



HOW HAVE YOU EMBRACED THE NEW WORLD OF WORK?

Introduction

Since March 2020, the nature of work has changed dramatically for almost everyone. Remote working has many benefits but also a host of challenges, not least how to maintain meaningful connections with people and build a positive team culture. *Management Today* and Microsoft surveyed more than 150 leaders on a range of topics from readiness for the digital transformation; how to manage teams and people remotely; and recruitment in a post-Covid world.



As we made the rapid and unexpected shift to remote work, the UK workforce responded by rolling out communication tools and virtual networks to keep employees productive. Resilience was key as we tackled remote collaboration, workspace set-ups and making time for fun, alongside home schooling, video fatigue and burnout. We realised the true importance of face to face interaction.

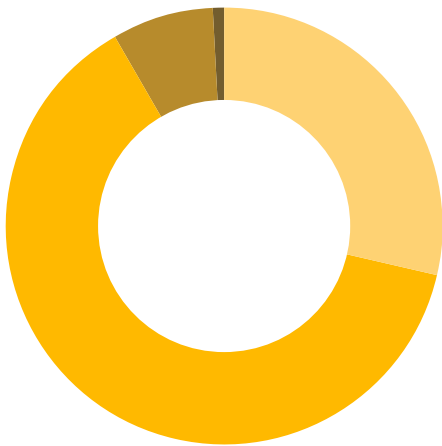
We now know that the workplace isn't virtual or physical. We have an opportunity to bring the best of both together to build a successful hybrid model, highlighted by some of the key trends uncovered in this survey:

- A hybrid working solution is the long-term option to get the best out of everyone. The preference is for a 60-40 split of home/remote versus on-site working.
- The physical office space needs to be rethought. More collaborative spaces. People become consumers of space, not owners of it.
- Remote working as standard will diversify the talent pool because geography and accessibility are no longer barriers.

Digital transformation: accelerating change

It is widely accepted Covid has accelerated a digital transformation in the workplace. To what extent have you felt – as an individual and as a business – equipped for that transformation?

- 28.8% Very much so – we were ahead of the curve
- 62.8% Enough – it’s been the accelerator we needed
- 7.7% Not enough
- 0.6% Not at all



“Covid has driven digital transformation faster than at any point we’ve seen in the past decade”

Roxanne Morison, head of digital policy, CBI



Many leaders shared the view that Covid was an “external stimulus” and “the catalyst for radical transformation”, even that 2020 has “challenged complacency”. Others were taken aback by the pace of adoption and viewed the whole experience as “a case study in change”. Businesses and people are often more resilient than one imagines and one of the key lessons of the past 12 months appears to be: sudden change is disruptive but is often the driving force behind digital transformation.

Roxanne Morison, head of digital policy at the CBI, describes the UK as having a “long tail of low-productivity firms,” heading into the pandemic. “These firms typically do not have access to or use tried and tested technologies. If we got those companies confident in using cloud, confident in using digital marketing systems, confident in using data, the positive impact on their productivity and competitiveness would be significant.

“Covid has driven digital transformation faster than at any point we’ve seen in the past decade. UK leaders and employees are getting more digitally literate, as organisations have been driven to move operations and engage customers online. Meanwhile, the shift towards home working has shown that the technology works and that with the right support and flexibility, employees can be just as productive.”

Communication, communication, communication



What are the most important tools/drivers to developing a positive team culture in a digital/hybrid workplace?

Video-call fatigue is real so the message is: communicate frequently and concisely with employees. Frequent, shorter meetings is a better solution than calls that go on for hours. Don't restrict your calls and meetings just to work – make time for fun and the kind of chat that would take place by the coffee machine at work. Encourage the use of Teams for brief, informal interactions to avoid long email chains. Remote working requires managers to trust their employees like never before. Be kind and patient, especially with those who are struggling with the technology or with remote working – bring everyone along.

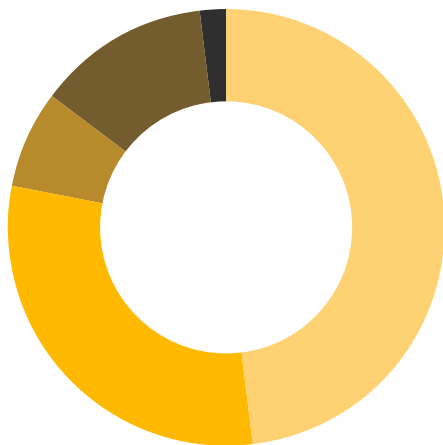
“My role has been to lead Microsoft UK's response to leading through the pandemic,” says chief financial

officer, Paul Benjamin. “We have around 5,000 people in the UK, and no matter how clearly you communicate, people interpret information in different ways. So we need to communicate more often, in multiple different ways, in multiple different formats.”

“As leaders, we have the responsibility of making sure our employees feel like they are heard, and that they understand the decisions organisations are making, and how they are making them.

“Technology has been a huge enabler for us in making information accessible to all in a timely manner and in a format that suits them – whether that's email, vlog, Teams or Yammer”

Paul Benjamin, chief financial officer, Microsoft UK



How much has the use of technology helped develop a positive team culture?

- 48.1%** A lot (eg: greater collaboration/connections)
- 30.1%** A little (we could use tech more/better)
- 7.1%** No change
- 12.8%** Not much (eg: not meeting face to face is a problem)
- 1.9%** Not at all (eg: we needed greater tech expertise/buy in to function well)

There are two strands here: formal and informal communications that combine to build a vibrant, mature team culture. Technology has been an enabler to some degree and forced people to reach out to colleagues more but the informal chats and encounters of the physical workplace are hard to replicate. As one respondent put it: “It’s terrible for serendipity.” By utilising all the functions of platforms such as Teams, the goal for leaders is to create digital environments in which employees are so innately comfortable that formal, thought-through interactions become informal and second nature.

5 top tips for managing in the hybrid workplace

- **Make communications frequent and brief, and accessible to all**
- **Trust and empower your people and managers**
- **Give your employees the tools and devices they need to work from anywhere**
- **Make time for fun and breaks away from the screen**
- **Embrace online recruitment and the diversified talent pool it offers**

What measures are you taking to ensure that productivity and employee experience is enhanced or at least not compromised?

Are people working at home or living at work? There is a danger of some employees extending their working day without the traditional shut-down to leave the office and go home. Leaders should be discouraging long hours and excessive screen time, and encouraging flexibility that allows people to manage their workday around other commitments. Some companies offer informal sessions of online pilates, coffee buddy chats or virtual quiz nights. Others send gifts or care packages to employees’ homes. Empowering employees to work flexibly means more trust and less micromangement, leading to increased productivity, better engagement and happier employees.

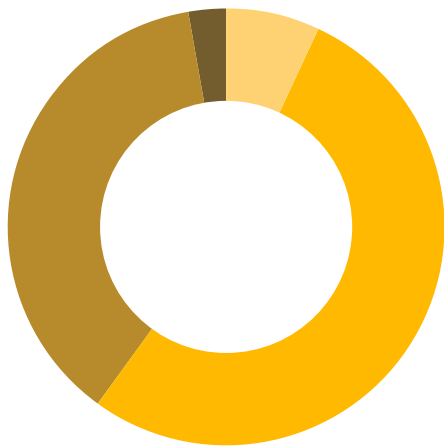
Howard Lewis, Surface business group lead at Microsoft UK says: “There’s been a cultural shift in the expectations of how employees perform at work. Workforces have been through a rapid shift to full time remote working, and we’re now seeing the profound impact this will have on the model many choose to adopt moving forwards. The future of hybrid working has important requirements to consider such as identifying the right tools and devices in order to streamline processes, to keep us collaborating and connected as well as enabling us to balance the demands of our home and working life.

“It is vital organisations keep technology central to their digital transformation journeys to ensure both productivity and employee satisfaction remains on par”

Howard Lewis, Surface business group lead, Microsoft UK

AI and automation are also key in this digital transformation. By taking away the repetitive tasks, you give your people time back to focus on what really matters for your business, as well as delivering improvements in efficiency, customer service and revenue.

Health and the hybrid workplace

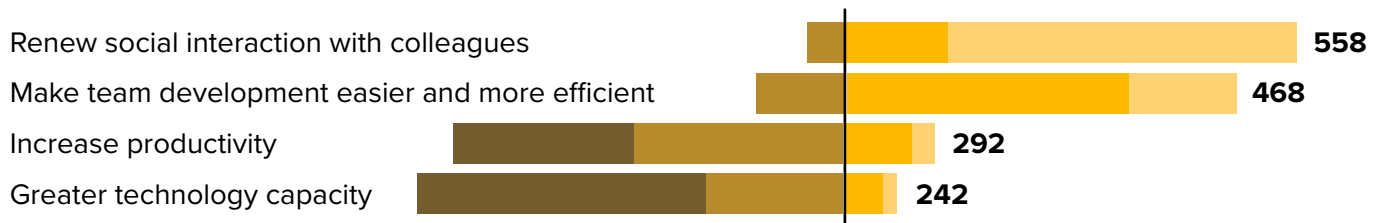


What sort of working environment are you preparing for in a post-Covid world?

- 7.1% Work from home exclusively
- 53.2% Mostly home/other remote space but with some office time
- 37.2% Mostly office but with some home-working
- 2.6% Work in an office exclusively

What are the most important reasons for wanting a return to the workplace?

(Order according to priority: 1 (lowest) 2 3 4 (highest))

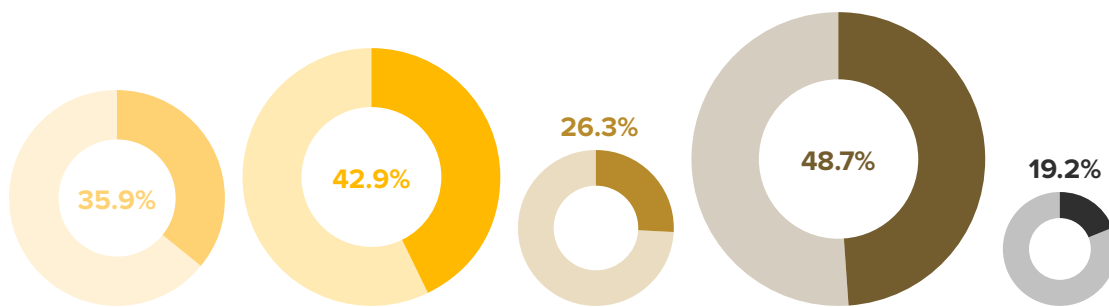


Opinions on and experiences of the physical workplace vary according to the kind of industry workers are in and what sort of pre-Covid environment people were used to. But the overwhelming desire for the future is a hybrid option with a 60-40 home to office split edging out the office-heavy alternative. The main reasons for wanting a return to the workplace are to enable greater collaboration, sharing of ideas (which are better done face to face) and for junior colleagues to receive meaningful mentoring from seniors.

The challenge for employers, though, is how to ensure that the playing field is level for all, that their businesses don't operate a two-tier system where those on site are the 'in crowd' and those WFH marginalised or vice versa. The reality is that everyone's domestic situation is different. WFH has been a dream for some and a nightmare for others, whether they be home-schooling parents or early-in-career workers who prefer co-location for their own career development and mental health.

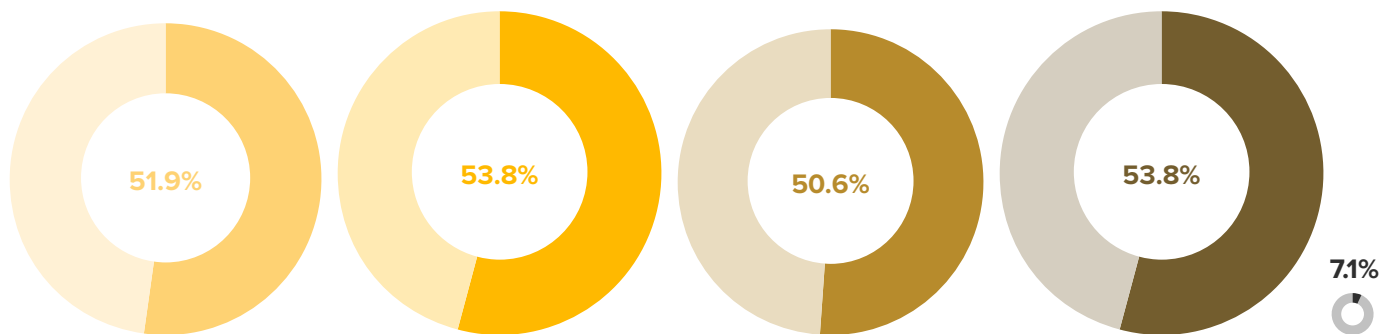
When a return to the workplace is possible, how do you plan on keeping people connected, wherever they are? (Select all that apply)

- 35.9% Mandate days for home or office working
- 42.9% Provide everyone with new devices and/or collaborations tools
- 26.3% Set up office workspaces to bring everyone in, wherever they are
- 48.7% Provide more collaborative spaces in the office
- 19.2% Provide more individual work spaces in the office



What are workers' greatest concerns about a return to the physical workplace? (Tick all that apply)

- 51.9% Health and safety in the workplace
- 53.8% Health and safety in travel to the workplace
- 50.6% Decreased efficiency because of time spent commuting
- 53.8% Diminished work-life balance
- 7.1% No concerns



For the immediate future, personal choice and circumstance will govern a gradual return to the workplace. But as restrictions are lifted and travel is more practical, tough decisions will need to be made. Mandating certain 'office' days may seem like a logical solution to bring teams together, yet only 35.9% of respondents said that was part of their plan. The purpose of the office is changing.

Instead of individual work spaces where people "own the space", leaders are focusing on reconfiguring the office to allow for more collaborative work. For many, central high-cost locations are no longer necessary and the focus should be on assessing what works for their people, fostering an inclusive culture where people feel like a first-class citizen wherever they may be.

Diversifying the workforce

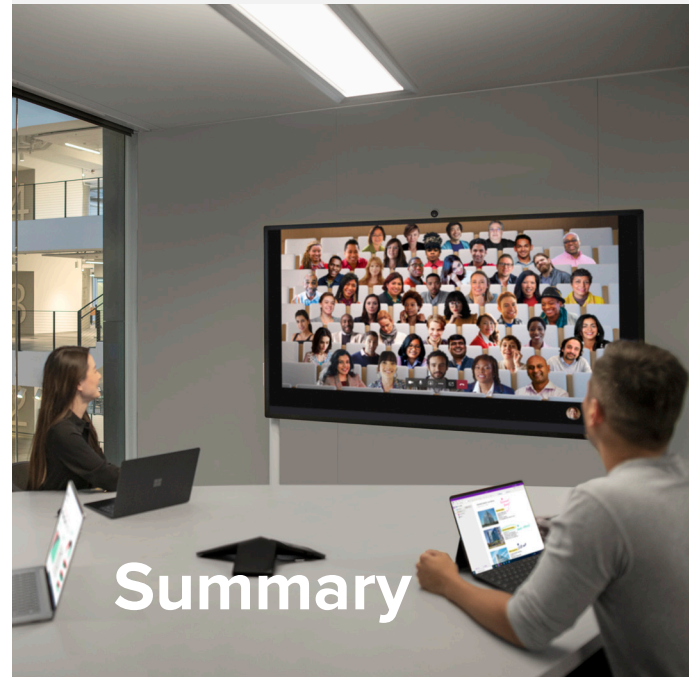
How much will the process of recruitment change in the immediate post-Covid future?

Necessity has been the mother of invention. Most employers would still love to conduct face-to-face interviews, certainly in the latter stage of a recruitment process but the expectation is for virtual recruitment and onboarding to continue. The greatest opportunity, though, is the widening of the talent pool. Remote working has brought down the barriers of geography and location are no longer barriers to employment in a remote-working world. This should lead to greater diversity and also more competition.

As Debbie Forster MBE, CEO of Tech Talent Charter says: “Before Covid, the smart companies were waking up to remote, flexible and meaningful part-time working. There’s no doubt it drives diversity and supports real regional growth as talent becomes accessible across the country. This is an opportunity for many organisations to turn their good intentions around diversity into action. It’s no longer just the right thing, it’s the smart business thing – and it impacts your bottom line.”

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Debbie Forster MBE, CEO, Tech Talent Charter



If the past 12 months have shown anything, it is the capacity for adaptation and reinvention. That agility will be required more than ever in the coming months and years. There is no ‘business as usual’ now. The workplace must be reconfigured and leaders must adapt their skills too. Remote working demands trusting your employers but that faith will bear fruit. The vagaries of everyone’s individual WFH situation means there is no ‘one size fits all’ approach. Listen to their needs and concerns, develop a more collaborative approach to the hybrid workplace.

About

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We are driving advances in cloud computing, developing new ways for people to interact with technology at home, at work and on the move, while transforming education and public services and supporting the UK economy.

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