

Management Update: Predicts 2006: Collaboration Comes of Age

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Access to well-understood collaboration support technology will broaden and deepen due to integration, rationalization and the emergence of product suites. At the same time, new demands for collaboration support will continue to require a more targeted approach.

ANALYSIS

What You Need to Know

Two seemingly contrary trends will define the collaboration market during the next few years: It is consolidating and becoming more differentiated simultaneously. As with other major categories of software, collaboration technologies are coalescing into bundles of various functions. Major vendors will put together suites encompassing e-mail, shared work spaces, instant messaging, Web conferencing and other technologies. The incorporation of Web services and service-oriented architectures will also bring together pieces of the collaboration environment (and other business and workplace applications) that are separate today.

However, at the same time, powerful forces will push the collaboration space to become more differentiated. If this were a conventional space, the ultimate result might be a mature market dominated by two or three major vendors, with almost everyone else driven out, except for niche players. Most importantly, collaboration is about supporting business value, people's behavior and corporate culture. As new demands from workers for new ways of working together emerge, new technologies will emerge to support this behavior. Gartner believes these new technologies will largely come from smaller and startup companies.

In addition, most new collaboration projects will have to accommodate workers outside the company, because businesses will have to generate more revenue by working jointly with customers, partners

and suppliers. Often, these needs will be met by diverse technologies, which may coexist with internal, standardized solutions. Even well-established technologies, such as Web conferencing, will develop new uses. For instance, support for ad hoc work will start to drive sales of Web conferencing faster than delivery of presentations – a key driver today.

Gartner's 2006 predictions show that the collaboration markets will continue to be a changing and evolving market space. Your opportunity is to become more proactive and define a flexible collaboration strategy that both broadens and deepens access to collaboration support across the entire organization's ecosystem.

Prediction: By 2009, the integrated collaboration market will largely subsume today's point collaboration technology markets – for example, e-mail server, shared work spaces, instant messaging, videoconferencing and Web conferencing.

Key Findings: Increasingly, users say that they are seeking to support broad collaboration. Users are not looking for a set or collection of technologies that enable and support collaborative work. Although these strategies may include different and a mixture of approaches toward supporting collaboration, the fundamental shift is that collaboration buying patterns are beginning to change from organizations buying or acquiring point products, to seeking a broader collection of integrated technologies and services.

Buyers are specifically asking for a "laundry list" of scenarios and technical functionality, including communications, shared work spaces and coordination services. Gartner believes a market is emerging, the integrated collaboration market, which includes software products whose primary purpose is

to support a broad set of collaborative activities between any internal or external users.

Market Implications: The collaboration landscape has been a collection of individual markets with vendors supplying point solutions to meet those market demands. Vendors that have traditionally focused on parts or related markets (for example, content and information management markets, e-mail and messaging markets, shared work spaces, and telecommunications) are expanding their products or developing partnerships to offer solutions to cover more collaborative activities or behaviors.

In addition, many of these vendors are creating functional links between traditionally independent technologies. The impact of these market changes is that organizations will increasingly be able to buy complete, comprehensive and highly integrated sets of technologies and flexible services to support collaboration for a broad audience of users. In addition, Gartner believes that there will be a degree of, although not complete, market consolidation around a few vendors' platforms.

Recommendations:

- Consider collaboration services as part of your broader software architecture.
- Be clear about priorities and requirements when making a choice between an integrated collaboration offering vs. best-of-breed products.
- Understand that this is an emerging market, and thus vendors currently do not offer this level of integration and services.
- Even as this market emerges, look for opportunities to augment vendor offerings with best-of-breed technologies to meet your needs.

Analysis by Betsy Burton

Prediction: By 2009, the shift toward role- and task-specific environments will diminish the importance of Microsoft's Office platform.

Key Findings: Driven by specific role and task requirements and the extension of richer information services and collaboration support to mixed-mode and service employees, enterprises will routinely deploy alternatives to the Windows operating system and the Office suite of personal productivity tools by 2009. Among the emerging options are IBM's Workplace Client Technology, Linux, OpenOffice, Ajax technologies (as popularized by Google) and Adobe's Macromedia tools. Although they are in their infancy, these alternatives promise lower ownership costs, simplified desktops and increased functionality. These technologies are not mutually exclusive; enterprises could combine various elements to fit different users' needs.

Gartner also believes companies will segment users based on work style and need, after closely examining migration costs, interoperability, security, infrastructure dependencies and manageability. Although there has been much talk and little action so far, some new developments are worth considering:

- In many enterprises (and among most consumers), the primary user interface is the portal, not the desktop.
- Desktop software prices (the Microsoft tax) keep climbing.
- Some leading-edge enterprises are testing the alternative of having users (typically younger ones) acquire and maintain their own PCs.
- The shift toward role- and task-specific environments can diminish the importance of Microsoft's "underlying platform."

Market Implications: Role-based and task-based and the emerging crop of platform alternatives represent the first real threat to Microsoft's desktop hegemony since OS/2. These dynamics, however, will result in a net expansion of the PC heritage industry and spur an explosion in computing form factors and work style options, providing new business opportunities for a class of vendors focused on these platform alternatives.

Recommendations:

- Organizations should examine the business appeal of extending baseline computer services to mixed-mode and service employees, and explore the viability of matching need with appropriate platform services.
- Core knowledge workers will continue to require a rich Office system stack, but some mixed-mode employees and most service workers can be sufficiently provisioned with lower-cost/functionality platforms such as Linux/OpenOffice combinations, once they are suitably mature.

Analysis by Matt Cain

Prediction: By year-end 2008, collaboration vendors will expose at least 80 percent of key functionality in their products as componentized Web services. However, plug-and-play interoperability between collaboration services from different vendors will not be practical, even by 2010.

Key Findings: Collaboration technology vendors are already allowing programmatic access to key functionality through Java or .NET components – and increasingly through Web services protocols as well. The proprietary application programming interfaces that an application supports generally offer richer programmatic access to an application than what is available for Web services access today. However, Gartner expects that the balance will keep shifting toward less proprietary and more independently reusable collaboration services. In

turn, this will result in more agility when building and delivering rich collaborative support in different business contexts. However, the lack of standards around data formats, operations and rich presentation environments for collaboration support will mean that plug-and-play service composition and reusability will be a practical reality mostly within the confines of the collaboration framework of each vendor.

Market Implications: The trend toward the componentization of integrated collaboration products and the exposure of key functionality as services will be a positive for vendors and users alike. Vendors that lead in terms of service orientation will be able to demonstrate more technical flexibility in addressing the needs of users in different market segments or users engaged in specific businesses. There is already evidence for this. More importantly, however, service orientation and, by implication, better interoperability and “openness” are the main counterarguments to user concerns about overcommitment to a broad integrated collaboration offering from a single vendor.

Recommendations:

- Expect componentized services in collaboration products to improve flexibility and reuse, and plan to take advantage of it.
- However, do not assume that painless plug-and-play interoperability or substitutability between products from different vendors will be a reality.

Analysis by Nikos Drakos and David Mario Smith

Prediction: By 2009, 60 percent of new collaboration-related IT projects will seamlessly incorporate supplier, partner and customer personnel – up from fewer than 10 percent in 2004.

Key Findings: In a recent Gartner survey, 78 percent of 280 IT professionals responsible for workplace technologies indicated that support for interenterprise

collaboration was critical to them. Business applications such as supply chain management systems capture, support and automate the formal or transactional collaboration part but do less of a good job in supporting the social context of those transactions – such as handling exceptions that need human “lubrication.”

Virtually all enterprises turn to outsiders for something – for example, the shipment of goods, product marketing, public relations, raw materials, subassembly design and manufacturing, expert consults, distribution, and post-sale service. “No business is an island” – intercompany relations extend well beyond traditional buyer-seller relationships. Pure “arm’s-length” relationships are fast receding in prominence. The industry is in an age in which every company operates in a complex business ecosystem where the success or failure of each member of the ecosystem is dependent on, affects and is affected by the success of other members of the ecosystem.

Market Implications: The complex interdependencies in the business ecosystem require tight collaboration between ecosystem members – but IT support for collaboration between enterprises has been lagging, as IT organizations have focused on internal operations, transactional automation and public-facing systems. There is an in-between layer – intimate collaboration between trusted business partners – that enterprises and their IT professionals are starting to focus on.

Recommendations:

- It is the ecosystem, not the enterprise, that the IT function must serve.

Analysis by Tom Austin

Prediction: By 2008, Web-conferencing products will be widely available and frequently used by more than 40 percent of the worldwide business user community.

Key Findings: Most of the current adoption and usage of Web-conferencing products have been for presentation-style or marketing meetings, such as “webinars.” That growth will slow down or flatten. The next area of growth will be for ad hoc collaborative, peer-to-peer meetings. As Web conferencing gets better-integrated into office and other collaboration tools, barriers to use will drop, leading to more informal meetings. Gartner estimates that the usage for collaboration products in general has penetrated approximately 10 percent to 15 percent of the current addressable business market.

Market Implications: Through 2008, yearly growth in new users accessing Web-conferencing products for formal presentations or marketing events (the current main driver for Web-conferencing use) will drop to approximately 5 percent. During the same time period, wider availability, lower and more flexible prices, and better integration with office automation and other collaboration tools, as well as better integration with other applications, will combine to push the use of Web conferencing for ad hoc, collaborative meetings to more than 40 percent of the worldwide business user community. More usage will occur through two means: more users and access within the same organization, as well as more organizations becoming familiar and comfortable with using Web conferencing.

Recommendations:

- To get the most value out of your Web-conferencing tools, develop best practices and training for one-to-many and many-to-many online conferences.
- Different conferencing methods require different user behaviors; make sure to establish guidelines for a healthy real-time collaboration culture.

Analysis by Tom Eid and Jeff Mann