A Scalable Software Research Report

The evolution of the IT department: From break/fix to the backbone of the modern enterprise

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Introduction: New demands on IT require a new approach

In just a handful of years, the world of work has undergone a rapid evolution. From working all week in an office, to full-time working from home, to hybrid working as the "norm". For a short time, hybrid seemed like it was here to stay. But even that model of work continues to evolve as businesses balance productivity concerns with the challenges of managing remote employees.

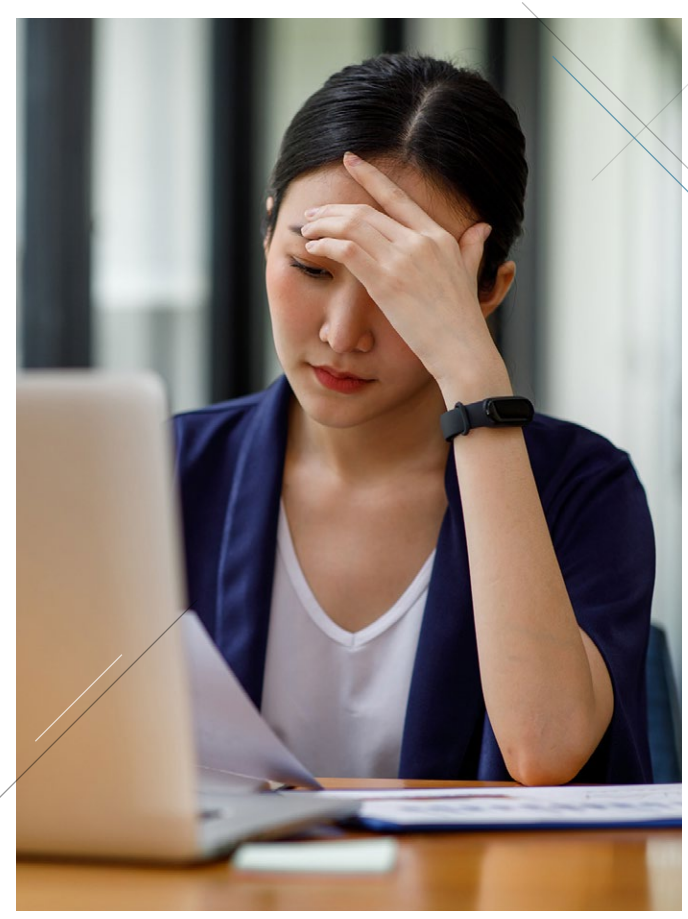
Yet one thing is clear even as the discussion over working models continues – today's workplace is digital, whether an employee is in a corporate office or a home office. Working patterns have changed irreversibly, and that shift brings new challenges to the IT department, which is responsible for delivering a digital employee experience that facilitates effective work.

Traditionally, IT has been seen as the department that provides technology to the business and fixes that technology when it breaks. But today, given that so much of work depends on digital channels, how IT leaders are judged is changing.

IT is no longer just managing technology utilities; it must manage the experience that its services deliver while ensuring employees are empowered to be productive. IT needs a new perspective that offers visibility into how work gets done in the digital workplace and how that experience can be optimized.

In fact, data show that digital employee experience (DEX) is of increasing importance to the workforce. **Previous research Scalable conducted found that 43% of knowledge workers say poor DEX has reduced their job satisfaction and 29% say it has made them want to leave their job.**

IT decision makers (ITDMs) also have a critical role to play in navigating the Return-to-Office (RTO) vs Work-from-Home (WFH) debate around the success of hybrid working. But as our new research of 400 ITDMs in the US and UK shows, IT leaders are struggling to fulfil this role.

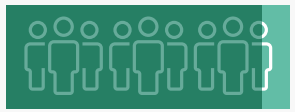


The findings reveal that ITDMs lack access to data that would enable them to objectively analyze productivity in the digital workplace and to optimize DEX. As the demands on IT leaders change, they must take a new approach that centers on DEX to power IT's evolution from the department of break/fix to the backbone of the modern enterprise.

Navigating “productivity paranoia” and hybrid work

In just a handful of years, the hybrid working model has gone from being considered as the “future of work” to the villain of the piece for many enterprises. Driven by C-suite anxiety around the productivity of hybrid workplaces, even global firms like Amazon and Zoom have mandated that employees return to the office full-time.

This “productivity paranoia” over hybrid working has spread far and wide, with 90% of ITDMs saying it is an issue in their organization.



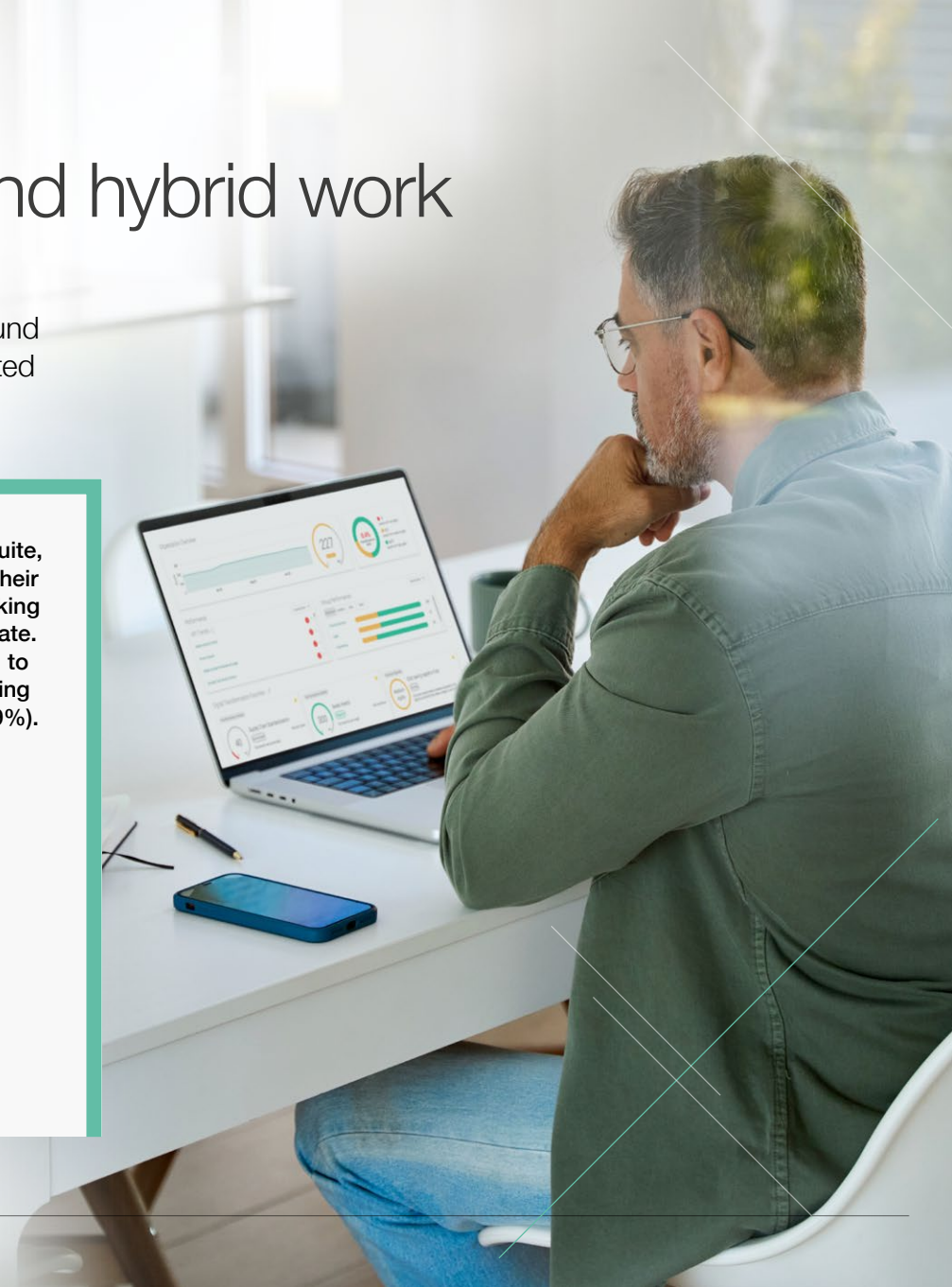
90%

of IT decision makers say their organization is suffering from “productivity paranoia” over hybrid working

Despite the productivity worries from the C-Suite, most ITDMs (62%) themselves would prefer their organization to adopt a hybrid or remote working model, regardless of how they currently operate. Of those that would prefer their organization to adopt mostly office-based working, this finding was higher in the US (42%) than in the UK (29%).

62%

of ITDMs prefer hybrid or remote working



Failing to take a **sophisticated approach** to managing the digital workplace

When it comes to addressing productivity concerns and overseeing digital workplaces, there is considerable room for improvement. The approach many organizations currently take to managing three core elements of the digital workplace – hybrid working, employee productivity, and digital experiences – is immature.

We explore these three elements in more depth on the following pages.

1/ Hybrid working

2/ Employee productivity

3/ Digital experiences

1/

Organizations must move beyond thinking about hybrid work as a compliance issue

Businesses use a range of methods to measure compliance with hybrid policies, including identifying an employee's location from an IP address (60%) and collecting "gate data" (54%). A sizeable number (43%) require their employees to manually fill in an office schedule.

How does your organization monitor compliance with hybrid working policies?

Identify location of employee from where they log on

60%

Require digital check-in/ check-out

59%

Collect "gate data"

54%

Installed time-tracking/ attendance software

50%

Require employees to manually fill in an office schedule/tracking document

43%

Do not monitor compliance with hybrid working

8%

These "tick-box" methods have one thing in common: a focus on compliance rather than delivering any genuine insight into how employees work in a hybrid model. Using an IP address or gate data to check if an employee is present in the office is simplistic, delivers no real analysis into what work is being done, and is easily gamed.

Moreover, such a basic approach to managing hybrid working can erode trust on both sides. In our research of knowledge workers, more than a third (35%) said they resent being told they have to go into the office for a set number of days. In this kind of work environment, employees often feel that they have no agency and become less engaged. As a result, presenteeism becomes the norm and gives rise to trends like "coffee badging" – where employees badge into the office merely to show their face and have a coffee with colleagues before returning home.

2/

Organizations are conflating output with productivity

The most used metric for assessing productivity is an employee's output (67%). While output is part of the measure of productivity, it does not reflect the full picture. Productivity is underpinned by digital efficiency, and unidentified digital friction caused by non-performant technology or badly designed workflows greatly limits output.

For example, a financial services organization might take the 20 insurance claims processed per hour by a customer service agent as a measure of output and thus productivity. But that number offers no insight into how that task was completed, what digital friction existed along the way, and if the workflow could be optimized to increase the number of claims processed to 25. Equally, for some knowledge-based roles, output is particularly hard to quantify and can't be reduced to an output figure.

How does your organization measure employee productivity?

Measures around the volume of work or outputs created by an employee

60%

Line manager assessments on productivity

56%

Time tracking software

51%

Employee self-assessment on productivity

48%

Dedicated productivity monitoring software

46%

We don't measure employee productivity

4%

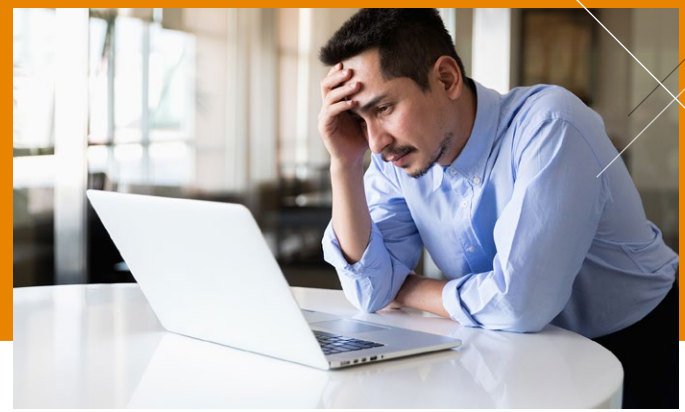
Productivity measurement is also completed via highly subjective methods such as line manager assessments (56%) and employee self-assessments (48%). Such assessments also fail to surface digital friction or highlight potential productivity gains from process optimization. Similarly, half (51%) of organizations use time-tracking software. The main risk of relying on such methods is conflating an output or being present online with being productive.

Digital friction is defined by Gartner as the "unnecessary effort extended by employees using technology for work". It can come in the form of anything that is a roadblock to employees' productivity. Digital friction is one of the biggest culprits for poor DEX. Gartner finds that 47% of technology users experience high digital friction, and 34% experience this friction several times a week.

3/

IT departments are focused on technology over experience

When asked how IT monitor digital employee experiences (DEX), the most cited measure is tracking the amount of IT support tickets (67%) followed by service desk performance (60%). The problem these findings highlight is that support tickets and service desk performance are not measures of DEX. While these metrics allow ITDMs to understand the volume of reported issues and how many are resolved within Service Level Agreements, they do not reflect the true experience of employees.



How does your organization monitor and score the digital employee experience of digital workers?

Tracking amount of IT support tickets and requests
67%

Service desk performance
60%

Dedicated digital experience analytics software
56%

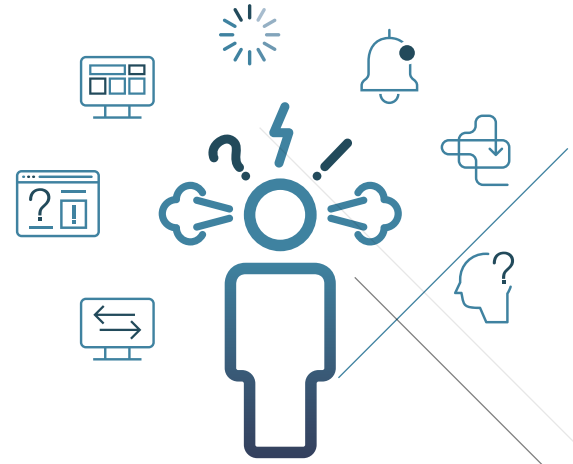
Employee self-assessment
48%

We don't monitor and score digital employee experience
7%

With distributed teams working at multiple locations, ITDMs need data that goes beyond IT failures. They need insights to make data-driven decisions that tangibly improve user experiences. For example, by exposing digital friction and identifying where workflows can be optimized.

What's also missed when IT focuses solely on technology performance rather than holistic digital experiences is an understanding of employee wellbeing. IT support tickets give no insight into working patterns to assist in protecting wellbeing and spotting workers at risk of burnout, or identifying employees who are disengaged.

DEX deep dive: The impact of digital friction



Employees in modern digital workplaces rely on access to technology and services to do their jobs, wherever they are working. When that technology doesn't perform, the resulting digital friction significantly damages productivity.

We asked **IT decision makers** what the most reported examples of digital friction are in their organization and compared the findings to what **knowledge workers** said in our earlier study.

Type of Digital Friction	**ITDMs:** Which of the following examples of digital friction are most commonly reported to your IT team by employees?		**Knowledge workers:** Which of the following examples of digital friction have you experienced at work?	
	Ranking	% reporting	Ranking	% reporting
Having to toggle between applications repeatedly to find information or complete a task	1	45%	2	35%
Applications that repeatedly freeze, crash or load slowly	2	44%	1	47%
Too many communication channels to manage resulting in "notification overload"	3	43%	3	30%
Complicated workflows that require extra steps to complete, even for routine tasks	4	37%	5	28%
Lack of instructions/training on how to use an application or software	5	34%	4	29%
User interfaces that are hard to navigate and are confusing	6	33%	6	24%
Unable to find the right data/records to complete a task	7	30%	7	23%

Interestingly, ITDMs and knowledge workers identified the same top three examples of digital friction. This includes application switching, which is a particular drain on productivity; a study by Harvard Business Review found excessive app toggling forces workers to spend four hours a week "reorienting" themselves between windows.

The challenge for ITDMs is that application switching, as well as other common problems like notification overload are difficult to analyze, especially when organizations rely on rudimentary measurements. Digital friction can also remain hidden when employees endure poor experiences and find their own workarounds.

To identify when and where digital friction occurs, IT leaders need to understand user journeys at scale for all processes, irrespective of work setting. Sophisticated DEX analytics employ task to analyze user journeys and interaction data to see exactly how employees complete tasks. This allows ITDMs to eliminate inefficient processes and application workflows to improve productivity.

How did companies become so overburdened with digital friction?

One major driver of digital friction is the rapid adoption of hybrid work models. The urgent deployment of digital tools led to an influx of new applications with overlapping functions. Technology estates have become complex and poorly integrated, with workflows that span multiple applications and domains. This leaves employees burdened with too many apps that they often don't know how to use.

A lack of granular visibility into digital experiences and user journeys exacerbates the problem. IT departments are unable to identify where convoluted workflows cause bottlenecks or illogical workflows that impact productivity. Organizational growth compounds the issue, with different digital requirements across teams leading to software and hardware sprawl – contributing further to friction and communication silos.

Poorly executed workplace experiences plagued by digital friction unsurprisingly waste significant amounts of time. **ITDMs estimate employees are losing almost four hours (3.78) a week on average due to digital experience failings. That's even higher than when we asked knowledge workers, who said they lose 2.72 hours a week.**

It's likely this is a conservative assessment, so this is a damning finding. It's also a recognition from ITDMs that digital experiences are not up to scratch and that poorly performing technology greatly impacts productivity, even if they are unable to tackle it with tools they currently employ.

Conclusion: From break/fix to the backbone of the modern enterprise with sophisticated DEX analytics

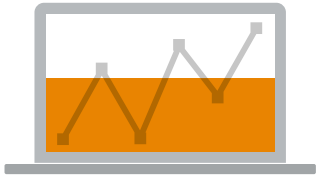
The findings in this report show a clear need for IT departments to reassess how they measure the effectiveness of hybrid workplaces, employee productivity, and DEX. How teams and work environments are managed must shift as the work landscape transforms.

Part of that shift must include a change in attitude from ITDMs around measurement in the digital workplace. The majority (83%) of ITDMs have privacy concerns over using software to monitor hybrid working. Yet, more than half (55%) of knowledge workers are open to their organization deploying DEX analytics that would gather data on working patterns and trends.

There is a clear opportunity now for organizations to adopt sophisticated DEX analytics that deliver deep observability. In doing so, ITDMs can accurately assess employee productivity, identify and eliminate digital friction, and optimize hybrid workplaces. The takeaway for IT leaders is that communication is critical – when employees understand that DEX is a way of injecting objectivity into conversations around productivity, they are open to its use.

By centering the digital experience of employees over providing technology infrastructure, ITDMs also improve the perception of IT to the business. Freeing employees from the burden of digital friction and unleashing their productivity will contribute to business performance and growth. And as ITDMs demonstrate added value to the business, they will no longer be the department of break/fix but become the backbone of the modern enterprise.

83% of ITDMs have privacy concerns about using software to track employee compliance with hybrid working policies



55% of knowledge workers are open to their employer using DEX to gather data on working patterns and trends if it enables them to demonstrate they are working efficiently from home

About the survey

This research was commissioned by Scalable Software and conducted by independent research company, Sapio Research. Fieldwork was conducted in March and April 2024. Respondents consist of 400 senior IT decision makers in organizations with more than 1,000 employees across the UK and the US.

About Acumen

Scalable Software's DEX management platform, Acumen, collates and distills data from every endpoint to deliver insights to IT leaders. Acumen enables businesses to deliver exceptional employee experiences whether staff WFH or RTO, by building flexible, work-from-anywhere digital workplaces. With a DEX deep dive from Acumen, IT leaders can accurately measure and proactively optimize experiences to keep the workforce productive and engaged.

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