

The future of work

An agenda for change.



Intent versus action.

It's become a cliché to say that businesses face many challenges. Businesses have always faced challenges. But we're seeing an unprecedented coalescence of factors – including changing consumer expectations and behaviours; rapid advances in technology, like artificial intelligence and 5G; and disruption of labour markets.

When we commissioned research into the future of work in spring 2020, we expected to find that companies were embracing technology to rethink how they operated. But we didn't realise just how much things were about to change. Later the same year we revisited the topic, looking at how the pandemic had accelerated change. We concluded that, far from distracting them, the pandemic had focused companies' attention on four key dimensions.

The four key dimensions



Technology



Skills and behaviours



Leadership

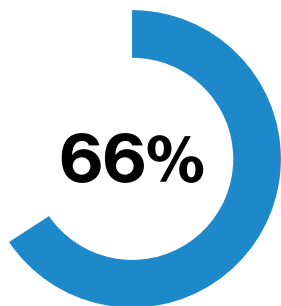


New ways of working

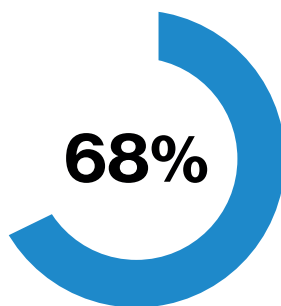
Overall, business leaders were positive about how their organisation had weathered recent events. But we also found a gap between ambition and action.

In January 2022, we returned to the topic with another extensive survey of business leaders and in-depth interviews with thought leaders from academia and the business world.

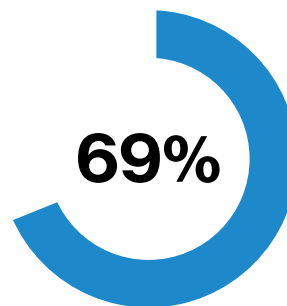
Overall, leaders were enthusiastic about how their business's were standing after the pandemic. A sizeable majority said that their organisation had improved in each of four key attributes.



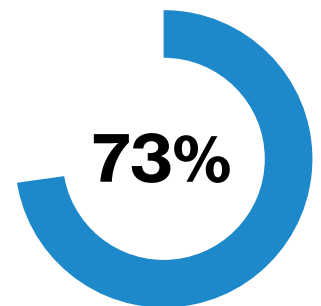
Better at developing empathy and trust with employees



Better at developing empathy and trust with customers



Able to make decisions more quickly



More agile in adopting new technologies

Figure 1: Percentage of companies saying that they'd improved against four key attributes following the pandemic.

But another key finding was the existence of a gap between ambition and action. For example, three-quarters of respondents said that a strategic priority in 2022 was improving customer experience (CX), but only 38% said that they had accelerated the use of data analytics to improve CX. Even fewer (34%) said they had increased their use of automation.

In this companion to the research report, we summarise insight and advice from interviews with experts in the field, provide a list of seven key action points for leaders, and explain how Verizon can help you bridge the gap and achieve your objectives.

Closing the gap.

Our research found that companies can break their strategic inertia if they act boldly across each of the four dimensions. And those that were able to do so – we call them Accelerators – were more likely to perform well on four key business indicators.

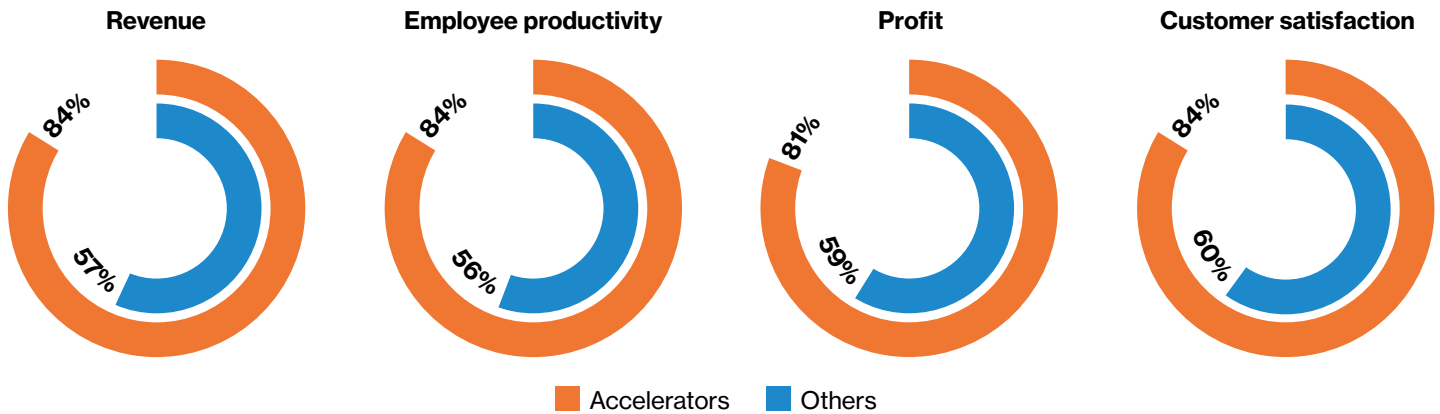


Figure 2: Comparison of performance of Accelerators versus other companies.

Becoming an Accelerator requires:

- Adopting new ways of working that focus on meeting customers' needs
- Implementing technology that enables better experiences for employees and customers
- Hiring and developing people with the right skills, values and behaviours

But continual upheaval and the growing complexity of the business environment have left many companies with a deep sense of strategic uncertainty. Two thirds of business leaders (66%) said the pandemic had exposed weaknesses in their strategy and 60% said that they struggle to act decisively in response to new market opportunities.

Business leaders need to accelerate the pace of transformation in their organisations and define the future on their terms. That means:

- **Embracing uncertainty**
Incorporating environmental risk into the decision-making and planning processes to identify opportunities and create greater resilience.
- **Building resilience**
Seizing the opportunities technology offers to deliver change that improves flexibility, agility and resilience.
- **Inspiring people**
Uniting the entire organisation through a shared vision and a clear purpose.
- **Driving innovation**
Inspiring a culture of innovation and empowering employees to experiment, free from the fear of failure.
- **Unlocking potential**
Engaging the whole workforce by creating an inclusive and cohesive culture.

Not all of these problems can be solved by technology alone, but it's a critical component to tackling these challenges and joining the ranks of the Accelerators.

Technology is key.

Spend is increasing across the board

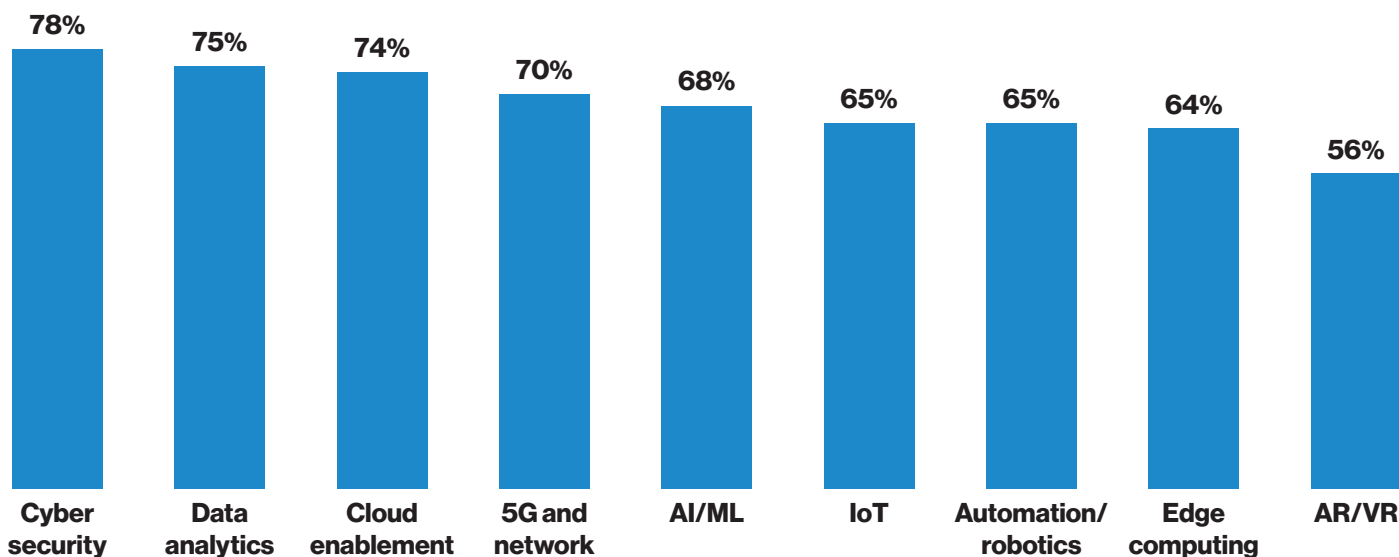


Figure 3: Percentage of companies saying that they planned to increase spend in key technology areas.

Companies are investing in solutions, not just technology.

Our research found that many organisations were looking to increase their IT investments in 2022-23. Planned increases cover a wide range of technologies.

This reflects the fact that companies are investing in solutions to their challenges, not merely refreshing old technology. Organisations are investing in strategic priorities, such as improving customer experience, and that trickles down into investing in multiple combinations of technology to achieve the goal.

As one of our interviewees put it, “If your company thinks, ‘How can we use AI? How can we use 5G? How can we use AR?’ these are not the right questions. The right questions are: ‘What is the market doing? What do my customers actually want? How do I provide them with an amazing experience? How can I generate more revenue and profits? How do I optimize my business?’ And then ask, ‘How can technology help me do that?’”

Take a retail customer experience as an example. One way to do this might be to blend physical and digital channels – sometimes called phygital. This could include investing in all the above technologies:

- AR/VR to implement virtual changing rooms, virtual consultations and other new ways to engage with customers
- Edge computing, AI/ML and private 5G to enable frictionless retail experiences
- Cloud and data analytics to improve customer understanding, increase personalisation and strengthen engagement
- IoT, automation and robotics to accelerate order picking, cut delivery times and improve stock turns
- Cybersecurity to keep customers’ data safe while doing all the above

Companywide alignment is critical.

Clearly there's always been alignment between companies' technology investments and their strategic priorities, but this has to get much tighter. The pace of change and the consequences of getting transformation wrong are growing and companies must take a more strategic approach.

Many early efforts at digital transformation were actually just digitalisation of existing processes. While this delivered some benefits, it didn't solve underlying problems. And when subjected to real-world stresses, such as during the pandemic, the weaknesses were exposed. Conversely, companies that invested time in redesigning processes were more likely to benefit from greater robustness and agility.

Even when companies have a clear strategy and invest heavily, it's not uncommon to make mistakes when embarking on digital transformation. This might be due to the technology not being appropriate for a particular business's context – chatbots are a good example, these can be extremely useful, but implemented badly they can actually make the customer experience worse.

Or it could be due to bad implementation or failing to involve all the internal stakeholders. Innovation hubs can help by bringing together those with different viewpoints and generating insights and applications for new technology that can be deployed across the business. As one of our interviewees said, "What is really important is that these innovation hubs are not little isolated bubbles." Bring in people in from across your business to transfer culture and knowledge.

The future is all about ecosystems

Successful adoption of new technologies to meet the challenges ahead will rely on development of partnerships with key suppliers. Partners' expertise can help identify new opportunities and accelerate and derisk innovation.

Choosing the right partners is critical to success. As well as wanting your key partners to have the technical capabilities you need, it's important that there's synergy between your companies. Transformation is a process and you need a partner that you can work with, and adapt with when you encounter obstacles.

A good partner will also have its own ecosystem. Many companies will talk about their alliances with the industry's biggest players. That can be very helpful, but everybody knows who those companies are. It's finding the emerging players and the highly specialist niche providers that's tough. And these can be essential to developing truly disruptive solutions. If a partner has already found and vetted specialists in fields like crowd analytics, automated quality assurance, autonomous mobile robots, telehealth, it could help you reduce risk and see results faster.



Leadership agenda

There is no generic blueprint for business success, but in writing our report, we identified seven key recommendations.

1. Get comfortable being uncomfortable

As Niels Bohr said, prediction is hard, especially about the future. Leaders must make their organisations robust, able to cope with shocks and surprises. Identify areas that could impact your business, both negatively and positively. Experiment with your approach to potential opportunities and use what you learn to increase your agility.

2. Experiment to accelerate

Accelerate innovation through experimentation. Identify the best opportunities for your business and avoid the pitfalls of chasing opportunities that prove illusory. When you have established an opportunity, go fast and hard to seize the advantage. Organisations that develop a trusting culture, promote experimentation and are at ease with failure as a source of learning will be more likely to find inventive new solutions to problems and new opportunities.

3. Move out of your echo chamber

Rely on your team, and get feedback and ideas from peers, from co-workers and from employees. Expand your worldview by tapping into the perspectives of people throughout your organisation and beyond. As Margaret Heffernan notes: "There's more knowledge at the edge than at the centre."

4. Put sustainability at the core of your strategy

There can be a tension between the need to maximise returns and the desire to be more sustainable. But, there are new opportunities in more sustainable ways of doing business. It's not always an easy equation to balance, but leaders must take on the challenge.

5. Make diversity and inclusion pillars of your business ethos

Seeing the world from a different point of view can help leaders solve complex problems. Business leaders need to create inclusive cultures where all employees feel safe in raising their voices with suggestions, ideas and challenges. Leaders also need to monitor that hybrid ways of working do not inadvertently create new forms of exclusion.

6. Rethink your employee value proposition

Leaders need to adapt their organisations to a world where talent is scarce. The flexibility to accommodate the circumstances of individual employees will be increasingly important. And demonstrating a commitment to life-long learning is critical. Potential employees are also looking for a clearer sense of company values and purpose in their work.

7. Make every customer interaction count

Organisations need to deliver great customer experience every time. This means accelerating the development and use of customer-focused data platforms and analytics capabilities, as well as designing systems that meet customer expectations for convenience and simplicity.

Why Verizon

Transformation isn't just about replacing technology. Success depends on a wide range of factors including setting a strong vision, communicating with stakeholders, taking cultural considerations into account, managing risk and being adaptable in the face of change. Verizon understands that and to us "trusted partner" isn't just a marketing phrase, it sums up our credo.



Experience

Our progressive transformation approach has helped many large enterprises to prepare for the future while managing risk and cultural change. We've helped them to orchestrate their processes and move to a more autonomous environment, without disrupting operations. We have the expertise to help you transform customer and employee experiences, and build a foundation to accelerate the adoption of new technologies as they emerge to keep ahead of your competition. And with our global reach and investment in new technologies like 5G and edge computing, we're in a unique position to support your future growth.



Focus on business objectives

When you reach out to Verizon, we'll start by discussing your objectives and exactly what you want to achieve from digital transformation. Once we understand your vision, we'll help you to build a transformation roadmap. This will prioritise deployment so you see results where you need them most, while building towards long-term goals. We can also help you build a business case to share with key stakeholders and justify your investment. Once we've identified your desired business outcomes and what they mean in terms of your business culture, we can help you implement an infrastructure that can support your goals.



Flexibility

Our platform-based approach will help you achieve the IT flexibility you need to build and maintain competitive advantage. Our Network as a Service framework can help you increase agility, give you a solid foundation to deploy new technologies as they emerge, and get new solutions to market faster. All our services – from networking, through unified communications to security – are built to allow you to adapt and scale as you need to. Unlike many platform providers, we own and manage extensive infrastructure. This includes one of the world's largest and highest-capacity global IP networks. This gives us control over performance, flexibility and security that companies that are totally reliant on third-party providers lack.



Security and resiliency

Everything we do is built to be reliable and secure. When your customers put their data in your hands, your reputation is on the line; and the same is true for us. We take security, resilience and compliance very seriously.



Partner ecosystem

Importantly, Verizon is vendor agnostic. We have an existing ecosystem of partners, service providers and vendors you can utilise – and you'll be able to easily add more as needed. This means you'll always be able to deploy the best solutions, you're not restricted to certain providers. This can help you build a healthy ecosystem that really delivers on your objectives, now and into the future.

Ready to learn more

Learn more about our findings and read expert analysis about what will make your company more robust, resilient and successful.

[Learn more](#)

Ready to explore

See how Verizon's progressive transformation approach can help you address cultural factors and legacy issues to de-risk transformation and achieve greater success.

[Explore solutions](#)

Ready to talk

Start your journey by talking to your Verizon account manager or requesting a free consultation.

[Let's talk](#)

About the study

The data in this report is based on a survey of 600 business leaders carried out on behalf of Verizon by Longitude, a Financial Times company, in January 2022. Respondents were drawn from across nine industries: energy and utilities, finance, insurance, legal, manufacturing, media, professional services, retail and supply chain.

