ESG BRIEF

Unified Communications and Collaboration Predictions for 2022

Date: December 2021 **Author:** Mark Bowker, Senior Analyst

ABSTRACT: Whether employees remain remote or return to an office environment, unified communications and collaboration strategies are top business priorities that will shape the future of work and become the backbone of hyperconnected businesses. Companies are looking beyond online meetings for communication as they explore opportunities with unified-communications-as-a-service (UCaaS), communications-platform-as-a-service (CPaaS), and net-new policy management. Expect to see businesses readjust strategies in 2022 as they overcome false starts, consolidate tools, and execute on a unified communications and collaboration strategy that is coupled directly to their business strategy and goals.

Unified Communications and Collaboration

Unified communications and collaboration platforms have become the new endpoint operating systems that businesses are building upon to create enhanced experiences, shape the future of work, and become the backbone of hyperconnected businesses. These platforms are designed to shrink distances between employees, inspire interaction, and streamline how work gets done. While the promise of these platforms is inspiring, businesses continue to grapple with challenges that include:

- The proliferation of communication tools that require constant context switching and notification overload.

- Scarcity of advocates within leadership teams, business executives, and board members.

- Mass resignation amongst a distributed workforce.

The innovation in this market over the last 24 months has been remarkable, but few businesses have been able to keep pace with the waves of new features, workflow integrations, and net-new ways for teams to work, managers to manage, and employees to engage. For example, video is becoming as important as (or more important than) voice as businesses look to adopt new features, including recording, transcription, translation, and AI-enabled features to improve voice and video quality. Additionally, companies are looking beyond online meetings for communication as they explore virtual event and webinar platforms for internal corporate and team events. 2022 will be the year of further feature adoption and increased business dependence as the market shifts focus to the following priorities:

- Continued Growth of UCaaS (unified-communications-as-a-service) - Just as cloud-based services and consumption models are dominating other business and IT services, expect businesses to divest themselves from on-premises solutions and embrace UCaaS solutions. The distributed workforce has created new expectations that demand anywhere, anytime access to a full stack of communication services inclusive of telephony, messaging, video conferencing, and collaboration features that enable employees to seamlessly interact across channels. Expect to see

UCaaS full-stack solution variants including endpoint hardware and peripherals. These solutions will help create a predictable user experience mapped to monthly cost per employee.

- **The New Operating System: CPaaS (communications-platform-as-a-service) -** CPaaS enables developers to add voice, video, and messaging to applications and embed communications features. Monitoring the development and integration activity of unified communications and collaboration platforms will provide a leading indicator of how strategic these platforms have become to businesses. Platforms that build a rich ecosystem of application integrations and a marketplace will stand out from other platforms that risk becoming a feature and/or an acquisition target. Watch for the development of new products and application integration for the 5G market as one of the potential market-leading success indicators. Also expect to see unified communications providers playing both sides of the coin as they strategically build leverage to become both the platform and a coopetition feature.

- **The Decline of Email -** Adopters of unified communications and collaboration platforms will change the primary means of communication and perhaps more importantly create new streamlined business processes that do not include email (many already have). Increased adoption of unified communications and collaboration platforms will change the flow of communication channels and redirect how employees communicate. Employees will expect an increase in real-time collaboration that will essentially replace (and augment) the in-office experience. Unified communications and collaboration are designed to inspire interaction and automation. As a result of CPaaS, expect to see more business processes assimilated into unified communications and collaboration platforms. Email will not be shut off but expect to see reductions as high as 50%+ in businesses that continue to embrace the features and functionality of the unified communications and collaboration platforms.

- **How Work is Measured -** Work is no longer a place you go and is not measured in hours worked. Work and therefore employee performance, productivity, and wellbeing will be measured through the usage of unified communications and collaboration platforms. The levels at which businesses choose to track and measure work will vary based on industry and individuals' role within organizations, but businesses will use intelligence to monitor, measure, and inform employees. The intelligence and automation capabilities of unified communications and collaboration platforms will also influence how leaders manage people and teams, which will likely include more task-oriented goals. It will be a natural evolution here to see leaders in this market package security, risk, compliance, and employee experience into a per-user, per-month consumption model.

- **Generational Disparity -** The accelerated adoption of unified communications and collaboration platforms, combined with the massive degree of innovation over the last 24 months, is clearly leaning in favor of an emerging workforce that has come of age using alternative communication channels (not the telephone….or email). Businesses must be mindful of how they strategically close the gap between a generation that is emoji-driven and one that remembers speaking on a corded phone. Expect to see an active generation of leaders and managers who can quickly adapt to and embrace these platforms as they drive employee productivity, create automated workflows within the platforms, and inspire teams to actively create the future of work.

- **Legal, Compliance, and Auditing –**Video recordings storage, access restrictions, and retention policies are some of the many issues that business must consider as they execute on their strategies. Clear corporate communication will be required to help employees understand and follow these polices and add them to procedures that they are familiar with, such as existing email policies. Uncertainty and lack of clarity has already led to the usage of non-sanctioned consumer or free tools that companies will not be able to regulate and control. Expect to see a first-party and a third-party ecosystem of vendors attack this challenge and help companies confidently navigate this new territory.

The Bigger Truth

Universally, the unified communications and collaboration vendors will continue to build upon trust and security messaging as differentiators while specialty collaboration security and data protection vendors emerge within this market landscape. Businesses will also continue to wrap their arms around providing the endpoint hardware and peripheral kit that will help them deliver a predictable and optimal user experience. Additionally, there are three important dynamics to monitor in 2022:

- Employee sophistication with the overall usage of unified communications and collaboration platforms, as well as the breadth of functionality that they will potentially embrace.

- Platform strategy, as companies align to corporate and/or departmental platforms and how the vendor ecosystem chooses to either integrate into a platform or become the platform.

- The velocity of application development and integration, where organizations build workflows that connect applications and automate tasks.

Expect to see businesses readjust strategies in 2022 as they overcome false starts, consolidate tools, and execute on a unified communications and collaboration strategy coupled directly to business strategy and goals. How employees work now and in the future will be a major factor in the enthusiasm and pace with which businesses adopt unified communications and collaboration platforms in 2022. Strategic platform decisions will become imperative in 2022, as businesses combine what they have experienced in 2020 and 2021, the visionary concepts of the future, and the communication channels that best support business.

Enterprise Strategy Group is an IT analyst, research, validation, and strategy firm that provides market intelligence and actionable insight to the global IT community.

www.esg-global.com   contact@esg-global.com   508.482.0188