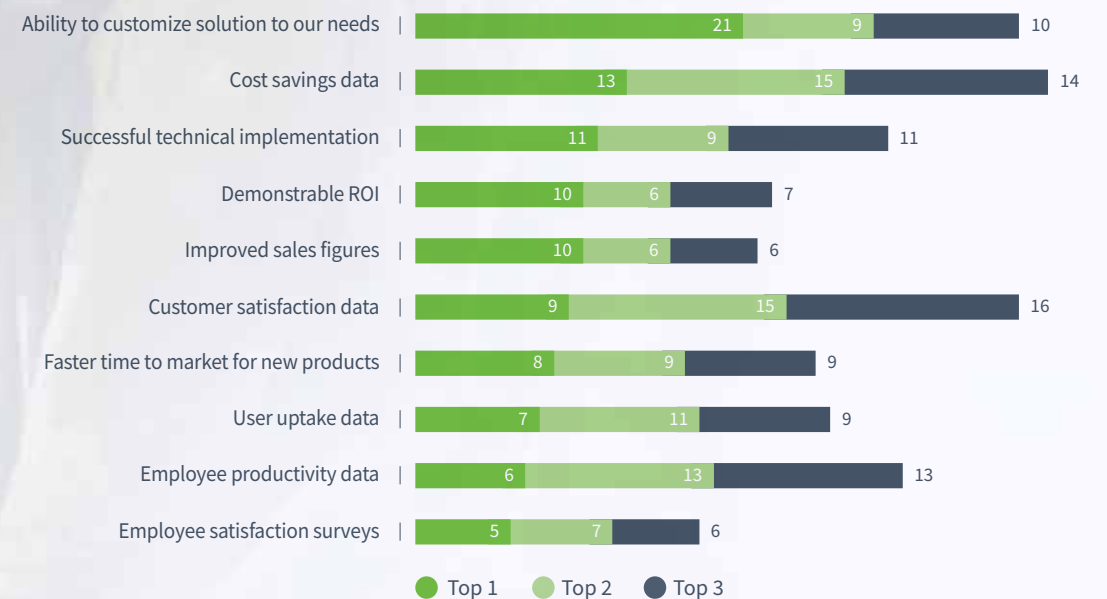
Digital workplace projects don't stop with choosing, purchasing, and deploying the technology. It could be argued that it's only after new workplace technology is made available to employees that the project has really begun. Organisations need to ensure that employees understand how to use it, that business processes are indeed being improved, and that other demonstrable results are being obtained. Just what those results are will, of course, vary from organisation to organisation. So it's important at the outset of a project to determine how it will be deemed a success.

When asked the top ways they determine whether their use of workplace technologies is successful, organisations most often pointed to

- cost savings data
- customised solutions that address specific needs
- successful implementation of the technology

More than 40% say direct cost savings – whether in the form of less expensive technology, streamlined workflows, productivity increases, or workforce reductions – is the rod by which they measure success. In fact, 13% say that reduced costs is the primary way success is measured.

Figure 13: Customisation is king
Top most way of measuring success



Source: Dimension Data

Organisations require workplace tools that let them achieve results that are specific to them

When it comes to workplace technology, one size most certainly does not fit all. Many types of tools are contained in the workplace technology toolbox. **One organisation will acquire and deploy one set of tools, while another will purchase and implement an entirely different set.** Moreover, different organisations can have vastly different aspirations when it comes to what they are trying to achieve with workplace technology. As a result, IT departments deploying workplace technology need to adapt it to the particular needs of their organisations.

When asked the number one way they measure the success of their digital workplace projects, IT leaders overwhelmingly identified the ability to be customised to meet their particular goals and objectives. User update data certainly has its place in the post-deployment phase of any IT-related project. And customer satisfaction surveys are undoubtedly valuable when the workplace technology is intended to improve clients' ability to interact with the organisation. But flexible toolsets that can change and adapt to different business requirements are central to the successful implementation of workplace technology.

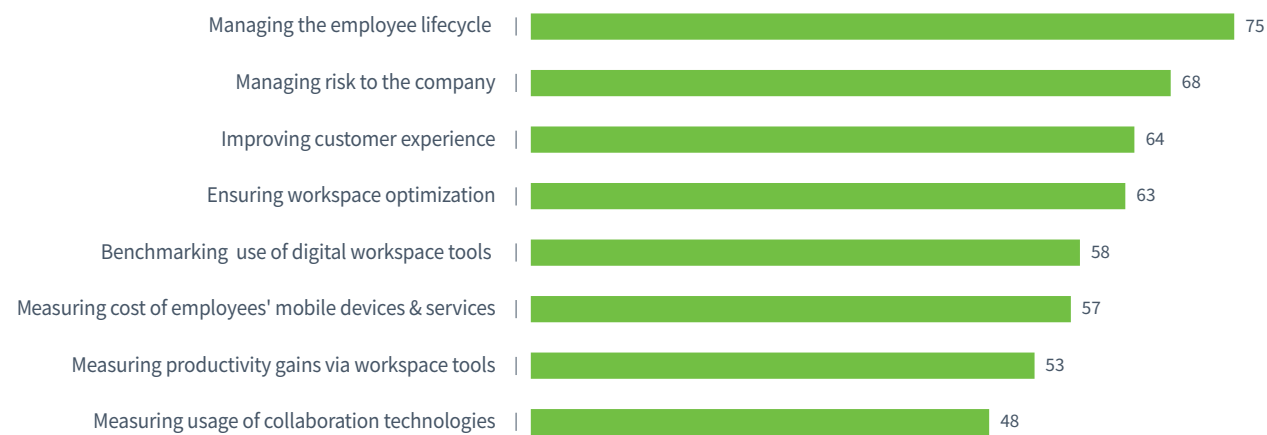
Importance of analytics to monitor and improve adoption

Workplace technologies can provide a considerable amount of data about who uses them, for how long, and for what purposes. Organisations are becoming increasingly adept at gathering and analysing this data. This helps ensure that the investments made in new workplace technologies are in fact worthwhile. It also helps pinpoint what workplace tools are perhaps underutilised and identify pain points that can be addressed and hopefully resolved days, weeks, or months after a digital workplace initiative has been rolled out.

One-quarter of organisations say they are investing in analytics tools now. They are commonly used to manage the employee lifecycle, such as in hiring and training scenarios. But organisations also regularly use analytics to mitigate risk, in part by ensuring that employees are not sharing sensitive data outside the company, and to improve customer service, in part by monitoring and improving communications with customers.

Of those not investing in analytical tools to help monitor the use and success of their digital workplace initiatives, 21% say they will sometime in the next year, while 45% say they will within two years.

Figure 14: Analytics increasingly important to measure, achieving success
How analytics is used



Source: Dimension Data

One-quarter of organisations say they are investing in analytics tools now. They are commonly used to manage the employee lifecycle, such as in hiring and training scenarios.

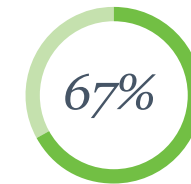
Most enterprises rely on partners to plan, implement, manage, and ensure the success of new workplace technology

Digital workplace technologies are complicated and diverse. Few organisations have IT departments with all the skill sets needed to plan and execute on digital workplace initiatives. Those that do have the requisite skill sets can't necessarily pull resources off other projects for the weeks or months it can take to execute on a digital workplace strategy.

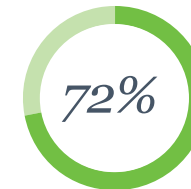
For this reason, many businesses look to trusted third parties for professional services support. Such services include end-to-end consulting focused on leveraging workplace technologies to achieve business and IT objectives, as well as support and integration capabilities.

Buyers are increasingly looking for external providers to evaluate their own future workspace requirements and to improve overall collaboration and competitive edge. Integration becomes a key component as more applications and business processes are mobilised and need to be integrated into back-end infrastructure.

Nearly three-quarters – 74% – of organisations recognise that they need external support in the planning and design stages of their digital workplace projects.



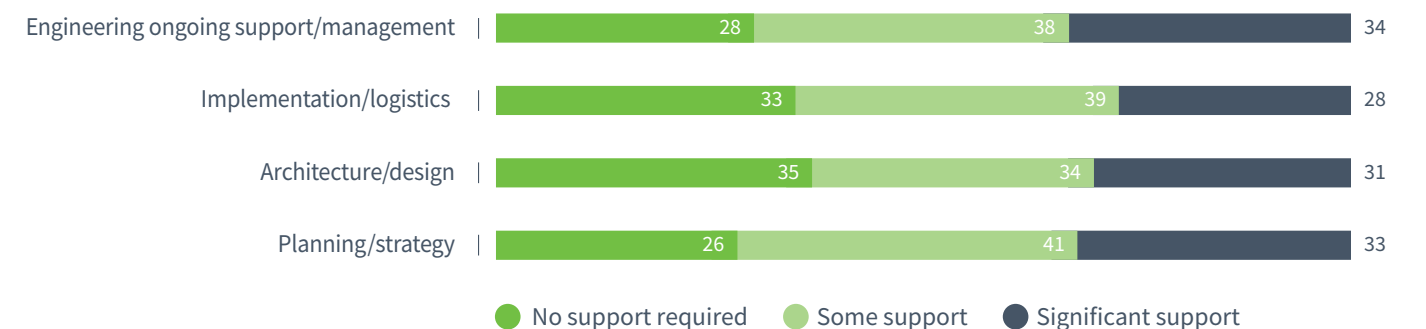
More than two-thirds – 67% – use third-party services for the implementation of digital workforce technology in their companies.



And nearly three-quarters – 72% – subscribe to services that provide ongoing management and support.

However, not everyone appreciates the value of consulting and professional services, with only 7% of organisations flagging them as the most important element of their strategies. This could be problematic. Technologies underpinning the digital workplace are diverse and are provided by a range of vendors. They often need to integrate with existing applications they were not necessarily designed to integrate with. Business processes may need to be modified or completely changed to accommodate them. Consulting and professional services from qualified third-party organisations can be critical to enabling all of this. They can help with devising a clear roadmap that lets organisations get from where they are to where they need to be in terms of digital transformation. Assessment services help determine what technologies are in place already, which can stay with some modification, and which need to go in order to make way for more modern, more efficient digital workplace technology. Organisations need to make sure that they take full advantage of these services as they devise and execute on their digital workplace strategies.

Figure 15: Partners are central to the success of digital workplace projects
How analytics is used



Source: Dimension Data

9

Open offices will not kill off the traditional workplace

Flexible workstyles are on the rise

The workplace is rapidly changing. Following the mantra “work is no longer somewhere you go, but something you do,” employees looking for a better work-life balance have driven flexible working. Employers who recognise that workforce flexibility suits them in many ways have also embraced the concept. They get a happier, more loyal workforce, but they can also have happier, more loyal customers and save money in the process.

The need to support flexible workstyles is going to affect most businesses:

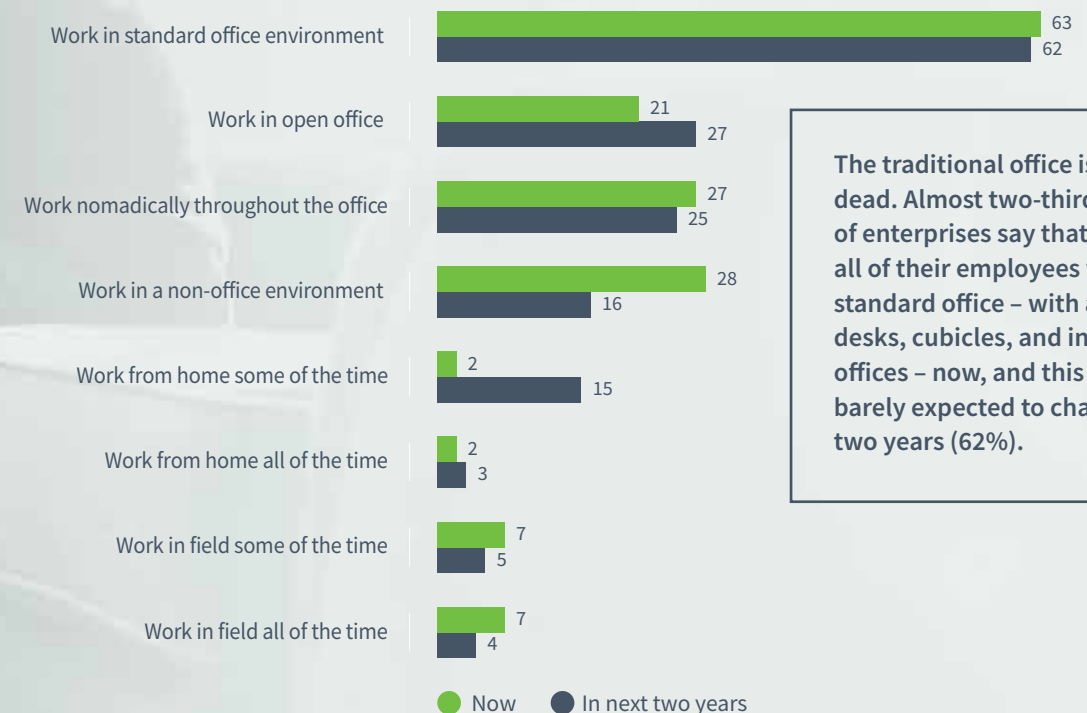
- **Organisations are seeing a dramatic rise in occasional or full-time homeworking.** Twenty-one percent of them say that more than a third of their employees work from home at least some of the time now. Fifty-nine percent say that they anticipate more than a third of their employees working from home some of the time within two years. There are sector differences: Public sector organisations are the least enthusiastic embracers of homeworking, with media companies being the most open to homeworking and other flexible workstyles.

- **The number of permanent homeworkers is also growing.** Currently 40% of enterprises support permanent homeworkers, though for most of these this means supporting a only few employees; in two years’ time, 56% of enterprises expect to be supporting permanent homeworkers, and for many this represents a substantial proportion of the workforce, not just a handful.

- **There is a continuing trend toward open offices,** which often have unassigned seating arrangements, open plan design, and informal meeting areas. Thirty-eight percent of enterprises say that at least a third of employees work in an open office now, and 46% expect this to be the case within two years.

- **The traditional office is not dead.** Almost two-thirds (63%) of enterprises say that most or all of their employees work in a standard office – with assigned desks, cubicles, and individual offices – now, and this figure is barely expected to change in two years (62%).

Figure 16: More flexible working is anticipated, but the traditional workplace will live on
How all or most employees work



The traditional office is not dead. Almost two-thirds (63%) of enterprises say that most or all of their employees work in a standard office – with assigned desks, cubicles, and individual offices – now, and this figure is barely expected to change in two years (62%).

Source: Dimension Data

Most organisations are increasing the number of common spaces and conferencing areas

Open offices have been a blessing and a curse for many organisations. On the one hand, they have undoubted cost benefits for the company as a whole. But on the other, they tend not to take into account employees' need for a creative and productive working environment. With a big increase in flexible and home working in many organisations, the need for investment here becomes even greater. Organisations need to make the most of the time their employees have in the office by providing both the space and the tools for collaboration.

The notion of activity-based working is becoming ever more relevant.

There is evidence that enterprises are now investing in physical places for colleagues, to meet. Indeed, only 12% of enterprises say they are not making physical changes to the office environment to encourage more collaboration.

- While about a third of enterprises are boosting the number of hot desks available, well over half are investing in formal and informal meeting spaces, including large and small conference rooms and office huddle spaces.
- Most new conferencing/meeting spaces will have collaboration technology in them, but a significant number will not. **Around 40% of new meeting spaces of all types will be created without collaboration technology.** This is perhaps evidence that many enterprises want to focus first on the in-person aspects of collaboration or that they aren't yet convinced of the value of meeting room technology.

Figure 17: Enterprises are providing more space for collaboration
 How office environments are changing



Source: Dimension Data

Conclusion



The digital workplace is transforming how employees collaborate, how customers are supported, and ultimately how enterprises do business. However, the digital workplace is not a destination that most – or many – enterprises have arrived at. It is a journey that enterprises have started to take and that remains ongoing.

Making workplace technologies available to employees and stakeholders, while critical, should not be the first step. Actually improving processes is a complicated set of tasks that requires more than an investment in new technology. Results from our 2017 Digital Transformation in the Workplace study indicates that a successful digital workplace journey starts with a comprehensive strategy that a company's leadership team has carefully defined. Along the way, new technology is implemented, office spaces are redesigned, and new working practices introduced.

A successful digital transformation strategy also must have clear and measurable goals from the start and must receive continued support throughout its implementation from heads of business units across the enterprise. IT departments then need to make sure that the right digital tools are being made available to the right set of workers, and that those workers understand how best to use them.

