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Magic Quadrant for Workforce Engagement Management

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Technology convergence and innovation continue to reshape the WEM market. Engaged employees are essential to achieve customer service ambitions and overall customer experience. We assess eight vendors to help application leaders select the right WEM solution for their needs.

Market Definition/Description

The emergence of workforce engagement management (WEM) software characterizes the evolution of the established, multibillion-dollar workforce optimization (WFO) software market. An emphasis on improving the operational performance of customer service staff persists. Recording and assessing employee performance and forecasting and scheduling optimum staffing levels remain key activities, driven by tight integration and workflow across these functional domains.

However, a crucial shift in focus toward employee engagement has prompted application leaders for customer service to expect more value from vendors' solutions, due to the correlation between engagement and performance (see "The Future of Customer Service Workforce Engagement Management").

Being able to manage resources in a way that drives engagement is one of the four pillars of great customer service within a leading customer care organization:

1. Getting connected to the customer
2. Being able to orchestrate the process
3. Having access to the relevant information
4. Being able to manage the required resources

Traditionally, these four pillars have represented discrete areas of investment by different business owners drawing on different budgets, and there has been limited thinking across them. However, when investments are aligned and optimized, more intelligent, consistent, personalized and effortless customer service experiences become possible. This alignment is starting to gain momentum (see

"Prepare for the Impact of a Consolidating Customer Service Technologies Marketplace"). WEM is a crucial part of the resource management pillar.

The WEM landscape is defined by functionality that includes support for:

- Recruitment and onboarding
- Evaluation and improvement
- Time management
- Assistance and task management
- Metrics and recognition
- The voice of the employee (VoE)

In addition to the vendors that provide a suite of functions eligible for analysis in this Magic Quadrant, there are vendors active in WEM submarkets, such as workforce management (WFM) and performance management (see "The Gartner Customer Service Technology Vendor Guide, 2019").

Magic Quadrant

Figure 1. Magic Quadrant for Workforce Engagement Management

Source: Gartner (February 2020)

Vendor Strengths and Cautions

Aspect

Aspect, based in the U.S., is a privately held software technology provider. It offers WFO capabilities both in a stand-alone solution and as part of a suite, including with multitenant and multi-instance contact center applications. The combined ability to connect with customers and manage agent resources delivers better engagement benefits.

Gartner estimates that Aspect generated $130 million in revenue from WFO software in 2019 — no increase from 2018.

Aspect is a Niche Player, despite its global presence and established WFO capability. This is partly due to its lack of a leading vision, which results in operational, rather than engagement-related, benefits forming the core of its go-to-market value proposition.

Consider using Aspect's WFO offering as part of a combined contact center suite solution.

Strengths

- Aspect provides a proven agent workforce management (WFM) solution. Its leading WFM platform is complemented by recording, coaching and performance features offered through a single, unified, user-friendly dashboard.
- Using artificial intelligence (AI), Aspect is empowering agents to improve scheduling and administrative tasks via an intelligent personal assistant. It can help collect VoE feedback and understand questions such as "What is my schedule for today?"
- Over two-thirds of Aspect's deployments are integrated with third-party contact center platforms. This demonstrates a valuable focus on flexibility to integrate with existing deployments.

Cautions

- Aspect continues to focus on providing WFO, as opposed to the benefits of WEM. It has not demonstrated any notable improvements in employee engagement — unlike many other WEM vendors — and Gartner sees no evidence of improvement in its execution as a WEM vendor.
- Aspect lacks a holistic approach to personalizing how agents are managed and developed according to their individual needs and personalities.
- Surveyed reference customers identified data consistency and access challenges, feature gaps, and high service costs to realize the full benefit of the product, as well as a desire for Aspect to improve its pace of innovation. For prospective clients, it is essential to ensure there are reference customers in relevant regions as part of the procurement process.

Calabrio

Calabrio is a U.S. software technology provider owned by KKR, a private equity firm. It offers a unified suite of WEM capabilities, available either on-premises or in the cloud. The suite offers simplified access to a holistic set of features required for human resources management within customer service environments.

Gartner estimates that Calabrio's WEM revenue in 2019 was approximately $230 million — up 30% on 2018.

Calabrio is a Visionary, due to its focus on agent empowerment and self-management, but it lacks advanced engagement features beyond those achieved through modification of its existing, leading

WFO functions.

Consider Calabrio if you are looking for a vendor that provides an easy-to-use interface, good support and embedded analytics as part of its core offering.

Strengths

- Surveyed reference customers for Calabrio praised its ability to understand customers' needs and the overall experience it provides, from implementation to ongoing support, both directly and via its user community.
- Calabrio's unique user interface (UI) is based on a focus on natural usability and reimagined access to all WEM features. It uses vertical scrolling, which suits modern data consumption best practices.
- Calabrio's recruitment features use a well-known character-profiling methodology to improve the selection of agent resources based on ideal agent persona attributes and customer experience responsibilities.

Cautions

- Calabrio's integration of Teleopti, which it acquired in June 2019, is still in its early stages. Although Calabrio now has an international presence, it has yet to deliver the associated momentum as an international WEM vendor and still has to fully combine the associated WFM functionality, which was a key driver of the acquisition.
- Calabrio's consumption-based pricing model incorporates bursting fees, which can result in a significant uplift in seat-based pricing for customers who choose this type of licensing. Although there are benefits to subscription-based flexing, those benefits are lost if customers are unsure of their peak user numbers, forcing them to consider one of Calabrio's other licensing models.
- Calabrio lacks best-of-breed employee engagement capabilities to support all WEM functional domains. Its agent guidance and automation tools, in particular, need further investment.

Genesys

Genesys provides a range of WEM solutions tailored for organizations of different sizes and complexities across the world. The company's WEM capabilities form part of a broad and integrated customer service portfolio. Its joined-up solutions boost the ability to get customers connected by supporting better resource engagement and management.

Gartner estimates that Genesys generated $1.5 billion in total revenue in 2019, of which $210 million came from its three WEM product lines. Of this, Gartner estimates $100 million came from its

Genesys Cloud product line and $30 million from the associated WEM-related functions, the only set evaluated for this Magic Quadrant.

Genesys is a Visionary on the strength of its engagement-focused roadmap and global presence. However, the WEM capabilities evaluated as part of the Genesys Cloud product line lack sophistication in multiple areas.

Consider using Genesys' WEM solutions as part of a broader commitment to its contact center offerings, especially when looking to benefit from a strong ecosystem of technology partners.

Strengths

- Genesys is committed to embracing the benefits of WEM beyond WFO. It has defined an extensive roadmap of features that will enhance engagement.
- Genesys Cloud has features for all WEM functional domains. Customers can extend capabilities by drawing on the broader portfolio and a strong application ecosystem marketplace.
- Genesys is growing strongly in the WEM application market. Customers are realizing the benefits of its SaaS-based platform and the complementary capabilities of its leading contact center as a service (CCaaS) platform.

Cautions

- The Genesys WEM solution is intended to run only with associated Genesys contact center platforms.
- At this time, the sophistication of Genesys' WEM depends on the choice of Genesys customer experience platform, of which there are three. WEM capabilities vary considerably by platform, which complicates procurement.
- Gartner clients report that the customer experience offered by Genesys is let down by a combination of support challenges, citing limitations, comparatively high prices and minimal adoption of new WEM capabilities.

Jacada

Jacada is a small, global public software company based in Israel. It provides customer service automation software focused on desktop unification, self-service and employee guidance.

Gartner estimates that Jacada generated $25 million in revenue in 2019, of which $20 million came from contact center environments, helping to drive engagement.

Jacada is a Niche Player due to its positive influence on engagement, but being narrower than others in terms of its WEM portfolios' support for traditional agent management functions.

Consider Jacada for complex environments where the agent experience is constrained by having to traverse diverse and relatively unintuitive applications and processes. Its offering can be viewed as complementary to a traditional WFO suite.

Strengths

- Jacada has extensive experience in helping its customers offer guidance and deploy automation to assist users, especially in situations where there are no APIs to integrate disparate desktop systems and the environment could benefit from robotic process automation (RPA).
- Surveyed reference customers identified Jacada's ability to help reduce the total time to onboard employees as particularly strong.
- Jacada's usage-based pricing model gives customers the option of implementing its solution without making a long-term commitment.

Cautions

- Jacada's automation-focused offering lacks traditional agent management functions, such as forecasting and scheduling, and agent evaluation. It should be considered as an add-on to a traditional WFO solution.
- Jacada claims to have taken action to simplify the management of automation flows. But surveyed reference customers stated that deployment and administration are more arduous tasks than they should be, and require skilled technical staff to manage flows and integration points.
- Given Jacada's 30-year history, its ability to execute globally is limited. Potential customers should exercise due diligence by examining whether its long-term strategy accords with their overall ambitions for employee engagement.

NICE

NICE is a large, global software technology provider. Its WEM capabilities are part of a single customer service application suite that offers additional employee engagement benefits. Across the suite, the same administrative interface, agent desktop, analytics application, and more, boost the ability to create differentiated customer connection journeys and manage empowered agent resources.

Gartner estimates that NICE generated $800 million in WEM revenue in 2019 — up 15% on 2018 — out of total revenue of approximately $1.5 billion.

NICE is a Leader due to the pace and depth of its WEM innovation, and sustained growth, across a broad ecosystem of connected customer service application capabilities, which includes a leading CCaaS solution.

Consider NICE if your organization has the means to invest more heavily in this vendor's differentiated vision for employee engagement.

Strengths

- NICE leads the market in terms of persona-based management of a workforce. Consideration of agents' personal preferences, attributes and metrics significantly enhances the suite's scheduling, evaluation, development, interaction assignment and assistance capabilities.
- NICE provides differentiated employee engagement capabilities using AI. Its real-time gamification, employee virtual assistance, RPA, and other aspects of workforce engagement and performance optimization, are more advanced than those of most competitors.
- NICE is now capitalizing on its ambition to deliver benefits to purchasers of its persona-based and AI-infused capabilities. Adoption in 2019 was three times higher than in 2018.

Cautions

- Many NICE customers continue to stop short of exploiting its products' depth and breadth of functionality. Consequently, the full value of its broad portfolio of capabilities has yet to be proven.
- Functional disparity between NICE's cloud-based WFM and legacy on-premises/hosted offerings remains a challenge for large organizations looking to tap the benefits of a multitenant cloud.
- Some Gartner clients have reported that NICE does not support their efforts well enough to demonstrate a clear ROI.

Verint

Verint is a large, established, U.S.-based global provider of customer engagement software. It has market-leading WFO capabilities across most domains, including interaction analytics. It is the only vendor in this Magic Quadrant that offers the ability to align the process orchestration and agent management pillars of a holistic customer service suite.

In 2019, Verint generated approximately $1.3 billion in revenue, of which Gartner estimates $670 million came from WEM.

Verint is a Leader due to a WEM vision that matches the market's needs, a global presence and a complementary set of engagement benefits derived from its customer engagement center (CEC) portfolio.

Consider Verint for advanced SaaS and on-premises environments in which blending processes, knowledge and skills poses particular challenges for customer service organizations.

Strengths

- Verint provides a unified and automated workflow-driven WFO suite. It enables better employee engagement by offering widely adopted coaching, employee time management, workflow and VoE capabilities.
- Verint further promotes engagement with the unique features of its complementary CEC portfolio, such as knowledge management, virtual assistant and employee community features.
- Verint is a large, global company with a proven ability to execute at scale both in the cloud and on-premises. Over half its cloud deployments have more than 2,000 seats.

Cautions

- Verint has yet to support key aspects of employees' working lives by taking account of their individual preferences and personality traits. It lacks the ability to personalize on the basis of personas.
- Verint's WEM enterprise software is broad and complex. Some customers struggle to align its capabilities with their current and future business needs. Prospective customers must ensure that their requirements and expectations are documented and signed off.
- Verint demonstrates only gradual progress in adoption of the employee engagement domains of recruitment and onboarding, and metrics and recognition. As a result, these areas of its suite are less proven than others.

WalkMe

WalkMe is a midsize, privately owned company with offices around the world. It provides a platform that sits on top of an organization's existing applications to improve the user experience and increase adoption.

Gartner estimates that WalkMe generated $190 million in revenue in 2019, of which $30 million came from contact center environments.

WalkMe is a Niche Player because of its positive influence on engagement through the user experience, but limitations in terms of the breadth of its WEM portfolio's support for traditional agent management functions.

Consider WalkMe in complex environments where the agent experience is currently constrained by a need to traverse diverse and relatively unintuitive applications and processes. WalkMe's offering can be considered complementary to a traditional WFO suite.

Strengths

- WalkMe is particularly strong in terms of onboarding and task assistance capabilities. It offers multiple ways to improve the employee experience, including provision of tips, cross-application

popups, a digital assistant for guidance, and monitoring for automated intervention.

- WalkMe captures contextual feedback, based on agent activity, by requesting information from agents after specific events, such as the abandonment of a process and other operational challenges.
- WalkMe is a rapidly emerging vendor with strong revenue growth and committed customers. Its customers often invest significantly more over time as they realize the benefits of WalkMe's platform.

Cautions

- WalkMe does not provide traditional forecasting and scheduling, or agent evaluation to help agents achieve a healthy work-life balance while meeting operational targets.
- Customer service accounts for a small percentage of the use cases of WalkMe's customers. Commitment to other departments, driven by market demand or acquisition, could jeopardize WalkMe's viability as a contact center WEM solution provider.
- As suite- and ecosystem-based WEM environments become more popular, the need for WalkMe's type of stand-alone overlay functionality will potentially lessen.

ZOOM

ZOOM is a small, privately owned U.S. specialist in WFO applications. It is an established provider of interaction recording, agent evaluation and coaching software. It sells exclusively through a global network of partners.

Gartner estimates that ZOOM generated $33 million in WEM revenue in 2019.

ZOOM is a Niche Player because it has proven quality management (QM) capabilities, but limited WEM capabilities and a lack of credibility and experience as a WEM vendor.

Consider ZOOM if your main requirement is established software for agent evaluation and coaching, and if support for broader WEM features is of less importance.

Strengths

- ZOOM is committed to providing a SaaS-based, unified WFO solution. It continues to invest in its new multitenant platform and key enabling technologies, such as WFM.
- ZOOM offers attractive and flexible pricing models, which customers can move between without incurring additional cost.
- ZOOM offers a range of analytics capabilities that complement its QM offering.

Cautions

- ZOOM is evolving from QM vendor into cloud-based WFO vendor. Its focusing of investment on a migration to a multitenant platform and development of its own WFM solution is hindering product innovation.
- ZOOM's product portfolio lacks numerous WEM capabilities for personalized employee management. Furthermore, capabilities such as recruitment and onboarding support and task assistance are not on this vendor's roadmap.
- ZOOM's focus is the midmarket, although it can also meet the needs of some large organizations. By influencing ZOOM's direction and product development, this focus is increasingly reducing the vendor's viability for large, complex organizations.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

- Jacada
- WalkMe

Dropped

- OpenText was dropped from this Magic Quadrant as it did not meet the inclusion criteria and has elected not to pursue additional WEM categories beyond automated QM moving forward.

Inclusion and Exclusion Criteria

The inclusion criteria represent the specific attributes that analysts believe are necessary for inclusion in this research.

To qualify for inclusion, vendors were required to have:

- At least $20 million in WEM revenue during the 12 months prior to the start of the process of producing this Magic Quadrant.
- A solution that demonstrates capabilities in no less than three of the six below-listed WEM characteristics:

Note: All subcharacteristics must be demonstrable and not by reseller partnerships. OEM or tight/white-labelled integrations must be provable.

1. **Recruitment and onboarding:**

   - Profiling candidates — The ability to define skill-sets and personality traits that characterize the ideal agent persona.
   - Hiring process — The ability to automate initial screening to surface ideal candidates. Also, the ability to leverage surveying, simulation engines, and potentially predictive machine learning models, to replicate the role (including information retrieval/process execution, and speaking and typing competency through voice/text analytics).
   - Onboarding — The ability to provide guidance on how to perform key tasks designed for new agents. Also considered are metrics and gamification tailored to support early colleague engagement and initial task activities. Being able to design the onboarding journey and appreciate the emotional state of mind of employees as they face myriad new things (related to people, process and technology) is an important consideration.

2. **Evaluation and improvement:**

   Evaluation data collection:

   - Interaction retrieval — The ability for employees to search for a recorded call/digital interaction based on specific search criteria, such as the data tagged.
   - Multichannel surveying — The ability to survey over multiple channels (phone, web, email, SMS, IVR, and so forth).
   - Unstructured feedback (indirect) — Ability to capture and analyze unstructured audio feedback from the caller through integration with a speech/text analytics engines.

   Evaluation process:

   - Interaction selection — Business-rule-driven ability to automate the selection of interactions to evaluate, based on speech/text analytics interaction categorization, postinteraction customer feedback, or other relevant metadata.
   - Form view — The ability to provide evaluators with a single, unified screen that includes audio, text interaction and screen capture playback, as well as the evaluation form.
   - Workflow — The ability to manage the end-to-end workflow associated with the agent evaluation process, from call selection to evaluation score approval by the agent, and the

associated dialogue in between.

- Agent self-assessment — The ability for agents to retrieve their own calls for self-assessment purposes, and to view their evaluations.
- Autopopulation/scoring — The ability to automatically evaluate an interaction or prepopulate specific fields within an evaluation form.

Coaching/e-learning:

- Creation/authoring tool — The ability to rapidly create a coaching or feedback package. The package should be able to support a variety of content, ranging from the supervisor's notes or a presentation to a best-practice audio clip or an audio clip from the call evaluated.
- Communication — The ability to communicate with employees (such as supervisors and agents) in a convenient way to convey feedback or general information in a timely and nonintrusive way. Support for message grouping (that is, sending the same message to multiple agents) and interaction recording is important.
- Agent visibility — Agents should have a dedicated area for viewing their coaching schedule, and should be able to volunteer for additional training if they feel their performance/career plans merit it.
- Gamification — The ability to promote coaching sign-up and involvement through a sense of reward.

3. **Time management (workforce management)**:

- Mobility — Mobile device access to manage scheduling related tasks.
- Multichannel forecast — The ability to calculate and model future interaction volumes and types based on call distribution and digital interactions.
- Schedule — Manual and fully automated schedule creation that allows agents flexibility in choosing shifts that align with a theoretically optimal schedule.
- Intraday management — The ability to monitor and adjust schedules on the same day through overtime or voluntary off-time by reforecasting, based on actual interaction volumes to meet service levels and financial goals. Includes the ability to automatically notify agents of shift changes/requests via SMS, email, etc.
- Empowerment — The ability for agents to book vacations, swap or bid for shifts, and provide preferences. Business-rule-driven automation minimizes supervisor involvement.

4. **Assistance and task management:**
   - Task/interaction routing — Tools that assign tasks to employees, based on skills, preferences or performance, and provide assistance during the execution of those tasks. Includes use of a more holistic approach, considering the well-being of the agent such as personality matching, emotional well-being and task appropriateness.
   - Desktop unification/framework — The ability to unify multiple applications to form a “single pane of glass” view.
   - RPA — The ability to automate interactions, or parts of an interaction, potentially across multiple applications.
   - Guidance — The ability to navigate the agent through complex processes.

5. **Metrics and recognition (performance management):**
   - Data integration — The ability to connect with multiple sources of data relevant to the contact center environment.
   - Reporting — The ability to present individual and team performance data in a consolidated and engaging way.
   - Interaction analytics — The ability to collect and present insight resulting from the analysis of interactions, (via voice/text analytics, within the performance management environment). Examples include emotion detection, classification, root-cause analysis, trend spotting, objection handling, churn prevention, upsell prowess and compliance.
   - Gamification — The ability to manage and automate personalized employee incentives, ranging from commissions and bonuses to subtler aspects, such as points schemes and preferential shift patterns.
   - Supervisor/management metrics — The ability to support aspects such as predictive employment engagement/propensity to churn, performance trends and opportunities for enhancement, alerts.

6. **Voice of the employee (feedback):**
   - Multimodal — The ability to survey via mobile app, web application and so forth.
   - Survey initiation — The ability to support multiple deployment modes, from ad hoc agent-initiated to automatic operationally driven. A feedback button on the desktop, for example.

    - Unstructured feedback (indirect) — The ability to capture and analyze unstructured audio/text feedback from the agent interactions.
    - Unstructured feedback (inferred) — The ability to capture and analyze operational data linked to the employee's journey.

- Integration among the suggested covered categories, such as a single administration environment and prebuilt workflows.
- Cross-functional integration and workflow, which remain a key assessment area.
- A strategy and development roadmap for moving beyond the requirements of an operationally focused WFO platform to embrace employee engagement, with supporting evidence of some existing engagement-focused capabilities.
- At least **10 customer references** that could evidence **all** categories being proposed as being covered during the 12 months prior to the start of the process of producing this Magic Quadrant.
- Financial viability — that is, sufficient cash to continue operating at the current burn rate for 12 months.
- **Evidence to confirm global execution abilities** — this means multiregional support for sales, marketing and customer service.
- **Gartner client and observed market engagement or momentum, execution and vision linked to WEM characteristics.**

Evaluation Criteria

Ability to Execute

In contrast to the market for operationally focused WFO platforms, which has existed for over a decade, the WEM software market is only just emerging. Some vendors have developed in-house WEM solutions built on an established core competence, while others have acquired — or use an original equipment manufacturer (OEM) to access — the necessary complementary technologies. This creates significant variation in product capabilities, which is reflected in the high weighting for the product or service criterion.

The Ability to Execute evaluation criteria are as follows:

- **Product or service:** This criterion assesses the depth and breadth of a vendor's WEM-related functions, as listed in the Market Definition/Description section. The core (underpinning) operationally focused WFO elements are assessed, in addition to the overarching employee engagement features. Additional emphasis is placed on the degree of integration and workflow

across these domains, beyond their siloed provision. The architectural underpinnings and provision of aspects such as role-based UIs are also evaluated. Credit is given for OEM solutions, but not for reseller partnerships. Support for SaaS is given additional credit, but is not yet deemed essential for leadership.

- **Overall viability:** This criterion assesses a vendor's ability to ensure the continued viability of its WEM suite by demonstrating that it has a strong product development team to support current and future releases, and a clear product roadmap. This criterion also covers a vendor's financial health — its size, growth and profitability — with particular emphasis on the financial health of its WEM business (for those whose solutions extend beyond the WEM market). It also looks at aspects such as cash reserves and operational expenditure.

- **Sales execution/pricing:** This criterion assesses a vendor's ability to provide global sales and distribution coverage for its WEM suite directly and/or through partnerships. Each vendor must have experience of selling a WEM product to an appropriate buying center. Each must offer consistent and comprehensible pricing models and structures — including contingencies for, for example, failure to perform as contracted, and mergers and acquisitions. Pricing structures that support large enterprises and small and midsize businesses, as well as in-house and SaaS-based deployments, are important.

- **Market responsiveness/record:** This criterion assesses a vendor's desire — and its expertise and organizational flexibility — to perceive evolving customer requirements and communicate its insights to the market, as well as to create future WEM products to meet customers' changing needs.

- **Marketing execution:** This criterion assesses a vendor's ability to consistently generate awareness of, and demand for, its WEM solution(s) through marketing programs and press visibility. The clarity, quality and creativity that go into this are just as important as the revenue assigned to generate new sales leads and increase brand awareness. Because some aspects of the value proposition supporting the adoption of WEM solutions are subtle, additional effort is needed, as compared with more traditional software markets.

- **Customer experience:** This criterion assesses aspects related to ensuring that each customer has ongoing success with its WEM deployment. Aspects considered include a vendor's global technical support (whether provided directly or via partners), account management, user groups and panels, and customer communities. Each vendor must provide sufficient proof of the ongoing viability and acceptance of its product(s) in the market.

- **Operations:** This criterion explores a vendor's ability to meet its goals and commitments. Factors include the quality of the organizational structure (taking account of skills, experience, programs, systems and other assets) that enables a vendor to operate. This criterion also covers management experience and track record, and depth of staff experience, specifically in the WEM

market. Every vendor needs sufficient professional services — whether delivered by in-house staff or third-party business consultants and system integrators — to meet customers' evolving requirements.

Table 1: Ability to Execute Evaluation Criteria

Evaluation Criteria ↓	Weighting ↓
Product or Service	High
Overall Viability	Medium
Sales Execution/Pricing	Medium
Market Responsiveness/Record	Medium
Marketing Execution	Medium
Customer Experience	High
Operations	Medium

Source: Gartner (February 2020)

Completeness of Vision

Vendors in the customer engagement center (CEC) WEM software market differ significantly in background and vision. Some view WEM as part of an end-to-end contact center solution that includes other contact center components. Others view WEM as an enterprisewide solution for optimizing employee performance and engagement. The market's immaturity, as well as the potential diversity of engagement-focused features that can be added to complement WFO, result in many vendors having extensive roadmaps. Consequently, we attribute higher weightings to factors such as market understanding, product vision and strategy, as well as WEM-related innovation.

- **Market understanding:** This criterion assesses the degree to which a vendor understands the needs and wants of CECs and embeds them into its WEM product and service vision. We look for alignment between strategic CEC goals (such as efficiency and revenue growth) and the specific functions and cross-functional capabilities within a vendor's WEM solution. We still commonly hear of ongoing organizational concerns among clients, such as about ease of use, clarity of pricing, vendor footprint and proof of ROI. We also hear of clients' desire to develop a relationship with their vendor, rather than just being its customer.

- **Marketing strategy:** This criterion assesses the consistency and clarity of a vendor's marketing strategy, the degree of differentiation associated with its positioning of WEM products (both internally and externally), and the relationship of these to its overall vision and brand values.
- **Sales strategy:** This criterion assesses a vendor's approach to selling WEM products directly and through global partnership networks. A diverse range of capabilities, from strategic account management to industry expertise and targeting, is assessed. In an emerging market such as that for WEM software, an awareness of the need for some education of customers about the role and impact of WEM products is crucial.
- **Offering (product) strategy:** This criterion assesses the strategic direction of a vendor's WEM product(s) and its R&D roadmap, as well as the impact these will have on customers. We assess factors such as commitment to a single codebase, product usability, support for SaaS, OEM partnerships versus internal development for missing functionality, industry specifications and prebuilt workflows.
- **Business model:** This criterion assesses a vendor's overall business proposition and its commitment to WEM.
- **Vertical/industry strategy:** This criterion assesses a vendor's ability to provide both standard and tailored solutions for specific industries.
- **Innovation:** Some technologies, such as WFM technologies in the WEM software market, are mature, so the potential for significant innovation is limited. However, innovation can still be achieved. This criterion assesses, for example, the alignment of these agent-centric technologies, so that they act as one solution through unification and embedded workflows. It also assesses the significant innovation potential realizable by extending support for communications beyond audio calls to, for example, emails, chat sessions and social media dialogues, and by introducing advanced analytics and embracing mobile interfaces tailored to each role.
- **Geographic strategy:** This criterion assesses whether a vendor understands the needs of the three largest markets — Europe, North America and Asia/Pacific — and knows how to build a strategy to focus on aspects of the overall market, whether directly or through partners. It also assesses whether a vendor delivers products and services that are in line with the needs and capabilities of buying centers.

Table 2: Completeness of Vision Evaluation Criteria

Evaluation Criteria ↓	Weighting ↓
Market Understanding	High

Evaluation Criteria ↓	Weighting ↓
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Low
Innovation	Medium
Geographic Strategy	Medium

Source: Gartner (February 2020)

Quadrant Descriptions

Leaders

Leaders provide functionally broad and deep WEM solutions that can be deployed and supported globally. Their software is suitable for enterprises of all sizes and complexity, and they have broad industry coverage. Their revenue is strong and new references are readily available.

Challengers

Challengers tend to be viable, with good global execution. But they often lack in-depth understanding of the true business value of WEM beyond check-box-type provision for each functional domain and a historical focus on the operational objectives of a WFO solution. Challengers may lack control over each functional domain and therefore find fully integrated workflow-driven capabilities more difficult to deliver.

Visionaries

Visionaries deliver innovative and potentially market-changing solutions, but they struggle to meet the needs of all organizations, due to geographic limitations, company size constraints and/or specific product omissions.

Niche Players

Niche Players offer solutions that provide functionality associated with WEM, but perhaps as part of a different overall value proposition. They may also lack specific functional domain coverage. They

may offer complete portfolios, but focus on only one size of organization or one region; they may have a limited ability, or even desire, to extend globally.

Context

Gartner recommends that WEM solutions be considered strategically within CECs, as they not only help improve operational performance but also elevate employee engagement. Key market and societal shifts require a repositioning of how organizations manage employee engagement within their contact centers. Organizations need to assess the potential needs, expectations and aspirations of the next generation of employees within their centers. The impact that motivated and engaged employees can have — not just on operational performance, but also on the customer experience — should not be underestimated and should help justify future investment.

It may take several years for an organization to adopt a unified WEM solution, depending on the organization's current approach to WFO and existing investments, the length of procurement cycles (which may be protracted) and vendor maturity. Nonetheless, all CECs with more than 100 agents should be working toward this ideal.

As the market evolves, it is highly likely that the main providers of WEM software will be contact center vendors, with several more likely to appear in this Magic Quadrant in the coming years.

Market Overview

Workforce engagement management (WEM) is a concept that most workforce optimization (WFO) vendors have come to terms with. However, many end-user organizations still view investment in these platforms as a means to drive operational performance. As previously stated, this objective will not diminish during future procurement cycles, but it will become a "given." The benefits of deploying an integrated suite with strong core functionality and cross-functional workflows will not need to be explained, nor will it continue to be a means of differentiation in the long term. Instead, the need to drive employee engagement will become increasingly important. Innovations that meet this need will be key to vendors' differentiation in this market during the next few years. Analytics will be at the heart of much of the new functionality.

All vendors have extensive roadmaps to change their rather cumbersome, and difficult to implement, WFO solutions into more agile and employee-focused WEM solutions. Some vendors have a head start in this regard, but more investment is needed by everyone.

A focus on WFO often results in employees being overlooked when they are outside the office environment. But looking at the world from the perspective of employees beyond the office reveals myriad functional opportunities. For example, no vendor has yet considered the ability to support "commute-based coaching" — employees could undertake training via their phones or tablets while traveling to work, in exchange for that day's learning break becoming personal time.

Some interesting market facts:

- Persona-based methodology for managing staff is gaining awareness and adoption.
- Interaction recording has become a commodity feature, associated with the contact center and contact center as a service (CCaaS) markets. What is of importance now is how software vendors use these third-party recordings to evaluate and coach on employee performance and engagement.
- Adoption of WEM as a service has accelerated and accounts for the majority of new deployments. The move of contact centers to the cloud has resulted in a WEM technology refresh cycle and the common scenario of attaching WEM functionality to a CCaaS platform investment.
- Mobile support for agents has increased, but adoption remains modest. Most solutions lack capabilities beyond the obvious WFM-focused ones, such as the ability to view schedules and make shift change requests.
- Agent recruitment and onboarding processes have largely been overlooked by WEM vendors, because they are perceived as requiring stand-alone technologies that are linked more closely to the HR domain. However, as WFO has evolved into WEM, there are numerous synergies and best practices that WEM vendors can provide. Therefore, this area is likely to see further developments and acquisitions.
- Technologies that help drive engagement through interaction assistance (such as next best action, unified desktop, and process guidance and automation) have become an essential dimension of WEM beyond traditional agent management functions.
- The voice of the employee (VoE) provides an important mechanism for understanding employee sentiment and engagement. Some vendors have diverse offerings but many have rudimentary capabilities in this area. WEM vendors need to do more to make it easier to consume.

Acronym Key and Glossary Terms

AI	artificial intelligence
CCaaS	contact center as a service
CEC	customer engagement center
QM	quality management
R&D	research and development

VoE	voice of the employee
WEM	workforce engagement management
WFM	workforce management
WFO	workforce optimization

Evidence

In researching this Magic Quadrant we drew on:

- Discussions with users of Gartner's client inquiry service (more than 200 each year on this topic)
- Face-to-face meetings with Gartner clients
- Vendors' responses to detailed questionnaires specific to this Magic Quadrant
- Interviews with vendors' reference customers
- Vendor briefings over a 12-month period
- Generally available information, news reports, and data from financial and industry publications
- Knowledge acquired from vendors' analyst conferences and industry tradeshows
- Discussions with other Gartner analysts
- Critiques by Gartner managers and during the Gartner peer review process
- Vendors' reviews for factual accuracy

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business

unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

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