Managed Desktop Services Address Critical IT Challenges

Companies Turn To Third-Party Tools And Services To Fill Key Gaps In Employee Experience And Security Needs
Table Of Contents

1 Executive Summary
2 Digital Transformation Is A Top Priority For Today’s Companies
5 Embracing Digital Transformation Comes With A Unique Set Of Challenges
8 Managed Desktop Services Help To Embrace Transformation Faster
11 Key Recommendations
12 Appendix

ABOUT FORRESTER CONSULTING

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester’s Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

© 2019, Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, RoleView, TechRadar, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to forrester.com. [E-42489]
For nearly all organizations, embracing a modern workplace experience is no longer a nice-to-have; it's a business necessity. The proliferation of software-as-a-service (SaaS) apps, rising employee expectations, and an ever-more-threatening cyberthreat landscape is forcing IT leaders to transform their desktop environments now. And with the oncoming wave of retiring operating systems, it’s more important than ever to make that transition fast. The trouble is that these technologies are brand new, and many IT teams don’t have the tools and skills to manage them. As a result, they’re increasingly looking to outsource their desktop transformation efforts to third parties. This study dives deep into the reasons they’re investing in third-party support and illuminates the business benefits of doing so.

In April 2019, Microsoft commissioned Forrester Consulting to evaluate the challenges companies face with their current technology infrastructure and how managed desktop services can fill critical IT needs. Forrester conducted an online survey with 303 technology decision makers responsible for desktop management at companies in Australia, Canada, the US, and the UK with 500+ devices in their organization to explore this topic. We found that organizations that use managed desktop services have key benefits that address the technology management challenges and employee productivity issues.

KEY FINDINGS

› **Companies are looking to embrace digital transformation.** IT leaders are reimagining the computing services they deliver to their employees — and for good reason. Enhancing their desktop experiences with innovative apps and cloud manageability is key to improving employee experience, enabling greater innovation, and enhancing security. To support their efforts, desktop management pros are deploying more SaaS (52%), upgrading operating systems (46%), and investing in a consolidated management platform for both traditional and mobile endpoints (38%).

› **Desktop management is manually intensive and requires help.** IT teams often don’t have the tools and resources to handle the security and management tasks they face. For example, 52% of decision makers say their current IT infrastructure keeps them from delivering the best possible end user experience, and 47% say that their IT processes keep them from embracing innovation. As a result, they’re increasingly looking for third parties to manage their end user devices. In fact, 93% of decision makers will likely invest in some form of managed desktop service in the next year.

› **Managed desktop services help companies embrace digital transformation faster.** Fifty-four percent of companies say that an increase in the amount of time that IT staff can reallocate to other tasks has provided key costs savings since moving to managed desktop services. Another 52% say it provides a better employee experience through faster access to devices.
Digital Transformation Is A Top Priority
For Today’s Companies

In the midst of digital transformation, companies recognize the need
for modernizing their employee computing strategies. As a result, they
have employees who are increasingly mobile and demand up-to-date
tools and technologies. Companies are looking to third-party IT services
to help them adapt to these changing needs. In surveying technology
decision makers responsible for desktop management, we found that:

› Organizations focus their attention on security and operations.
  Their focus is on modernizing their end user computing strategies
  from a security, management, and user experience perspective.
  Companies center their top four IT priorities for the coming year on
  improving security, operations, and end user experience (see Figure 1).

Figure 1
“To what extent does your organization prioritize the following IT initiatives in the coming year?”

- Critical or high priority
- 92% Improve security monitoring
- 92% Improve overall operational efficiency
- 89% Improve end user productivity and experience
- 88% Reduce endpoint security risks (including application security)

Base: 303 technology decision makers responsible for desktop management at companies with 500+ devices
Note: Top four responses shown.
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019
Companies look to deploy more SaaS and update their operating system (OS). Fifty-two percent of respondents are planning to deploy more SaaS apps for end users in the next year, making it the top IT modernization initiative (see Figure 2). With this adoption comes an increased focus on end user experience, with the need for additional security measures taken into account.

Figure 2
“Which of the following IT modernization initiatives does your company plan to undergo in the next year?”

52% Deploying more software-as-a-service (SaaS) apps for end users
47% Migrating applications to newer operating systems
46% Updating operating systems
45% Deploying new types of applications to end users
44% Deploying virtual apps and/or desktops

Base: 303 technology decision makers responsible for desktop management at companies with 500+ devices
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019

Organizations are spending valuable IT time modernizing infrastructure (like operating systems). Two of the top three IT modernization initiatives focused on operating systems: migrating applications to newer operating systems (47%) and updating operating systems (46%). Spending time on these updates pulls staff from more innovative tasks.
Security and better manageability are leading drivers for the adoption of third-party IT services (see Figure 3). Third-party providers take some of the load off of scarce internal IT employees, while adding much needed expertise. One senior IT decision maker at a company in the energy, utilities, and waste management industry noted that to mitigate overall security risk, the company was focused on “hiring competent security analysts and working with outside vendors to implement best practices.”

Figure 3
“Do you currently contract or have plan to contract the following IT desktop services from a third party?”

- **Security services**:
  - We currently use a third party for this service: 44%
  - We have plans to adopt this service within the next year: 29%
  - We are interested in this service but have no plans to adopt within the next year: 15%

- **Replacement services**: 33%

- **Support agents for troubleshooting and/or break-fix support**: 32%

- **Configuration and ongoing support**: 30%

- **Firmware/driver updates**: 29%

- **Fully managed services**: 23%

Base: 303 technology decision makers responsible for desktop management at companies with 500+ devices
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019

IT teams turn to managed desktop services to keep IT tools up to date and secure. In fact, managed desktop services are likely to be widespread in one year. Sixty-four percent have already implemented managed desktop services, and over the next year this number is likely to grow to 93% based on planned adoption of the technology. Sixty-four percent of companies have adopted managed desktop services. This is likely to be 93% in one year based on planned adoption of the technology.
Embracing Digital Transformation Comes With A Unique Set Of Challenges

Despite the priorities listed above, several challenges get in the way of organizations providing a better desktop experience for employees. For example, we found that:

› **Employees’ changing needs are outpacing their business tools.** Over 80% of companies agree that their employees are increasingly mobile and need access to apps wherever they are, but 68% say that their employees are using old devices (see Figure 4).

› **Out-of-date or multiple operating systems are difficult for IT teams to manage.** On average, most companies have about 60% of employees using the same, up-to-date OS. This leaves 40% of employees who are either using outdated versions or another type of operating system. This fractured environment can be difficult to manage and support, increasing the chance of failure in supporting employees’ needs.

Sixty-eight percent of companies say employees are using old devices.

**Figure 4**
“Rate your level of agreement with the following statements regarding the technology needs of your employees.”

- **83%**
  - “Our employees are increasingly mobile.”

- **83%**
  - “The tools our employees use require updated operating systems and infrastructure.”

- **82%**
  - “Employees need to access apps wherever they are.”

- **68%**
  - “Our employees frequently use devices that are two to three years old.”

Base: 303 technology decision makers responsible for desktop management at companies with 500+ devices
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019
Security, productivity, and management systems are challenging components of IT tools and resources. Although security is the top concern, more than three-quarters of companies also face productivity and management system issues that are moderately to extremely challenging for their organizations (see Figure 5). Companies cite the top consequences of these challenges as 1) less productive employees, 2) higher staffing costs, and 3) endpoints that aren’t always secure.

Figure 5
“To what extent are the following components of your IT tools and resources challenging for you?”

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security</td>
<td>85%</td>
</tr>
<tr>
<td>End user productivity</td>
<td>78%</td>
</tr>
<tr>
<td>IT productivity</td>
<td>77%</td>
</tr>
<tr>
<td>Complex management systems</td>
<td>75%</td>
</tr>
<tr>
<td>Outdated infrastructure that can’t support modern business tools</td>
<td>74%</td>
</tr>
<tr>
<td>Staying up to date</td>
<td>73%</td>
</tr>
<tr>
<td>App compatibility</td>
<td>67%</td>
</tr>
</tbody>
</table>

Base: Variable technology decision makers responsible for desktop management at companies with 500+ devices
Note: Top seven responses shown.
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019
IT security concerns span malicious, nonmalicious, and insider threats. We asked respondents to rank their top three concerns for IT security. These concerns span a multitude of sources, including:

1. Malicious threats such as malware or adware.
2. Sensitive data that leaks through nonmalicious ways.
3. Employees handling business outside of our systems to avoid security measures.

IT teams must have the proper infrastructure and personnel in places to handle this myriad of attacks, which is why many are turning to third-party resources to lend expertise.

App compatibility causes challenges for IT teams. The biggest challenges that organizations report facing with app compatibility include the following:

1. Employees find insecure workarounds to deal with app compatibility.
2. Incompatible apps don’t allow them to upgrade to a new OS.
3. Their infrastructure is not compatible with the apps required to perform business-critical tasks.

Incompatible apps are prohibitive and a threat to security by pushing employees to find workarounds. To mitigate security risks, an IT decision maker at a business/professional services organization with more than 20,000 devices noted that the organization is looking to “new security software and increased security measures for employee login and password protection.”

Scarce IT staff spends too much time on day-to-day tasks. IT talent is challenging enough to find, and more than half of organizations say their internal IT staff spends too much time on day-to-day tasks to focus on innovation (see Figure 6). In the age of digital transformation, companies need to be able to focus their internal experts on high-level, revenue-generating tasks. This demonstrates even further the need for third-party tools and resources to supplement day-to-day IT tasks.

---

**Figure 6**

"To what extent are the following components of your IT tools and resources challenging for you?"

<table>
<thead>
<tr>
<th>Agree or strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>62%</strong> It is hard to find enough IT talent</td>
</tr>
<tr>
<td><strong>56%</strong> Our internal staff spends too much time on day-to-day tasks to focus on innovation</td>
</tr>
</tbody>
</table>

Base: 303 technology decision makers responsible for desktop management at companies with 500+ devices
Note: Top two responses shown.
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019
Managed Desktop Services Help To Embrace Transformation Faster

As companies seek to fill critical gaps in IT services, many turn to third-party resources. In fact, 95% of companies are already using or interested in using third-party support for at least some aspects of IT desktop services. In exploring how companies are currently leveraging third parties to support IT gaps, we found that companies are looking toward managed desktop services to:

› **Increase IT productivity.** Scarce IT staff, escalating complexity, and ever-demanding users lead 62% of desktop managers to say that managed desktop services would increase the productivity of their IT staff (see Figure 7). Investing in a third-party relationship can significantly automate the initial device provisioning portion of the PC life cycle, enabling IT teams to ship an image to a provider and then have the provider configure the device and drop ship it to an end user. IT never needs to touch the device and saves significant time on the initial staging, imaging, and configuration process of the PC life cycle.

**Figure 7**

“Why is your company interested in or already using third-party IT desktop services?”

1. Increased IT productivity
2. Increased security
3. Reduced cost
4. Improved manageability of end user devices and apps
5. Up-to-date OS

Base: 289 technology decision makers responsible for desktop management at companies with 500+ devices
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019
» **Lower costs associated with ongoing support and management.** Troubleshooting issues related to outdated operating systems, deploying updates, and managing policies for users are time-intensive processes for which many IT admins don’t have time. Fifty-one percent of technology decision makers say that managed desktop services decrease management costs over time, and 49% say that they decrease support costs over time. That’s because managed desktop providers take full ownership over the policy management, update management, and troubleshooting on employee desktops. Proactive approaches to troubleshooting that enable predictive analysis of future device issues will enable IT professionals to quickly identify and swap out failing devices, further driving costs down (see Figure 8).

» **Enable a better end user experience.** Fifty-one percent of technology decision makers say that managed desktop services will enable a better end user experience. Why? Outsourcing enables automation of the initial provisioning process, which allows employees to get productive faster. Fifty-two percent of companies say that managed desktop services have given them fast access to devices. How? Because all of the apps, settings, and profiles are loaded in the factory, all an employee needs to do is log in with their credentials, and the PC automatically configures itself, enabling the employee to get to work right away.

» **Improve capacity for innovation.** The benefits of managed desktop services directly address some of the key challenges and gaps that companies are facing with their IT infrastructure and personnel. Increased staff productivity allows critical IT staff to focus on more innovative tasks, while faster access to the latest devices and the most modern operating systems meet the needs of employees who are currently underserved by outdated IT tools.

---

**Figure 8**

“Rate your level of agreement with the following statements regarding your IT infrastructure.”

(“Agree” and “Strongly agree” shown)

- **Our IT productivity could be increased with more up-to-date operating systems.**
  - **72%**

- **We tend more toward locking devices and apps down rather than providing more flexibility.**
  - **57%**

- **Our current IT infrastructure keeps us from delivering the best possible experience.**
  - **52%**

- **Our IT processes keep us from embracing innovation.**
  - **47%**

Base: 303 technology decision makers responsible for desktop management at companies with 500+ devices

Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019
Decreased management costs and increased employee productivity are key cost savings of managed desktop services. Companies utilizing managed desktop services have found that cost savings occur in several forms, including the reallocation of IT staff time, decreased management costs, and decreased support costs (see Figure 9). Nearly half of companies (49%) have experienced a cost savings through reduced risk. Having a continuously updated OS, a cloud-based management (rather than traditional group policy-style management), and a dedicated security monitoring tool are all benefits of managed desktop services that can reduce risk.

Figure 9
“What cost savings have there been by moving to managed desktop services?”

- 54% Increase in amount of time that IT staff can reallocate to other tasks
- 50% Decreased management costs over time
- 49% Decreased support costs over time
- 49% Reduced risk
- 43% Decreased device costs over time

Base: 192 technology decision makers responsible for desktop management at companies with 500+ devices
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019
Key Recommendations

IT leaders have spent the past five years building cloud, security, and mobile strategies, but that’s changing with the emergence of new, innovative workplace computing models. For the first time in decades, the way IT professionals support employee computing needs is radically changing. Whether through automation of the initial onboarding experience, simplification of device management with modern APIs, or deployment of cloud-based productivity software, the time to transform your desktop strategy is now. Leveraging a partner can help you get there faster and more cheaply, enabling your IT team to focus on driving innovation to help your company delight its customers. Forrester’s survey of desktop management professionals yielded several important recommendations regarding managed desktop services:

**Identify roles and responsibilities.** Managed desktop providers vary greatly in the types of services they offer. Your organization should be clear on who owns the responsibility. Typically, the third party will handle areas such as initial device onboarding, day-to-day IT and end user support, ongoing management, and security incident management. IT organizations are almost always in charge of change management, day-to-day support for technology outside the scope of the managed desktop, application deployment/licensing, and network architecture. Clarify these roles prior to committing to a partnership.

**Link managed desktop deployments with OS updates.** Forrester research shows just 50% of infrastructure decision makers have upgraded to the latest OS, with the rest in process. While Forrester expects migrations to occur quickly as some operation system support ends in 2020, organizations can use the migration process as a lever for investing in a managed desktop service. This can help with the initial update of their operating systems, as well as provide strategic assessment implementation services for embracing cloud-based management, native security monitoring, and productivity software configuration and deployment.

**Don’t wait to sign the deal to start modernizing your workplace computing.** While managed desktop services can deliver extraordinary value via reduced costs and improved manageability, testing elements of digital transformation can be a fruitful exercise for familiarizing the IT department with the new model and determining easy wins. Companies often migrate certain policies (such as Wi-Fi and certificate authentication) from traditional management platforms to a cloud-based management platform as a first step in the modern desktop journey. Others will use bring-your-own-device (BYOD) as a testing ground for managing and securing end user devices with modern APIs.

**Choose a provider experienced in end user analytics.** Increasingly, managed desktop providers are partnering with third parties (or natively) to deliver analytics capabilities that examine end user experience, such as device/app performance, network latency, or SaaS utilization. Some solutions include end user sentiment data to get a sense of the overall user experience. Choose a vendor experienced in this to help your staff build workforce personas, proactively manage disruptions to end user experience, and glean insights to improve the end user environment.
Appendix A: Methodology

In this study, Forrester conducted an online survey of 303 technology decision makers responsible for desktop management at companies with 500+ devices in the US, the UK, Canada, and Australia to evaluate the need for managed desktop services, as well as the benefits it can provide. The study was completed in April 2019.

Appendix B: Demographics

Base: 303 technology decision makers responsible for desktop management at companies with 500+ devices
Note: Percentages may not total 100 because of rounding.
Source A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2019

Appendix C: Endnotes