NTT

2021
Global Workplace Report

Connecting your hybrid workforce

Continue

Contents

Foreword

Conflicting stakeholder views on the future of work point to gaps in detail, tools and enablement

This year's data reveals some significant differences in perspective within and outside organizations. Contrasting views of leaders, managers and employees all point to significant gaps in understanding what the future of work should look like – and how to enable it.

Nearly three in four chief executive officers (CEOs) say that strategies to modernize and digitally optimize their future workplaces are defined and agreed, yet less than half of the operational leaders surveyed say this is the case.

90.6% of organizations recognize the value of EX to their strategy, or as a crucial strategic differentiator, but just 25.0% fully agree that the value of EX is understood and embraced across the enterprise.

62.9% of chief human resources officers (CHROs) say employee wellbeing levels have deteriorated since the start of the pandemic; only one-third (33.1%) say improving wellbeing is a key factor driving change in the organization's workplace strategy.

The pandemic undoubtedly changed the way we work and how we think about work as part of our broader human experience. Employees want to be recognized and valued as individuals, not just as resources. They're prioritizing their wellbeing and work-life balance, and they expect their employers to do the same.

The reality is that talent is in demand[1] and, thanks to rapid digitization, people now have more options when it comes to determining where, how and for whom they wish to work. Organizations that don't respond to these changing priorities by offering greater levels of employee choice and flexibility could well see a negative impact on turnover and productivity.[2]

The research shows that environmental, social and governance (ESG) factors are also receiving significant attention in building brand equity with stakeholders – employees and customers included. Diversity and inclusion is playing a bigger role in workplace strategies, while sustainability is a key boardroom consideration and an important component in the design and reshaping of physical workspaces.

Forward-looking enterprises have moved ahead with secure-by-design digital transformation to enable frontline, hybrid and remote employees to work safely and productively – and those that are doing this well are reaping significant rewards. Our **2021 Global Customer Experience Benchmarking Report** indicates that **highly automated organizations have seen an uplift in new customer acquisition, commercial performance and employee experiences (EX).**

Work is part of our human experience, so work experiences should be designed around what motivates and empowers humans.

Work is part of our human experience, so work experiences should be designed around what motivates and empowers humans. Organizations need to move beyond isolated approaches to EX and customer experience (CX), linking data from EX and CX channels to better understand, engage with and respond to the people who ultimately determine their success. Cloud, cybersecurity and mobile/remote working tools and networks will be crucial to enabling and connecting human-centered experiences that drive business results.

---

1 Microsoft's 2021 Work Trend Index shows that more than 40% of the global workforce is considering leaving their employer this year. (Microsoft, 22 March 2021. 2021 Work Trend Index: Annual Report. The next great disruption is hybrid work – are we ready?). A recent Gartner survey showed more than 70% of job candidates receiving an offer have at least one other offer on the table – and they want more than a good salary: 85% said it's important to be seen as a person, not just as an employee (Gartner, 27 August 2021. Talent Pulse: Candidates seek the human factor and new career paths).

2 Gartner, 14 September 2021. Take these 3 actions to make digital workplaces happier, faster and smarter.

Section 1

Report highlights

In this year's Global Workplace Report, we look at trends and drivers across three areas: the workforce (people and the employee experience (EX) factor), work (connected digitization) and workspaces (digital, remote and corporate).

The data shows that, although most organizations have identified what needs to be prioritized in each area, many are not yet able to execute these priorities effectively.

Read on

We look at trends and drivers in three areas:

1 Workforce

2 Work

3 Workspaces

1 people and the EX factor

2 connected digitization

3 digital, remote and corporate

The data shows that, while most organizations have identified what needs to be prioritized in each area, many are not yet able to execute effectively.

Strategies for future work models are in flux

Just 54.0% of organizations say their future workplace strategy is defined and agreed

Operating models need to accommodate employee preferences and workstyles while enabling organizational agility.

79.1% of organizations say their employees would prefer to work from company premises than from home, when safe to do so. But, it's not as simple as that. Given the choice:

- **38.9%** would prefer to work from company premises.
- **29.9%** want the option of alternating between the two.
- Just **30.2%** of employees say they'd prefer to work from home.

Organizations believe that younger employees are more likely to want to work from company premises than those in the Gen X and Baby Boomer cohorts. However, corresponding voice of the employee data indicates the reverse.

There's a considerable disconnect between intent and execution in the enterprise:

72.0% of CEOs say strategies to modernize and digitally optimize the future workplace are defined and agreed (up from 62.5% in 2020).

But only **47.2%** of operational leaders would agree.

For many, post-pandemic strategies are still not going far enough and a great deal of uncertainty remains. While a future workplace vision is emerging, the detail, tools and conviction to act are missing.

Organizations strongly identifying as leaders or industry disruptors are leading the charge and are much more likely to have defined their future workplace strategies (63.8% and 68.1% respectively) than traditional enterprises. What's important to note here is that the research shows that inactivity is not an option and will impact on the company's ability to compete in a crowded market.
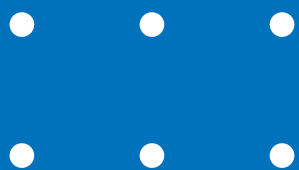
Organizational change is impacting on EX

Only 23.1% of employees say they're very happy working for their current employer. Employees who are not in managerial positions are far less likely to be satisfied with their employer than those in the C-suite. Employee satisfaction (across the board) is significantly higher in organizations with a strong technology competence and those that strongly agree CX is a competitive differentiator.

While 64.4% of CEOs are very satisfied with their current EX capability, just 23.3% of operational leaders say the same.

As hybrid and remote working models become increasingly prevalent, technology is seen as the most important enabler of workplace strategies, followed by the quality of employee collaboration, employee wellbeing and the employee experience. Our data indicates a significant opportunity to optimize is being missed.

54.6% of organizations say employees have access to technology that enables and augments performance when working from home; **56.1%** say the same for the technology on company premises.

Just two in five organizations believe their employees are able to effectively brainstorm, collaborate and socially interact.

Research findings indicate that organizations which have digitized their workplaces effectively have been able to improve teamwork, agility and the ability to deliver a connected experience, regardless of where employees are working.

The last year has been challenging for employers and employees alike. The joys of location flexibility aside, the reality is that the vast majority of organizations are finding it difficult to manage the wellbeing of employees as work models evolve.

62.9% of CHROs say employee wellbeing levels have deteriorated since the start of the pandemic.

Only 38.2% of employees say their employer fully values their health and wellbeing.

Organizations with a fully defined strategy to modernize and digitally optimize the workplace are far more likely to be effective at preventing employee burnout and managing maximum hours.
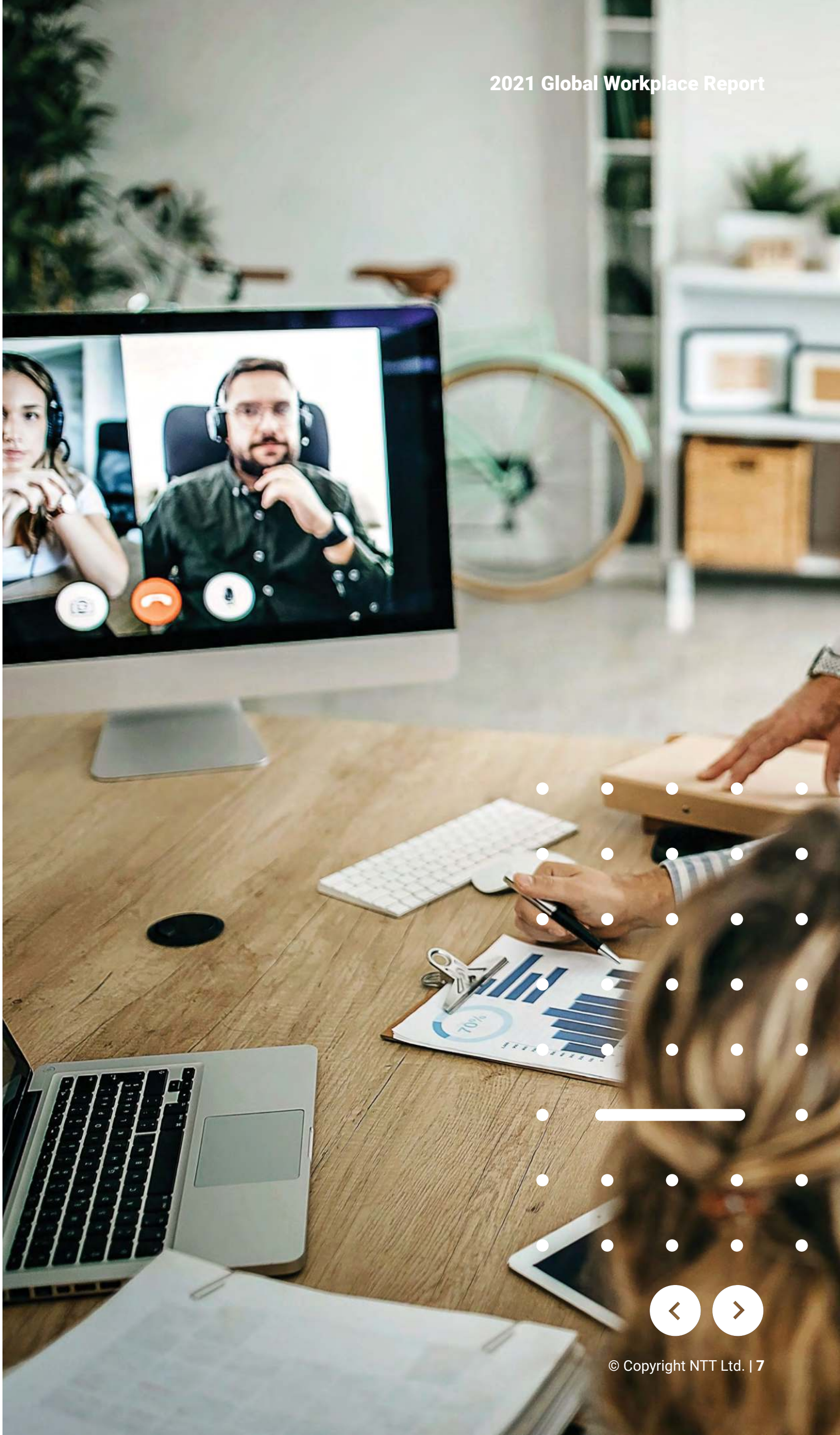
Digital and physical spaces must enable better experiences

49.1% of C-suite executives strongly feel that the workplace is no longer a physical building but a variety of environments where groups of employees collaborate.

Just 55.1% of organizations are strongly satisfied their company premises can support hybrid working.

Organizations and employees acknowledge that, in many circumstances, face-to-face meeting time is essential. It's one of the reasons people choose to work from company premises rather than remotely. Around two-thirds of organizations are remodeling physical workspaces to optimize for this kind of engagement.

68.8% of organizations have developed or are planning to develop videoconferencing and video collaboration spaces in their company premises; **66.0%** will provide more teamwork spaces.

Industry disruptors are twice as likely to have significantly increased their investment in developing effective workspaces and driving the employee experience.

Hybrid working is introducing new threats and cybersecurity risks are increasing across work environments.

80.7% of IT leaders say they are finding it more difficult to spot IT security or business risk brought about by employees when they are working remotely.

Only 43.2% of employees are confident that company information is safe when they're working from home.

Sustainability is key to workspace design and the connected workforce.

89.1% of organizations agree (**49.1%** strongly agree) that they're aligned with the United Nations Sustainable Development Goals (SDGs), in support of their ESG agenda.

Up from 86.5% last year, **90.6%** say workplace design is a key pillar in their sustainability agenda.

Energy efficiency, employee education and buy-in, and the use of digital tools and events to reduce the organization's footprint, are the top three focus areas.

Section 2

The EX factor: value your people

Employees are at the forefront of workplace strategies, but there's still a lag in execution for most. Discrepancies in executive, operational and employee feedback indicate that EX needs to extend further into the enterprise to deliver what's important to employees and enable business outcomes.

Read on

Change, uncertainty, and concerns about their own and others' wellbeing have driven employees to reassess their own priorities over the last year. They want more choice and control over where and how they work so they can manage these issues better and improve their work-life balance.

Wellbeing is now a major focus for organizations replacing productivity as the top factor driving change to workplace strategies. Yet, our findings show not enough is being done across the board to take support employees, health, safety and work-life balance.

> **Employee experience** is not a strategic differentiator for many organizations.

EX has risen in strategic importance, but EX capabilities have not improved

Although progress has been made in some areas of EX, it's not yet a strategic differentiator for many organizations.

Compared to last year's results, there's been a further increase in organizations saying EX is recognized as a crucial strategic differentiator (up to 90.6%). However, a close inspection of the overall data results shows a disparity between the executive and operational views of EX, and some misalignment within the C-suite.

62.9% of CEOs and **58.1%** of CHROs say EX is recognized as a crucial strategic differentiator.

Only **34.6%** of operational leaders agree. Most **(54.1%)** say it has only some importance to the organization.

Value of EX to organizations

- It is recognized as a crucial strategic differentiator
- It has some importance to the organizational strategy
- It is recognized but has little importance to the organizational strategy
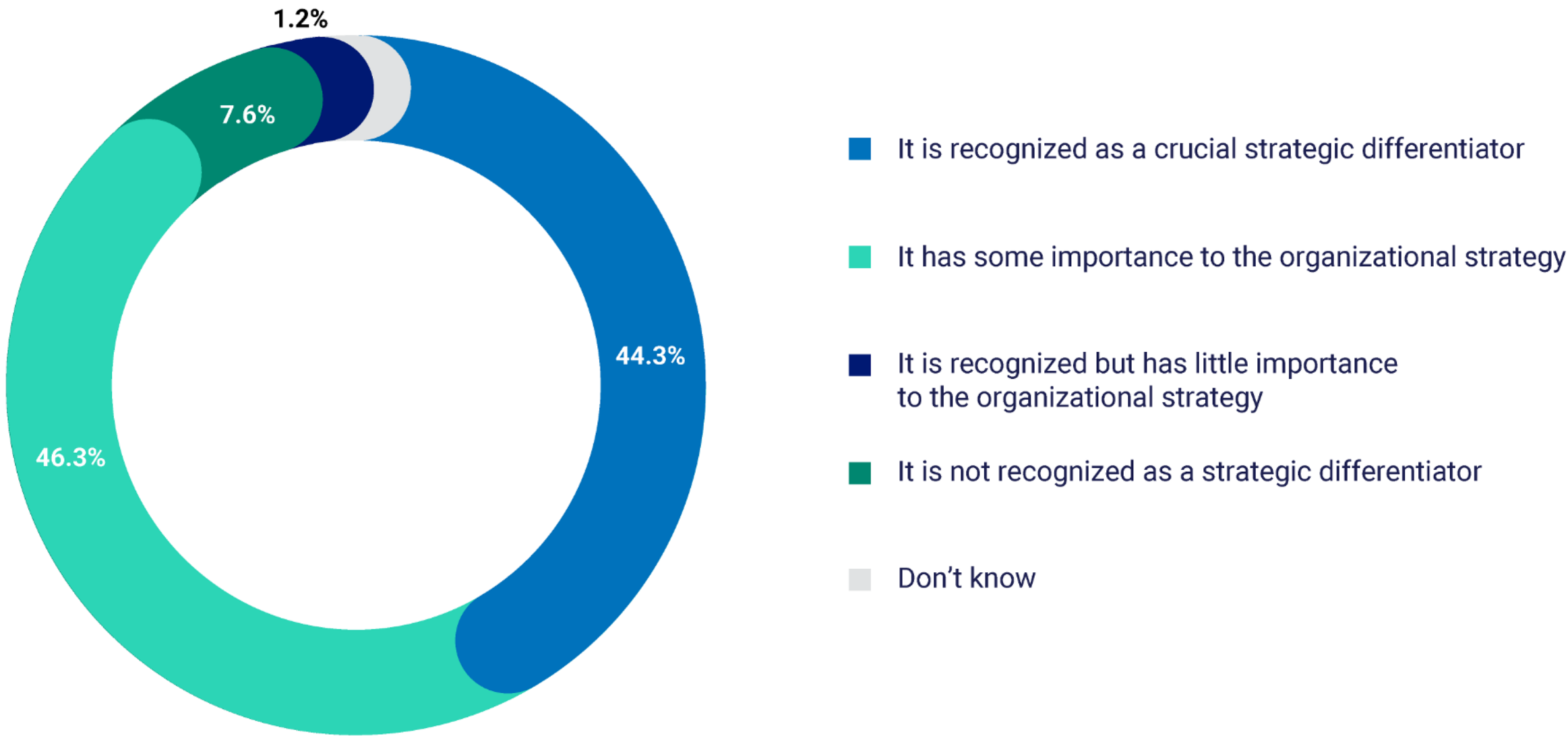- It is not recognized as a strategic differentiator
- Don't know

Figure 1: Value attached to EX within the organization

To what extent is the value and business contribution of the employee experience (EX) recognized within your organization? n=1,146

Investments in effective workplaces and driving EX during the pandemic have delivered results in the areas of productivity, staff retention, efficiency and revenue.

64.7% of organizations say productivity has improved; nearly one in four report a significant improvement.

57.0% say staff retention has improved; one in five report a significant improvement.

More than **half (53.6%)** report improved efficiencies.

45.9% say revenues improved (**12.9%** reporting a significant uplift).

Voice of the employee (VoE) data shows some employees also saw positive changes over the last year – 35.5% agree EX improved and 14.1% said it became a lot better. But for most, it's not at the level it should be.

Only **23.1%** of employees say they are currently very happy working for their employer. Satisfaction levels vary by job type: **47.3%** of C-level executives are very happy with their employer compared with **22.8%** of directors/divisional heads, and just **13.1%** of staff not in managerial positions.

Ratings are higher in organizations with a very strong technology competence **(where 49.3% of employees are very happy)** than those with strong **(16.4%)** or average/poor technology competence **(10.8%)**.

Organizations that strongly agree **CX is a competitive differentiator** have an employee rating that's nearly double that of the global benchmark.

There's been no discernible change from last year in how organizations rate their EX capabilities: just 37.9% say they're very satisfied with their current EX capability, compared with 38.3% in 2020. There's also a significant misalignment within organizations – while 64.4% of CEOs are very satisfied with their EX capability, just 23.3% of operational leaders share this view.

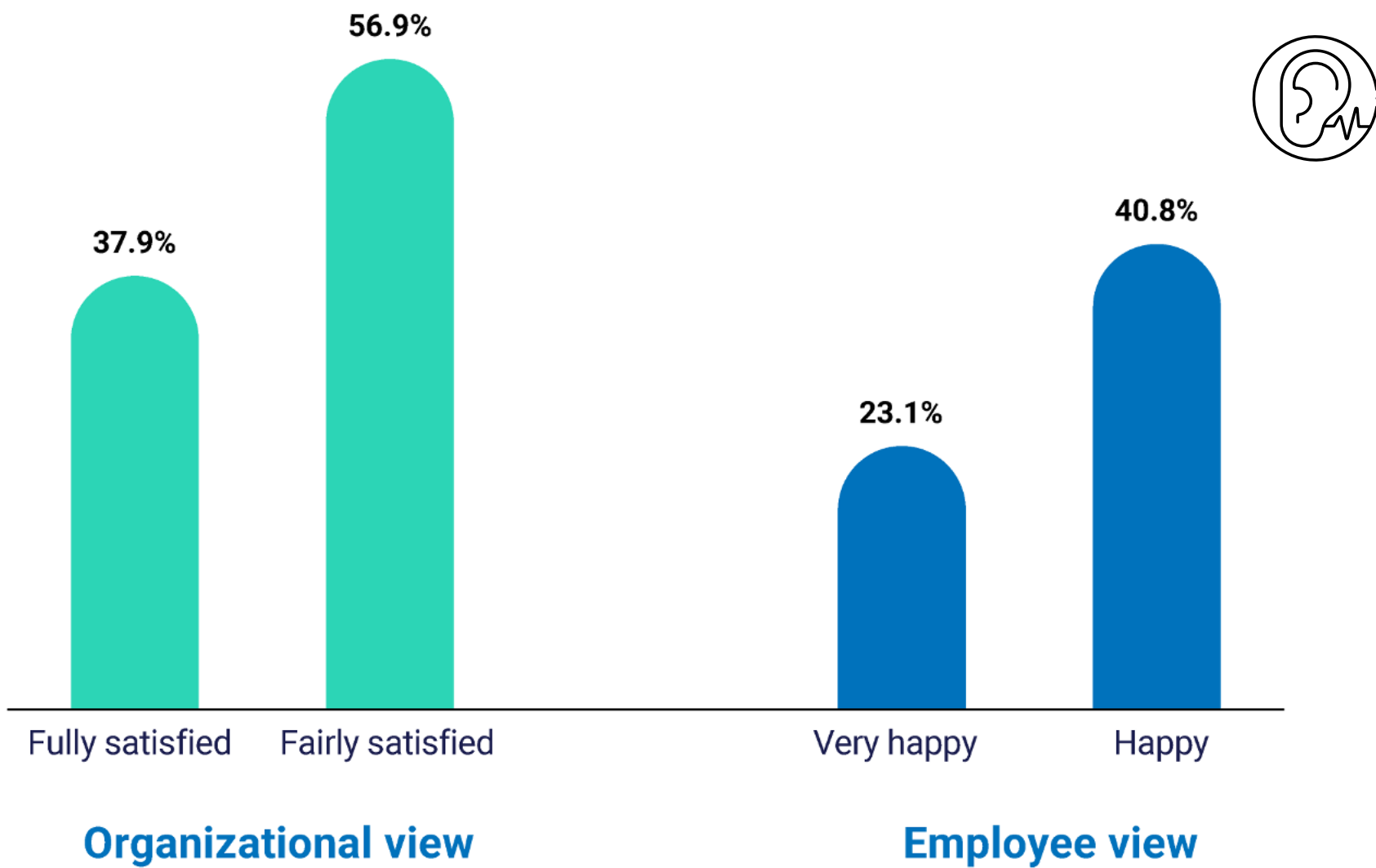**Satisfaction with current EX capability**

Figure 2: Satisfaction with current EX capability (organizational and employee view)

Organizations: How satisfied is your organization with its current employee experience (EX capability)? n=1,146

Employees: How happy are you working for your employer? n=1,402

EX satisfaction levels vary widely dependent on the maturity of the organization's workplace strategy: 72.6% of organizations that have advanced and optimized their workplace strategies are satisfied with their current EX capability compared to 34.1% whose strategies are well advanced, and just 10.0% of those whose strategies are still in development.

Gartner defines EX as 'employees' perceptions and related feelings caused by the one-off and cumulative effect of interactions with their employer's customers, leaders, teams, processes, policies, tools and overall work environment.'[3] Organizations may focus on, or excel in, one or more of these aspects – employee engagement or technology enablement, for example. But to bring EX capabilities in line with strategic intent, they need to look at EX more holistically to create a culture that appeals to employees.

This year's data shows 72.7% of organizations agree (31.8% strongly agree) that parts of the enterprise don't understand or truly embrace the value of EX. And if you don't understand it, how can you improve it?

Ongoing change and uncertainty are taking their toll on employees' mental health. Organizations may have deployed new technologies to ensure people can continue working productively, but employees expect more than just the tools to do the job. The way employers also support the employee's work-life balance and wellbeing will become a critical differentiator for organizations.

VoE feedback is critical to informing the organization's purpose, culture and policies. Workplace analytics, Employer Net Promoter Scores (eNPS) and sentiment analytics can help establish a benchmark for EX and provide data to drive the right insights and action. This year's findings show the deployment of these applications and technologies is relatively low, however, which is compounding the problem.

[3] Gartner, 19 May 2020. Build links between customer experience, multiexperience, user experience and employee experience.

Improvements in working environments and workplace support vary by sector

Organizations believe the working environment and workplace support systems have improved since before the pandemic, but employee sentiment tells a different story.

When asked how they think employees would rate their working environments and workplace support systems before the pandemic and today, organizations seem confident that improvements in these areas have had a positive impact on employees.

Organizations' perceptions of how employees would rate working environments and workplace support systems

- Promoters (9-10)
- Passives (7-8)
- Detractors (0-6)

Pre-Pandemic: 21.5% / 40.6% / 36.1%
Now: 34.6% / 38.4% / 25.2%

Figure 3: Organizations' perceptions of how employees would rate working environments and workplace support systems before the pandemic and today

How do you think your employees would rate your organization's working environments/workplace support systems? n=1,146

Employee Net Promoter Score (eNPS) by industry promoter versus detractor results (ranked by change from pre-pandemic to now)	eNPS Pre-pandemic **Average: 5.6**	eNPS Now **Average: +9.4**
Media and communications (incl. telecommunications)	-19.3	+27.9 ☆
Manufacturing	-20.9	+22.8 ☆
Energy and utilities	-14.8	+19.8 ☆
Insurance	-23.9	+5.6
Retail and wholesale	-19.0	+8.0
Health	-26.3	-1.9
Technology	-5.4	+17.1
Education	-17.7	+5.8
Travel and transportation	-25.0	-2.5
Professional services	-23.0	-0.1
Automotive	-5.9	+5.8
Public sector/government	-22.5	-14.0
Banking and investment	+7.7	+13.6
Sports, entertainment and hospitality	+18.0 ☆	+3.7

'Now' results for those with 'defined workplace strategy' = +29.4...
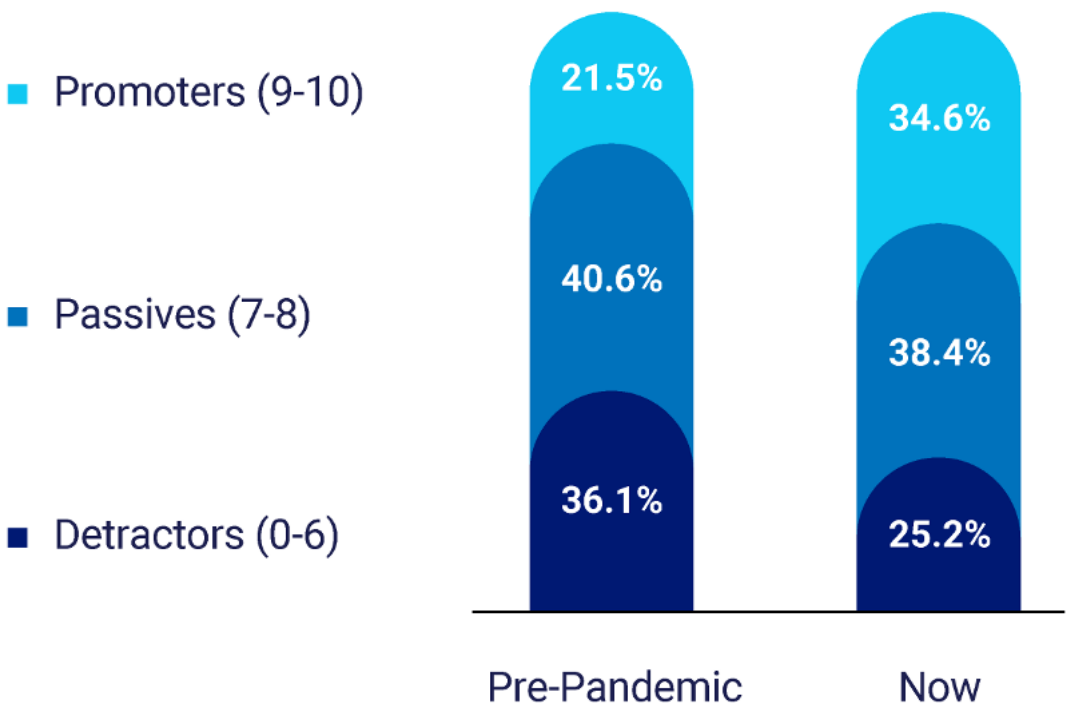
...versus those 'not yet defined or agreed' = -46.5

Figure 4: Organizations' perceptions of how employees would rate working environments and workplace support systems before the pandemic and today (industry view)

How do you think your employees would rate your organization's working environments/workplace support systems? n=1,146

While most industries indicate an improvement in employee ratings of their working environments and support systems, those with a high demand for talent, such as media and communications, have invested more in these areas to differentiate themselves in the market. Across all industries, organizations with a defined workplace strategy show much greater improvements in ratings than those whose strategy is not yet defined or agreed.

Improvements in Employee Net Promoter Scores are higher in organizations with a well-defined workplace strategy.

Wellbeing, flexible hours and the option to work remotely are the primary drivers of EX

Organizations view employee wellbeing and flexible hours as the primary drivers of EX, followed by the option to work remotely and the work environment itself. A focus on EX and wellbeing delivers tangible results, particularly in improving work-life balance, employee wellness and overall productivity.

Key drivers of employees' overall experience (organizational view)

Driver	Percentage
Employee wellbeing	60.8%
Flexible hours	57.2%
Option to work remotely	48.9%
Office environment (incl. facilities)	46.2%
Sustainability	43.6%
Product/service quality	42.8%
Cultural diversity and inclusion	39.0%
Empowerment	36.9%
Brand reputation (incl. advocacy)	32.6%
Office location	31.8%

Figure 5: Key drivers of employees' overall experience (organizational view)

Which, if any, of the following items are of high importance to influencing your employees' overall experience (EX)? n=1,146

Results of focusing on EX and employee wellbeing

Improved work/life balance — 48.7%
Improved employee wellness — 44.1%
Improved productivity (and efficiency) — 44.1%
Improved performance quality (and results) — 43.6%
Improved employee engagement — 42.8%
Better understanding of working preferences — 40.3%
Increased energy levels among employees — 40.1%
Lower stress levels among employees — 38.4%
Fewer employees leaving the organization — 33.5%
Talent acquisition easier — 29.2%
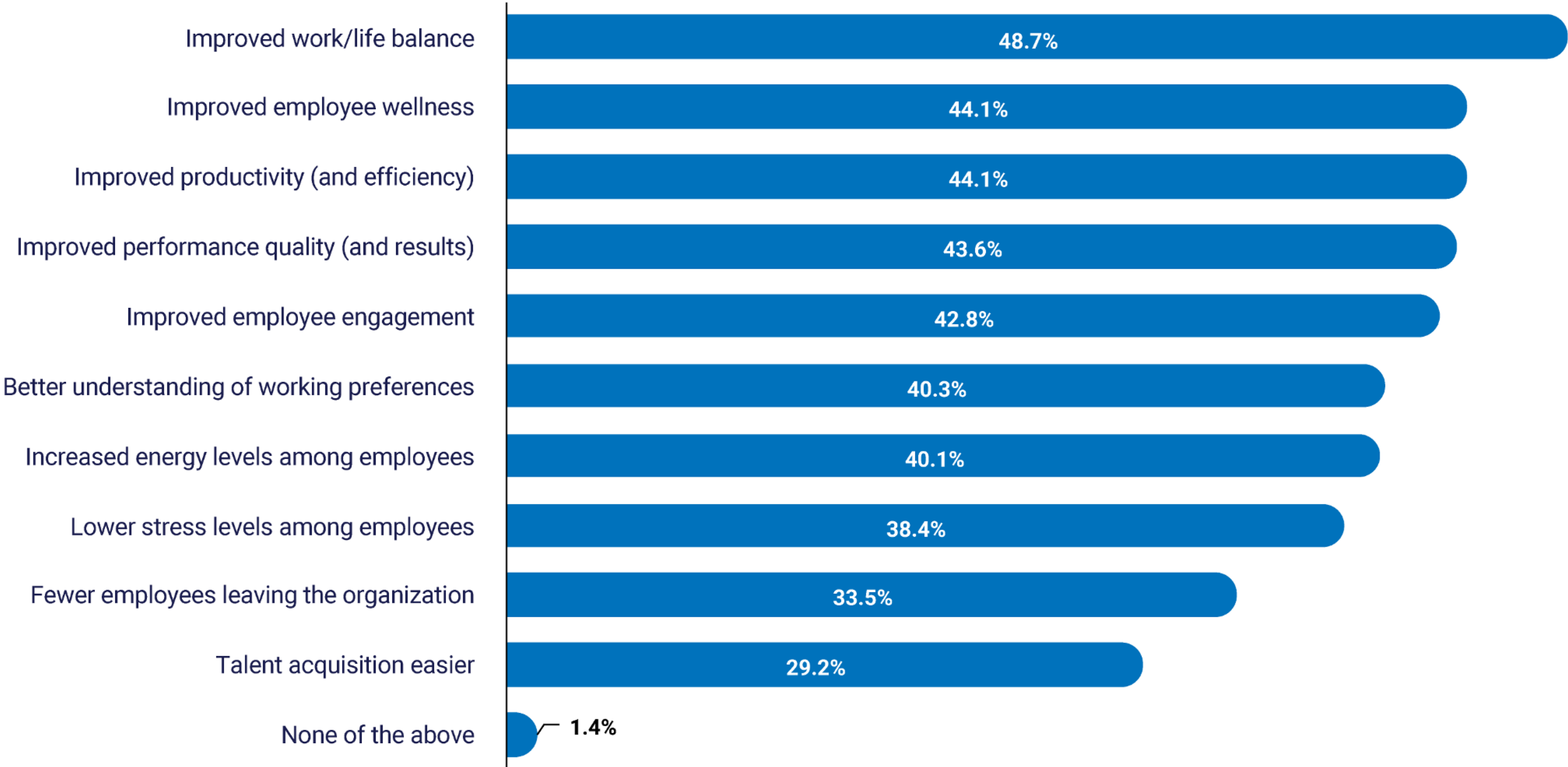None of the above — 1.4%

Figure 6: Results of focusing on EX and employee wellbeing

Which, if any, of the following can you evidence as a direct result of your focus on EX and employee wellbeing? n=1,146

Employee wellbeing

A focus on employee wellbeing – which organizations currently see as the main driver of EX – comes through strongly in this year's data. However, execution in this area hasn't caught up with strategic intent. Many organizations need to invest more to show that they mean what they say.

A focus on EX and wellbeing is proven to improve efficiency and productivity. This year's data shows the pandemic has had a significant impact on wellbeing, particularly in certain industries. Employee burnout levels are much higher among remote and hybrid workers in education and manufacturing, where the pandemic fundamentally changed the way they work, and in the technology industry, where employees have been under significant pressure to assist clients and colleagues with business continuity and digital transformation.

This year's findings show some progress has been made to support employee wellbeing, but employees and operational leaders don't think it's enough.

77.3% of CEOs and **62.89%** of CHROs say employee wellbeing levels have deteriorated since the start of the pandemic.

Just **38.2%** of employees say their employer fully values their health and wellbeing.

Organizations that neglect their duty of care to employees face significant risks, including legal action, reputational damage and the loss of talent. The biggest challenges facing organizations with remote and hybrid workers are preventing burnout, improving collaboration and stimulating social interaction. Perspectives of effectiveness in these areas vary widely among CEOs, CHROs and operational leaders.

Perceptions of organizational effectiveness in managing the challenges of a remote/hybrid workforce

The organization is very effective at …	CEO view	CHRO view	Operations view
Preventing employee burnout	54.0%	49.2%	25.5%
Collaboration and brainstorming	52.4%	50.0%	34.0%
Stimulating social interaction	66.1%	44.8%	36.3%

Figure 7: How effective is the organization in managing the challenges of a remote/hybrid workforce? Perceptions of CEOs, CHROs and operations teams.

Organizations need to take a holistic approach to managing wellbeing for different employee workstyles (frontline, hybrid and remote), taking factors such as work-life balance, travel, and health and safety into account.

Those with a fully defined strategy to modernize and digitally optimize the workplace are more likely to be managing wellbeing effectively. 89.5% of organizations that have fully defined their plans say they are effective (45.6% very effective) at preventing remote/hybrid worker burnout. Of those still planning their strategy, 67.4% say they're effective (just 21.2% very effective) in this area.

Flexible hours and the option to work remotely

Employee wellbeing, flexible hours and remote-working options make up the top three factors organizations view as being important to EX, and these are echoed in the VoE data. Salary excepted, employee choices are most heavily dictated by work-life balance and flexibility, commute times and the company's brand values.

Top three factors (besides salary) that employees say influence their choice of employer

1 Work-life balance and the opportunity for flexible hours

2 Having a quick commute to the office

3 The company's purpose and values

Many employees have reported a decline in their mental health since the pandemic began.[4] The ability to choose their working hours and work location has now become increasingly important to them. Organizations offering this flexibility and choice will be considered more attractive to candidates – and they'll see the results in their productivity and performance.

Capturing the voice of the employee

Cursory capabilities exist, but most organizations fall short on gaining a complete view of EX.

46.2% of organizations strongly agree that VoE is being captured to help inform and drive product, service and process improvements. For leaders, this figure is **17.3%** higher.

44.9% of organizations say they have a strong capability in using analytics and real-time sentiment data with VoE feedback to gain a more complete view of EX. For leaders, this figure is **21.6%** higher.

At a time when change management is so critical, leaders need a real-time view of employee sentiment and a way to communicate back to employees that their concerns are being addressed. This year's data evidences a direct link between advanced VoE capabilities and optimized EX.

While nearly half the organizations surveyed say they're capturing VoE feedback and combining it with analytics and real-time sentiment data, our findings indicate that VoE analytics technologies and processes are not yet being used to their full potential.
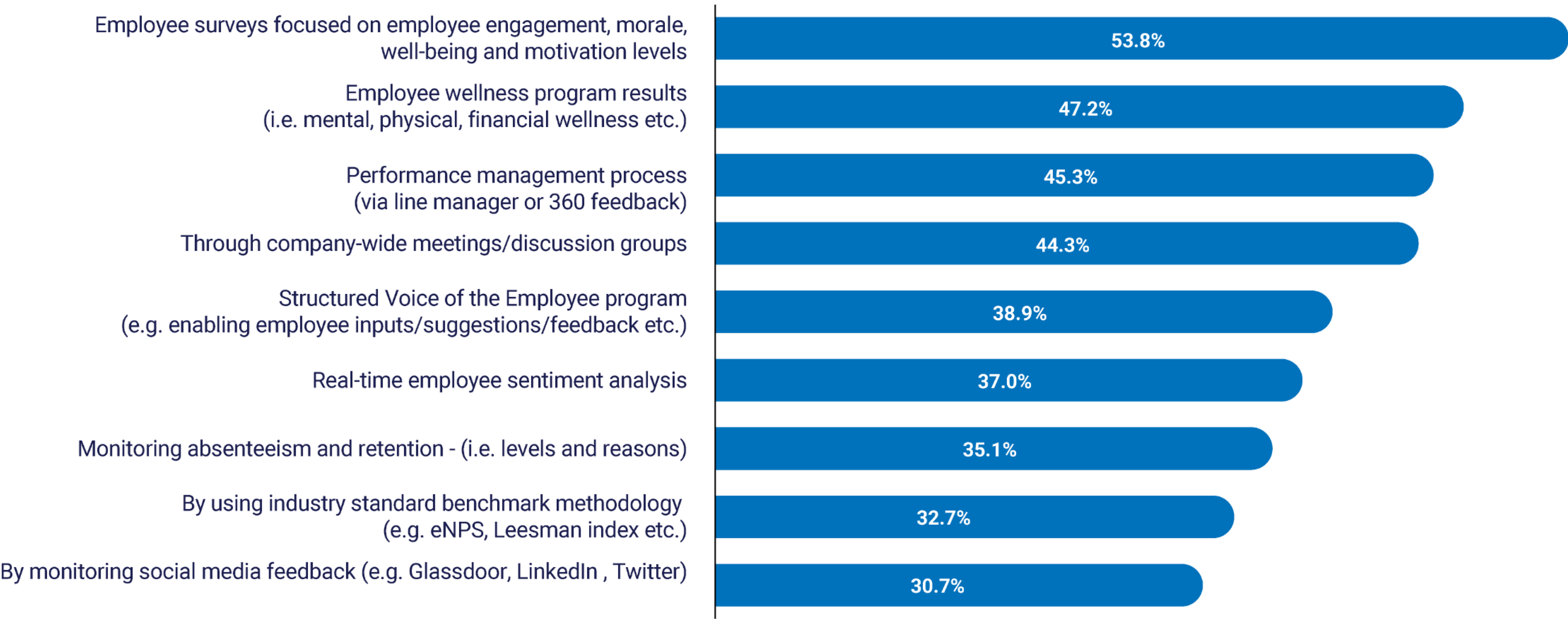
How organizations measure and optimize EX

Employee surveys focused on employee engagement, morale, well-being and motivation levels — **53.8%**

Employee wellness program results (i.e. mental, physical, financial wellness etc.) — **47.2%**

Performance management process (via line manager or 360 feedback) — **45.3%**

Through company-wide meetings/discussion groups — **44.3%**

Structured Voice of the Employee program (e.g. enabling employee inputs/suggestions/feedback etc.) — **38.9%**

Real-time employee sentiment analysis — **37.0%**

Monitoring absenteeism and retention - (i.e. levels and reasons) — **35.1%**

By using industry standard benchmark methodology (e.g. eNPS, Leesman index etc.) — **32.7%**

By monitoring social media feedback (e.g. Glassdoor, LinkedIn , Twitter) — **30.7%**

Figure 8: How organizations measure and optimize EX

How, if at all, do you measure and optimize employee experience? n=1,146

As we noted in last year's Report, biannual employee surveys don't provide a true representation of employee morale, wellbeing and sentiment – especially in times of rapid change. Real-time monitoring is a more effective way to gauge these issues and make the necessary changes to improve EX, productivity and ultimately, customer satisfaction.

Given the current talent crunch, and time and cost of recruiting and onboarding new employees, our view is that absenteeism and retention levels should be receiving more attention. Industry benchmarks and social-media sentiment about the organization should also be given more priority to build a brand that will attract talent.

Real-time monitoring is a more effective way to identify and address EX issues than biannual employee surveys.

Monitoring EX and wellbeing for a hybrid workforce

Workplace analytics, voice of the employee, and employees' use of and satisfaction with systems are the top three metrics used to manage and optimize wellbeing.

However, the analytics systems used may not be giving organizations a multidimensional view of employee engagement, wellbeing and overall EX. Measuring the adoption and use of collaboration and other digital tools is only valuable if you understand the sentiment behind the data, for example, and have a structured process for regularly reviewing and acting on feedback.

> **Focus on key metrics to manage and optimize wellbeing** advances in line with workplace strategy maturity .

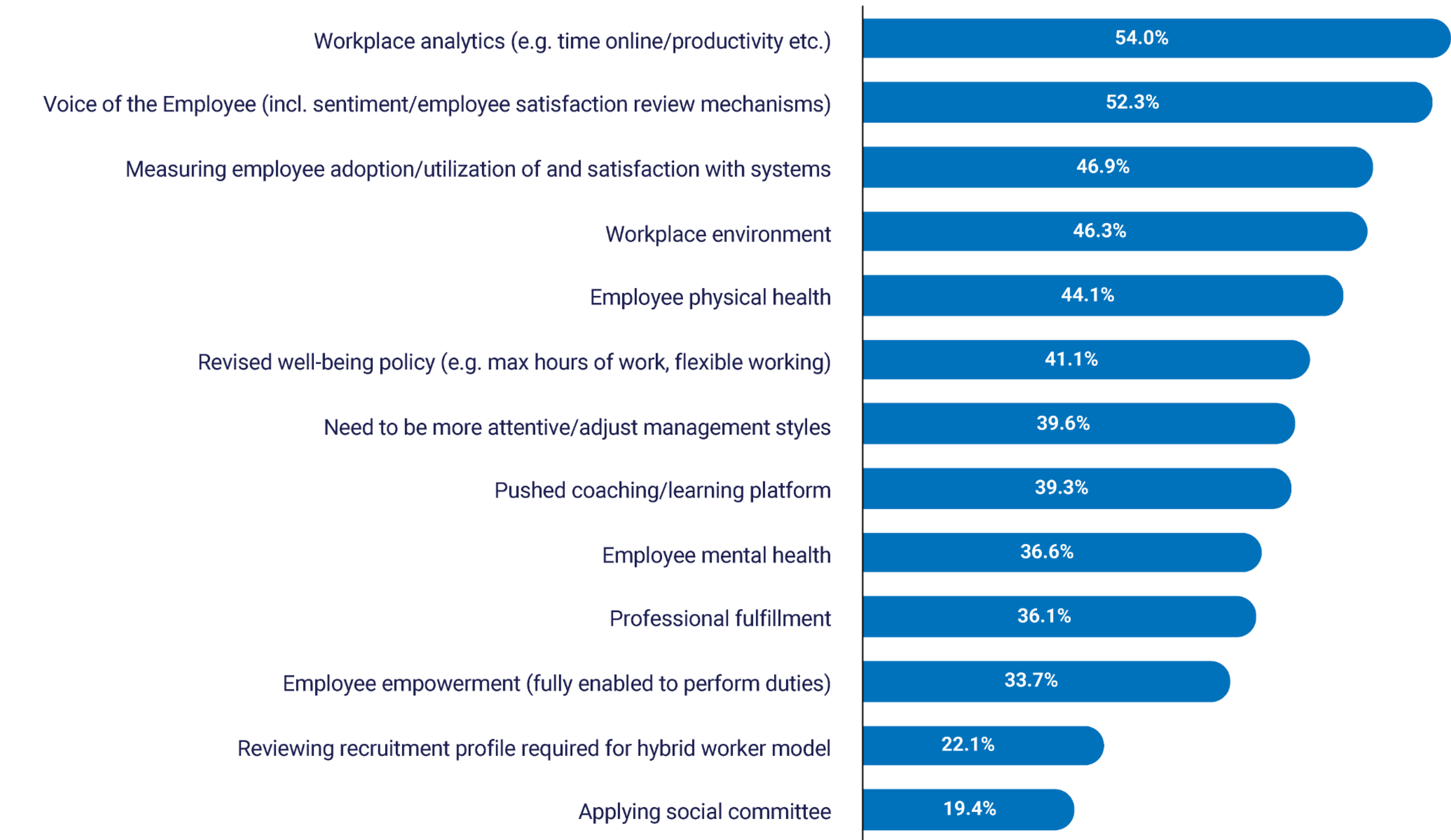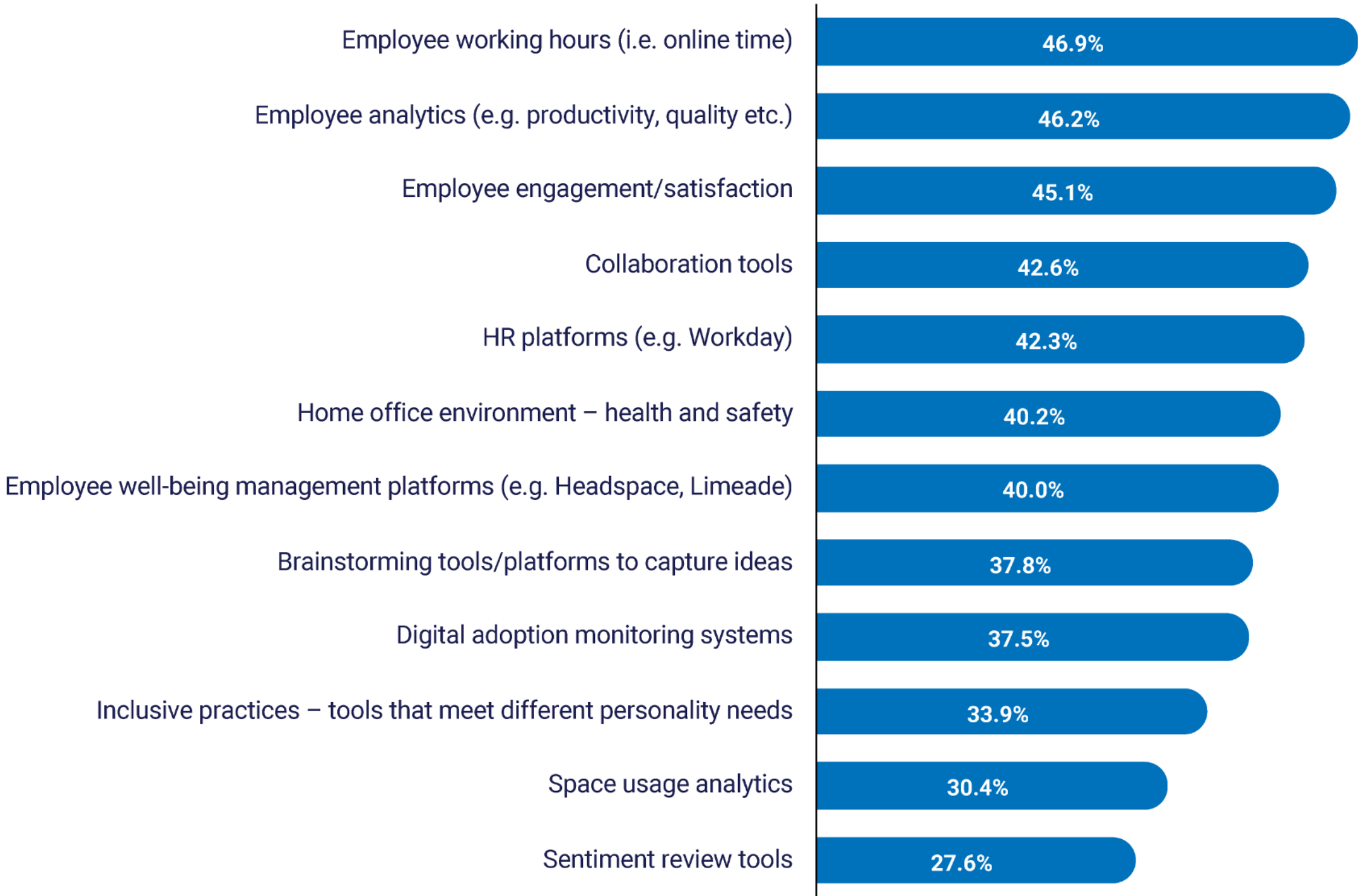### Metrics to manage and optimize wellbeing

Metric	Value
Workplace analytics (e.g. time online/productivity etc.)	54.0%
Voice of the Employee (incl. sentiment/employee satisfaction review mechanisms)	52.3%
Measuring employee adoption/utilization of and satisfaction with systems	46.9%
Workplace environment	46.3%
Employee physical health	44.1%
Revised well-being policy (e.g. max hours of work, flexible working)	41.1%
Need to be more attentive/adjust management styles	39.6%
Pushed coaching/learning platform	39.3%
Employee mental health	36.6%
Professional fulfillment	36.1%
Employee empowerment (fully enabled to perform duties)	33.7%
Reviewing recruitment profile required for hybrid worker model	22.1%
Applying social committee	19.4%

Figure 9: Metrics to manage and optimize wellbeing

What, if any, of the following is your organization focused on managing, with a view to optimizing employee wellbeing? n=1,146

Workplace and analytics systems that organizations have access to

System	Percentage
Employee working hours (i.e. online time)	46.9%
Employee analytics (e.g. productivity, quality etc.)	46.2%
Employee engagement/satisfaction	45.1%
Collaboration tools	42.6%
HR platforms (e.g. Workday)	42.3%
Home office environment – health and safety	40.2%
Employee well-being management platforms (e.g. Headspace, Limeade)	40.0%
Brainstorming tools/platforms to capture ideas	37.8%
Digital adoption monitoring systems	37.5%
Inclusive practices – tools that meet different personality needs	33.9%
Space usage analytics	30.4%
Sentiment review tools	27.6%

Figure 10: Workplace and analytics systems that organizations have access to

Which, if any, of the following workplace and/or analytics systems does your organization have access to? n=1,146

Employee working hours, measured by online time, don't always give a realistic indication of productivity, wellbeing or the risk of burnout. Some employees may prefer working at different times during the day when they're naturally more productive or to accommodate their work-life balance – something they weren't able to do when the 8 to 5 workday was the norm. Productivity should therefore be measured in terms of output, not hours.

Advanced workplace analytics, regular eNPS data and real-time sentiment analysis can help unearth what's really happening and which areas of the company are at risk. Currently, just 27.6% of organizations have access to sentiment-review tools.

This year's data shows analytics relating to the home-office environment are receiving attention – a positive indication that organizations are considering how these environments are affecting EX and how to address any shortcomings through standard policies.

While only 30.4% of organizations have access to space usage analytics, we're likely to see this increase as more people return to company premises. These systems allow organizations to identify how best to repurpose workspaces for employee safety, collaboration and productivity, as well as for efficiency and sustainability. This data can help inform return-to-work policies and validate the organization's duty of care to employees.

Pockets of progress, but no holistic strategy

While some progress has been made in certain areas of EX, most organizations need to ramp up efforts in the areas of technology enablement, employee engagement and wellbeing. Analyzing data across the three Ws of work, workforce and workplace, will provide insight into where changes are needed to improve moments that matter to employees.

A coordinated effort is required from executive teams to understand and deliver what employees are looking for, and how to connect EX with the organization's business strategy and desired outcomes.

A coordinated executive effort is required to deliver what employees are looking for.

Modernize your workplace strategy

Hybrid work models are here to stay, but organizational strategies, policies and technology to enable different workstyles are yet to be clearly defined. Our findings show most executives believe they've made more progress in key areas of workplace strategy than what their operations teams – and employees – believe.

Read on

Modernize your workplace strategy to deliver a connected experience

The introduction of new digital ways of working has changed workplace dynamics forever. Employees now have a higher level of digital dexterity and, with the right technology in place, can be agile and productive wherever they work.

Consumers' digital proficiency has also accelerated as the pandemic necessitated the use of automated and self-service channels. Findings from the NTT 2021 Global Customer Experience Benchmarking Report show that consumer uptake of digital channels is high, as are customer expectations about what digital should deliver.

Over the next 12 months, organizations expect that the majority of their CX transactions will be managed through automation. They now need to optimize emerging technologies to augment employee capabilities and enhance collaboration, performance and agility, regardless of location or time-zone.

Focus on experience-based business outcomes

This year's findings show a reduced focus on cost reduction (down by 22.3%, from fifth priority last year to tenth this year). Organizations are now adapting to develop business enablers that will drive profitable CX, with an increased awareness of the impact of EX.

Organizations' business objectives over the next 12 months

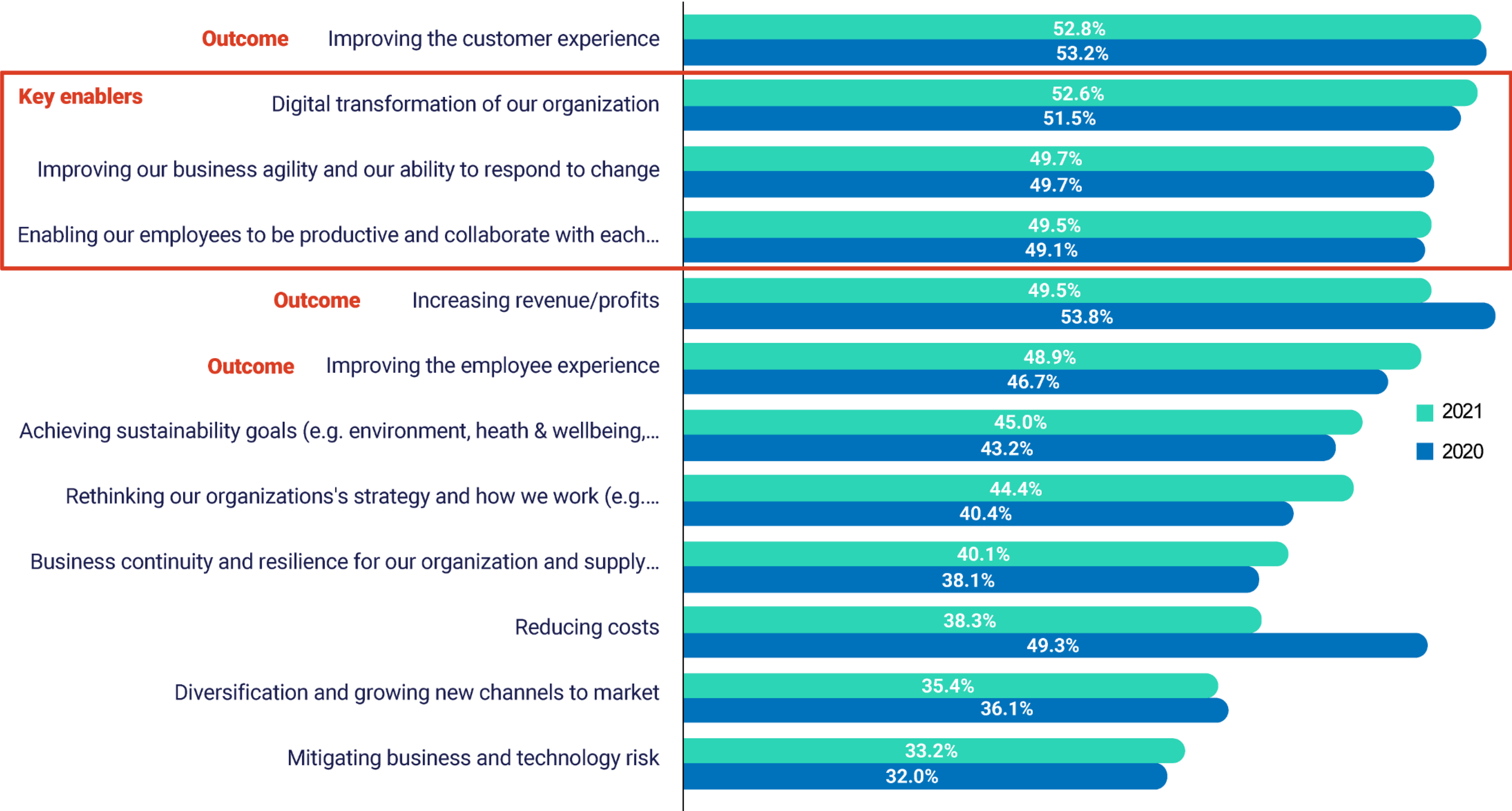| Objective	Type	2021	2020
Improving the customer experience	Outcome	52.8%	53.2%
Digital transformation of our organization	Key enablers	52.6%	51.5%
Improving our business agility and our ability to respond to change		49.7%	49.7%
Enabling our employees to be productive and collaborate with each...		49.5%	49.1%
Increasing revenue/profits	Outcome	49.5%	53.8%
Improving the employee experience	Outcome	48.9%	46.7%
Achieving sustainability goals (e.g. environment, heath & wellbeing,...		45.0%	43.2%
Rethinking our organizations's strategy and how we work (e.g....		44.4%	40.4%
Business continuity and resilience for our organization and supply...		40.1%	38.1%
Reducing costs		38.3%	49.3%
Diversification and growing new channels to market		35.4%	36.1%
Mitigating business and technology risk		33.2%	32.0%

Figure 11: Business objectives over the next 12 months

Which, if any, of these objectives will be a key priority for your organization within the next 12 months? n=1,146

Digitally enabling the organization while retaining customers has a direct impact on profit. Our findings show that growing businesses are more focused on CX than on increasing revenue and profits. They're accelerating digitization, moving simpler customer transactions to digital self-service channels and using technology to augment their employee's abilities to deliver the important 'human touch' in customer engagement.
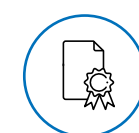
Top business objectives over the next 12 months for:

CEOs: Increasing revenue/profits
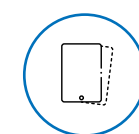
Digital-first/industry disruptors: Improved CX

Hybrid GTM organizations: Digital transformation

Industry leaders: Equal focus on digital transformation and improved CX

For many, post-pandemic strategies are not going far enough

Just **54.0%** of organizations say their future workplace strategy is defined and agreed.

Nearly three in four CEOs (72.0%) say their strategies to modernize and digitally optimize their future workplace are defined and agreed (up from 62.5% in 2020), but only 47.0% of operational leaders agree this is the case.

Operations management are likely to have a better grasp of what's required to operationalize workplace strategies in a complex, integrated environment. They may therefore believe current strategies are not detailed enough to enable execution, or that there are limited skills available to effect change - or both.

Technology optimization is a challenge

Technology dependencies are growing but most organizations have yet to optimize their technology investments.

Over the last year, there's been an 18.4% rise in the number of C-suite executives who strongly agree that the organization has become more reliant on technology since the start of the pandemic.

Digitization and the adoption of cloud platforms played a key role in supporting new workstyles and customer engagement models, complemented by a drive to automate processes and communications wherever possible to differentiate and achieve business outcomes.

71.1% of C-suite executives say connected workplace technologies, and enabling collaboration and efficiency, are very important to the organization's future workplace strategy.

However, this year's data shows many organizations are not yet optimizing this technology. Only half (53.0%) strongly agree their technology solutions are designed to enable and augment employee performance, although this figure rises to 64.7% for industry leaders.

Those that are not satisfied with technology capabilities in this most likely don't have the skills to support these platforms effectively or use them to their full potential. They haven't yet adopted the many features available to improve experiences. They also find it difficult to manage the data these systems produce, which means missed opportunities to gain insights that can help them improve EX and CX in support of business outcomes.

Without the right skills to implement and support technologies that augment EX and CX, customer satisfaction will drop, and so will revenue and profits.

Bridging the gap in digital optimization

As the consumption of cloud collaboration solutions has grown over the last 18 months, so has the skills gap for managing cloud platforms to deliver optimal experiences. Organizations now need diverse skills to maximize their technology investment in three key areas:

1. **Planning:** Plan well and put the correct foundations in place to gain the best return on cloud collaboration investments. Make sure they're secure by design and have the right network fabric in place, and apply effective adoption and change management processes.

2. **Optimizing:** Continuously identify new features as they become available on your evergreen cloud platforms. Unpack how to adopt these to deliver the best outcomes for employees, customers and the organization.

3. **Integrating:** Integrate EX and CX platforms and ensure the availability of these platforms to minimize friction and deliver the desired experiences and outcomes.

Simplifying the IT delivery model to a single service provider for cloud, telco, network and security services can help you overcome the skills barrier and realize cost savings, among other benefits. Our **2021 Global Managed Services Report** found that 92.2% of organizations agreed that a trusted technology partner is a key foundation for technology strategies. Improved security and improved system integration skills were two of the top three motivators for working with a service provider.
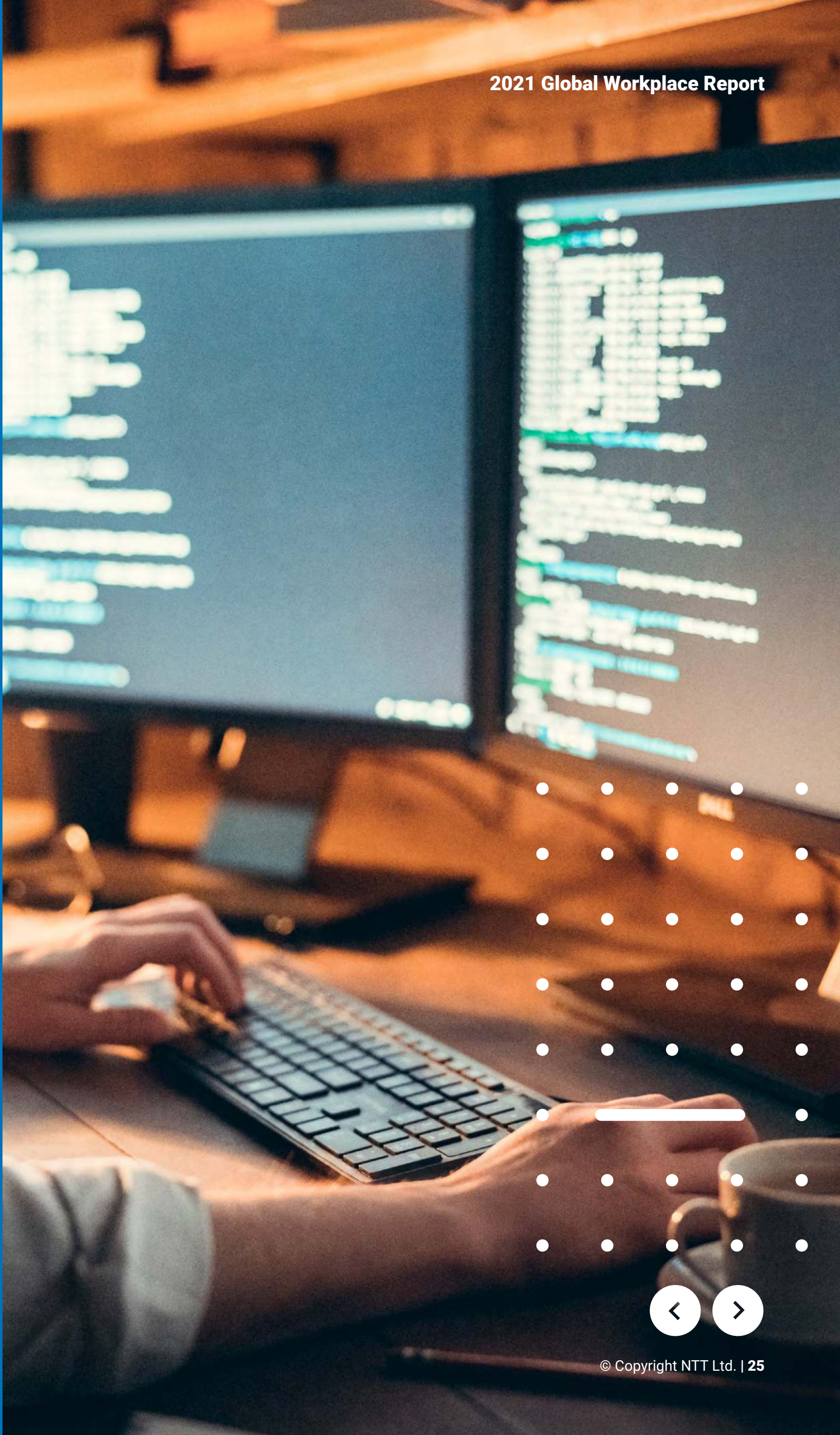
Strategic direction reflects changing workplace dynamics

Employee safety and wellbeing, and enabling flexibility through hybrid and remote working, are the top areas of strategic focus for meeting evolving workforce needs this year. The key drivers of those outcomes – digitization and technology augmentation – feature prominently, as do improved security and risk management.

For CHROs and CEOs, monitoring governance, risk and regulatory compliance is a significant concern. Accommodating diversity and inclusion is the second most important factor for CHROs, but ranks seventh overall on the global benchmark.

Wellbeing replaces productivity as the leading factor driving change to workplace strategy, followed by employee empowerment through technology augmentation, and reducing security risks.

> **Wellbeing replaces productivity** as the leading factor driving change to workplace strategy.

Employee safety, enabling hybrid/remote working, employee wellbeing and improving EX are most likely to feature as part of the workplace strategy, followed by sustainability goals.

Top 6 factors driving change to organizations' workplace strategies.

Top 6 factors	2021	2020
Support/improve employee wellbeing	1	Not asked
Enable/empower employees (via technology augmentation)	2	Not asked
Improve security/reduce risks	3	3
Improve business resiliency, continuity and operational agility	4	2
Digitize our operations (leverage innovation)	5	4
Productivity gains (incl. improve collaboration)	6	1

Figure 12: Factors driving change to organizations' workplace strategies
Which, if any, of the following are driving change to your workplace strategy? n=1,146

Top 5 factors included in workplace strategies

| Top 5 factors | Role types | | | | |
	Global benchmark	CHRO	CEO	IT	Ops
Employee safety (optimizing safe use of office space/healthy buildings)	1	1=	1	2	2
Enabling hybrid and remote working	2	4	7	1	3
Employee wellbeing	3	5=	5	3	1
Improving EX	4	5=	2	4	4
Sustainability goals	5	9	4	5=	6

Figure 13: Factors influencing organizations' workplace strategy
Which, if any, of the following factors are part of your organization's workplace strategy? n=1,146

Strategies to meet the demands of the evolving workforce

Employee lifestyle, employee wellbeing and the physical environment lead organizational strategies for the evolving workforce.

Factors driving change to organizations' workplace strategies.

Workforce strategy factor	Rank
Flexible hours	1
Wellness (e.g., activity funding, mental/physical health programs)	2
Remote/hybrid working	3
An improved office workplace environment (e.g., air, noise, light, temperature, occupancy, location)	4
Management techniques being adapted	5
Equal pay/resource levels (balance gender/visible minorities)	6
Attract techniques / training approach	7
Agile and new ways of working initiatives	8
Individual/flexible choice of employment benefits	9
Holiday purchase schemes	10

Figure 14: Top 10 workforce strategies
What, if any, of the following strategies are you applying to meet the demands of today's evolving workforce? n=1,146

Hybrid is here to stay

Employees are increasingly in the driving seat. Organizations that don't offer employees flexibility and choice will see the impact of that decision on organizational performance.

Top five outcomes of a remote/hybrid workforce model for organizations

1. Better work-life balance
2. Reduced commute time
3. Reduced travel costs
4. Improved EX/engagement
5. Improved productivity

For organizations, a better work-life balance for employees has been the main benefit of remote/hybrid working over the last 12 months, followed by reduced commute time, reduced travel costs, and improved EX and productivity gains. A report by Gartner notes that employee dissatisfaction with traditional work arrangements is increasing turnover and reducing productivity, whereas flexibility fuels high performance.[5]

5 Gartner, 14 September 2021. Take these 3 actions to make digital workplaces happier, faster and smarter.

© Copyright NTT Ltd. | 27

It's therefore surprising to see so many enterprises planning to return to pre-pandemic workplace models, or have already done so. As Gartner notes, a return to the workplace 'is not a return to normal. Normality today for a large proportion of the workforce has become working remotely.' [6]

Our findings show that remote/home-working has almost doubled since early 2020, while hybrid working increased only slightly. Fewer employees have worked from company premises, likely due to the ongoing pandemic and restrictions on building occupancy and social contact.

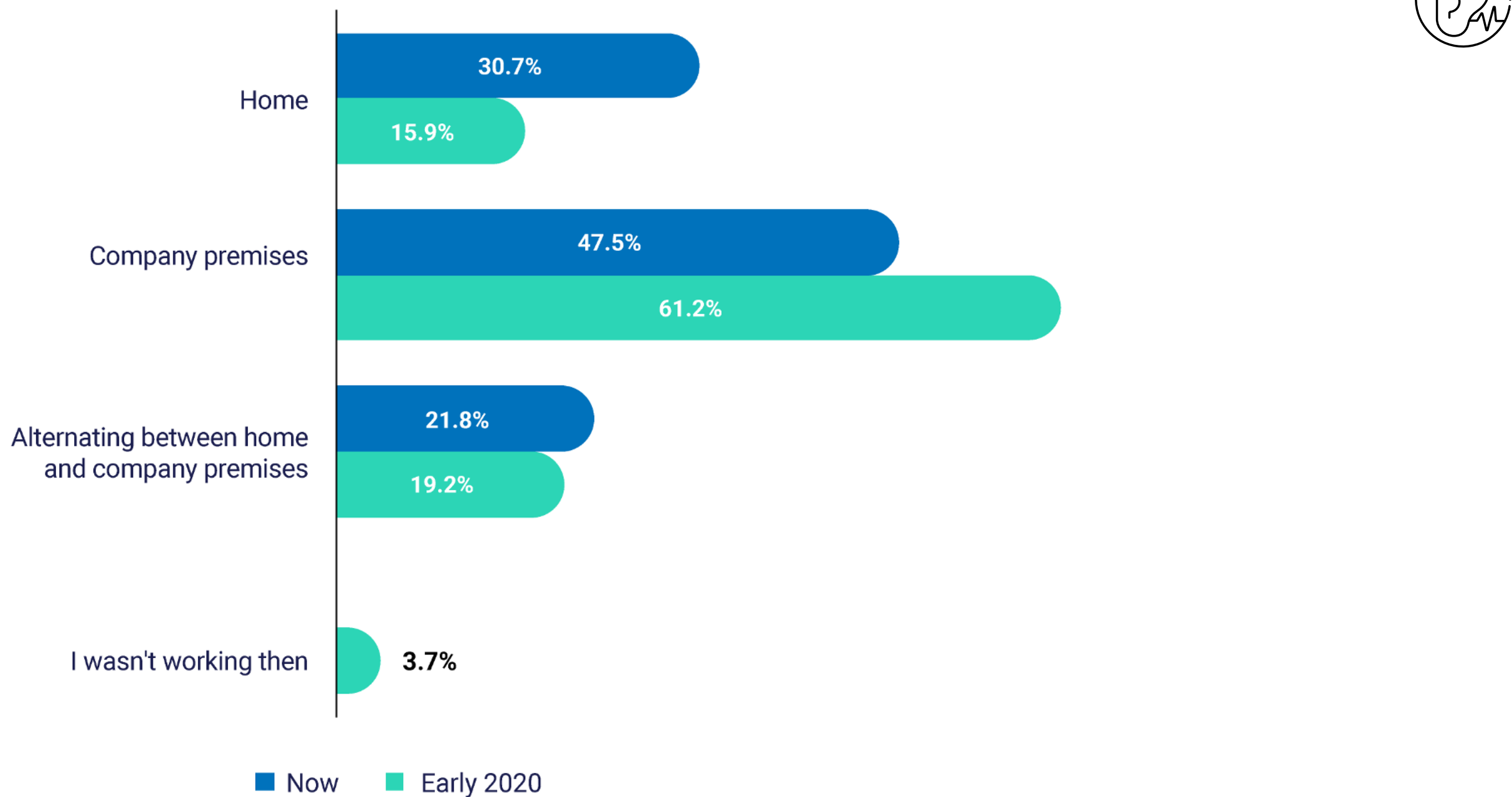## Employee work locations – pre-pandemic and now.

Figure 15: Employee work locations pre-pandemic and now.
In what type of location do you currently work? And where did you work at the start of 2020? n=1,402

The ability to offer employees greater choice will only increase in importance

Formal policies that dictate everyone returns to company premises full-time (when safe to do so) could be met with resistance – and by employees looking for opportunities elsewhere.

Now that employees have experienced what it's like to work from different locations, they're better able to determine what suits their workstyles and work-life balance. They want to shape their working hours around their personal lives and individual priorities. With more employment opportunities available in the market, they have greater leverage to demand this of their employers.

The gig economy has become truly viable. Organizations can employ the right skills from anywhere in the world through contracts that allow for flexible working and the delivery of particular outcomes. Microsoft's 2021 Work Trend Index shows that remote job postings on LinkedIn have increased more than fivefold since the pandemic, and 46% of employees surveyed are planning to move because they can now work remotely.[7]

Currently, just over one in five organizations say they use hybrid or remote working as a recruitment aid, a figure that's higher for organizations with fully defined workplace strategies (24.6%), but that drops to 8.6% for those whose strategies are still in development.

Disruptors have moved quickly to capitalize on flexible work location opportunities, with 30.3% saying they're recruiting in new countries (compared with 17.4% of traditional organizations) and 40.6% are saying employees can now live anywhere in the world (23.2% for traditional organizations).

[6] Gartner, 8 June 2021. The role of managers in contextualizing the return-to-the-workplace strategy.

[7] Microsoft, 22 March 2021. The Work Trend Index.

Determining the way forward

> Just **41.7%** of CEOs and 49.2% of CHROs say rethinking the organization's strategy and better understanding how people work is a key priority.

Managing a hybrid workforce, particularly one that's globally distributed, has significant implications for organizational policy. There's no single approach that will match the expectations of every employee.

In addition to complying with labor and health and safety regulations in different countries, there's the issue of remuneration to consider. Google, for example, has stated it will adjust compensation for employees who choose to transfer to a different office or opt for completely remote work.[8]

On the other hand, organizations like Reddit and Zillow have decided not to take this approach and will tie pay to high-cost areas such as San Francisco and New York, regardless of where employees live.[9] Pay differences based on geography, introduce the notion that some employees are paid differently for the same work and it means pay cuts for some workers whose jobs have not changed. This will become a contentious topic as future hybrid working strategies become more entrenched.

Continued uncertainty surrounding the pandemic and how to meet employee expectations makes it difficult to determine the best way forward.

But understanding the reasons behind employees' preferences – their individual style of working, professional goals, personal circumstances and culture – can help organizations develop guidance and policies that suit a range of employee personas, and implement the right technology and support mechanisms to enable performance.

Effective change management and regular communication between managers and employees will help alleviate anxiety about the organization's immediate and longer-term plans.

Who owns workplace strategy?

The main barrier to achieving desired operating models is that different enterprise functions and employee groups want different things. They may have individual key performance indicators (KPIs) but aren't working together towards a broader goal.

20.7% of organizations say lack of board-level sponsorship and resistance to change is a barrier to achieving their desired operating model.

16.8% say there's no clear owner of workplace strategy across the enterprise.

[8] Sundar Pichai, 5 May 2021. A hybrid approach to work.
[9] Sarah O'Connor, Financial Times. 17 August 2021. Cutting pay for remote workers is a risky move.

Barriers to organizations achieving their desired operating model

Barrier	Percentage
Different functions/employee groups want different things	36.0%
Safety (e.g. pandemic is impacting when/how we return to office)	29.7%
Governance and regulatory compliance factors (e.g. specific industry rules)	28.4%
We are locked into commitments or limitations regarding our office space/location	27.1%
Market uncertainty and/or cost constraints	26.5%
Cybersecurity risks	25.9%
IT limitations (e.g. systems are outdated)	24.9%
Lack of board-level sponsorship (resistance to change)	20.7%
We do not have/cannot find the required digital technology expertise	18.3%
Lack of data analytics to support business case and ROI.	17.5%
No clear owner/authority of workplace strategy across the enterprise	16.8%
Other business risks	5.4%
There are no significant barriers to progress	9.2%

Figure 16: Barriers to organizations achieving their desired operating model

What, if anything, is stopping you achieving your organization's desired operating model? n=1,146

For some organizations, hybrid working may now be the accepted way of working and therefore considered business as usual. For others, it's still a process of transformation. Regardless of where they are on this spectrum, the way work happens has been deconstructed, affecting all industries in all geographies. This year's findings indicate some significant gaps between perceptions and performance in several areas of workplace strategies and outcomes. To address these shortfalls, the entire executive team should be responsible for driving workplace strategies that enable business outcomes and ensure shareholder value.

A connected workforce drives business outcomes

The digitization of operations will enable many future workplace strategies. Technology that augments employees' capabilities enables organizations to offer greater flexibility and choice. Self-service, e-learning and knowledge management tools give employees more opportunity to manage their work effectively from any location, in the hours they choose. A secure-by-design approach must be entrenched in every aspect of digitization and workplace strategies

As many of this year's findings show, there's a considerable disconnect between intent and execution in several areas of workplace strategy. A number of external factors (the ongoing pandemic, compliance factors, market uncertainty) play into this. Technology can help overcome many external barriers, but humans are still siloed in their thinking. It's now up to executive teams to be more engaged in communicating the organization's vision for the future workplace and driving change.

Section 4

Connecting employees

Many challenges remain as organizations shift from digitizing for business continuity to enabling longer-term workplace strategies. The deployment of employee-enablement and productivity tools is relatively low, and limited in-house skills hinder the optimization of technology investments. Security for the hybrid workforce is a big concern.

Read on

Enabling and securing optimized working through digitization

Last year's Report noted the necessity of working from home during the pandemic was challenging for employers and employees alike. This year's data shows many of these challenges remain as organizations shift from digitizing for business continuity to deploying technology that supports new, longer-term workplace strategies.

Security for the hybrid workforce is a huge concern – the vast majority of organizations agree they've had to completely rethink their IT security to accommodate hybrid and remote working.

While technology is seen as the primary enabler of workplace strategies, the deployment of tools for enabling employees and improving productivity is relatively low. And organizations that are moving ahead with optimizing their cloud technologies are in the minority. Limited in-house skills are a barrier to maximizing technology investments in order to enhance EX, CX and overall performance.

What does hybrid look like?

The employee perspective: the 30-30-30 split

When it comes to preferred work location, the data indicates a general 30-30-30 split. Although there is some variation by age and role type, findings show that, when given the choice, approximately 30% of employees would prefer to work remotely, 30% from company premises, and 30% want to alternate between the two.
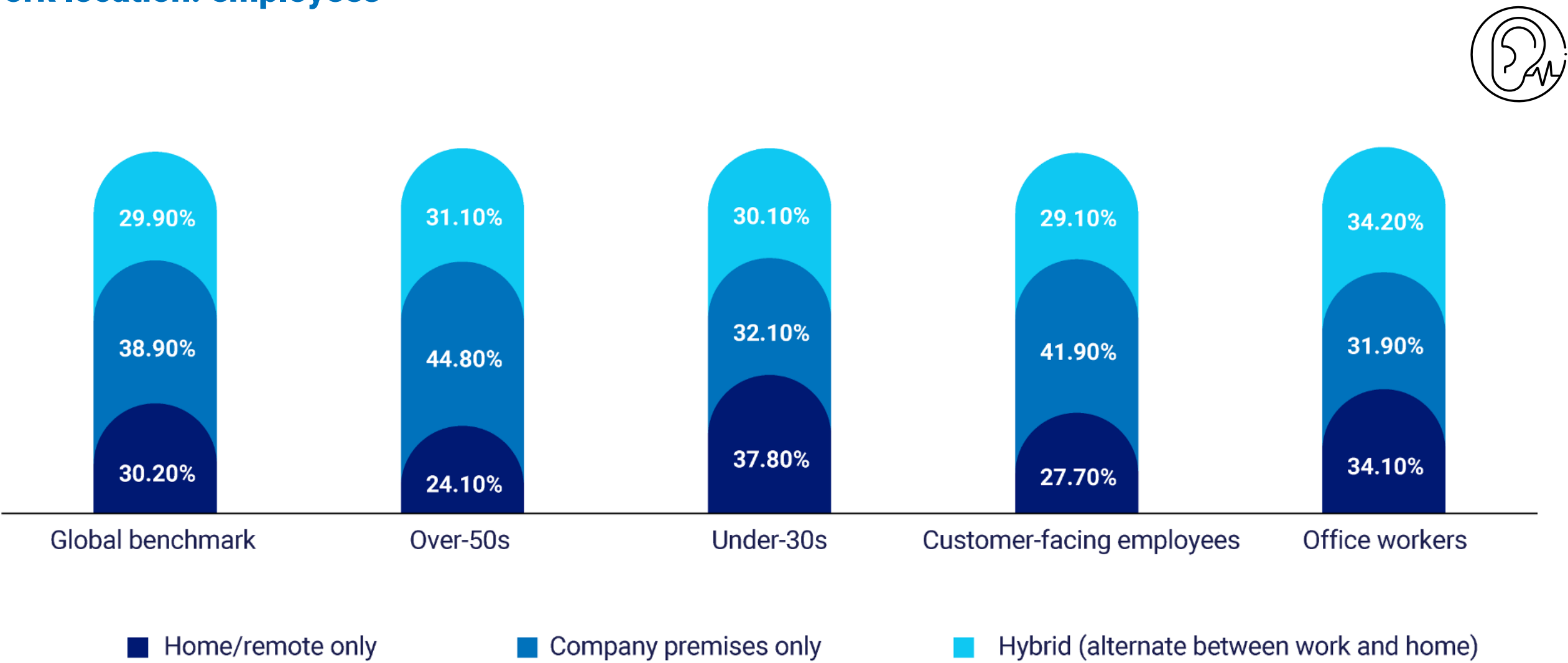
Prefered work location: employees

	Global benchmark	Over-50s	Under-30s	Customer-facing employees	Office workers
Hybrid (alternate between work and home)	29.90%	31.10%	30.10%	29.10%	34.20%
Company premises only	38.90%	44.80%	32.10%	41.90%	31.90%
Home/remote only	30.20%	24.10%	37.80%	27.70%	34.10%

■ Home/remote only   ■ Company premises only   ■ Hybrid (alternate between work and home)

Figure 17: Employees' preferred return-to-workplace model

In what type of location would you prefer to work if you had the choice? n=1,402

The organization perspective

Nearly two in three organizations say they have returned (31.8%) or will return (33.0%) to their workplaces as they were before the pandemic.

Organizations' expected return-to-workplace model

- ■ We will in future return to our offices and workplaces as it was before the pandemic

- ■ We have already returned to our offices and workplaces as it was before the pandemic

- ■ We have or will return in some capacity, but with an expanded remote/hybrid working policy

- ■ We will never return to our pre-pandemic workplace operating model

- ■ We are unsure - we're still evaluating our hybrid resource, office and workplace model

Figure 18: Organizations' expected return-to-workplace model

In light of the COVID-19 pandemic, has your organization returned to office(s) and workplaces as normal, or are you adopting a more distributed resource and workplace model? n=1,146

This year's findings show a clear gap between employee workstyle preferences and what organizations are driving. Despite employees wanting more flexibility, the majority of organizations are planning to return, or have returned, to their pre-pandemic operating models.

It's important to bear in mind, however, that a return to the workplace won't be exactly 'as it was' before the pandemic. Existing workspaces are being repurposed because the kind of work employees want to achieve in an office has changed. This is now the space where they can fulfil some of the social aspects of work, engage with clients and collaborate with colleagues face-to-face, while still being able to connect with people who are not in the same location.

The challenge for organizations is ensuring a consistent and seamless user experience for everyone, whether they're participating remotely or in-person.

Rising reliance on technology to support workplace strategies

As organizations revisit their policies in light of changing workstyles, technology will need to enable a range of employee profiles and work location preferences.

The pandemic created a new urgency to improve business agility and support a distributed workforce, and this highlighted a significant dependence on technology. Just 50.3% of organizations strongly agree that they were able to pivot their workplace strategy successfully in response to the pandemic.

Up from 88.5% last year, 95.3% of organizations agree they have become more reliant on technology since the start of the pandemic. And 72.0% of CEOs strongly agree the pandemic has demonstrated that technological progress will be instrumental to their organization's future success.

Technology enablement has yet to catch up to changing workstyles.

Organizations must be able to support employees who work remotely as well as those working from an office location. Our findings show technology enablement is falling short of both organizations and employee needs.

Work-from-home challenges persist

Organization view	Employee view
81.5% of organizations agree (**43.2%** strongly) that home-working has challenged organizational performance.	**61.0%** of employees say their employer struggles with having employees at home.
81.2% agree (**41.4%** strongly) that home-working during the pandemic has been challenging for employees.	**58.3%** say that working from home is challenging and/or problematic.

Currently, just 54.6% of organizations say employees have access to all the technology necessary to enable and augment performance while working from home. The figure is higher for leaders (64.1%) and organizations that have defined and agreed their future workplace strategy (61.6%). It's significantly lower for non-leaders (27.3%) and organizations that have not defined and agreed their future workplace strategy

While that's an overall improvement from 45.0% last year, employee perceptions differ: just over a third of employees say they're equipped with all the tools they need to work from home.

Company premises not fully equipped yet

For those returning to the workplace – or planning to – the situation is not much better. Only 56.1% of organizations say employees have access to all the technology they need when working from company premises; 38.7% indicate employees are partly equipped.

Technology is the top enabler of workplace strategies

Top five enablers of workplace strategies

1. Technology (connecting workplace, enabling collaboration and efficiency)

2. Quality of employee collaboration

3. Employee wellbeing (health, enabling choice and flexibility)

4. Securely connecting hybrid and remote employees

5. Digitizing employee support/workflows

Technology adoption and utilization – ensuring employees have the right technology as well as the know-how to use it to collaborate effectively – are the top areas of focus in enabling workplace strategies. To improve process efficiencies and employee capabilities in these areas, there's also a growing interest in digitizing employees upport and workflows.

Organizations are looking at back-office and process automation for standard IT and Human Resources (HR) requests, and using artificial intelligence (AI), self-service and e-learning to help employees get the most out of the technology they use.

The **2021 Global Customer Experience Benchmarking Report**, highlights how progressive enterprises are advancing their hyper-automation capabilities by bringing all these technologies together to augment EX and CX capabilities and processes.

Forward-looking organizations are encouraging employees outside of IT to become citizen developers, using approved company technology to develop integrated tools and line-of-business applications that improve productivity and business processes.

> Highly automated organizations are almost twice as likely to leverage AI, more than four times as likely to use robotic process automation (RPA) to automate manual tasks, and 50% more likely to have implemented predictive or sentiment analytics.
>
> **NTT Ltd. 2021 Global Customer Experience Benchmarking Report**

Connecting hybrid and remote employees securely enables organizations to provide greater choice and flexibility in support of employee wellbeing. Workplace analytics, wellness and nudge technologies take that a step further by monitoring trends in employee engagement and encouraging healthy work behaviors, such as taking regular breaks.

Cloud and cybersecurity the top technology tools underpinning workplace strategy

Tools and technologies part of current workplace strategy

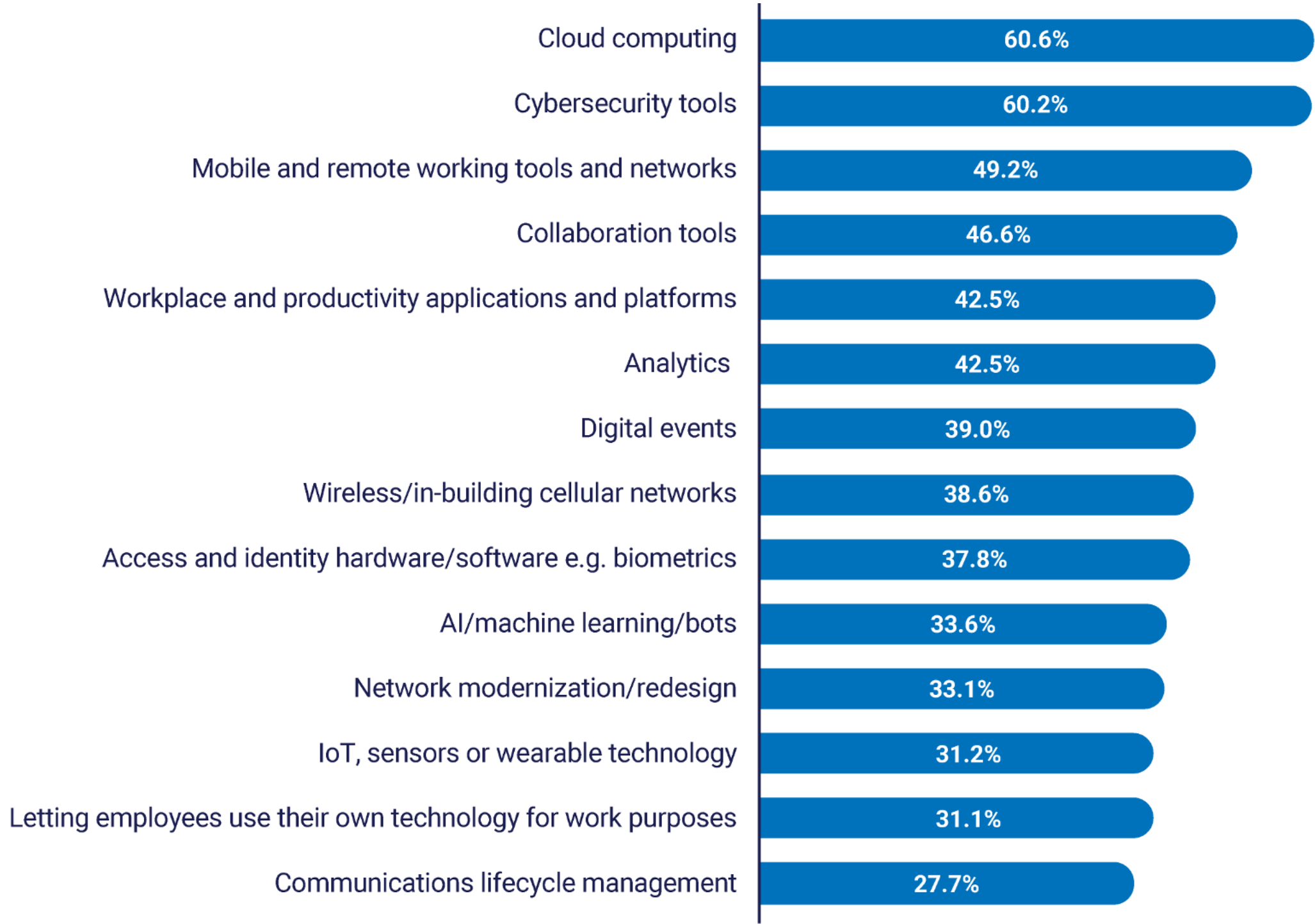| Tool	%
Cloud computing	60.6%
Cybersecurity tools	60.2%
Mobile and remote working tools and networks	49.2%
Collaboration tools	46.6%
Workplace and productivity applications and platforms	42.5%
Analytics	42.5%
Digital events	39.0%
Wireless/in-building cellular networks	38.6%
Access and identity hardware/software e.g. biometrics	37.8%
AI/machine learning/bots	33.6%
Network modernization/redesign	33.1%
IoT, sensors or wearable technology	31.2%
Letting employees use their own technology for work purposes	31.1%
Communications lifecycle management	27.7%

Figure 19: Tools and technologies part of current workplace strategy

Which, if any, of the following tools and technologies are part of your current workplace strategy? Base: IT & CDO n=350

Last year's **Intelligent Workplace Report** showed that the use of cloud collaboration tools increased significantly during the pandemic. We see that trend continuing this year with many organizations opting for a cloud-first approach. The move to hybrid working and a distributed workforce has also compelled organizations to reassess their security posture because hybrid and remote workers are generally more vulnerable to security threats such as phishing, website hijacking and social web attacks.

A larger hybrid workforce means a bigger potential attack surface and greater security risks. As a result, organizations need to move away from traditional, perimeter-based security models to a Zero Trust model and deploy new networking solutions at campus and branch locations.

> **A larger hybrid workforce means a bigger potential attack** surface and greater security risks.

What's underpinning your cloud and security solutions?

To support hybrid working in a cloud-connected architecture, plan from the foundation upwards. Ensure you have the right models and capabilities in place from the start, before any transformation begins. This way, you'll be in a strong position to optimize and secure all your cloud workloads.

Networking

The entire network fabric needs to be optimized and secure, from the digital backbone through to secure edge-to-cloud services.

Security

Consider physical and IT security policies for people as well as technology. Zero Trust security models take security to a deeper level, incorporating networks, devices, applications and data.

Subscribe to the **Monthly Threat Report** from NTT's Global Threat Intelligence Center.

Operations

Cloud environments often introduce operational complexity. Standardization and automation can simplify IT operations and remove some of the pressure from internal teams. Operations teams will require a real-time view of security threats.
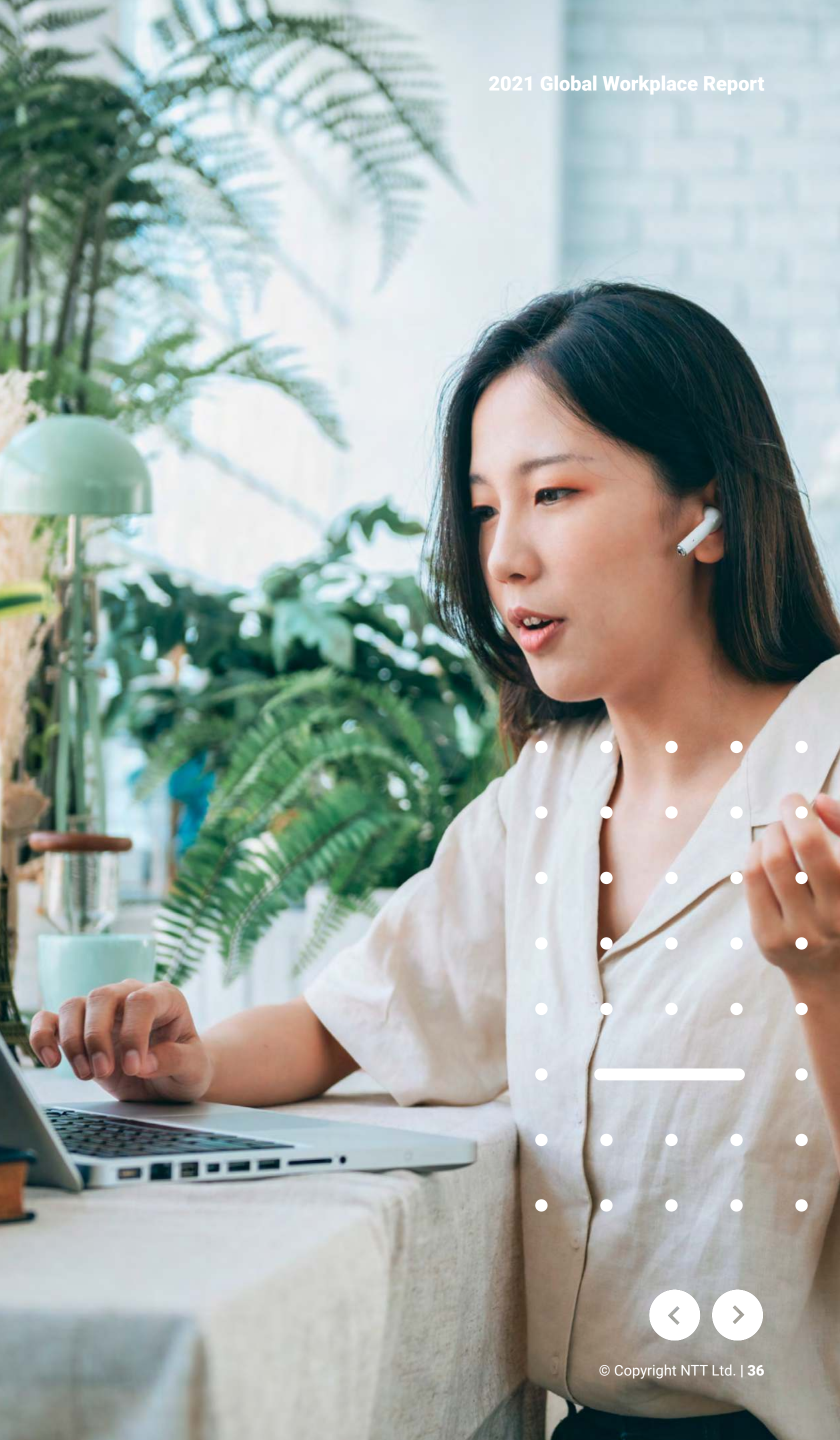
Broader support needed for remote/hybrid workers

## Additional measures required to support remote and hybrid workers

65.8% of organizations need business-grade internet connections (4G/5G/broadband/SD-WAN).

59.1% need to deploy mobile devices (laptops, tablets, etc.).

54.1% need to conduct working environment assessments.

51.3% need to implement special cybersecurity tools.

Almost two in three (65.8%) organizations say business-grade internet connections are an additional measure required to support remote/hybrid workers, indicating a strong focus on business continuity and redundant backup, particularly for key workers.

Security is a growing concern, with 79.3% of organizations saying they find it more difficult to spot IT security or business risks brought about by employees when they are working remotely, and 54.7% saying they've had to completely rethink their IT security to accommodate new (hybrid) ways of working.

Only **43.2%** of employees are confident that company information is safe when they're working from home.

Just over half (53.2%) of organizations strongly agree that cybersecurity controls are effective in protecting and enabling their employees wherever they work, while **51.3%** agree special cybersecurity tools are required for remote workers.

These challenges are not limited to hybrid and remote workers, however. Organizations now need to accelerate the adoption of Zero Trust security models and adopt a holistic approach that incorporates devices, users, applications and data to ensure ingrained security and data protection.
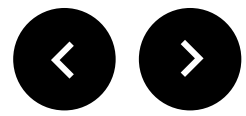
Low deployment of technology enablers

Technology to enable employees and improve productivity

Employee self-service, quality management and e-learning are the top three technologies deployed to enable employees and improve productivity. Yet, considering that technology and the digitization of employee support are ranked among the top five enablers of workplace strategies, deployment rates are relatively low.

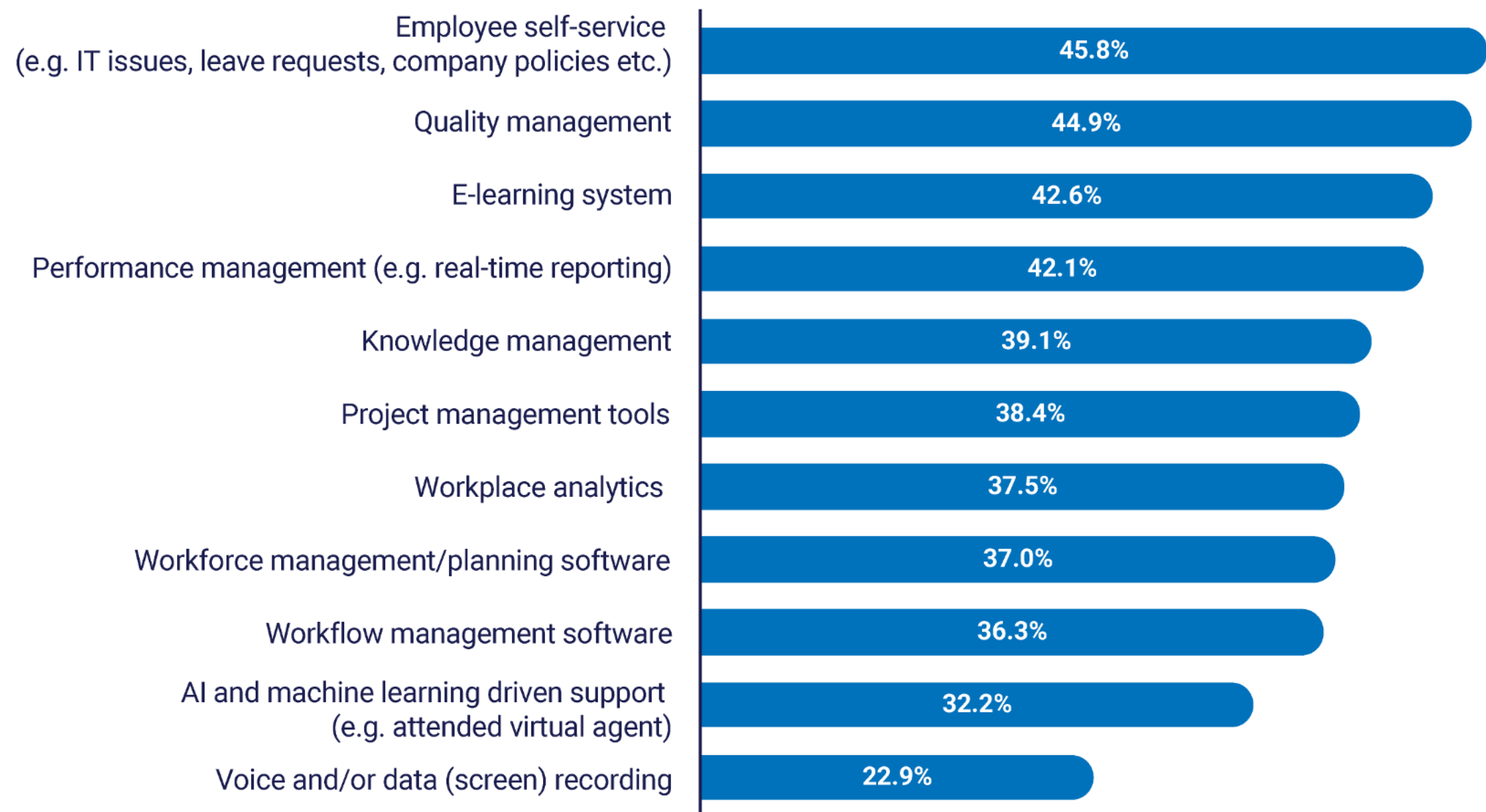**Tools and technologies part of current workplace strategy**

Figure 20: Deployment of technologies to enable employees and improve productivity
Which, if any, technologies have you deployed to enable employees and improve productivity? n=1,146

Just 47.2% of organizations strongly agree that knowledge management systems are being used to assist employees with gathering, organizing, sharing and analyzing knowledge across the enterprise.

What's particularly surprising, in view of recent trends, is the low global benchmark for workplace analytics (37.5%), workflow management software (36.3%) and AI and machine learning (ML) support (32.2%). Leading organizations are much further ahead in their uptake of these technologies than non-leaders.

Leading organizations are:

- 54.7% more likely to deploy workplace analytics than followers (non-leaders);
- almost 2 times more likely to deploy workflow management software and
- almost 1.5 times more likely to deploy AI and ML support.

	Workplace analytics	Workflow management software	AI and ML support
Global benchmark	37.5%	37.0%	32.2%
Leaders	↑ 39.9%	↑ 41.7%	↑ 37.6%
Non-leaders	↓ 25.8%	↓ 28.8%	↓ 15.2%

Figure 21: Deployment of technologies to enable employees and improve productivity: comparison of leader and non-leader results.

Technology to augment EX

87.5% of organizations agree (**42.0%** strongly agree) they're leveraging AI and digital assistants to lessen work pressures on employees.

Organizations with a fully defined strategy to modernize and digitally optimize the workplace are twice as likely to be leveraging AI and digital assistants to augment EX (48.3%) than those still in the early planning stage (34.1%). 51.6% of EX-focused enterprises strongly agree that they are leveraging AI to lessen work pressures, compared with just 19.7% of organizations where EX is not optimized.

Are organizations doing enough for employees?

Beyond the technical tools required, organizations are also looking more broadly at how to support employees working from home. Although health and safety requirements and regulations vary in different countries, there are best practices organizations can follow when developing, communicating and implementing policies for remote- and home-workers. For example, Acas, the Advisory, Conciliation and Arbitration Services in the UK, recommends that home-working policies should include how people will be set up to work from home, how the employer will carry out risk assessments of the employee's work and workplace, and who will provide and pay for equipment.[10]

This year's data shows that leaders are 32.7% more likely (and disrupters 32.9% more likely) to use working environment assessments to inform HR policies and ensure employees are equipped to work safely from remote locations.

Generally, however, allocations for equipping home offices are inadequate, leaving employees to fill the gaps with their own, and not necessarily approved, solutions. This may introduce cybersecurity as well as health and safety risks.

Two in five organizations **(42.4%)** will provide remote workers with an allowance to self-equip their home-office. Others will directly equip remote or hybrid employees with a range of equipment.[3]

10 Acas, 24 August 2021. Working from home.

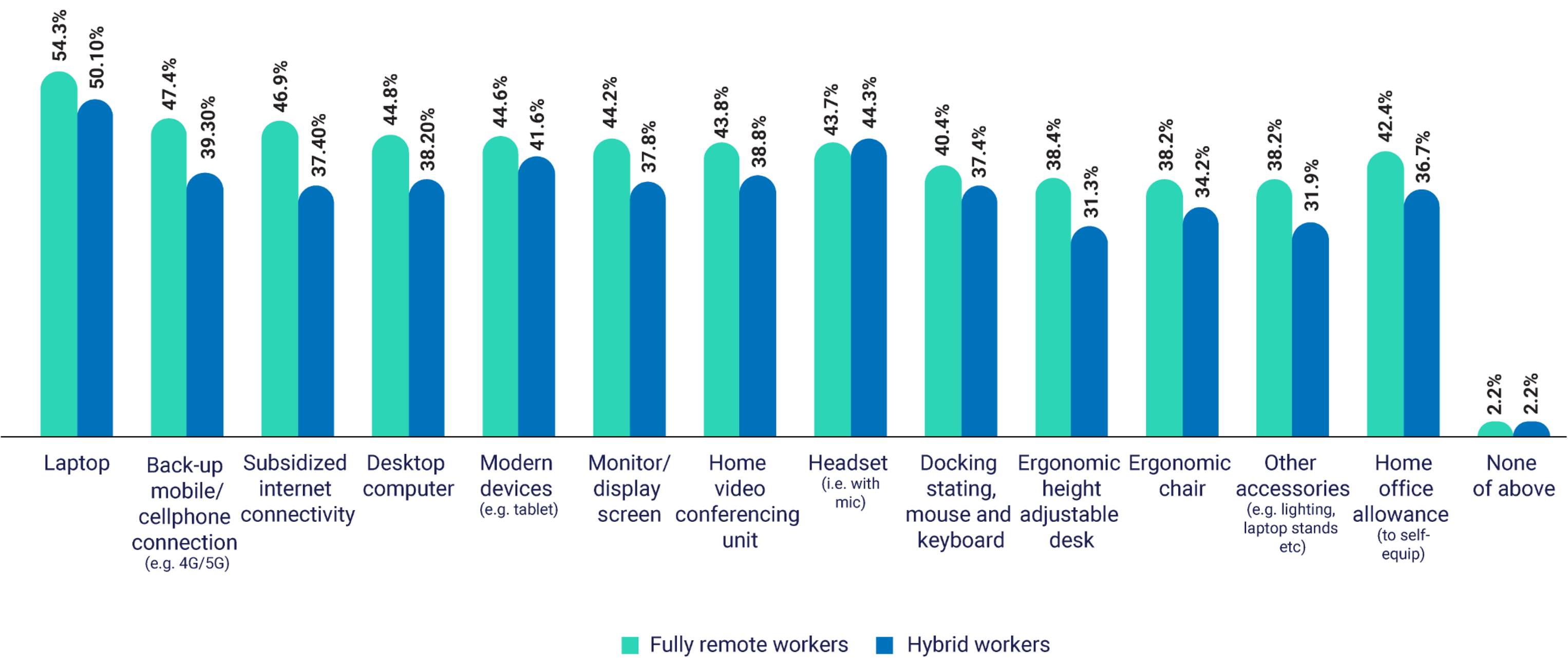## How organizations are equipping home-office spaces

Category	Fully remote workers	Hybrid workers
Laptop	54.3%	50.10%
Back-up mobile/cellphone connection (e.g. 4G/5G)	47.4%	39.30%
Subsidized internet connectivity	46.9%	37.40%
Desktop computer	44.8%	38.20%
Modern devices (e.g. tablet)	44.6%	41.6%
Monitor/display screen	44.2%	37.8%
Home video conferencing unit	43.8%	38.8%
Headset (i.e. with mic)	43.7%	44.3%
Docking stating, mouse and keyboard	40.4%	37.4%
Ergonomic height adjustable desk	38.4%	31.3%
Ergonomic chair	38.2%	34.2%
Other accessories (e.g. lighting, laptop stands etc)	38.2%	31.9%
Home office allowance (to self-equip)	42.4%	36.7%
None of above	2.2%	2.2%

■ Fully remote workers   ■ Hybrid workers

Figure 22: How, if at all, are you looking to equip home-office space to meet the needs of remote/hybrid workers?

All expecting to have remote/hybrid workers n=945/971

Business continuity requires ongoing planning

As more applications move to the cloud, it's critical to look at modernizing the network to connect devices securely, and have backup and redundancy in place for key workers.

Amid the ongoing pandemic, under half the organizations surveyed have updated their business continuity plan (BCP) to deal with a future pandemic or health risk. Most plans focus on electronic threats, transitioning employees to remote working, and the resiliency and backup of IT networks.

Yet, as discussed above, just 54.6% of organizations agree their employees have the technology required to work from home or remotely. It's clear that more planning is needed to ensure business continuity, regardless of workplace model.

Top four factors addressed in business continuity plans

Strategy to address electronic threats (cybersecurity, and data back- up) — 58.5%

Transition of employees to home-working or other offices in the event an office becomes unusable (e.g. earthquake, fire etc.) — 56.7%

Resiliency (back-up) of IT networks — 53.8%

Strategy to deal with further pandemic/risk to health — 49.5%
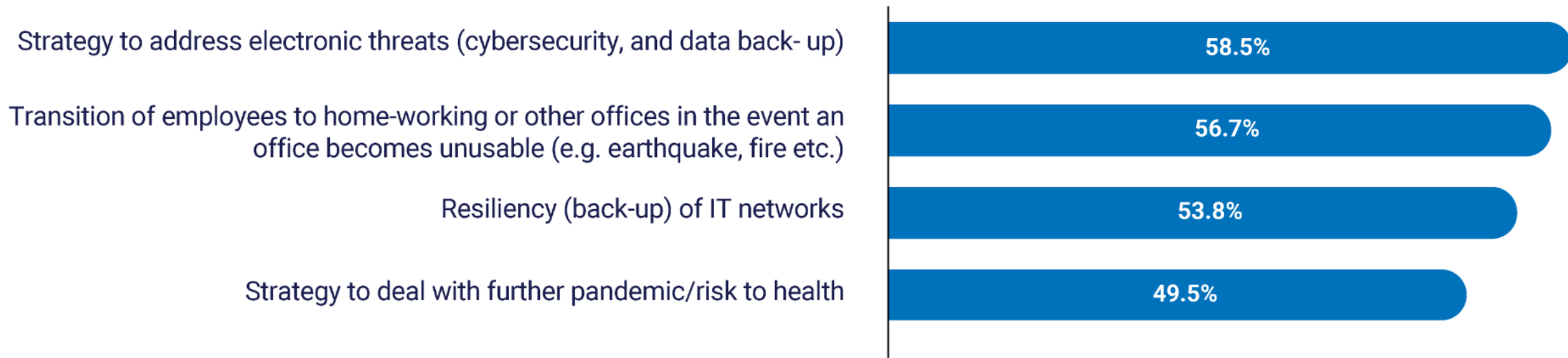
Figure 23: Top four factors addressed in business continuity plans

Which, if any, of these form part of your business continuity plan? n=1,146

Support beyond the service

The ability to provide a full range of services, followed by integration capabilities and cost reductions, have the greatest influence when making decisions about new workplace optimization solutions.

Top five factors influencing technology decisions	2021	2020
Ability to provide full range of required services	1	1
Integration capability	2 ↑	3
Cost reductions	3 ↓	2
Post-implementation support skills and expertise	4 ↑	7
Solution scalability	5 ↓	4

Figure 24: Factors influencing technology decisions (2021/2020 comparison).

Which three factors most influence your decision-making when considering new workplace optimization solutions? n=1,146?

A focus on solution scalability and features has dropped slightly, indicating organizations have more confidence in workplace solutions that have been tested in the last 12 to 18 months. They're now looking at how to leverage their cloud platforms – and the access to data and analytics these provide – to increase their return on investment (ROI).

This means that integration and post-implementation support skills and expertise have risen in importance. The challenge is that organizations don't always realize the level of support required after deployment.

Cloud solutions are easier to consume but still require ongoing management, with responsibilities shared between IT staff, cloud vendors and intermediaries/system integrators, which is where additional complexity is introduced.

These solutions are not an island anymore but a constantly innovating ecosystem, which means changes to one will impact others. Security, governance and authentication behind the scenes make this a more complicated exercise than controlling policy changes on-site. Most organizations don't anticipate the amount of effort it takes to set up, manage and change policies across these platforms – nor do they have the skills to do this. To better manage risks and costs, they're looking to managed services providers to deliver that post-implementation support.

[NTT's 2021 Global Managed Services Report](#) notes that improved systems integration skills and access to the best industry expertise are two of the top motivators for working with a service provider.

Enhancing technology enablement

This year's findings show leading organizations are closing the gaps between digitization strategies and deployment, setting the benchmark in these key areas:

- **Infrastructure and security:** Networks and connectivity services are resilient and secure. Quality of service (QoS) is at a level that enables business outcomes for different employee profiles.

- **Adoption and utilization:** Employees can access the technology they need from any location, and are able to use it effectively. Self-service and e-learning tools help them get the most out of the technology available to enhance their productivity and efficiency.

- **Equipment:** Employees have the right equipment to work effectively and safely from any location.

- **Optimization:** The organization is able to derive more value from existing tools and improve its ROI through integrated solution stacks. Post-implementation support is in place, ensuring organizations continue to realize the benefits of cloud platforms.

- **Employee augmentation:** Hyperautomation is deployed to improve workflows and ease the pressure on employees.

For technology enablement to be effective, organizations need to consider the technology itself, the network and the infrastructure that support it, and the profiles of the employees who are using it.
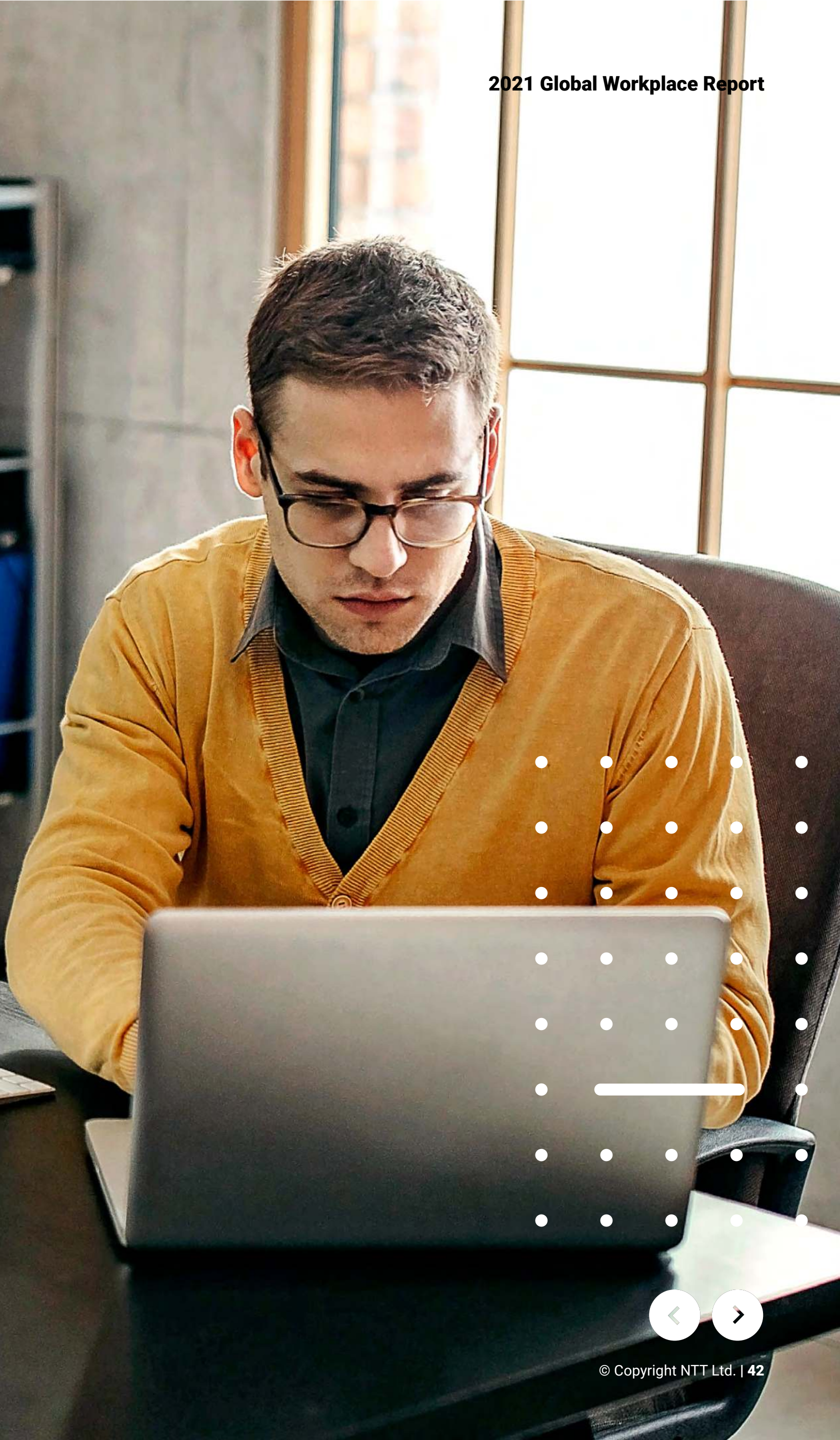
Connecting digital and physical workspaces

The entrenchment of hybrid operating models has redefined our view of the workplace. No longer a fixed location, modern workplaces can be anywhere. Leading organizations have been successful in equipping employees with what they need to work productively in different environments – at home, in corporate offices or in coworking spaces.

Read on

Enabling the anywhere-workspace

49.1% of C-suite executives feel strongly that the workplace is no longer a physical building but rather a variety of environments where groups of employees collaborate.

Hybrid operating models require organizations to enable a more diverse workforce (frontline, office and remote workers) to connect, collaborate and be productive across different environments. But this year's findings indicate most organizations will need to improve their capabilities in these areas to improve EX.

Only **42.8%** of organizations say they're very effective at enabling brainstorming and collaboration.

Just **43.1%** say they're very effective at enabling social connections for remote and hybrid workers, which impacts on wellbeing, employee engagement and EX.

Preparing for the post-pandemic return-to-work

On returning to company premises (post-pandemic), nearly three-quarters (74.8%) of organizations expect their hybrid workers to work from the office for at least half the week, while just over one in five (21.2%) say hybrid workers can spend most of the week working remotely.

Expected level of remote working for hybrid workers post-pandemic

Legend:
- Under 1 day per week
- 1-2 days
- Half of the work week
- 3-4 days
- Over 4 days
- Don't know - still figuring it out

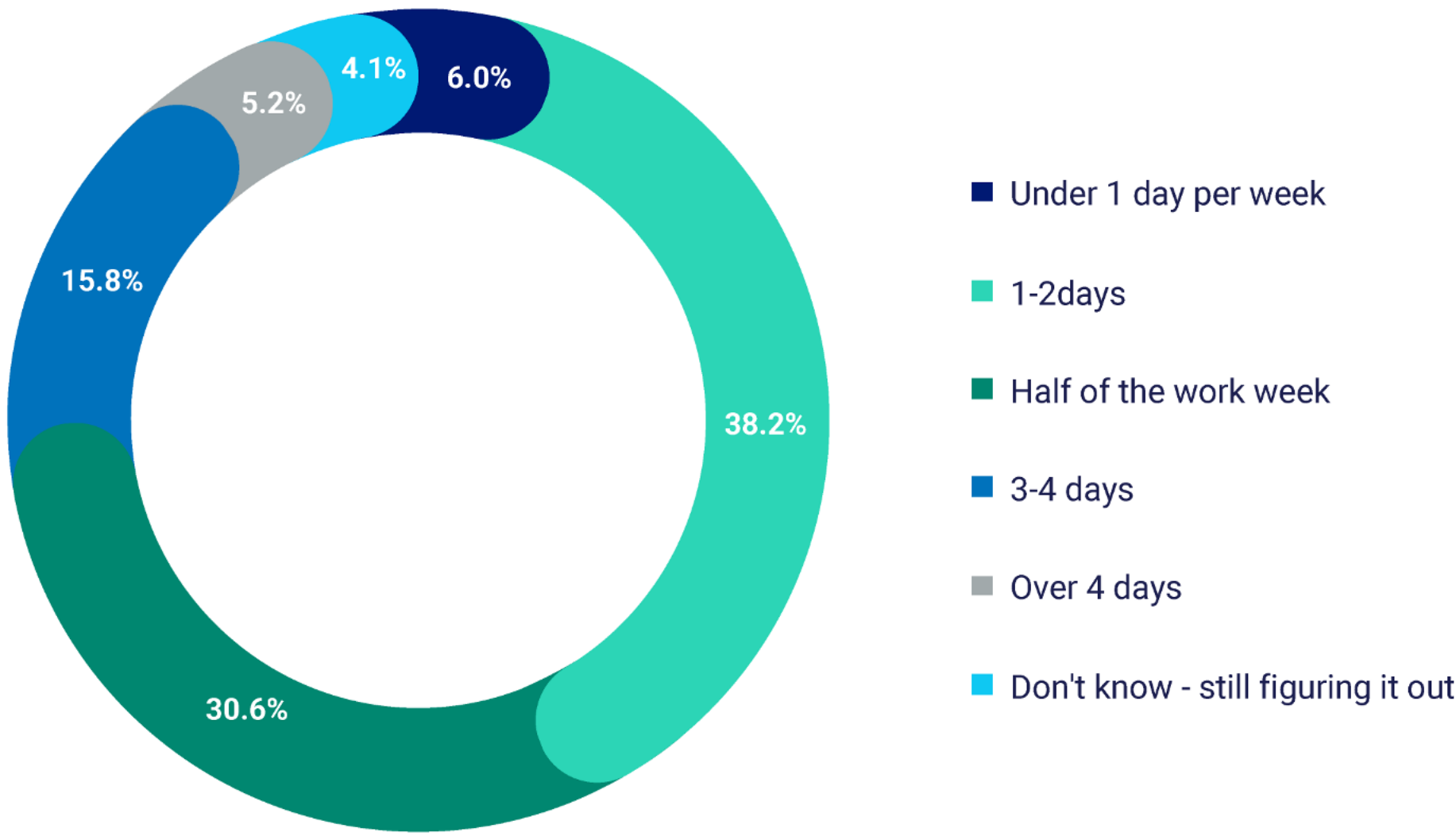Values shown: 6.0%, 38.2%, 30.6%, 15.8%, 5.2%, 4.1%

Figure 25: Expected level of remote working for hybrid employees post-pandemic

Upon the safe return to work post-pandemic, on average, how many days a week do you believe your hybrid workers will spend away from the office (I.e., working remotely)? n=1,146

Although the majority of organizations plan expect hybrid workers to spend most their working week in the office, the data shows that only 55.1% of are strongly satisfied that their organization's office spaces are suitable for hybrid working (disruptors: 73.8%). CEOs are far more likely to hold this view than operational leaders (78.0% versus just 47.2%).

Redesigning company workspaces

> Substantial changes to company workspaces are likely to be made over the **next 12 months.**

Top five priorities for reshaping physical office spaces

1 Videoconferencing and video collaboration spaces

2 Teamwork spaces

3 Planned meeting spaces

4 Large meeting/event areas

5 Reducing individual desk spaces/offices

The shift from individual to shared spaces indicates organizations now have a clearer view of how people want to work at, and use, company premises.

94.8% of organizations (up from 88.9% last year) and 83.8% of employees agree that face-to-face meeting time is essential to building a sense of teamwork and/or when meeting clients.

Being in the same physical environment as colleagues provides an opportunity to build professional networks and benefit from on-the-spot coaching and mentoring. For some employees, the work-from-home setup just isn't conducive to productivity. And, after months of isolation and anxiety, people miss the social aspect of work which can difficult to recreate in digital spaces.

Understanding the dynamics behind where, when and how people want to work will help organizations create workspaces that give employees the flexibility to work from anywhere and ensure an equal user experience for all workstyles – frontline, hybrid and remote.

Company workspaces are being redesigned to accommodate face-to-face as well as virtual collaboration.

Campus networking refresh: can your network deliver?

As your plan your future campuses, you'll need to maintain a modern network infrastructure that supports changes in physical workspaces.

Here are three key questions to ask about your network:

1. Does the end-to-end network act cohesively to provide connections between systems, people, processes, locations and devices that are increasingly distributed?

2. Is IT-OT (Operational Technology) network convergence a key driver? And if so, are the correct security controls in place to manage the increased risk of security threats that arises when the traditional enterprise networks, building management networks and other networks converge?

3. Do you need to make changes to your network architecture to support modern trends and technology such as Network Insights, Wi-Fi 6, Private 5G, location services and UPoE+ (Universal Power over Ethernet)?

Regional offices and multiyear leasing are the preferred approach

Physical corporate workspaces still have strategic importance, allowing employees and clients to connect with the organization's brand and feel part of a social community. However, they don't have to be limited to corporate headquarters in major cities.

44.0% of organizations strongly agree that they plan to have a higher percentage of regional offices closer to where employees live, as opposed to one large national office.

Currently, almost three-quarters of organizations (71.5%) own their own buildings. In the next three years, just two in five (39.2%) plan to own their physical work locations. Short-term rentals and multi year leases are set to increase slightly over that same period, as are shared (small) spaces with other organizations.

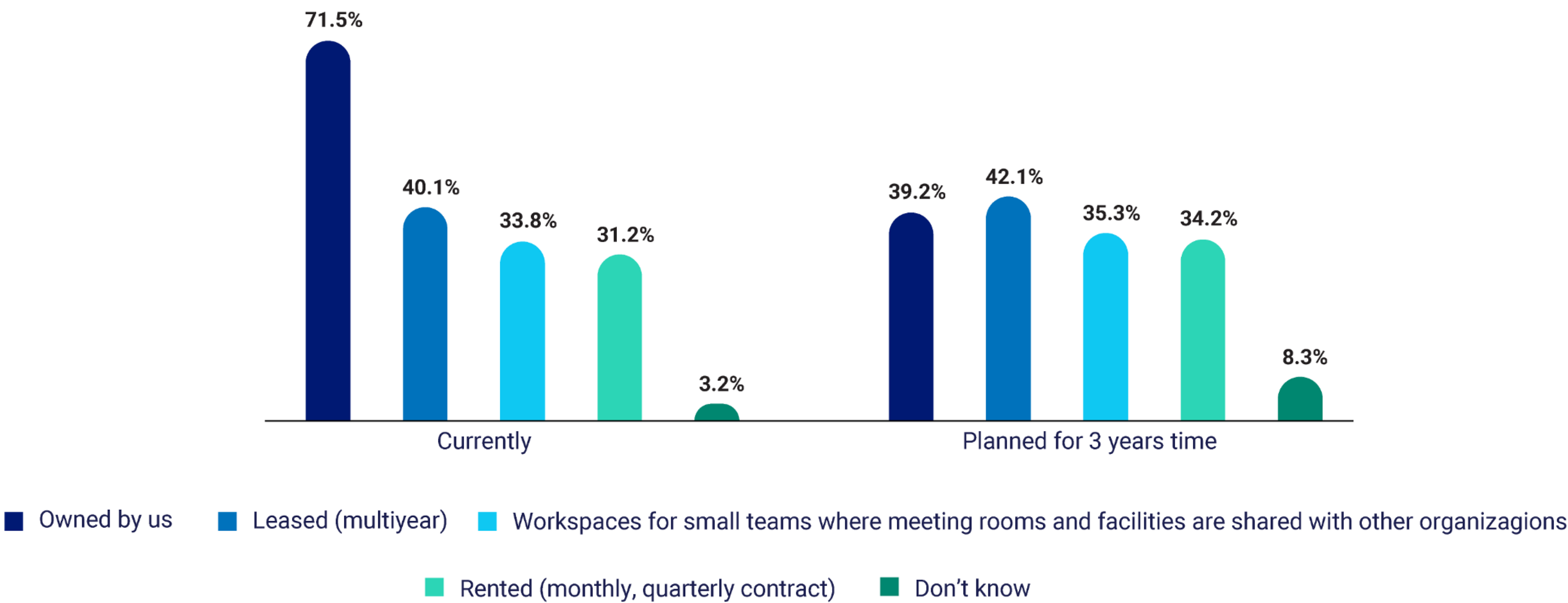### Offices/workplaces used now vs. those planned over the next three years

Legend:
- ■ Owned by us
- ■ Leased (multiyear)
- ■ Workspaces for small teams where meeting rooms and facilities are shared with other organizagions
- ■ Rented (monthly, quarterly contract)
- ■ Don't know

Figure 26: Offices/workplaces used now vand planned over the next three years

Which of the following types of office/workplaces does your organization use now? Which does your organization intend to use in three years' time? n=1,146

These findings show changing trends in purchasing patterns as organizations navigate towards more flexible, hybrid working models. The British banking and financial services company, Standard Chartered, for example, has signed a global deal with International Workplace Group (IWG) that will give its employees access to 3,500 IWG offices around the world. The intent is to gprovide suitable alternatives to working from home and from the office, allowing employees to be closer to clients and colleagues while at the same time reducing commute times, travel costs and their carbon footprint.[11]

We may also see organizations that own their own buildings renting out premises to others in a shared-workspace arrangement.

Top 6 considerations for office locations

1 Employee safety

2 Transportation/ease of travel

3 Building costs

4 Wellbeing and social connections

5 Labor costs

6 Work/life balance (including proximity to home)

Hybrid working is not one-size-fits-all

Hybrid work models give employees greater flexibility in managing work-life balance and provide organizations with more options for attracting and retaining talent from a broad and diverse talent pool, both regionally and globally. But, as our findings show, there's no one-size-fits-all approach to hybrid working.

Employee expectations, preferences and workstyles must be considered alongside the organization's culture and business strategy, health and safety issues, and risk management. Organizations will also need to address gaps in EX and employee enablement to connect and support employees in every location – at home, in shared workspaces and at the office.

[11] IWG, 22 February 2021. Standard Chartered partners with IWG for a more flexible future.

Smart sustainability and corporate social responsibility

This year's findings show organizations have increased their commitment to a range of sustainability initiatives over the last 12 months, and more have signed up to comply with international sustainability and workplace standards. But how easy will it be to meet those standards when much of the workforce no longer works from corporate premises, where energy use, safety measures and health protocols are more easily regulated? The answer lies in creative solutions and opportunities to engage employees both individually and collectively to drive positive change.

Read on

Corporate values drive business value

This year's data shows sustainability is one of the top five factors driving workplace strategies.

89.1% of organizations agree that environmental, social and governance (ESG) objectives are at the heart of the organization's agenda.

30.9% say sustainability is part of their sales proposition to customers; another 29.8% say it's part of their procurement requirements for vendors (29.8%).

65.2% of CEOs strongly agree that having a sustainable workplace helps attract and retain talent; 50.0 of operational leaders and 49.2% of CHROs say the same. Results by vertical range from a low of 43.2% in insurance to a high of 63.2% in media/communications and telecoms.

Sustainability – the business imperative

Up by **37.2%** from last year, **37.6%** of organizations say they are defining a brand purpose that includes sustainability (2020: 27.4%).

The Siemens sustainability approach

For global technology conglomerate Siemens, sustainability is a clear business imperative. Their DEGREE framework articulates the company's ESG approach for all stakeholders.

'Businesses have to drive change at both the enterprise level and with individual employees, especially now, when people are more distributed than ever. ,' says Rainer Karcher, Global IT Director, IT Sustainability at Siemens. 'What we have seen from many of our sustainability initiatives is that, with the right engagement, they can have a far-reaching impact. Environmental projects at our plant in Naroda, India, for example, have had a positive impact on both the physical landscape and the mindsets and behaviors of people in the surrounding communities.'

Siemens is now engaging with employees about their digital ecological footprints to establish sustainable, day-to-day IT usage. This involves unplugging devices, for example, or switching off lights, heating and cooling equipment when they're not needed. They are also working on a sustainability calculator that gives a view of an employee's carbon footprint based on the IT services and equipment they consume. This data can be aggregated at a divisional and company level.

In addition, Siemens is piloting a new model for its company fleet that will give employees greater access to cars with eco-friendly drive systems.

'This model gives individual employees an additional incentive to use electric vehicles, and it's another way to show that we are serious about our sustainability ambitions,' Karcher says. 'Because to effect positive change, organizations need to be bold and ambitious and stand by what they say.'

What the workforce thinks about sustainability

39.5% of employees say they will select an employer based on the company's purpose and values.

Employee attitudes to sustainable workplaces vary by age and region. Those under 50 are more likely to agree strongly that a sustainable workplace helps attract and retain talent (55.0%) than those over 50 (40.3%). This view is also much more prevalent among employees in the Middle East and Africa; less so in the Americas and Europe.

Middle East and Africa	70.0%
Australia and New Zealand	56.5%
Asia Pacific	56.2%
Americas	53.0%
Europe	42.5%

Figure 27: Employee perceptions of sustainable workplaces as a means to attract and retain talent

Increased focus across sustainability areas

Up from **86.5%** last year, **90.6%** of organizations say workplace design is a key pillar in the sustainability agenda.

Only **31.3%** say their current workspaces are representative of brand values on sustainability.

Organizations seem to be moving to close this gap, however. They're backing their convictions with actions that produce tangible outcomes.

This year's data shows there's been an increased focus on a range of sustainability initiatives over the last year, from strategy and stakeholder engagement to policies and reporting. With the 2030 Agenda for Sustainable Development just a few years away, energy efficiency and reducing the organization's carbon footprint feature highly for most companies. A focus on improving energy efficiency has risen by 19.0% in the last year. There's also been a 22.7% uplift in the adoption of digital tools and events to reduce travel and the organization's carbon footprint. Up by 57.3% from 2020, 31.3% of organizations are now paying more attention to their choice of building materials.

Organizations are backing their commitments to sustainability with actions that produce tangible outcomes.

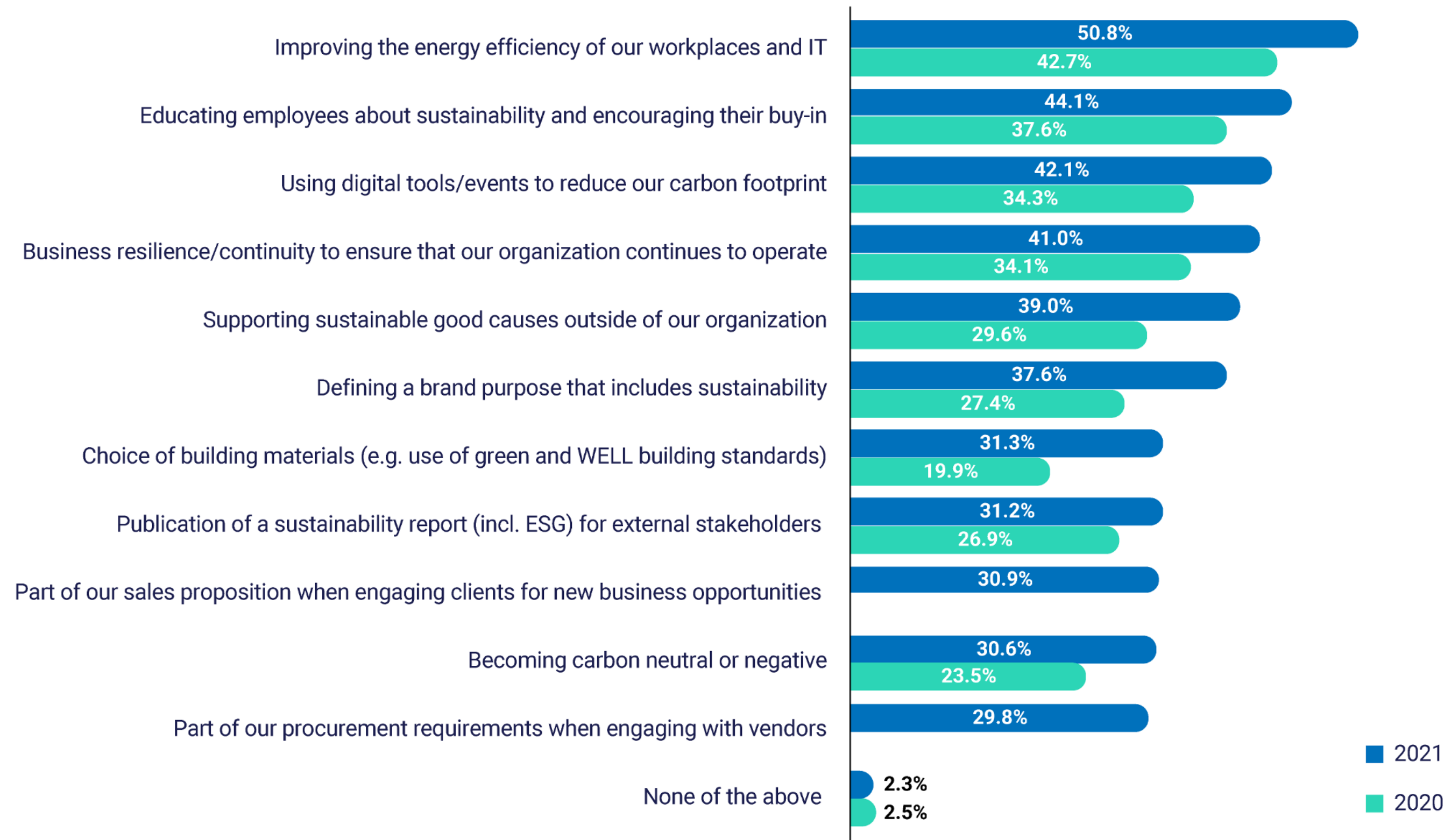## Areas of sustainability focus for organizations

Improving the energy efficiency of our workplaces and IT — 50.8% (2021), 42.7% (2020)

Educating employees about sustainability and encouraging their buy-in — 44.1% (2021), 37.6% (2020)

Using digital tools/events to reduce our carbon footprint — 42.1% (2021), 34.3% (2020)

Business resilience/continuity to ensure that our organization continues to operate — 41.0% (2021), 34.1% (2020)

Supporting sustainable good causes outside of our organization — 39.0% (2021), 29.6% (2020)

Defining a brand purpose that includes sustainability — 37.6% (2021), 27.4% (2020)

Choice of building materials (e.g. use of green and WELL building standards) — 31.3% (2021), 19.9% (2020)

Publication of a sustainability report (incl. ESG) for external stakeholders — 31.2% (2021), 26.9% (2020)

Part of our sales proposition when engaging clients for new business opportunities — 30.9% (2021)

Becoming carbon neutral or negative — 30.6% (2021), 23.5% (2020)

Part of our procurement requirements when engaging with vendors — 29.8% (2021)

None of the above — 2.3% (2021), 2.5% (2020)

■ 2021 ■ 2020

Figure 28: Areas of sustainability focus for organizations

Which, if any, of the following form part of your organization's focus on sustainability?

Compliance with global and industry standards has also increased

These provide a useful framework for developing sustainability strategies, and certifications against international standards help establish credibility in the market.

53.3% of organizations say they adhere to the Workplace Wellbeing Charter.

46.5% adhere to the United Nations Sustainable Development Goals (UN SDGs).

41.0% have signed up to the WELL certification.

Global standards are a useful framework for sustainability strategies and help establish credibility.

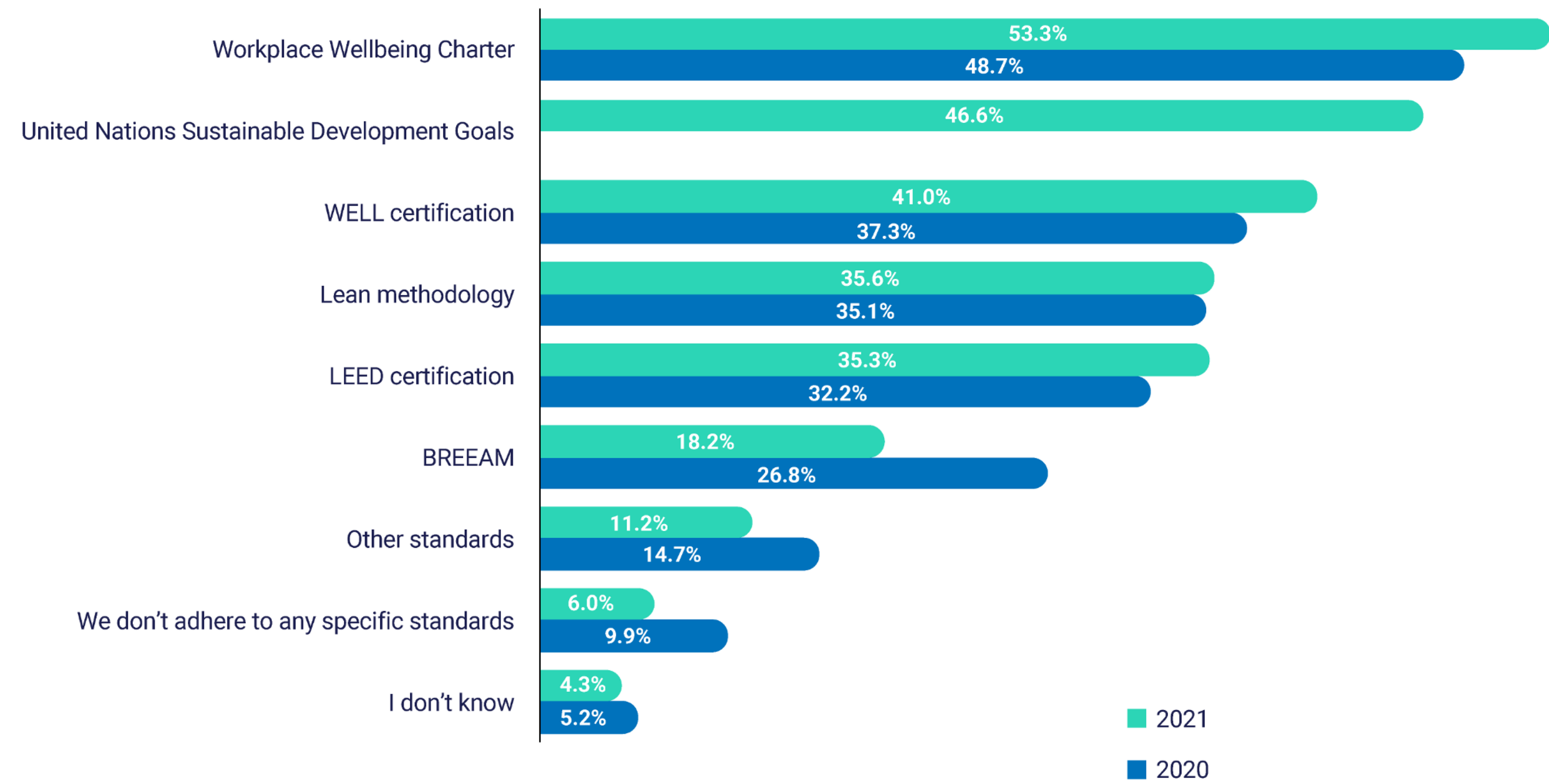## Adherence to sustainability and workplace standards

Figure 29: Organizations adhering to sustainability and workplace standards

Which, if any, of the following standards for workplace wellbeing does your organization adhere to? n=1,146

Generally, there's less of a focus on building-related compliance and more attention being paid to wellbeing and sustainability standards. Under half the organizations surveyed (46.6%) say they comply with the United Nations SDGs, although most are likely to comply with only a select few.

From an industry perspective, the findings show that manufacturing organizations are more likely to comply with the SDGs, whereas those in the health and travel industries lag. Regionally, the Middle East and Africa is the most advanced in aligning business strategies with the SDGs, Europe, the least. Alignment with SDGs is almost twice as high among industry leaders and disruptors than those at the opposite end of the scale.

The data reveals something of a breakdown between intent and execution of SDG objectives, however. CEOs are far more confident about compliance and progress – 61.4% strongly agree their business and workplace strategy aligns with the SDGs, yet just 37.7% of operational leaders would agree.

Corporate value statements must be backed up with data-based evidence

Enterprise leaders accountable for ESG outcomes need to collaborate in defining which metrics will be used to gauge their progress and then involve IT and operations teams to collect, integrate and analyze data from different platforms and monitoring systems. This will help to establish a baseline of current performance and identify where improvements need to be made. Organizations with advanced capabilities in this area will be able to access real-time, or near-real-time, data to enable ongoing progress.

Technology a key enabler of sustainability

Technology is deemed to improve the health and wellbeing of employees and individuals outside the organization, and reduce environmental impact.

53.2% of CHROs agree that improved health and wellbeing is the top benefit of technology for the ESG agenda.

43.4% of organizations say technology helps to reduce energy usage.

> **Technology enables a range of ESG goals,** from improving wellbeing and quality of life to reducing environmental impact.

Benefits of technology to the ESG agenda

Benefit	%
Improves health and wellbeing of our employees and/or people outside of our organization	46.9%
Helps us to reduce our impact on the environment	45.5%
Helps to connect people and improve the quality of life of employees/citizens	44.2%
Helps us reduce our energy usage	43.4%
Supports operational efficiency	42.1%
Helps us drive new and ethical ways of doing business	41.6%
Helps the resiliency and continuity of our organization	39.4%
Helps us drive change faster	38.7%
Empowers our people to act	37.6%
None of the above	2.3%

Figure 30: Benefits of technology to the ESG agenda
How, if at all, does technology benefit your ESG agenda? n=1,146

Managing a larger footprint

As organizations work towards net-zero targets, they'll need to broaden the scope of their sustainability efforts to include corporate workspaces as well as the home/remote-offices of every employee.

On the surface, hybrid and remote working may seem beneficial to the environment: less travel means fewer carbon emissions. But there's a lot more to this equation, and new operating models make some of the variables more difficult to manage.

Virtual collaboration tools need hardware, connectivity and other underlying infrastructure. These all consume power across multiple locations. And while corporate workspaces may use renewable energy and systems that automatically regulate the environment to ensure resource efficiency, can the same be said for employees' home-working environments?

Adding further complexity is the question of how to obtain data from a distributed workforce in order to measure carbon emissions and overall performance against various sustainability benchmarks.

A combined effort is needed to overcome these challenges. It's therefore encouraging to see that 44.1% of organizations say they're focusing on employee education and buy-in (up 17.3% from last year).

Start somewhere. Start today.

Hybrid operating models will require new and innovative approaches to sustainability. But there's a lot you can do with what you already have. Here are three suggestions for using technology to support your sustainability goals:

1. Assess and address

Converging your network fabric to securely connect the cloud to the edge allows you to link disparate building systems and solutions. Cloud-based smart building solutions provide a holistic view of how corporate workspaces are being used, and how efficient they are. Use this insight to identify how you can reduce the demand for, and consumption of, natural resources in company facilities.

2. Measure and improve

IoT solutions make it easy to measure and improve your use of natural resources. First, look at what resources you're using to determine how much is needed and how much is wasted. Then, determine the efficiency of your conversions (that is, taking energy and converting it into something else, like hot water or air conditioning).

3. Predict and prevent

Fault detection and diagnostics (FDD) tools monitor certain facilities systems and identify any faults or errors. They can pinpoint the exact location and even the specific piece of equipment that is malfunctioning or behaving inefficiently. In addition, they can offer a list of possible causes (ranked by probability) to reduce maintenance repair times, and automate the dispatch of resolver teams. This helps to reduce energy costs, cut consumption and significantly streamline facility maintenance.

Sustainability is key to the connected workplace

It's taking a more prominent position in how organizations build their brand, attract and retain talent, and differentiate and reduce operational costs. Although hybrid operating models have introduced new challenges to implementing and measuring sustainability initiatives, this year's findings indicate many organizations are stepping up to drive positive change in their areas of influence. They now need to look at sustainability holistically, across all work locations and employee workstyles, to gain an accurate assessment of their current situation and where to focus future efforts.

Regional insights

Read on

Regional insights

Americas

Organizations in the Americas have invested in developing effective workplaces and driving EX. Compared with other regions, they're more satisfied with their current EX capability and more confident their corporate premises can support hybrid working.

More than half (53.8%) the organizations in the region have significantly increased their investment in developing effective workplaces and driving the employee experience (EX), well ahead of the rest-of-world benchmark of 36.5%.

Satisfaction levels for EX capabilities are higher in the Americas – 50.2% of organizations are very satisfied with their current EX capability, versus an average of just 34.4% elsewhere. Approaching two-thirds (61.8%) strongly agree their office space is now suitable to support hybrid working, the highest of any region.

Over half (51.4%) the organizations in the region strongly agree that employee learning and development is generally unaffected by remote/hybrid working, a result that's 37.4% ahead of the rest of the world. And almost half (49.0%) are leveraging AI and digital assistants to lessen work pressures on employees, making the Americas the leading region in this area (the benchmark outside the region is just 40.0%).

Asia Pacific (APAC)

APAC lags other regions in defining strategies to optimize the workplace, and in managing employee working hours and burnout. Organizations in the region are more likely to use employee surveys to gauge EX.

Just 16.5% of organizations in APAC say they've fully defined their strategy to modernize and digitally optimize the workplace (by contrast, the Americas is almost double that, at 30.7%). Only one-third (33.7%) say they're very effective at preventing burnout for remote and hybrid workers and just 44.7% say they're very effective at managing working hours (and applying maximum hours) – the weakest results across the regions.

APAC is the region most likely to use employee surveys focused on employee engagement, morale, wellbeing and motivation levels to measure and optimize EX (11.5% ahead of all other regions).

Organizations in APAC are also more likely to invest in business-grade internet connections (4G/5G broadband, SD-WAN) to better support their remote and hybrid workers (69.9% of companies in APAC are investing, some 10% higher than the average elsewhere).

Europe

In contrast to the rest of the world, under half the organizations in Europe say the pandemic has had a transformational impact across the enterprise. The region lags others in defining a future workplace strategy but leads in a commitment to become carbon-neutral or carbon-negative.

A majority of organizations (and 62.5% in the Americas) say the impact of the pandemic has been transformational across the organization – but just 48.6% in Europe agree.

Less than half (45.4%) the organizations in Europe say they've now defined and agreed a future workplace strategy to modernize and digitally optimize the workplace, a result some 26.2% behind other regions. And only 38.1% say innovative design and experiences are very important to the workplace strategy, meaning the region lags the rest-of-world benchmark of 56.4%.

The value and business contribution of EX are not rated as highly as in other regions: just over a third (37.8%) of organizations in Europe see EX as a crucial strategic differentiator (contrasting with 51.4% in the Americas, for example).

The region has a higher emphasis on becoming carbon-neutral or carbon-negative as part of the organization's focus on sustainability – one-third (35.2%) say it's a key initiative.

Middle East and Africa (MEA)

The vast majority of organizations in MEA say the pandemic highlighted the need for technological progress. There's a strong focus on business continuity and employee wellbeing in the region.

79.3% of organizations in MEA agree strongly that the pandemic has highlighted technological progress will be instrumental to future success – 24.5% higher than the average outside the region (63.7%). 73.3% say organizational resilience and business continuity are very important to their workplace strategy, well ahead of the benchmark outside the region of only 54.5%

MEA leads the way when it comes to importance of employee wellbeing to the organization's workplace strategy. Almost three-quarters (73.3%) of organizations in the region believe it's very important, compared to an average of 61.6% in the rest of the world. And over two-thirds (66.7%) focus on managing workplace analytics with a view to optimizing employee wellbeing, against a rest-of-world benchmark of 52.1%.

70.0% of organizations in MEA strongly agree that having a sustainable workplace helps attract and retain talent, versus an average of just 51.1% in the rest of the world.

From intelligence to execution... next steps

The nature of work has changed forever. Organizations need to support the 30-30-30 workforce, offering employees the flexibility to choose where, when and how they work. Workspaces are now both digital and physical environments where people can connect and collaborate. Today's reality means meeting employees where they are by enabling a flexible workplace that makes them feel safe, yet productive. This means organizations must transform the way they operate and collaborate across spaces, people, and ideas.

Read on

The great attraction ... or attrition?

Although hybrid and remote working have had a positive impact on many areas of work, the last year has seen a rise in challenges relating to employee wellbeing, EX and technology enablement. The data shows that employee satisfaction with EX is lower than most organizations realize. Stakeholders within the organization – executives, HR, IT and operations staff – often have different perceptions of what should be prioritized. Linking data across **the three Ws (work, workforce and workspaces)** will provide insight into the moments that matter to individuals – and how to shape these into connected experiences that build human engagement and enable business outcomes.

In this new and still-evolving environment, it's imperative that organizations rethink their workplace strategies to attract and retain talent, and ensure long-term success. As this year's findings indicate, there's no one-size-fits-all approach to hybrid working. Prescriptive company policies that curb flexibility and choice (for example, by stipulating that hybrid workers must work from company premises for a certain number of hours or days in a given period) are likely to cause conflict and pushback. A more effective approach is for HR to provide guidance for implementing hybrid working models across geographies and areas of the business, in line with local cultures and workstyles.

Technology enablement for connected experiences

Technology will be a critical enabler of workplace strategies and the ability to create and connect experiences across physical and digital locations. We've seen that organizations which have digitized their workplaces effectively have been able to improve teamwork, agility and social interaction.

Those that are closing the gaps between digitization strategies and deployment are far more effective in these five key areas of technology enablement:

- Supporting employees' adoption and utilization of technology.
- Providing the necessary equipment for employees to work effectively and safely.
- Ensuring infrastructure is resilient and secure.
- Optimizing existing technology through integrated solution stacks and effective post-implementation.
- Augmenting employees' capabilities through hyperautomation.

Security is transitioning to being identity-based, with the strategy of Zero Trust. Organizations need to invest in security technologies for hybrid workers that incorporate security at the application layer and infrastructure level through flexible and scalable security solutions (such as SASE).

NTT accelerates workplace transformation by architecting new ways of working that are hybrid, flexible and secure – delivering a consistent and frictionless user experience while focusing on security, scalability and cost.

Leveraging our industry-leading digital backbone, secure multi-cloud platform and broad portfolio of cloud to edge services, we can help you deliver a safe and hybrid workplace: Our solutions can help you to:

- Expand your hyper-distributed network for the hybrid workplace
- Enhance employee experience with collaboration and communications
- Support hybrid workstyles
- Optimize your applications for hybrid multi-cloud world
- Secure new ways of working from anywhere
- Meet your sustainability agenda

portfolio to help you create, build, manage, and innovate at every stage of your workplace transformation journey. **Engage with us** to accelerate your Hybrid Workplace ambitions.

Contributors

Alex Bennett, Senior Vice President GTM Solutions, NTT Ltd.

Andrew McNair, Director, Research and Benchmarking, NTT Ltd.

Phillip Priestley, Vice President, Technology and Architecture, NTT Ltd.

Matthew Robinson, Senior Vice President, Sustainability, NTT Ltd.

Rainer Karcher, Global Director, IT Sustainability, Siemens

About the Report

The 2021 Global Workplace Report is designed to provide a single point of reference on key aspects affecting global workplaces and hybrid work models. Findings are based on research conducted with decision-makers and influencers in organizations, and voice of the employee (VoE) feedback. Our subject matter experts provide in-depth analysis, commentary and recommendations to help organizations accelerate workplace transformation.
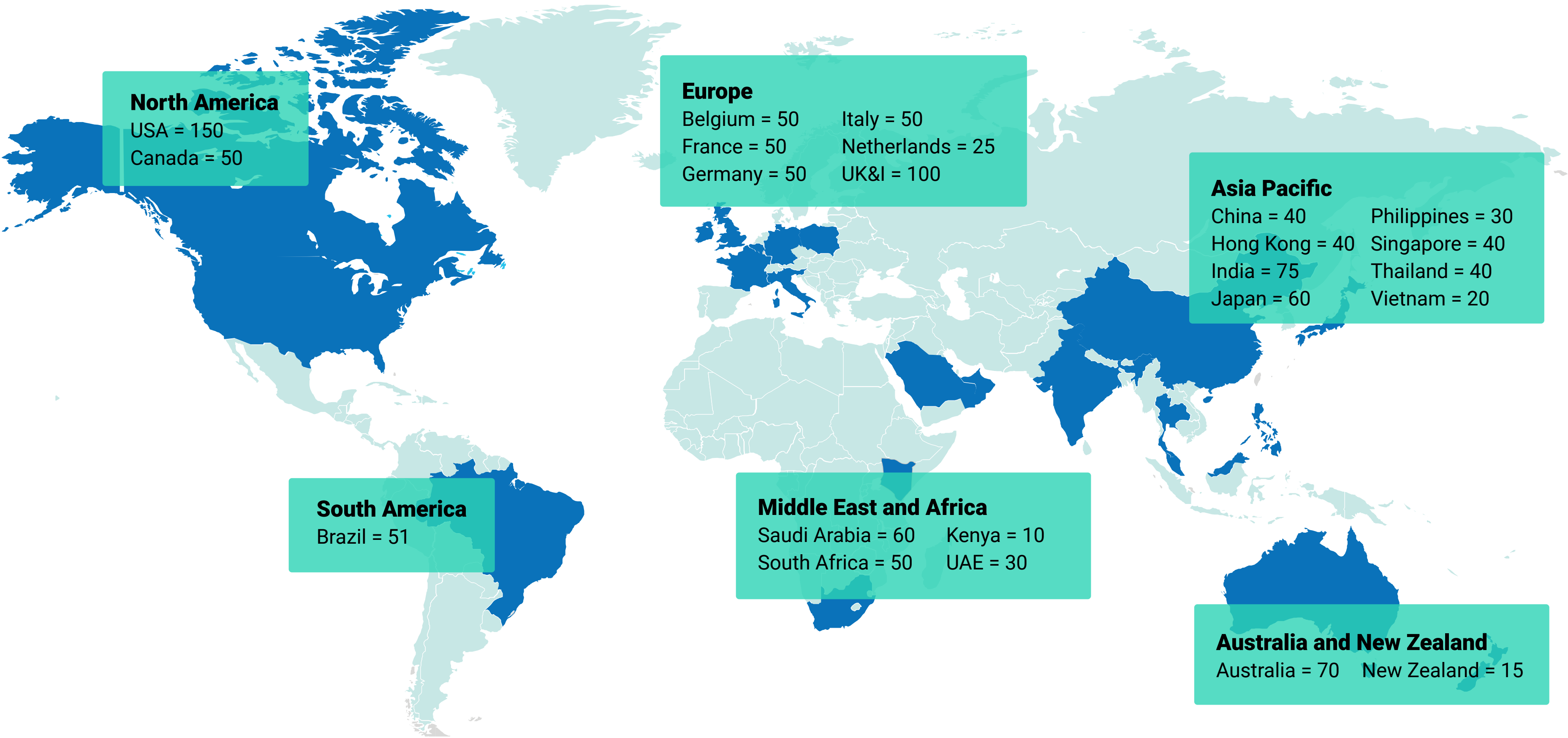
Read on

About the NTT 2021 Global Workplace Report

North America
USA = 150
Canada = 50

Europe
Belgium = 50   Italy = 50
France = 50   Netherlands = 25
Germany = 50   UK&I = 100

Asia Pacific
China = 40   Philippines = 30
Hong Kong = 40   Singapore = 40
India = 75   Thailand = 40
Japan = 60   Vietnam = 20

South America
Brazil = 51

Middle East and Africa
Saudi Arabia = 60   Kenya = 10
South Africa = 50   UAE = 30

Australia and New Zealand
Australia = 70   New Zealand = 15
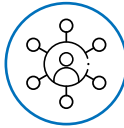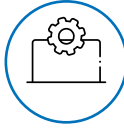
Role

CEO:
132 interviews
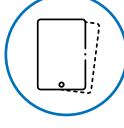
IT:
254 interviews

Operations:
159 interviews

Facilities:
124 interviews

Digital:
96 interviews

HR:
373 interviews

Insights driven by data

14 sectors, including:

Financial services, manufacturing, health, retail and technology

Respondent roles:

43.7% = C-suite

29.7% = Director/Head of

26.6% = Senior Manager/Specialist

Organization size:

26.5% = 1,000–2,500

23.3% = 2,501–5,000

26.2% = 5,001–10,000

13.9% = 10,001–50,000

10.1% = 50,001+

The Voice of the Employee research sample was drawn from a random sample of 1,402 full-and part-time employees from seven countries and across all core verticals.

Insights driven by data

Research approach

Designed to provide a single point of reference on key aspects affecting global workplaces and hybrid work models, the 2021 Global Workplace Report was formed around two key research components: the main questionnaire and research, and Voice of the Employee (VoE) feedback.

(1) The main questionnaire and research were pitched to organizations and framed around:

- Business and workplace strategy
- Benefits, drivers and barriers
- Evolving workplace environments
- Physical buildings
- Technology enablers
- Measuring success
- Workplace sustainability

Using a 4-point scale indicating their strength of agreement with certain enterprise categories, participants were invited to rate their organization as a:

- Market disruptor
- Experiencing significant growth
- High-performing market leader
- Employer of choice
- Brand-value orientated

The top-end results were then used to correlate performance against less mature organizations and the global benchmarks.

(2) The Voice of the Employee (VoE) questionnaire was designed to obtain an employee perspective that allows for direct comparison with organizational perceptions.

About the questionnaires and commentary

Questionnaires are reviewed annually and refreshed in line with evolving trends and interest areas. Performance trends and key observations are combined with correlations across related data points to provide further insight into strategic workplace trajectories.

We offer context on the results as well as subject-matter insights and recommendations on best practices from people who work in the industry. These experts have a first-hand view of how the industry is changing, where it's headed and what this means for organizations.

Research methodology

The Global Workplace Report is based on research data and a random sample of participants. All participants were decision-makers/influencers in the development of effective workplaces and driving the employee experience.

The research data was gathered via an online questionnaire that ran during June and July 2021. Research was conducted for NTT Ltd. by Jigsaw Research, an international strategic-insight agency with an exclusively senior team.

Data integrity, validation and analysis were performed by NTT Ltd.'s specialist in-house Primary Research and Benchmarking Team in conjunction with Jigsaw Research. Data and outliers were validated in accordance with standard research industry rules, disciplines and best-practice approaches.

Research data

All the data used in the NTT 2021 Global Workplace Report can be accessed from our online **Benchmarking Data Portal**. By contacting one of our experts within the NTT Workplace Advisory, you will be able to:

- Access all 950+ global data points
- View and filter results at 10 different levels, including by region, country, industry sector, organization size, role, workplace optimization progress, market positioning, company profile, support function and operation type, and against historical data
- Cross-reference data correlations on cause-and-effect relationships
- Export the content
- Build bespoke presentations