MANAGING DIGITAL EMPLOYEE EXPERIENCE TO STAY AHEAD OF THE CURVE

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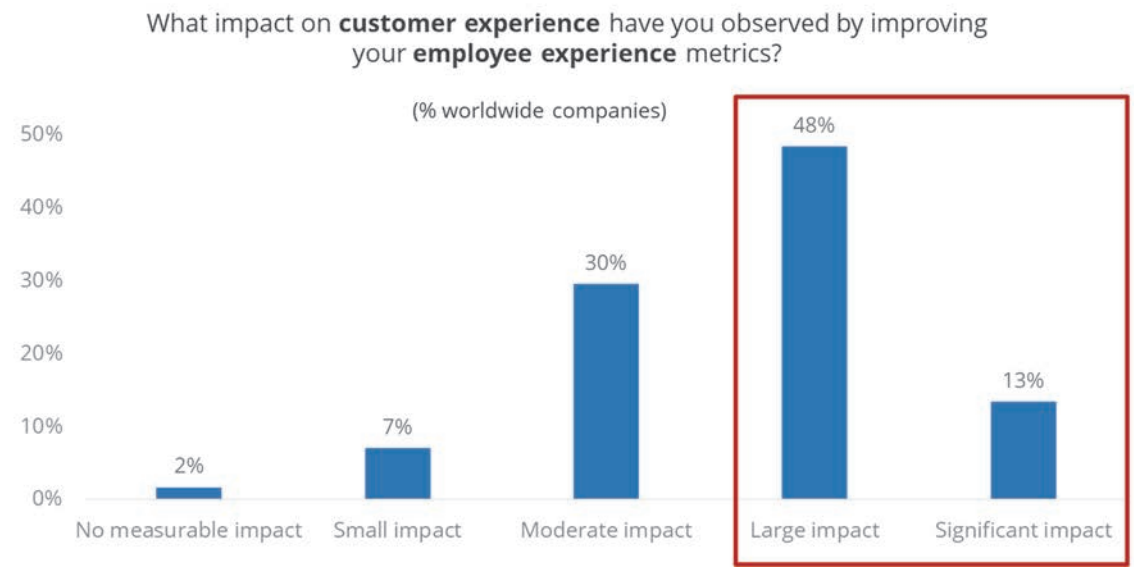
Beyond Productivity: Transformation in the Experience Economy

As economies recover from the deepest recession in nearly a century, enterprises across industries are looking at digital transformation (DX) as the panacea to survive and thrive in the new era. IDC forecasts that $10.7 trillion will be invested worldwide in 2021–2025 in digital technologies alone.

However, for many companies, the road to digitization can be a slow one, and globally, we see 62% are still far behind that goal. IDC surveys also show that productivity is cited as the top benefit derived from DX investments. Companies are keen to "get the job done" and that is understandable after lockdowns and business disruption, but does this approach lack vision and miss the goal of DX? Is productivity enough to be ahead of the curve?

As we embark on the experience economy era, companies need to create new business value, and productivity alone is not enough. DX cannot be only a digital goal (the "D" in DX) and needs to be the enabler for business transformation and new value as a competitive advantage. The experience economy is successfully delivering new customer engagement models, creating customer loyalty and new business value, but it is also a fundamental pillar for employee engagement. Delivering a superior experience at work creates employee loyalty and, more importantly, empowers people to create new business value and be ahead of the curve. IDC research shows that improving employee experience has a large or significant impact on customer experience (see Figure 1).

FIGURE 1
The Impact of Employee Experience on Customer Experience



Source: Future Enterprise Resilience and Spending Survey, IDC, July 2021

While many factors contribute to a good work experience, equipping employees with the right tools and technology is what makes them happiest. When digital tools are fully embraced and utilized, employees grow, connect with each other, and transform their business.

Digital employee experience is inclusive and delivered to everyone in the organization, regardless of their role, seniority, and digital dexterity. It is a critical component to address the challenges created by recent socioeconomic shifts:

- The fast pace of technology change, which requires levelling up of digital literacy and an inclusive digital culture so that the entire organization can transform and deliver value
- Increasing employee expectations around flexible working models and well-being, and consequently the need to attract and retain talent
- Changing market conditions, which requires organizational agility and connectedness internally and externally with third parties (e.g., gig workers, customers, and partners) for an effective response

The digital journey is not easy or free of obstacles for any organization, but those that invest in digital employee experience will get ahead and stay ahead of the curve.

IT Support: High Touch, Reactive, and Labor Intensive

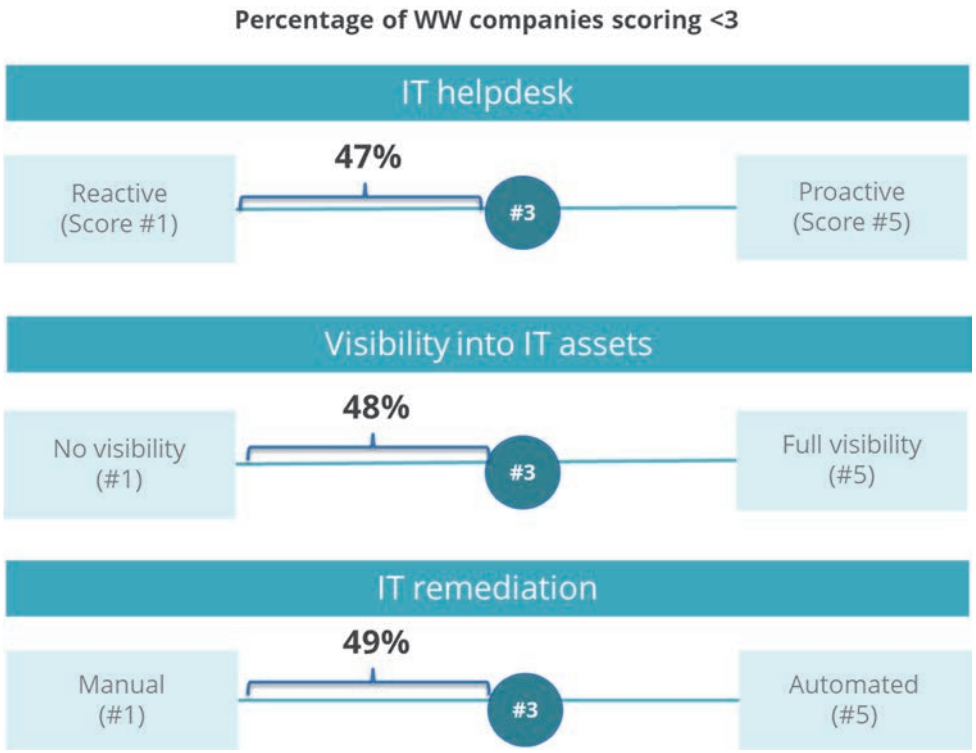
The provisioning of a good digital employee experience resides with the IT department and ultimately with the IT support team. However, the tooling and capabilities of many companies are not designed for the new era.

At the peak of the pandemic in March 2021, IT support was the main challenge to support a distributed workforce, according to IDC sources. As people shifted to remote working overnight, the IT support model, characterized by being high touch, reactive, and labor intensive (Figure 2), broke into pieces.

- IT support lacked the tooling and intelligence to proactively identify problems before they escalated and largely impacted their organization. Their reactive approach created bottlenecks in service delivery, which compromised SLAs.
- Helpdesk teams used labor-intensive remediation. Their manual processes failed to meet the high volume of helpdesk tickets and requests arising from a distributed workforce.
- IT teams had limited visibility of IT assets in a remote working environment, as their support was primarily delivered on site. Their high-touch model was unsuitable to managing and securing a remote working environment. For some, this limited visibility was a willful blindness as, despite business disruption and employee frustration, their SLAs were met. This is often referred to as the "watermelon effect" (green SLA reporting, but red employee sentiment with dissatisfaction).

FIGURE 2

IT Support: High Touch, Reactive, and Labor Intensive



Source: Future of Work Survey, IDC, April 2021

The current IT support model will not be fixed by going back to the "old normal" and restoring the traditional workplace, as some employers want. IDC forecasts show that only 23% of European office workers will work full time in their offices, with the rest opting for a hybrid or fully remote model.

IT support needs a complete overhaul in the current experiential era and must place the employee at the center of their design and development.

The Hidden Costs of Digital Employee Experience

Digital employee experience (DEX) is critical and yet it is rarely measured ("You can't manage what you can't measure," as Peter Drucker once said). Only one in five companies claims to measure digital employee experience, according to IDC studies.

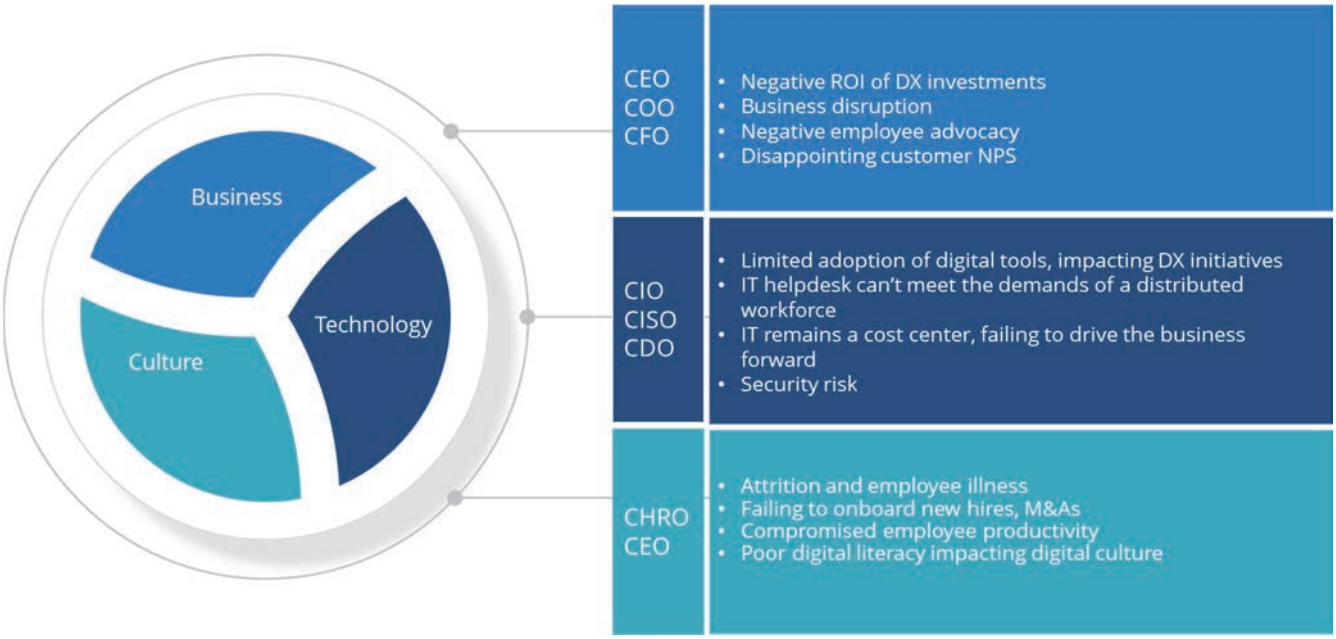
What are the hidden costs of a poor employee experience? What's the opportunity cost of getting this wrong? And, most importantly, what's the urgency? What happens if no action is taken now and in 18 months?

The impact of a poor digital employee experience is manifest across different departments in an organization (see Figure 3). Given its strategic importance, the C-suite is ultimately badly affected, impacting critical areas of the business:

- Neglecting employee sentiment can result in attrition and/or poor health, which is the most pressing organizational problem for companies at present.

- Limited visibility into how employees are adopting new digital tools, either because of poor training or lack of interest, has multiple implications:
  - Financial, impacting the value realization of technology investments
  - Cultural, by failing to bring the right change management program for digital literacy or by failing to onboard new employees or an entire organization in the event of M&As
  - Technological, risking the success of digital initiatives
- A reactive helpdesk approach to resolving end-user computing problems threatens the agility of the business and even its survival:
  - IT downtime can cause business disruption, bringing critical areas of the business to a halt.
  - Employee productivity and the ability to respond to customers in a timely manner can be compromised.
  - Poor customer service can impact NPS scores and revenues.
  - The IT department is effectively a cost center, focusing on troubleshooting, and not a revenue center supporting the business with growth and innovation.
  - The IT helpdesk can't keep up with the new demands and expectations of a distributed workforce.
  - IT departments can find it difficult to identify new threats and vulnerabilities in their IT architecture, risking their security posture.

FIGURE 3
Impact of a Poor Digital Employee Experience



Source: IDC, 2022

EX at the Heart of a High-Performing Digital Culture

IDC research shows that modernizing the work environment is one of the top 3 strategic priorities for boards of directors worldwide, with technology investments primarily driven by financial reasons, including cost savings, profitability, and revenue growth. Interestingly, the importance of employee experience varies according to the performance of the company, but those that are "best in class" rank it as a top driver in workplace transformation.

The physical workplace is taking center stage in press and board discussions as companies are defining new ways of working. However, high-performing companies (or "best in class") are aware that culture matters most to drive business success. They acknowledge that a great workplace is not just about superb office locations, perks, and benefits. Even top-notch technology can be useless if not embraced ("Technology is as good as the people who use it," according to the CIO of a global manufacturing company). The best asset of a high-performing company is its people.

High performers invest in their workforce, with enabling technologies and a digital culture of empowerment, inclusiveness, and transformation. Moreover, the digital experience is the baseline to make this happen, connecting the dots across business performance, culture, and employee engagement.

High-performing companies enable their employees to become the best "technologists" they can be, and this starts with experience. Their goal goes beyond "getting the job done" and productivity metrics. Tooling and information are democratized across the organization, so that everyone can bring new value and transformation. High performers let their employees build their own bots and become "citizen developers," so that they can design their own digital experience.

Developing culture and digital experiences cannot be left to individual departments, as tactical and siloed moves will fail to make any broad impact. It is the C-suite that jointly defines it and develops a strategy and goals, and the IT department that executes it with relevant tooling for measurement and management.

Understanding Digital Employee Experience

To drive a good digital employee experience, IT departments need first to understand what truly matters to users. The watermelon effect needs to be addressed from its core: why are employees frustrated? What is interfering in their job? What would help them feel empowered?

Digital employee experience can be very personal, combining factors such as role, digital dexterity, seniority, and general expectations of what "good" means for them. Moreover, it's never a static baseline, but a moving target evolving rapidly, hence the need for a holistic and dynamic approach in its management.

As IT departments are tasked to "delight users" in every interaction, their KPIs must change as a result. Some organizations have shifted their performance models from SLAs to experience-level agreements (XLAs), focusing on the outcome and impact on employees as a measure of success.

Furthermore, the IT department can no longer be relegated to a back-office function. DEX calls for an entire transformation of the IT support role to drive the business forward — moving away from managing conflict and reacting when things go wrong.

This shift from reactively to proactively managing experience cannot be done alone and requires the intelligence and automation capabilities of a digital employee experience management (DEEM) solution.

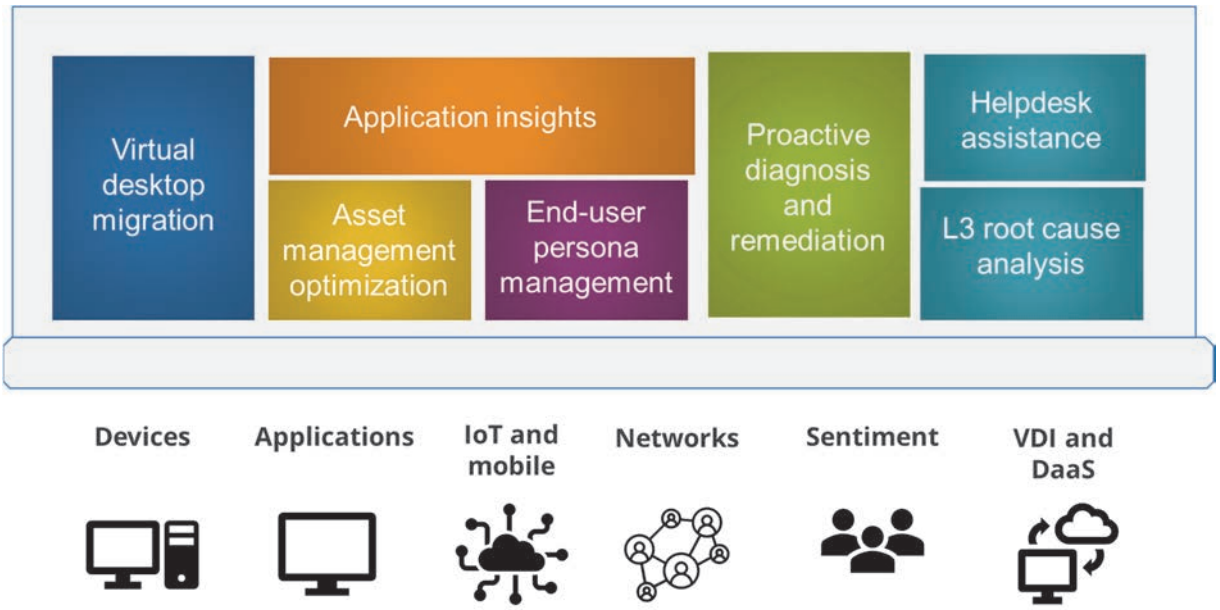
Digital Employee Experience Management Solutions

A DEEM solution helps organizations proactively measure, analyze, and optimize their employees' digital experience, anywhere, anytime, and in any device with extensive telemetry data and intelligent sentiment analysis. A DEEM platform consists of at least the following core components:

- Rich real-time insights that provide a holistic view of employee digital experience
- Root cause analysis, automation at the edge, and predictive analytics that help minimize the impact of IT problems
- A cloud-optimized platform that supports a distributed workforce across multiple devices (PCs, mobile, applications, IoT, etc.)

DEEM ensures all employees have a digital employee experience that is effective, reliable, secure, and always well connected, through the following capabilities (see Figure 4):

FIGURE 4
Core Capabilities of a Digital Employee Experience Management Solution



Source: IDC, 2022

Helpdesk Assistance

DEEM solutions identify and resolve IT issues quickly. With it, L1 teams can improve first contact resolution (FCR) times, and orchestrate and escalate L2/L3 calls faster and with lower mean time to resolve (MTTR). Resolutions can be automated.

Business benefit:

L1 teams are more efficient and responsive in addressing IT problems. Affected employees can be surveyed for overall satisfaction, which improves overall sentiment and engagement.

Complex Root Cause Analysis

DEEM solutions can support L3 teams with complex issues by providing one single source of truth with visibility across users, devices, applications, connectivity, and resource consumption. They can provide engineering-level analytics for root cause analysis.

Business benefit:

DEEM solutions can massively scale and effectively address complex estate-wide incidents in remote working environments, minimizing employee downtime. L3 teams are more efficient and responsive in addressing complex IT problems.

Proactive Diagnosis and Remediation

DEEM solutions can integrate AIOps capabilities for predictive insights and automated remediation. AIOps can discover patterns and anomalies (and proactively eliminate unknown issues impacting user health) and make actionable predictions to support IT decision making. They can apply mass remediations.

Business benefit:

AIOps can proactively identify issues before they cause any employee downtime and even prioritize those that are most at risk. They can free up IT teams to focus on higher-value tasks, and they can assess the impact of introducing new digital technology on users and identify problems in its adoption and use.

Asset Management Optimization

DEEM can provide visibility into the utilization of IT assets and identify inefficiencies such as unused software and hardware or under-performing resources.

Business benefit:

DEEM ensures that IT resources are a good fit for the workforce's needs. IT procurement is optimized (controlling and reducing costs in refresh cycles) and IT maintenance is up to date.

Application Insights

DEEM can audit installed application software and provide details about its version, patches, licenses, and so on, and helps to understand how users are engaging with apps, such as how often an app is launched and the time spent using it. It can shed light on version control issues (and impact on performance) and help with standardization.

Business benefit:

DEEM can support change management programs for digital literacy and identify when specific training and support is needed. IT teams spend less time on maintaining applications.

Virtual Desktop Migration

DEEM can assist with the complex undertaking of deploying a VDI solution, as the latter affects many aspects of the IT infrastructure including hardware resources, software and licensing, networking and firewalls, and storage. DEEM can provide sizing recommendations for virtual workspaces and apply an automation model that helps reduce the complexity and risk involved in VDI migrations.

Business benefit:

DEEM can support change management decisions for digital initiatives involving VDI. IT teams can review vendor claims using real-time telemetry data.

End-User Persona Management

DEEM can better profile the individual and changing IT needs of employees by taking into account not only their role but also their work styles and behaviors. Good segmentation based on real insights is crucial for digital experience.

DEEM creates dynamic end-user personas by identifying how employees use technology, grouping users into clusters, and maintaining them as employees join and leave a company.

This end-user segmentation helps IT departments to provide personalized helpdesk support and enables a better understanding of employee well-being. Insight into engagement with core applications and even hours worked provides a clearer view of employee satisfaction.

Business benefit:

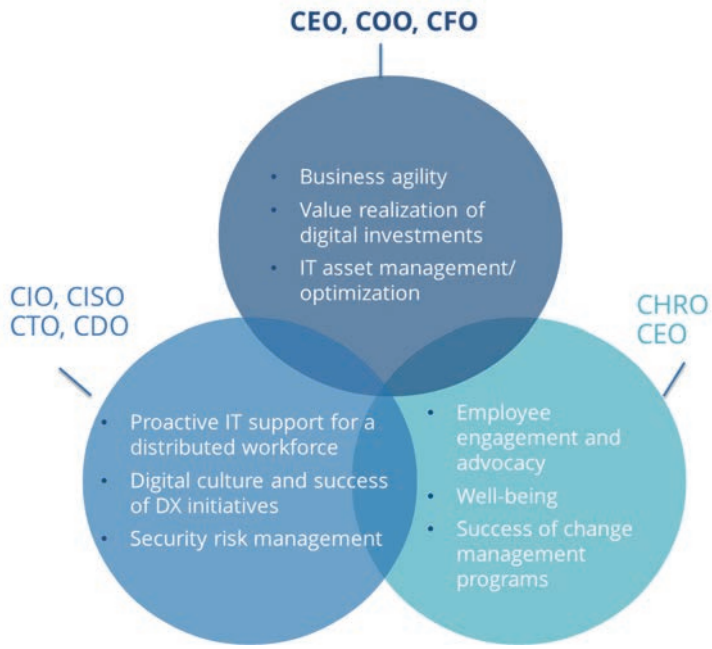
DEEM can improve the onboarding of new hires and generally their engagement and connection with the company, which is crucial in the first few days in a new job. IT provisioning can be better facilitated when employees move internally across departments. Refresh cycles, rather than taking a "one-size-fits-all" approach, can be fine-tuned depending on usage.

DEEM Impact on the C-Suite and the Employee

DEEM is instrumental for business performance, impacting the strategy goals of the C-suite (see Figure 5):

- DEEM impacts financial revenues by improving end-user productivity, helpdesk efficiencies, and asset optimization, and generally enabling business agility in a changeable environment. This is of relevance for the CEO, COO, and CFO.
- IT decision makers, including CIOs and CTOs, as well as CISOs and chief digital officers (CDOs), largely benefit from DEEM. Thanks to its intelligence and automation capabilities, IT teams are better equipped to address IT support issues, security updates, BYOx environments, and digital technology migrations.
- DEEM is critical to nourish a digital culture in organizations, assisting with relevant insights (for example, adoption and usage of technology) for change management programs and required digital literacy. This also translates into employee engagement and advocacy, which is of critical concern for CHROs and CEOs.

FIGURE 5
DEEM Impact on the C-Suite



Source: IDC, 2022

The impact on the employee cannot be underestimated. To illustrate this, we have created a fictional character called Ms. Stone, who has joined a local hospital as a locum consultant pediatrician for six months. DEEM enhances her digital experience through the following use cases:

- Ms. Stone is equipped with the relevant IT devices and apps when she arrives on her first day. A few days later, to support her work from home in the evening, she's provided with a thin client laptop and VDI for secure remote access.
- Ms. Stone treats children in critical care and her IT needs are resolved promptly. She hardly noticed the disruption resulting from a software upgrade affecting the entire hospital. Her IT equipment was prioritized, and the problem dealt with in minutes.
- Her hospital is going through a major IT modernization program, involving the migration of the patient record system to a private cloud platform. Ms. Stone finds it difficult to navigate the new system in the first few days, but the hospital's IT team, which is aware of the problem, brings her up to speed with a face-to-face induction session.
- Ms. Stone feels her voice is heard when regular surveys capture her thoughts on IT performance issues.
- Ms. Stone is nearing the end of her six-month contract at the hospital. Her positive digital experience during her stay has translated into high-quality care for her young patients, transforming their lives. She has loved working at her local hospital and would recommend it to anyone.

Key Takeaways

There is little doubt that both the world and your organization have shifted radically. Ensuring that you stay ahead of the curve and on top of employee digital experience relies on you addressing some of the following key recommendations:

- **Focus on transformational outcomes.** Focus on those that exist beyond productivity and cost efficiencies. These will involve experience transformation and specifically employee experience transformation. Remember you are transforming people and the way they work if you are to transform the organization and customer experience.
- **High-performing organizations focus on digital employee experience.** This is delivered through technology and tools and by targeting increasing digital literacy and digital equivalency (between employees and where and how they work).
- **Good digital employee experience resides in the IT department but is empowered by management.** To enact and maintain this level of capability, senior management must actively back and engage all areas and functions of the business and commit to this strategy. It is not a "fix" — it is ongoing and will remain important indefinitely.
- **Do not pour new wine into old wineskins.** Applying the old systems of support in better or more efficient ways is not transforming them. Remember the watermelon and the need to look beyond appearance. Investigate the reality and speak to employees about it.
- **Decide what best practice looks like.** Define an end goal. It may be one where support becomes almost invisible and things just work. Or it may be one where support is highly visible and does much to support the working environment and role of employees. Work

backwards from this point and select partners that will enable this vision to become a road map for change.

Lakeside Software: Digital Experience Cloud Powered by SysTrack

Lakeside Software is a leader in cloud-based digital experience management. Founded over 20 years ago, Lakeside has grown to become a global organization of over 200 employees across six offices worldwide. In early 2021, the company had over 4,000 customers (including Honda, Ford, Vodafone, BP, and Pfizer) in 40 countries, representing over 4 million active endpoints.

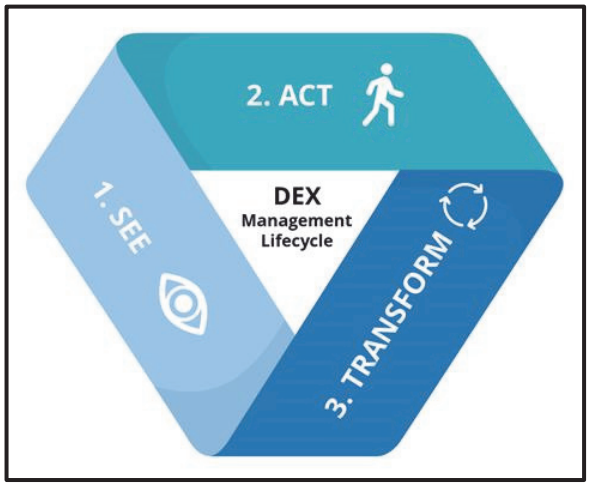
Digital Experience Cloud powered by SysTrack is Lakeside Software's DEEM solution. With its functionality going beyond managing employee experience, Digital Experience Cloud is a critical advisory tool to manage digital change in an organization. Its capabilities are built according to three stages in the DEEM cycle (see Figure 6):

- **See:**
  - Digital Experience Cloud's insights are based on telemetry metrics and an end-user sentiment score.
  - Every 15 seconds, SysTrack collects over 10,000 metrics from endpoints, physical or virtual, and sends a summary to a client's central repository. The solution is lightweight (taking only 1% of CPU resources) and non-intrusive to the end user.
  - End-user feedback is collected through simple on-screen notifications. A casual, non-intrusive communication style is used to obtain high end-user response rates. Data is analyzed using an AI-based IBM Watson platform.
  - Digital Experience Cloud can assess the impact of DEX scorings on end-user productivity.

SysTrack does not collect sensitive information such as keystrokes, screen captures, or content that is protected by employee privacy or intellectual property. Any other end-user data, including application activity, site visits, and active directory details, can be anonymized or disabled to meet customer requirements or for regulatory compliance. Moreover, SysTrack Cloud lives in Azure, which is ISO27001 and SOC 1, 2, and 3 compliant.

- **Act:**
  - The rich insight obtained in the "See" stage helps IT departments identify a wide range of IT issues, from basic L1 helpdesk problems to more complex L2 and L3 issues with the provisioning of engineering-level analytics for root cause analysis.
  - Digital Experience Cloud comprises a library of remediation kits, as well as analytics that help prioritize helpdesk operations to minimize business disruption.
- **Transform:**
  - The insights and remediation capabilities of the platform enable IT departments to streamline, automate, and transform their IT support processes. Furthermore, the solution is instrumental for change management during IT upgrades and DX projects.

FIGURE 6
Stages of Digital Experience Cloud



Source: IDC, 2022

Lakeside Software has an extensive partnership program that includes Microsoft, VMware, IBM, HP Inc., Intel, Apple, Google, Citrix, Samsung, Nvidia, Dell EMC, ServiceNow, Splunk, NetApp, and Nutanix.

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Lakeside Software is a leader in cloud-based digital experience management. Lakeside's Digital Experience Cloud gathers and analyzes data on everything that may impact end-user experience and business productivity and provides the visibility IT teams need to design and support rapidly changing digital workplaces.

Digital Experience Cloud combines the industry's deepest set of end-user experience data with the intelligent edge-based analytics needed for IT to proactively improve digital employee experience at scale. This level of insight makes it possible for IT teams to proactively measure, analyze, and optimize employees' digital experience anywhere they are working.

Customers use Lakeside's technology to perform end-user experience management, digital workplace planning, IT asset optimization, remote work management, and proactive service desk operations. For more information, visit www.lakesidesoftware.com.

About the Analyst

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Angela Salmeron has over 10 years of experience in the ICT industry and is currently a research director with IDC's European Future of Work research service, based in London. She provides coverage of key technology trends across the future of work, including the digital workspace, security and trust, collaborative platforms, and the augmented worker.

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