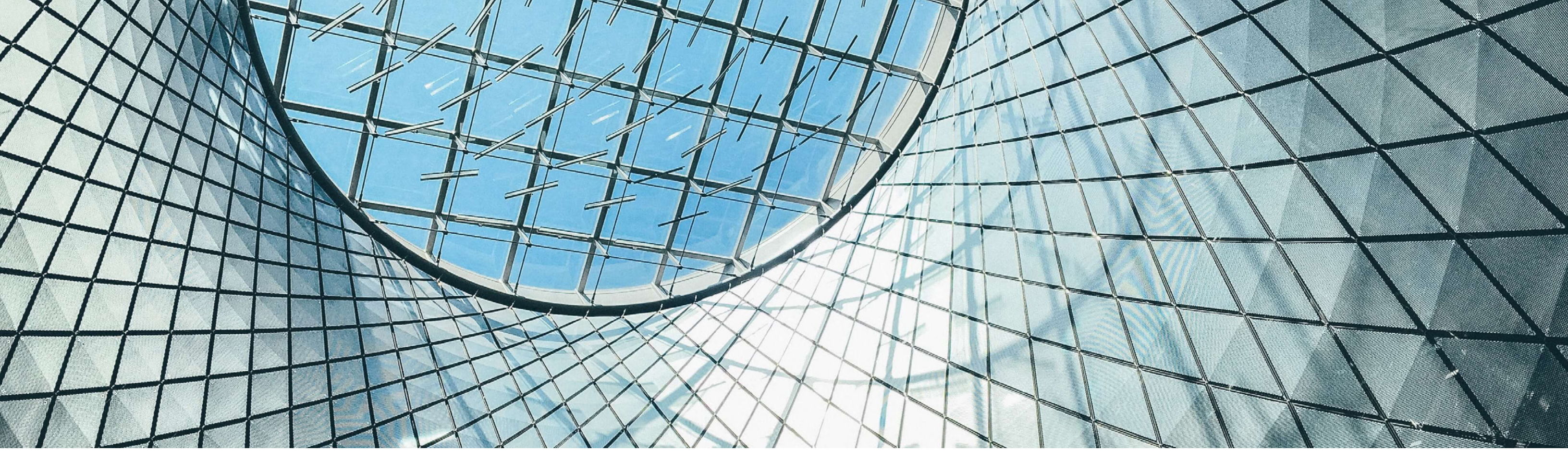


451 Research Market Insight Report Reprint

Coverage Initiation: ProHance looks to expand its footprint in the US workforce analytics market

May 31, 2023

by Raúl Castañón-Martínez

The company is a provider of a cloud-based enterprise workforce analytics offering with a strong presence in Southeast Asia. ProHance recently announced its formal launch in the US, in a strategic move to support its goal to expand its global footprint.

S&P Global
Market Intelligence

Introduction

ProHance is a provider of a cloud-based, enterprise workforce analytics and operations enablement platform with a focus on hybrid work and productivity. The workforce analytics segment experienced significant growth with the shift to mass-scale remote work during the COVID-19 lockdown and subsequently, hybrid work. Based in India and with a strong presence in Southeast Asia, the company announced its formal launch in the US in December 2022, in a strategic move to support its goal to expand its global footprint.

THE TAKE

Workforce analytics has evolved into a crowded space with numerous vendors including longtime incumbents and emerging providers. While we are seeing a growing interest in these offerings, particularly among digitally driven organizations, the range of options is broad, with many different approaches that overlap. This presents a challenging environment for emerging vendors like ProHance, a relative newcomer given its recent expansion into the North American market. The company is gaining traction in sectors such as business process and knowledge process outsourcing (BPO/KPO) firms, IT services, healthcare and banking and finance, evidenced by very large customer deployments. While these provide a testament to the capabilities of its platform, ProHance will now need to prove its capacity to execute on its go-to-market strategy.

Context

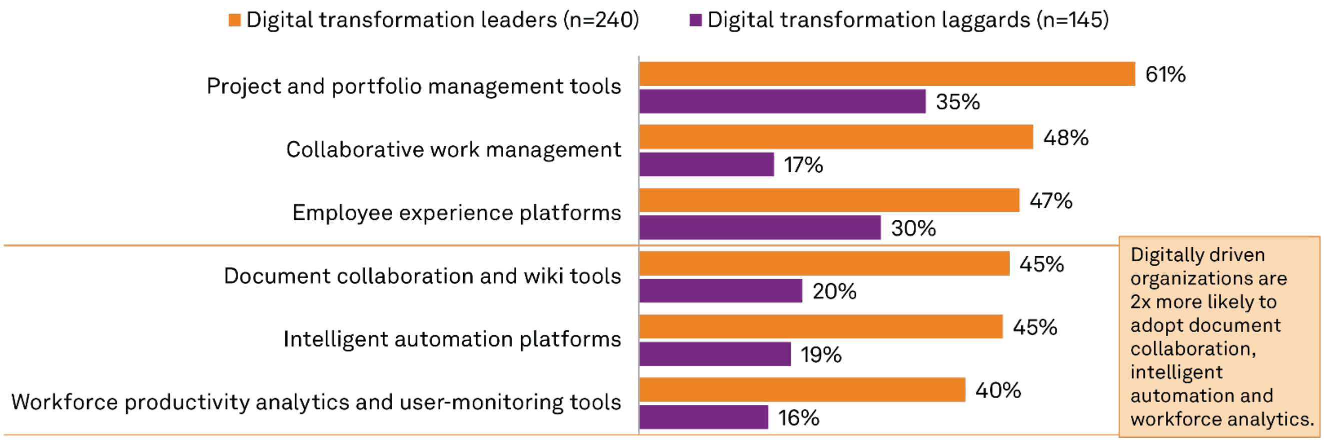
ProHance Analytics was founded in 2008 by CEO Kishore Reddy and Rajesh Sharma. It is based in Bangalore, India, with additional offices in the Philippines and the US. The company is privately held, having raised an undisclosed amount backed by Microsoft Accelerator and Microsoft Accelerator Bangalore.

ProHance is positioned as a workforce analytics vendor, a segment comprising a broad range of offerings focused on capturing contextual data related to metrics such as employee skills, time spent on applications, tools used, coworkers collaborated with and goals accomplished. As we noted in a previous report, this segment comprises different approaches that aim to address a wide range of use cases including IT asset management, collaboration analytics, financial planning and analysis, workforce optimization and productivity analytics, to name a few.

Our research shows that the transition to hybrid work, and remote work before that, has been challenging for most organizations. 451 Research's Technology Ecosystems 2022 survey results show that a majority of respondents (60%) believe it will be significantly (22%) or somewhat (38%) challenging for their organization to support a distributed workforce over the next two years. Those respondents working for digitally delayed organizations (without a formal digital transformation strategy) are nearly twice (32%) as likely to consider it a significant challenge compared to those working for digitally driven organizations (those that have a formal strategy and are actively digitizing business processes and technologies) (17%).

Survey results also show that digitally driven organizations are more likely to embrace emerging technologies focused on enabling and supporting a distributed workforce, such as employee experience platforms (EXP), collaborative work management (CWM) and workforce analytics and monitoring (see figure below).

Digitally driven organizations are more likely to embrace technologies focused on enabling a distributed workforce.



Source: 451 Research's Voice of the Enterprise: Workforce Productivity & Collaboration, Technology Ecosystems 2022.
Q. Does your organization use or plan to use any of the following business productivity technologies?
Please select all that apply.
Base: All respondents (n = 500).

Customers

ProHance reports it has 179 customers. Its user base includes 250,000+ users in 150+ enterprise organizations across 25+ countries. Reference customers include BPO/KPO firms such as Sutherland, TaskUs and FirstSource, IT services firms like Tech Mahindra Ltd. and Cognizant Corp., healthcare organizations like Omega Healthcare Inc., and banking and financial organizations such as American Express Co. and Ameriprise Financial inc.

Products

The company's cloud-based hybrid work and productivity platform aims to help organizations address productivity management challenges and enable a distributed workforce by actively tracking time, optimizing workflows, and providing asset tracking and real-time insights.

The platform is made up of six key functional modules: Work Time tracks real-time user workstation engagement, including idle hours and schedule adherence. Work Output analyzes measurable work output by work dimension and people groups, mapping target VS results. Advanced Analytics provides deeper insights into user work habits, including quarterly and annual trends, competency and churn analysis. Workflow allocates and manages work in real time, enabling job prioritization, mapping activity time to job and assessing productivity. Screen Capture enables compliance and data privacy via on-demand image and video capture and reporting.

Key differentiating capabilities include scalability, with deployments of up to 30,000 users, output monitoring and task management, and bidirectional API support. The platform provides third-party API integrations with enterprise software applications from vendors such as ServiceNow Inc.; workforce management tools from Blue Pumpkin Software, NICE Ltd. and Verint Inc.; project management tools like Jira and Asana; business intelligence tools such as Tableau and Qlik; HR information systems such as Oracle Corp. and SAP SE; and payroll management systems such as Workday Inc. and Darwinbox. The platform is compliant with EU GDPR and ISO 27001, and can be deployed for hosting on a secure cloud or a customer's infrastructure.

Competition

Direct competitors for ProHance include productivity analytics vendors ActivTrak — which last year announced an integration with Google Workspace — and ActiveOps. NICE and Verint are also direct competitors; both vendors have a strong focus on call centers and time spent on voice calls, while ProHance provides application-based data as well as URLs and activities done by users.

Other workforce analytics competitors providing point products include Sapience Analytics, which is broadening its analytics and reporting capabilities to addresses challenges in remote work visibility, workforce capacity and utilization; enaible, a startup focused on AI-powered productivity offerings; and productivity and collaboration analytics firm Worklytics. ProHance differentiates its offering based on supporting multiple uses cases and scalability, as evidenced by a strong presence at large service-oriented organizations including IT-enabled services, global business services, professional services, back office and outsourcing units.

The competitive landscape also includes offerings from large enterprise software vendors such as Microsoft Viva, which provides a set of modules that includes Viva Insights, a data-driven productivity and wellbeing module, and Cisco Inc.'s People Insights from Webex, which provides analytics at the individual, team and organizational levels to help individuals and organizations manage work-life balance, carve out focus time, and develop more effective working relationships.

SWOT Analysis

STRENGTHS

ProHance's focus on hybrid work and productivity, coupled with advanced capabilities (scalability, output monitoring and task management and bidirectional API support) that differentiate its offering are key strengths for the company. It has built a strong reputation with global BPO/KPO and IT services organizations, and in highly regulated sectors such as healthcare and banking and finance.

WEAKNESSES

ProHance is a relative newcomer competing in a crowded market against vendors with strong name recognition and a wide range of approaches that, while not always in direct competition, overlap with each other. This is a challenging environment for emerging vendors and the company will require significant efforts to get its message heard.

OPPORTUNITIES

According to our WPC Technology Ecosystems 2022 survey, the shift to hybrid work introduced new challenges centered on enabling and managing a permanently distributed workforce. This presents an important opportunity for emerging technologies focused on enabling a distributed workforce such as workforce analytics and monitoring.

THREATS

There is a risk that the new wave of workforce analytics vendors could follow in the footsteps of call center analytics, which emerged to great fanfare but quickly commodified to become one of many features in call center systems. Additionally, there is an emerging level of visibility into user behaviors within applications coming from digital experience management software vendors like Nexthink that could also be a threat.

CONTACTS

The Americas
+1 877 863 1306
market.intelligence@spglobal.com

Europe, Middle East & Africa
+44 20 7176 1234
market.intelligence@spglobal.com

Asia-Pacific
+852 2533 3565
market.intelligence@spglobal.com

www.spglobal.com/marketintelligence