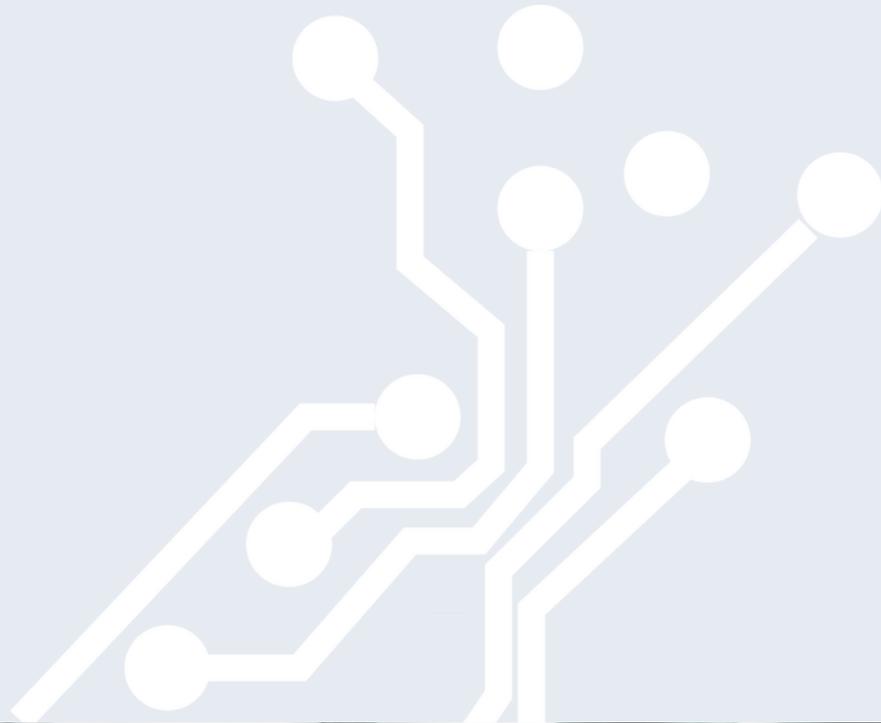


Executive summary

Digital Workplace in Europe

Objectives, status quo and
investment plans



Lead analyst: Dr. Andreas Stiehler
January 2017

Premium sponsors -----



Gold sponsors -----



Silver sponsor



TABLE OF CONTENTS

Background	3
Focus.....	3
Methodology.....	3
Core Results	4
Workplace Perceived as Business-Critical	5
Workplace Managers are Facing a Balancing Act	5
European Companies Show a Pronounced Need and Willingness to Invest	7
Digital Workplace index: Belgium and France in the Pole Position	8
Key Takeaways	9
About Hexaware	10
About SCC	11
About Matrix42.....	12
About NGA Human Resources.....	13
About Damovo.....	14
About PAC	15
Disclaimer, usage rights, independence and data protection.....	16

TABLE OF FIGURES

Fig. 1: Composition of sample	3
Fig. 2: Importance of quality and performance of IT work environments for the success of the companies' business	5
Fig. 3: Importance and fulfillment of goals for employee workplace modernization.....	6
Fig. 4: Central action fields of workplace modernization	6
Fig. 5: Goals of workplace modernization by importance	7
Fig. 6: Digital Workplace Index by country	8

Digital Workplace in Europe

Objectives, status quo and investment plans

Dr. Andreas Stiehler
Principal Analyst
January 2017

BACKGROUND

FOCUS

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

METHODOLOGY

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

This study provides a 360° view of critical issues related to workplace modernization in European enterprises.

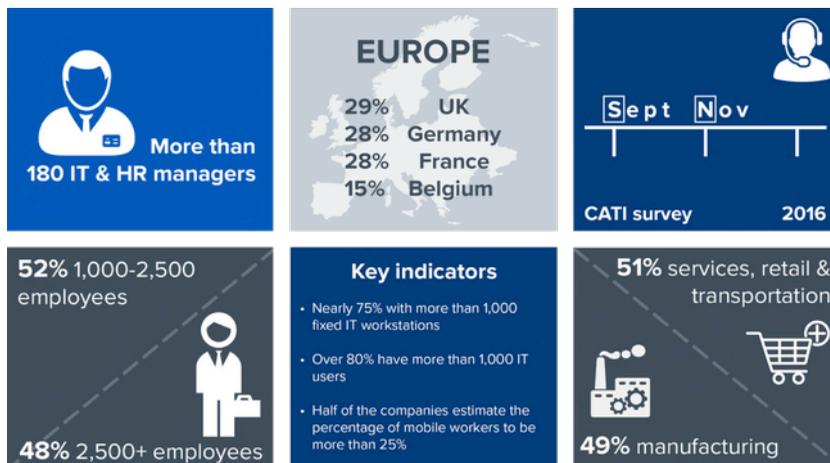


Fig. 1: Composition of sample

CORE RESULTS



The role of the workplace is changing.

Almost three quarters of IT and HR managers report a strong or critical importance of the quality of IT work environments for their companies' business success. In every second European company, workplace modernization has a high priority, but only in a small share of companies the topic appears on top of the investment agenda.



The business case of workplace modernization is changing.

In the past, workplace modernization was primarily driven by efficiency targets, but today's digital workplace projects must meet a diverse set of business goals. On the one hand, workplace managers are asked to increase employee satisfaction and support diverse business needs, including the promotion of collaboration and innovation. On the other, they must ensure a high degree of security and cost efficiency too. This conundrum can only be solved if 1) work environments are optimized from an end-to-end perspective and 2) new approaches to workplace strategy, design, operation, management and support are adopted.



There is a significant willingness and need to invest.

Almost two thirds of IT and HR managers plan to invest in modern workplace applications. Our results further indicate that companies in Europe are generally open to the adoption of more flexible and user-centric concepts, including unified endpoint management, central provisioning of workplace applications or self-service and analytics-based online support. However, many companies are still at an early stage with respect to the basics of workplace modernization. Respectively, also topics like UCC integration, network performance, infrastructure consolidation or improvement of HR access appear on top of the investment agenda.



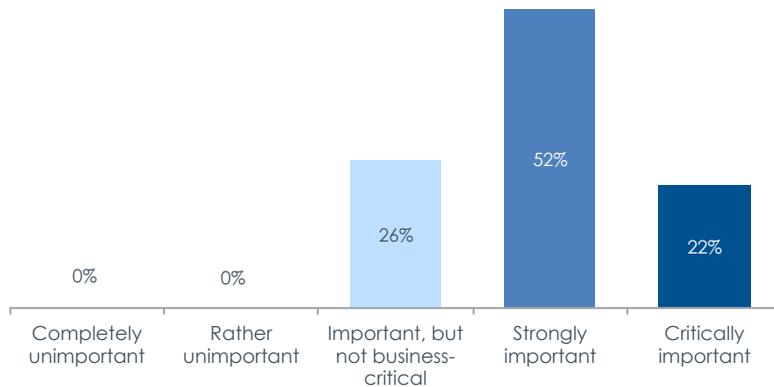
Digital Workplace Index: France and Belgium are forerunners

According to the Digital Workplace Index presented by PAC based on the study results, almost 40% of companies in Europe present themselves in a relatively advanced state, while about 10% are at an early beginning. French and Belgian companies turn out to be forerunners – in particular with respect to mobile working support and cloud affinity. Companies in Germany, in contrast, rather appear as latecomers, but show a pronounced willingness to invest. The results of our vertical analyses underline the increasing importance of a modern workplace infrastructure for the successful realization of (industrial) IoT concepts. In fact, the manufacturing industry shows an outstanding performance and willingness to invest with respect to workplace modernization.

The majority of enterprises in Europe are on their way to workplace modernization, but the realization of Digital Workplace as a holistic design and service concept, including respective paradigm changes, is still mostly in its infancy.

WORKPLACE PERCEIVED AS BUSINESS-CRITICAL

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



Breakdown of responses, expressed in % (n = 185)

© PAC - a CXP Group Company, 2017

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

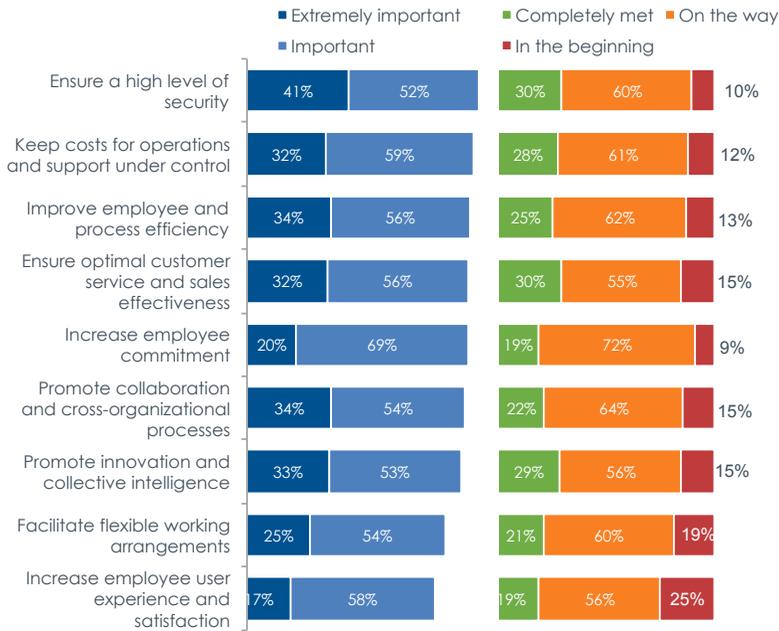
While almost three quarters of IT and HR managers confirmed the importance of modern IT work environments, the topic is typically not yet on the top of the investment agenda of European companies. Most of today's digital transformation initiatives actually focus primarily on the modernization of customer interfaces as well as the establishment of IoT infrastructures and big data factories.

WORKPLACE MANAGERS ARE FACING A BALANCING ACT

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

On the one hand, workplace managers are asked to increase employee satisfaction and support diverse business needs, including the promotion of collaboration and innovation. On the other, they must ensure a high degree of security and cost efficiency too. The majority of survey respondents report all these targets as important. But the survey results also indicate that most European enterprises have not been able to completely meet these changing targets.

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



"Unimportant" not shown

Breakdown of responses, expressed in % (n = 185)

© PAC - a CXP Group Company, 2017

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

Fig. 3: Importance and fulfillment of goals for employee workplace modernization

This conundrum can only be solved if 1) work environments are optimized from an end-to-end perspective and 2) new approaches to workplace strategy, design, operation, management and support are adopted.



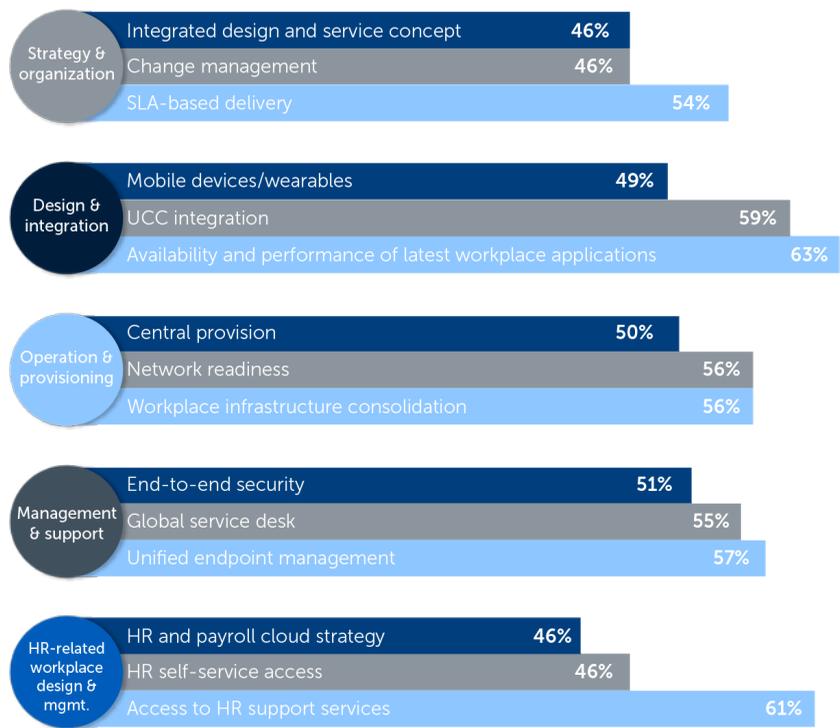
© PAC – a CXP Group Company, 2017

Fig. 4: Central action fields of workplace modernization

EUROPEAN COMPANIES SHOW A PRONOUNCED NEED AND WILLINGNESS TO INVEST

Almost two thirds of IT and HR managers plan to invest in modern workplace applications. Our results further indicate that companies in Europe are generally open to the adoption of more flexible and user-centric concepts with respect to workplace operation management and support. Respective issues on the investment agendas of many European companies include unified endpoint management, central provisioning of workplace applications, self-service und analytics-based online support as well as cloud-based HR services.

Companies in Europe are open to modern concepts of workplace operation, management and support, but they must invest in the basics of workplace modernization.



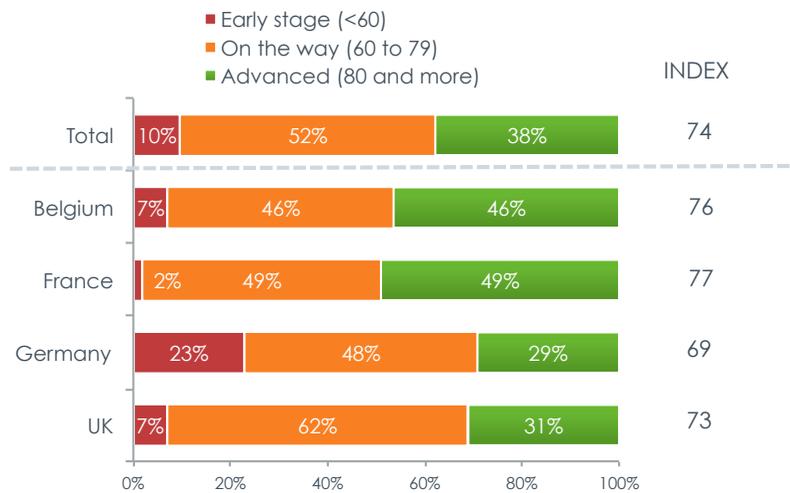
© PAC – a CXP Group Company, 2017

Fig. 5: Goals of workplace modernization by importance

However, many companies are still at an early stage with respect to the basics of workplace modernization. Respectively, also topics like UCC integration, network performance, infrastructure consolidation or improvement of HR access appear on top of the investment agenda.

DIGITAL WORKPLACE INDEX: BELGIUM AND FRANCE IN THE POLE POSITION

Based on PAC's Digital Workplace Index analysis and classification, almost 40% of companies in Europe present themselves in a relatively advanced state, while about 10% still are at an early beginning.



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

Fig. 6: Digital Workplace Index by country

The DWP index results also show strong regional differences.

- **Belgian** companies appear very advanced, in particularly with respect to mobile working support.
- **French** companies appear to be top performers with respect to workplace modernization. One remarkable feature is the openness to cloud-based solutions.
- **German** enterprises, on the one hand, are laggards when it comes to workplace transformation, and in particular the use of cloud offerings. On the other, the willingness to invest in this field seems to be particularly pronounced.
- The **UK** economy appears relatively advanced with respect to HR (cloud) service access, but a relatively weak performance in many other areas of workplace modernization. A main reason for this result might be the large share of service companies in the UK sample, which shows significantly lower performance than manufacturers in this regard.

In fact, the manufacturing industry shows an outstanding performance and willingness to invest with respect to workplace modernization. This result underlines the increasing importance of a modern workplace infrastructure for the successful realization of (industrial) IoT concepts.

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

KEY TAKEAWAYS

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

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

In increasingly digitized and knowledge-intensive businesses, modern workplaces are a key success factor. However, the topic appears a top priority on the investment agenda for less than 10%. Consequently, only a small share of companies has completely met central goals of workplace modernization today.

Use a holistic approach for workplace modernization and question traditional approaches.

Workplace modernization is a balancing act in which workplace managers are forced to improve collaboration and end-user experience while guaranteeing high security standards and keeping costs under control. This can only be successfully realized if workplaces are optimized holistically and traditional ways of workplace management, operation and support are rethought.

Start with the basics!

Our results indicate that companies in Europe are generally open to the adoption of modern concepts of workplace provisioning and support. However, many companies are still in an early stage with respect to workplace consolidation, infrastructure management or even SLA-based delivery. But "Managed diversity" and user-centric concepts build on a well-managed and consolidated infrastructure.

Be aware of regional peculiarities.

Our survey results show striking differences between regions and industries with respect to relevance, status quo and challenges. Particularly workplace managers in multi-national companies should carefully consider them when planning respective initiatives.

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

There are many results that seem to be surprising at first glance – most striking here is the outstanding performance of manufacturing companies. All these results are understandable if a new, digital perspective on workplace modernization is taken. This experience underlines that it is crucial for workplace managers to consider market and technology developments in the workplace segment from a new perspective – taking the specifics of the digital world into account.

ABOUT HEXAWARE

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

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

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

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

PREMIUM SPONSOR



Contact:

Girish Ravindran
Vice President- Europe,
Infrastructure Management
Services
Hexaware Technologies

Phone: +49 174 342 1887
Email: GirishR@hexaware.com

Hemant Vijn
Senior Vice President-IMS Services
Hexaware Technologies

Phone: +91 981 0887311
Email: HemantV@hexaware.com

ABOUT SCC

We enable people to do business by planning, supplying, integrating and managing their IT. We make IT work through partnership, knowledge and passion: trusted to run IT infrastructure and services for leading business across Europe for 40 years.

- Europe's largest independent technology solutions provider
- The technology division of Rigby Group PLC
- Profitable track record since 1975
- SCC Group revenues: 2,5M€
- SCC France REVENUE : 1,14M€
- Over 5,000 employees in EUROPE
- 2500 employees in FRANCE
- Supporting more than 5 million users
- Leading strategic partner to all key vendors.

PREMIUM SPONSOR



Contact:

SCC FRANCE

Phone: +33 1 41 91 33 33

Email: marketingscc@fr.scc.com

ABOUT MATRIX42

Matrix42 is a top provider of workspace management software. The company offers forward-thinking solutions for modern work environments under its 'Smarter Workspace – Better Life' motto. More than 3,000 customers around the world, including BMW, Infineon, and Carl Zeiss, currently manage approximately 3 million workstations using workspace management solutions from Matrix42.

Matrix42 operates successfully in eight countries – Germany, Austria, Switzerland, France, the Netherlands, the United Kingdom, Australia and the United States of America. The company's headquarters are in Frankfurt am Main, Germany.

Matrix42's products and solutions are designed to manage modern work environments simply and efficiently – across physical, virtual, and mobile workspaces.

Matrix42 focuses on user orientation, automation, and process optimization. The company's solutions meet the requirements of modern employees who want to work from any location using a wide range of devices, while also addressing the needs of IT departments and businesses.

Matrix42 offers its solutions to organizations across different sectors who value forward-looking and efficient workspace management. The company also successfully collaborates with partners who provide on-site consultation to Matrix42 customers. Some of these leading partners include TAP.DE Solutions GmbH, Consulting4IT GmbH, and DSP IT Service GmbH.

For further information, visit: www.matrix42.com.

GOLD SPONSOR



Matrix42
Elbinger Straße 7
60487 Frankfurt am Main
Deutschland

T: +49 6102 816 0
F: +49 6102 816 100
E: info@matrix42.com
www.matrix42.com

ABOUT NGA HUMAN RESOURCES

At NGA Human Resources, our mission is to make HR work better. We help organizations worldwide pioneer digital HR, master payroll, ensure compliance, unlock workforce data, and deliver best-in-class HR operations. As a result, HR leaders can create better employee experiences, save money, and transform their organizations.

We enable our clients to become better employers by designing, deploying, maintaining and operating HR as a service. Our HR business process services cover workforce management, time and attendance, local and global payroll, talent administration, and people analytics.

NGA Human Resources has been a leading provider of HR solutions for over 40 years. We are recognized as a driver of innovation in HR by leading market observers. Our 8,000 staff in 35 countries administer and reward 8 million employees in over 100 countries.

We have strategic alliances with HCM technology leaders including SAP, SuccessFactors, Workday and Oracle. What sets us apart is The NGA Advantage. It is a unique combination of deep HR experience and insight, advanced technology platforms and applications, and a global portfolio of flexible service delivery options.

For more information, please visit: www.ngahr.com

GOLD SPONSOR



Contact:

Simon Porter
Vice President Sales Digital HR
Mobile: +44 7802 202433
Email: simon.porter@ngahr.com

Aitor Vinos
Vice President Digital HR Services
Client & Market Leadership
Mobile: +34 629 106 531
Email: aitor.vinos@ngahr.com

ABOUT DAMOVO

Damovo delivers technology-enabled business efficiencies to enterprises around the world.

Our customers benefit from our 40 years of experience, expertise and ecosystem of industry partners. Through our consultative approach (understand, deliver and improve) we work with our customers to explore how technology can support their business objectives now and into the future. Our portfolio includes solutions around Unified Communications and Collaboration, Enterprise Networks, Contact Centers, Cloud Services and Global Managed Services.

Damovo has regional offices across Europe and a global capability spanning over 100 countries. Whatever the sector and wherever the geography, we give our 2,000 customers the tools they need to accomplish continuous business improvement.

Explore more at www.damovo.com.

SILVER SPONSOR

The Damovo logo consists of the word "DAMOVO" in a bold, dark red, sans-serif font. The letter 'A' is stylized with a white triangle pointing upwards inside it.

Damovo Group
Heerdter Lohweg 35
D - 40549 Dusseldorf

Dagmar Nies
Group Marketing Director

+49 211 8755-4106
dagmar.nies@damovo.com

ABOUT PAC

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

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

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

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

For more information, please visit: www.pac-online.com

PAC's latest news: www.pac-online.com/blog

Follow us on Twitter: [@PAC_Consultants](https://twitter.com/PAC_Consultants)



PAC - CXP Group
Holzstr. 26
80469 Munich, Germany
Tel.: +49 (0)89 23 23 68 0
Fax: +49 (0)89 71 96 265
info-germany@pac-online.com
www.pac-online.com

DISCLAIMER, USAGE RIGHTS, INDEPENDENCE AND DATA PROTECTION

The creation and distribution of this study was supported by Hexaware, SCC, Matrix42, NGA Human Resources, and Damovo.

For more information, please visit www.pac-online.com.

Disclaimer

The contents of this study were compiled with the greatest possible care. However, no liability for their accuracy can be assumed. Analyses and evaluations reflect the state of our knowledge in January 2017 and may change at any time. This applies in particular, but not exclusively, to statements made about the future. Names and designations that appear in this study may be registered trademarks.

Usage rights

This study is protected by copyright. Any reproduction or dissemination to third parties, including in part, requires the prior explicit authorization of the sponsors. The publication or dissemination of tables, graphics, etc. in other publications also requires prior authorization.

Independence and data protection

This study was produced by Pierre Audoin Consultants (PAC). The sponsors had no influence over the analysis of the data and the production of the study.

The participants in the study were assured that the information they provided would be treated confidentially. No statement enables conclusions to be drawn about individual companies, and no individual survey data was passed to the sponsors or other third parties. All participants in the study were selected at random. There is no connection between the production of the study and any commercial relationship between the respondents and the sponsors of this study.

