



# **Workplace Services Market Update 2015 – Left is Right for the Service Desk!**

Cloud & Infrastructure Services  
Market Report: July 2015 – Preview Deck

# Our research offerings for global services

## ▶ Market Vista™

Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

## ▶ BFSI<sup>1</sup> Information Technology

## ▶ BFSI<sup>1</sup> Business Process

## ▶ Healthcare & Life Sciences

## ▶ Application & Digital

## ▶ Cloud & Infrastructure

## ▶ Global Sourcing

## ▶ Locations Insider™

## ▶ PricePoint™

## ▶ Finance & Accounting

## ▶ Procurement

## ▶ Human Resources

## ▶ Recruitment Process

## ▶ Contact Center

## ▶ Transaction Intelligence

### Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

### Subscription information

- The full report is included in the following subscription(s)
  - **Cloud & Infrastructure**
- In addition to published research, a subscription may include analyst inquiry, data cuts, and other services
- If you want to learn whether your organization has a subscription agreement or request information on pricing and subscription options, please contact us



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<sup>1</sup> Banking, financial services, and insurance

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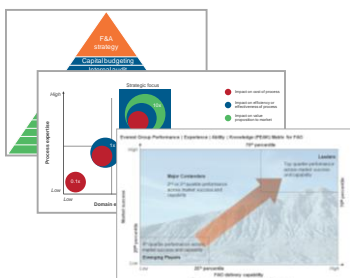
# Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry

- Market thought leadership
- Actionable and insightful research
- Syndicated and custom research deliverables

1

## Robust definitions and framework

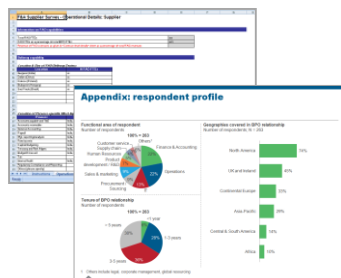
(PEAK Matrix, market maturity, and technology adoption/investment)



2

## Primary sources of information

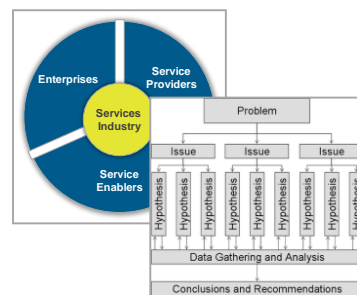
(Annual contractual and operational RFIs, service provider briefings, and market feedback)



3

## Diverse set of market touchpoints

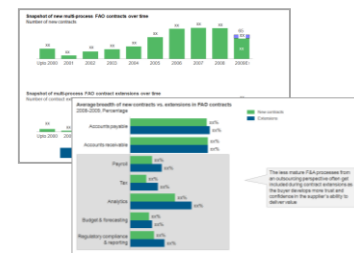
(Ongoing interactions with key stakeholders, input from a mix of perspectives and interests, as well as support data analysis and thought leadership)



4

## Fact-based research

(Data-driven analysis with expert perspectives, trend-analysis across market adoption, contracting, and service providers)



- Annual RFI process and interaction with leading IT infrastructure / workplace service providers
- Dedicated team for IT infrastructure / workplace services adoption trends
- Over 20 years of experience in advising clients on global services decisions
- Executive-level relationships with buyers, service providers, technology providers, and industry associations

# Everest Group's workplace services research is based on two key sources of proprietary information

- 1 Everest Group's annual RFI process with leading IT infrastructure and workplace service providers, followed by briefing sessions with their leadership teams
  - Key elements covered in these interactions include:
    - Focus areas and initiatives for workplace delivery models
    - Scale of workplace operations and delivery locations
    - Areas of investment within the workplace space

- 2 Everest Group's proprietary transaction intelligence database that tracks publicly-announced outsourcing deals
  - The database has more than 22,000 IT and BPO contracts. Over 8,000 of these contracts have infrastructure outsourcing in scope
  - The database provides insights on:
    - Buyers
    - Industry verticals
    - Scope of services (datacenter, network, end-user, etc.)
    - Geographic scope
    - Contract details (deal size, duration, etc.)

## Service providers reached out for the analysis



Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information, that is contract-specific, will be presented back to the industry only in an aggregated fashion

# This report focuses on workplace services and offers insights on trends that are shaping up this market

Focus of this research

NOT EXHAUSTIVE

## Workplace services – market definition

### Design and implementation services

Design, migration, consolidation, integration, change management, and validation

### Management/run services

Ongoing management, monitoring, security management, support, and other operations/services

### Consulting/assessment services

Assessment & evaluation, consulting & strategy formulation, and TCO / Return on Investment (RoI) analysis

#### Service desk

*End-to-end incident/request management, resolution support, self-healing / self-help solutions, and VIP support*

#### Deskside support / client-site support services

*Install, Move, Add, Change (IMAC) services, maintenance, support, and disposal services for end-user devices*

#### Unified communications

*Messaging, collaboration, telephony, and enterprise LAN/WAN*

#### Asset management

*Procurement, deployment, financial reporting, and management of IT assets (hardware/software)*

#### Infrastructure application

*Directory services, file & print services, and remote access management*

#### Desktop management and virtualization

- Assessment, design, and deployment services
- Virtual desktop management including patch & image management and desktop-as-a-service
- Security management: Profile management for anti-virus, security monitoring, etc.
- Desktop application management including packaging, imaging, distribution, patching, and on-demand provisioning

#### Mobility / Bring Your Own Device (BYOD)

*End-to-end services including assessment, strategy formulation, policy and security, platform evaluation, infrastructure implementation, and managed services*

#### Workspace-as-a-service

# Summary of key messages (page 1 of 2)

Rapid device and application proliferation, technology disruptions, globalization of businesses, and burgeoning IT costs are pushing enterprises to invest in radical service desk optimization initiatives. Everest Group believes that a carefully implemented “shift-left” strategy can help enterprises realize up to 20-30% cost savings through ticket elimination and resolution cost / time reduction. However, a strong commitment from, and collaboration between business and IT will be critical to drive a successful service desk transformation exercise.

This research provides fact-based trends impacting the workplace services market. It analyzes multiple aspects such as overall workplace service market size, deal sizes, deal durations, and pricing models. Buyers will gain by understanding these trends and evolving their sourcing portfolio accordingly. Service providers will benefit by aligning their strategy to cater to these trends.

**Some of the findings in this report, among others, are:**

## Major highlights and key trends

- The workplace services market is expected to grow by 2-4% per annum over the coming years and will outpace the broader infrastructure services market
- Rapid proliferation of applications and devices, and increasing adoption of cloud and automation will propel the workplace services market

## Overview

- More than 70% enterprises opted for mid-term workplace services deals (with a duration of three to five years) as they looked to guard against technology and vendor lock-in
- Output-based pricing models have more or less become a norm with ~95% workplace services engagements incorporating a fixed pricing element

## Summary of key messages (page 2 of 2)

### Buyer adoption

- While BFSI and public sector lead the workplace services market, adoption in verticals such as manufacturing, healthcare & life sciences, and retail is expected to grow faster
- North America and Europe currently dominate workplace services adoption – the regions, together, accounted for more than 80% of deals signed over the last three years
- In regions such as Asia Pacific and Latin America, the focus of enterprises is primarily to realize immediate productivity gains, rather than running a large transformational agenda for their workplace environment

### Outlook for 2015-2016

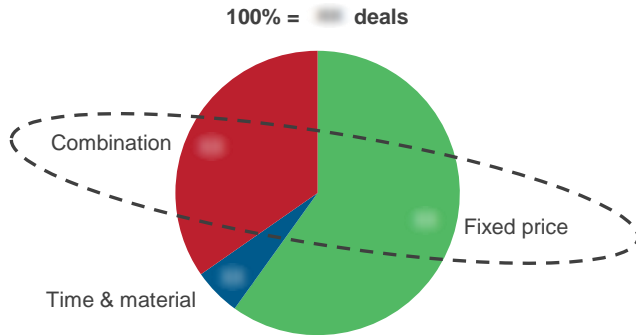
- Focus on persona-based services will continue to grow – enterprises will increasingly leverage user surveys, usability services, and workplace analytics to design service delivery specific to individual workforce segments
- Legacy confusions/concerns around Virtual Desktop Infrastructure (VDI) and desktop-as-a-service (DaaS) such as cost effectiveness, storage requirements, and security will continue to diminish with enterprises looking to adopt these concepts across larger parts of their organization



# Service desk transformational initiatives have hit the next level

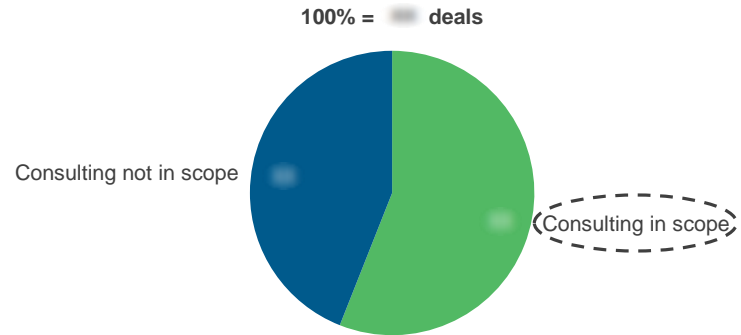
## Output-based pricing has become a norm

Adoption trends in workplace services engagements – by pricing model  
2012-2014; Number of deals



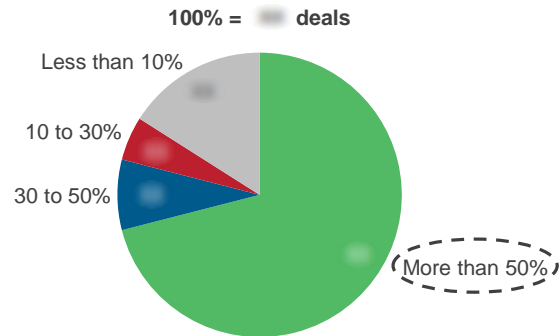
## High demand for workplace consulting services

Adoption trends in workplace services engagements – inclusion of consulting services  
2012-2014; Number of deals

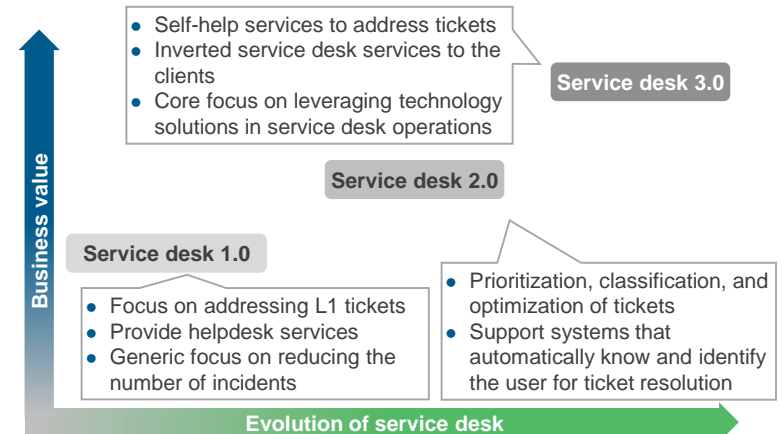


## Offshore-centric delivery capabilities remain relevant

Offshore leverage in workplace services engagements – by percentage of FTEs located offshore  
2012-2014; Number of deals



## Service desk transformation hits the next level



Source: Everest Group (2015)

# Cloud and Infrastructure Services research calendar

Topic	<div> <div></div> Published           <div></div> Current         </div> Release date
Optimizing IT Service Delivery: Technology is the Answer .....	February 2015
Enterprise Cloud Adoption – Solving the Pricing Conundrum .....	March 2015
Enterprise Cloud Services – Annual Report 2015: “Contracting Remains Cloudy” .....	March 2015
Upcoming Contract Renewals – Infrastructure Services .....	March 2015
Workplace Services – PEAK Matrix™ Assessment and Profiles Compendium .....	June 2015
Infrastructure Services – Annual Report 2015: “Digital Businesses: Mind Your Security” .....	July 2015
Workplace Services Market Update 2015 – Left is Right for the Service Desk! .....	July 2015
PEAK Matrix – Hosted private cloud services .....	Q3 2015
PEAK Matrix – Private cloud IT services .....	Q3 2015
PEAK Matrix – Workplace services – Europe .....	Q3 2015
Impact of open source on infrastructure .....	Q4 2015
PEAK Matrix – Managed security services .....	Q4 2015

# Additional research recommendations

The following documents are recommended for additional insight into the topic covered in this research. These documents either provide additional details on the topic, or complementary content which may be of interest

1. **Infrastructure Services – Annual Report 2015: “Digital Businesses: Mind Your Security”** ([EGR-2015-4-R-1502](#)); 2015. Enterprises cite security as a major concern in digital adoption. Despite that a significant proportion of them have not sufficiently invested in attaining the requisite level of security in their IT infrastructure ecosystem. This annual research analyses these key trends and provides data-driven facts and perspectives on the overall IS services market. The research covers IS adoption trends, demand drivers, key buyer initiatives, and pricing trends, amongst others
2. **Workplace Services – PEAK Matrix™ Assessment and Profiles Compendium** ([EGR-2015-4-R-1462](#)); 2015. Today's enterprise workplace is characterized by a strong focus on improving the overall end-user experience by offering secure and on-demand access to applications and data across the devices of choice, based on the individual personas of the users. Service providers are investing to ramp up their capabilities, build up scale, and develop and acquire IP to align their capabilities with changing market dynamics. This report provides the assessment and detailed profiles of 23 IT service providers featured on Everest Group's Workplace Services PEAK Matrix

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## About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com) and [research.everestgrp.com](http://research.everestgrp.com).

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