iSG Provider Lens™

Future of Work - Services and Solutions

Managed Employee Experience Services

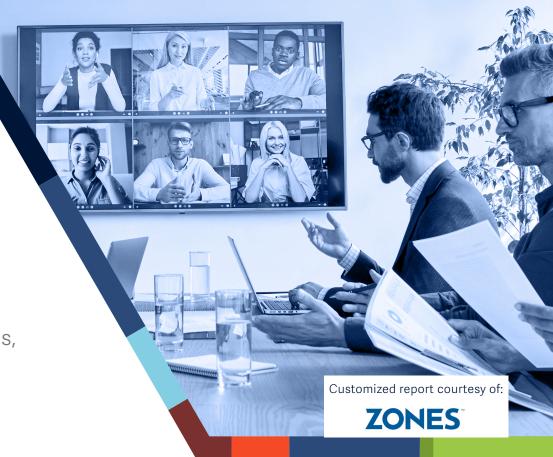A research report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of:

ZONES™

QUADRANT REPORT | OCTOBER 2022 | U.S. PUBLIC SECTOR

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Executive Summary

Report Author: Richard Marshall and Bruce Guptill

What was the Future of Work is rapidly becoming the present for many organizations.

Workplace changes that were already underway were vastly accelerated to address the needs triggered by the pandemic, and those organizations that were holding out have now realized that transformation is essential. Organizations have developed a new understanding of the importance of workplace resilience.

A wide range of providers have stepped up to support U.S. public sector clients in understanding, defining and implementing their objectives to achieve workplace resilience. This can mean the ubiquitous ability to work safely from anywhere, to

offer swift and effective support when things go wrong, to anticipate problems and correct them or to simply educate employees who lack digital skills.

U.S. public sector organizations, including state and municipal governments, public health providers, educational institutions and non-government organizations (NGOs), are turning to these providers in growing numbers. This is partly in response to the difficulty in attracting and retaining staff and existing employees reaching retirement age. It is also driven by two key business objectives. The first is to concentrate on delivering the best outcomes to citizens, retaining service providers for non-core activities. The second is to learn when and how to embrace new technologies such as AI or the IoT, where there is an acute shortage of skills, and to use the expertise of the providers to enhance both customer and employee experience.

The **U.S. public sector** is showing a new openness to **outsourcing**.

Executive Summary

The U.S. public sector is showing a new openness to outsourcing in what were previously perceived as core functions. While this has been driven by necessity for some organizations, many have recognized that it is time for change and realignment with organizational objectives. This is key to forming strong workplace transformation strategies — it is not sufficient for an organization to be dragged into a change; it must be ready for it and welcome it. The providers listed in this report are all adept at delivering solutions and bringing on board organizations that are reluctant to accept change.

The providers listed are from two areas: management consulting and IT service provision. These providers have converged on an approach that must start with a strategy that identifies the objectives for a new way of working within organizations. Selecting the right engagement model will depend on organizational culture, with a broad range of options, allowing organizations to choose providers that are ideally matched with their requirements. Technology maturity levels will determine whether a classic management-consultancy-led approach or a technical, outcome-driven method will be most suitable.

This report includes the following four quadrants:

- Workplace Strategy Transformation Services
- Managed Workplace Services – End User Technology
- Digital Service Desk and Workplace Support Services
- Managed Employee Experience Services

Each quadrant highlights providers with particularly strong capabilities in that area, suited to the needs of the U.S. public sector. While this report highlights the providers it considers as Leaders, many organizations will find that providers in the other three quadrants may be better matches to their specific needs or organizational styles.

Some U.S. public sector organizations may be looking for services in a particular category, for example, enhancing their service desk capabilities or a mechanism for provisioning end-user devices, while others may be looking for a larger package that includes most or all of these capabilities. While the first step in implementation will definitely be strategic, for the first step toward picking a provider, the organization needs to have a clear view of this choice, whether it be a specific implementation project or a broader engagement.

Some providers have dedicated research units looking at the future of the public sector. Others have dedicated delivery teams that are familiar with the sector and its specific needs, especially regulatory, security and financial constraints.

Beyond the quotidian issues, a remarkably consistent picture emerges of future challenges for the U.S. public sector, including:

- Sustainability and environment
- Digital inclusivity
- Improving all aspects of resilience
- Flexible labor management
- Open data
- Analytics and automation
- Encouraging innovation within services and in the private sector

Executive Summary

- Building and rebuilding trust
- Customer experience
- Cybersecurity

Digital workplaces and fully engaged employees are key to rising to these challenges. Ensuring an excellent employee experience is fundamental because workers provided with poor, slow and difficult-to-use tools will not be able to focus their efforts on external challenges. Reliable, fast, easy-to-use services should be available to all users, no matter where they work, as should reliable devices and readily available support services.

The principles of great employee experience extend to physical workspaces, where smart workspaces help employers optimize the use of expensive real estate, while offering safe and effective working areas. Smart workplaces also support sustainability by reducing energy consumption for heating, cooling and lighting.

Smart physical workspaces are an important aspect of employee wellbeing — a topic that has finally made it to the executive table. Ensuring wellbeing by supporting both mental and physical health helps address staff retention issues, as well as represents an important aspect of employee experience beyond the digital aspects. Empathetic organizations can address issues such as digital burnout and work-life balance, and are therefore attractive to potential recruits, and they achieve higher staff retention.

Because we can't change what we can't measure, many of these functions are supported by innovative approaches to analytics and metrics. Providers differ in their approaches, usually based on proprietary frameworks that can be used to assess employee ability, application performance, device availability and other key aspects. Based on information gathered, AI-based tools offer insights, which can then be used to drive change. Continuous monitoring can identify productivity bottlenecks, security breaches, waste and wellbeing issues. Monitoring can also help reduce organizational carbon footprint and operating costs by identifying assets that could be shut down or their consumption reduced.

The providers listed in these quadrants can bring essential expertise and strategic vision to help create the public sector of the future, with options suitable for most budgets. Whether seeking a complete package covering all four quadrant areas, or a single-purpose engagement, clients can use this report as a guide to identify providers that not only can provide the capabilities required, but are also well adapted to work with them.

> Public sector organizations have developed a new understanding of the importance of workplace resilience.

This study focuses on what is critical in 2022 for **Future of Work in the U.S. public sector**.

- **Workplace Strategy Transformation Services**
- **Managed Workplace Services - End User Technology**
- **Digital Service Desk and Workplace Support Services**
- **Managed Employee Experience Services**

Simplified Illustration Source: ISG 2022

Definition

This ISG Provider Lens™ Future of Work 2022 study offers IT buyers and decision-makers objective guidance on providers identified as Leaders, Rising Stars, Product Challengers, Market Challengers and Contenders, with experience in developing, selling and supporting digital workplace services for public sector entities in the U.S. Their services include strategic workplace transformation services, managed services to enable and support the digital environments of end users, and digital service desk and support services for workers and constituents being served.

As new digital business realities emerge and are increasingly disruptive, public sector organizations face tremendous pressure to improve how they operate to reduce costs and to modernize overall – all in an environment of reduced funds and diminished staffing. Their IT needs and challenges are similar to those of complex commercial enterprises, but, typically, with more restrictive acquisition, staffing, management, reporting and operational requirements. Objective insights, assessments and guidance are more valuable than ever to these organizations.

ISG's U.S. Public Sector advisory and consulting teams use these reports to help clients understand providers' capabilities and offerings suitable for their requirements. These studies also serve as competitive enablement and support for vendor and provider positioning, key relationships and go-to-market considerations.

Scope of the Report

In this ISG Provider Lens™ quadrant study, ISG includes the following four quadrants: Workplace Strategy Transformation Services, Managed Workplace Services – End User Technology, Digital Service Desk and Workplace Support Services, Managed Employee Experience Services.

This ISG Provider Lens™ study offers IT-decision makers with the following:

- Transparency on the strengths and weaknesses of relevant providers.

- A differentiated positioning of providers by segments

- Insights and guidance specific to the U.S. public sector. ISG's U.S. public sector coverage includes state and municipal government agencies; public health, education, and utility organizations; and non-governmental/

community service organizations (NGOs). ISG does not currently include the U.S. federal government in the scope of this study.

Our study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the suitability of solution vendors for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the IT service requirements from enterprise customers differ and the spectrum of IT providers operating in the local market is

sufficiently wide, a further differentiation of the IT providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions IT providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between US$20 million and US$999 million with central headquarters in the respective country, usually privately owned.

- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above US$1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product Challenger, Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

Number of providers in each quadrant: ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Sweet Spot - U.S. Public Sector Managed Employee Experience Services

Zones

Overview

Zones is a global IT solutions provider headquartered in Auburn, Washington. It has offices and technology solution centers in the U.S., Canada, Europe and India, among others, with strategic partners worldwide supporting multinational organizations. Zones' business practices focus on digital workplace, networking, cloud and data center, security, and managed professional and staffing services.

Key Provider Capabilities

Zones leverages its Devicecare services , self-service app, endpoint monitoring and predictive analytics, and automation-enabled services to provide an enhanced employee experience .

- **Automation and AI-driven experience:** Zones leverages AI-enabled cognitive bots to provide self-help capabilities. These bots integrate with tier 1 tools to provide access to knowledge management data libraries and user-initiated automated remediations. Zones also provides real-time translation services to enhance employee productivity and measures the end-user adoption rate for the number of automation runs to demonstrate the uptake of digital technologies. Zones' analytics on device performance, application faults and usage, and user feedback provide insights into the state of the workplace technology ecosystem.

- **Productivity, mobility and UCC services:** Zones provides virtual desktop environment assessment, design, implementation and management services for all leading market products from Microsoft, VMware and Citrix, among other vendors. It also offers migration and support services for productivity tools such as Office 365 and Google Workspace. The company further implements unified communication, voice and video solutions, such as those from Cisco and Avaya.

- **Apple managed services:** Zones provides dedicated support for Apple devices. It leverages technology solutions, such as Jamf, to manage Apple devices for end users, offering dedicated support and enhancing the employee experience.

Benefits Delivered

- Streamlined and prompt employee onboarding process

- Enhanced user digital dexterity with increasing adoption of digital tools

- Analytics-based insights into the impact of workplace technology on employee experience

Zones

Sweet Spot

- Zones is a preferred service provider for enterprise clients that have recently started their transformative journey toward employee experience management. Client IT organizations transforming themselves from issue resolvers to experience enhancers can consider Zones as a partner to help make such a transition.

- Device and support-specific analytics is often the first step toward enabling an enhanced employee experience environment for a large enterprise.

Zones' capabilities with analytics-driven experience measurement can support these initiatives with successful outcomes.

- Enterprise clients planning to enhance employee experience with the introduction of Apple devices can consider Zones owing to its dedicated support services provided for Apple products.

- Zones' services can facilitate easy onboarding of employees, enhance employee adoption of digital technologies, and ensure excellent device performance.

Future roadmap

Zones aims to strengthen its partnerships with OEMs and third-party vendors to enhance its capabilities. The company plans to improve its industry vertical focus. It offers device management services for the public sector, retail and healthcare, reinforcing its capabilities with a broad industry reach. Moreover, the company intends to increasingly focus on cloud-based virtual desktop capabilities and enhance its desktop-as-a-service capability. It has an offshore delivery center in India and plans to expand its managed services in Europe and the rest of APAC. It also plans to leverage metaverse to augment its managed services for supporting workplace collaboration, training and events.

Appendix

The ISG Provider Lens 2022 – Future of Work - Services and Solutions 2022 analyzes the relevant Solution vendors in the U.S. Public Sector market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology

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The research and analysis presented in this report includes research from the ISG Provider Lens program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of September 2022, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of Future of Work - Services and Solutions market

2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics

3. Interactive discussions with service providers/vendors on capabilities & use cases

4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)

5. Use of Star of Excellence CX-Data

6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.

7. Use of the following key evaluation criteria:

   * Strategy & vision

   * Tech Innovation

   * Brand awareness and presence in the market

   * Sales and partner landscape

   * Breadth and depth of portfolio of services offered

   * CX and Recommendation

Author & Editor Biographies

Lead Author

Richard M Marshall, PhD
Distinguished Analyst

Richard spotted the potential of smartphone apps very early on and founded Rapid Mobile Media, one of the first specialist firms dedicated to mobile. After 18 years of startups and growth companies, he switched tracks and joined Gartner to run its Application Design and Development team, producing many important Magic Quadrants and research notes and winning Gartner's 2015 awards for both Thought Leadership and Inquiry Excellence.

His post-Gartner career has focused on advising a broad range of emerging technology vendors. He holds a PhD in Computer Science from the University of Edinburgh.

Author

Bruce Guptill
Lead Author

Bruce Guptill brings more than 30 years of technology business and markets experience and expertise to ISG clients.

Bruce has helped develop and lead ISG's enterprise research development and delivery, global ISG Research operations, and Research client support. His primary research and analysis for ISG clients has focused on IT services market development, disruption, adaptation and change.

He currently leads U.S. Public Sector research for ISG's Provider Lens global research studies, and also leads IPL studies in procurement and software vendor partner ecosystems.

Bruce holds a Masters' degree in Marketing and Finance, and a B.A. combining business and mass media communication psychology. He also holds certifications in a wide range of software, hardware, and networking technologies, as well as in mechanical and electrical engineering disciplines.

Author & Editor Biographies

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Sonam Chawla is a senior analyst at ISG where she co-authors and supports Provider Lens™ studies on Microsoft Partner Ecosystem, Future of Work – Services and Solutions and Cybersecurity Solutions and Services. Sonam comes with five years of experience in the market research industry and is skilled in secondary research, report writing and company profiling. Her areas of expertise include digital workplace, enterprise collaboration, employee experience services, and conversational AI.

She supports lead analysts in the research process and authors Enterprise Context and the Global Summary reports, highlighting regional as well as global market trends and insights. In addition, she also handles custom engagement requests from providers and advisors. Prior to this role she has worked as research analyst, where she was responsible for authoring syndicated research reports as well as consulting on research projects.

IPL Product Owner

Jan Erik Aase
Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a partner and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens research, please visit this webpage.

ISG Research™

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ISG

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Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.For more information, visit www.isg-one.com.

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