

**2020 WAS A YEAR OF
CHANGE:** HOW READY WAS
THE MARKET, AND HOW
READY WERE YOU?

EXECUTIVE SUMMARY

2020 will be remembered – among other things, obviously – as the year of remote working. Or at least, the year the practice went mainstream, thereby completing an evolutionary process that began with the first remote technologies.

Businesses are now at the stage of managing the fallout caused by a sudden need to empower home offices. IT endpoints have multiplied and are now to be found in any number of domestic settings – from kitchens and utility rooms to elaborate tree houses.

- 🕒 **Supporting this new reality requires IT departments to slay a two-headed beast:**
- 🕒 **First comes the need to enhance the employee experience, equipping colleagues with the best-in-class remote collaboration tools needed to drive productivity**
- 🕒 **Second is the ever-present demand for security protocols that work anywhere, to keep apps, devices, and data safe**

What hasn't helped in this endeavour is the emergence (or at least the emboldening) of another disagreeable monster: shadow IT.

Yet our research suggests that the solution is closer than we may think, and it comes in the form of user experience. In other words, the best way to stop unsanctioned downloads or unwanted behaviours is to give employees user-friendly tools ripe with comprehensive functionality.

That may sound simple, but it's understanding the what, how, and (most importantly) why behind this claim that adds the detail – which is what you'll find covered in the survey findings.

INTRODUCTION

During the UK's first Covid-19 lockdown, we often heard mention of the 'Blitz spirit'. Certainly, in business circles, where employees suddenly found themselves working from home, the sense of being 'all in it together' has been uplifting.

Not that many had a choice; few IT departments claimed to be completely prepared for the crisis (14% according to our survey). The majority (79%) ranged from 'not that prepared' to 'somewhat prepared', leading many to quickly usher in new ways of supporting remote working.

It hasn't been an easy ride. 43% of IT professionals complain about a shortage of IT equipment (up to 62% in Financial Services), and of employees downloading unsanctioned apps and software remotely (38%). More than one in three organisations also report increased use of personal devices for work purposes.

Applying a quick fix to the situation meant that due diligence was frequently compromised. Doing this, however, has left IT teams fully aware of the huge security implications involved. **Our findings suggest that shadow IT has exploded by 59% due to Covid-19, with 54% now considering themselves 'significantly**

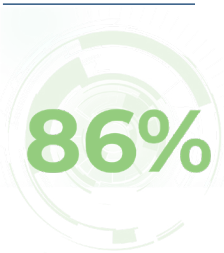
more at risk' of a data breach.

The question now is what long-term conclusions can be drawn from this insight? At Core, as a Microsoft Cloud Managed Service Partner, we've surveyed 200 IT decision-makers to find out about the growth in shadow IT. The results show that some form of remote working is set to remain the rule rather than the exception moving forward; **hence why 47% of companies are deploying new solutions to support this trend, and 43% are looking to standardise and mandate software to avoid 'app anarchy' becoming the new normal.**

The key takeaway: our data shows that efforts to address shadow IT are happening not a moment too soon, while also highlighting very practical and realistic ways of containing it.

To find out more, read on...

UNCOVERING THE BEAST: THE TRUE EXTENT OF SHADOW IT



Nearly nine out of ten IT teams were not fully prepared for the shift to remote working

While shadow IT has always been a concern, its scale and ability to manifest has been massively expanded due to changing work patterns caused by Covid-19. According to the survey, 65% of the average workforce is now working from home (up from 24% pre-pandemic).

Few could have predicted such a transformation, with only a small minority (14%) claiming to be completely prepared. Enough time, though, has passed to allow companies to reflect on the impact. The results make for interesting reading, with around 40% of respondents saying they didn't have the right software, hardware, apps, or infrastructure in place to support remote working.

This, in turn, has led to further problems, including:

- Employees taking equipment home (experienced by 48%)
- A lack of training on remote working (44%)
- A shortage of IT equipment (43%)
- Managing software remotely (42%)

It's hardly surprising, therefore, that 26% of our surveyed audience claim to have experienced issues relating to shadow IT. Even for those who didn't, strategies put in place to cope were often haphazard at best. Indeed, 59% reported pressure to roll out solutions without proper testing, with 77% admitting to introducing short-term fixes to support remote working.

All of which suggests that shadow IT has been given room to grow, to diversify and evolve – with huge implications for stretched IT resources.

COPING WITH THE CRISIS

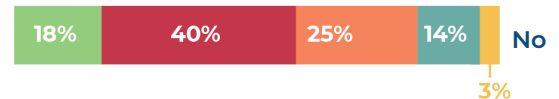
RIGHT SOFTWARE AND APPLICATIONS IN PLACE TO COPE



RIGHT HARDWARE AND INFRASTRUCTURE IN PLACE TO COPE

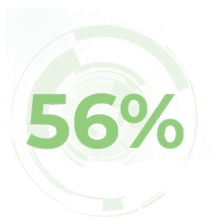


IT INFRASTRUCTURE DESIGNED TO SUPPORT REMOTE WORKING



Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

WHAT'S AT STAKE: IMPLICATIONS FOR THE BUSINESS



Over half of businesses feel that personal device use has left them more vulnerable to a security breach

You don't need to be a celebrated rocket scientist to calculate the risks of unmanaged remote working practices. Whether you're operating in a highly regulated industry or not, the potential loss of control for IT, the security exposure, and the lack of data protection and governance all point to significant trouble ahead.

Another challenge comes in the form of employees downloading unsanctioned software onto work devices (50% of respondents have experienced this). Without the 'boots on the ground' in sufficient numbers to police this trend, IT is prioritising new solutions for remote working (47%) and efforts to standardise/mandate app usage (43%).

As for what 'ideal' looks like, IT clearly prefers (71%) a single application that combines video, audio conferencing, instant messaging, and file sharing, hence the trend toward unified communications platforms (42%), which are quickly catching up with hybrid phone systems (52%) – made more attractive by the associated licence cost savings.

Not that making life easier for IT is the only driver. Respondents are also clearly aware (75%) that providing systems able to seamlessly work together is key to keeping remote workers productive, engaged, and equipped to perform at their best.

PRIORITIES OVER THE NEXT 6 MONTHS

Ensuring seamless transition to remote working

48%

Implementing new solutions to support remote working

47%

Standardising and mandating software

43%

Removing non-sanctioned software

33%

Ending personal device use for work

29%

EMPLOYEE EXPERIENCE: TURNING FROWNS UPSIDE DOWN

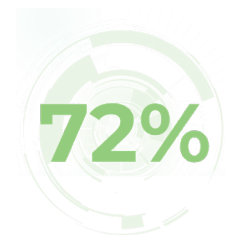
Employee experience (EX) sits at the heart of the shadow IT dilemma. Put simply, give users what they want and they won't seek work-arounds for maintaining business as usual.

The findings certainly back this claim up, with the vast majority of non-IT sanctioned software downloads being video conferencing (56%), instant messaging (35%), and file sharing solutions (32%). Most of which is done with complete head-in-the-sand ignorance as to the security implications involved.

Yet taking for granted the fact that

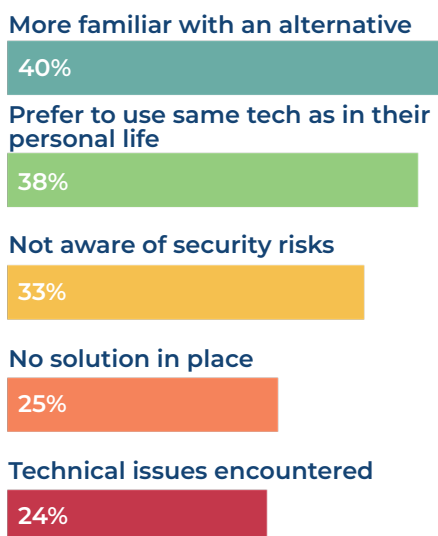
IT is dealing with a well-intentioned workforce that just wants to get stuff done, **what can be said about the capabilities that make up a good EX?** The answer appears to focus on the practical, with those features listed above supplemented by Microsoft Office integration (42%) and the ability to record calls (34%) or see other colleagues online (32%).

What's more, it's the very absence of these features that encourages bad habits. Knowing what they want, employees will inevitably seek apps they're familiar with. All of which helps confirm that the choice of a remote-working solution should not be based on tech criteria alone. **Instead, as 75% of respondents agree, delivering high-quality and intuitive solutions that empower users is the best way to combat shadow IT – while also inspiring more effective compliance.**

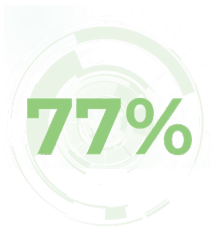


Nearly three out of every four organisations with 250-1,000 employees are seeing unsanctioned video conferencing

THE TOP REASONS FOR ACCESSING UNSANCTIONED APPS



THE MOVE TO ONE-STOP SHOPS



The vast majority of respondents viewed Microsoft Teams as being more appropriate for business compared to Zoom

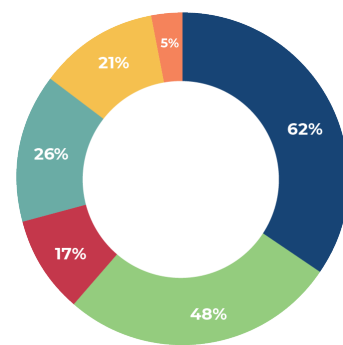
The challenge of shadow IT has certainly mutated in 2020 due to the obvious shift in user behaviour and expectations. Yet the change has also helped clarify expectations around IT's response, based around the dual need to improve remote working for employees while also providing effective security.

Achieving both these goals typically requires IT to follow the path of least resistance: i.e., deliver policies and tools that employees are happy to work with. In fact, 75% of respondents agree that leading with the carrot over the stick is the approach to follow. That means giving users access to the same capabilities they're using outside of work (38% prefer this), where the technical issues experienced with corporate apps (24%) are non-existent.

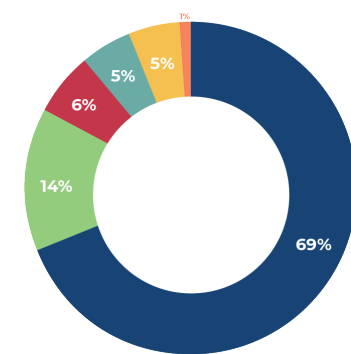
The good news for IT is that keeping employees happy AND maintaining overall control are not mutually exclusive goals. And as the findings show, the pursuit of these objectives is leading to one-stop-shop solutions – with 81% of respondents already deploying Microsoft Teams. Balance is critical between the tech that IT is happy to mandate (here, Microsoft Teams scores 69% versus 14% for Zoom) and the tech employees are comfortable using (48% and 62% respectively).

With its business focus and stronger security, Microsoft Teams certainly emerges as the obvious choice for employees. That said, 52% of companies are still using parallel systems – but this is rapidly changing as users and IT demands coalesce into the need for a unified solution.

WHICH APPS DO YOU CONSIDER THE BEST BUSINESS OPTION?



WHICH APPS HAVE YOUR EMPLOYEES RECENTLY DOWNLOADED?



IN CONCLUSION

Amidst all the many lessons learned to date from the business response to Covid-19, shadow IT has arguably been the hardest of all. As the data shows, IT departments have strived to step up and prove themselves as indispensable supporters of business continuity. Their activities have also shed light on the importance of putting policies in place to counteract the surge in shadow IT.

The findings from this survey suggest that key insights also continue to come thick and fast.

First among these is the importance of developing a corrective approach that places employee needs front and centre. Another, is that when it comes to collaboration tools, an intuitive, dynamic and straightforward user experience that inspires user acceptance is the only viable way to reduce shadow IT.

Finally, there's the opportunity. Some in IT may see managing remote working as an on-going headache. But through closer interactions with employees, it also presents a real opportunity to further strengthen relations. This development alone will be critical for forging a bright new future.

ABOUT THIS SURVEY

This survey was conducted by Savanta on behalf of Core, and includes responses from:

- 🔗 **200+ IT decision makers and team operatives**
- 🔗 **A broad range of industry sectors and organisation sizes**

This research was brought to you by Core, in association with Wavenet.

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