



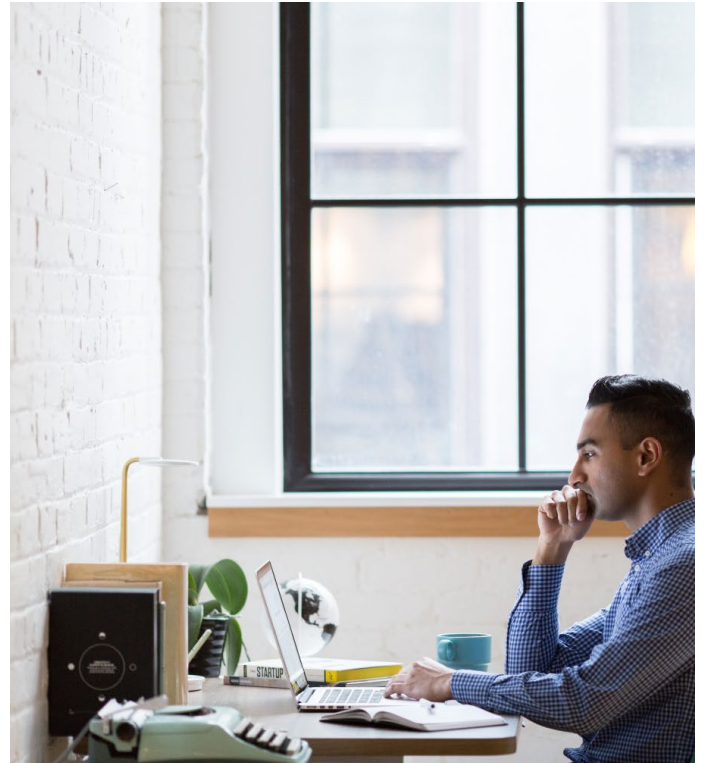
# The Future of Work in a Pandemic Era

Industries across the globe are considering the future of work in a pandemic era against the constraint of significant uncertainty. As companies begin to plan for the coming months and year, they're making difficult decisions with the best information available and a variety of unknowns, including continued infections, changes in children's education and childcare, and a challenging economic outlook.

Reopening and perhaps even redefining the workplace means working through a number of variables successfully. What physical changes need to be made to offices? Can more people work from home indefinitely? What's needed to support employees wherever they may be working? How can companies better enable productivity? What are their biggest pain points in a post-COVID era -- and can technology effectively resolve them?

*The Future of Work Survey*, new global research commissioned by Xerox, was designed to uncover how IT decision makers are addressing these major considerations in a highly fluid environment. 600 IT leaders were surveyed, representing organizations with 500 people or more across more than a dozen industries, including business and professional services, retail, health care, financial services, and travel and hospitality. They include the perspectives of senior-level decision makers in the U.S., Canada, the U.K., Germany and France.

In the sections that follow, we give more context to the findings and what they mean for the future of work.



## DEFINING THE PATH FORWARD

### A phased return

The path forward isn't uniform, reflecting the diverse nature of companies and industries, and the differing calculations they must make in returning employees to the workplace. Nearly half of those surveyed (49 percent) will take a phased, or staggered, approach to bringing employees back to shared workspaces, emphasizing safety as the primary influence on timing. Another 32 percent indicated they'd explore changing their approach to working in an office environment, testing an option to allow some employees to work from home indefinitely.

In short, there is no one right answer.

At the outset of the crisis, 72 percent of survey respondents were not fully prepared technologically for the abrupt transition to distributed remote workforces. Now, these same companies are able to move more deliberately and plan using the learnings of the past several months. With these lessons in hand, companies have more confidence that they can adjust relatively seamlessly to the ripple effects that continue as a result of COVID-19.

It is estimated that 82 percent of the workforce in respondents' organizations will have made a full return to the office in approximately 12 to 18 months, on average. Industries that rely on in-person interactions or hands-on work -- such as healthcare, construction and property, and distribution and transport -- seemed to be more bullish, anticipating more normal operations to resume even more quickly. In contrast, financial services, IT and telecom, and others appear to be aligned with a more cautious, measured timeline.

### Shifting attitudes

Work from home has often been controversial with some leaders concerned that those they can't see are not working as hard as those they do see in the office. And trends have shifted back and forth at various points in time with more people being called back to the office in recent years.

However, the pandemic is broadly reshaping attitudes of decision makers around remote working since even these leaders have needed to work from home in recent months. The U.S. was the most likely to have seen an increase in confidence in remote workers (86 percent), followed by the UK (80 percent), Germany (80 percent), Canada (77 percent), and France (75 percent). For leaders, experiencing remote work themselves -- and witnessing their own teams in action from home -- has clearly influenced this shift in thinking.

Tellingly, more than half of global businesses -- 58 percent -- intend to change their work from home policies within the next year, instituting the option to work indefinitely from home for those whose roles allow for it. Within that group, nearly a third said they were examining implementing that change immediately.

The softening of employer attitudes toward remote working foreshadows the rise of a hybrid workplace -- with employees working remotely all, some or none of the time depending on their job descriptions. For staff, the flexibility may open the aperture to enjoy lower-cost areas to live and achieve greater balance between work and personal commitments, perhaps ultimately producing greater job satisfaction. For employers, the opportunity to save on capital expenditures, like office space, while hiring the best talent regardless of location may be a compelling proposition.



That said, it's clear a wholesale switch to widespread remote work-only is not in the making.

95 percent of respondents flagged the importance of in-person communication for personal development and talent assessment. Prior to COVID-19 and the implementation of work from home, a third of respondents said privacy plus network and data security were major issues with remote work. Technology infrastructure was another area of concern. Those considerations still exist today, requiring active investment and mitigation even as companies move to embrace a blended hybrid work life model.

## ENABLING THE PATH FORWARD

### Relying on innovation

But if employees remain distributed between home and the office for the foreseeable future, how does that change the investments companies make in technology and other tools? **56 percent of respondents are expanding their technology budgets in anticipation of new requirements stemming from fully remote or hybrid workplace arrangements.** Meanwhile, 34 percent are actively planning to accelerate their digital transformation efforts, another signal that the pandemic has galvanized companies to make immediate progress on these long-discussed goals.

This is in direct response to companies' experiences with the abrupt transition of workers to the home environment. Just 28 percent indicated they were fully prepared with technology as their biggest pain point. In fact, leaders cited the following as their top technological challenges:

- Remote IT support (35 percent)
- Inadequate workflow solutions (27 percent)
- Lack of communication and collaboration tools (22 percent)
- Lack of cloud-based solutions (10 percent)

It's clear the pandemic has renewed appreciation for the unique role IT plays in enabling smooth, consistent and productive operations. 42 percent of respondents indicated IT resources and support were most important to employees' overall work experience and productivity. This number spiked to 47 percent for large enterprise companies of 5,000+ employees, perhaps suggesting bigger companies felt the lack of remote IT support acutely. It was the highest, however, for the smallest organizations (500 to 999 employees) at 49 percent, possibly due to more resource constraints and less in-house expertise.

### People miss their printers

85 percent of business leaders missed the accessibility of their office printers plus their ease of use. U.S. respondents missed them the most (93 percent) with similar responses from Germany and France at 92 percent and 91 percent respectively.



Company size was also a factor in how much office printers were missed by respondents. Just 66 percent of companies with 5K or more employees missed in-office printers. In contrast, smaller companies appeared to rely on them as an essential part of everyday work life, with the following breakdown of those missing their office printers:

- 89 percent of companies with 500 to 999 employees
- 91 percent of those with 1K to 2.999K employees
- 87 percent of those with 3K to 4.999K employees

Overall, the majority surveyed (85 percent) cited the obvious -- printing -- as what they'd primarily use their multifunction printers (MFPs) for but also flagged additional compelling use cases. Sixty percent said information sharing would be useful to them and 48 percent pointed to storage as a benefit. Around one in five respondents (18 percent) indicated they wished they had an MFP at home, partly to access these benefits. These findings underscore printers' fundamental role in supporting and enabling a productive work experience well beyond their baseline capabilities.

### Other concerns

Technology aside, IT decision makers clearly saw the potential downsides to remote working. Prior to COVID-19, productivity, collaboration, corporate culture, and employee retention were among the top perceived barriers to remote working next to technological considerations (e.g., network security and privacy). The concern that a work from home paradigm would negatively impact one or more of these essential components was evident.

In fact, 95 percent of respondents also indicated in-person, face to face communication was somewhat or very important to a core building block of work life: personal development and talent assessment. Collectively, these considerations reinforce an earlier point: companies have valid reasons to embrace a hybrid model of remote and in-office work, if only to chiefly reap the best of both worlds.





# 40%

Of respondents said increased budgets will go toward a hybrid of in-office and remote technology resources.

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## IMPACT ON BUDGETS AND PURCHASING BEHAVIORS

### More was needed

By its very nature, the pandemic had sparked immediate responses from companies, forcing quick, thoughtful planning and decisive action to adapt to this changed world. 56 percent of all businesses surveyed will be allocating more budget toward technology resources as a direct result of the pandemic. Germany led the pack at 66 percent, the highest percentage of companies that will budget more for technology; the U.S. was close behind at 65 percent, followed by France (56 percent), Canada (48 percent), and UK (33 percent).

### Shifting to reflect a new reality

Companies plainly understood that certain technological investments are needed in a COVID-impacted world: those that will make the remote work environment more stable and sustainable. Examining organizations where more budget will be allocated to technology, 55 percent are specifically prioritizing remote technology resources. In contrast, 40 percent will allocate budget along a hybrid of remote and in-office resources. Overall, it is least likely that budget will be spent solely on in-office resources.

In terms of specific technologies, 65 percent will prioritize cloud-based software, with remote IT support coming in as a close second at 63 percent. Collaboration software, a clear enabler for team collaboration and

productivity, was third with 52 percent. All are obvious and essential sources of technological enablement for the at-home worker.

## NEXT WAVE OF INSIGHTS

The first phase of Xerox's Future of Work effort was developed to understand the impact of the pandemic on global companies and their perspectives on technology. It was important to ascertain how these leaders were adjusting their resources and technology based on lessons learned from the transition to remote working. It is useful to see just how those resources will now be used to underpin and promote employees' success, whether they're in the office or working at home.

Our next wave of research insights will take a closer look at the human resources component and associated elements. Whether it's the details around a phased return to office space and the impact of leasing or the future of work from home and how culture is built and maintained remotely, the new way of working is going to demand more from employees, leaders, and companies for long-term success.

### Methodology

The survey of 600 respondents located in the U.S., Canada, UK, Germany and France was conducted by independent research firm Vanson Bourne in May 2020. Respondents included IT decision makers (including senior C-level professionals), all from organizations with at least 500 employees across a range of sectors, including business and professional services, retail, health care, financial services, and travel and hospitality.

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