

The Global Remote Work Productivity Tracker



**VOLUME 7: COLLABORATION APP SPRAWL IN THE FUTURE
HYBRID WORK ENVIRONMENT**

MICROSOFT OPENS THE DOOR TO COLLABORATION APP COMPETITORS IN THE ENTERPRISE

With the global rollout of the COVID-19 vaccine, the proverbial light at the end of the tunnel is in sight.

As we've seen during the past 10 months, companies are evolving their thinking and planning for the post-pandemic workplace. On December 13, [Google disclosed](#) that its offices will remain closed until September 2021 and that it is considering offering a "flexible work week" once its employees return to the office. The idea is to require employees to divide their time each week in the office for "collaboration days" while working remotely for the remainder of the week. This was further reinforced when Amazon unveiled the design for its HQ2 in Arlington, VA on February 2, which includes collaborative spaces for employees who would go to the office only occasionally.

This trend brings the future hybrid workplace into clearer view and is essential for two reasons: 1) it likely portends that most companies will also delay office reopening until the vaccines are in broader distribution and 2) the reliance on applications – specifically collaboration apps – for individuals and teams to remain productive is permanent.

This is why we're seeing the collaboration apps market as a new battle line in the war among the enterprise tech giants. When [Salesforce announced](#) its acquisition of Slack last December, it described the combination of the two as "the operating system for the new way to work."

To protect their flank, [Microsoft and SAP announced](#) in late January an extension to their strategic partnership to deeply integrate Teams with SAP business applications. But has Microsoft left the door open to competitors in the enterprise?

The latest version of the Aternity Global Remote Work Productivity Tracker re-examines data that is important for business and technology executives planning their organizations' digital employee experience in 2021 and beyond. In Volume 7, we set out to answer the following questions:

- What is the share of employees working remotely in North America, Europe and China?
- How has the usage and share of productivity and collaboration applications changed since the shift to remote work in early 2020?
- Based on these trends, what are key recommendations for enterprises in managing collaboration apps to support work-from-everywhere, hybrid work environments?

KEY TAKEAWAYS

- The percentage of employees working from home in North America stood at **79%** as of December 20, a drop of **5%** since its mid-March peak.
- Driven in large part by outbreak of virus variants, the percentage of employees working from home in Europe has **increased by 6%** since October 25 to **75%**.
- As of December 20, 2020, Microsoft Teams usage increased **3,891%** from its base usage on February 17, while Zoom usage grew **1,788%**.
- Microsoft Teams usage growth came at the expense of Skype for Business, which declined **63%** from its peak on March 28. Overall, Microsoft collaboration app usage (Teams and Skype for Business) grew **391%**.
- The usage share of Microsoft collaboration apps (Teams and Skype for Business) declined from **93% to 83%** from February 17 to December 20, 2020.
- Collaboration app sprawl continued in the enterprise, with Zoom **tripling its share to 6.9%**, while Slack and Webex more than **doubled their shares, to 4.9%**.

SHARE OF REMOTE WORK GLOBALLY

Figure 1 provides an updated snapshot of the percentage of employees working remotely through December 20, 2020.

The share of employees working remotely in North America remains at **79%**, a **5% drop from the peak** in the mid-March shift to remote work. In Europe, which was successful in reducing the spread of the virus in the spring and summer, only to see a resurgence this fall, **75%** of employees are now working remotely, a **6% increase** since October 25, but **down 9% from the peak** in April. In Asia Pacific and China, which have had continued success in controlling the spread and preventing a resurgence, **64%** of employees are working from home as of December 20, a **13% decrease** since April.

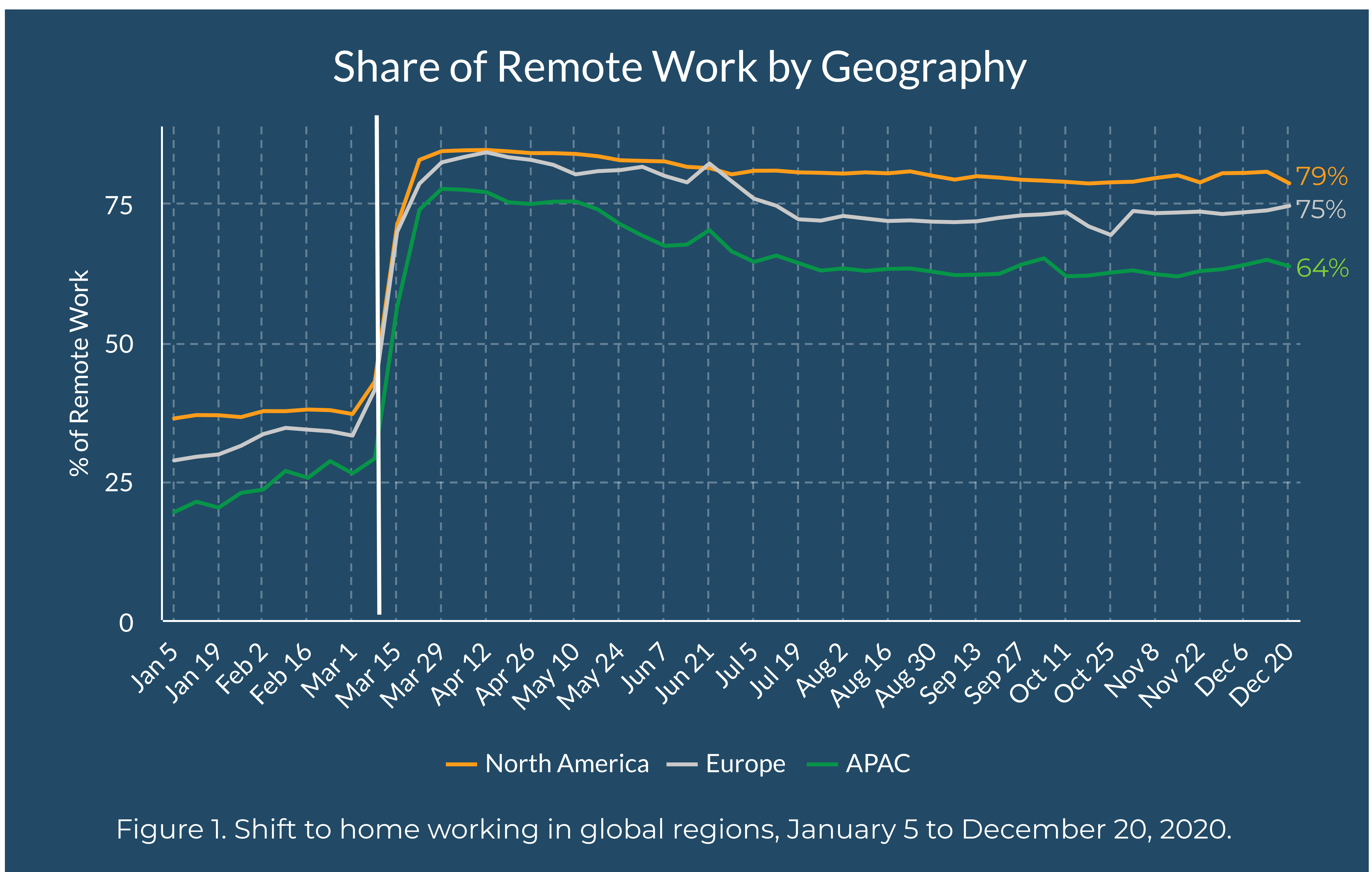


Figure 1. Shift to home working in global regions, January 5 to December 20, 2020.

The end of year virus outbreak surges due to holiday period community spread and the new variants in Europe make it too early to identify an overall downward trend in the share of employees working remotely. While numerous companies have announced permanent work-from-home policies, how effectively employees can work remotely long-term remains to be seen. In fact, a 451 Research survey* published in December reported that just over half of employees surveyed felt that they could be as effective working from home as in the office.

*Source: 451 Research, Voice of the Enterprise, Workforce Productivity & Collaboration, Employee Engagement Survey, December 2020

COLLABORATION APP SPRAWL - USAGE GROWTH BY TOOL

Figure 2 provides a view into the employee usage growth of the most predominant collaboration apps used in enterprises due to the shift to remote work. When we [first analyzed](#) the impact of this shift on application usage, we identified the emergence of collaboration application sprawl. This has occurred because individual employees use multiple tools to serve varying needs – from ad hoc one-on-one "virtual water cooler" chats to internal team meetings to larger group brainstorm and working meetings with business partners.

For this update, we tracked the growth in usage of major collaboration tools from their "base" during the week of February 17, before the shift to remote work, through December 20, 2020.

The usage of nearly all collaboration tools increased substantially throughout 2020, except for Skype for Business. Microsoft Teams experienced the highest growth rate by far (**3,891%**), a trajectory that further accelerated in early August. Zoom was second (**1,788% growth**), followed by Slack (**1,073% growth**) and Webex (**1,070% growth**).

Collaboration App Usage Growth by Tool

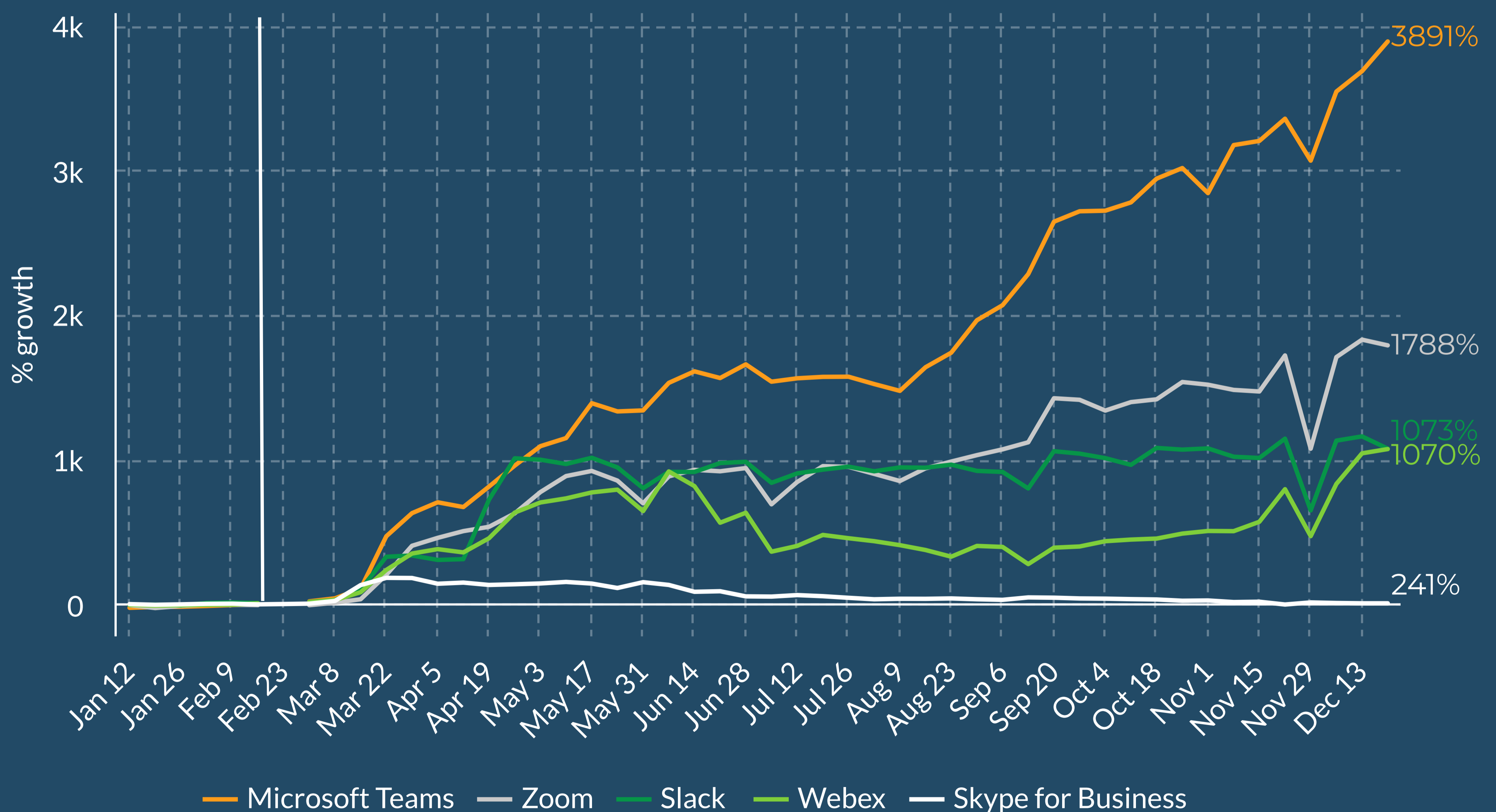


Figure 2. Percentage growth in collaboration app usage, February 17 to December 20, 2020.

COLLABORATION APP SPRAWL - USAGE GROWTH BY VENDOR

While Microsoft Teams usage was meteoric and dwarfed the growth of other collaboration tools, this came at the expense of Skype for Business, whose growth **rose only 8%** between February 17 and December 20. In preparation for the July 2021 end of life for Skype for Business, Microsoft's enterprise user base migrated to Teams, which opened the door to more nimble competitors by allowing digital native employees to consider alternatives amid the remote work disruption.

As shown in figure 3, which combines Teams and Skype for Business usage during the period analyzed, Microsoft's overall collaboration tool usage **increased 391%**, only one-tenth of the growth rate for Teams on its own.

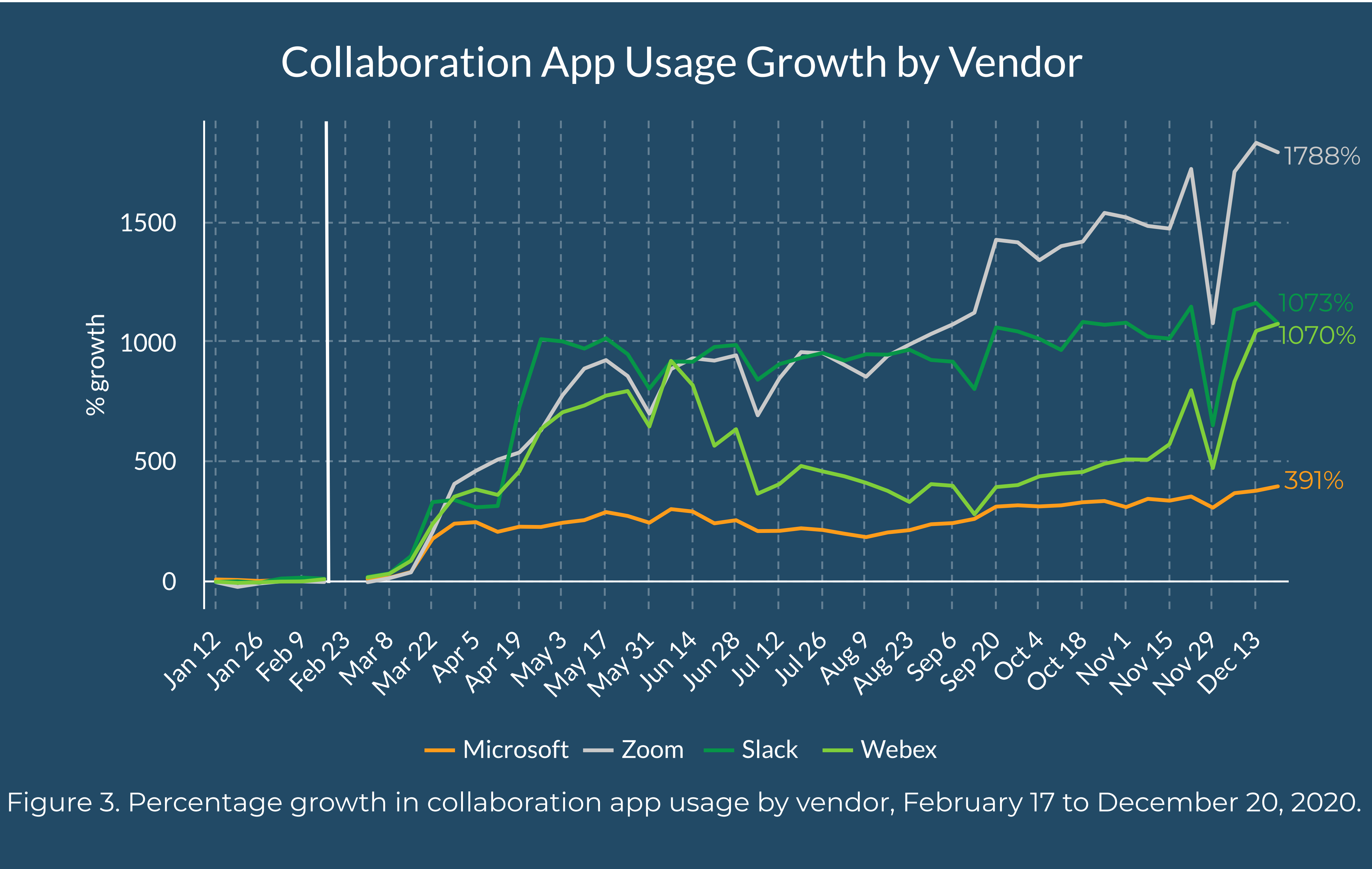


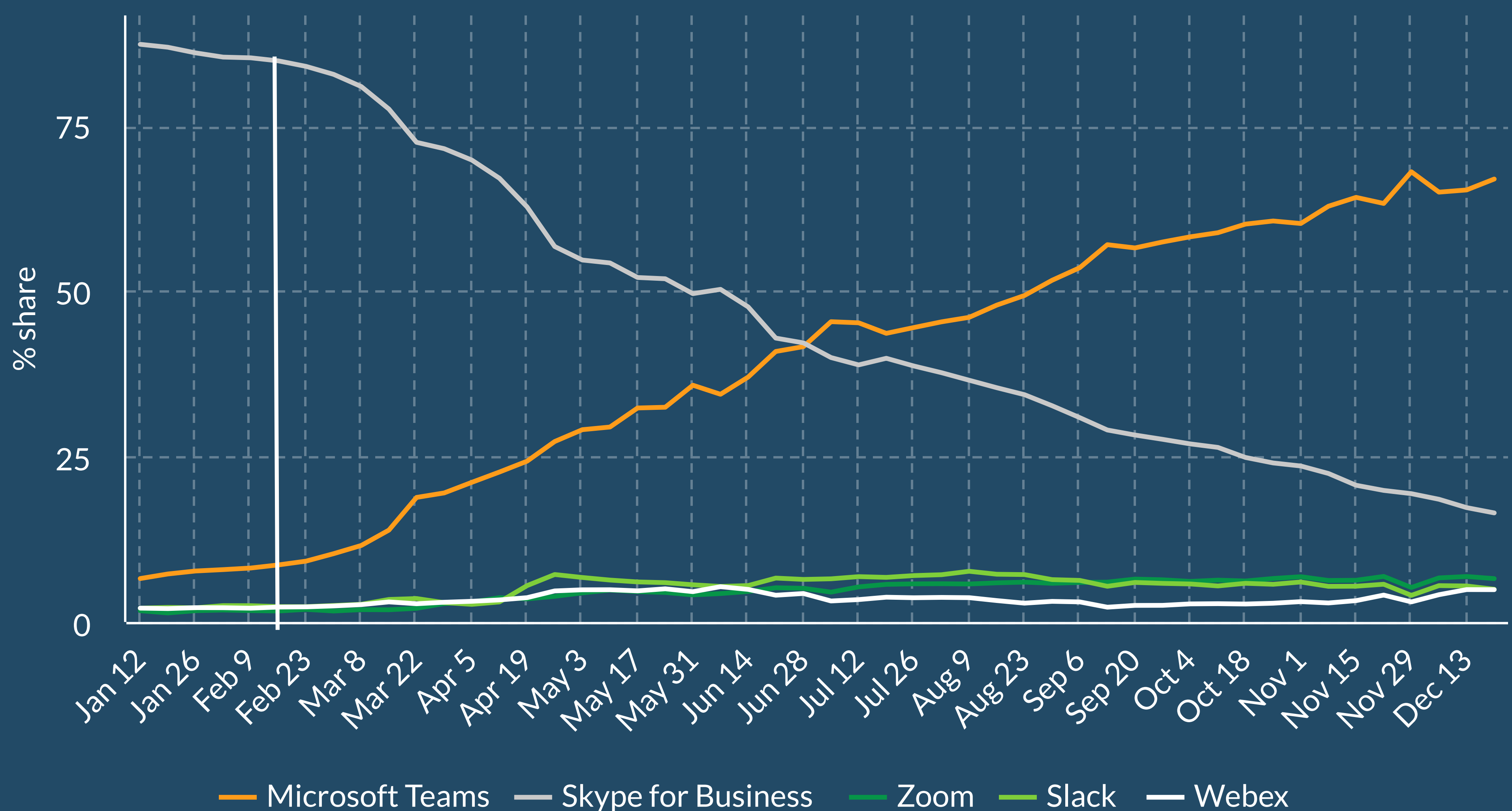
Figure 3. Percentage growth in collaboration app usage by vendor, February 17 to December 20, 2020.

TRENDS IN COLLABORATION APP USAGE SHARE - TEAMS REPLACES SKYPE FOR BUSINESS

A closer look at the share of usage of these collaboration tools provides further evidence that Microsoft opened the door to competitors in the enterprise as companies prepared for the July 21, 2021 end of life date for Skype for Business. As shown in Figure 4, Skype for Business usage share **declined from 84% to 16%** between February 17 and December 20, while Teams usage share **grew from 9% to 67%** during the same period.

Collaboration app sprawl continued in the enterprise, as Zoom **tripled its share to 6.9%**, while Slack and Webex more than **doubled their shares, to 4.9%**.

Collaboration App Usage Share by Application



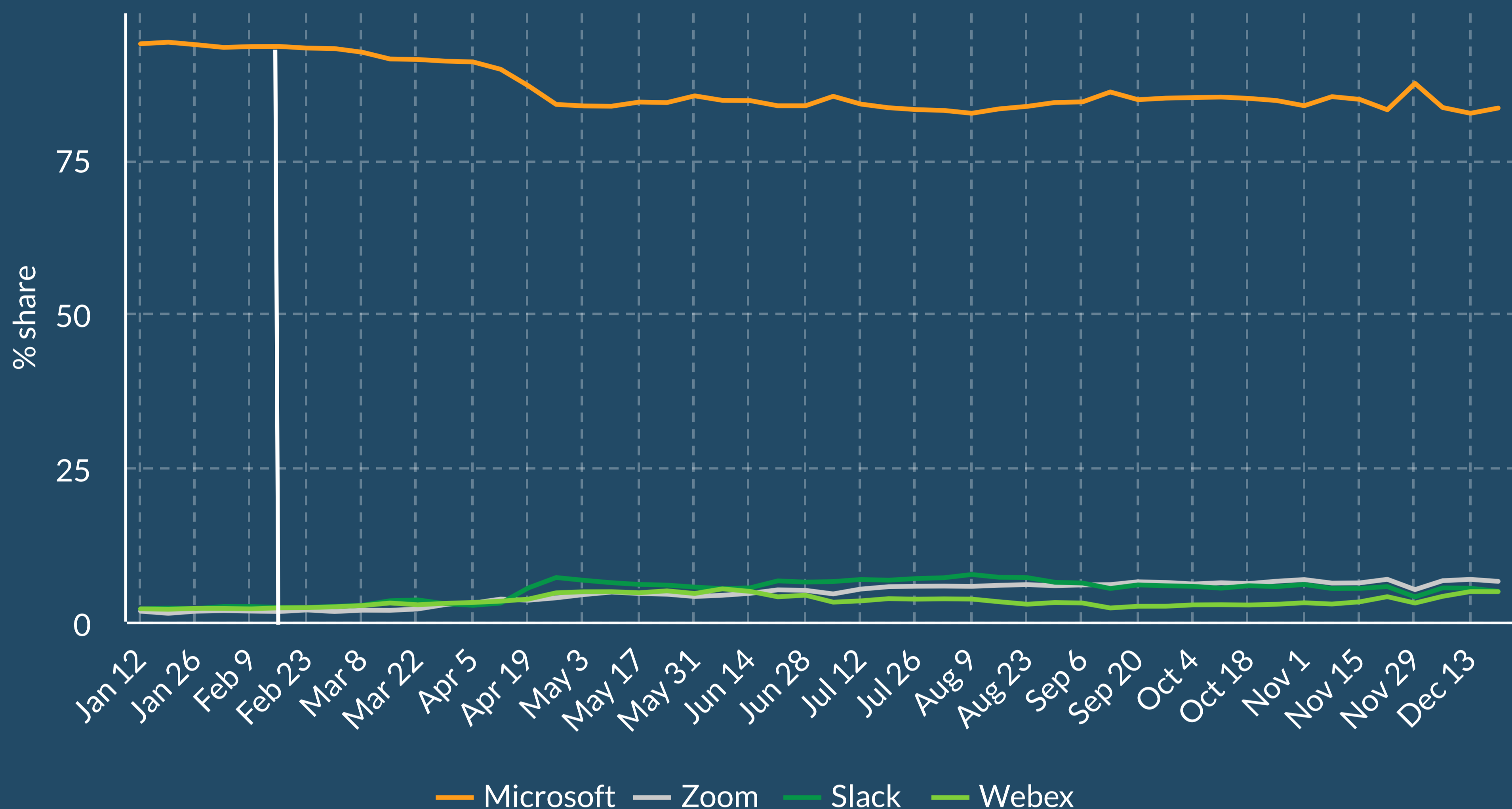
Application	Usage Share February 17	Usage Share December 20	Change in Usage Share
Skype for Business	84.0%	16.5%	-67.5%
Teams	9.2%	66.9%	+57.7%
Zoom	1.9%	6.6%	+4.7%
Slack	2.3%	4.9%	+2.6%
Webex	2.3%	4.9%	+2.6%
Others	0.4%	0.20%	-0.2%

Figure 4. Usage share of collaboration applications, February 17 -December 20, 2020.

TRENDS IN COLLABORATION APP USAGE SHARE - MICROSOFT'S HOLD IS SOFTENING

When combining Teams and Skype for Business usage in one chart as shown in Figure 5, we see that overall Microsoft collaboration tool usage share **declined from 93% to 83%** between February 17 and December 20. The usage among the other major collaboration apps **increased from 6% of total to 17%**, further illustrating sprawl in the enterprise.

Collaboration App Usage Share by Vendor



Vendor	Usage Share February 17	Usage Share December 20	Change in Usage Share
Microsoft	93.2%	83.4%	-9.8%
Zoom	1.9%	6.6%	+4.7%
Slack	2.3%	4.9%	+2.6%
Webex	2.3%	4.9%	+2.6%
Others	0.4%	0.20%	-0.2%

Figure 5. Usage share of collaboration applications, (Microsoft Teams and Skype for Business combined) February 17 -December 20, 2020.

COLLABORATION APP USAGE SHARE - ZOOM LEADS THE REST OF THE PACK

As shown in the previous chart, the three other enterprise collaboration app vendors ate into Microsoft's dominant position between February 17 and December, increasing their share of total usage share from **6% to 17%**. Of the three, Zoom was the primary beneficiary of collaboration app sprawl, increasing its share during this period from **29.3% to 39.6%** at the expense of Webex, whose share decreased from **35.2% to 27.2%** and Slack, whose share dropped modestly from **35.5% to 33.2%**.

Share of Total Usage for Zoom, Webex, and Slack

6% of Total Feb 17

17% of Total Dec 20

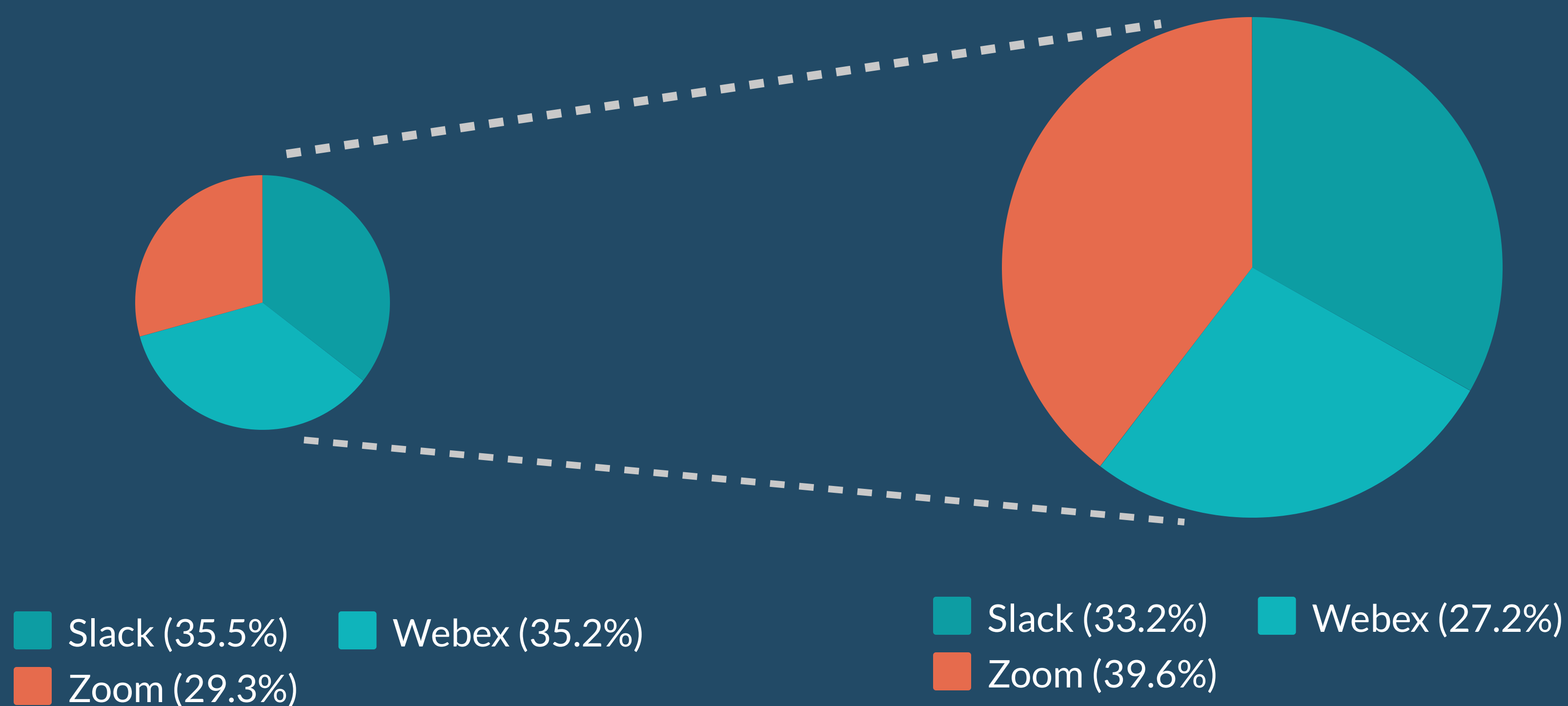


Figure 6. Usage share of non-Microsoft collaboration applications, February 17 -December 20, 2020.

RECOMMENDATIONS FOR MANAGING COLLABORATION APP SPRAWL IN THE HYBRID REMOTE WORK ENVIRONMENT

Given the increasing reliance on collaboration applications for the work-from-everywhere enterprise and the trend toward the future hybrid work environment, companies should consider the following recommendations to ensure a positive employee digital experience:

- **Define/refine flexible work policies** through internal discussions with key organizational stakeholders. With the policies established, identify the technical capabilities required to make these policies achievable.
- **Analyze the current collaboration app usage and performance** across the organization to determine a baseline and identify opportunities for performance, cost, and productivity optimization.
- **Reassess your collaboration app portfolio** within the context of your newly defined or updated flexible work policies, ensuring employees will have the tools needed to work effectively and succeed regardless of location while minimizing cost.
- **Eliminate redundant tools and capabilities** through rationalization of your collaboration app portfolio as you transition to a hybrid work environment. Closely manage migration projects to ensure no negative impacts on employee experience.
- **Make collaboration apps part of your mission-critical technology stack** (e.g. the integration of SFDC and Slack and SAP and Microsoft Teams) and implement the proper support, maintenance and monitoring to ensure high levels of performance.
- **Track the impact of IT performance** on the remote employee experience as the organization begins to shift to a hybrid workforce.
- **Benchmark your employees' digital experience** against other companies in your industry to determine improvement areas with the highest potential impact.



ABOUT THE RESEARCH

The Global Remote Work Productivity Tracker is based on data aggregated from millions of employee devices from hundreds of global companies being managed via the Aternity Digital Experience Management platform, an enterprise SaaS solution. The reports are generated via Aternity's built-in, advanced analytics and custom reporting capability.

Past reports include:

Volume 1 - An initial analysis of the massive, rapid shift to remote work in different regions globally and its impact on productivity.

Volume 2 - A look at how the working day has changed for remote employees and changes in application usage in the WFE environment.

Volume 3 - An analysis of how the performance of business applications impacts the digital experience of WFH employees across industries and countries.

Volume 4 - Initial inspection on collaboration app sprawl and the change in usage and share of leading collaboration tools as employees adjust to the new normal.

Volume 5 - Analysis of the extent to which continued remote work as part of the "Next Normal" creates a Remote Work Productivity Tax - a reduction in productivity for employees working from home relative to those who have returned to the office.

Volume 6 - Trends in migrating to newer versions of employee devices, by industry, and the resulting impact on employee productivity.

About Aternity

Aternity, the enterprise-class Digital Experience Management company, transforms the employee experience in the digital workplace, with enterprise-scale analytics for every application, all transactions, any device, and all users. Aternity's AI-powered visibility and self-healing control help IT optimize business application performance to improve employee productivity and customer satisfaction, mitigate the risk of IT transformation, and drive down the cost of IT operations. To learn more about Aternity, visit aternity.com