

Future of Work (Workplace) - Services

A research report comparing provider strengths,
challenges and competitive differentiators



Customized report courtesy of:

ZONES™

Executive Summary 03

Introduction

Definition 06

Sweet Spot 08 – 12

Managed Workplace Services –
End-user Technology - Large Accounts 09

Managed Workplace Services –
End-user Technology - Mid Market 11

Appendix

Methodology & Team 14

Author & Editor Biographies 15

About Our Company & Research 17

Report Author: *Mrinal Rai*

The age of business-focused XLAs and generative AI has begun for workplace

When we analyzed the future of the work and workplace technology services and solutions market in 2022, we remarked that enterprise workplace leaders are at the center stage of the transformation. 2023 has experienced two significant developments so far. First, there is a growing concern about a possible economic slowdown. Second, there have been substantial developments in artificial intelligence technology. These developments, combined with the trends we observed last year, namely growing acceptance of hybrid working and increasing focus on sustainability and a tech-savvy workforce, are largely influencing enterprise workplace technology buying decisions.

Re-evaluating costs

Insights from ISG's recent enterprise survey with U.S. enterprise IT leaders reaffirm the growing concern over a possible economic downturn.

Amid slowdown speculations, discretionary spending is on hold. Clients have suspended investments in the latest technologies, such as metaverse (which generated much hype at the end of last year), if they do not translate into tangible business benefits. Clients have rated high availability and uninterrupted technology access as the most required attributes in their digital workplace service provider. The ability to showcase the economic impact and reduced costs follows this. Interestingly, based on ISG's interaction with many digital workplace service providers, employee experience (EX) takes precedence over cost consideration. This indicates that clients are less interested in enhanced EX initiatives that don't translate into tangible business benefits or cost optimization.

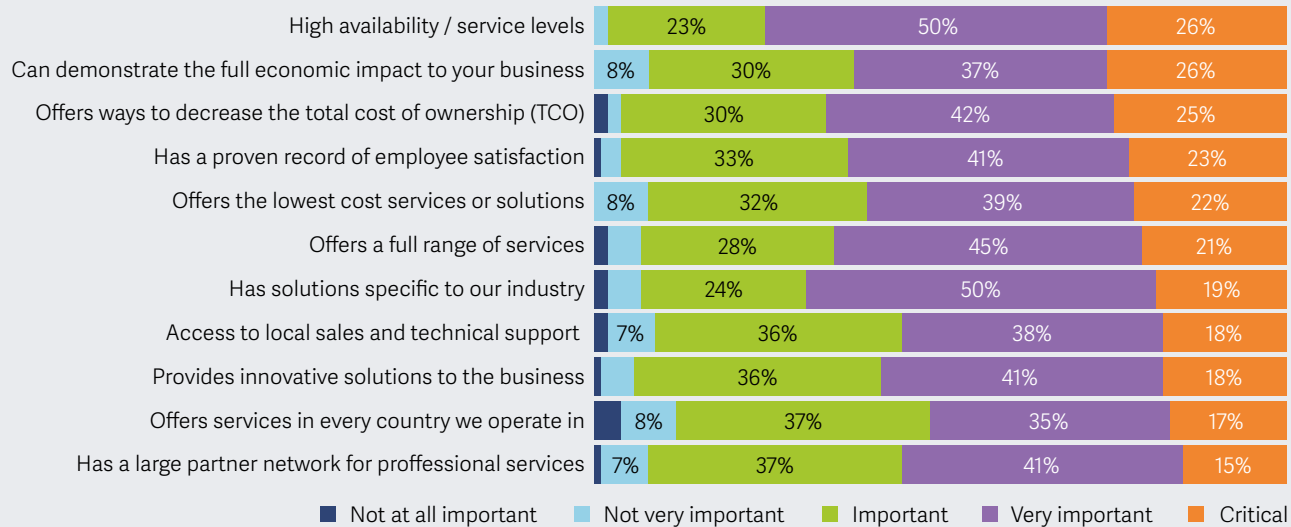
Collaboration and productivity drive hybrid working needs

ISG survey results offer interesting insights about clients' priorities. Clients prioritize employee productivity to decide whether employees should work from the office. They also consider end-customer experience and employee mental health.

With **business transformation-led XLAs** and a **generative AI outlook, 2023** is the year of stabilization.



Figure: How important are the following traits of a digital workplace service provider



Source: ISG Research 2023, n=101 U.S. enterprises

This shows a healthy mix of employee empathy and concerns about the ability to deliver to customers. A happy employee can contribute to achieving better customer experience. U.S. clients understand the relationship between high EX and enhanced CX. Many clients are also redesigning their physical workspaces to foster a more collaborative and participative working environment. According to the survey and other studies, U.S. clients allow about 40 percent of their workforce to work remotely.

Non-IT business functions participate in workplace technology buying decisions

The survey also shows that the human resource function is increasingly playing an important role among U.S. enterprises in determining workplace strategy and evaluating workplace solutions and services. As non-IT business functions increasingly play a significant role in workplace technology buying decisions, leading service providers must design and offer services that cater to them, which is difficult for many traditional end-user technology service providers. However, providers that can cater to both audiences are leading the market.



Increased focus on XLA models, digital technology adoption a key differentiator

ISG's work with enterprise clients has indicated that clients are open and, in some cases, proactive to outsourcing their workplace technology-managed services in an experience level agreement (XLA) model. Clients want to take a phased approach in adopting an XLA model. Many managed digital workplace service providers have had difficulty converting clients engaged through a traditional SLA model to an XLA model. However, most of their new clients currently use the XLA model. Service providers have realized the gap and are working toward mending the bridges by applying appropriate change management and technology adoption nudges. Those who have been successful in bringing their clients at the same or similar level of maturity with respect to experience measurement are leading this year's study.

Generative AI opens many possibilities for the workplace

At the beginning of 2023, generative AI technology took the world by storm. It holds many promises and opportunities to make man and machine work more effectively.

Shortly after the success and popularity of ChatGPT and large language models, major workplace productivity and collaboration solution technology providers started embedding the technology in their product portfolios. Beginning with Microsoft 365 Copilot and Duet AI for Google Workspace, almost all unified communications and collaboration technology providers started implementing generative AI technology in their products. The possibility of providing intelligent and human-like insights based on a large set of language and information distinguishes generative AI from other recent technological innovations. It can potentially bring large technological changes similar to those brought by Apple's iPhone. Both the consumer world and enterprises are adopting the technology simultaneously. Any technology that makes a breakthrough in the consumer world eventually finds its place in the workplace. From supporting IT service desk operations and enhancing users' ability to auto-resolve their IT issues to improving employee productivity while working on different applications, AI has multiple workplace use cases.

Bring-your-own-AI (BYOAI) users using different generative AI technologies may become common in the near future. Workplace technology and service providers may be required to manage and secure technology access. Both enterprise clients and managed workplace service providers are exploring and experimenting with this new powerful technology.

Based on the abovementioned trends, ISG considers the following three main areas of technology investments where clients work with managed service providers.

1. An overarching employee experience service requirement that focuses on providing necessary digital nudging to better define and implement XLAs. This also involves leveraging the latest technologies, such as generative AI and metaverse. Another important aspect of transforming EX is supporting the new smart physical workspace.
2. Extending the end-user technology management to support hybrid and remote working needs and ensuring uninterrupted technology access. This involves proactively managing and correcting IT issues.

3. Managing IT support by enabling user self-help, service desk and onsite support. This service is focused on enabling and enhancing end-user experience.

This report dives deep into these three areas of service provider comparisons and highlights providers that stand out with their differentiated offerings.

U.S. clients seek cost optimization, user productivity and a track record of employee experience from their digital workplace service providers.



This study evaluates **MSPs' capabilities** around the key **Future of Work services** across different regions

Simplified Illustration; Source: ISG 2023



Definition

From the future of work perspective, 2023 will be a year of stabilization. After the disruptions and challenges posed by the pandemic world and the “Great Resignation” that followed, global businesses have started adjusting to new realities and acknowledging the importance of employee experience (EX). EX transformation is now every business leader’s priority, along with adapting to changing customer demands, evolving technologies and becoming more conscientious and environmentally focused.

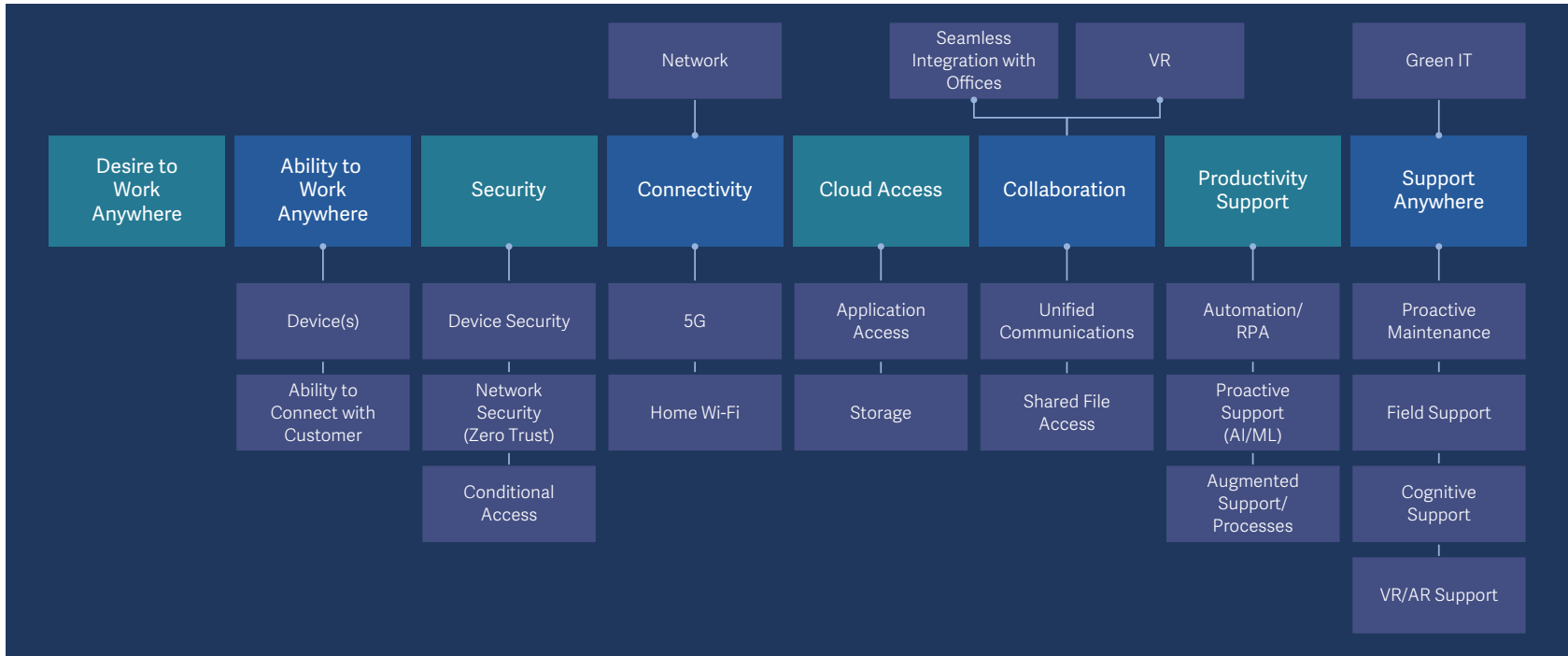
According to the new Future of Work technology landscape, technologies that support work from anywhere are only one of the components shown below.

While other ISG Provider Lens™ research covers the topics of Connectivity and Security, this research will focus on all the other aspects of the above landscape.

The Future of Work services landscape becomes wider as enterprises need assistance implementing and supporting an EX-centric technology model. As new decision makers get involved in tech investments that enable and engage with employees, clients must analyze the capabilities offered by different service providers in underlying technology enablement and maintenance, workplace tech support and overall experience transformation. As organizations take a holistic approach to EX transformation, strategy and consulting become an integral part of the approach. Hence, ISG has decided to merge this area with other services covered in the research this year. Another accompanying research study on technology providers will cover the solutions part for these services.



Figure: Key components of the Future of Work technology landscape





Sweet Spot

Zones

Overview

Zones is a global end-to-end IT solutions provider based in the U.S. It has offices and technology solution centers in the U.S., Canada, Europe, India and Australia, and has global strategic partnerships. Zones' core business practices focus on digital workplace, networking, cloud and data center, security, global supply chain services, and managed professional and staffing services.

Key Provider Capabilities

Zones categorizes its digital workplace services into three main towers: end-user support, workplace engineering and cognitive services. Within its end-user support, Zones offers omnichannel service desk and onsite dispatch services. Its workplace engineering services cover desktop engineering, communication collaboration and workplace security. In the cognitive services space, Zones offers auto resolution, self-healing and AI-driven endpoint management. Key differentiators for Zones for large accounts are:

Solid portfolio: Zones provides complete project management capabilities. Leveraging its professional services, the company offers design, planning, implementation, provisioning and configuration of IT

assets. It also ensures real-time visibility for asset management and offers services for install-move-add-configure/change (IMAC). Zones also provides field services, capitalizing on its extensive reach and local presence. Zones Innovation Centers assist clients with a strong foundation for their technology-led transformation journey.

Industry-focused services: Zones provides capabilities to support devices used in specific industries, such as point-of-sale devices and medical and clinical devices. It leverages partnerships with OEMs and other technology providers to offer these industry-specific solutions. The company has also built digital experience management (DEM) solutions to help clients achieve experience for end users.

Experience and credentials: Zones has an impressive roster of large enterprise clients for its digital workplace services in the U.S. It showcases examples of clients benefiting from its asset management expertise and the maintenance of global logistics and configuration centers across the U.S. and Canada. Zones leverages its strong partnerships to support OEM renegotiation and management on behalf of clients.

Benefits Delivered

- Zones provides significant cost advantages through its workplace technology investments, leveraging device lifecycle management, OEM partnerships, IT asset management and visibility solutions.
- The company offers additional professional services for consulting and innovation centers with partners and clients to develop new use cases aimed at enhancing the overall experience.



Zones

Sweet Spot

Zones can support the end-user technology managed services for large enterprise clients seeking to provision and deploy technology estate with visibility and management as primary goals.

It is also a suitable choice for clients based out of the U.S., with extended operations into Canada and Europe, seeking cost-effective device management with a strong focus on asset management.

Moreover, Zones can support clients in the retail and healthcare industry that aspire to enhance employee experience with specific device usage and industry-specific knowledge.

Zones is also prepared to support large enterprise clients in the U.S. and North America with a significant reliance on diverse OEMs and technology providers across the entire workplace technology ecosystem, spanning devices, network equipment, processors and virtual desktop solutions.

Among the large accounts, Zones finds its sweet spot among clients based in North America, particularly those where decision-making primarily resides with the CIO and the enterprise IT organization. In these cases, other horizontal business functions have limited or negligible influence, and the focus is on immediate process improvement, cost optimization and asset visibility.

Future roadmap

Zones has recently bolstered its service delivery capabilities from India and remains committed to enhance its global service center solutions from offshore locations. The company continues to target specialized business verticals beyond its established strongholds, such as retail and healthcare.

Additionally, Zones places a strong emphasis on immersive workplaces, leveraging cognitive chatbots to support and enhance end-user experience.



Zones

Overview

Zones is a global end-to-end IT solutions provider based in the U.S. It has offices and technology solution centers in the U.S., Canada, Europe, India and Australia, and has global strategic partnerships. Zones' core business practices focus on digital workplace, networking, cloud and data center, security, global supply chain services, and managed professional and staffing services.

Key Provider Capabilities

Zones offers a comprehensive services portfolio to assist midmarket clients in managing end-user technology. With its roots in the value-added reseller (VAR) business, it has a robust service catalog and offers predefined solutions for diverse end-user technology requirements, such as Windows 11 migration, device management and asset lifecycle management and modernization services. It also provides dedicated managed services for Apple devices. For the midmarket, it has the following differentiators:

Single provider for multiple needs: Zones offers a comprehensive service portfolio that covers hardware reselling and annual maintenance for its clients that would typically need the clients to work with

OEMs. It manages the entire device lifecycle management services, including procurement, enrollment and provisioning, along with asset disposition. Its DeviceCare services can provide remote support, and it also offers service desk and support services.

Verticalization and platformization: Zones provides verticalized solutions that can assist field workers in midmarket organizations and support industry-specific devices. Its platforms, such as ZonesConnect™, provide an e-commerce platform where users can shop and order IT solutions. Its Zones IntelliPlan is a self-service portal to raise requests and obtain assistance. Its enterprise platform provides end-to-end visibility for services and assets. It also offers a digital experience management (DEM) platform that provides predictive analytics and automation-led issue resolution.

Strong partnerships: Zones has strategic partnerships with global technology providers such as Apple, Microsoft, Dell and Intel and can support any technology ecosystem the midmarket client deals with.

Experience Enabler: Zones has established a "Zones Innovation Center" to assist IT decision-makers in exploring, providing hands-on experience, and building POC for better visualization of client's technology journey.

Benefits Delivered

- **Zones provides significant cost advantages with their workplace technology investments leveraging device lifecycle management, OEM partnerships, IT asset management and visibility solutions.**
- **Zones provides dedicated device management services and can support clients across local areas.**
- **Zones provides wide visibility toward the entire IT asset management lifecycle and can manage the entire device lifecycle management, including asset disposition, so that clients don't own any asset and can pay on XaaS usage model.**



Zones

Sweet Spot

Zones can support the end-user technology managed services for a midmarket client wanting to provision and deploy technology estate with visibility and management as goals.

Zones is also a good fit for midmarket clients based out of the U.S. seeking cost-effective device management with a strong focus on asset management.

Zones can support clients in the retail and healthcare industry that want to enhance EX with specific device usage and industry knowledge.

Zones can support the mobility requirement of midmarket clients by providing device management and virtual desktop services.

Among the midmarket accounts, Zones' sweet spot is the clients that are based in the U.S., with strong requirements for device lifecycle management and less focus on owning the assets. Clients with high requirements for Apple-specific devices can also benefit significantly from Zones' services.

Future roadmap

Zones has further strengthened its service delivery capabilities from India, opening another offshore delivery center. It continues to enhance its global service center solutions from offshore locations.

Zones continues to target focused business verticals beyond its strongholds, such as retail and healthcare.

Zones also focus on immersive workplaces leveraging cognitive chatbots to support end-user experience and IT automation by investing in experience management, proactive monitoring, and intelligence analytics for the overall improvement of the client experience.





Appendix

The ISG Provider Lens™ 2023 – Future of Work (Workplace) - Services report analyzes the relevant software vendors/service providers in the U.S. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research™ methodology.

Lead Author:

Mrinal Rai

Editors:

Priyanka Richi and Dona George

Research Analyst:

Sonam Chawla

Data Analysts:

Pooja Rani Nayak and Tishya Selvaraj

Consultant Advisor:

Jim Kane

Project Manager:

Swathi Amin

Information Services Group Inc. is solely responsible for the content of this report. Unless otherwise cited, all content, including illustrations, research, conclusions, assertions and positions contained in this report were developed by, and are the sole property of Information Services Group Inc.

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 August 2023, 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 (Workplace) - Services 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 Analyst

Mrinal Rai
Assistant Director and Principal Analyst

Mrinal Rai is the Principal Analyst for Digital Workplace and enterprise collaboration. His area of expertise is digital workplace services and enterprise social collaboration both from a technology and business point of view. He covers key areas around the Workplace and End User computing domain viz., modernizing workplace, Enterprise mobility, BYOD, VDI, managed workplace services, service desk and modernizing IT architecture. In Social business collaboration, he focuses on enterprise social software, content collaboration, team collaboration, social media management and chatbot platforms.

He has been with ISG for close to 10 years and has more than 14 years of industry experience. Mrinal works with ISG advisors and clients in engagements related to workplace modernization, social intranet, collaborative workplace, cloud-based VDI, end user computing and service desk. He is also the ISG official media spokesperson in India.



Co-author and Research Analyst

Sonam Chawla
Senior Analyst

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, Cybersecurity Solutions and Services. Sonam comes with an experience of over 5 years in 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 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 research director, principal analyst 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™

iSG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. iSG Research™ delivers guidance that helps businesses accelerate growth and create more value.

iSG offers research specifically about providers to state and local governments (including counties, cities) as well as higher education institutions. Visit: [Public Sector](#).

For more information about iSG Research™ subscriptions, please email contact@isg-one.com, call +1.203.454.3900, or visit research.isg-one.com.

iSG

iSG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 clients, including more than 75 of the world's top 100 enterprises, iSG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis.

Founded in 2006, and based in Stamford, Conn., iSG employs more than 1,600 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 isg-one.com.





SEPTEMBER, 2023

REPORT: FUTURE OF WORK (WORKPLACE) - SERVICES