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The State of Remote Work Report

2022

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How Companies are Preparing for the Future of Work



About This Report

The State of Remote Work Report 2022: How Companies are Preparing for the Future of Work provides detailed insights about the current and predicted future landscape of the working world, as told by hundreds of leading companies. The report is designed to surface prevailing practices, highlight emerging trends, question workplace preconceptions, and present today's leaders with a view of the future of work.

The research process behind this report sought answers from companies about means of collaboration, technology usage, organizational structure, perks, and much more to provide a full picture of the state of remote work in 2022 and beyond.



Key Findings

- Our research strongly indicates that an increasing number of companies are adopting hybrid or remote work models, spurred in large part by the workforce's demand for more flexibility.
- Remote and hybrid work are here to stay and, our research suggests, they will become the prevailing work models of the future.
- The remote and hybrid workforces of the future will compel companies to adopt new methods for measuring, managing and enhancing productivity.
- Technology has an increasingly vital role as the working world becomes more distributed, and two thirds of company leaders don't believe their team is properly equipped with the tools they need.



Methodology

This report has been compiled based on extensive qualitative online and offline surveys of companies of various sizes, across multiple sectors. In total, respondents from 620 organizations completed the survey over a two-month period from December 2021 to February 2022. The survey featured 14 multiple choice questions.

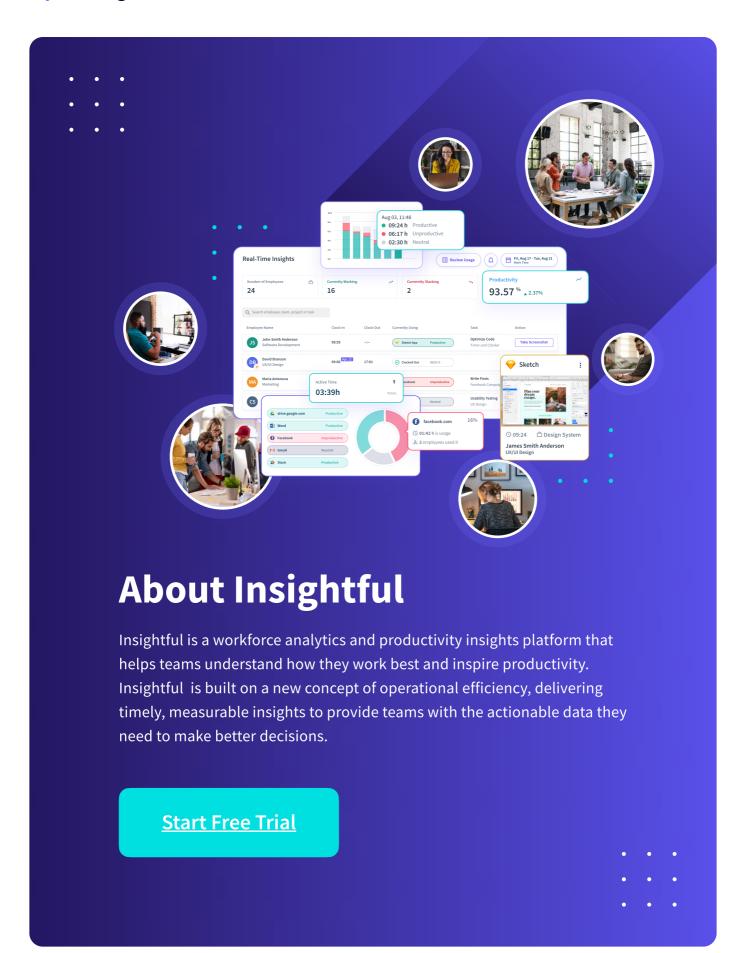


Respondents include:

- Fortune 500 companies
- Publicly listed companies
- Privately-held technology companies
- Government agencies
- Top universities
- Prominent media organizations

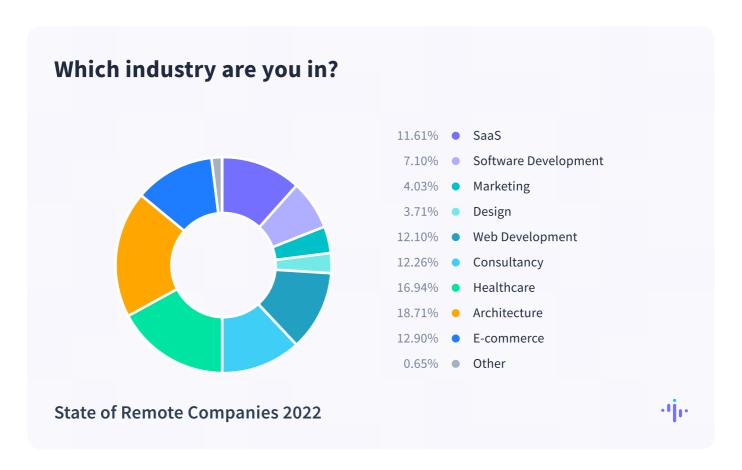








Remote Companies - Doing a Pulse Check



How is remote work being adopted across industries?

Our research found that the shift to remote and hybrid work has taken hold across all industries. Whereas just a few years back, the marketing and software development industries held the largest share of remote workforces, today the embrace of remote work is relatively evenly distributed across all major industries.

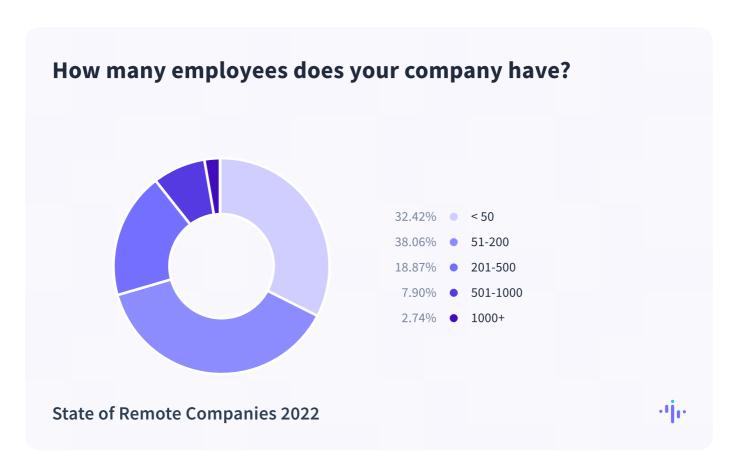
What does this mean for the future?

Key takeaway:

We believe, based on research, that an increasing number of companies will explore the hybrid/remote option, spurred in large part by the workforce's demand for level of flexibility.



Adoption of Remote Work by Company Size



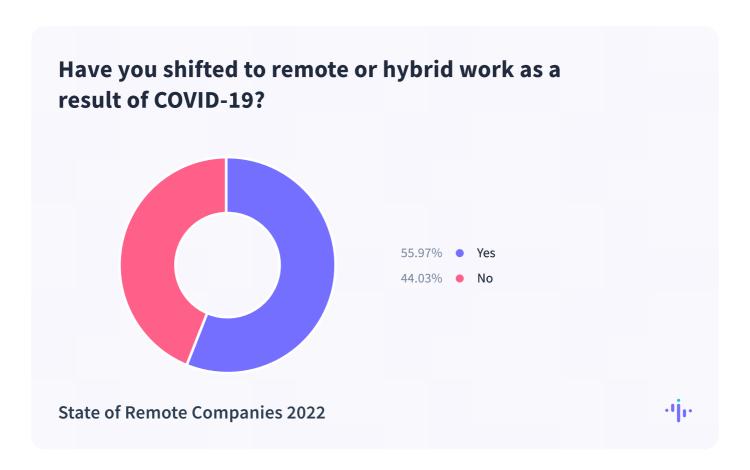
According to our research, companies that had between 51 and 200 employees are the most prominent adopters of remote work (38.06%). Not far behind, companies with 50 employees or fewer are the next most likely to work remotely (32.42%). The most significant increase in the adoption of remote work since our last research in 2019 was seen in enterprise companies, where adoption grew from 2.2% to 10.64%*

Key takeaway:

In recent years, remote work has evolved from being the domain of smaller, agile teams to become a working model increasingly embraced by large enterprises. This trend plays out in our research and also in real-world examples in major companies like Microsoft, Google and others, who have adopted hybrid work structures.



The Impact of COVID-19 on Remote Work



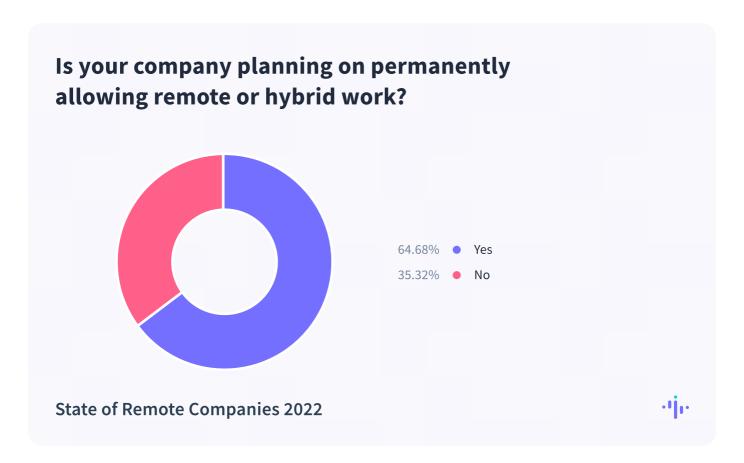
When COVID-19 wreaked havoc on the planet, many companies -- around 47% according to OECD -- were forced to adjust on the go to enable employees to work from home. Our research suggests that an even higher percentage of companies made the shift to remote work due to COVID-19. For many, the expectation was that once the pandemic was over, things would return to normal. But, as the research deeper in this report will reveal, the majority of companies don't intend to revert back to the pre-pandemic way of working.

Key takeaway:

In recent years, remote work has evolved from being the domain of smaller, agile teams to become a working model increasingly embraced by large enterprises. This trend plays out in our research and also in real-world examples in huge companies like Microsoft, Google and others adopting hybrid work structures.



Remote and Hybrid are Here to Stay



Completely remote work environments are no longer required in most locations. As COVID-19 restrictions ease globally, **64.68% of our survey respondents said that they will allow their employees to permanently work in a hybrid or remote environment**.

And they're not alone.

Companies ranging from Twitter to PwC to Robinhood have stated that they will allow employees to continue working from home even after the risks of COVID-19 have passed. Many organizations welcome a change to a "hybrid" work environment in which employees split their time between coming into the office and working from home.

Key takeaway:

Remote and hybrid work are here to stay and, our research suggests, they will become the prevailing work models of the future.











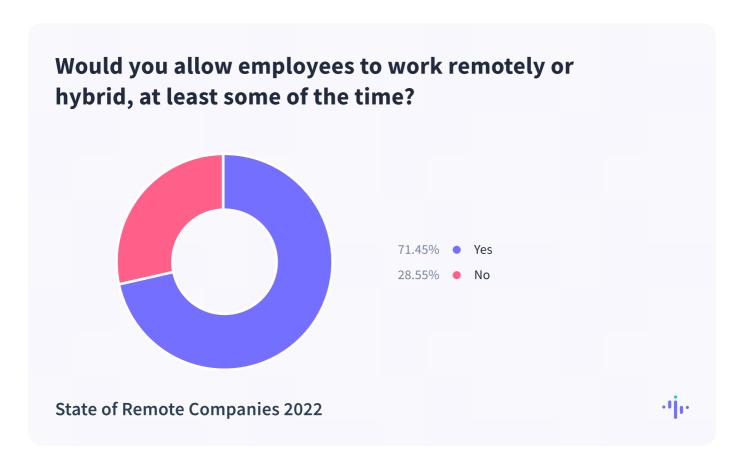
Remote, hybrid or in-office...
Insightful workforce
analytics software provides
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Insightful delivers productivity-boosting workforce analytics that are incredibly flexible, easy to use, and built to scale with your big ambitions.

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Giving Employees Flexibility



In a clear sign that flexibility is a priority for modern employees, our research revealed that **71.45%** of company leaders will allow remote work at least some of the time.

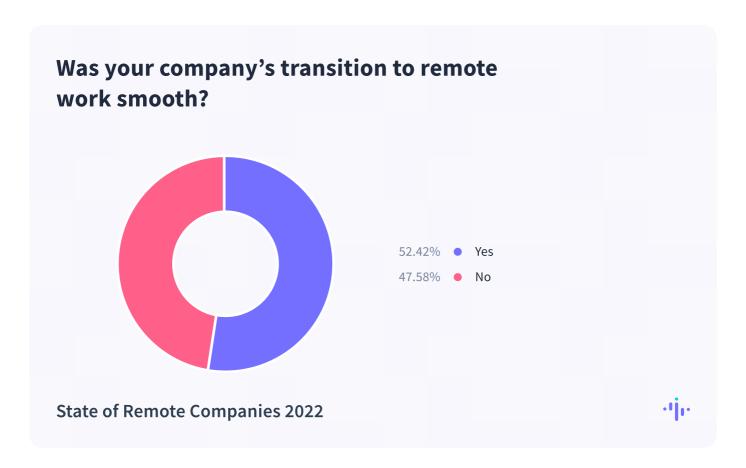
Research shows that flexibility is top of mind for modern employees, a mindset that became more deeply entrenched during COVID-induced work from home arrangements. In granting this flexibility, companies with workers working both in-office and remote will have to learn to adapt to a hybrid way of working.

Key takeaway:

Employers know employees want flexibility. The intention to allow employees to work from home some of the time will lead to hybrid work becoming the most popular model in the future of work. This will require employers to test various hybrid models and establish a robust hybrid work infrastructure built on top of technology to make hybrid work successful.



The Challenges of Remote Work

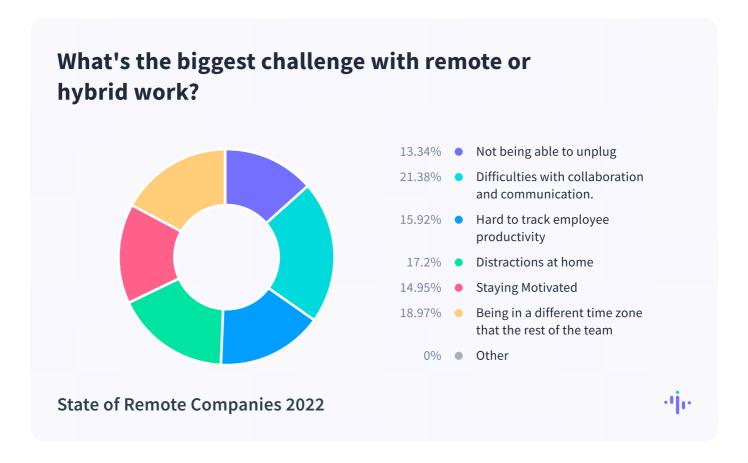


Transition of any kind comes with bumps and challenges. And company leaders told us that it was no different when making the shift to remote work.

Our research indicated that **52.42% of the companies in our survey said that their transition to remote work was smooth.** This can be attributed to some degree to the software tools available today. If COVID-19 had hit even just 5-10 years ago, at a time when we lack the technology we have today, we can only imagine the impact on work would have been far greater.

Further, 47.58% of company leaders said their transition to remote wasn't smooth. To dig deeper into the challenges of shifting from the office to remote, we next asked respondents about the biggest specific challenges they faced.





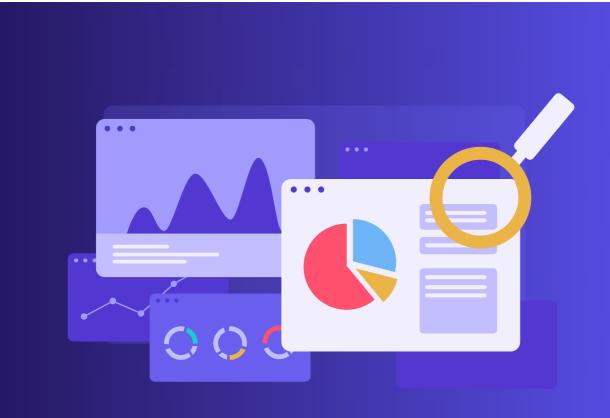
For many businesses, hybrid work is the new normal. However, managing a workforce that is now operating in two distinct contexts – remote and office – has a set of specific challenges.

21.38% of leaders reporting this as their primary concern. Tracking employee productivity and working across different time zones followed closely with 15.92% and 18.97% respectively.

Key takeaway:

Hybrid and remote work have clear advantages, such as expanding your organization's talent pool and reducing overheads. However, they also present new challenges, especially since this is new ground for many leaders. As leaders select the best long-term direction and strategy for their teams, it's important that they account for the known challenges outlined here against the advantages of a more distributed way of working.



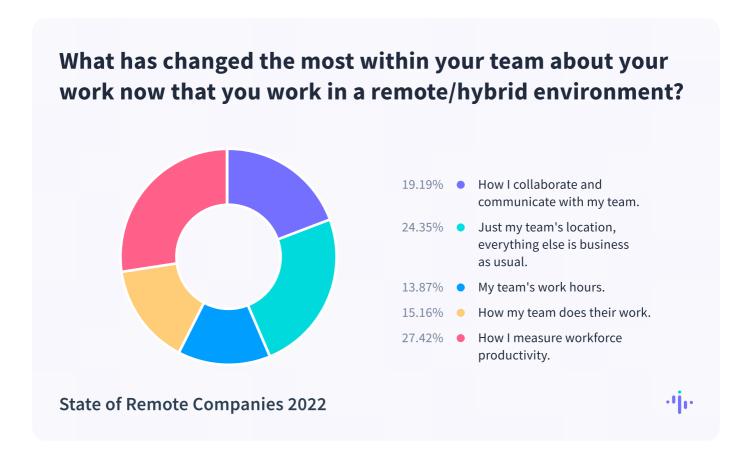


Work in a more informed way with actionable data insights with Insightful. Employee Productivity Monitoring, Automatic Time Tracking, Remote Work Management, and so much more.

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A Working World in Flux



Change is an inescapable part of teams going virtual. But what has been the biggest change for company leaders? According to our research, 27.42% of respondents said measuring productivity is the biggest change that remote or hybrid work has precipitated.

Having helped 1,300+ organizations improve their productivity, we can confidently say that how productivity is measured and managed requires a different approach in remote and hybrid environments.

For example, simply tracking how many hours an employee works is no longer a reliable measure of productivity on its own. It's incumbent on company leaders to also quantify the quality, value, and availability of those hours.

Key takeaway:

One-size-fits-all productivity assessments are no longer effective in today's work environments. Productivity targets and results must be based on more instructive metrics than simply time inputs, including role function, impact on customer and business needs, technology usage, and more.





With <u>Insightful</u>, company leaders no longer have to rely on subjective assessments, intuition, or hunches.

Instead, Insightful helps teams find signals in the noise of modern work to create work environments where employees thrive.



How Remote & Hybrid Teams Communicate



Schedules and calendars have trained us to function in synchrony, which occurs when two or more people are in the same place (physically or digitally) at the same moment.

However, we now live in a world where asynchronous communication allows us to progress projects without requiring stakeholders to be physically or electronically present at the same time. Asynchronous communication improves the way individuals work and communicate (and when they work and communicate).

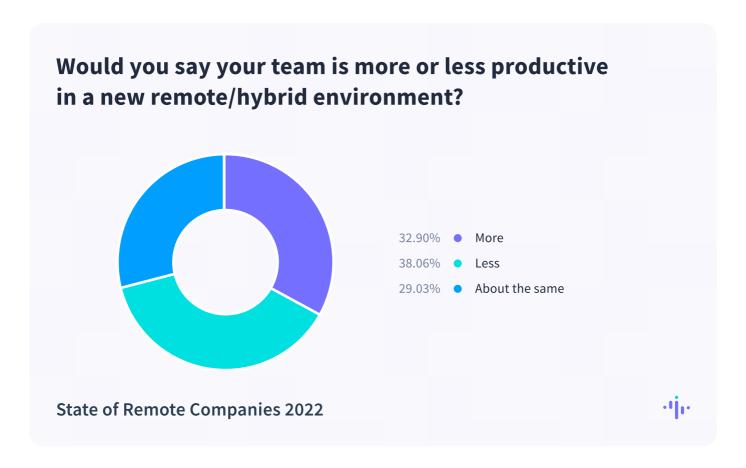
So, it came as somewhat of a surprise when our research found that 49.44% of respondents do not encourage asynchronous communication.

Key takeaway:

Asynchronous communication may not be as widely entrenched as what many, especially those in the tech industry, believe. It's possible to deduce from our research that many company leaders still encourage – and in fact put an emphasis on – real-time communication, even when teams are working remotely.



The Impact on Productivity of Remote & Hybrid Work



As a result of the pandemic, many employees now have the ability to work remotely. However, while remote work is taking hold across the world, **38.06% of those surveyed feel that employees are less productive in a remote or hybrid environment.**

This majority viewpoint aligns with a stigma that remote work still carries with it in some circles: that people who work away from the office are less productive. Whether real or perceived, this issue needs addressing when it comes to remote work. The best way to do so is by having an accurate and objective way to measure and increase productivity.

Key takeaway:

Before going remote or hybrid, it's vital to first establish a productivity baseline. Once this is in place, you can institute a system to measure the impact of work location on productivity, which will help you design the most effective working model for your team.





Insightful is a workforce productivity and analytics solution that enables teams to become more productive by building more efficient processes and identifying productivity trends and patterns.



Measuring Productivity in a Distributed Environment



Accurately measuring productivity is a complex task, even for the most sophisticated of organizations.

Our research found that 30.32% of respondents measure productivity by time spent on tasks and tasks completed. Somewhat alarmingly, 23.87% of companies say they simply estimate productivity levels, indicating they lack a trusted way to measure productivity.

The "time-spent-on-tasks-plus-tasks-completed" formula is often adopted as the standard method for quantifying productivity by company leaders. But it doesn't tell the whole story.

In simple terms, putting in more time doesn't always mean getting more done. And completing a task doesn't guarantee quality of work. Further complicating matters, there is a greater difficulty in accurately measuring productivity when it comes to creative projects and more complex assignments involving multiple people or steps – especially when teams are split across borders and timezones.



Key takeaway:

Experience tells us that a more nuanced approach is needed to understand productivity in today's remote and hybrid work environments. To put it another way, each company's definition of productivity is going to be different, so access to deeper productivity insights are required to tell the full story of productivity in the context of your company's goals.





Technology Use in the Remote & Hybrid Environments



Your employees are only as effective as the resources they have at their disposal.

According to our survey, 63.91% don't have the right tools to manage employee productivity.

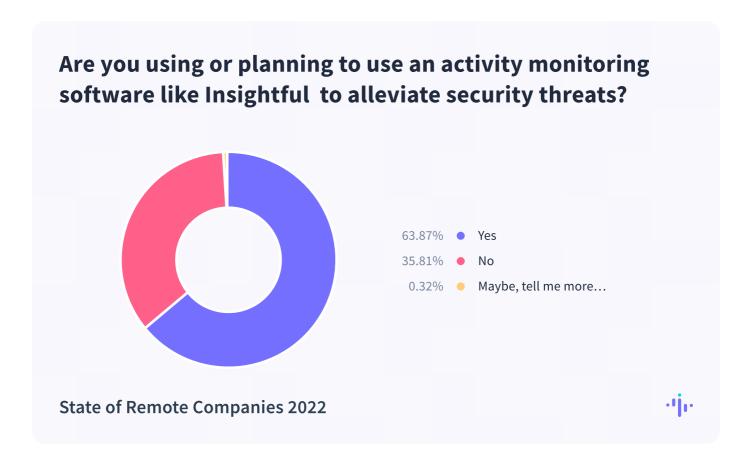
What do we mean by "tools" when we talk about this? Devices, equipment, resources, and applications—anything that aids employees in completing their task—are all examples.

Key takeaway:

There are countless tools available to today's workplaces. Managers face the challenge of finding the right tools to help their employees, without creating costly redundancies. It is critical for your business to provide its employees with the tools they need to do their jobs efficiently, whether those tools are in the form of physical equipment or software applications, then have a way to constantly assess the success of the tools and eliminate any unwanted "technology sprawl".



Security & Compliance in Remote Environments



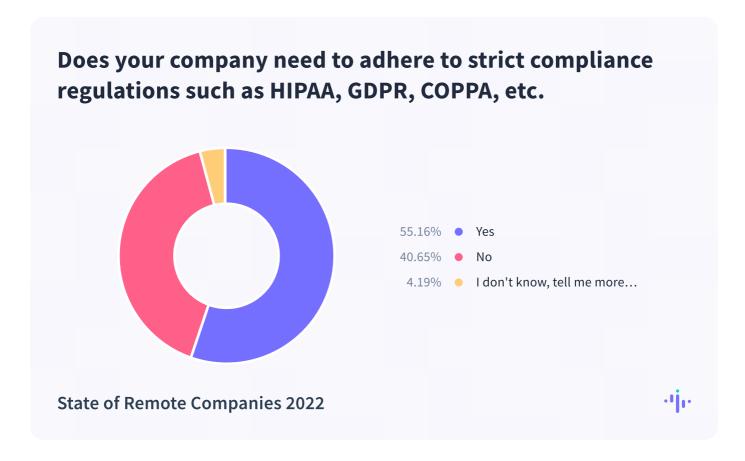
Security takes on an extra level of importance and complexity in remote work environments. Home and public wifi networks, personal devices and transient data – all part of remote work – increase security threats to your company. **Of the companies surveyed, 63.87% say they are currently using activity monitoring software** and view this as a top priority to prevent future security threats to their organization.

It is possible to identify and mitigate risks before they result in data breaches, or at least minimize the damage, by implementing user activity monitoring like <u>Insightful</u>. Sometimes referred to as "user activity tracking," these tools aren't designed for surveillance, rather to spot instances in which end users abuse access rights or violate data protection policies, especially in distributed environments.

Key takeaway:

Even if your organization isn't yet subject to strict data controls and regulations, with the trend in global sentiment, it's more than likely they will soon apply to you in some shape or form. So it makes sense to secure and protect your data today, so you're prepared for tomorrow. Add to that, safeguarding your data is simply good for business, aids customer confidence and is the right thing to do.





Data regulations are becoming increasingly strict as governments and institutions around the world seek to protect consumers online. So, it's no surprise that the **majority (55.16%) of respondents** said that they need to adhere to some form of strict compliance regulations, such as HIPAA, GDPR, COPPA, or others.

Data privacy, also known as information privacy, is a subset of the data protection field that is concerned with the proper handling of data while maintaining strict adherence to data protection regulations.

In terms of data privacy, this means you need specific internal regulations as to how data should be collected, stored, managed, and shared with any third parties, as well as with compliance with any applicable privacy legislation (such as HIPAA, GDPR, COPPA, and others).

Key takeaway:

Even if your organization isn't yet subject to strict data controls and regulation, with the trend in global sentiment, it's more than likely they will soon apply to you in some shape or form. So it makes sense to secure and protect your data today, so you're prepared for tomorrow. Add to that, safeguarding your data is simply good for business, aids customer confidence and is the right thing to do.













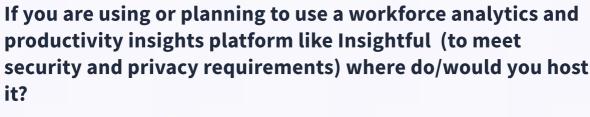


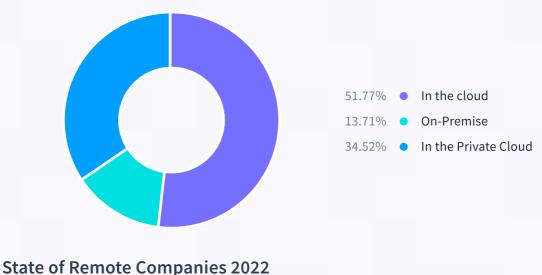
We Keep Your Data Safe and Confidental

Customer data security and privacy are top priority at Insightful. We use a multi-layered, encrypted security to ensure all your information is protected. In the software we've built, security comes first, so you can rest assured that your data stays confidential.

Book a Demo







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The decision about where to host the software your team uses has a big say on how you're able to control and use your data. The three most popular ways to host software are: in the cloud, on-premise and in the private cloud.

According to our research, 51.77% of those surveyed said they would prefer to have their workforce analytics and productivity insights platform hosted in the cloud.

The most common reasons for opting for on-premise installation are greater data control and security, which come with hosting software on an in-house network. Though, the tradeoff is that it requires more IT resources to implement and maintain.

Key takeaway:

Reliable modern cloud, on-premise and private cloud solutions will provide you with a high level of security and privacy. How you choose to host your data should be based on your data control needs, IT resources and budget.

Insightful offers secure cloud, on-premise and private cloud installation. Insightful secures your data via multi-level security at all access and storage points. Plus, highly flexible security features enable you to manage and restrict which data is collected in the first place.



Conclusion

After the COVID-19 pandemic prompted a widespread shift to remote work, many people's concept of the workplace shifted as well. This has resulted in greater acceptance of remote and hybrid work across the globe, which plays out in this report. Further, the pandemic has caused a rethink not just about how and where we work, but also about how to support the productivity and engagement of remote employees.

At it's essence, the flexibility of remote work meets the needs of many employees, resulting in improved work-life balance, employee engagement, and overall performance. Our research indicates, the popularity of remote work is likely to continue to grow long after the pandemic has passed. For leaders, then, It is critical to accept this reality in order to maintain a high-performing organization that is capable of continuing to grow and succeed.

When it comes to designing and maintaining a remote-friendly work model, your company's core business decisions should be based on relevant data, just like so many other areas of business are. If you base your business decisions on gut feelings and intuition, it's highly likely your distributed work environment will be suboptimal – or fail entirely.

Data should underpin every aspect of your distributed work model, because it tells you if it's working or not. Data that reveals the impact of location on productivity lets you design the best remote or hybrid model for your team. Data about technology usage will ensure your team has the tools needed to perform. And metrics and KPIs (key performance indicators) allow you to accurately assess your progress, wherever employees are located.



After arguing for the use of data in decision-making, one question remains...

How do you capture and make sense of data your business needs to thrive in the new, remote way of working?

Insightful enables teams to work in a more informed, productive way by providing actionable data insights that help improve workflows, create more efficient processes, support employee engagement, reduce burnout and much more. If you'd like to try it yourself, we've extended you a free trial below.











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