Abstract

The COVID-19 pandemic has severely impacted day-to-day operations of every sector, and the IT services industry is no different. Apart from the obvious move to telecommuting and the initial period of uncertainty, several challenges cropped up along the way. Restricted travel meant fewer client interactions and reduced business development opportunities. Team building and resolution of network connectivity issues suddenly became more crucial and harder than ever. Amid project delays, cashflow problems, and an overall change in employee lifestyle, IT firms started reimagining their service delivery models to take care of ongoing deliverables during these uncertain times. This white paper focuses on the challenges faced by the IT sector and the measures taken to mitigate them and drive business resilience.
Embracing the New Normal

A year after the first wave of the pandemic hit global economies, we are now at a time where some industries have changed forever. The hospitality sector is looking at embracing automation to provide contactless facilities like check-ins, payments, ordering food, and more to ensure client safety while maintaining social distancing protocols. Hotels across the globe are also working with government agencies to transform their facilities into makeshift quarantine centers. While travel, tourism, and hospitality have just started resuming pre-COVID pace, healthcare and e-learning witnessed a boom. On the other hand, many companies in the manufacturing industry took to new product development of pandemic essential items and e-commerce channels became the norm for shopping. Sure enough, the IT services delivery paradigm stands revamped in its own way.

What has Changed in IT Services Delivery?

The pandemic has raised a host of unique challenges that typical business continuity plans or contingency measures fail to address. Forced to accommodate the sudden surge in remote working, the IT industry is bracing itself for long-term ramifications:

**Project Deliverables**: When it comes to IT services delivery, adhering to scheduled deliverables and SLAs were some of the top challenges that firms faced. Alongside, they had to set up uninterrupted VPN connections which require less technical assistance, provide end-user support, and implement robust security measures for their remote workforce. While virtual collaboration tools did save the day, the immediate cut-off from physical interactions took its toll on project deliverables.

**Reduced Business Travel**: As business/corporate travel declined rapidly, IT services companies lost on a number of customer-facing opportunities. This included meetings around new business development, renewals, knowledge transfer, as well as up-selling opportunities. Although remote collaboration tools and how-to manuals were used widely, they can never be a replacement for the rich communication that face-to-face interactions offer.

**State of Client Business**: With most clients themselves bearing the brunt of the pandemic, IT firms catering to these businesses were affected as well. From anything between no new business or revenue to reduced active customers, and limited budgets allocated, these businesses either chose to move their IT operations in house or do away with their digitalization efforts. This, in turn, impacted cashflow and business margins.

**Employee Wellbeing**: Working from home has posed tremendous pressure on employees' emotional state. Continuous deliverables and the flexibility to adapt to the changing methodology have resulted in increased stress levels and burnouts. Being isolated from the crowd for a prolonged period has forced people to remain aloof and has led to psychological issues like insomnia, stress, difficulty in eating, etc., which impacts productivity and the quality of deliverables.
Finding the Right Solution

Immediate Response: With 97% of employees working from home globally, IT services organizations provided their employees with workstations, endpoint management tools, virtual training, etc. While some firms provided desktops/laptops, dongles/data cards, etc., others have encouraged employees to use their personal devices to connect to the business network from any location and at any suitable time. IT enterprises are also increasingly adopting VPN solutions and health checks for endpoint management to ensure secure access to corporate networks from multiple locations. How-to documents on ‘working from home’ guidelines and connecting remotely, made life easier for employees. Business meetings, onboarding, and training programs were conducted virtually not only to ensure business continuity but also to keep the employees connected to each other.

Some IT services companies went a step further and provided UPS facilities and the flexibility of connecting at their convenient time to employees with a lack of continuous electricity supply. New partnerships are being signed with healthcare providers, insurance firms, and pharmaceutical companies to add coverage for COVID-19 treatment and accelerate vaccination of employees and their family members.

Long-term Solutions: Operational models, data security policies, and organizational policies have been revised to accommodate the current delivery approach. This includes connecting with clients/customers at their local time and working collectively. A detailed assessment of workforce requirements is necessary to determine onsite and remote support options so that critical resources are rebalanced to manage crucial client deliverables. Addressing skill gaps proactively helps in formulating a crisis recovery strategy and drives resilience. To drive business resilience and tackle future disruptions, IT services companies must embrace new-age technologies like automation, AI, machine learning, and Robotic Process Automation along with rapid cloud migration. With adaptability emerging as a critical business competency, the success of IT services organizations in the future will rest heavily on their approach towards managing change in a new world.

Looking Forward

Although the time of return to work is uncertain, IT services companies should continue working from home for the next few months for the complete safety of employees. As working from home has improved productivity, continuing and trusting this approach helps in generating maximum revenue. IT services organizations need to consider a hybrid working model – a mix of on-site and remote support – for optimizing skill utilization, achieving cost benefits, ensuring productivity improvements, and enhancing employee experience. A staggered approach can also be considered when it comes to bringing employees back to the office.
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Reference

https://buffer.com/2021-state-of-remote-work