

The State of Remote Work

Security, productivity,
and collaboration in the
anywhere office

Based on research of 550 businesses with 25-500 employees.



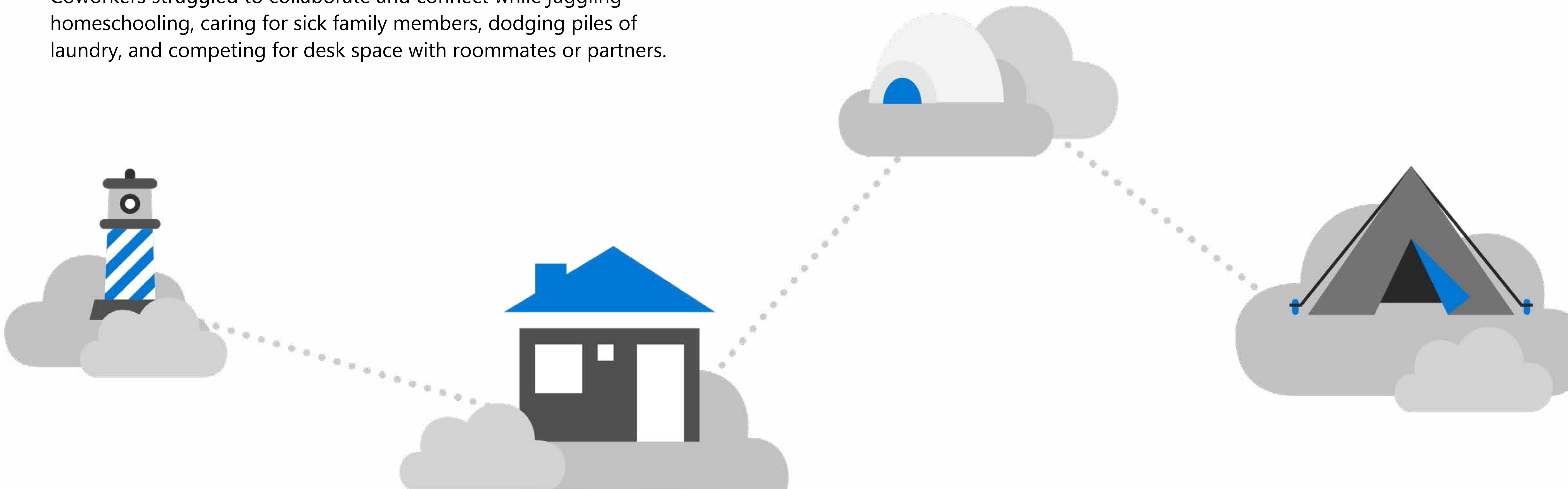
Introduction

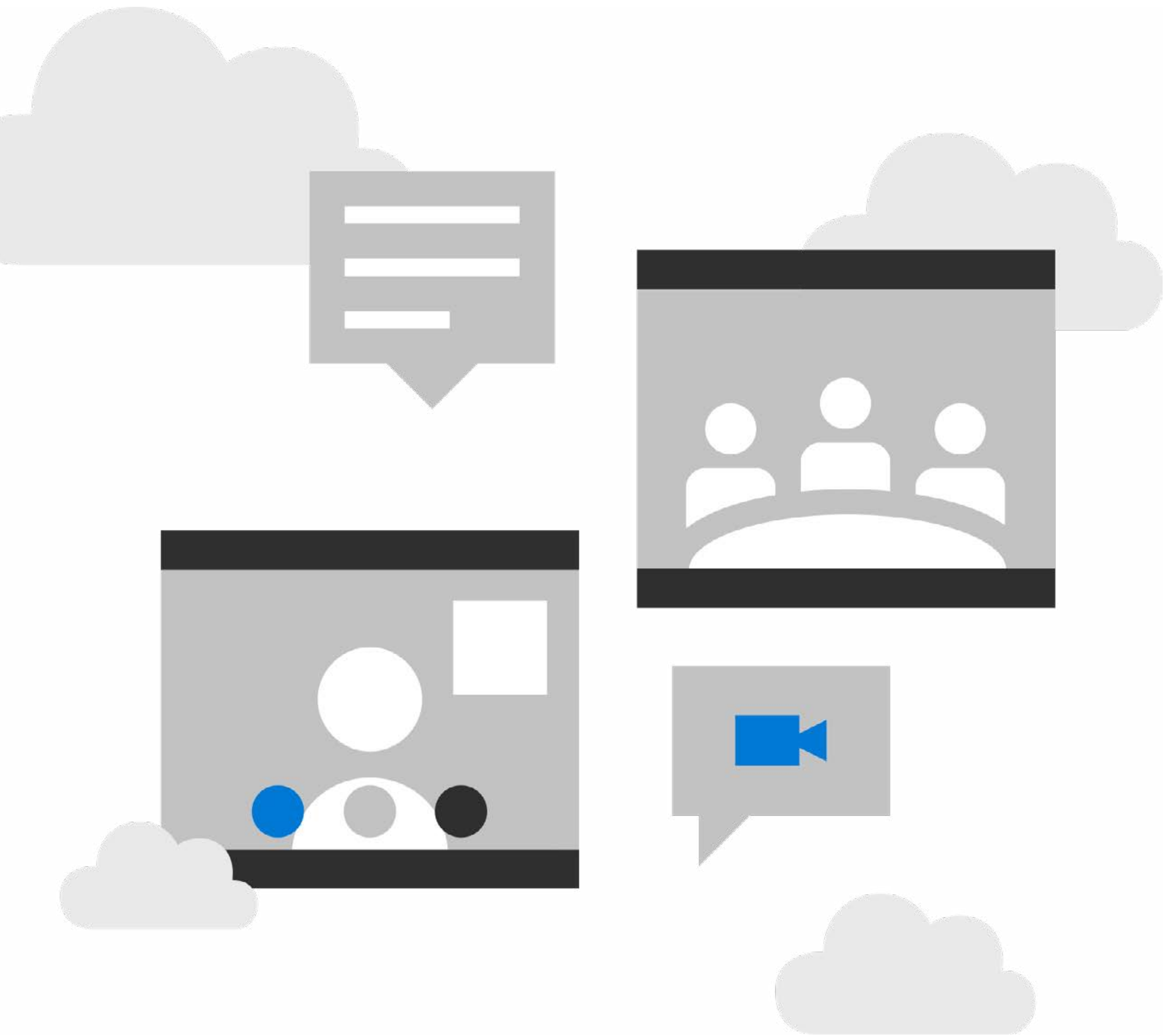
When 2020's global pandemic hit without warning, many companies made the sudden shift from a centralized model where almost everyone gathered in the office to a fully remote or blended model, where their networks, tools, data, and teams were tested as never before. As employees scattered to dining rooms, garages, bedrooms, and home offices around the world, that sudden switch to remote work created massive gaps:

- Sensitive data was exposed to skyrocketing cybersecurity risks.
- Home networks chugged along or buckled under unprecedented workloads.
- Employees found themselves cut off from the tools and files they needed to work.
- Coworkers struggled to collaborate and connect while juggling homeschooling, caring for sick family members, dodging piles of laundry, and competing for desk space with roommates or partners.

In the midst of this, our research has revealed a silver lining that will transform business in 2021 and beyond. Business leaders and employees are resilient, and in adapting to factors largely outside their control, they've embraced a new way of working: "the anywhere office."

As business leaders imagine this workplace of the future, it's clear that remote work will continue to be a crucial part of the new blended office. But now, companies everywhere have an opportunity to take what's worked in 2020 and elevate it. A way of working in the cloud that we believe has powerful potential to close the gaps in security and productivity while creating a more human workplace.





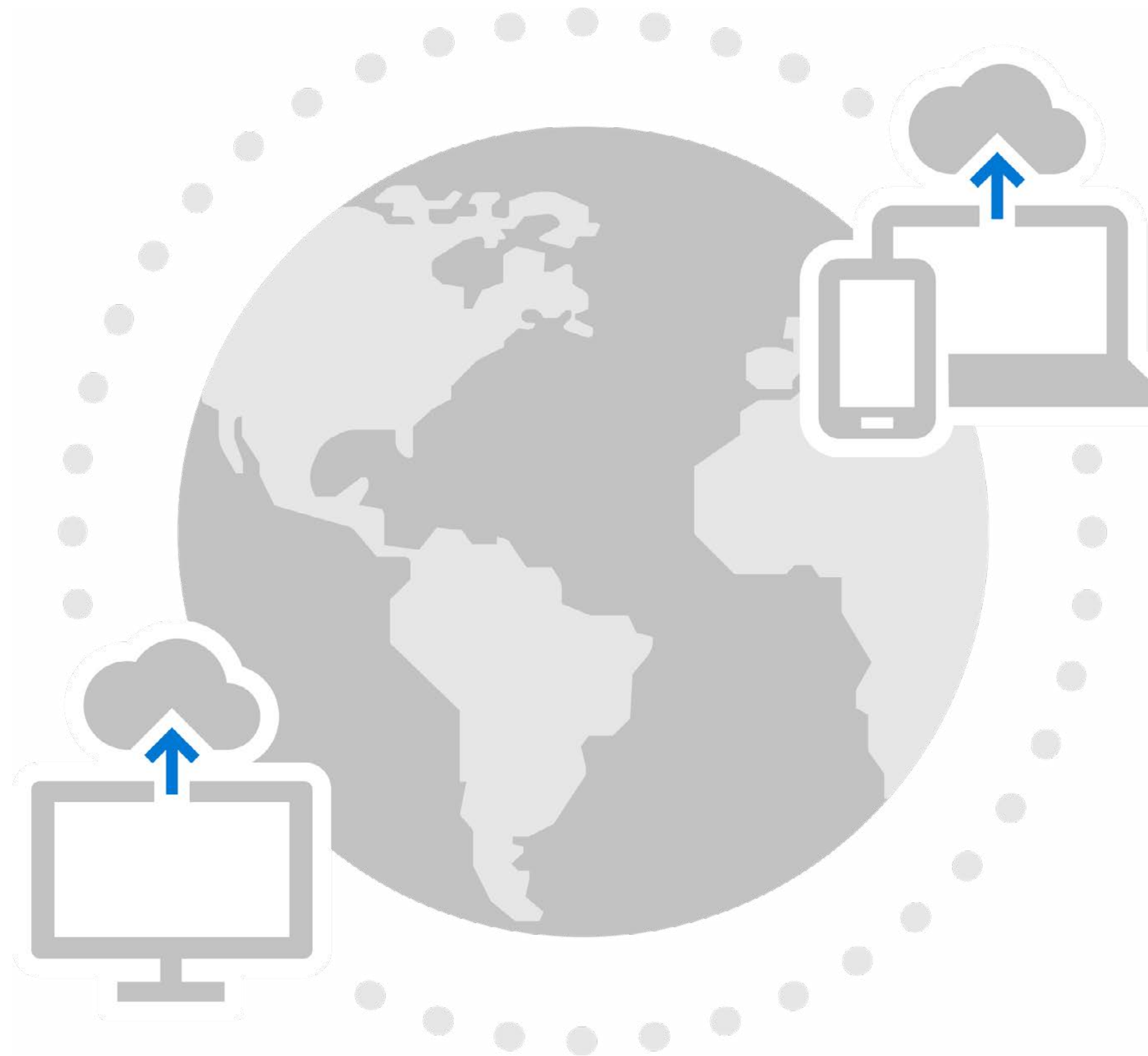
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Methodology

In September 2020, Microsoft and PSB Insights asked 550 business and IT decision makers in the US and India of companies with 25-500 employees how they're meeting today's remote work challenges and planning for the future. The goal was to:

- Capture a clear picture of the new world of work.
- Identify gaps in security and collaboration.
- Understand the specific needs businesses have when it comes to remote work.
- Uncover opportunities to help these businesses stabilize and grow.

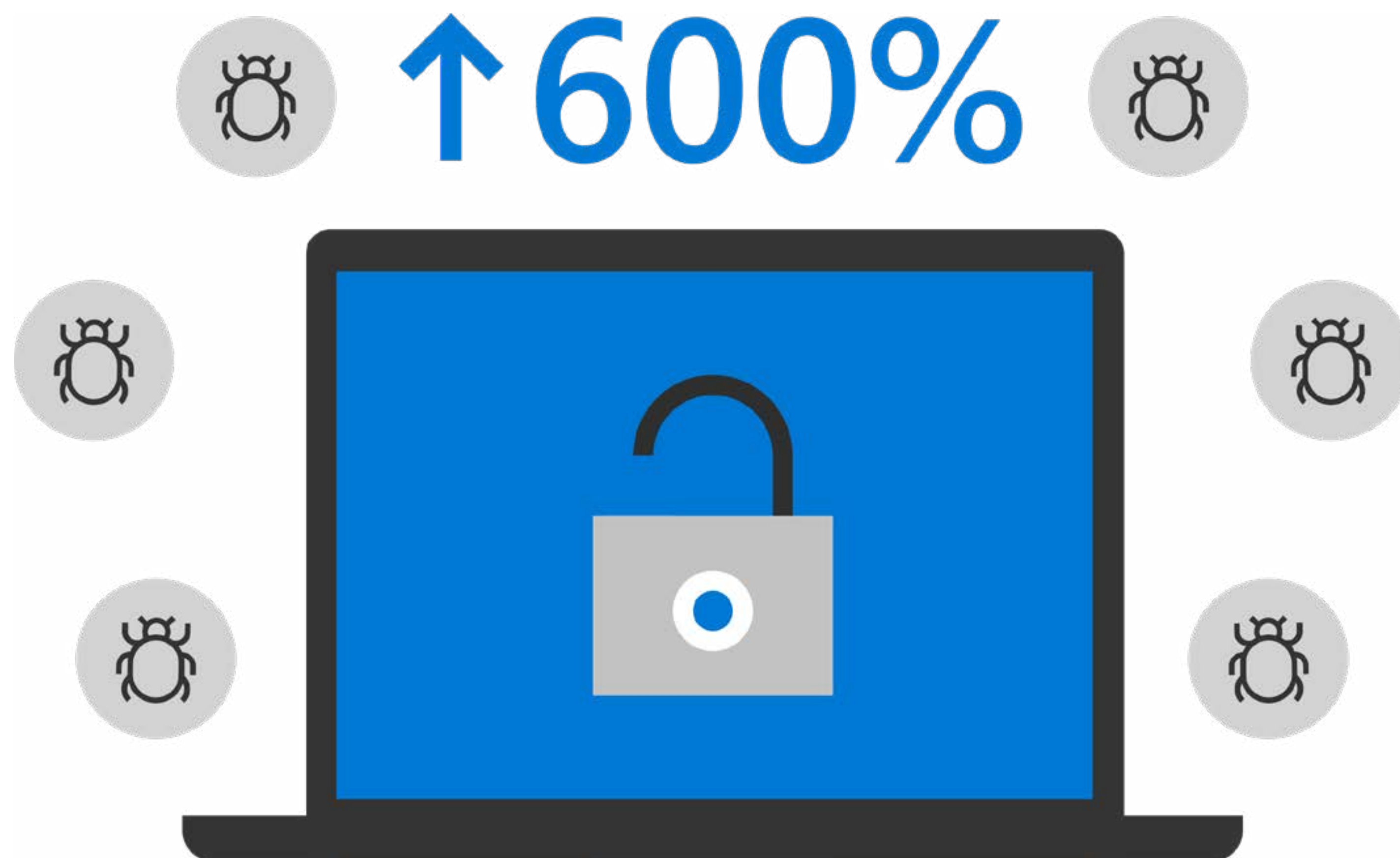
Unless otherwise cited, all statistics are from the original survey.



More gaps, more risk, more anxiety

At the office, we used to share a common place to put outside distractions aside for a few hours and focus on work. Now, though? Employees are grappling with external pressures, dealing with low bandwidth issues, trying to stay healthy, and feeling isolated. All this while struggling to access disconnected tools and manage communication breakdowns with coworkers. There is nothing normal about this new world.

The gaps that have emerged between people, tools, and technology are creating anxiety in the workplace and exposing businesses to security risk. In the early days of the pandemic alone the UN reported a 600% increase in cyberattacks.¹



Businesses reported these top five challenges around remote work:

	USA	India
Security threats	40%	40%
Employee bandwidth issues	40%	37%
Lack of employee familiarity with remote work tools and processes	32%	41%
Difficulty protecting sensitive data	29%	33%
Difficulty accessing files and data	26%	33%

In India, more challenges were reported across the board. Employee lack of familiarity with remote work was a top concern, followed by security threats, increased financial spend, and difficulty accessing applications.

We've all been forced to take the leap

“The future of work, defined by the use of more automation and technology, was always coming. COVID-19 has hastened the pace. ... This shift will call for substantial investment in workforce engagement and training in new skills, much of it delivered using digital tools.”²

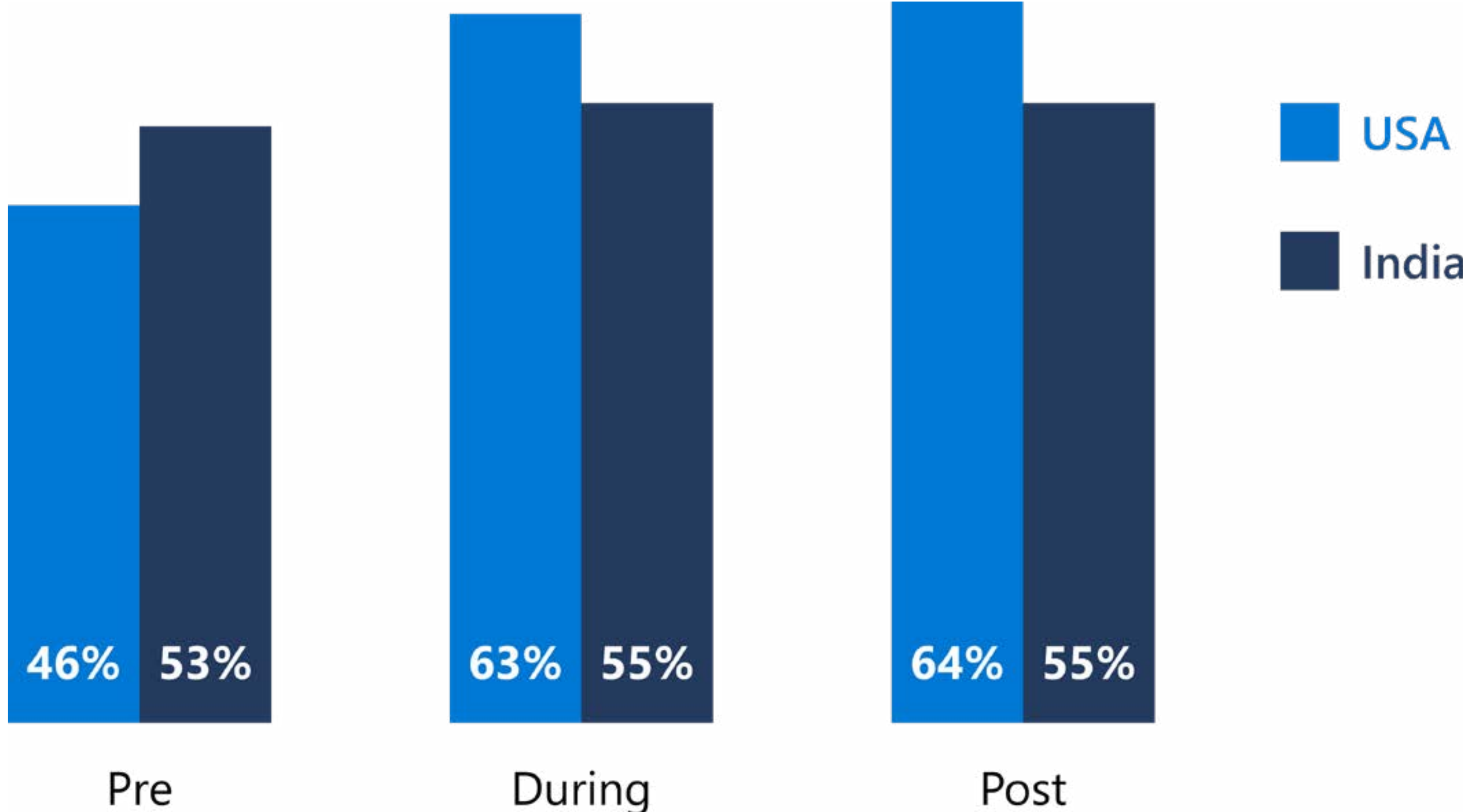
Kevin Sneader and Bob Sternfels, McKinsey and Company

Before the COVID-19 pandemic, gathering in a central workplace felt like the most natural way to work for most businesses. Water cooler conversations, open office plans, and physical connection were the backbone of collaboration.

This preference for a centralized, in-person workforce was evident in how businesses designed their infrastructure and policies, and only 46% of US business decision makers and 55% of those in India reported being equipped to work remotely pre-pandemic.

When the pandemic forced workers to scatter, that number jumped to 64% in the US and 58% in India as remote work became a necessity. Looking forward, decision makers aren't expecting much change in their remote work capabilities. But as we dig deeper into the data, it's clear that the way employers view remote work has radically shifted. Remote work during COVID-19 may have been a necessity, but the workplace of the future will be deliberately elevated beyond both the previous gathered model or the current scattered one into a blended model that enables both remote and in-office workers.

Employees equipped to work remotely pre-/during-/post-COVID-19



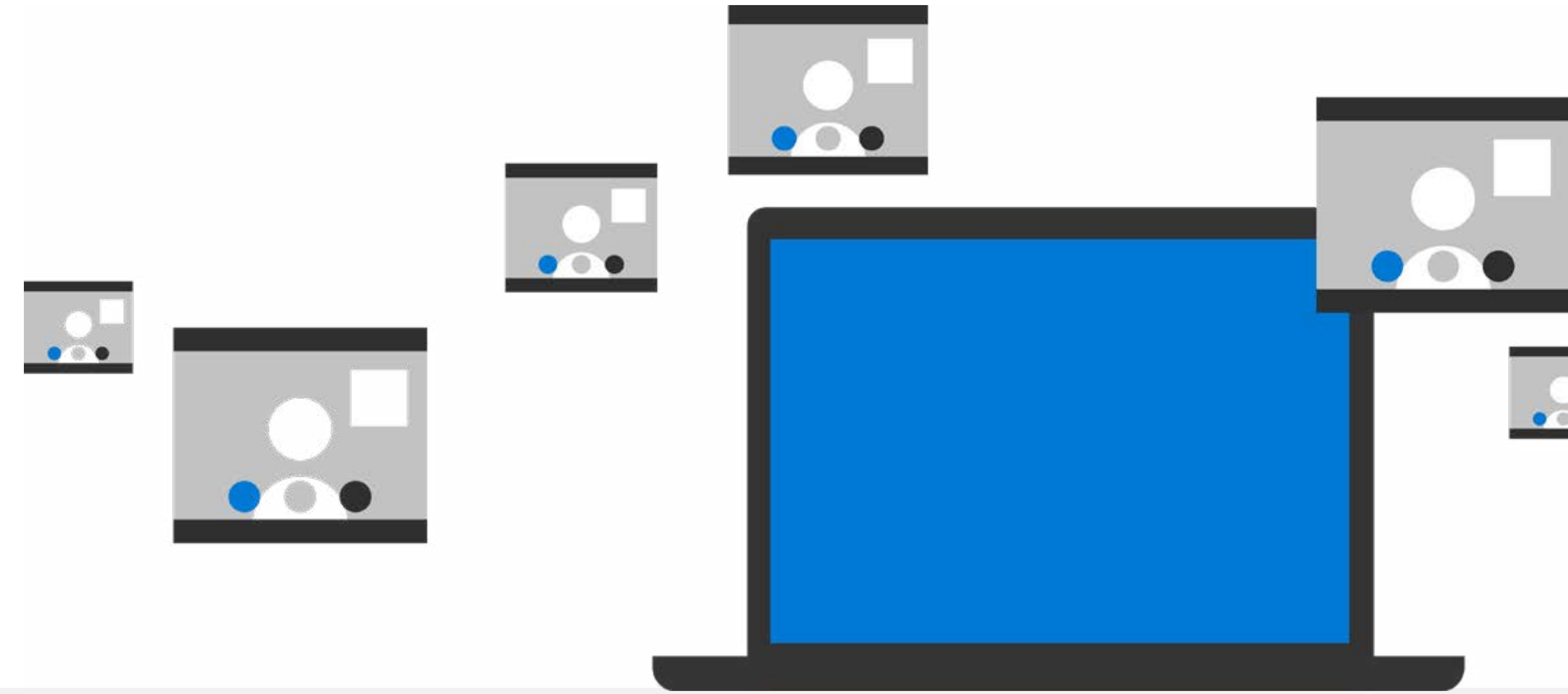
The illusion of control has been shattered

From kitchen tables and makeshift garage offices, managers everywhere were asking the same question: How can I manage a workforce I can't see?

Before the pandemic, 75% of business decision makers in the US and 63% of Indian decision makers believed that in-person presence was the key to an effective workforce. With an in-person workforce, presumably, managers feel more able to monitor employee productivity, and more in control of their teams.

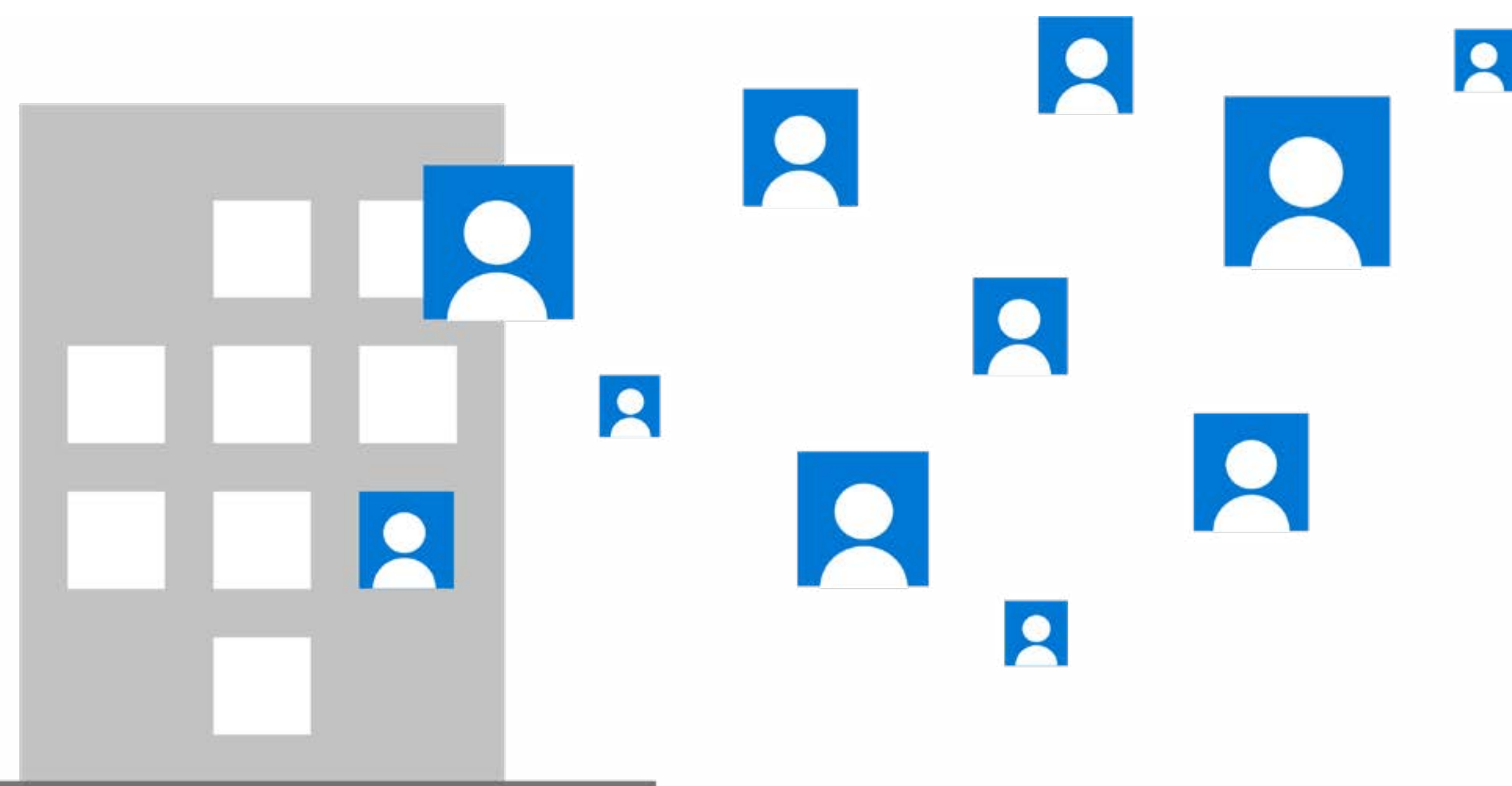
That illusion of control was shattered when COVID-19 hit, and managers had to figure out how to recreate that remotely. A study of 215 supervisors and managers published in July of 2020 found that 40% lacked confidence in their ability to manage workers remotely. When companies offered training and support for remote work, however, managers were more likely to self-report as effective in managing remote workers.³

And as we will see, businesses were pleasantly surprised at how well a scattered, remote workforce could work as the pandemic went on.



“Research shows that managers who cannot ‘see’ their direct reports sometimes struggle to trust that their employees are indeed working. When such doubts creep in, managers can start to develop an unreasonable expectation that those team members be available at all times, ultimately disrupting their work-home balance and causing more job stress.”

Harvard Business Review, *Remote Managers Are Having Trust Issues*

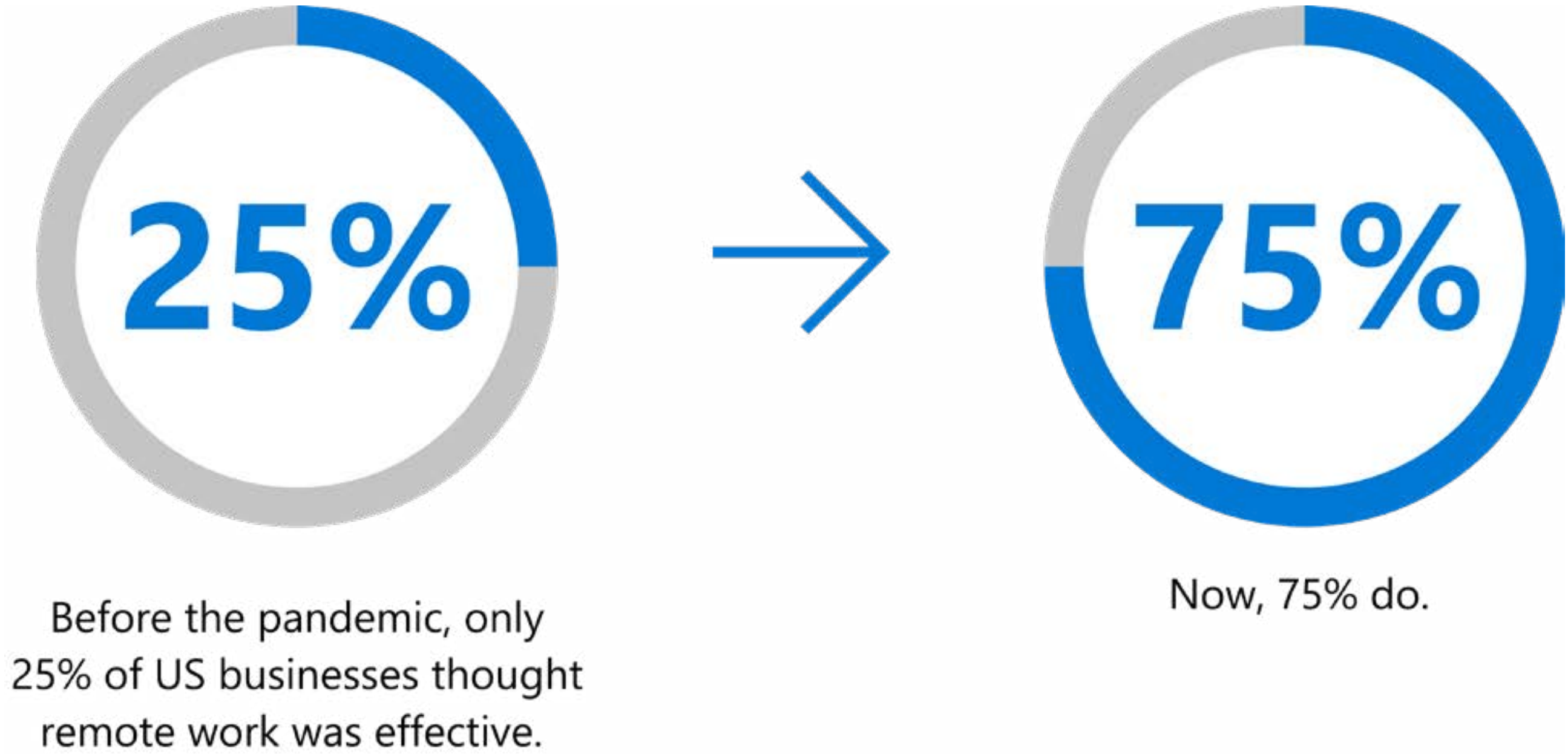


The silver lining: Remote work is surprisingly effective

COVID-19 has thrown many companies into the deep end of remote work, but many have learned to swim. And, unexpectedly, they had grown to like it.

While the majority of decision makers believed in-person was most effective before the pandemic, that sentiment swung in the other direction during COVID-19. Now, 75% of US decision makers and 55% of Indian decision makers report that their remote workforce—with the right technology—can be very effective.

Clearly, something surprising happened when employees took their computers and monitors home with them.



The following percentage of businesses reported improvements in primary key performance indicators.

	USA	India
Employee satisfaction	67%	59%
Customer service	59%	59%
Collaboration	56%	58%
Operations	54%	56%
Work quality	52%	56%
Productivity	50%	55%

Fear less, protect more

Business leaders are also beginning to realize that the initial uncertainty of trying to secure a remote workforce doesn't have to be the new normal. 77% of US businesses and 94% of Indian businesses say that solving for the ongoing challenges of security threats and bandwidth issues are more complex in a remote environment, but those challenges aren't necessarily new.

To protect their scattered workforces and data, businesses are investing in:

	USA	India
Firewall capabilities	50%	51%
Security software	47%	55%
Stronger passwords or password manager	43%	50%
Multifactor authentication	43%	45%
VPN	41%	33%



Solving for security in the anywhere office

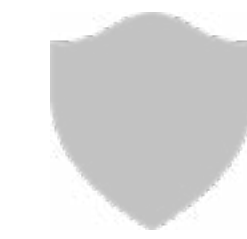
What are the biggest security challenges your business is trying to solve?

On top of outside threats, many businesses we surveyed were also concerned about supporting good security behaviors in their employees. This includes communication apps being left open so that non-employees can see them, clicking on phishing emails, using unsanctioned apps, and not keeping passwords and sensitive data private.

Many remote workers are using their own devices, which may not have the same levels of security threat protection. If they are on work computers, they may be logging on to unprotected Wi-Fi, or dealing with bandwidth issues.



No-fear security for the remote workforce



Protect devices: Implement mobile device management, multi-factor authentication, quality passwords, and security threat protection on both company-owned and employee devices.



Security awareness training: Train employees to spot phishing emails and other advanced cyber threats.



Encourage a culture of security: Over-communicate concerns and model transparent security practices from the top as a leader.



Choose the right tools: Make sure your video conferencing software, chat platforms, and file-sharing software are all secure.

“Locking down our accounts and being a bit more reluctant with our trust—not stopping the business but slowing down enough to do a bit of analysis—is going to stop a lot of the problems that smaller organizations are going to face.”

Laura Bell, CEO and Founder of SafeStack

Employee experience is critical, now more than ever

With the disappearance of a central gathering place where we can push aside the concerns and distraction of home, the boundaries of work and life have blurred. Employees are responding to chat messages at the dinner table, folding laundry during conference calls, and losing track of when the work day begins and ends.

One of the biggest refrains of 2020 has been the reminder that good self-care, empathy, and kindness are important—and businesses are taking notice. When asked about their top priority for the calendar year, 46% of US businesses and 48% of Indian businesses listed improving employee experience and productivity.

To do that, they're looking for technology solutions that can reduce friction and frustration while recreating the positive social aspects of being physically around coworkers.



“As a manager, you must directly address the unique motivational drivers and needs of each team member, and recognize that they might respond very differently to work pressures than they have in the recent past.”

Todd Henry, author of *The Motivation Code*



“We’ve always offered optional remote work, however, most people chose to work together in the office. With the pandemic everyone shifted to remote work, and surprisingly, we’ve experienced collaboration increase among Envisioners while remote.”

Nancy Pautsch, Chief Evangelist of Stakeholder Value (President) of Envision IT

The human side of remote work

When equipped with the right technology, decision makers are realizing, businesses can not only empower their employees to be more productive, they can improve their wellbeing and foster connections and collaboration across their teams.



Set clear policies: Make sure everyone is aligned around the tools and technology you use to communicate and collaborate.



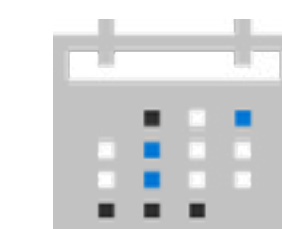
Encourage time to recharge: Getting outside and taking breaks helps maintain focus and productivity.



Find other ways to connect: A weekly happy hour, virtual birthday parties, or just a message thread for things that make people laugh can help foster community even if your team isn't in the same room.



Provide multiple ways to communicate: Direct chat, email, quick video calls, and other communication methods let people communicate how they're most comfortable.



Set boundaries: Encourage employees to schedule their own “commute” to have a buffer around the work day and remember it's time to relax.

The cloud is doing the heavy lifting in security, productivity, and cost savings

No matter where remote employees have scattered to, businesses are finding they can come together securely and productively in the cloud. As they look to enable the anywhere office of the future, business decision makers are leaning on cloud benefits like:

- IT that’s easier to manage.
- Overall cost savings.
- Helping people and businesses stay connected, productive, and secure for remote work.
- Real-time collaboration and secure work from anywhere.
- Secure access to critical on-premises or line-of-business apps, so employees can work remotely.

Uncertainty around COVID-19 caused many businesses to be more cost-sensitive, and that was one of the top three concerns decision makers listed when it comes to implementing the tools they need to securely enable their teams. 70% of US and 92% of Indian businesses planned to increase spending on cloud-based productivity software and services, much higher than on-premises infrastructure.

Cost-saving tips for your business



Audit your tools: Are you using multiple tools for the same thing? Look for the overlap, and where you can consolidate apps into a single tool that covers multiple needs.

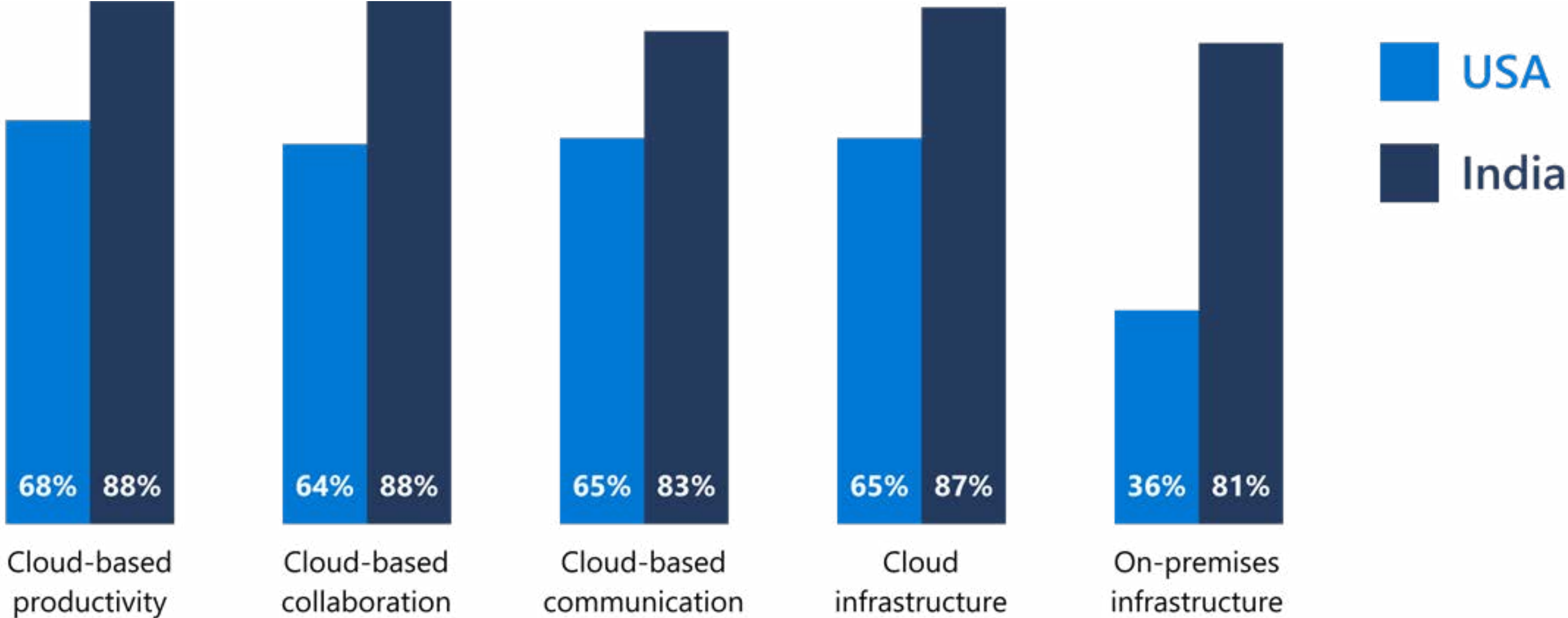


Consider the time cost: Will a cloud tool save your employees time by simplifying tasks?



Keep security in mind: Data lost to cyberattacks can be incredibly costly. Choose a secure cloud platform that lets your team share files while keeping everything safe.

Where are you most likely to increase organizational spending in response to COVID-19?



Embracing what's next

This new way of working is overwhelmingly the way of the future. When asked what percentage of employees will be returning to the office, business decision makers in the US and India both expect to adopt a blended model that includes approximately 3 in 5 employees working from home part time, and the remainder to be fully remote.

The implication is that businesses have found that remote work works when they use the right tools and technology, and focus on employee engagement. Many are no longer coping with the present. They're planning for the future.

The future of work is one where employees can work and live where they want, rather than relocating to expensive hubs. Where businesses can recruit the perfect person for the job, rather than being restricted to local markets. Where hot desks and flexible office spaces reduce overhead and give teams the option to meet in person, while cost-effective cloud-based productivity tools keep them connected anywhere and everywhere.



“Part of our corporate culture is that we value the work over the face time. And we value giving staff the opportunity and the tools to do the work they need to do, and how they need to do it.”

Lauri Michel, Vice President, Risk Management and Special Projects,
Calvert Impact Capital

Say hello to the anywhere office

The completely centralized, gathered workplace most businesses were used to before COVID-19 has permanently transformed. But the good news is that the challenges facing a suddenly scattered workforce are only temporary.

Say hello to the anywhere office, enabled by cloud-based tools that let your team securely do their best work—anywhere and everywhere they might be.

Microsoft 365 will keep your team connected while protecting your business with the cloud-based productivity tools of the future.

Be more productive wherever you are with:

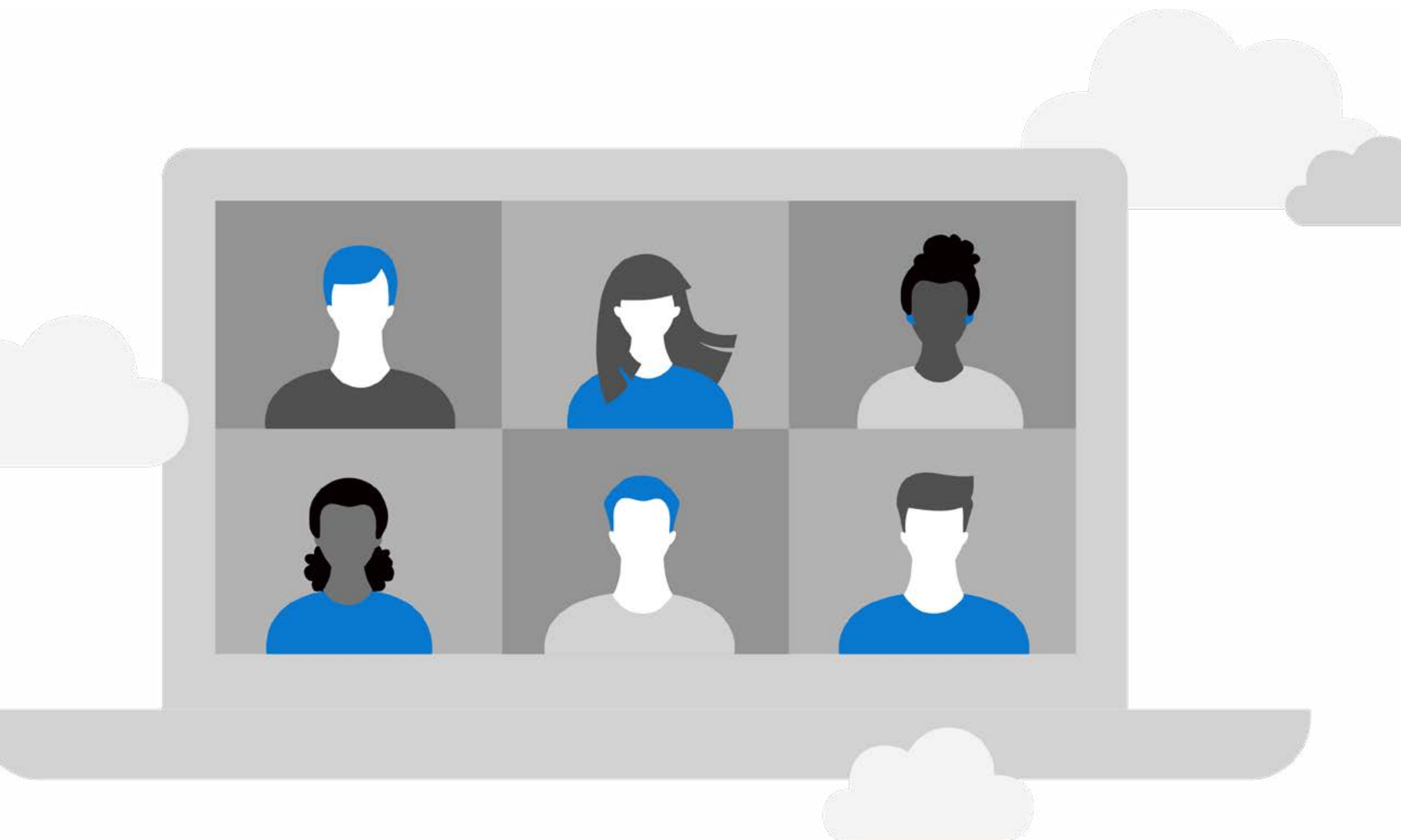
- Office apps like Word, Excel, and PowerPoint.
- Email and calendaring with Outlook and Exchange.
- Chats, calls, and meetings in Microsoft Teams.
- Cloud storage with OneDrive.

Protect your employees, data, and customer information:

- Defend against cyberthreats with advanced tools for threat protection.
- Protect and govern data by configuring protection and retention labels
- Secure your data, even when accessed on employees' personal devices.
- Simplify IT with easy security setup.

Explore how Microsoft 365 with Microsoft Teams can help your business enable secure remote work and reduce costs. [Learn more.](#)

Take a guided tour of Microsoft's solutions. [Start now.](#)





- 1 "The Latest: UN warns cybercrime on the rise during pandemic," The Associate Press, May 2020
- 2 "From surviving to thriving: Reimagining the post-COVID-19 return," McKinsey and Company, May 2020
- 3 "Remote Managers Are Having Trust Issues," Harvard Business Review, July 2020