The Evolving Workforce

## Report #2: The Workforce Perspective

UK

UK Insights

Executive Summary

The British workplace is already comparatively highly evolved, yet exhibits strong potential for further development. A high degree of trust is commonplace, while personal freedoms and flexibility are the norm. Employers and workers have largely already moved away from the 9-5 routine and work is increasingly being defined in terms of output, not time spent.

The benefits of technology as a means of facilitating new, more flexible and more productive ways of working, are well recognized in the UK, although awareness of the possibilities of employee-led innovation is still low and represents a potential opportunity for future focus.

Inevitably, employees are faced with greater challenges in managing work-life balance as a result of technological advancement. Alongside growing awareness of the importance of technology skills as a means of productivity and progression, is increasing recognition of the personal sacrifices that workers must make in order to gain advantage. An example of this is concern about the convergence of professional and personal life. Large enterprises and the public sector are lagging behind SMBs and the private sector across many indicators, but concerns about the downsides of advancement may hinder their progression.

41% of British workers agree their employer uses the latest technology, increasing to **59%** who expect this to be the case in future

In future
Now
% agree employer uses the latest technology
41%
59%
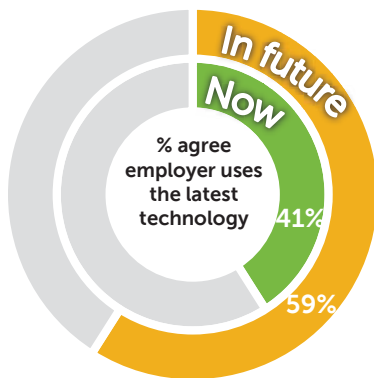
Only **one in two** British workers can complete their workloads within a traditional 9-5 schedule
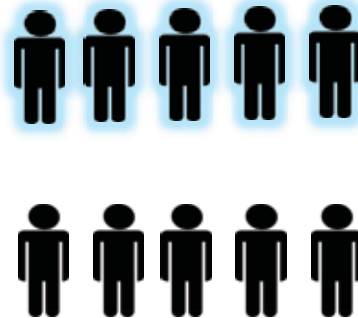
43% from large enterprises agree versus 56% from SMBs

57% of workers report that IT problems are a regular frustration

Magnitude of threats perceived by British workers

IT problems are a regular frustration

Under pressure to work longer hours

Need to keep up with technology to be effective

Work life encroaches on private life

Trend #1: **Crowdsourcing and Crowdsource service**

Hypothesis

The workforce of the future, for many industries, could be thousands of people working in different places. Is cloud computing and other ICT applications going to make it easier to distribute more tasks and services and to invite input from a community through crowdsourcing?

Top insights

There is widespread recognition that technology and Internet connectivity are facilitating radical changes in workplace practices and in how individuals can contribute to the organization.

Almost three-quarters of all British workers agree that the Internet and technology facilitates 'reaching out to others to help solve problems' (74%) and is creating opportunities for organizations to 'do business in different ways' (74%).

People in the financial sector are particularly likely to agree that 'technology enables reaching out to others to help solve problems' (86%).

Two-thirds of British workers (66%) and 81% of those in engineering agree that the Internet and technology helps individual employees 'make a bigger contribution to their organization.'

Differences are observed among certain types of workers. 85% of Professional Nomads* agree that 'technological innovation allows [them] to focus on things [they] prefer to do' compared with 57% overall. Although, one-third (33%) of British workers (51% of Professional Nomads*) believe that remote working 'is eroding team spirit'...and almost four in every ten workers believe this will be true in the future.

Implications

The role of IT in empowering individuals, connecting workgroups and facilitating new ways of working is already well recognized in the UK today, forming a solid foundation for both crowdsourcing and crowdsource service to take hold. However, employers and the IT industry are advised to carefully consider the potential impact of increasingly distributed workforces on morale, and to pre-empt concerns when promoting solutions.

Trend #2: **Productivity measured in outputs, not hours**

Hypothesis

Standardized measures of productivity based on numbers of hours inputted would become less relevant in a knowledge-based economy. What are going to be the newer, softer metrics to assess productivity?

Top insights

A majority of British employees (54%) want to be measured by the quality of their work, not the amount of time spent in the workplace. This rises to 65% for Power Users* and 64% for Professional Nomads*.

Overall, two-thirds of all employees report that they are already being measured today based on output.

Only one in two British workers (50%) report that they can complete their workloads within a traditional 9-5 schedule and remote working is expected to increase (40% today versus 53% in the future). Large enterprise employees have more difficulty completing their work in office hours (43% versus 56% in SMBs).

Six out of ten civil servants accomplish their work within a 9-5 schedule (61%), while telecoms workers are least likely to be able to finish their work within office hours (42%).

Across all verticals, those working in public education find it most 'difficult to switch off from work' (56%) compared with 32% in the civil service and 26% in hospitality.

Implications

There is evidence that this trend is becoming widely established in the UK. Inevitably, while advanced technology skills are becoming increasingly recognized as a means of personal productivity and career advancement, employees will be faced with greater challenges in managing work-life balance. While technology is often considered to be a root cause of declining work-life balance, is there an opportunity for the IT industry to challenge this perception by promoting how technology could help improve work-life balance rather than aggravate it?

Hypothesis

The number and types of devices are proliferating and changing. Choice of device would become more about the situation, location and occasion. Are employers and the current systems and processes going to allow for increased end-user utility and choice?

Top insights

As yet, only a minority of British employees (27%) are able to choose their own technology devices for work. However, this is expected to become more prevalent with 40% of employees expecting to be able to select their work devices in the future.

Marked differences are observed between SMB workers, who are much more likely than large enterprise employees to be able to choose their own devices today (40% versus 20%), as well as private sector workers (32%) compared with 17% of those in the public sector. Manufacturing and engineering workers are more likely to be able to choose their own device, as are Professional Nomads* (69%), compared with 14% of Task Workers* and 16% of Institutional Collaborators*.

Interoperability is expected to increase, with 48% reporting they can already share data between devices, rising to two thirds (66%) who expect to be able to do so in the future. Yet less than one in three workers actually want to be able to use devices for both personal and work purposes (29%).

Implications

The education vertical is leading the way with 56% of private sector educators and 45% of public sector ones wanting interoperability, compared with just 27% in healthcare and retail. Educators are also especially likely to use the same device for work as well as personal purposes, while seven in every ten educators (71%) can choose from multiple devices for work purposes as well as share data between devices (68%).

Small companies are driving this trend with larger organizations and the public sector some way behind. While this trend is expected to increase in coming years, the pace of change could potentially be accelerated as interoperability (facilitated by the cloud) is no longer a major concern. Another argument for providing greater choice is the fact that most British workers actually keep their personal and work devices separate. By embracing proliferation and acknowledging that not everyone actually wants convergence, the IT industry will remain aligned against end users' expectations and needs.

Trend #4: **Intergenerational kiss and punch**

Hypothesis

There will be more intergenerational knowledge transfer between younger 'digital natives' and the older generation. However, is there an increased risk of conflict and tension between workers of different ages, backgrounds, knowledge and skills?

Top insights

While broadly speaking there are more similarities than differences between age groups, and relatively small differentiation is observed between older (35 and above) age groups, the 25-34 group does exhibit marked differences and, from the evidence of this study, may be the group that represents the leading edge of workplace evolution, more so than 18-24 year olds.

25-34s stand out as the age group that would 'enjoy their work more if given more technology choice' (50% of those aged 25-34 versus 35% of 18-24s, and just 32% of those aged 55+).

25-34 year olds are the most likely to believe the Internet and other technological advancements 'are an aid to productivity' (81%), and are 'attracted to work for an employer that provides good technology' (63% versus 45% of 45-54s).

At the same time, more people in this age group believe they can 'choose their own workplace technology' (34% versus 25% of 35-44s and 21% of 45-54s).

Both 18-24s and 25-34 year olds are significantly more likely than older people to see an employer-provided PC or other device as 'a perk.'

Implications

If there is a generation that is driving change, it is the late 20s and early 30s age group. Those in their teens or early 20s are still relatively new to the workforce and not yet fully aware of the productivity potential that technology offers. Employers and IT companies should focus attention on the 25-34s who are on the steep end of their progression curves and at the forefront of driving the consumerization of IT phenomenon in the workplace.

Trend #5: **Values versus rules**

Hypothesis

It would become easier to tell what employees are doing, but harder to tell them what to do. In this scenario, would employers use pervasive technology to oversee their workforces at any given time? And if so, would distrust accelerate?

Top insights

67% of British workers agree it's important that 'employers trust [them] to use company resources responsibly.'

While nine out of ten feel their employer trusts them, a slightly smaller number (84%) say this will be true in ten years.

Government and civil service jobs score highly in terms of flexible working hours (69% and 68% respectively versus 51% overall).

E-mail monitoring is expected to increase (48% expect their inboxes to be monitored in future versus 41% whose are today). This is more prevalent in the public sector (45% of public sector workers versus 39% of private sector ones believe their e-mail is monitored) and in Large enterprises (49% versus 31% in SMBs).

SMB employees are more likely than those in large enterprises to consider their employer to have motivating values (70% versus 57%). Perhaps in a sign of the times, financial workers are less likely than average to see their employer as having motivating values (48%) compared with more than three-quarters of those in private healthcare (76%).

Implications

While a high degree of trust exists in the British workplace, employers and employees must guard against this degrading as result of increased monitoring activities. Implementation of monitoring technologies must be accompanied by consultation and communication between parties.

Trend #6: **Many hats of the IT manager**

Hypothesis

As employee aspirations change to a greater onus on happiness, autonomy and choice, workplace IT would be one way of recruiting and retaining staff. Would the job of the IT manager increasingly resemble that of other functions, like the HR manager?

Top insights

41% of UK employees would 'enjoy work more if able to choose [their] own technologies.' Civil servants express the strongest need (58%), while this trend is expected to be more prevalent overall in future (41% rising to 46%).

Two-thirds of British workers rate their employer positively in terms of IT support (70%) and hardware/software provision (65%).

Ratings are comparatively less positive in the hospitality and healthcare industries (both at 60%). The highest ratings are observed in the engineering sector (78%), and it is among both engineers and financial professionals where the desire for good hardware, software and support is greatest, clearly reflecting the mission-critical nature of IT in these verticals.

41% say their 'employer uses the latest technology' increasing to 59% who expect this to be the case in future.
Civil servants and healthcare workers are the least likely to have corporate access to the latest technology (21% and 31% compared with 41% overall). Conversely, those in the telecoms and finance industries are more likely to have the latest technology at work (55% and 50%).

Three-quarters (73%) of SMB workers report having good hardware and software, compared with 58% of large enterprise workers.

Educators and hospitality workers are more likely to see corporate provision of PCs and other devices as 'a perk' – suggesting an opportunity particularly in these sectors to motivate workers accordingly.

Despite the generally positive views of the majority, 57% of workers report that 'IT problems are a regular frustration,' indicating that there is much room for progress to eradicate pain points. Encouragingly, this is expected to be less of a concern in the future as workers are increasingly empowered to seek their own solutions.

Implications

British workers overall are fairly happy with their IT, although day to day issues still exist for a majority of people. Opportunity exists for the IT department to play a wider role in the organization and, through greater flexibility of policy, improve employee morale.

Trend #7: **Employee-led innovation**

Hypothesis

The business software of the future will be adopted and designed by employees rather than management or the IT department. Are we going to see more networked, de-centralized organizations to facilitate this shift in corporate hierarchy?

Almost three-quarters of the UK workforce report that their 'employers give the freedom to choose how to work' (73%), although a smaller proportion feel that such freedom is important (53%). Private educators index particularly highly (91%) as do government workers (82%). Conversely, those working in telecoms are lower than average (61%) as are workers in hospitality (63%) and finance (64%).

Top insights

Currently less than a third of British workers would like to have the freedom to download software (28%), although almost half would like the ability to freely access the internet (48%).

Only 5% of civil servants feel a need to be able to freely download software, compared with 47% of private educators. Major differences are observed between large enterprise employees, among which only just over a quarter want download freedom (27%) versus 56% of SMB employees, as well as private sector workers (44%) compared with public sector (25%).

Interestingly, the proportion of people who actually have the freedom to download software (37%) currently outstrips those who see a need for it (28%). Such freedom is expected to increase, with almost half of British workers expecting that they will be free to download their own software in the future (47%).

Almost half of Brits agree 'you need to keep up with the latest technology to be effective at work' (48%) and this rises to 58% who believe this will be case in the future.

Implications

Awareness of this trend among UK workers is still fairly nascent. In many cases employees already have the freedom and the tools required to be innovative, but awareness of the need and the benefits is limited. An opportunity exists for the IT industry to help fast-track this through education.