State of Work 2021

How COVID-19 changed digital work.

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Methodology

This report includes data from two separate studies, both conducted by the Center for Generational Kinetics (CGK). The first study was conducted between February 13 and March 6, 2020, and the second study was conducted eight months later, between November 29 and December 3, 2020. Both studies included 1,000 respondents that were employed by a company with at least 500 employees, worked on a computer, and collaborated with other people.

Introduction

In February 2020, we embarked on a study in partnership with the Center for Generational Kinetics (CGK) to understand how the two largest age cohorts in the workforce—millennials (ages 23-43) and Generation Xers (ages 44-52)—approached work differently. The data came back from the field just as COVID-19 was catalyzing a global shutdown that sent a majority of the digital workforce home to work.

Despite the tricky timing, the data provided insights into generational differences and employee attitudes that were helpful to companies navigating the unexpected crisis. More importantly, the study gave us a snapshot of the state of digital work just before the seismic shift. As the pandemic progressed, it became clear that employees weren't just working from home—they were working by very different, constantly changing rules.

" In trends research we generally see change happen incrementally unless there is a significant external change or event. With just eight months between the two studies featured in this report, a change of even 3-5 percentage points is statistically significant and worth noting. The fact that in some of the uncovered answers we see changes of 5 points, 10 points—and even more—is remarkable, and reflects the unusual speed at which the pandemic is changing work, cultural, and personal norms.

Jason Dorsey
President, Co-Founder, The Center for Generational Kinetics

To understand how this dispersed and dynamic environment has changed the work experience for employees—and what it means for the companies that employ them—we went back into the field in November and December of 2020 with a set of questions identical to the ones we asked before the pandemic. The result is a compelling view of how COVID-19 has changed digital work. At the top of that list is the complicated relationship digital workers have with technology.

Today's digital workforce is also a distributed one. Employees rely heavily on technology as their primary lifeline for all work activity, relationships, and outcomes, so it's not surprising to find that digital employees are highly invested in work technology. What may be surprising is the strength of both the emotion and action workers attach to these technologies. They have left jobs and turned down offers—and nearly half of digital workers say they are willing to leave their current job if technology hurts their performance instead of elevating it.

The study found a significant increase in the number of digital workers who say technology is "very important" in both collaborating (+10 points) and doing their best work (+9 points). The amount of change over such a short time—combined with the fact that the change came in the strongest possible response—indicates an intense degree of emotion and investment.

And that's just the start. In Workfront's seventh annual *State of Work* report, we've highlighted the most compelling findings, including the challenges workers are facing, areas where they continue to thrive, and new expectations of a surprisingly engaged and resilient digital workforce.

> " Despite a global pandemic, our very human need to find meaning in our work is revealed in this data.
>
> **Alex Shootman**
> VP and GM, Workfront, an Adobe company

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Research findings

Digital workers are resilient.

In the midst of a pandemic, and in a nod to humans' ability to grow through adversity, digital workers increased their mastery in a variety of core work competencies, including communicating their ideas, collaborating with colleagues, managing conflict, and innovating.

Rising to the occasion.

Prior to COVID-19, digital workers were very comfortable across a multitude of work situations, from managing time to learning new processes to prioritizing their work.

Despite the challenges of a pandemic, employee confidence in key areas of work increased, including communicating ideas, which saw a 4-point rise. Even more remarkable is the fact that digital workers also gained capacity in two of the most challenging aspects of work: collaborating with colleagues across geographies, which rose 4 points, and dealing with work-related conflict and hard conversations, which rose by 5 points.

Digital creativity is climbing.

With in-person brainstorms and innovation labs no longer an option, digital workers turned to technology to reshape and reimagine work—to creatively solve problems and innovate.

- Workers are relying much more on technology to foster creativity and innovation (+9 points) and develop new ideas (+8 points) than before the pandemic.

> " We were already ramping up our use of digital collaboration tools. When the pandemic hit, we had no option but to accelerate those efforts, and that's been a gift. Today, we can take the creative process that happens by being together and building on each other's ideas in person, and make it possible virtually. Our creativity isn't limited because we don't sit next to each other.

Robyn Tombacher
Global Head of Workforce Management, WPP
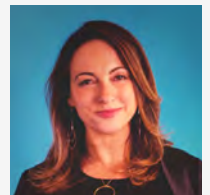
Digital workers have new expectations.

Amidst a precarious job market and personal uncertainties, digital workers are taking strong positions on what they need in order to be productive and engaged in the workplace, and the lengths they are willing to go if they don't have it.

Shiny *and* new.

Prior to the pandemic, digital workers prioritized the "right" technologies above "new" tech. Remote work has exposed the limits of outdated technologies, and workers are noticing. They report that old technology is making it harder to take on more work (+5 points)—a problem given that motivated employees crave more responsibility. Today, digital workers expect the technologies they use at work to be both up to date and fit for the job.

When it comes to aspects of work that help employees improve productivity—clear goals, engaged managers, consistent communication, etc.—we saw very little change, except in one area. Digital workers ranked "having the latest technology" 8 points higher in importance than before the pandemic.

Empowered to choose.

Digital workers expect companies to provide the proper tools and information, and they expect their employers to trust and empower them to know how to achieve the right outcomes.

- Due to the nature of remote work, employees are suffering significantly less (-10 points) from feeling micromanaged than when they were in the office.

- On the other hand, they say it's harder to ensure their work is supporting organizational priorities due to communication (+2 points) and not being given the freedom to decide how to best support company goals (+7 points).

Uncompromising.

Despite the uncertainties caused by a tenuous job market, political and social strife, and personal challenges, digital workers have become less forgiving when it comes to the aspects of work they value most—and they're willing to act.

- Pre-COVID-19, almost a quarter (22%) of workers say they had already quit a job because workplace tech made their jobs harder. Today, nearly a third of workers (32%) say they have said goodbye to an employer whose tech was a barrier to their ability to do good work.

- Even more concerning, nearly half (49%) of U.S. workers say they are likely to leave their current job if they're unhappy or frustrated with the technology they use at work.

- Bad technology is also having an outsized effect on retention and recruitment:

49%
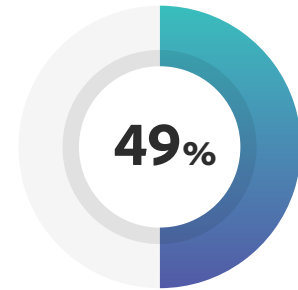
Nearly half of U.S. workers say they are likely to leave their current job if they're unhappy or frustrated with the technology they use at work.
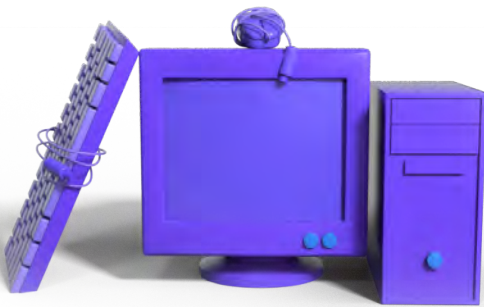
- The number of people who report turning down a job because the tech was out of date or hard to use rose 12 points.

- On the other hand, the number of digital workers who reported applying for a job because they heard a company's employees use great technology increased by 7 points.

" Digital workers know how technology should work, and they know that it's critical to their ability to be successful. When their employers provide them with subpar tools, it's more than an inconvenience. It demonstrates that the company isn't very concerned with either the quality of work or the people doing the work.

Elizabeth Volini
Executive Director, ePMO Lead, PPM Platform Owner, JLL

Digital workers are even more engaged.

Digital worker engagement was relatively high before the pandemic. Despite significant and worthy distraction, they're even more invested now.

- · Workers who say they feel very invested or invested in their jobs rose from a relative high of 79% in the first study, to 81% in the second.

- · Employees say that their work is making even more of a difference (+6 points) to the success of their companies.

- · The percentage of the digital workforce that says being able to do their best work is more important than pay increased by 8 points.

81%
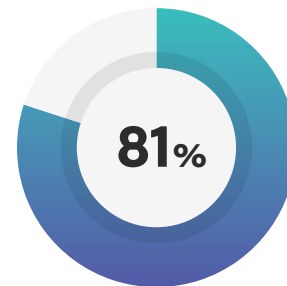
Workers say they feel very invested or invested in their jobs in the second study, rising from 79% to 81%.

While this elevated engagement is great news for companies, barriers to employees feeling invested in their work still exist:
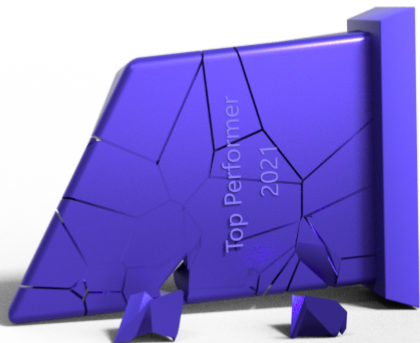

- · Feeling underappreciated, which ranked as the top deterrent in the first study, rose 8 points.

- · Feeling like the work they do doesn't matter stayed in second place as a risk factor but rose 13 points in the second study.

Generations are being impacted differently at work.

In the spring 2020 study, we set out to understand the differences between millennial and Gen X workers. We found some differences, and even more similarities.

One data point that remained consistent across both generations and the two studies is that despite a slew of memes to the contrary, a strong majority of digital workers—88%—feel very comfortable working with colleagues from across generations.

In the follow-up study, however, we found a surprising spike in discrepancies between how different generations are responding to the ongoing strain of the pandemic. The majority of generational disparities came in a few categories in which the direction of the movement was the same, but the amount of change was very different. Data from older workers indicates they are more likely to be taking the pandemic in stride, and in some cases growing in confidence and success within this dynamic environment. Younger workers, on the other hand, are not faring as well.

88%
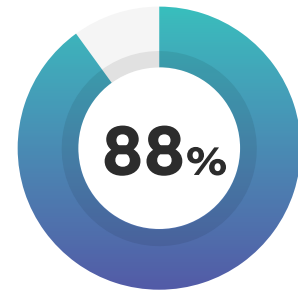
A strong majority of digital workers feel very comfortable working with colleagues from across generations.

Impact and investment.

While all digital workers report that their daily work is making an even bigger impact on the success of their companies than before the pandemic struck, Gen Xers feel their contributions are much more valuable (an 8-point increase vs. a 3-point increase from millennials). And when asked whether their ability to do their best work is *more* important than pay, millennials reported an increase of 4 points, while Gen Xers recorded a remarkable 16-point jump.

Mastering the fundamentals.

While digital workers have become more comfortable with a variety of foundational work elements overall, Gen X workers (ages 44-52) appear to be thriving. For example:

- **Communication:** Millennials reported a slight increase in their comfort around communicating ideas (+1 point) and expressing opinions (+1 point), with Gen Xers reporting an 8-point bump in both.

- **Trust:** Building and reinforcing trust was the only work element digital workers have become less comfortable with overall. When we parsed the data by generation, however, we found that the decrease came solely from millennials who reported a 3-point drop in comfort levels, while Gen Xers actually reported a 4-point rise in their ability to build and reinforce trust in the workplace.

- **Hard conversations:** Both groups got more comfortable dealing with work-related conflict and hard conversations. However, older workers became significantly more comfortable in this area—an increase of 10 points—while younger workers only reported a 3-point increase.

Willing to act.

We've established that digital workers are more willing than ever to leave or turn down a job when their work technology is out of date or makes their job harder. And while the data shows healthy increases across both generations, Gen Xers will jump ship (13 points vs. millennials' 7 points) and reject offers (increase of 10 points for millennials and 15 points for Gen Xers) at higher rates than their younger colleagues.

- The rate at which Gen Xers say they have quit a job due to bad technology increased by 13 points over pre-COVID-19 measures. Millennials reported an increase of 7 points.

> " We tend to assume that because younger workers grew up as "digital natives," they're very comfortable with a technology-enabled workplace and don't need extra support. But younger workers haven't had the opportunity to build collective resilience through a national catastrophe, are still growing their professional networks, and haven't logged as many years absorbing all the nuances of corporate culture. On top of all this, they're more likely to have young children at home that they're trying to care for and educate during the work day.

Laura Butler
SVP, People & Culture, Workfront,
an Adobe company
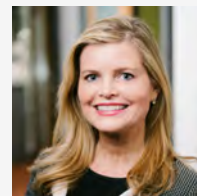
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The role
of work
management
in powering
digital work

The role of work management in powering digital work.

Enterprise-grade work management applications centralize and connect work across teams, departments, and companies. They eliminate silos, integrate applications and data, and keep people in the environments they prefer, while surfacing insights to help companies preempt problems, reallocate resources, and optimize their people and processes. Work management powers and optimizes digital work—and workers—by enabling organizations to:

Conquer conflict.

Work management facilitates productive conversations by providing data that mitigates friction with transparency and truth. It empowers teams to navigate conflict with facts versus opinions, and gives everyone visibility into goals, priorities, and the work being done. Workfront, an Adobe company, recently commissioned a report by independent analyst firm Forrester, which highlights the specific role work management data can play in successfully navigating inherently difficult topics at work:

> **"** Workfront improved employee experience (EX) by eliminating 'squeaky wheel' arguments. The interviewees said their company cultures became more positive, especially during budget season, because employees no longer felt like they had to battle for resources. The consulting director for a chemical manufacturing organization said, 'We appreciate how quickly we can get approval on business cases and how easy it is to provide the narrative on our activities and diffuse rumors and assumptions. We're able to provide transparency to a level we know executives appreciate because it is timely and factual.'
>
> [Forrester Total Economic Impact™ (TEI) study](#)

Foster creativity and innovation.

The workforce is increasingly leveraging technology to solve problems and transform work, shifting from in-person roundtable brainstorming to innovating and collaborating virtually. Work management is the foundational platform that connects data, people, processes, and technology across the organization and enables digital workforces to solve pandemic-related problems and reimagine and optimize digital work.

Promote autonomy and alignment.

Digital workers crave autonomy and freedom when deciding how to support company goals. Successful autonomy requires companies to shift from a hierarchical to egalitarian operational model—from telling people what to do, to providing context so they can determine what needs to be done and giving them the ability to do it. Work management provides every level of the organization the same context that leaders have in connecting strategy to delivery—and it supports digital workers in making good decisions.

> " Employees who were forced home to work now expect the flexibility and autonomy that comes along with remote work. Regardless of where people work in the future, companies will need to continue to support a more independent workforce with the right technology, transparency, and a shared agreement on the outcomes they want to achieve.

Elizabeth Volini
Executive Director, ePMO Lead, PPM Platform Owner, JLL

Support agility.

Anticipating and adapting quickly to change is a modern business imperative. Businesses need to make agility a permanent state of mind and give digital workers and their leaders quick and easy access to the data they need to continuously adapt, prioritize, and realign. Work management technology is the connective tissue between tools, linking and presenting data and insights from disparate systems to key decision-makers at the right time. A centralized place for work becomes the source of truth for all work information and the fuel for data-driven decisions—the basis of making agility not just a crisis response, but a steady state.

> " The pandemic introduced an extraordinary level of change and uncertainty, forcing businesses, leaders, and their employees to pivot, update, and revise their plans away from threat, toward opportunity. Being agile and able to adjust processes, systems, and workflows has armored both the company and its customers to stay engaged and inspired.

Jenifer Salzwedel
Senior Director, Marketing Operations and Enablement, Poly

Make work meaningful.

Doing meaningful work—and feeling appreciated for delivering it—influences digital workers' productivity and engagement. It's also an absolute essential for younger workers who are feeling more stretched and vulnerable. Work management technology provides employees with the "why" behind their workdays, ensures they are aligned to the most important priorities of the company, provides context and information that helps them deliver quality work, and gives leaders visibility into what employees are accomplishing, so they can remove frustrating barriers and recognize great work in a timely manner.
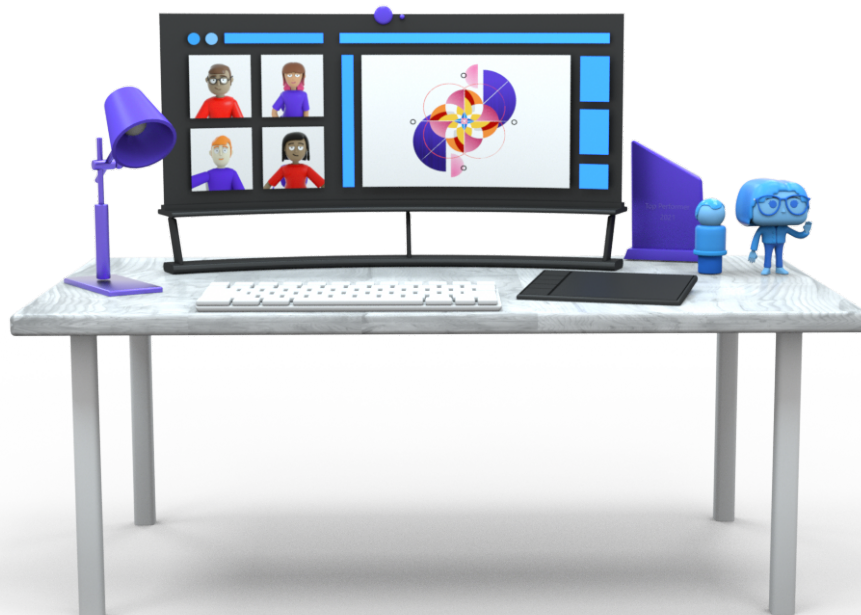
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Takeaways
for leaders

Takeaways for leaders.

It's safe to say that digital work may never return to a pre-pandemic state. Regardless of how much of what has changed will endure, the quantitative data combined with the qualitative experiences leaders are having with their frontline employees every day provide important learnings that companies can apply to support their digital workforce through uncertainty.

Treat technology as a critical workforce issue.

Technology cannot be separated from the humans who use it. In making technology decisions, leaders must put at the center of their consideration how and whether technologies empower or hobble their workforces. Investing in new technologies is important, but investing in the right technologies is even more critical.

> " For digital workers, technology is an integral part of engagement. Leaders who understand this are leveraging work technologies to mitigate the mundane and burdensome, and enable everything from flexibility and creativity to mental and personal well-being. Deployed thoughtfully—even in the most challenging times—technology can support employees in doing the best work of their lives.
>
> **Paul Tasker**
> VP Marketing Operations, Sage

Personalize the employee experience.

Allow employees to work where and how they are most creative and productive. Invest in ecosystem technologies that provide common information and collaboration spaces, while at the same time allowing employees to stay in their tools of choice and minimize context switching. Encourage autonomy by providing the right support systems, and then trusting employees to do the right thing.

> "As consumers, workers are having these wonderful personalized customer experiences with brands, but when they go to work most get a one-size-fits-all employee experience. The next frontier will be leveraging our technologies, resources, and lessons learned to create great experiences for our customers—and doing the same for employees.

Robyn Tombacher
Global Head of Workforce Management, WPP

Don't take engagement for granted.

Although employees are working longer hours and may even be producing more than before the pandemic, don't mistake involvement for investment, or busyness for value creation. It's the company's job to provide the right support and a clear, shared definition of success that every employee has a part in building. Employee engagement can't be just an HR issue, it must become a strategic and multifaceted imperative for the board and C-suite.

> "All of these factors are combining to create a complicated mix for companies. While crises of the past may have created a 'buyer's market' where employers could set the terms, the pandemic is different. Companies are facing a very real urgency to understand and cultivate resilience in their digital workforces—from technology and communication to mental health and flexible work hours—in order to retain and attract the talent they'll need to stay competitive.

Laura Butler
SVP, People & Culture, Workfront, an Adobe company

workfront
An Adobe Company

About Workfront, an Adobe company

Workfront is the leader in work management, trusted by more than 3,500 companies, 1 million users, and 10 out of 10 of the world's top brands. Workfront helps people, teams, and companies do their best work. For more information, visit www.workfront.com.