Digital Workplace Management and Transformation in Practice Based on the Example of Munich Re

October 2016

On behalf of:
CONTENTS

1. Introduction.........................................................................................................................4

2. The digital workplace as a holistic design and service concept ........................................5
   2.1 Requirements of work environments in the digital age ...................................................5
   2.2 Central areas of activity in digital workplace implementation ..........................................8
   2.3 Challenges for workplace management service providers .................................................12

3. Best practice: Workplace modernization at Munich Re .....................................................13
   3.1 Case study ......................................................................................................................13
   3.2 PAC summary by Dr. Andreas Stiehler ...........................................................................20

4. Computacenter’s Digital Me .................................................................................................21
   4.1 Computacenter in its transformation to digital workplace provider ..................................21
   4.2 Interview with Andreas Török, Computacenter ...............................................................23
1. INTRODUCTION

Many companies in Europe are programming mobile apps, optimizing their online marketing, or working on their social media presence as part of their digitalization strategies today. Nevertheless, when it comes to agility, innovation, and customer service, many company leaders feel insufficiently equipped to keep pace with competition in the digital age. Rightly so: Sporadic digital showcase projects are not sufficient to ensure survival in times of disruptive market changes.

Companies that want to achieve successful digital transformation must make fundamental changes. And whether agility is to be heightened or innovativeness expanded, these changes begin in the workplace – because the performance of individual employees is decisive for commercial success in a world increasingly characterized by knowledge work.

However, employee performance can only improve when the employees’ work environment is adapted to their respective roles and their associated requirements. Equipping employees with new mobile devices or collaboration tools isn’t a solution in and of itself. To properly support employees while guaranteeing a high degree of IT security and performance, these technologies must be embedded in a robust overall concept that includes provision, operation, management, support, and security services.

This white paper shows how a “digital workplace” can be practically implemented as a holistic design and service concept.

- Section 2 discusses the fundamental requirements of workplace modernization in the digital age and the necessity of holistic approaches in this field. It also expounds the central fields of activity in digital workplace concepts.

- Central to this white paper is the example of a digital workplace implementation as a holistic design and service concept at Munich Re, a global leader in reinsurance (Section 3). Dr. Dirk Heiss, Global Infrastructure Services Officer at Munich Re, explains how a digital workplace concept can be planned and implemented as a joint project involving IT, business, HR, and external service providers.

- Section 4 shows how Computacenter, one of the leading workplace management service providers in Europe, is tackling the challenges of the digital workplace.
2. THE DIGITAL WORKPLACE AS A HOLISTIC DESIGN AND SERVICE CONCEPT

2.1 Requirements of work environments in the digital age

The conceptual design and implementation of work environments in the digital age is a highly complex undertaking in which the varying interests of different stakeholders must be taken into account. In the following section, key drivers for workplace modernization are introduced and, based on these drivers, the importance of holistic concepts for workplace modernization is outlined.

**Collaborative business models require modern work environments**

Companies that wish to keep up with competition when it comes to agility and ability to innovate must fundamentally reconsider how they cooperate with external stakeholders (primarily their customers and partners) and manage collaboration internally. For instance, the digital age has brought customers to expect their providers to give them not only an attractive internet presence, but also (and especially) prompt, competent handling of their concerns. Sustainable improvement of the customer experience can only happen when on-site or remote employees can access the information they need and can interact with experts in the back office smoothly.

Moreover, new collaborative business models arise in the course of digitization and the Internet of Things. Products are coupled to services with increasing frequency in order to holistically cover the customer’s requirements. Digital ecosystems around “smart cars”, “smart cities”, and “smart metering”, in which companies in different industries cooperate in developing and providing offers, must be established. Such an intensive form of cooperation can only be successfully organized if interaction is complemented by the appropriate technology.

**Knowledge work can only be optimized with an employee-centric focus**

The digitization trend is also giving rise to a dramatic shift in the world of work. Routine tasks – travel expense accounting, invoicing, and inventory, for example – are increasingly automated. At the same time, the proportion of complex duties that cannot be performed by means of pre-defined routines and require knowledge, creativity, and teamwork is increasing. This is true of all business areas – from accounting to research and development to production and logistics.

© PAC 2016
In short, “knowledge work” is becoming increasingly important and is presenting companies with new challenges in the organization of the work environment. The traditional means of process optimization and innovation management are no longer sufficient to ensure continued competitiveness when it comes to productivity and innovativeness. Instead, company leaders must concern themselves with the optimization of knowledge work, as management pioneer Peter F. Drucker wrote in the 1980s:

“The most important, and indeed the truly unique, contribution of management in the 20th century was the fifty-fold increase in the productivity of the manual worker in manufacturing. The most important contribution management needs to make in the 21st century is, similarly, to increase the productivity of knowledge work and the knowledge worker.”

Peter Drucker (1982)

How can knowledge workers’ productivity be improved? The knowledge that is so desperately needed is locked in the minds of the employees, after all. It cannot be extracted into databases like formulae or process documentation can. As long as it remains in the minds of the employees, this knowledge is not worth much – it must flow to set a company in motion. This means that a lively exchange of information is necessary to release and make knowledge productive.

And unlike conventional industrial work, knowledge work is not tied to specific places (factories) or times (machine running times). This means it can be organized in a much more flexible manner. Conversely, flexibility is also necessary if knowledge work is to be optimized. How and when knowledge workers are at their most productive is something that only the workers themselves know. Some may prefer conventional working hours in an office, while others find their stride in their homes in the evening.

In other words, employers can only ensure the ideal framework conditions for their employees and they should provide knowledge workers the utmost mobility and flexibility to ensure their knowledge is applied.

**Employees in need of relief**

Companies that want employees to be agile and innovative must give them the ability to do so. However, the opposite has happened over the past few years, as the study entitled “The Modern Workplace from the Perspective of the Employee”, published by PAC on behalf of Computacenter in May 2014, illustrates.\(^1\)

---

\(^1\) See https://www.pac-online.com/der-zeitgemaesse-arbeitsplatz-aus-sicht-der-mitarbeiter
While most companies have invested in the procurement of new devices and applications for the workplace over the last few years, the new tools can only have the desired effect when they are embedded in an overall concept.

**Companies need to focus on holistic optimization**

PAC’s research on this topic can be summarized as follows: Ad-hoc investments in new devices and applications for the work environment are only of marginal help where employee satisfaction and agility are concerned. At the same time, such investment makes it increasingly more difficult to ensure a high degree of cost efficiency, security, and compliance. After all, new mobile terminal devices and applications must not only be procured, but also embedded in existing operating, security, and support structures.

This puts IT in a tough position when it comes to workplace modernization: On the one hand, it is required to increase employee satisfaction and fulfill the growing business needs. On the other hand, it must ensure a high degree of security and cost efficiency too. This conundrum can only be solved if work environments are optimized from an end-to-end perspective.
In short, it is not merely the collection of modern technologies and services that makes modern work environments function in the digital age; they also require a holistic design and service concept.

2.2 Central areas of activity in digital workplace implementation

The discussion above shows that employees and their specific needs must increasingly be the focus of workplace modernization in a world that is moving towards collaborative business models and knowledge work. At the same time, security must be provided for, and budgets will remain limited. This makes holistic optimization of workplaces an urgent necessity.

Moreover, to perform this difficult balancing act successfully, companies must adopt new approaches to workplace design, operation, management and support, as well as strategy development and cooperation. The following sections outline the fields in which PAC believes such paradigm shifts to be necessary.
Design: Collaborative workspaces with UCC at all levels

Employees urgently need support in handling the flood of communication, but at the same time it is crucial not to overwhelm them with an avalanche of new applications and devices. This can only be done successfully if various applications interlink seamlessly, follow a uniform operational logic, and offer access to all data (structured and unstructured). This means that the unified communications and collaboration (UCC) concept must be systematically implemented at all levels (UI, operating logic, and data).

In addition, employees should be given greater ability to independently establish “virtual working spaces” with the applications and information required for the task at hand. PAC expects such “collaborative workspaces” to become much more important in the future.

Operation: centralized, virtualized, automated

To avoid an explosion of costs and meet performance and security standards, central, and ideally virtualized, provisioning of applications “as a service” is needed – in light of the increased number and heterogeneity of tools and gadgets. The centralized provision of applications and technologies, in turn, forms an important framework element for the necessary automation of routines in operation and support.

Equipment: user-oriented and role-based, instead of one-size-fits-all

Many companies are still investing in standardized equipment, hoping to optimize efficiency and quality in workplace provision and operation. In view of the ever-stricter requirements regarding networking and mobility and the many options for meeting these requirements, this ‘one-size-fits-all’ approach is neither modern nor economical.

It is better to differentiate equipment and support services based on employee roles and their associated requirements, such as mobility, communications, and security, for example.
End-user support: Self-service portals and user-centric support concepts

The rapidly growing number of devices and applications in the workplace makes it virtually impossible to offer a constant level of support services for employees using conventional service-desk operations without a corresponding increase in costs. Conversely, Amazon and similar service providers show that high-quality customer service can be provided at low cost by focusing on the customer (not individual products) and actively integrating them into the service provision. In fact, employees in companies are just as willing as Amazon customers to use self-service.²

This is why PAC expects that, instead of the conventional help-desk model, web portals with a broad range of self-service options will gain in significance. It is important that such portals focus their support concepts not on the technologies, but on the individual employees and their requirements and abilities. Modern support concepts should also ensure that older employees, or employees who are less comfortable with using technology, receive optimal support and that on-site support is provided. Support portals on the internet can be optimally supplemented by “tech cafés” within the company, where queries can be discussed directly with support staff in a pleasant atmosphere. A further complement to web-based support concepts are on-site dispensers from which employees can independently supply themselves with technical devices and accessories.

Security and asset management: Integrated concepts instead of isolated mobile applications

To operate the growing number and variety of mobile devices and applications productively and ensure a high degree of security, mobile management and security solutions are increasingly becoming a component of integrated workplace management solutions. Moreover, Microsoft’s most recent operating system, Windows 10 is designed to be equally employed with classical desktop PCs and mobile devices.

These developments clear the way for planning integrated, user-oriented management and security concepts in the workplace. PAC believes these unified end-point management solutions will grow in importance.

Decision-making: The alignment of the business and IT is critical to success

The paradigm shifts discussed above affecting design, operation, equipment, and support of IT work environments can only be successfully implemented if IT and business cooperate closely and effectively. This requires orderly, continuous processes for determining requirements and flexible forms of invoicing costs between IT and the business units. The much-discussed alignment of the business and IT is essential for the conceptual design and implementation of modern work environments.

The case study in the next section shows that close interaction between IT and HR is particularly critical to the successful implementation of the digital workplace. This means that even HR has a considerable

² See the PAC study on “Service Desks in the Digital Age”, prepared on behalf of Computacenter (2015).
interest in workplace modernization, not least so that the company becomes a more attractive employer. The first advantage of this joint effort of IT and HR is that it makes the budget for the required investments easier to request or accumulate. Second, HR is an ideal partner in the analysis of user groups and definition of roles for the implementation of a role-based equipment and support concept. Third, HR is ideally positioned to moderate the discussion between employees and the employee representative committee and steer them towards constructive solutions.
2.3 Challenges for workplace management service providers

The shift to the digital workplace is especially noticeable when it comes to cooperation with external service providers. With the holistic optimization of the workplace in mind, conventional desktop outsourcing – outsourcing individual services with the primary goal of minimizing costs – becomes less significant. Companies need no assistance in implementation in the sense of an extended workbench; instead, companies need competent partners that can independently push workplace transformation forward with end-to-end implementation.

To position themselves as digital workplace management partners, service providers must change and invest in the construction of new concepts and the acquisition of new competencies. For instance, being able to implement individual technical disciplines (such as IMAC services) in a cost-efficient manner is no longer sufficient. Instead, service providers require a comprehensive understanding of various sub-disciplines within the framework of workplace management and a concept for holistically optimizing them.

Moreover, the central standard for the success of digital workplace management is employee satisfaction and performance. Corresponding criteria (customer satisfaction, fulfillment, and business requirements) may well gain increasing significance in incentives and invoicing mechanisms in workplace outsourcing.

To organize their businesses successfully under these conditions, service providers require a deep understanding of their customers’ business processes and the requirements of various end-user groups. However, this is not all: Service providers are increasingly asked to add workplace transformation and management solutions to industry-specific requirements – that is, to develop vertical, industry-specific offers.

Of course, budget restrictions and efficiency parameters will also play a central role in digital workplace management. That increases the importance of intelligent concepts that are equally helpful in fulfilling business requirements on the one hand and classical IT performance parameters on the other. In short, to be competitive in the digital workplace, service providers will be required to continuously develop service innovations such as user-oriented concepts for equipment and support and innovative self-service options.

Finally, the digital workplace as a holistic design and service concept means the cooperation between service providers and customers is changing in so far as the call for tenders for single services is becoming secondary. Instead, service providers are required to become workplace architects with an ability to win over clients with customized transformation concepts and take ownership for the implementation of these projects.
3. BEST PRACTICE: WORKPLACE MODERNIZATION AT MUNICH RE

In the previous sections, we introduced the necessary paradigm shifts and core components of the “digital workplace” transformation. Of course, there is no silver bullet for workplace modernization. The companies themselves must decide – dependent on local conditions – what points they want to address, when, and with which partners. However, if workplace modernization is to succeed, it is critical that implementations be planned and implemented holistically and that all stakeholders with their various interests be brought on board. The following case study shows how this can be achieved.

3.1 Case study

Background
Munich Re is a world leader in reinsurance, employing around 12,000 people in more than 50 countries. In 2015, the Munich Re Group’s turnover was about 50 billion euros, of which about 30 billion were generated by the reinsurance business.

In 2012, Munich Re began a cross-company project entitled “Next-Generation Workplace” which created the technological foundation for a global workplace infrastructure. In 2016, Munich Re began a new workplace modernization phase whose goal was to establish a new “Fully Managed Workplace” delivery model jointly with Computacenter, an IT service provider. The project has been in its pilot phase since September 2016.

In an interview with PAC, Dr. Dirk Heiss, Munich Re’s Global Infrastructure Services Officer responsible for IT infrastructure and operations, outlines the project’s goals and key data, in addition to his experience with the project.
Starting point and goals for workplace modernization

As pointed out by Dr. Heiss at the beginning of the interview, the comprehensive modernization of Munich Re’s workplace infrastructure was strategic in nature:

"Workplace modernization is an investment in Munich Re’s future business success."

This makes it a somewhat challenging business case base material. According to Dr. Heiss, added value for the business and employees was central to the effort, and this value could scarcely be captured in the IT budget.

In the first step, the initiators of the project focused on convincing management of the necessity of the measures and securing the required budget. The costs to achieve the comprehensive technical modernization alone came up to 35 million euros in the first project phase, about half of which were re-allocated from other items in the IT budget.

As a matter of fact, it was not difficult for those responsible for the project to point out the benefits of workplace modernization for the business.

“Knowledge and cooperation are core elements of the reinsurance business. Our interest lies very clearly in evaluating risks anywhere in the world in real time and transferring this expertise to corresponding products for our customers – no matter where our climate, geographical, or oil platform experts are located.”

In order to do this, the on-site client managers must be able to seamlessly access back-end and network information in real time with experts structured around individual risk groups and organized in virtual teams scattered across the globe. Conventional work environments could not enable this and the departments pointed this out to IT.

Moreover, the initiators of the project were able to win HR as a partner. They had two good reasons to do so:

“From HR’s point of view, workplace modernization was urgently needed to attract talented employees – who demand modern work environments and flexible work models – and remain competitive. At the same time, those responsible for personnel were very interested in reducing the liability risks for employees, as was the employee representative committee.”

HR’s concerns were that if IT failed to provide sufficiently modern tools in a secure environment, employees would begin using consumer apps like Dropbox and WhatsApp, which carries risks concerning data protection or criminal law.

In retrospect, Dr. Heiss views HR’s active support as a key success factor. Those responsible for personnel not only urged management to support the initiative, but also actively participated in the project’s implementation.
“During the concept design phase, HR helped collect and analyze the requirements of various employee groups. It also contributed decisively to communicating the changes in the company associated with workplace modernization. HR ultimately moderated the discussion with the employee representative committee, allowing solutions that would support a consensus to be reached.”

Dr. Heiss points to IT’s great strategic interest as the third important catalyst for the initiative. Until 2012, those responsible for IT were primarily concerned with constructing a global, consolidated IT landscape. This allowed the IT organization to feel that it was in a position to demonstrate its value proposition by renewing the workplace infrastructure and making it more flexible.

“In 2012, we had made enough progress in our efforts at standardization and harmonization that we could venture to make IT in the workplace more flexible – not from chaos, but in the form of “managed diversity”, that is, conscious efforts to make global processes more flexible and establish global control.”

At the same time, the conclusion of consolidation efforts increased the pressure on IT to redefine and demonstrate its value contribution to business. Workplace modernization constituted central leverage in this effort, as Dr. Heiss reports in retrospect.

“The renewal of the workplace infrastructure and increases in its flexibility were extremely helpful for IT’s image and the atmosphere throughout the company – even more than some highly innovative application project would have been.”

The focus during the first phase of the workplace modernization efforts, which began in 2012 under the name “Next-Generation Workplace” with HR as a partner, was a technological renovation of the workplace infrastructure with special emphasis on mobility. Moreover, this phase saw initial consideration given to the implementation of user-centric concepts in the provision of work environments.

“We wanted to make a clear break with one-size-fits-all, with its uniform IT equipment for each employee. The modernization was to lay the groundwork for implementation of user-centric concepts. During this first phase, we also began to allow various terminal device types and laptop and desktop versions and to support BYOD.”

The central milestones during Phase 1, which was implemented largely in 2013 and 2014, included the following:

- Roll-out of a globally uniform PC, tablet, and laptop infrastructure
- Shift to a standard mobile platform (e.g. Apple iOS) for company-owned devices and the implementation of a BYOD concept
- Renewal of the entire PC and Office software suite (e.g. Windows 7, Office 2013)
- Creation of a globally uniform Wi-Fi infrastructure (including integration of mobile devices and BYOD)
- Self-service portal in the intranet for ordering and assembling various components, including BYOD licenses, mobile phones, personalized VDI, and various work devices.
- Construction of a virtual desktop infrastructure on the basis of Citrix XenDesktop for employees with special flexibility and mobility requirements, using two concrete models:
  - 1,400 personalized VDI licenses, replacing the classical workplace with VDI
  - 2,200 “pooled” VDIs, i.e. non-personalized virtual workplaces with which employees can establish contact at any time and from any place – from home, a co-working space, or a conference room – with a device of their choice in order to access such applications as e-mail or PowerPoint.

The departments appreciated the renovation – especially where specific obstacles to their daily work were removed. For instance, the pooled VDI solution was particularly popular.

“In terms of IT costs, the VDI solution would not have been economical for us – but it effectively removes mobility barriers and increases employee flexibility. And even a minor increase in employee productivity can have a noticeably positive effect on business success, given the high sums that the reinsurance business commands per employee.”

At the same time, the IT manager noticed over the course of the project that improvements that were thought to be minor could have a noticeable effect on employee satisfaction.
“The creation of a global Wi-Fi structure with a uniform access solution for employees was not a large budget item, but received a great deal of positive feedback. The reason for this is a simple one: Our employees, who are often on business trips, no longer have to fight with a complicated log-in procedure. They can take out their laptops on site and get to work. I’m still getting letters of thanks from employees for these measures.”

Phase 2 (since 2015): Establishing a new delivery model

Following the renewal of the technical infrastructure, which was largely completed in 2014, Munich Re began with the next phase of the workplace modernization in 2015. The focus was now on the establishment of a new delivery model within the framework of which responsibility for further development, operation, and support of the workplaces was to be transferred to a service provider. This effort was to include a technological expansion of the workplace infrastructure with consideration given to collaboration and knowledge-management services and the establishment of a role-based equipment and support model.

Workplace modernization became an integral component of the digitization strategy that Munich Re developed in 2015. Within the framework of this strategy, three core competencies were identified as essential to the digitization of the company and therefore absolutely needed to be furthered: big data and analytics, collaboration, and bi-modal IT.

The management’s specifications within the framework of the digitization strategy were, according to Dr. Heiss, definitive for the further focuses of the workplace modernization project. For instance, the Office 365 collaboration and knowledge-management services were provided to employees as a central component of efforts to improve cooperation.

At the same time, the “make-or-buy” strategy was rethought in view of the bi-modal IT that was to be developed.

“In bi-modal IT, the internal IT organization requires resources to carry out new digital projects. Conversely, this means that we have to relinquish some responsibility when it comes to topics such as the workplace.”

However, those responsible for IT ruled out traditional desktop outsourcing, in which single services or cost-effective personnel for individual IMAC services are sought. After all, the aim was to continue moving the transformation of the workplace infrastructure forward.
“Our primary goal in the transformation and management of workplaces is to increase end-user satisfaction in the course of holistic optimization. This can only be achieved if we hand the business requirements over to a partner who assumes end-to-end responsibility instead of simply acting as an extended workbench for Munich Re. The partner should independently develop the workplace concept further and ensure its practical implementation with all associated deployment, integration, operation, and support services.”

This approach, Dr. Heiss explains, required a different approach to business on the part of service providers. For instance, it is no longer sufficient to minimize costs within an environment while keeping the environment as stable as possible, as it was in classical desktop outsourcing.

“In our delivery model, it is critical to our success that the service provider pro-actively pursue the issues of strategy and innovation. Simple invoicing with FTE per delivery unit no longer works. The service providers must themselves invest in improving the workplace infrastructure and associated services and account for these innovations in their business models!”

Those responsible at Munich Re and Computacenter cooperate in the conceptual design and implementation of the new delivery model. Computacenter supported Munich Re as early as the first project phase with the roll-out of the new mobility platform, among other things. Dr. Heiss gives the following reasons for selecting Computacenter as a preferred partner:

“As a service provider, Computacenter has a very good understanding of role-based equipment and operation for employees and, in Digital Me, has also developed a strategy for practically implementing such approaches.”

Munich Re and Computacenter have been working on the planning and implementation of a “fully managed workplace” since 2015. Within the framework of a pilot project, Computacenter has been tasked with providing an optimized work environment for 500 selected Munich Re client managers at the Munich office, starting in September 2016.

“The client managers to be supported have high mobility, communications, and presentation capability requirements. When a client manager is with a client, he should be able to estimate various risks promptly – and to do this, he should be able to access our knowledge and virtual expert teams in the back office without any problems.”

Computacenter’s support of experts encompasses both provision and support of client components and the provision of back-end functions such as e-mail, Skype, and SharePoint within the framework of Office 365.

If the pilot project is successful, Munich Re will hand off the business requirements of other employee groups to Computacenter. The role-based delivery model that the partners have been working towards will then be rolled out in its entirety.
“Whether they are dealing with a group of field engineers, client managers, or experts in back-office teams, the service provider should be capable of optimally meeting the business requirements of these different people.”

Dr. Heiss considers pre-defined groups and their associated equipment and support characteristics to be more of a communications instrument than a “tight, immovable corset”.

“The employees must ultimately be made capable of selecting the best services for their individual situation from the existing catalog.”

The shift in delivery model will then be reflected in modified contractual and invoicing systems. Thus the transaction-based models involving payment per ticket, etc. are to be replaced by user-based and workplace-based invoicing models. Moreover, those responsible at Munich Re intend to specify components such as “employee satisfaction” and “service innovation” in SLAs in the future, building upon constructive cooperation with the service providers.

“We are happy that service providers like Computacenter are placing their strategic focus on improving end-user satisfaction. They must make this requirement their standard in the future.”
3.2 PAC summary by Dr. Andreas Stiehler

Munich Re’s workplace modernization efforts exemplify how to best plan and implement the digital workplace as a holistic design and service concept.

For example, the case study illuminates the way in which comprehensive workplace modernization can be successfully achieved as a joint project involving IT, business, and HR. The implementation of the digital workplace is not a classical IT project, and special attention should be given to that fact. That is why a classical business case would not be very helpful. It is much more important that the interests of business and IT be addressed in a coherent overall concept so that the various stakeholders can be brought on board.

HR’s involvement is especially important: At Munich Re, those responsible for HR not only supported the analysis and definition of personnel groups, but also assisted as communicators and moderators during discussions with the employee representative committee, for example. Conversely, it is in HR’s own interest not only to improve the company’s image over the course of workplace modernization, but also to reduce liability risks for employees.

The case study also shows how the tension between standardization and a more flexible workplace environment can be overcome by virtue of ‘managed diversity.’ Those responsible created the foundation for “conscious flexibility” in workplace infrastructure and services by establishing a global standard.

Finally, the case study shows how the implementation of the digital workplace affects sourcing strategy and cooperation with workplace management service providers. Companies that wish to optimize the work environment holistically to benefit the end user must also advertise it holistically and focus on the long-term improvement in end-user satisfaction when the contract is being shaped. My credo is that digital workplace outsourcing is a long-term transformation project, not a commodity.
4. COMPUTACENTER’S DIGITAL ME

The implementation of the digital workplace as a holistic design and service concept requires consistent change, especially on the part of service providers. The challenges that providers of workplace management services face in the digital age are outlined in Section 3.2. Dr. Heiss’s observations in the previous section ultimately showed how the requirements of service providers are changing in the selection process from cooperation with, to control of, service providers.

The following sections show how Computacenter is dealing with this shift.

4.1 Computacenter in its transformation to digital workplace provider

Continual expansion of the digital workplace sector portfolio

Computacenter, an IT service provider, has been successfully transforming itself for some time from a value-added reseller to a leading managed workplace provider in Central Europe.

For instance, PAC gave Computacenter “Best in class” within the framework of the PAC RADAR analysis of “Leading Providers in Workplace Management and Transformation in Germany” in 2014. This rating was awarded based on the service provider’s pronounced ability to adopt innovative topics in all aspects of the digital workplace in a timely manner and convert them to attractive offers as well as its extensive range of services, rich experience, and excellent customer feedback.

Computacenter has continuously expanded its workplace portfolio over the last few years. The focus of the development was on workplace-centric topics such as enterprise mobility, user-oriented provision of workplace services, and the “next-generation service desk”. Moreover, Computacenter invested in topics such as security and hybrid cloud that are becoming increasingly important to holistic workplace management.

Digital Me represents a systematic expansion and conversion of Computacenter’s portfolio

Parallel to these service innovations, Computacenter also expanded its portfolio and market approach in the workplace environment. In the current portfolio that Computacenter advertises as Digital Me, the services are presented and developed further on the basis of a user-centric approach.
At the same time, the service provider developed an end-to-end model approach to transformation and management of workplace services designed to assess the progress of companies and comprehensively support them in the development and implementation of the digital workplace as a holistic design and service concept.
4.2 Interview with Andreas Török, Computacenter

As the Head of Group Propositions, Andreas Török plays an important role in the further development and roll-out of Digital Me. In an interview with PAC, he explains significant motivations and goals, the Digital Me roadmap, and specifics of the implementation of the new offer.

PAC: What is the role of Digital Me in Computacenter’s workplace strategy, and what are the significant innovations?

Andreas Török: Digital Me represents the natural development of our strategy. Our portfolio has always been oriented around the user’s requirements. The current technologies and the latest digitization trends have helped us to sharpen this focus. The primary innovation is the holistic aspect of our offer: We have moved away from technology and service silos and organized all relevant components of our services, such as security, service desk, and even data center and network around user requirements. The result is Digital Me.

PAC: What is the current status of the implementation of Digital Me?

Andreas Török: Because Digital Me represents further development of existing service components, the offer is already available for clients and can be used immediately. We are currently introducing Digital Me with several clients, and are also in very concrete negotiations with several new clients.

PAC: What is the roadmap for further development, and where will the focus of innovation be in the future?

Andreas Török: Over the next few months, we will make further investments to increase the automation at the user interface by means of end-user analytics and artificial intelligence. We are also planning a service package that automates user workflows, further increasing efficiency. Finally, working with technology partners, we will step up work on industry-specific use cases in order to support our clients in the development of their competitive advantages.

PAC: To what extent does Digital Me also influence operations at Computacenter? What measures will you implement to ensure a user-centered approach to sales and delivery there?

Andreas Török: You are correct to point out that the digitization of the workplace also presents challenges for our employees. To provide them with a positive, personal experience, elements of Digital Me, such as the “Next-Generation Service Desk” and the mobility platform, are being implemented internally and their introduction consciously accompanied by change-management measures. We are also consciously using agile methods to develop our portfolio, thus including our employees in the development of our offer.
Finally, we are consciously focusing on the changed sales-and-delivery-enabling-activity framework conditions and including a great many interactive elements in our training. This ensures that our employees internalize value argumentation that favors our clients’ core business.

PAC: In conjunction with Digital Me, Computacenter is also presenting a new model approach to workplace transformation (see the figure on the bottom of page 22) that begins with business analysis and proceeds on the basis of accepting end-to-end responsibility. How do your clients profit from that?

Andreas Török: Our end-to-end approach has several advantages from the point of view of our clients. For one thing, it reduces the risk during hand-off between phases. Information is typically lost at the interfaces or transmitted in such a way that there remains room for interpretation or discretion.

Our transformation method, on the other hand, is constructed in such a way that all phases, including the operational phase, are taken into account at the start of the early assessment phase. This reduces the above-mentioned risk, and our clients experience a much more seamless transformation.

Another thing we want to achieve with our assessment services is a clear formulation of user requirements and client business goals and their observation during the course of further development. This avoids isolated technological implementation that does not improve efficiency for the user.

PAC: Do you think the market is ready for the “Fully Managed Workplace”?

Andreas Török: The short answer is yes, but we need to make a distinction between two types of clients. In the future, large companies will sub-divide services using the availability of sophisticated provider-management methods and resources and introducing cloud service management procedures. Other customer groups, including small and mid-sized companies, will profit greatly from a “Fully Managed Workplace”. We are experiencing this at the moment with a number of clients in all our key markets.

PAC: To what extent do such approaches change the cooperation between companies and service providers? What conditions must be met?

Andreas Török: The increased depth of service is giving rise to new influencing factors that affect both the contract and the price structure.

Risk is distributed across a greater number of organizations so that benefit-sharing and risk-sharing models can be introduced all at once. We are also seeing an increasing number of measurement values that capture the service model’s influence on the core business – measures such as customer satisfaction.

PAC: Where do you see things that customers and service providers have yet to do?

Andreas Török: Our position is that future contracts will be subject to greater dynamics than past ones. We assume that new service packages and new technologies will be introduced much more quickly and that the rate of change of everyday operations will accelerate greatly. The mechanisms for dealing with this increased rate of change are relatively new on both sides and will certainly see further development.
ABOUT COMPUTACENTER

Computacenter is Europe's leading independent provider of IT infrastructure services, enabling users and their business. We advise organisations on IT strategy, implement the most appropriate technology, optimise its performance, and manage our customers' infrastructures. In doing this we help CIOs and IT departments in enterprise and corporate organisations maximise productivity and the business value of IT for internal and external users.

Computacenter provides user support, the best devices, and secure provision of applications and data to support individual working styles and improve collaboration. To achieve this, we assist with consulting as well as the implementation and operation of networks and datacenter infrastructures on or off customers' premises and in the cloud.

Rooted in core European countries Computacenter combines global reach with local expertise. We operate Infrastructure Operations Centers and Group Service Desks across Europe, South Africa and Asia from which our employees provide user support in 18 languages. Customers with global requirements are served through an extensive international partner network, which mirrors the requirements of our European-headquartered client base.

ABOUT PAC

Pierre Audoin Consultants (PAC) was founded in 1976 and has been part of the CXP Group, Europe's leading independent market analysis and consulting company for the software and IT service provider industry and all aspects of digital transformation, since June 2014.

We offer our clients comprehensive support services in evaluation, selection, and optimization of their software solutions and the evaluation and selection of IT service providers and support them in the optimization of their sourcing and investment strategies. The CXP Group supports ICT decision-makers during their digital transformation.

Finally, the CXP Group supports software and IT service providers with quantitative and qualitative analyses and strategic and operative consulting during the optimization of the go-to-market approach. Public institutions, too, use the information provided by our studies in developing their IT guidelines.

The CXP Group has 40 years of market experience and 17 subsidiaries in eight countries around the world. Each year, its 140 employees support more than 1,500 ICT decision-makers and the operational business areas of large and mid-sized companies and their providers. The CXP Group consists of three companies: Le CXP, BARC (Business Application Research Center), and Pierre Audoin Consultants (PAC).

Further information can be found at www.pac-online.com.