Envision your modern workplace

Empowering people in the digital age

Microsoft   **Korcomptenz**   Empowering business for what's next

" In the midst of this monumental change, our timeless values help us stay grounded in the things that matter most. How do we empower people? How do we bring about economic growth without degrading human dignity? How do we use tech to promote inclusiveness? "

Satya Nadella
CEO, Microsoft

Table of contents

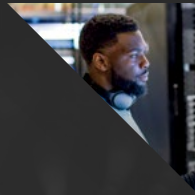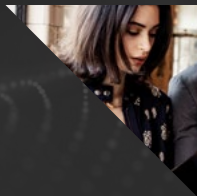# Understanding tomorrow's workplace

Digital innovation and technology are changing how the world works.

Empowering employees through a modern workplace will transform the organizations of tomorrow: personalized, decentralized—yet connected—workplaces where employees are continuously learning, collaborating in teams, working securely across any device, and contributing creatively with their best work. Modern workplaces are flexible, employee-centric organizations that innovate with agility, using transparent information that employees can access anytime, anywhere. Such an environment helps companies attract talent, increase productivity and employee satisfaction, decrease employee attrition, and enhance innovation agility while minimizing spend.
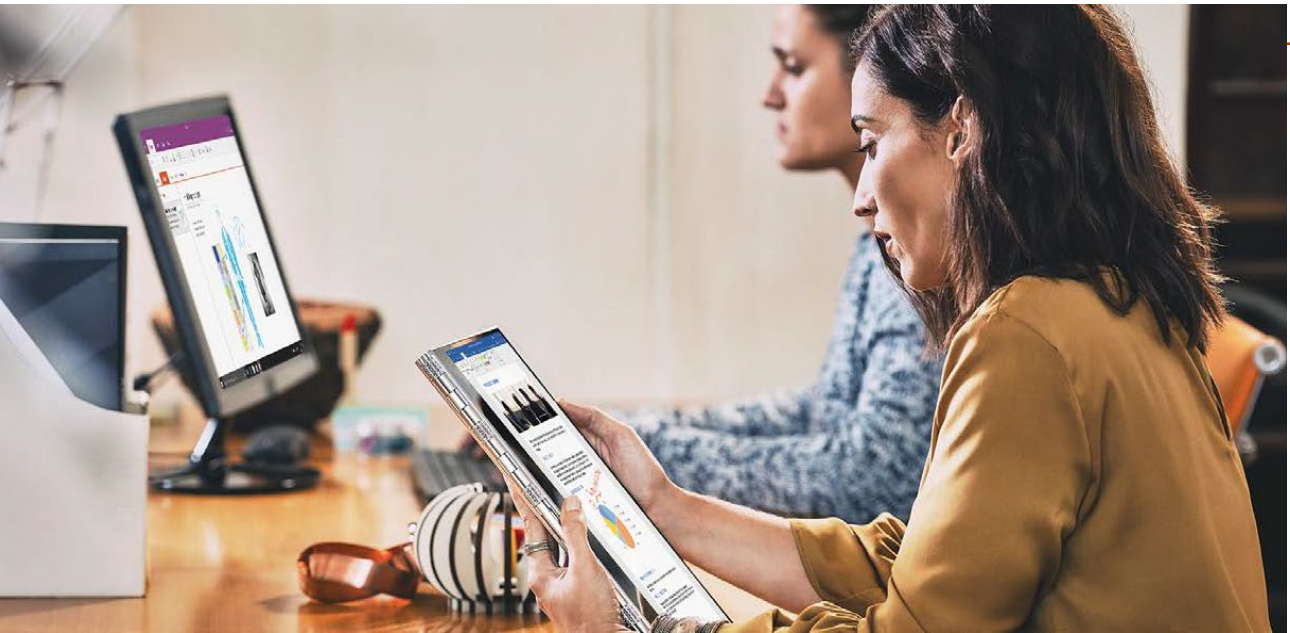
Begin at the beginning

Starting the journey to a modern workplace requires connecting the organization's people, processes, and technology, with the goal of fostering more seamless interactions and alignment around everyone contributing to the same mission.

People

Digital transformation

Process

Technology
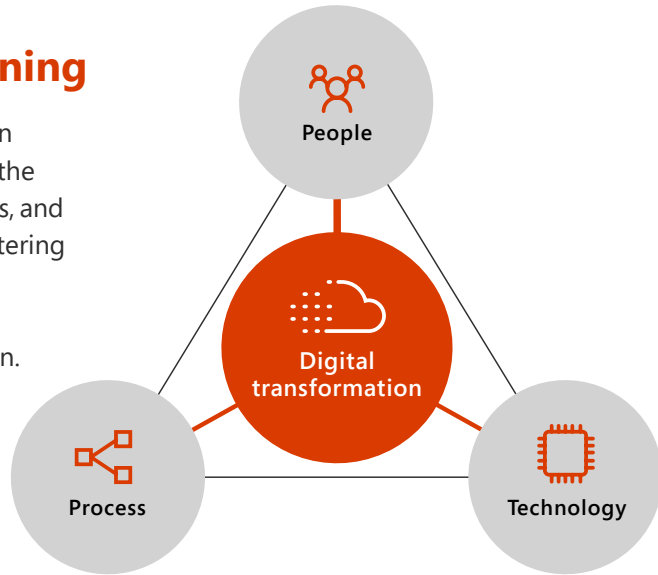
Asking five key questions can help organizations define their path to transformation:

How do we unlock creativity and innovation in employees to bring out the best in everyone in the organization?

How do we bring everyone together across a variety of backgrounds, demographics, functional roles, and skills to accelerate change?

How do we use technology to promote diversity and increase talent retention?

How do we drive a digital culture shift?

How do we gain more return on current productivity investments?

Challenges in a legacy environment

A modern workplace helps organizations unlock innovation; provides employees with a universal toolkit for teamwork; simplifies user experiences across devices, apps, and services; and protects data and intellectual property with unparalleled security. Organizations with a more engaged workforce often produce better results for their customers and have less turnover, leading to a healthier business overall.

38%

of millennials feel outdated collaboration tools hinder innovation.

61%

of workers find it difficult to collaborate with colleagues.

64%

of employees now use personal devices for work purposes.

$3 trillion

estimated cost in economic value from cybercrime by 2020.

72.3%

of the U.S. workforce will be mobile workers by 2020.

75%

of network intrusions exploit weak or stolen credentials.

80%

of employees admit to using non-approved software in their jobs.

Unlocking creativity and innovation

How do we unlock creativity and innovation in employees to bring out the best in everyone in the organization?

The digital organization uses technology and processes to simplify employee experiences, support them in their creative work, and facilitate secure collaboration to overcome geographic and other barriers. This frees employees to innovate and follow their passions, inspiring them to perform their best work.

Personalized employee experiences

Digital technologies make it possible to adapt the workplace to the employee and elevate the individual experience.

One example is artificial intelligence (AI), which ingests data with such granularity that it can learn from employees' distinct interactions with data and can tailor their workplace needs based on that information. This could apply to unique new employee onboarding, targeted learning tools, or career growth plans matching their strengths to opportunities within the organization.

Employees who ramp quickly on new roles or who take advantage of increased learning opportunities may be able to contribute faster to their teams and in more unique ways. By digitizing routine tasks and surfacing proactive insights from data, AI can give employees more time to create the high-impact content that enhances the organization's competitive advantages.

Collaborating through mixed reality

The modern workplace uses technology, such as mixed reality, to blend physical and digital worlds and creates the most global, collaborative, and connected group of workers yet seen.

As employees become increasingly dispersed, visual communications using mixed reality can make remote interaction more effective and increase productivity and customer satisfaction. Using a computer, smartphone, or head-mounted display, teams can iterate on prototypes or processes concurrently; experts can visually diagnose a needed machine repair without being physically present; and healthcare workers can collaboratively identify a necessary intervention based on a patient's brain scan. These scenarios can lead to new ways of solving problems, multiply the number of innovative ideas generated in a shorter time, and enable on-demand expertise without the travel time or expense.
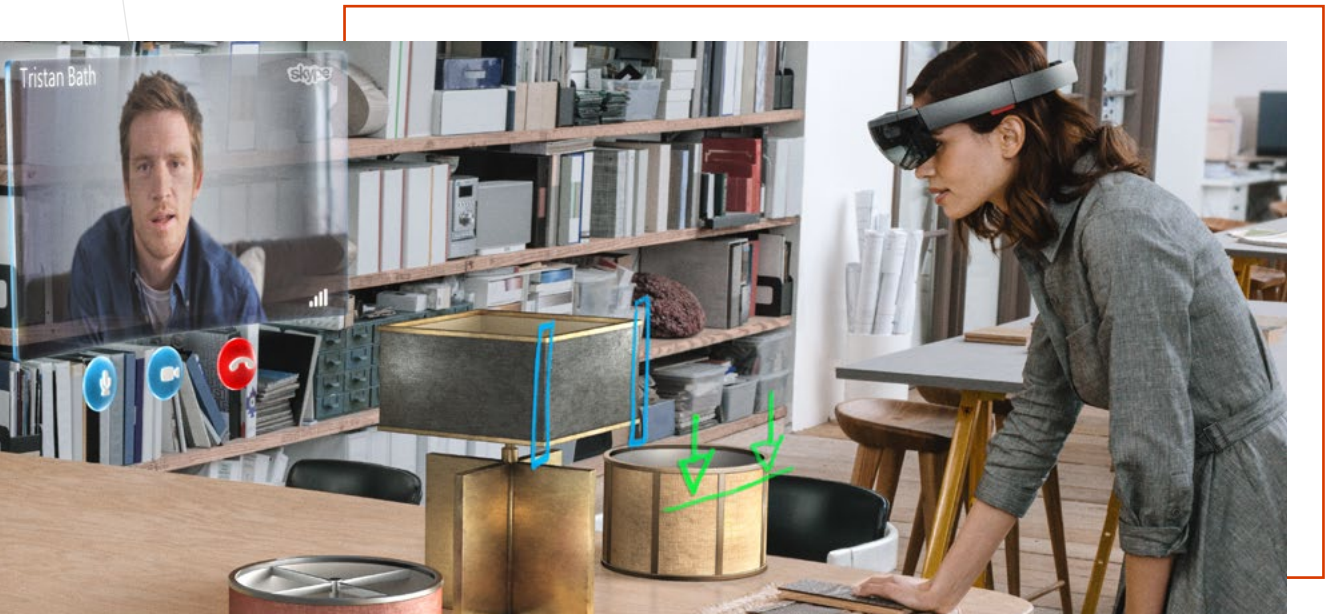
Changing structures

Organizational structures could evolve to fit the new workplace requirements. Traditional hierarchical models can hinder quick decision-making and innovation. Team structures that allow for more autonomous and swarming team organization are taking their place, freeing employees to develop ideas more spontaneously and allowing for faster time to market. In a more fluid organization, career paths also could take different tracks—giving employees impetus to explore various departments and providing them with cross-functional experiences to enrich the perspectives they lend to their teams. With digital collaboration tools, employees can more easily share their cross-functional insights with their teammates, helping everyone better understand the bigger picture view of the organization.

Bringing everyone together

How do we bring everyone together across a variety of backgrounds, demographics, functional roles, and skills to accelerate change?

The modern workplace transcends generations, industries, and roles. Previous demarcations become obsolete as old constraints on teamwork fade and more people gain unencumbered access to data. The modern workplace opens avenues for firstline workers to contribute their unique insights through secure collaboration tools.

> **"** Culture opens our hearts to one another. And the currency in culture is not money, but trust. **"**

Yo-Yo Ma
Cellist

Multiple generations

While a multigenerational workforce can pose challenges for companies, a useful approach is to focus on how people work, not when they were born. This involves concentrating on individual experiences to ensure employees' capabilities can emerge, regardless of demographics or background.

Where a generational view can be useful for an organization is in knowledge capture and sharing. As baby boomers retire in large numbers, companies can use digital technology to take steps to retain their tribal knowledge and organizational wisdom. Employees who have a propensity for using technology can enable this knowledge transfer by accessing knowledge management solutions that harness innovation, information, expertise, and best practices. In the process, these modern technologies could boost innovation by surfacing the best ideas across an organization and accelerating speed to market.

Secure collaboration tools

A universal collaboration toolkit that gives employees flexibility and ownership in how they work together supports cross-organizational teamwork. Too often, there are multiple sources of information and tools that are difficult to access and require several logins. Modern technologies provide secure, seamless, and connected experiences for users to enable sharing and discovery across applications, maximize productivity and drive efficiency, and build a strong sense of community.

The right tools allow employees to harness their knowledge; collaborate in real time, anytime and anywhere; and learn from and connect with others through communities of practice.

Firstline workers

Firstline workers—employees who are the first point of customer contact, or who make products or manage operations—possess a unique value that can be cultivated. With their close-up perspectives on customer challenges or operational opportunities, they are well placed to drive creative customer solutions. Modern workplace technologies can enable companies to tap into this rich resource by surfacing firstline workers' insights through secure group messaging, document collaboration, and self-service solutions.

For example, retail associates can use enterprise social networking tools securely on any mobile device to communicate and share best practices with peers in spontaneous, store-to-store dialogue, leading to premium customer experiences. Machinists could use mixed-reality devices with superimposed holograms to learn how to use a new machine in 3D, developing deeper expertise while driving down training costs. And healthcare associates could improve patient care by retrieving records and care instructions through knowledge databases.

In addition, access to on-the-job training that is always available is critical to capturing firstline workers' full potential. Digital technology could accelerate access to the latest learning resources to improve frontline workers' skills and ability to contribute securely regardless of location. Employees who can grow their skillsets on the job are more likely to be engaged, leading to better solutions and decreased employee attrition.

DATA POINT

78 percent of respondents to a recent global survey from Harvard Business Review Analytic Services say that connecting and empowering firstline workers are critical for success.

Source: Harvard Business Review Analytic Services, July 2017

Diversity and talent retention

How can we use technology to promote diversity and increase talent retention?

The modern organization supports diverse workforces with inclusive digital technology solutions, redesigned processes, and updated workspaces. The definition of diversity is not one dimensional and is becoming broader. Human resource departments are adapting for an increasingly diverse employee base, which is critical to business success. Updated workspaces enable employees to collaborate more effectively in person or when working remotely.

" Businesses often forget about the culture, and ultimately, they suffer for it because you can't deliver good service from unhappy employees. **"**

Tony Hsieh

CEO, Zappos

Promoting diversity

The definition of diversity is expanding to elevate the contributions from various groups. A primary example includes making the workplace more accessible to people with disabilities. Many disabilities are invisible to the eye and go undisclosed, thus creating a challenge for employers as they seek to diversify their talent pipeline and create opportunities for this critical talent source who may require accommodations. Building design elements into technology can help bridge the gap that those with disabilities face when tools are mismatched with their interactions.

For example, certain applications can interact with screen readers to create high-contrast word spacing to ease reading difficulties for those with dyslexia. Other applications use AI to describe people, text, and objects in narrated form to the low vision community. And still others can translate the movements of a person with cerebral palsy into speeches and homework documents to ease communication with those around them.

DATA POINT

75 percent of employees with disabilities report having an idea that would drive value for their organization, compared to 66 percent of employees without disabilities.

Source: Center for Talent Innovation, October 2017

Increasing talent retention

Digital transformation can help evolve human resources processes to harness the value of increasingly diverse workforces. Identifying potential candidates can become more proactive using data analytics applied to business social networking sites. Hiring practices can increase inclusiveness by considering a range of perspectives, backgrounds, and unique skills that may not be evident during standard interview processes. Finally, as more and more employees seek out employers dedicated to a social purpose, an organization with a demonstrated commitment to inclusiveness may increase its employee value proposition.

DATA POINT

Responses to Indeed.com's 2017 best places to work survey indicated that employees give high marks to mission-driven organizations that are leaders in their respective industries.

Source: Indeed.com, July 2017

DATA POINT

The experience of nature helps to restore the mind from the mental fatigue of work or studies, contributing to improved work performance and satisfaction.

Source: Stephen Kaplan,
Journal of Environmental Psychology, 1995

Workspace evolution

A key source of employee satisfaction is the workplace itself. Buildings are becoming "smart"—they support more collaborative activities, flexible working environments, and an enhanced quality of life. Technology-enabled structures forego dedicated desks over touchdown and team spaces equipped with tools to enable heightened productivity—a model often seen in consulting firms. Building offices in nature, such as treehouse workspaces, or designating work-free spaces that encourage social connection can improve employee experiences and creativity.

Companies are also enriching remote teamwork and social experiences through technology. Conversely, they may adapt workspaces to create quiet spaces for more introverted team members. In the end, it's about flexibly—tailoring the workplace to varied human needs.

Digital culture shifts

How do we drive a digital culture shift?

Because it is the people in an organization who make changes, not the organization itself, a thoughtful and comprehensive change management strategy that addresses the needs of each individual is critical to digital transformation. A personalized approach is necessary because everyone reacts differently to change and adjusts at a different speed when it comes to rewiring old patterns.

Adapting to change

Unlike technology, people have a maximum capacity for change. The more employees have on their plates, the less adaptable they are. Reducing workloads and allowing space for their personal transformations are important. Technology can aid in facilitating this change faster. AI, workplace analytics, and productivity and communication tools can help employees track behavioral changes, provide simple reminders to help them adapt more quickly, and help them connect with others in the organization who may have tips on adjusting to the new environment.

However, strong people change management activities, such as continued and open communication from leadership about transformation progress, are still critical for success. Transformations are more successful when change management is built into the culture, especially when the rate of change increases. Lifelong learners who can adapt their skills to continuous change are at an advantage in staying relevant in the modern workplace. Employees who adopt a growth mindset are more likely to take risks, persist, and learn from failures—traits that some companies may find to be harbingers of success in the modern workplace.

> **"** Digital transformation starts with your employees and how your culture empowers them to transform and grow the business. **"**

Kathleen Hogan
Chief People Officer, Microsoft

Starting transformation

As companies embark upon modern workplace transformation, they should consider the following tactics for driving a successful change process:

Instill a sense of urgency to transform. Defining a vision and roadmap for achieving transformation and gaining buy-in with top management to realize the transformation are building blocks for change management.

Align key stakeholders from all parts of the organization (CEO, HR, IT, Real Estate & Facilities). This is critical to defining where the organization needs to go in the future, understanding all aspects of business needs, and realizing success.

Define key metrics to measure progress, understand benchmarks, and realize value to build a strong foundation for success.

Develop a strong organizational change management strategy to support the mission. This starts with taking the employee experience into account, empowering people to do their best work, and embracing the trends in the workplace that make work inspiring for everyone.

"Work will increasingly be about adaptive challenges, the ones that artificial intelligence and robots will be less good at meeting. There's going to be employment for people with growth mind-sets, but fixed mind-sets are going to be more and more replaceable by machines.**"**

Bob Kegan
McKinsey Quarterly, September 2017

Returns on productivity

How do we gain more return on current productivity investments?

Productivity gains come from connecting people in better ways and rethinking the role of IT. A modern IT department is a strategic asset that changes the way people work in a more seamless and secure way.

Technology-enabled productivity

Productivity solutions increase employee engagement and effectiveness by connecting employees from dispersed parts of the organization to facilitate spontaneous collaboration, best practices sharing, answers to questions where quick responses are needed, and creative solutions from a wide variety of voices. Investing in platforms that integrate many solutions into one allows for unprecedented access to information, one source of truth with versioning history, and the ability to search for documents already created. Such transparency speeds business results, enhances quality of output, and reduces confusion and duplicative work, leading to a more successful organization.

Modern IT and productivity gains

A modern IT approach focused on supporting human productivity is the foundation that enables digital transformation. It encompasses integration, simplicity, and security, as well as the tools and capabilities to manage existing platform investments concurrently with cloud services. The IT department evolves to become a strategic partner to the business, ensuring that the organization is digitized with comfort and security while placing employees at the center of its technology investment decisions.

Seamless and secure access from any location to on-premises and cloud applications helps employees be more productive both in person and remotely. Solutions that support multiple device platforms can allow employees to access cloud-based business applications from either their personal or corporate-issued devices in a secure way. A simplified user experience through single sign-on applications can help employees move between tools and devices easily so they can be more productive at their jobs. Self-service solutions enable employees to access the applications they need and work the way they want. They also have the added benefit of naturally putting the employee at the center of the experience, compelling the organization to understand how they work and engage with others.

Secure workplaces are paramount

Modern threats accompany modern technology. Protecting data and devices against security breaches is crucial to staying competitive and maintaining employee productivity.

Pre- and post-breach threat protection, as well as identity and access management and information protection solutions, are necessary to doing business today. A good understanding of what is going on with an organization's IT environment or the health of employee devices is a final consideration for modern IT departments. Security management consoles that share intelligence through intuitive interfaces allow IT teams to assess the state of security and respond quickly when needed to keep users productive and focused on creating.

Partnering with Microsoft to envision your modern workplace

The modern workplace is made possible through organizational culture, change management, digital technology, and processes that reflect the evolution of the organization.

These factors unlock creativity and provide employees with human-centric self-service options regardless of role, location, or demographic group. Tools that allow seamless collaboration and transparency enhance productivity and ignite innovation, enabling employees to do their best work and increasing organizational success.

At Microsoft, we are on our own digital transformation journey and are embracing ways to empower people to do their best work through a modern workplace.

Microsoft has partnered with many customers, helping them achieve their digital transformation journeys. We take a principled approach to privacy, security, compliance, and transparency with strong commitments to ensure that our customers trust our digital technology.
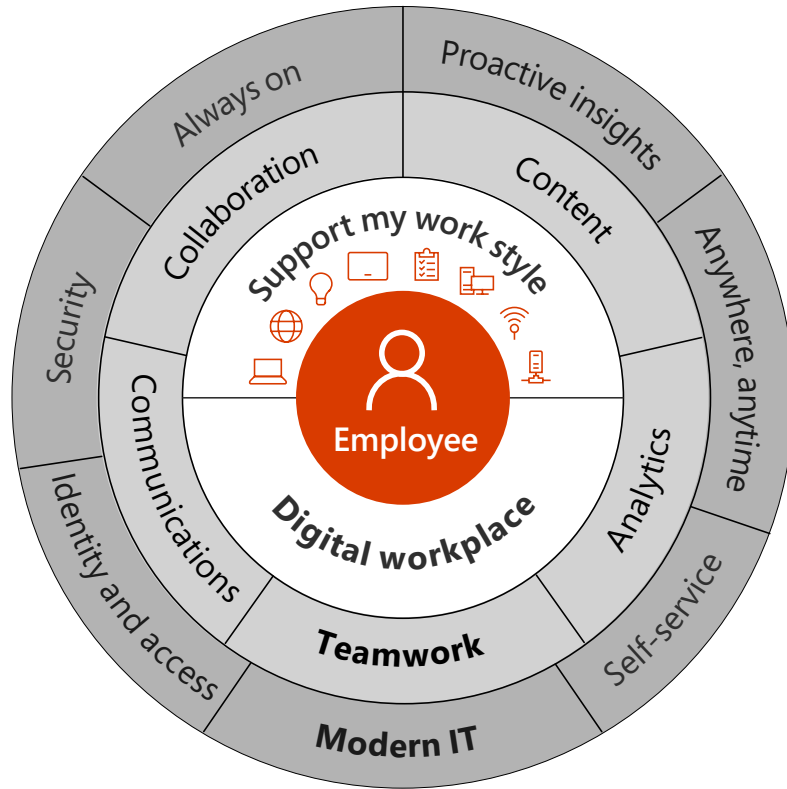
How we do that?

Microsoft Enterprise Services provides a framework to discuss modern workplace transformation possibilities and a personalized roadmap that helps customers start on their journey toward a new modern workplace platform. It includes a series of topics to facilitate decision-making and requirement choices to determine the state of your modern workplace in your organization. We help you define a modern workplace strategy aligned with your business and IT strategy and requirements. Finally, we can provide adoption services that support adoption of new solutions and drive successful change management and uptake through your organization.

Our goal is to rapidly accelerate your modern workplace journey and to help you better serve the needs and workstyles of your employees—making them truly empowered for the digital age.

Let's connect soon and start mapping your path toward a modern workplace.

What's next?

No matter where you are on your digital transformation journey, Microsoft Enterprise Services can help.

Empower employees

Empower a high-quality, committed digital workforce to work as a team anywhere, on any device, with seamless data access—helping you innovate, meet compliance requirements, and deliver exceptional customer experiences.

Engage customers

Reimagine the customer experience for a digital world and deliver more value through insights and relevant offers by engaging customers in natural, highly personal, and innovative ways throughout the customer journey—driving increased relevance, loyalty, and profitability.

Optimize operations

Gain breakthrough insights into risk and operational models with advanced analytics solutions and act on real-time intelligence to optimize risk management and meet regulatory requirements.

Transform products

Drive agility with open, connected systems and automated digital processes to support new product development and optimize distribution channel strategies, while meeting the security, privacy, and transparency expectations of customers, regulators, and shareholders.

Credits

Many subject-matter experts from various groups at Microsoft contributed to the conceptualization and articulation of the story contained in this document.
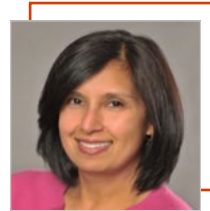

Kim Leader
WW General Manager for Modern Workplace, Microsoft Services

Olga Masek
WW Modern Workplace GTM Director, Microsoft Services

Nindy Hunter
Sr. Business Program Manager for Modern Workplace, Microsoft Services

Contributors

Marc Baxter
Director, Worldwide Services Sales

Stella Chernyak
WW Senior Director, Microsoft 365 Marketing Team

Gus Gustafson
WW Modern Workplace Services Sales Director

Susan Jackson
Sr. Director, Industry Solutions, Retail and Manufacturing, Microsoft Services

Bruce E. Johnson
Director, Applied Innovation Consulting

Leith Malick (CELA)
Director, Accessibility Evangelism

Corinne Martinez
WW Solutions Strategy Lead, Adoption and Change Management Services

Spyros Sakellariadis
Principal Program Manager, Applied Innovation Consulting
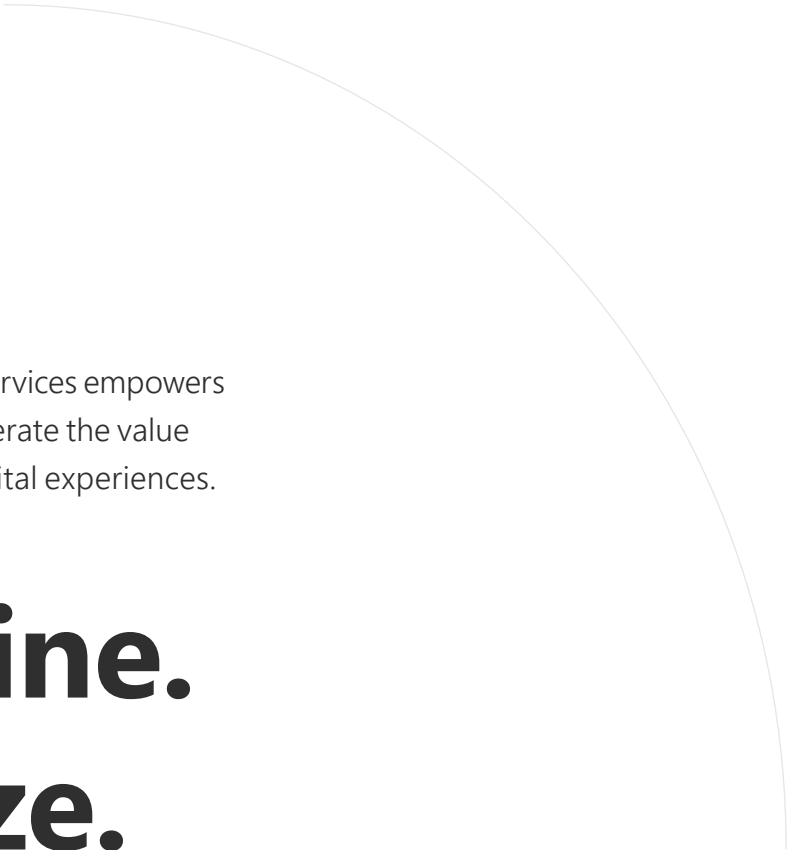
Kevin Sangwell
WW Enterprise Mobility Lead, Microsoft Services

James Watson
Creative Director

Hilary White
Content Evangelist

Microsoft Enterprise Services empowers
organizations to accelerate the value
realized from their digital experiences.

Imagine.
Realize.
Experience.

microsoft.com/services