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The Future of Work is a business mandate. To survive, companies not only have to be digitally transformed but do so while embracing the Future of Work.

Becoming "Future of Work" Ready: Follow the Leaders

The Future of Work is a Strategic Imperative

Organizations need to be at the leading edge of change in today's fast-paced world. Competition has never been fiercer than it is now, and agile companies that are innovative and disruptive will survive.

Artificial intelligence systems, IoT, AR/VR, and other advanced technologies are transforming the way we conduct business and meet customer needs. These are at the heart of the digital strategies of leading firms around the world, but IDC research shows that many companies are failing to execute their digital strategies. Despite their investments, many are in a digital deadlock and are looking for ways to progress.

This deadlock reminds us of the famous quote attributed to Peter Drucker — that "culture eats strategy for breakfast." Digital strategies cannot succeed unless organizations build cultures that foster change. Given this, how can organizations break silos and foster collaboration? How can they retrain their workforce skills and bring innovation? These are some of the challenges that can be effectively addressed by "Future of Work" strategies.

The Future of Work is a fascinating journey but one that is difficult to implement. Many organizations have introduced individual elements, but only a few have deployed a holistic, integrated approach. According to a European survey conducted by IDC in November 2018[1], only **29%** of European organizations have successfully established (and only a few have implemented) a Future of Work strategy.

Figure 1
What is Your Organization's Approach to the Future of Work? (% of Companies in a Particular Stage of Maturity)
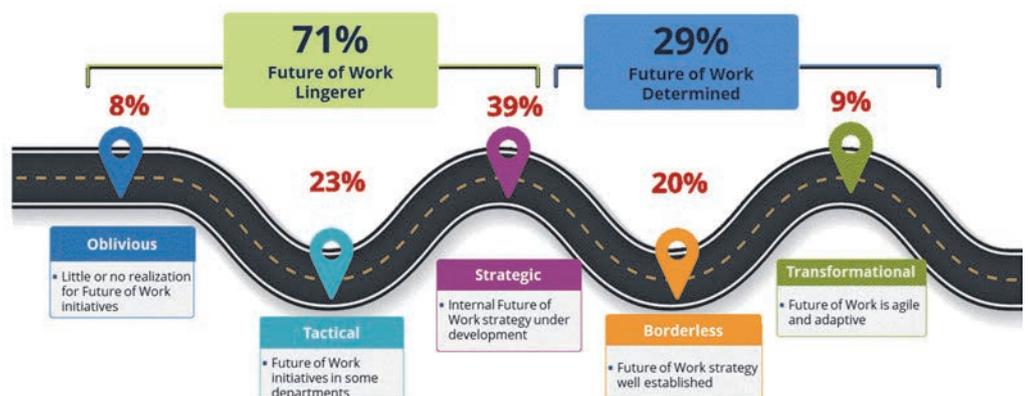
Source: IDC's *European Future of Work Survey*, November 2018 (n = 386)

This IDC Executive Brief helps you develop your Future of Work strategy by analyzing the behavior of those 29% advanced organizations across three dimensions: their work culture, their workspace, and their workforce. These advanced organizations are referred to in this document as "Future of Work determined organizations" (or FDOs).

This brief also examines the role of digital workspace platforms as a foundational technology solution for the Future of Work, and closes with a set of recommendations.

The Future of Work Culture: An Agile and Experience-Centric Organization

Agile and Collaborative Organizations

FDOs are redefining their existing hierarchies and developing more dynamic and responsive organizational structures that are fit for change and uncertainty. Many are extending the agile methodologies, initially adopted by their software development teams, and implementing them across their organization. This fluid environment revolves around project-based teams and is extremely focused on rapidly delivering, through iterative development, a final solution.

Employees are engaged in teams based on their insights into a project, rather than on their title. This breaks traditional silos and encourages cross-functional collaboration.

In this loose and flexible working environment, employees' performance is measured in a radically different way. While productivity is still the number 1 parameter, **more than half** of FDOs are turning from KPIs (key performance indicators) to KBIs (key behavioral indicators: teamwork, adaptability, problem-solving, etc.) and rewarding employees with an emotional intelligence that fits their culture and business strategy.

This collaborative framework is not limited to internal employees. Our survey shows that FDOs are fostering innovation in collaboration with primarily third parties: **45%** with technology partners, **40%** with customer participation, and **38%** with crowdsourcing.

Holistic Employee Experience

Sir Richard Branson once said, "Customers do not come first. Employees come first. If you take care of your employees, they will take care of your customers." This sentiment has been endorsed by many world business leaders and emphasizes the strategic importance of employee experience in the future of work.

While user experience (associated with the use of a digital solution to get work done) is prioritized, FDOs are taking an integrated, holistic view of employee experience — end-to-end from recruitment to retirement, capturing their overall physical, emotional, professional, and financial well-being, regardless of whether they are full-time employees, contingent workers, or even crowdsourced talent.

This holistic approach to employee experience is not an easy task. IDC shows that **one in three** FDOs has appointed a head of employee experience in its organization.

Figure 2

Which of the Following Initiatives Is Your Organization Undertaking to Drive Employee Experience? (% of FDOs)
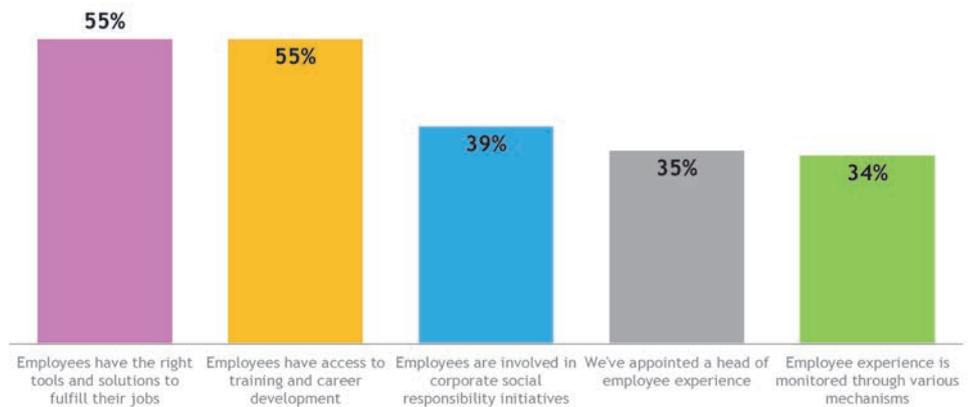
Source: IDC's *European Future of Work Survey*, November 2018 (n = 386)

FDOs invest in their employer brand and reputation as a critical competitive differentiator. This is critically important to attract and retain the best talent. In the same way that they measure customer satisfaction with net promoter score (NPS) tools, they are actively tracking employee experience through regular surveys and performance reviews.

The Future Workspace: A Smart and Secure Borderless Enterprise

Smart Working With Space Redesign

The workspace is no longer seen as a static environment or limited to specific hours, but one that essentially fits the different workstyles of employees. Whether they're traveling, in the field, or working from home, employees are transforming any environment into their workspace by mixing physical, digital, and immersive technologies.

Many organizations are cutting down the number of locations across geographies in a move to restructure their commercial real estate and are opening strategic "hubs" that have comparatively lower operational and capital costs. Coworking's popularity is on the rise as well and appealing to more than start-ups and freelancers. Many global firms are relocating their local offices in coworking spaces for contract flexibility and cost. The recently introduced IFRS legislation could accelerate this, as companies are required to record new commercial leases on their balance sheet, effectively making them a capital expense.

Fifty-five percent of FDOs are investing in the redesign of their physical working environment for optimal productivity and collaboration while employees are onsite. Creating a happy and healthy workspace is effective for talent attraction and retention.

FDOs are fitting out their new office buildings with smart air conditioning and ventilation systems, renewable energy sources, and intelligent hotdesking. Their meeting rooms are equipped with advanced conferencing systems.

***At least half** of FDOs offer flexible working to increase employee retention and productivity and reduce absenteeism.*

But it's not only the office environment. The workspaces of blue-collar and first-line workers (across retail, healthcare, banking, and many other sectors) are also impacted by the Future of Work. Intelligent technologies such as artificial intelligence, IoT, and AR/VR are mobilizing and hyperconnecting workers who were typically behind a counter or on an assembly line.

Remote working policies are also impacting the workspace, though they're not as popular as originally envisaged. Almost **40%** of FDOs allow telecommuting, but this is less common than other flexible working practices such as flexible time **(57%)** or flexible roles **(51%)**.
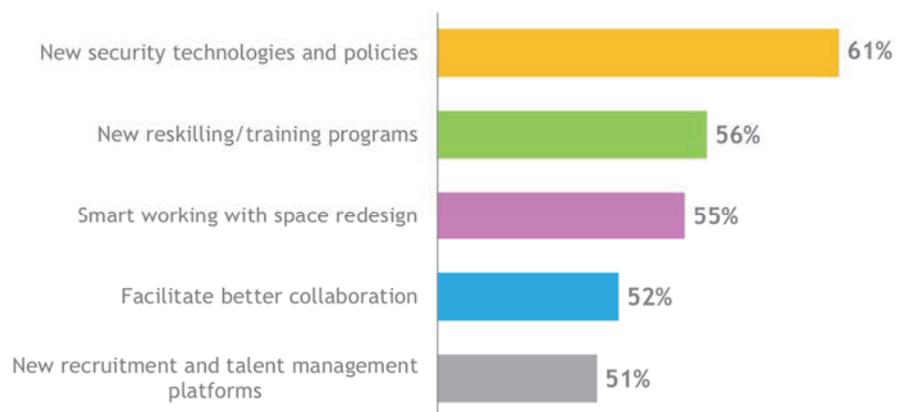
Secure Borderless Enterprise

FDOs are borderless enterprises interacting with customers, partners, and suppliers around the clock and across the world. They conduct business outside the traditional corporate firewall and require a global talent pool of permanent, short-term, and gig workers.

However, their CIOs and CISOs are concerned that their security architectures are no longer fit for purpose. In a borderless organization, traffic from the edge can terminate in multiple cloud environments and external partners. This distributed architecture compromises their security posture and increases their risk of a security or, worse, a data breach. It is not surprising that digital security is FDOs' number 1 Future of Work initiative.

Figure 3
Which of the Following Workplace Transformation Initiatives Has Your Organization Already Introduced? (% of FDOs)

New security technologies and policies	61%
New reskilling/training programs	56%
Smart working with space redesign	55%
Facilitate better collaboration	52%
New recruitment and talent management platforms	51%

Source: IDC's *European Future of Work Survey*, November 2018 (n = 386)

FDOs have adopted a "zero trust" security approach — meaning that neither devices, apps, nor users are trusted and therefore verification is required before privileged access is granted. To this end, they are heavily investing in identity management, mobile security, and other advanced technologies for data loss prevention.

The Future Workforce: Human and Machine Collaboration

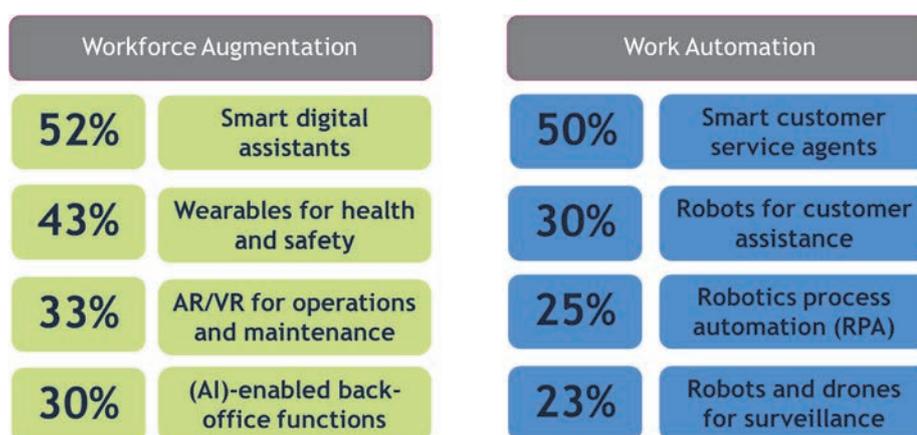The makeup and nature of the workforce is radically evolving:

- On the one hand, demographic shifts are impacting the age and diversity of the workforce. While four generations make up the current workforce (for the first time in history), official UN data indicates that millennials and generation Z will make up **70%** of the global workforce by 2020[2].

- On the other hand, intelligent technologies are automating work and augmenting skills while creating new opportunities for business value creation.

Impact of Intelligent Technologies on Workforce: Change Management

FDOs are using a range of intelligent technologies to both automate work and augment skills, but they place heavy emphasis on cultural acceptance and change management. When automation is done carefully, it can have a significant positive impact on productivity, customer experience, and employee engagement.

Figure 4
Is Your Organization Using Any of the Following Advanced Technologies? (% of FDOs)

Workforce Augmentation		Work Automation	
52%	Smart digital assistants	50%	Smart customer service agents
43%	Wearables for health and safety	30%	Robots for customer assistance
33%	AR/VR for operations and maintenance	25%	Robotics process automation (RPA)
30%	(AI)-enabled back-office functions	23%	Robots and drones for surveillance

Source: IDC's *European Future of Work Survey*, November 2018 (n = 386)

For example, smart customer service agents (such as chatbots) can reduce wait times in call centers and help employees work smarter by focusing on offering personalized and expert advice to customers. AI-enabled sales force automation (SFA) applications can take orders and provide business intelligence to sales executives for better decision making.

But the impact of intelligent technologies is not only limited to office employees. Blue-collar workers are becoming augmented skilled workers and are making decisions at speed thanks to insightful data analysis and smart tools. The same applies to the critical role of front-line workers (from retail to utilities and healthcare), who are now better equipped to deliver greater customer experience.

Fifty-five percent of FDOs are investing in training programs to bring employees up to date with the digital requirements of their evolving roles. Reskilling can be

*One in three FDOs believes that more than **25%** of its workforce will be actively using AI in their daily jobs in the next three years.*

offered online, on a just-in-time basis, and in any format (mobile, video, or via TED-like talks), enabling employees to seek the knowledge they require.

FDOs are generally positive about the impact of intelligent technologies on jobs in the next three years, and even believe they will create new positions (training and maintaining machines, for example). Only **22%** expect job redundancies.

The Digital Workspace is Foundational for the Future of Work

While many technologies are pivotal to the development of the Future of Work, digital workspace platforms stand out. A digital workspace platform essentially enables employees to securely access the right apps and resources to fulfill their roles, with speed and ease, regardless of their location and device. This is critical for employee experience and overall productivity. Failing to equip top talent with modern tools will frustrate them and could result in them leaving the organization.

An integrated digital workspace platform is not easy to deliver. Many organizations currently have an amalgam of point solutions, which are disjointed and ultimately ineffective when it comes to delivering a seamless end-user experience. FDOs, by contrast, have implemented an integrated digital workspace platform, which helps them with the following:

- Support for any app — mobile, SaaS, Windows legacy, etc. — anytime and from any device, which empowers employees and enables them to do their jobs

- Modern cloud-based management, which simplifies device management, easily scales with the growing needs of an organization, and makes security invisible to the end user

- Data insights to optimize end-user experience and security by tracking application use across devices

- Intelligent policy automation, which streamlines device onboarding and security patches, for example, and frees up IT resources to support the business more strategically

- A personalized solution that starts on day one with onboarding and lasts until the day the employee leaves the company

The adoption of PaaS has accelerated in the past year as IT departments attempt to bring down maintenance costs and reduce the security risks associated with an ageing installed base.

Consuming digital workspace solutions "as a service" is gaining significant market traction. An overwhelming majority of FDOs are "using" — rather than buying — IT assets, from software (**78%** of FDOs) to infrastructure **(70%)** and devices **(64%)**. PCaaS is gaining popularity when it is integrated in a digital workspace platform that is streamlined and secure across the organization. Employee satisfaction is enhanced when the solution offers choice, design, and a uniform end-user experience across devices.

A digital workspace platform is a foundational solution for FDOs' Future of Work strategy. Once it is in place, they can drive transformation across their workspace, work culture, and workforce, and achieve greater agility, talent retention, and employee experience, for example. Without it, their Future of Work strategy would be unsustainable and short-lived.

Figure 5
The Digital Workspace Platform Driving Future of Work

Talent retention	Employees have seamless access to apps and enterprise resources, across their choice of device, to get their job done. Security is invisible. Smart analytics enhance their app and device usage.
Agility	Employees can securely collaborate internally and externally with customers and partners. Project workers can quickly and securely onboard the platform and be discharged on completion.
Flexible working	Flexible working styles are effectively managed by adopting a zero-trust security approach. Employees can take care of their own needs with self-service apps.
Change management	New and legacy applications are supported, helping organizations with their road map through a staged migration process.
Workforce augmentation	Augmented reality (AR) apps and wearables are supported, helping employees work smarter and deliver better customer experience.

Source: IDC, 2019

Recommendations on Becoming an FDO

Implementing a Future of Work strategy is not easy, but ignoring it is not an option. Those companies that feel the Future of Work doesn't affect them, risk falling into the "not in my business unit" (NIMBU) camp. IDC research shows that this approach is unsustainable for any organization — big or small, in any industry — in the long term. The Future of Work is the cornerstone of a successful digital transformation strategy.

For organizations that want to become an FDO, IDC has the following recommendations.

For IT Departments

- Take a broad approach to technology. Ask yourself what behaviors a new solution might foster and what behaviors it might inhibit. Your answers must line up with the overall culture and strategic direction of the company.

- Try using gamification (contests and leaderboards) and award prizes to winners to encourage technology adoption.

- Foster trust with and among employees. Shift your IT policy approach from command and control to partnering and influencing.

- Establish a set of guidelines and principles for good and safe digital behavior. Create a risk policy framework that can be personalized and adapted throughout an employee's career.

- Communicate clearly and be transparent about employee monitoring mechanisms. Establish what behaviors are tracked and set up boundaries between work and personal digital environments.

- Implement a platform that enables a staged migration from legacy to modern IT management.

- Use intelligence to drive IT automation and employee experience.

- Partner with established trusted IT vendors that are future proof and can scale to the growing needs of your business.

For All Future of Work Stakeholders

The Future of Work is an enterprisewide strategy that requires CxO leadership and intimate collaboration between IT, line of business, and HR. This top-down strategic direction is necessary for the Future of Work to translate into real business results. Only then can culture, strategy, and operations be aligned.

- Go beyond user experience and adopt an employee experience approach. Nurturing a working environment where employees feel valued and trusted brings the best out of them. Great employee experience delivers great customer experience.

- Invest in reskilling and hire individuals for their emotional intelligence — those with problem-solving skills and the empathy and ability to collaborate, for example. Their values have to be in alignment with the strategy and ethos of your company.

- Foster innovation by creating collaboration across functional areas. Ask colleagues to make time for brainstorming and creative thinking. Hire individuals with diverse backgrounds. Diversity and inclusion fosters employee retention and a creative working environment.

References

1. *IDC European Future of Work Survey* (IDC, November 2018)

2. *Millennial Careers: 2020 Vision* (ManpowerGroup, 2016)

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