To remain competitive as technology is rapidly changing how and where we work, organizations must invest strategically in supporting employee experience, including support for flexible work models.

Connecting Business Growth to the Digital Employee Experience

November 2024

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Introduction

Flexible work models are evolving — and so are the ways in which businesses think about the interplay between IT investments and digital employee experiences. IDC's June 2024 survey found that 83% of organizations report their work policies are either very or extremely flexible. However, IT leaders believe technical (22%), cultural (19%), and security (18%) challenges remain significant impediments to remote work. Nonetheless, 43% of IT and LOB leaders surveyed report modest but consistent improvement in productivity since implementing flexible work models, and 31% have seen a strong improvement in team productivity.

The challenge lies in addressing key impediments such as inadequate IT support, burdensome but essential security protocols, and friction-filled experiences switching between apps and devices. When IDC conducted a North American employee survey, the results were sobering:

» 50% of workers said their employer doesn't pay enough attention to their needs while introducing new technologies, and they often feel frustrated with technology at work.

» 43% say their existing IT support for remote work is ineffective, and they try to avoid it.

These data points don't imply flexible work models don't work. Rather, they suggest that employers can do more to help employees by providing access to effective work tools and support whether at home or in the office. Such an approach can help employees spend more time on working productively and less time wrangling with the tools they need to do their work (see Figure 1).

AT A GLANCE

KEY STATS

According to IDC surveys:

» 43% of employees surveyed say their existing IT support for remote work is ineffective.

» 40% of IT leaders worry about employee work devices falling out of compliance.

» 38% worry about risky employee behavior.

KEY TAKEAWAYS

» To drive productivity, organizations need to be able to support flexible work models.

» With better access and support to key resources, employees can focus on getting the most value from the tools and delivering business value.

FIGURE 1: *Impact of Flexible Work on Productivity*

Q *How would you describe your organization's experience with team productivity since implementing some form of flexible work model?*
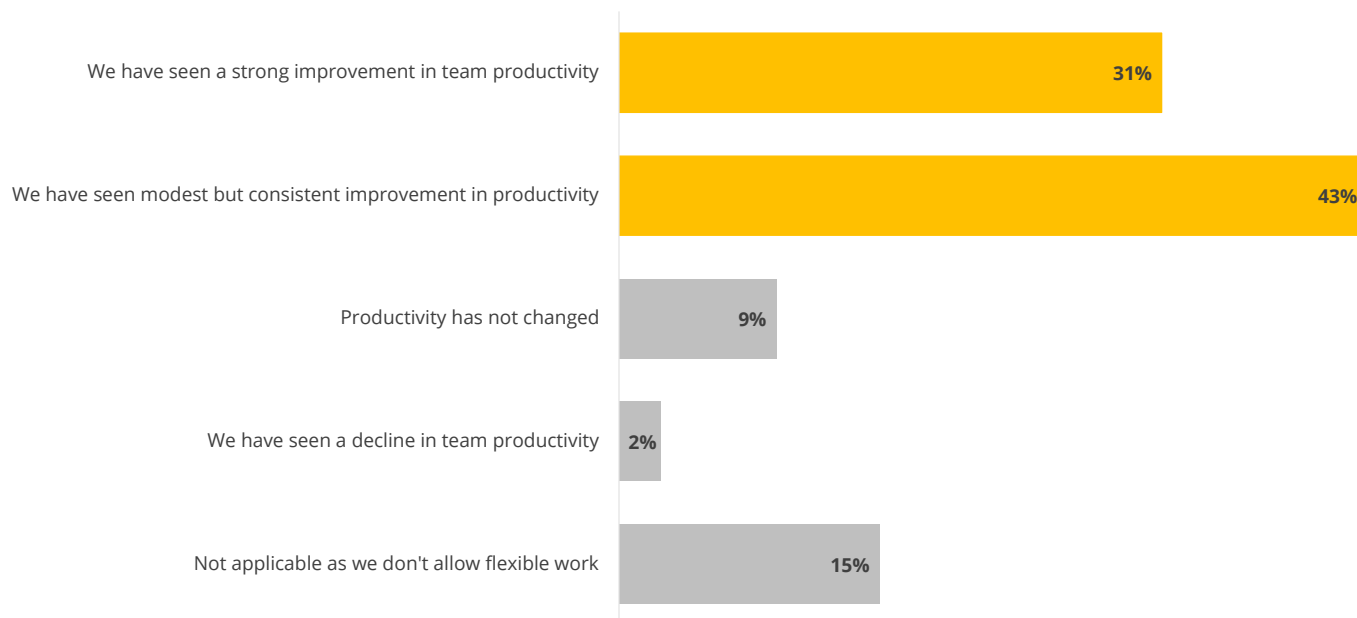
Source: IDC's Worldwide Future of Work Survey, May 2024

Trends

Organizations continue to experiment with finding the right balance of work in an office and remote setting. Some have mandated several days a week of onsite work, while others have focused on purpose- or function-based in-office requirements. Irrespective of the flexible work model, it's rare for employees to find a true parity of experience across environments. Owing to technology investments made during the COVID-19 pandemic, many have outfitted home offices with various deluxe multimedia devices, which make in-office setups pale in comparison. Organizations are learning that sustained, flexible work models require a lot of effort — but the investments in supporting these ways of working can pay off in the long term.

One of the chief concerns employees and employers express is inexperience in building a culture of trust. For employers, this means investing in security technology and management training to secure data and protect devices without deploying invasive or disruptive security protocols. For the business, this means taking common sense precautions both technically and socially. According to IDC's research, 45% of IT leaders view trusting employees to keep corporate resources and client data secure as one of the biggest organizational concerns. In addition:

» 48% worry about employee exposure to hackers.

» 40% worry about work devices falling out of compliance (missing patches and updates).

» 38% worry about risky employee behavior.

If addressed ineffectively, these concerns can compromise company data and the ability of organizations to attract and keep top talent.

IDC's *Employee Experience Survey* showed that 64% of employees said flexible/hybrid work policies are very or extremely important considerations. However, to maintain flexible work models, organizations must make significant investments in technologies and IT support. When asked about priority technology investments to support employee engagement through 2025, IT and LOB leaders pointed to intelligent digital workspace technologies to support employees accessing the people, tools, and data they need to work flexibly (49%). They singled out improved communication and collaboration tools (48%) and workplace modernization and space management solutions for flexible work (45%).

As more software and hardware solutions undergo deployment in service of work transformation, leaders will need to rethink their assumptions about monitoring and measuring employee productivity. While there are still leaders who assume remote work is not nearly as secure or productive as onsite models, 50% of companies surveyed globally are investing in intelligent digital workspaces to support employee engagement. These systems allow employees access to tools, technology, and people irrespective of their physical work location.

When asked what were the three most important business outcomes that their organization was trying to achieve from a work transformation standpoint, IDC survey respondents pointed to:

» Improved employee productivity (37%)

» Increased operational efficiency (34%)

» Increased sustainability and revenue growth (27%)

Aiming to boost employee efficiency, companies forecast GenAI investments to grow the most in the next 18 months. Over 69% of companies stated they are investing in GenAI and/or evaluating its impact on the workforce. For instance, while many headlines have focused on employee concerns about job loss as a result of AI and GenAI adoption, employees who work in jobs with highly repetitive tasks, such as web designers, call center employees, and accounts payable analysts, are now able to handle higher volumes of work and focus on more critical tasks. The endgame amounts to higher accuracy, better customer satisfaction, time savings, and increased revenue. In a recent IDC study, 30% of IT leaders report a 2x ROI on every dollar spent on AI projects, while 21% have seen a 3x return.

Considerations

Organizations seeking to support a strong overall employee experience and reap the rewards of attracting and retaining top talent must invest in technological support, training, and flexible work policies. IDC research shows that to improve overall work experience, North American employees expect companies to provide more training in digital technologies (37%), more flexibility (34%), and access to the right tools and technologies (32%).

With so much emphasis on employee productivity, it's no wonder 65% of North American employees reported they consider office technology to be an extremely important factor in their work. However, technology alone is not enough. For example, many IT leaders have noted that ineffective change management is a significant barrier to assessing GenAI proofs of concept and launching full GenAI solutions.

Finally, organizations must recognize that work is not happening in a vacuum, and there are cascading impacts on decisions around work policy and technology adoption. Consider the environmental impact of GenAI technologies' large language models, which require intensive compute power. Leaders must calculate the cost of keeping unutilized or underutilized office space against the benefits of in-person collaboration. When asked about the top 3 technologies their organization would prioritize in redesigning work facilities in the next 18 months, 37% of IT and LOB leaders said they are focusing on sustainability.

Benefits

Flexible work models help drive employee productivity and improve employee experience. They are critical to retaining top talent, especially where skills such as engineering are in high demand. Investments in essential software, hardware, and automation tools are supporting employee engagement and enhancing bottom-line growth along with improved brand equity, which acts as a magnet for new hires and customers alike.

Conclusion

To remain competitive when technology adoption is rapidly changing how and where we work, organizations must invest strategically in supporting employee experience, including support for flexible work models and technology that optimizes work tools and access to IT support. These investments will drive short-term productivity and long-term employee retention and competitive innovation. The technological foundations organizations build to support flexible work depend upon and spur innovation and the use of emerging digital technologies. This involves continuous redesigning and rethinking of the software and hardware to optimize and support different work models.

> Employers can do more to help employees remain focused on their work, which means not wasting time wrestling with the tools they now must use to do their jobs.

About the Analyst

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Amy Loomis is research vice president for IDC's Worldwide Future of Work market research service. In this role, Ms. Loomis covers the growing influence of technologies such as artificial intelligence, data analytics, robotics, augmented and virtual reality, and intelligent process automation in changing the nature of work. Her research looks at how these technologies influence workers' skills and behaviors, organizational culture, experience, and how the workspace itself is enabling the future enterprise.

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