



The Five Challenges that Keep HR Departments Awake at Night — And How to Fix Them

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Executive Summary



Only 56% of European organisations have a digital-first enterprisewide strategy; others are failing to scale digital initiatives because of critical workplace challenges

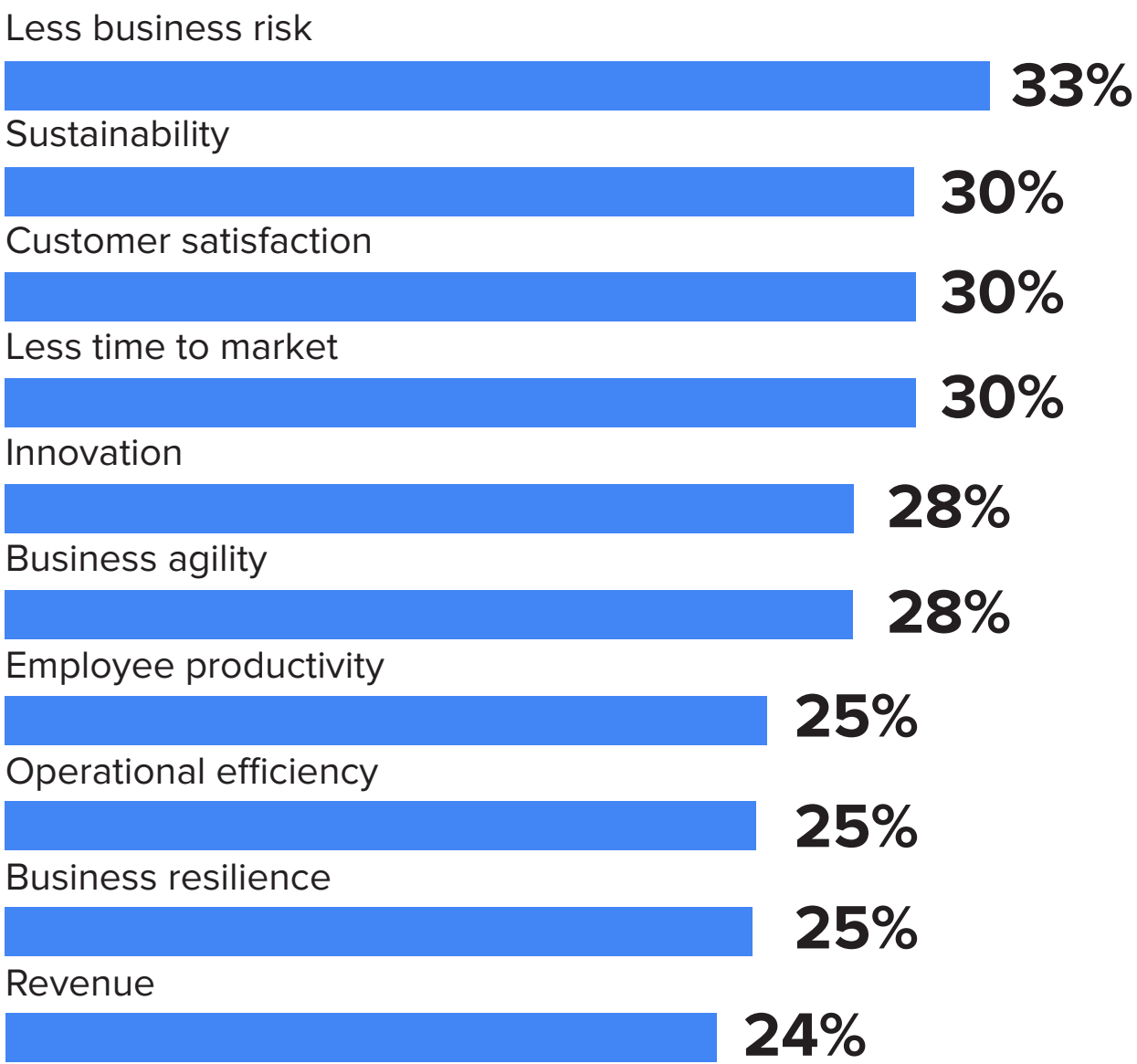
Many companies are in a “digital impasse”, unable to scale and make progress in their digital journey, due to **five workplace challenges**



Addressing workplace challenges is crucial for all companies as **investment in workplace transformation has a significant positive impact on business outcomes:**



What business impact did your organisation experience in 2021 as a result of investments in work transformation? (% annual improvement)



European organisations have realised that the new digital era cannot be conquered solely with technology. The right skills, organisational structure and digital culture need to be in place for digital success.

Companies need to transform their workplace for digital success; workplace transformation is strategic and a top priority for 65% of European companies

Workplace transformation is not driven by a single department. The **C-suite (or Dream Team)** jointly defines the workplace transformation strategy in at least one in two companies, with a shared vision and commitment.

CIO/CTO

People-first digital workplace
Digital dexterity

CEO

Connection and engagement
Purpose-driven workplace

COO/CFO

Sustainability
Business outcomes and ROI



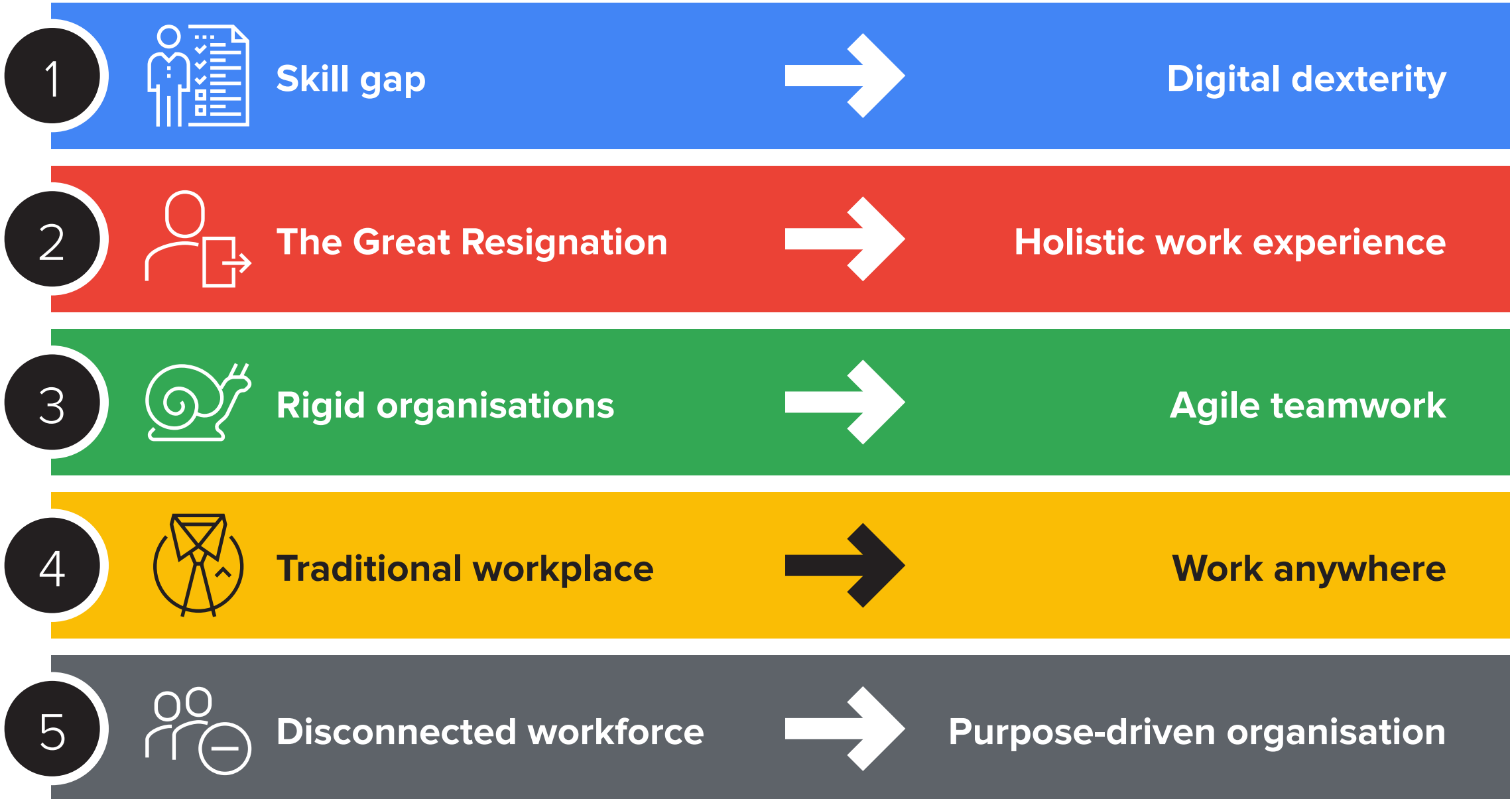
CHRO

Talent attraction and retention
Organisational change

CISO

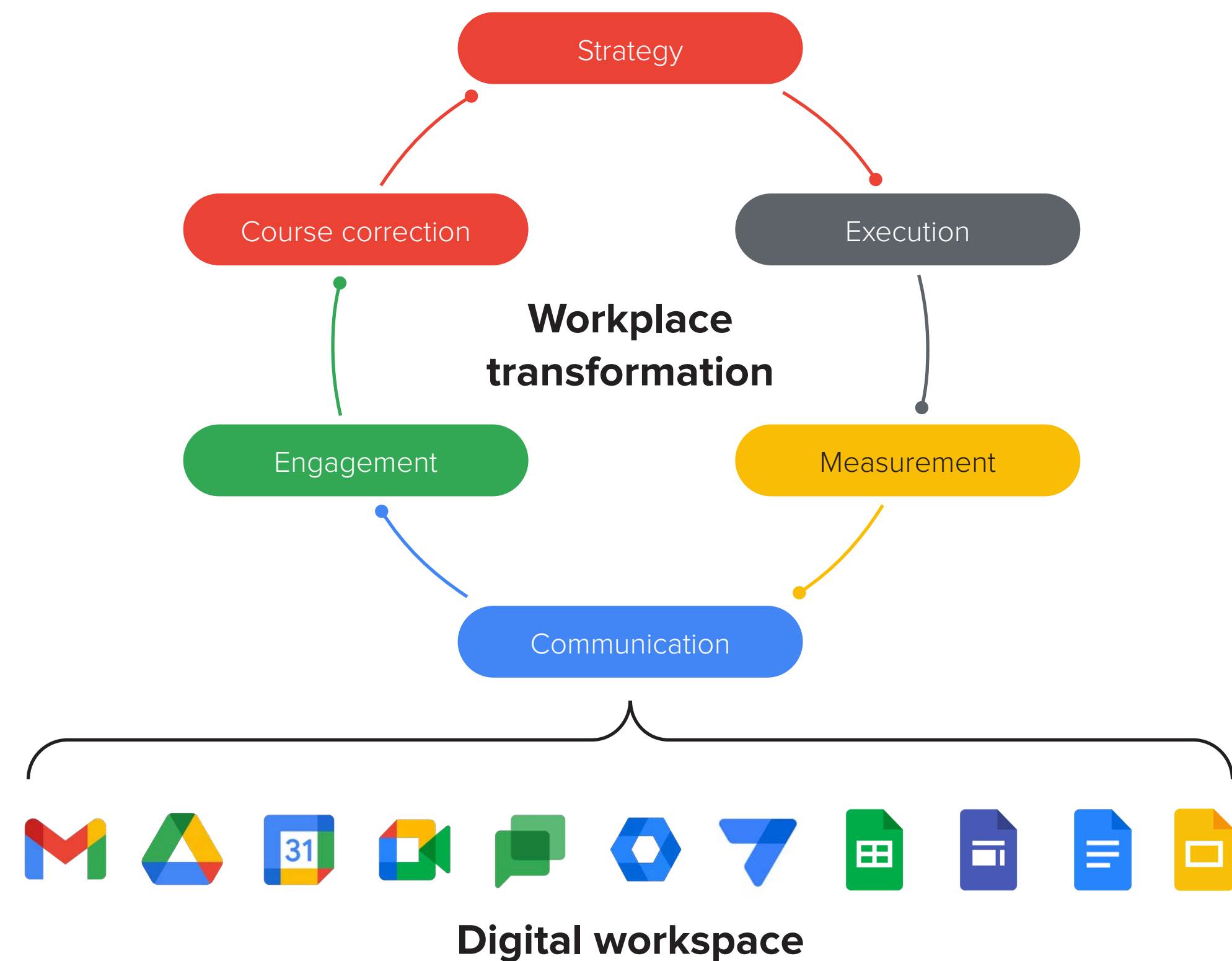
Digital trust
Cybersecurity awareness

Workplace transformation is driving a digital culture that is inclusive, nourishing, collaborative, flexible and purpose driven.



The CHRO is in the driving seat in workplace transformation strategies, steering change and tackling organisational challenges for digital success

The **digital workspace*** is instrumental in workplace transformation, engaging, connecting and empowering people for digital change and success



1. The C-suite defines a joint workplace transformation **strategy**.
2. An **executive team** led by the CHRO is appointed to implement workplace transformation initiatives.
3. The executive team **measures** the state of play across the organisation for an effective transformation programme.
4. The executive team **communicates** its strategy and goals and implements its change management programme.
5. The executive team **engages** its organisation with help from change ambassadors and with events and workshops.
6. The executive team is continuously **course correcting** — adapting workplace initiatives to a changing business environment while maintaining its vision and strategy.

Workplace transformation is not an end goal but a **journey**. The ability to **continuously transform at speed** will be core for digital and business success.



The Five Challenges that Keep HR Departments Awake at Night — And How to Fix Them



Talent shortages are limiting organisations’ ability to innovate and be digitally disruptive and successful

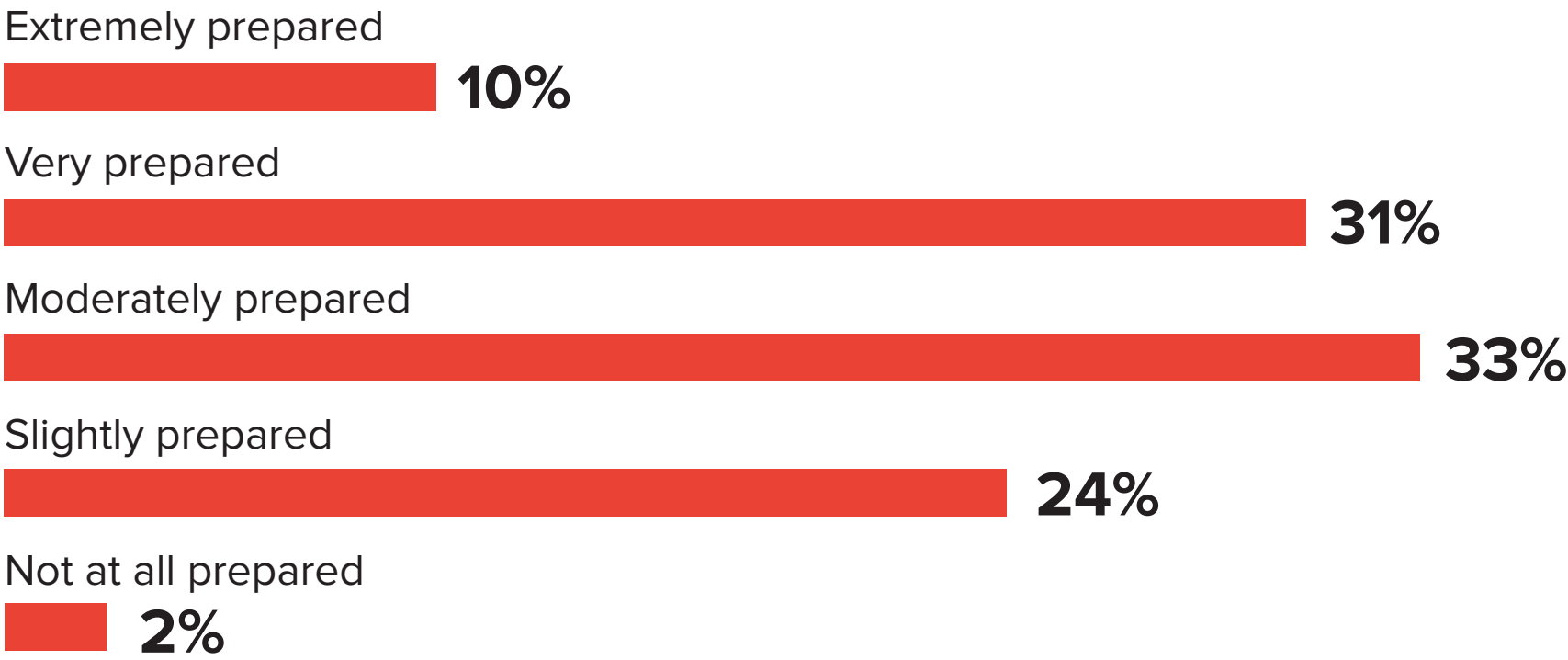
01

CHALLENGE:
Skill gap



Intelligent machines **complete 21% of tasks** in organisations, while a new skillset is required for the human workforce. Many organisations are not prepared.

How prepared is your organisation to support employees with their upskilling/reskilling needs?



Source: IDC EMEA, Future of Work, April 2022

One in two European employees finds it difficult to adopt new technology because their employer does not provide relevant training.



By 2025, IT talent shortages will **affect 90% of European organisations**, costing **€191 billion** due to delayed product releases, reduced customer satisfaction and loss of business.

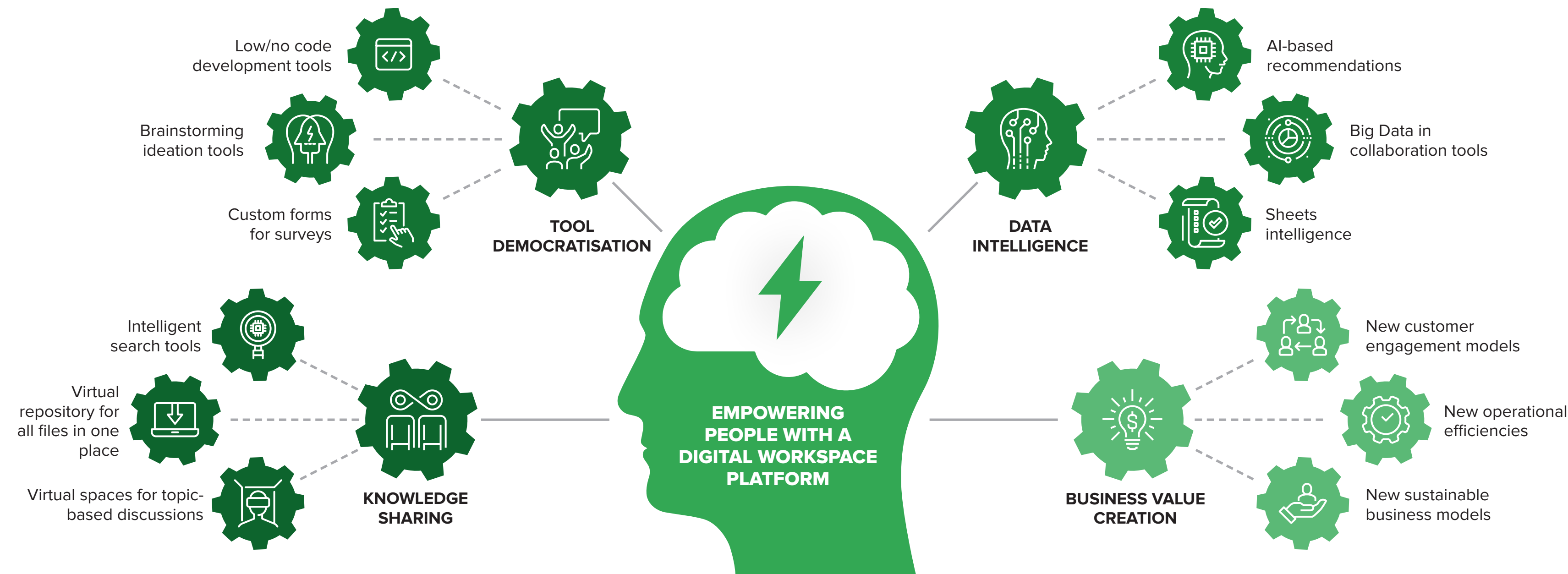
Source: IDC EMEA Skills Practice, 2022

The skill gap is impacting business performance. Organisations need to urgently level up digital dexterity to remain competitive.

To address the digital skill gap, leading companies are making intelligent digital tools accessible to all employees, empowering and elevating their skills

With many digital skills in short supply, the **democratisation capabilities of a digital workspace** is empowering to those who most need it — the shop floor, warehouse or retail store — without requiring specialist digital knowledge. Workers don't need to be data scientists to leverage critical data insights or become app developers to design and create their own applications.

A democratised digital workspace enables all employees to think the “art of the possible” by **freeing up their time** with automation and **elevating their skills** with AI-based functionality and no-code development tools. Through real-time collaboration, teams can jointly develop new solutions to complex problems, driving cohesion and a sense of purpose.



01

SOLUTION:
Digital dexterity with intelligent digital tools

Workers feel empowered with Google Workspace

68% consider it important to have **skills development** opportunities.

70% consider it important to be able to apply their **creativity** at work.

73% agree their employer provides collaboration technology that is **easy to adopt** and use.

The Great Resignation in Europe might see about one in three employees switching jobs soon

02

CHALLENGE:
The great resignation

Employees are reconsidering their careers and seeking jobs that provide a great working experience. This is creating a major reshuffle of talent across many industries and intensifying the “**race for talent**”.

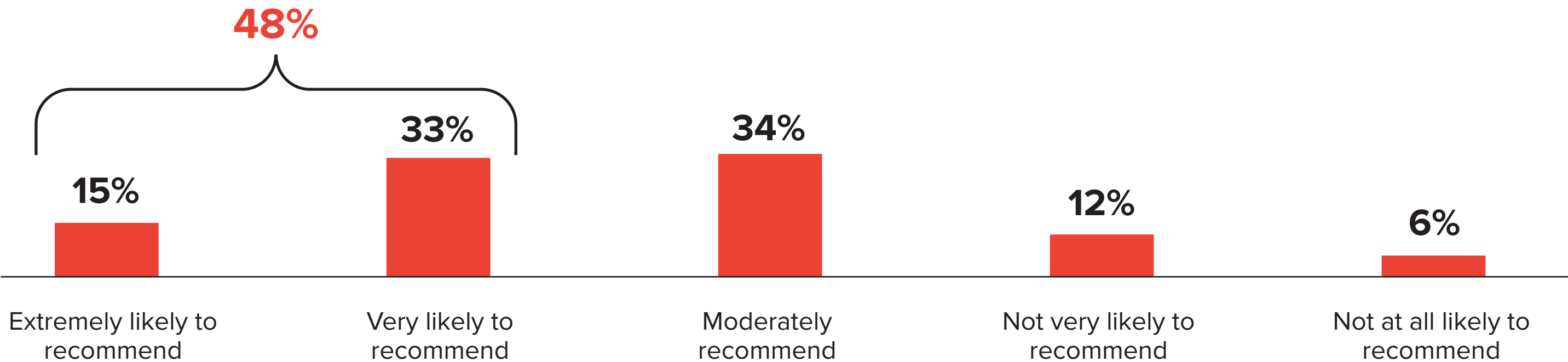
A better workplace experience is (after pay) the main driver behind the Great Resignation

Why are employees looking for a job elsewhere?



Corporate branding is crucial in the “race for talent” but fewer than one in two employees would likely recommend their employer to others.

How likely are you to recommend your employer to others?



The “**race for talent**” is real, impacting business results.

40% of European talent managers find it difficult to attract and retain good talent. When an employee resigns, it has a profound knock-on effect on the organisation.



Cost of recruitment process



Disruption to business continuity



Loss of business productivity



Loss of social connections



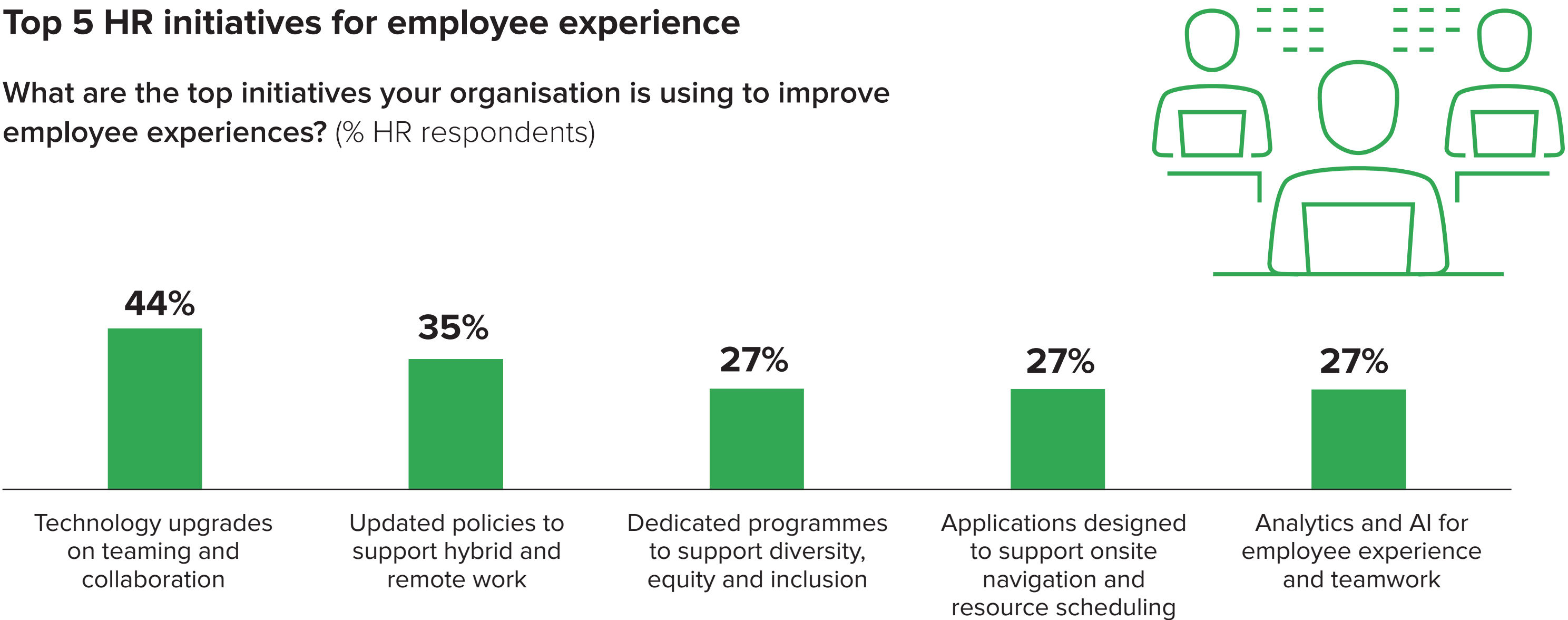
Damaged employer branding

To address job attrition, leading companies are launching initiatives to develop a holistic working experience for employees, addressing teamwork, work-life balance and social inclusion

The Great Resignation is raising the bar and redefining employee experience. Among the multiple factors involved in the provision of a holistic working experience, delivering **a level playing field to all workers** is a strategic HR goal. This is achieved through flexible and inclusive work policies and a digital workspace that provides an intuitive and unified collaboration experience across any device and working environment.

Top 5 HR initiatives for employee experience

What are the top initiatives your organisation is using to improve employee experiences? (% HR respondents)



02

SOLUTION:

Holistic working experience

Workers enjoy a holistic working experience with Google Workspace

75%

agree they are using digital tools that help them be **more productive** (whether they are connected to a PC or a mobile device only).

74%

agree their digital tools help them feel **engaged**. Real-time collaboration tools build social connection among co-workers.

70%

agree their employer provides technology and processes that improve their **well-being**.

“

We use Google Workspace for the people who work outside at the airports because, when it’s very cold, employees can use their voice to document things rather than typing because they can’t take off their gloves.

Google Workspace customer

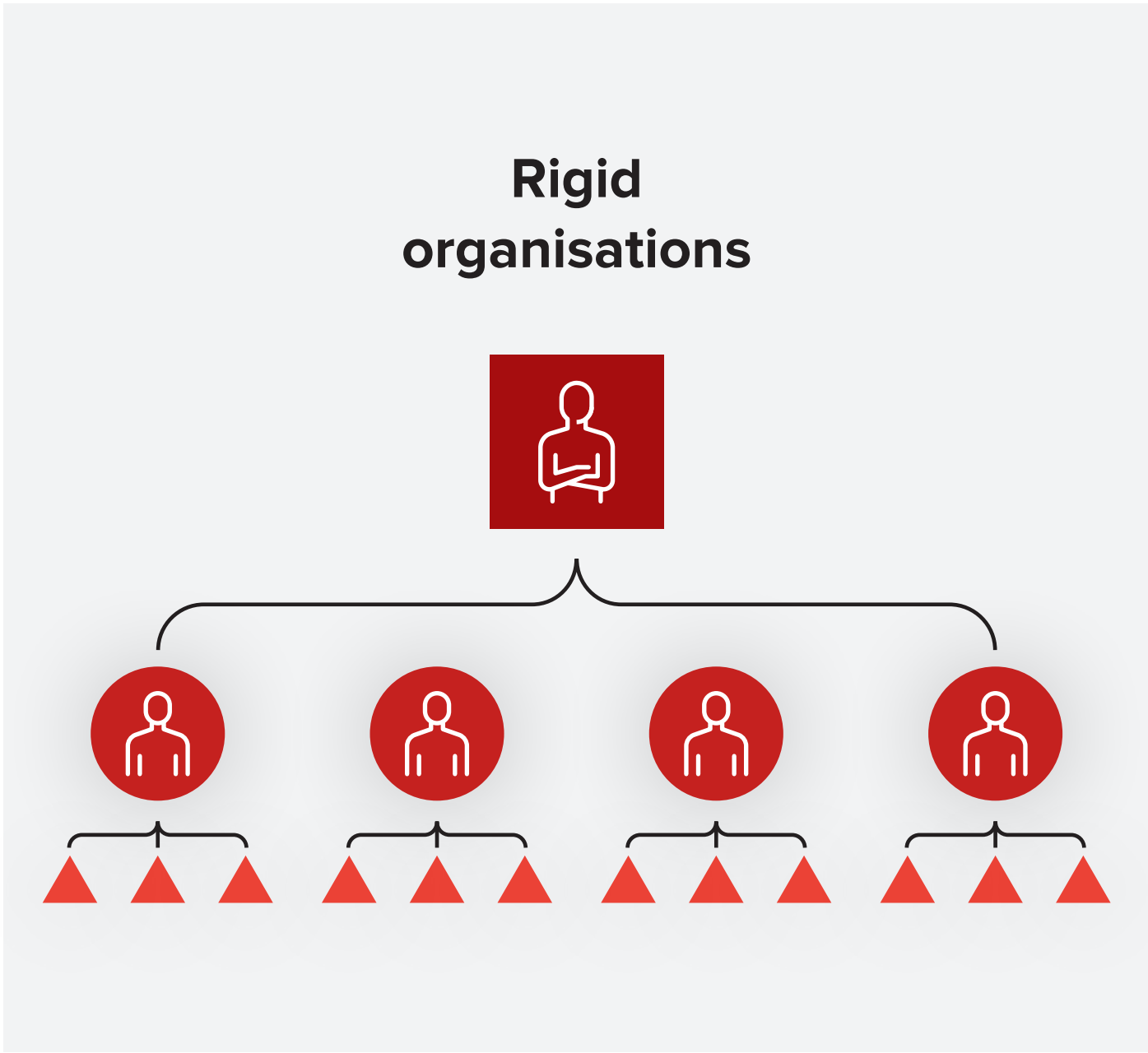
© 2022 IDC

Source: IDC EMEA, Future of Work, April 2022; IDC EMEA, Future of Work Employee Survey, April 2022 (n = 815 respondents using Google Workspace for work); IDC, The Business Value of Google Workspace, June 2022

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60% of European companies have rigid organisations that are slow to respond to changing market conditions, risking their ability to innovate and meet customer needs

A rigid organisation cannot survive in the current volatile and unpredictable environment. The rapid pace of digital and business transformation requires companies to break silos and facilitate cross-departmental collaboration for business agility.




Common traits of rigid organisations


- 1  Organisational silos discourage any cross-departmental collaboration.
- 2  Presenteeism and micro-management are common practices.
- 3  Projects are rarely revised to accommodate changing conditions.
- 4  Employees' roles are confined to a business function and level of seniority.

03 CHALLENGE: Rigid organisations



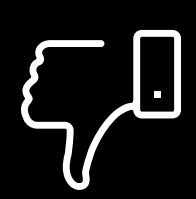
Rigid organisations are negatively impacting team performance and culture in a **hybrid work environment**

 **40%** of employers find it difficult to implement effective teamwork.

 **36%** of employers find it difficult to trust employees to complete work.

 **33%** of employers have seen a decline in teamwork productivity.

 **31%** of employers find it difficult to sustain and evolve culture.

 **43%** of employees are not satisfied with their teamwork — their organisation is not dynamic and does not enable them to learn and grow.

To create agile and adaptable organisations, leading companies are breaking silos and facilitating cross-departmental collaboration

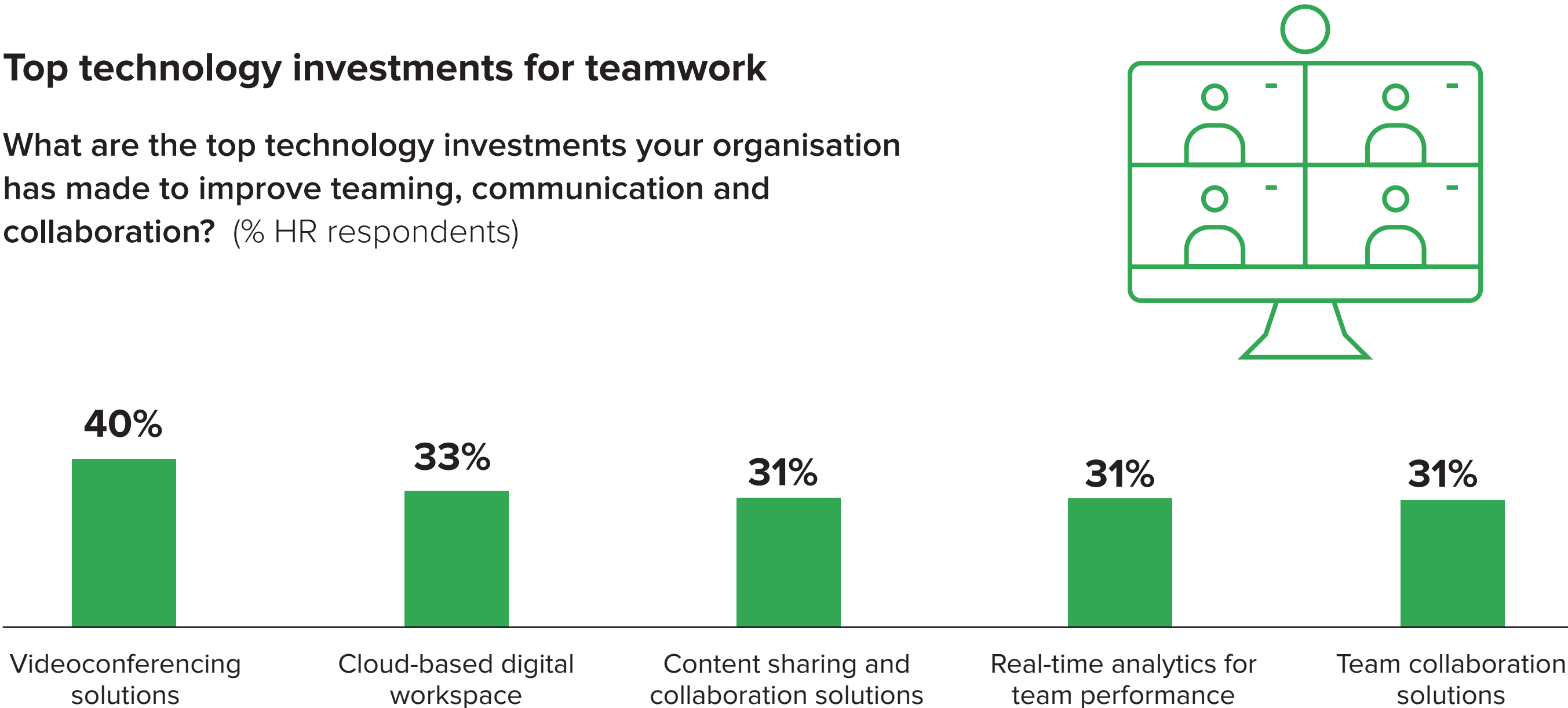
03

SOLUTION:
Agile teamwork

Choosing the right technology can lead to organisational change. An intelligent cloud-based digital workspace provides **collaboration equity** with a unified and equal experience across working environments (e.g., office, warehouse, shop floor, home) and enables employees to be connected to a common platform for full transparency of roles and connection to purpose.

Top technology investments for teamwork

What are the top technology investments your organisation has made to improve teaming, communication and collaboration? (% HR respondents)



Workers enjoy agile teamwork with Google Workspace

69% are satisfied with their **agile teamwork** and the opportunity to be involved in different projects for changing market conditions.

68% agree they have strong **project management** tools that help them be organised, with full visibility of tasks, members and responsibilities, milestones and goals.

72% agree they can **access insights** easily and rapidly to guide their decision making.

73% agree that their **collaboration technology** is easy to use, enabling them to execute their projects from the design phase to delivery.

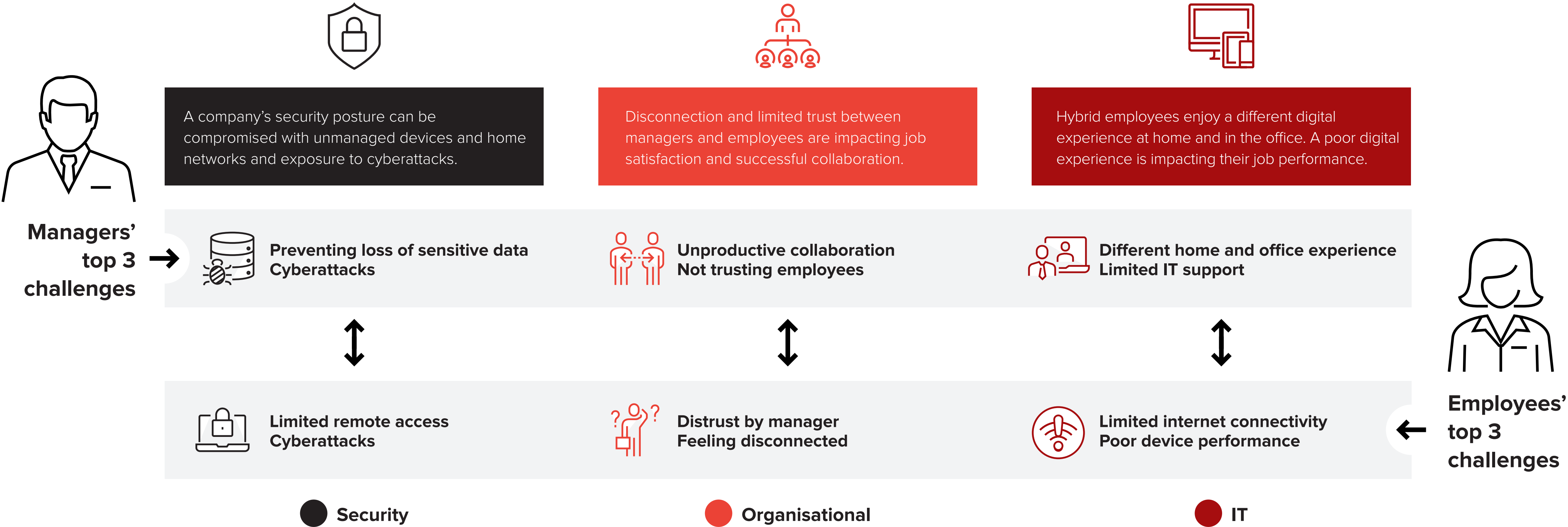
“ Collaboration is the most significant benefit, meaning the frequency of interaction enabled by Google Workspace through the use of a standardised, well-integrated toolset. ”
Google Workspace customer

While the hybrid work model is most desirable, it's the most difficult to implement; both managers and employees face multiple challenges that need to be effectively addressed for hybrid work to stay and scale

CHALLENGE:

04

Traditional tools and policies supporting hybrid work



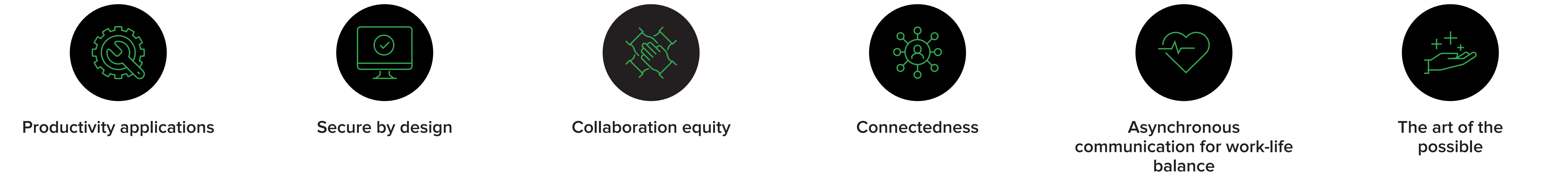
Leading companies are going beyond enabling hybrid work; they are adopting policies and digital solutions that enable a secure “work anywhere” environment for all employees onsite, in the field and at home

04

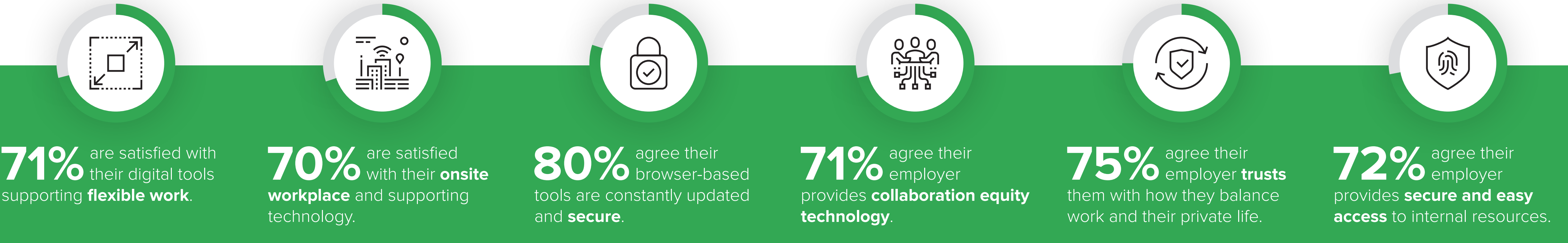
SOLUTION:
Work anywhere



A digital workspace enables “work anywhere” through multiple capabilities



Workers enjoy “work anywhere” with Google Workspace



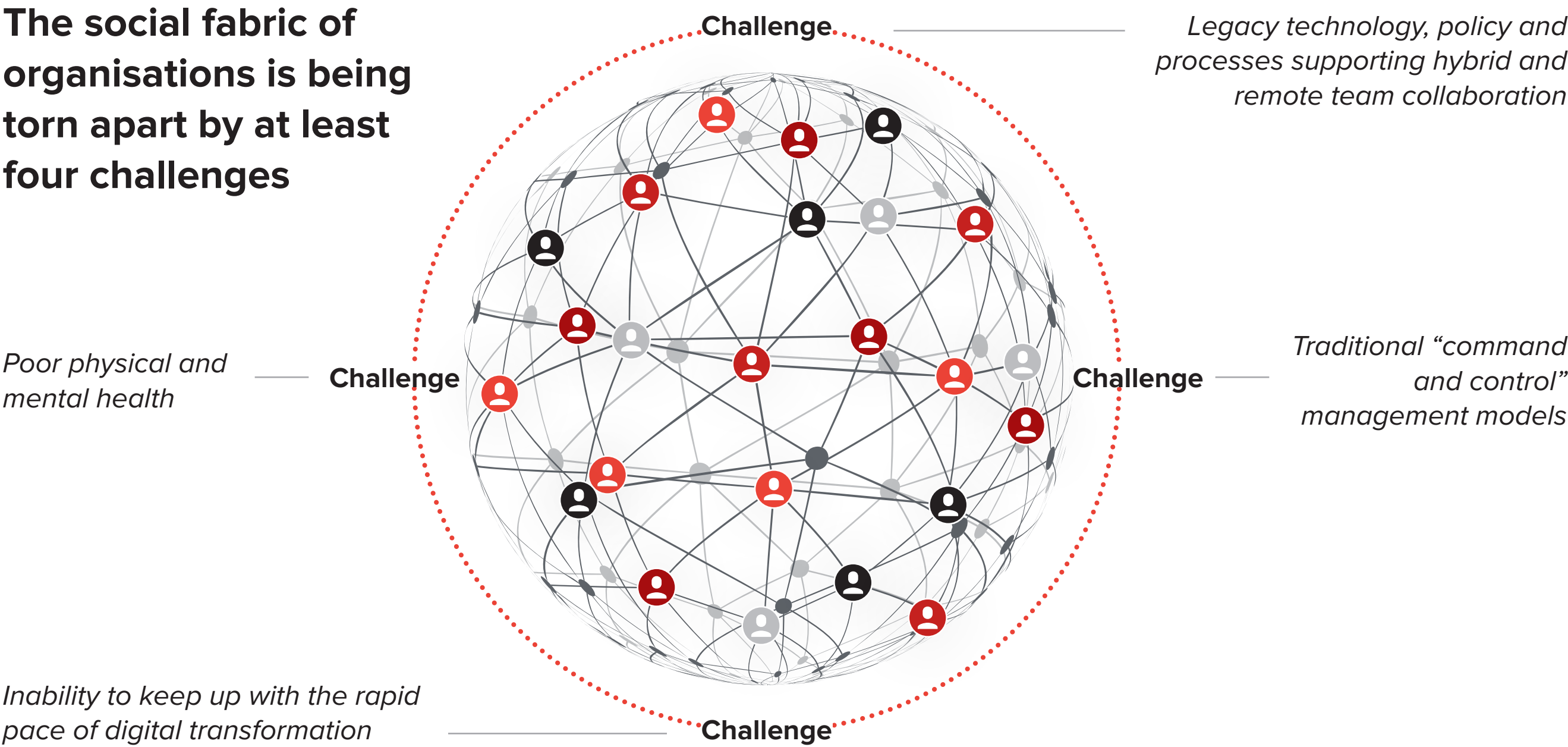
One in four employees feels disconnected from their organisation

05 CHALLENGE:
Disconnected workforce



If people are not on board and trust their leaders, any business strategy — good or bad — is bound to fail

The social fabric of organisations is being torn apart by at least four challenges



Organisational challenges in the workplace

According to managers



According to line reports



Employee disengagement is a top strategic concern that needs an immediate solution. CHROs are steering C-suite efforts to reestablish a connected enterprise.

To reconnect and engage people with their organisation, leading companies are adopting a purpose-led strategy that seeks long-term value for different stakeholders, beyond shareholders — their employees, the environment and society

SOLUTION:

05 Purpose-driven organisation



A digital workspace solution supports enterprise ESG goals.

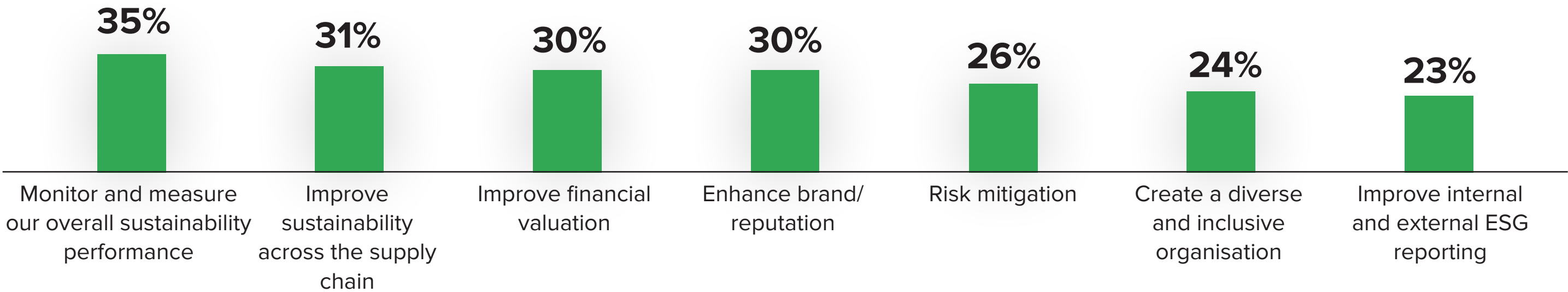


An inclusive workspace solution can empower people with disabilities to give their best in their jobs.

A “green” digital workspace solution can substantially reduce IT energy use and carbon emissions.

Impact of technology investments on sustainability goals

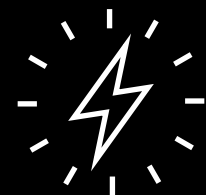
In which of the following areas do you believe your technology investment will have the biggest impact on your organisation’s sustainability goals?



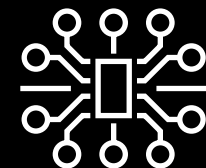
According to IDC’s sustainability framework, Google has a sustainable performance:



According to IDC’s European Sustainability Index, Google is among the top performers in cloud and datacentre services.



Google matches 100% of its electricity usage with renewables and provides a carbon-intelligent platform to manage computing tasks.



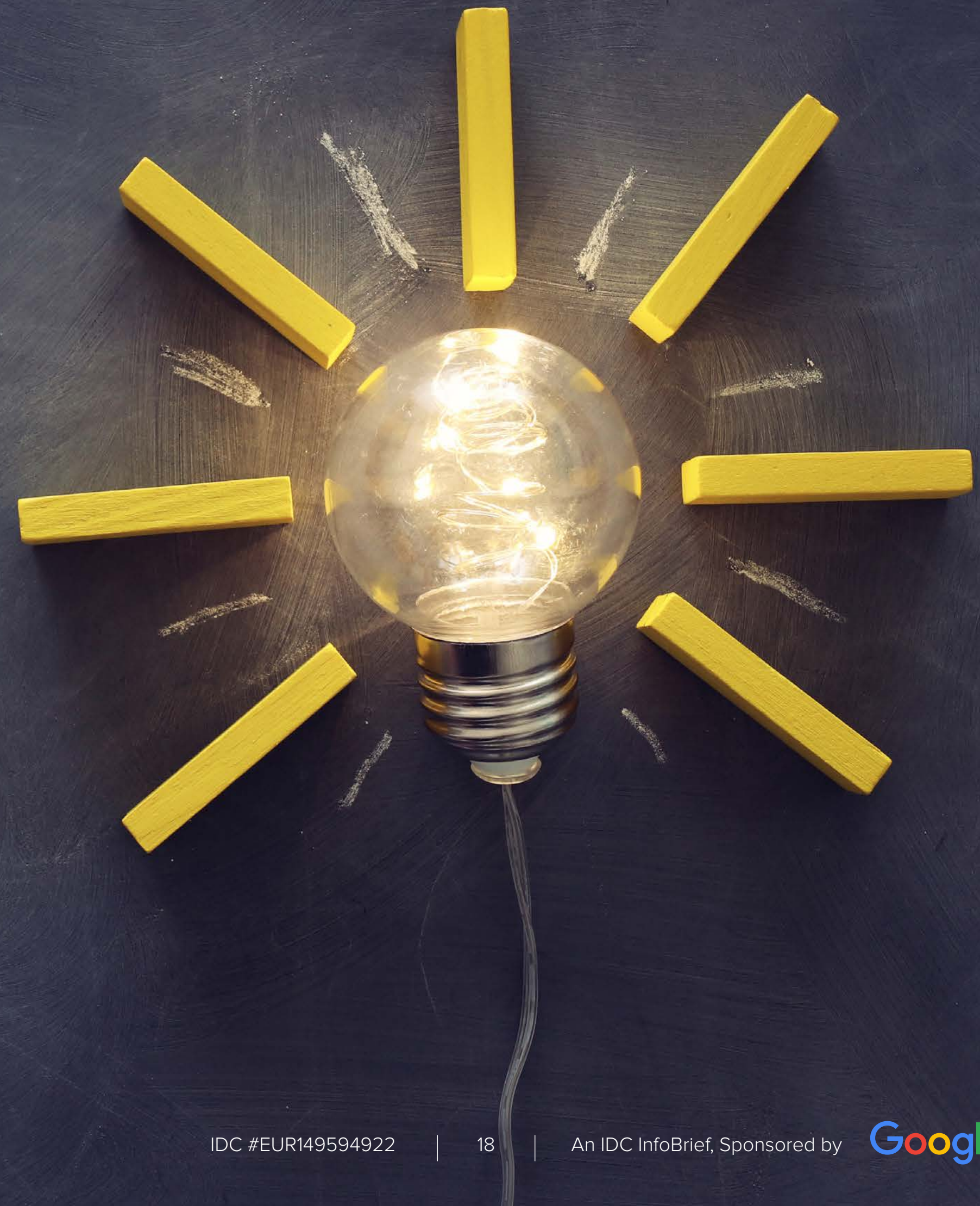
Google runs numerous philanthropic projects, funds initiatives for local communities as well as under-represented groups in the technology industry.



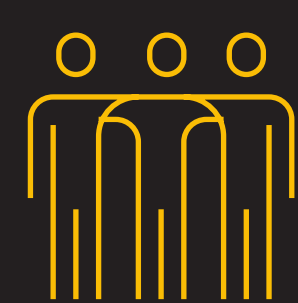
Google Workspace provides closed captions for the training videos that we were offering because the training videos are how we grow the programme. We have the School for the Deaf and the Blind on the Google platform, and it gets functionality that helps with disabilities.

Google Workspace customer

Conclusion



HR leaders are spearheading workplace transformation strategies, steering change for a high-performance culture and business success. For this, HR leaders are selecting a digital workspace platform that builds culture and supports the evolving workplace with a cloud-first approach.



Culture

Building culture:

connecting distributed teams and creating social connection with a superior collaboration experience



Flexibility

Always evolving:

designed for agile teamwork and adaptable to multiple use cases and industries in a fast-changing environment



Cloud first

Cloud first:

secure and built for real-time collaboration, regardless of the device and location

A digital workspace can effectively address current organisational challenges, bringing about the following outcomes:

Digital success

Providing a superior user experience that is intuitive and inclusive and brings the best out of individuals

01

Elevating the digital skills of workers to enable the “art of the possible” for business impact

02

Talent retention

Agile teamwork

Beyond financial impact: caring for people’s well-being and the environment

03

Empowering teams with collaboration equity and intelligence for fast decision making

04

Sustainability

Work anywhere

05

Enabling work anywhere, regardless of their device, role and location

Message from the Sponsor

Google Workspace helps human resources teams attract, onboard and retain top talent. Build a flexible, innovative culture, every step of the way

Only Google Workspace brings together the communication and collaboration apps loved by billions of people — Gmail, Chat, Calendar, Drive, Docs, Sheets, Meet and more — into a people-first experience powered by Google AI so that you can safely connect, create and collaborate.

82%

of Google Workspace switchers* say, after switching, “My team has become more innovative” **

778 FTEs

in higher net productivity gained with Google Workspace per interviewed organisation ***

265

additional hours of total productivity gained with Google Workspace per user per year ***

Customers:

How it’s done at millions of companies around the world



- Learn more about how Google Workspace helps human resources
- See how it’s done with Google Workspace (Product Demo)
- Try Google Workspace Today

Google Workspace



Sources:

*Those who have switched to Google Workspace in their tenure

**Google sponsored report from Quadrant Strategies, March 2022, link

***https://idcdocserv.com/US49136022_BVS

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