

THE FUTURE OF WORK

How do we ensure efficiency in
the midst of difficult times?



DELLTechnologies

WRITTEN BY

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THE FUTURE OF WORK

There are new, imperative demands on the work environment.



In a few weeks of 2020, we have gone from an environment where the workplace was one of many investment areas within digital transformation – to a complete change of scenery. Workplace, work culture and workforce have been put as top priority and in complete focus to manage business survival.

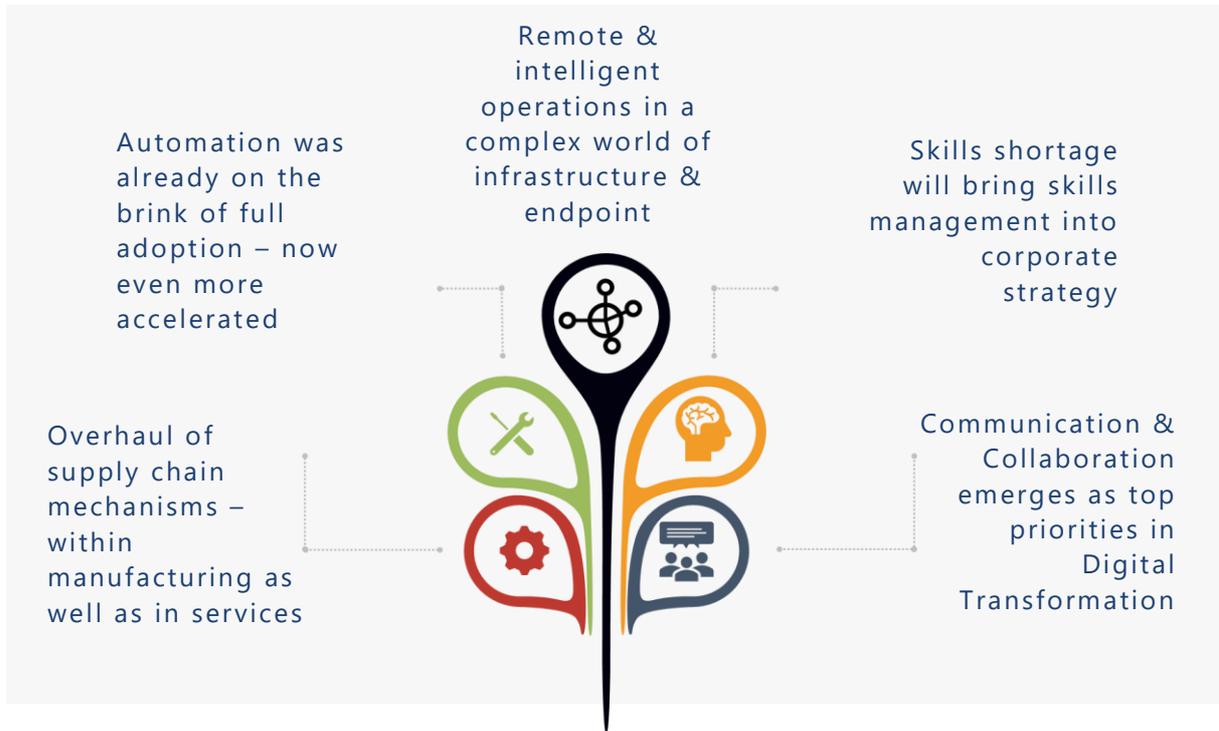
As organizations strive to overcome, business survival is now linked to Agility, Resilience and Operational efficiency of the workforce, to be able to cope with a new set of business fundamentals. In order to create and maintain such an agile organization, employee productivity and employee experience is imperative. Working from home in a secure and sustainable way puts completely new demands on measurement and enablement of productivity and experience.

Even though many organizations have had temporary lay-offs and a slow-down of business, the skills shortages in specialist areas remain and have even deepened as organizations struggle to adapt to new demands from their customers. To become and stay agile, organizations need to implement a thinking of Skills Just in Time – a matching and sourcing of demand and supply of Skills – not just people.

Enterprises have also realized that they rely heavily on the ability to communicate and collaborate remotely. Even though the tools may have been there, the culture of mobile, independent communication and collaboration will need continuous development to work efficiently.

WHAT DOES IT BRING?

What constitutes this change of environment? How can we understand the new requirements on our workplace?



Workplace transformation is not a new phenomenon, but it has taken priority over most other digital transformation initiatives due the recent crisis and change in business processes and value chains across the world.

A crisis can create new business and technology trends, but most often it triggers, accelerates and emphasizes trends that have been ongoing for a longer time. We are experiencing something unique, and we need to quickly use what we already have learnt to adapt our processes and our ways of doing business in order for our business to survive.

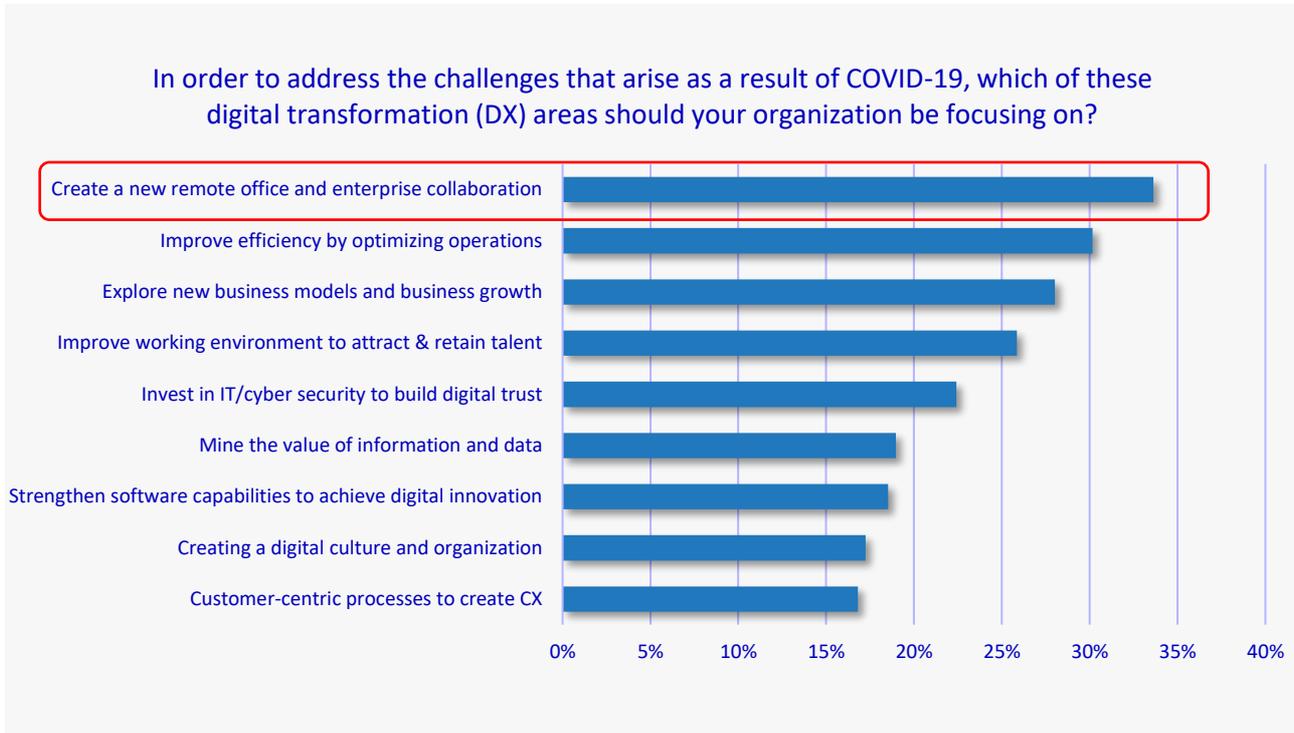
5 coinciding developments will help us and will shape the future of the workplace

1. **Supply chain will be reshaped.** Organizations already realized that product and service supply chains were fragile. Risks needed to be brought down, intelligent software needed to be brought in for optimization, and alternatives needed to be found. This diversification of supply chains are now expected to accelerate.

2. **Automation has matured.** Intelligent process automation had a slow start in the Nordics, but in late 2019 it was clear that organizations were ready to adopt automation at a large scale. 40% of Nordic organizations were using or planning to use within the next 12 months. The crisis will fuel this move, and the need for new supply chain will add to that development.
3. **Remote operations and security.** The number of devices will double in 3 years. Manufacturers and service providers realize that they can monitor products and services remotely. The digital services are moving to cloud environments, adding to the complexity. Organizations with a high degree of digitalization have shown a much higher degree of resilience in the crisis.
4. **Skills shortage will continue.** Before the crisis we had a widespread difficulty in recruiting the right talent, and to retain and develop the best of our people to cope with the demands of new, profitable technology. The crisis has brought lay-offs in the Nordics, but the number of open positions in specialist areas has not gone down. The shortage will continue, and the management of this shortage will be a matter for executive and board level management.
5. **Communication & Collaboration culture will adapt and evolve.** Few things have changed more radically than our ways to communicate and collaborate. It was underway before the crisis due to the needs of combining agile concepts with the need for global delivery and cross-border collaboration. It has already emerged as a top priority in our surveys during the crisis.

HOW CAN WE PLAN?

How can we understand the change, and create the strategy to build the agile and resilient workplace?



The impact of the ongoing crisis is not yet fully understood. IDC recommends, like so many others, to build several scenarios. It is clear however, that agility and resilience need to be built into your organization, through, using several measures, tools and approaches.

Employee productivity has been impacted, and it is urgent that barriers to productivity and employee experience are understood and removed. In order to drive business value, 5 barriers emerge consistently in our surveys;

1. Outdated technologies and difficulty in upgrading.
2. Inability to efficiently access data
3. Complex processes to get the job done
4. Inefficient and/or manual processes
5. Limited ability to use mobile devices for enterprise resources

The 5 underlying trends described earlier was a response by enterprises to address these barriers, but as they consistently have turned up in our research, changes have so far been too few. As workplace efficiency becomes vital, even more emphasis need to be put on reducing these barriers.

RECOMMENDATIONS

Beyond focus on business survival – building and maintaining the efficient workplace.



The opportunities in the transformation of the workplace are considerable. Beyond the current situation, there will be a need for organizational forms, tools and ways of working where skills can be provided to services, projects and processes in the flexible way that the situation demands.

Automation needs to be embraced. This will not only bring efficiency, but our research shows that it frees up time for knowledge workers and improves employee experience. Automation creates a more flexible and agile organization.

Skills need to be brought just in time. 12% of the Nordic workforce has low or no digital skills. Many of the technology specialists have outdated skills that there soon will be no demand for. Our research shows that skilled staff are under-utilized, and that skills matching and skills sourcing is under-developed.

This represents a massive challenge – to bring these people up to speed, so that they can participate in the transformation of your business. Ensure you have an inventory not just of your people, but the skills they possess. Ensure you investigate your demand of skills and start to match that against the skills you have in supply.

Your environment has become complex. Ensure you have the security and operations to manage the endpoints of your organization, as well as the endpoints you monitor with your customers. The number of enterprise connections has reached 34 million in the Nordics, and will be double that in 6 years.

Allow communication and collaboration to grow, and empower your organization to work in a creative and innovative way. Communications & collaboration tools will, under the current change, improve significantly, and new tools will emerge. Be sure to enable mobility and flexibility in the workforce.

DISCUSSION WITH THE AUDIENCE

During a webinar in April 2020, a discussion was held with the audience. Part of that discussion is summarized here.

Will the gig economy be negatively or positively impacted?

"Skills just in time" and the need for better allocation of resources were presented during the webinar. There is a growing awareness in larger companies of both skills matching and employee loyalty, but it has not yet come to concrete efficient strategies to address the issues. Individual contractors will have a difficult time with the continuous up-skilling to remain relevant, and larger organizations will have an advantage here. Specialized "gigers" will continue to have strong market, whereas generalized workers may need a larger organization to bring them through skills development.

Will there be more emphasis on "softer skills"?

Digital transformation has reached most corners of business life. There is a large and growing gap in demand for people with a combination of business and technology skills. Business specialized skills needs to be combined with technology skills and vice versa. This goes for work in human sciences as well – the combination of business knowledge in human sciences and technology will be in great demand.

Will there be a lasting trend in "working from home"?

It is a bit too early to say whether WFH will for sure change our ways of working. However, remote operations (both in line of business and in IT) has been impacted, that the effect for both blue collar and white collar work will be affected and lasting.

How will the digital workplace develop within the manufacturing industry?

Many manufacturing companies have suffered greatly during the crisis. We can already see clear signs of a lasting effect on increase in remote operations in manufacturing. Many manufacturing industries also have a technology shift to deal with, e.g. automotive. We see 2 shifts; a) business process automation will be adopted on a large scale, and will change most of job roles in the industry, b) manufacturing is in the forefront of digitalization, combining physical product with digital service. So, we expect manufacturing to both have a dramatic workplace transformation within the organization, and to drive part of the workplace transformation in other organizations.

Does the pandemic highlight that many jobs are not essential?

As mentioned during the webinar, a crisis typically triggers underlying trends that would have taken years to implement. We have already seen that a technology shift is speeded up in some industries, and redundancy through that technology shift is managed as part of the crisis. Long term, we expect these dramatic technology shifts to lead to a dramatic change in job roles and skill sets, but not a long term redundancy per se. Our recommendation to organizations and individuals is to make an inventory of skills available, and match them to the demands not just for the immediate future, but for scenarios 12-18 months down the line.

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