

The re-imagined office:

not a re-design but a re-define





Contents

3 **Foreword:**
Alan Slothower
Surface Business Group Lead, Microsoft UK

4 **Key findings:**

- Collaboration
- Productivity
- Employee engagement

19 **The re-imagined office**

22 **Looking ahead**

Foreword



Alan Slothower
Surface Business Group Lead, Microsoft UK

The way we work has undergone a dramatic sea change over the past couple of years. First there was the overnight shift to remote work, where the focus was simply on ensuring workforces remained operational by providing people with devices and tools to work from home. Now, many organisations have been experimenting with various hybrid models, and employees are embracing the flexibility of deciding where, how and – in some cases – when they work. With the ability to go into the office again (and potentially a mandate to do so), business leaders everywhere face the challenge of balancing the need for continued productivity with employee expectations that the workplace will provide a flexible and innovative experience – and one that’s also worth the journey to the office.

Meeting these employee expectations has never been more important. As hybrid work has become more common, not everyone agrees on how it’s going. Employees have come to crave the flexibility that comes with hybrid work, but business leaders remain keenly focused on keeping productivity high, and many feel that’s best achieved back in the office. However, one thing is clear: energised, empowered employees are what will give organisations a competitive edge at a time where the wider business environment is volatile. Factors such as escalating pressure to attract and retain top talent, a growing skills shortage, and the highest rate of open vacancies since the late 1990s – with certain sectors struggling for staff – have coalesced to make employee engagement a top priority for businesses everywhere.

Our customers across a range of industries are looking for guidance on expanding their talent pool whilst experimenting to find out the best way to implement hybrid work successfully and sustainably. To help, we commissioned a piece of research to explore employee expectations of the future office. The results uncovered some intriguing insights across three dimensions: **collaboration, productivity and employee engagement**, and point to a clear need for business to not just re-design their offices, but truly re-imagine them for the hybrid future – and they must do this in partnership with their employees.

Key to this reimagining is investing in technology that supports and encourages collaboration, fosters productivity, and enhances a sense of balance and belonging that today’s employees are seeking wherever they work.

Change is never easy, and technology is no panacea. But the right tools, combined with effective change management for supporting the people side of change, can help businesses adapt to the new reality and set them up for success in the future. By leaning into what employees value most about the office, business leaders and employees can find common ground.

Read on to discover the tools and technologies business leaders and IT decision makers (ITDMs) should consider investing in and why, alongside the key insights and questions change managers should be considering right now.

80%



of UK business decision makers expressed concern over getting employees back to the office in person in the coming year.¹

1.85m



In the last week of July, there were 1.85 million job adverts in the UK – a record high for 2022.²

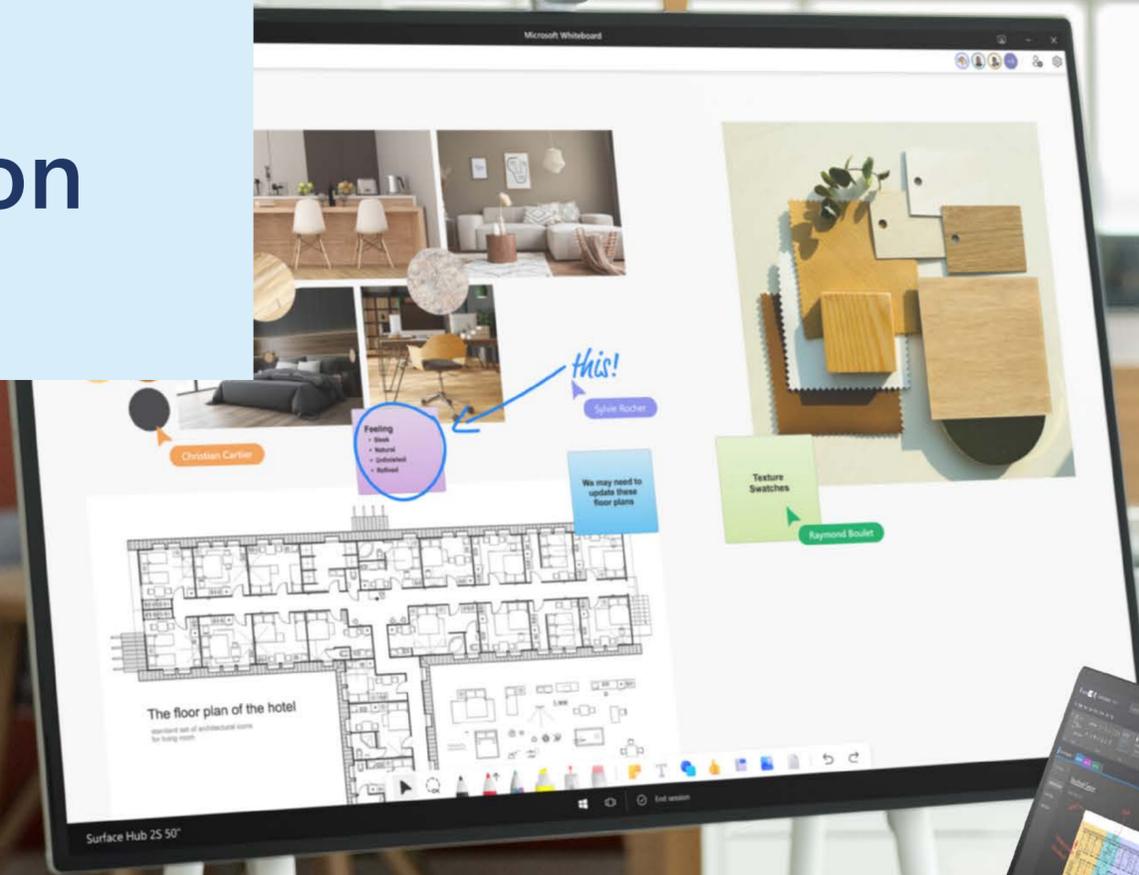
Methodology

YouGov conducted an online survey and Microsoft UK compiled this resulting report. Total sample size was 1509 UK adults who work at least one day per month in an office setting (1008 employees and 501 IT decision makers), surveyed between 19-31 August 2022.

¹ <https://www.microsoft.com/en-us/worklab/work-trend-index/hybrid-work-is-just-work>

² <https://www.rec.uk.com/our-view/news/press-releases/labour-market-tracker-new-record-high-number-job-adverts-2022>

Key findings Collaboration



The office reigns as the cornerstone of collaboration & camaraderie

The office used to be the place for every type of work, all under one roof, but today it has evolved into a location for rebuilding social capital. Connecting with our colleagues has become the number one motivator for employees to work in person. Our findings reveal that people want to come into the office not just for access to tools and technologies to perform individual tasks – but, for each other. And these findings echo Microsoft’s 2022 Work Trend Index (WTI), launched in September 2022, where an overwhelming 84% of employees would be motivated to work from the office by the promise of socialising with co-workers, while 85% would be motivated by re-building team bonds³.

It’s about friends, not furniture

Most respondents (65%) see the office as a place where they can strengthen relationships with colleagues (rising to 72% for those under 35 years). More than half (55%) say they had a better sense of belonging from working in the office (again, rising to 59% for under 35 year olds), and 53% say working from the office allows them to better connect with their organisation’s purpose and culture. There is a real sense that employees are seeking to come together to re-form bonds and create a sense of belonging to something bigger than themselves. Perhaps most importantly, **it is the tasks that require connection and collaboration that employees consider most appropriate for the office.**

Tasks considered most suited for the office include:



³ <https://www.microsoft.com/en-us/worklab/work-trend-index/hybrid-work-is-just-work>

Investment in collaboration tools hasn't kept pace

Whilst many people are coming into the office again to collaborate, others still remain remote – either by choice or necessity. However, many organisations aren't prioritising the technology investments needed to improve collaboration between those working in the office and those working remotely. And whilst the office is one solution for re-building social capital and connecting teams, it's not the only answer; employees will need to connect wherever they work – and for that, the right technology is essential.

Overall, only 31% of employees say their organisation has invested in technology to help improve collaboration in the office over the past year. Although this rises to nearly half (49%) in organisations sized between 50-249 employees and to 41% in organisations with 250+ employees, this figure is down to 26% in organisations with 50 employees or less.

Likewise, only 35% of ITDMs report over the last year being asked to consider whether the IT in the office is fit for their workforce. Furthermore, when asked whether budgets have changed to focus more on the office set-up, over half of ITDMs (53%) say their budgets have remained the same year on year.

⁴ <https://news.microsoft.com/wp-content/uploads/prod/sites/68/2021/11/Device-Decisions-1.pdf>

Budget woes take centre stage

Against a backdrop of economic uncertainty, business leaders everywhere are dealing with rising prices and the pressure to do more with less. As a result, lack of budget to invest in new office technology is one of the main challenges ITDMs believe their departments will face in 2023 (20% agreed). Other top concerns include keeping data protected (31%) and ensuring the security of infrastructure (28%).

These results align with previous findings from the 2021 Microsoft Device Decisions Report⁴, which showed that 24% of ITDMs said keeping data protected on remote and hybrid devices was their biggest concern. Similarly, ensuring security infrastructure isn't compromised has also risen as a key challenge, from 22% based on the 2021 Device Decisions report to 28% today.



Only 31% of employees say their organisation has invested in technology to help improve collaboration in the office

Only 35% of ITDMs have been asked to consider if the IT in the office is fit for their workforce



The benefits of collaborative technology aren't always recognised

There is a notable knowledge gap when it comes to the benefits that collaborative tools and technologies can bring to hybrid teams. Only 1% of ITDMs recognise collaboration screens as a priority investment, only 4% for video conference call facilities, and only 6% for meeting room technology. This may be due to limited budgets restricting investment, or simply a lack of awareness of the benefits these solutions can bring to teams.

Individual devices remain the priority investment – understandable when 71% of employees in the office are doing emails daily. But people clearly want to approach the office as a place to collaborate and connect, and they need individual devices that power such connectivity as well as access to the tools and technologies that facilitate broader collaboration across hybrid teams. Right now, one in five (20%) of employees say their office technology is outdated and incompatible with their personal devices – a finding that highlights the demand for investment in this area.



Anglian Water wanted to power a new flexible way of working to drive further improvements for their staff.

They found around 700 of their people had started to struggle with the kit they were using. "It might have been ok in the short term – but to support them in the longer term we asked ourselves, 'How can we do things better?'" – James Wood, Project Manager, Anglian Water.

One such improvement has been the creation of meeting rooms for hybrid working using Microsoft Surface Hubs. These powerful interactive whiteboards with 4K camera and wide-angle lens, far-field microphones with Microsoft Teams-certified mic array and 20-point multi-touch are ideal for hybrid collaboration – making it easier to collaborate and bring teams together.

"The Microsoft Surface Hubs combine with Microsoft Teams and Microsoft 365 more broadly to help to create digital collaboration spaces for our teams onsite and at home. Microsoft is the partner we've chosen to help us to create the workplace of the future."

– Dave Martin, CTO, Anglian Water.

A follow-up employee engagement survey showed an eight-point improvement in the key areas of data and technology. **"That means we have a happier workforce; they've got the right tools for the job and they can continue to deliver great customer service,"**

– James Wood, Project Manager, Anglian Water.⁵

⁵ <https://customers.microsoft.com/en-au/story/1490382809821878661-anglianwater>

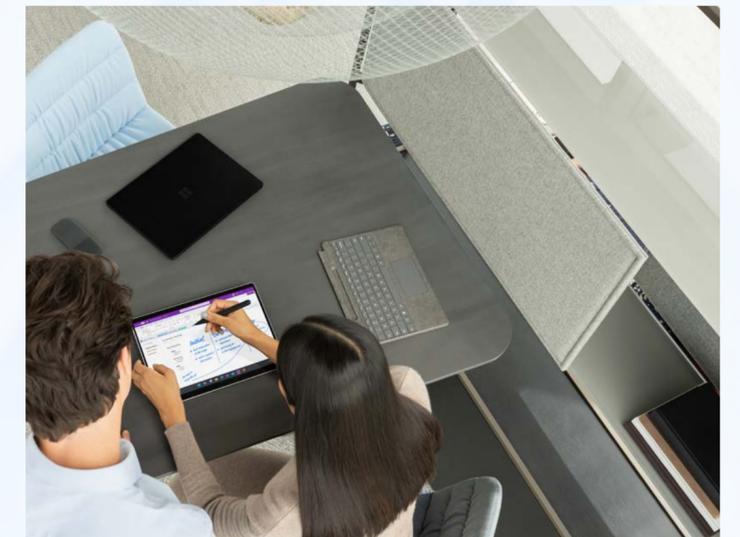
Takeaways at a glance

People want to go into the office for the social opportunities it brings – the chance to rebuild relationships and connect with colleagues.



Employee expectations aren't being met in the office environment where collaboration tools are lacking investment.

Collaboration tools are being de-prioritised due to budget concerns and a knowledge gap around their benefits – but teams continue to work in a hybrid way.



Key findings
Productivity



New ways of working prompt “productivity paranoia”

Employees have embraced flexible work and its benefits, but they’re also working longer and harder than ever before – and many are in no hurry to return to the old days of grind and hustle.

Having proved effectiveness while working remotely, people are reluctant to give up the benefits that come with flexible work. At the same time, many leaders long for the pre-2019 days of working life in the office and the reassurance of having everyone in the same location at the same time. This disconnect is creating tension between the need to ensure productivity remains high, whilst giving employees the freedom and flexibility they’ve come to expect from hybrid environments.



48% of global employees report they are already burned out at work.⁶



The number of meetings per week has increased by 153% globally for the average Microsoft Teams user since the start of the pandemic.⁶



Overlapping meetings (being double booked) has increased by 46% per person in the past year.⁶

⁶ <https://www.microsoft.com/en-us/worklab/work-trend-index/hybrid-work-is-just-work>

The laptop is the 'anywhere office'

UK office workers believe that with their laptop to hand they can be productive wherever they are.

Laptops are the primary device used by UK office-based employees, used by 50% of respondents, versus 41% who use a desktop computer. 81% of those who work on a laptop think of their device as their personal office, reflecting the sense that they are able to work from anywhere with the same level of performance and productivity. Laptops and 2-in-1 devices provide all the power of a static desktop in a sleek, modern form factor built for hybrid and remote workers to power productivity on the go.



With 83% feeling they would be less productive without their laptop, mobile or transportable device, it's clear how fundamental our devices are to powering our effectiveness, and the extent to which productivity can be undermined by unsatisfactory device performance.

In our Device Decisions research⁸, 25% of employees with a company-owned device pointed to poor performance and processing speed as one of their top sources of frustration. Devices with faster compute power, speed and connectivity won't just address employee frustrations here; they also positively impact individual performance and business outcomes.

Productivity can flourish anywhere

Broadly speaking, respondents who use a laptop feel they can work effectively, even when they are in different locations or circumstances from their colleagues. 79% of those who use a laptop say that the work they do is the same, regardless of where they are working from. This is particularly true for those working in financial services, where the figure is 83%.

Only 16% find it difficult to do their job because some of their colleagues follow different work patterns and work varying hours or from remote or alternative locations. This is more of a challenge in sectors like healthcare (21%) and education, where 22% of respondents agree, but less so in retail, where only 12% cite this challenge.

“The Microsoft Surface Laptops stood out as a secure, professional, highly functional device that would enable our colleagues to work from home, stay in touch and work together effectively.”

Dave Martin, CTO, Anglian Water ⁷



⁷ <https://customers.microsoft.com/en-us/story/1490382809821878661-anglianwater>

⁸ <https://news.microsoft.com/wp-content/uploads/prod/sites/68/2021/11/Device-Decisions-1.pdf>

Business leaders still have their doubts

As hybrid work models have proliferated, there is a clear disconnect between employees and management on how it's going. Leaders are concerned the most important work isn't getting done and feel they lack visibility when it comes to employee productivity. Employees are aware of this distrust, and as a result, are working harder than ever. 87% of employees report they are productive at work, while 85% of leaders say the shift to hybrid work has made it challenging to have confidence that people are being productive.⁹

This disconnect is giving rise to a "productivity paranoia." The findings suggest that the solution is not telling employees to be more efficient, but helping them focus on what matters. Employees and leaders might remain at odds on what constitutes productivity – but effective leaders are pivoting from worrying if people are working *enough* to helping them hone in on the work that is *most important*. They are also measuring performance based on outcomes rather than on 'productivity theatre'.

Employees who report having clarity about their work priorities are 3.95x as likely to say they plan to stay at the company for at least two years and 7.1x as likely to say they rarely think about looking for a new job.¹⁰

At a time when many workers are re-evaluating what they want from their careers, this loyalty is fundamental to retention and avoiding a talent shortage.

Opening up greater talent acquisition opportunities

Workforce feedback has highlighted how Microsoft Surface has helped improve productivity and wellbeing, whilst also opening up new talent acquisition opportunities.

"People are really enthused by the fact they can work from home, they can work flexibly, and it's opening up a lot of opportunity for us as a group,"

– Jessie Burrows, Managing Director, Customer Sales, Direct Line

Moving to a hybrid working model and increased remote working supports a more accessible workplace. It's also freeing Direct Line to recruit from a more diverse and geographically distributed workforce and a bigger pool of talent.

"We don't want to replicate what we were doing in a pre-COVID environment – we actually want to change the way in which we are working. And all those Microsoft tools that we're using really enable us to do that," continues Burrows.¹¹

Microsoft Viva

Introducing Viva Pulse, a new app that will enable managers and team leads to seek regular and confidential feedback on their team's experience. Viva Pulse uses smart templates and research-backed questions to help managers pinpoint what's working well and where to focus, and also provides suggested learning and actions to address team needs.

⁹ <https://www.microsoft.com/en-us/worklab/work-trend-index/hybrid-work-is-just-work>

¹⁰ <https://news.microsoft.com/empowering-the-workforce/>

¹¹ <https://customers.microsoft.com/en-gb/story/1475089093659040045-directline>

People want offices to power productivity whilst allowing flexibility

Although it's clear that effective work can happen anywhere, when employees do venture to the office, they expect all the basic facilities they need to work comfortably and productively. When asked about a vision or "wish list" for a new office, what is most evident is that employees are really just asking for the basics; nearly half (49%) cite strong Wi-Fi as the most important – underscoring the importance of businesses nailing the fundamentals for making work, work.

Moreover, this finding is unanimous, cited as a top priority across organisation size (from organisations under 50 employees to companies with over 250 employees) and across industry – with retail, healthcare and manufacturing all naming strong Wi-Fi a priority.

Similarly, employees of all ages consider strong Wi-Fi to be vital. Those under-35-years-old cite flexible work as a higher priority – though only by 1% (46% vs 45%)

– and those between 35-44 years old, favour flexible working as a higher priority only by 2% (47% vs 45%).

Of course, whilst technology plays a key role in the set-up of any future office, and design and space are 'nice to have', what employees are most concerned about is ease of access to the office, flexibility in their working hours, times the office is available and open to them, and the ability to simply do their job effectively when they get there. All of these factors point to a real concern over time and prioritisation.

Employees are demanding the office works for them and debating whether venturing there for a day's work is worth it. Given that the past couple of years have proved work can happen anywhere, and employees are weighing whether they are better off at home, leaders everywhere are asking themselves how they can create a strong pull to the office beyond socialisation. It's really clear employees are weighing up – "does the office afford me all the basics I need to do my job?" or actually "am I better off at home – both for me and my productivity?"

Of all the characteristics employees are considering in a new office, the "4 C's" stand out:



Connectivity

Strong Wi-Fi and desks equipped with the tech to seamlessly connect devices



Character

Flexible hours, personalised seating and personal storage



Convenience

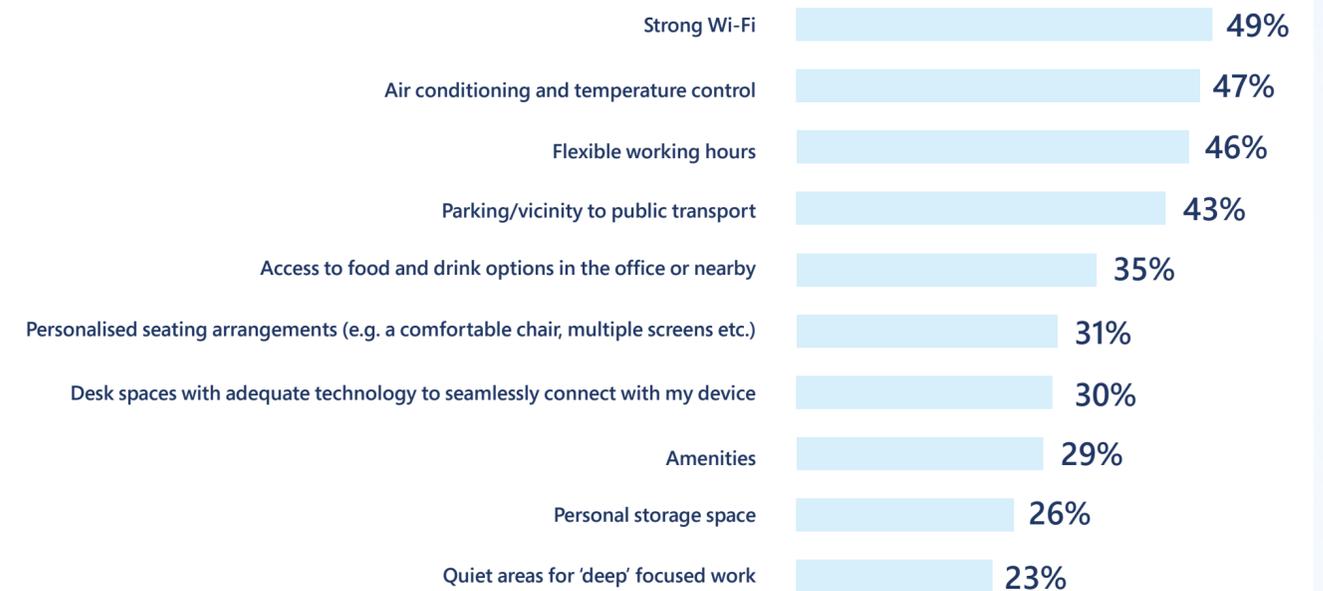
Parking/proximity to public transport and access to food, drink and amenities



Comfort

Temperature control and quiet areas for focused work

Which, if any, of the following are most important to you when thinking about a new office?



Takeaways at a glance

Laptops are now personal offices, powering productivity in every location.



Employees are looking to leaders to help them prioritise tasks and listen to their requirements for the new office to encourage them back.

Whilst employees are happy to work with teams who have different rhythms and hours, leaders are less sure, and lack confidence in employee performance.



Key findings

Employee engagement



Richer employee engagement demands a re-imagined office

One thing is clear: employees today want more agency in how, when and where they work. This is especially true for rising generations who have never known anything but flexible work. For these employees, hybrid work isn't the 'new normal' – it's just normal. To better engage employees and encourage more in-person collaboration, the office needs to be worth it, in more ways than one.

Many work from the office because they have to, not because they want to

Only 40% of employees are going into the office every day of the working week. Of those who go into the office at all, half only do so because it's a requirement from their employer, a figure that rises to more than half among the under-35-year-olds and 35-44s (56% and 58%, respectively). Yet the 2022 Microsoft Work Trend Index shows that 73% of employees and 78% of business leaders need a better reason to go into the office than company expectations¹². Whilst employers have been aiming to nudge people back to the office, they are also mindful of retention and don't want to be too heavy-handed in their rhetoric.

The office is linked to loss of time and productivity

People's top frustrations with office working relate to commuting – both the cost (an issue for 32%) and its length, leading people to feel they are achieving less (an issue for 26%). These frustrations are even higher in London, where cost is an issue for 45% of respondents and the length of commute is a frustration shared by 41% of city dwellers. Weekday London Tube ridership has now grown to around 70% of pre-pandemic levels, up from 45% in early January 2022 and a baseline of just 5% at the height of the pandemic – highlighting how the cost of commuting is back on the agenda for employees, especially so given the current economic climate and rising cost of living¹³.

A quarter of respondents view the commute as an obligation that leaves them with less time for themselves or friends and family. Additional frustrations include feeling distracted from focused tasks due to meetings or an increase in spontaneous tasks and interactions (24%), the office always feeling too cold or too hot (20%), and a noisy environment making it hard to concentrate (19%).



¹² <https://www.microsoft.com/en-us/worklab/work-trend-index/hybrid-work-is-just-work>

¹³ <https://www.intelligenttransport.com/transport-articles/138882/transport-for-london-road-to-pandemic-recovery/>

Ways of working have changed, but offices remain the same

The results show that while ways of working have changed, most offices have the same look, plan and technology that they had before the pandemic. 83% of people are working in the same office as they did pre-pandemic, and 69% are even in the same seating arrangements. 10% of respondents have moved to a smaller office space whilst 7% have moved to a larger one.

Offices largely haven't adapted to meet new employee expectations. 45% of organisations have not invested in new office facilities or perks listed. Of those that have, they've focused on the following areas:

-  **New or improved devices – 18%**
-  **New or improved collaboration technology and tools – 14%**
-  **New or improved accessories – 14%**
-  **New office audio visual technology – 12%**
-  **New or improved IT support services – 12%**
-  **New office furniture – 11%**
-  **New office meeting room technology – 11%**

These findings underscore the gap between what employees say they need to do their best work in today's hybrid world and what many offices are currently equipped to provide. Organisations that make such investments are better positioned to encourage collaboration among employees (regardless of where they're working from), support higher productivity, and foster increased employee engagement. The challenge for business leaders is thus about finding the balance between making the office a space for productivity and collaboration whilst enticing employees with a flexible and innovative office experience that's worth the journey from home.



Takeaways at a glance

To voluntarily venture to the office, people need a better reason than an employer mandate. Key to enticing employees back is a re-imagining of the office's function and form, in order to make it worth the commute.



The office is currently associated with frustrations around lack of time and loss of productivity – pointing to a need for technology that keeps people connected whether working from home or the office, as well as during the journey between the two.

Ways of working have changed irrevocably, but offices have seen very little change. Everything from design to technology to layout is a relic of pre-pandemic days rather than a reflection of today's workplace reality.



The re-imagined office



3 steps to making the re-imagined office a reality

1. Make employees' needs central to business strategy



There's a new way of working for everyone – and the workplace needs to facilitate it. The future of work is not about fitting new ways of working into old workplaces. A change management strategy that considers employees' needs and their reasons for using the office is a clear first step that can not only ensure devices deliver on what they need to, but also enhance the employee experience and improve how they view their employer.

2. Accept and address the hybrid paradox



As UK organisations examine their physical footprint, leaders have the opportunity to build the true hybrid workplace of the future. If employers want to encourage a greater in-person presence, it starts by understanding that people value flexibility whilst also craving human connection. Offering employees trust when it comes to how, when and where they work, along with letting go of a one-size-fits-all approach, is key to encouraging people to return to the office.

3. View devices as a productivity powerhouse, not just as a technical necessity



Devices continue to be the beating heart of operations, fuelling workforce productivity. 81% now think of their device as their personal office, keeping them productive from wherever they are. The devices people use have a significant impact on their morale, leading to greater productivity and business outcomes. The right devices can also enhance accessibility and create more inclusive experiences for people with disabilities and those working from remote locations.

How to choose the right devices for the 'anywhere office'

- **Align investments with new ways of working.** Look for devices that are thoughtfully designed with people at the centre, enabling them to do their best work wherever they are. Microsoft Surface focuses on quality craftsmanship, rigorous research and human centric testing, alongside meaningful sustainability and accessibility values – every design decision is driven by a commitment to empowering everyone on the planet to achieve more.
- **Understand that one size doesn't fit all.** Hybrid environments call for devices that are versatile and adaptable, allowing people to customise them to their needs, preferences and roles.
- **Prioritise productivity.** Today's Surface laptops and 2-in-1 devices combine the best of Microsoft hardware and software to power your organisation's productivity to new heights.
- **Look for built-in security.** Surface devices come equipped with industry-leading security features and remote device management that extends from firmware to cloud, you can have peace of mind that your organisation is protected.



Questions business leaders should ask themselves



Do we have an effective change management strategy in place?

Whilst it's clear that the right technology can go a long way toward powering productivity and alleviating the concerns of both employees and managers, today's hybrid work models mean that organisations must go beyond tools for productivity and collaboration to focus on people. A change management framework for the new office that centres on employees and their needs is vital.



Are we listening to our people?

As the data shows, people have clear opinions about what they want and need from the office, and what it will take to encourage them back to in-person working. Effective organisations have mechanisms in place for gathering such employee feedback and plans for evolving the future of the workplace together.



Is our vision for the office clear?

Given the extent to which people are weighing the pros and cons of working in the office and the expectations of flexibility as the new norm, leaders who have a well-defined vision for the office and the tasks they expect people to do onsite are in a stronger position to convince employees that the commute is worth it.



Are we set up for successful collaboration with the tools and technology required to keep people connected and productive?

With rising economic uncertainty and pressure to do more with less, it's never been more important for organisations to ensure people are equipped to do their jobs effectively, no matter where they are.



Conclusion

The way in which we work (and live) has changed irrevocably. When it comes to the office, trying to fit back into an 'old house' when style and form have all evolved simply won't work. It's time to recognise why employees want to come to the office, the work that's best suited for when they get there, and the tools and technology that make it all possible. Microsoft Surface is re-imagining the future office with you to make flexible work a true reality.

To learn more about the results of this study or discover the tools and devices to help your organisation thrive in today's hybrid world, visit [Microsoft Surface](#).

Microsoft store and authorised resellers can help you buy, deploy and manage Surface for your business. Find your nearest Surface reseller or [book a free business consultation](#) with a Microsoft expert.

Finally, [discover the ROI](#) for Microsoft Surface in a business like yours.

