PEGA

WORKFORCE TRENDS REPORT 2022

Demystifying complexity in the modern workforce

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We're undergoing a fundamental change to the way we work.

Digital transformation is heralded as the pathway for companies to build and scale business for the future. But are companies transforming in ways that allow their employees to do their best work?

In this survey, we asked thousands of workers from across the globe for their insights on the increasingly complex intersection of technology and the workforce.

The data tells the story of a workforce that is feeling the acute impact of two years of constant digital acceleration.

The understanding of digital transformation and the effect it has on workers needs to be revisited. It isn't enough to invest in new tools. Pursuing digital transformation without a clear vision can have significant negative consequences for workers.

Respondents told us what business, technology, and organizational challenges they believe are preventing them from completing their best work. Hybrid workers are the hardest hit – indicating that they struggle more with the contributors of complexity than their remote or on-site peers.

Despite these challenges, workers are realistic about what the future holds. 56% of workers expect that COVID-19 will accelerate business complexity in the long term. Complexity may be here to stay, but the way we work isn't quite working for many employees. To ensure satisfaction and productivity for years to come, companies must hear – and urgently address – workers' needs.

3 OUT OF 4
workers believe their jobs are becoming more complex.

One third
of workers believe hybrid work makes business more complicated.

90%
of workers are experiencing "information overload" at work.

98%
of workers believe technology is important to their position.

Key takeaways

Job complexity is increasing at a rapid pace.

Three out of four workers feel customer demands are increasing so fast that it's making jobs more complex. One out of three workers say their organization moves too slowly to react to business changes. Workers are struggling with inadequate training for too many systems and painfully slow reaction times.

Hybrid work has transformed how we do our jobs.

Hybrid work, where work happens partly in the physical workspace and partly remotely, is making business more complex, according to more than a third of workers. Hybrid and remote workers are grappling the most with setting work and personal boundaries.

Workers are struggling with too many systems.

Managing information overload and struggling to navigate internal processes is more complicated today than it was three years ago.

Despite rising complexity, workers agree that technology is critical to their success.

Though technology contributes to the increase in job complexity, 98% agree that it is important to the success of their position. This is especially true for workers at enterprise organizations and small to medium enterprises (SMEs) with 100–999 workers.

PART I

The drivers of complexity

Despite the promise of digital transformation at the organization level, workers don't necessarily see its benefits in their day-to-day work.

42% of workers feel digital transformation efforts have made their job more complex.

This is surprising, given that many of the benefits of digital transformation focus on automation and increased employee satisfaction. Workers' true feelings about digital transformation suggest a disconnect in thought between IT leadership and employees when it comes to understanding the impact of digital transformation on workers.

The study found that hybrid workers are the hardest hit by massive changes from digital transformation. **46% of hybrid workers are significantly more likely than remote or in-person workers to report that digital transformation is making their job more complex.**

Issues of complexity are further compounded by company size, with workers at large enterprise organizations reporting that digital transformation impacts them more significantly than workers at SMEs or small to medium businesses (SMBs) that have less than 100 employees.

These responses indicate that digital transformation is not without its growing pains. The need to adapt and thrive in a global pandemic led many organizations to implement advanced technologies at a breakneck pace. However, workers are still struggling to adapt to the resulting complexities.

Impact of digital transformation on organizations' complexity

10%	32%	20%	26%	9%
MUCH MORE COMPLEX	SOMEWHAT MORE COMPLEX	NO IMPACT	SOMEWHAT LESS COMPLEX	MUCH LESS COMPLEX
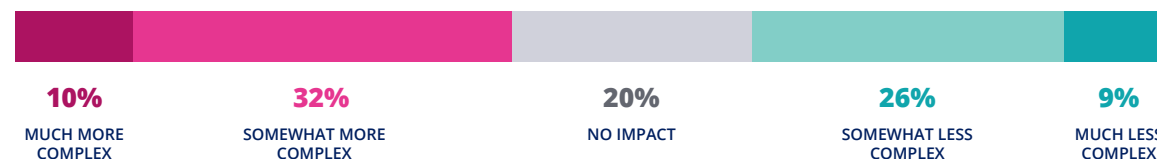
What is "complexity?"

The survey results are clear – workers' jobs are becoming increasingly more complex because of digital transformation. But what makes day-to-day business "complex" for workers? Our respondents identified several key elements that impact their ability to execute their jobs successfully, including business, technology, and organization dynamics. Many of these challenges have been accelerated by the increase of digital-first, remote work following the COVID-19 pandemic.

An almost universal factor complicating the day-to-day work of employees is having to confront the vast amount of information available at all times. **90% of respondents identified "managing information overload" as a contributor to their day-to-day complexity.**

If your job relies at all on technology, this statement likely resonates with you. The volume of available data has outpaced our ability to process and utilize it in a useful manner. This digital overload results in lost revenue through lower productivity and is damaging to employee satisfaction.

Similarly, the challenge of navigating internal processes and bureaucracy are the second most identified contributor to daily complexity. As organizations realign their IT strategies, it makes sense that there would be a lag between the increase in available information and an organization's ability to provide straightforward access to it.

Business challenges that add day-to-day complexity

90%
Managing information overload

89%
Navigating internal processes and bureaucracy

The key takeaway is that **organizations can better serve workers by implementing strategies that not only increase access to information but simplify the process of attaining it**.

The other areas that cause the most day-to-day complexity are **managing teams and people, keeping pace with rapid change, and lacking resources** to get the job done. This points to a lack of adequate or unified tools available to workers to succeed in a fast-changing, hybrid work environment.

Other day-to-day complexities

88%

Managing projects, teams, or people

87%

Keeping pace with rapid change

86%

Lack of resources to get the job done

Organizations cannot succeed by exclusively focusing on the implementation of new technologies. Instead, they must invest in a comprehensive digital strategy that serves both their employees and customers by breaking down data silos and improving ease of use.

Where does complexity hurt the most?

When asked which of these challenges added *the most* complexity to their day-to-day job, workers identified three key areas:

Work-life balance

Remote and hybrid work has had a disproportionate impact on the ability to maintain boundaries between work and personal lives. At 31%, women were more likely to indicate that this is true in their day-to-day work than men (25%).

Managing projects, teams, or people

Hybrid work introduced a host of new challenges associated with managing work across organizations. Workers must now learn to use digital tools to communicate and collaborate with employees remotely rather than in person.

Lack of resources to get the job done

Skills building, continuous training, and attracting the right talent have become increasingly important for workers to succeed – as work becomes more complicated and digital-focused.
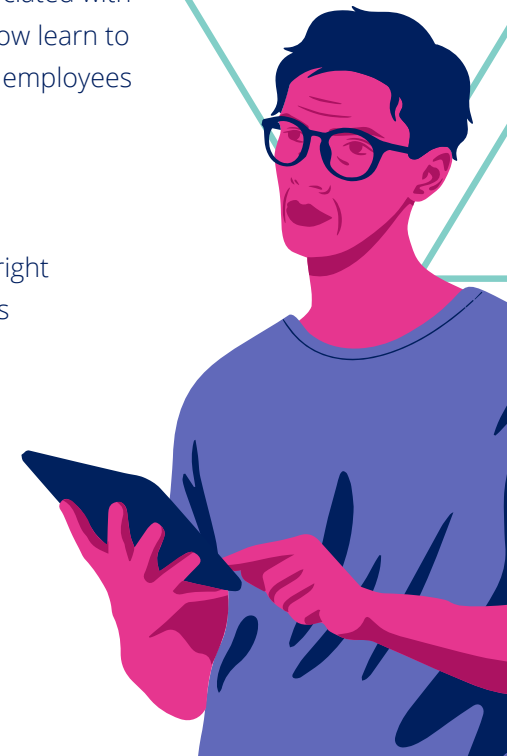
Complexity continues to accelerate

More than one out of three workers report that aspects of their jobs are more complex today than they were three years ago. Respondents indicate that the routine challenges of work have become more difficult despite (or possibly as a result of) the rapid deployment of advanced technologies in recent years.

In fact, workers are split on their opinion of new technologies: **The same number of workers (38%) either feel these new technologies have increased or decreased the complexities of their job.**

These complexities impact some groups of workers more than others. **At 43%, hybrid workers are significantly more likely than those who work in person or remotely to report that hard-to-use technology has increased in complexity** in the last three years. Younger workers (<39 years old) report that tech has decreased the complexities of their jobs (42%).

And when broken down at the country level, U.S. workers are the most likely to say that technology makes their job more complex, while workers in Latin America feel that technology has reduced job complexity.

**Aspects of technology that add complexity**

BY REGION

51% of workers in Asia Pacific report too many systems make their job more complicated.

More than 1 out of 3 workers in the U.S. and the European Union feel technology is unreliable, which adds complexity to their job.

1 out of 3 workers in Asia Pacific report that technology makes their job more complicated because it is too complicated to use and learn.

Workers in the U.S. (19%) and in Asia Pacific (22%) are more likely to say technology is not unified and occurs in silos.

How has hybrid or remote working impacted the complexity of your day-to-day business assignment?

5% MUCH MORE COMPLICATED

31% SOMEWHAT MORE COMPLICATED

41% NO IMPACT

18% SOMEWHAT LESS COMPLICATED

6% MUCH LESS COMPLICATED
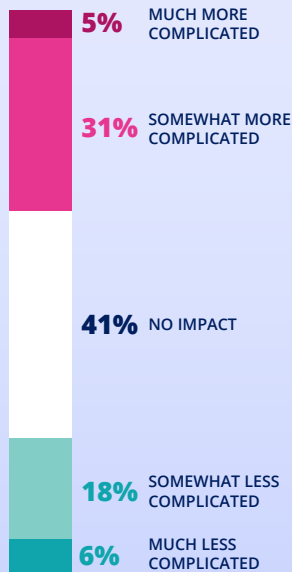
Complexity disproportionately impacts hybrid workers

35% of working professionals think hybrid work makes business more complex. Hybrid workers consistently indicate that they struggle more than their remote or on-site peers with issues of complexity. **Hybrid workers are challenged more than other workers to set personal boundaries, be productive, and collaborate effectively.**

As we enter an era where hybrid work is becoming the norm, business complexity will only continue to increase. It's up to organizations to make technology more accessible and less complex for workers by addressing the contributors to complexity.

PART II

Complexity's contributing factors

How technology issues drive complexity

When asked to identify the tech-related contributors to workplace complexity, workers indicated that the most significant factor is too many systems. This makes sense – as the platforms we use at work to gain access to data play a primary role in the execution of our day-to-day responsibilities. Notably, hybrid and remote workers are significantly more likely than in-person employees to say there are too many varied systems and that technology is siloed.

But what other tech-related factors are making work harder?

More than a third of workers report that inadequate technology training makes their job more complicated.

Once again, hybrid workers grapple the most with this issue. Hybrid workers (23%) are significantly more likely than in-person (20%) and remote (17%) workers to say technology is too complicated to use and learn.

Workers also identify product-related issues as key contributors to complexity. Specifically, they report that the technology doesn't work as expected, it is unreliable or slow, or that it's simply too complicated to learn and use.

Tech-related issues that add complexity

43% Too many/different systems

34% Not enough technology training

29% It does not work as expected/promised

28% It's unreliable/too many failures/too slow

21% Too complicated to use and/or learn

20% It's not aligned to priorities
(I don't have the right technology or tools)

17% It's not unified and occurs in silos

That's not to say that workers don't see value in technology. Despite technology increasing the complexity of jobs today, **98% agree that it is important to the success of their job.**

Technology is just one piece of the complexity puzzle, but it's a significant one. Workers want systems that integrate easily with other technologies, access to better training, and technology that's easier to use. Rapid, disorganized implementation of new tech has left workers with whiplash; only half of them are very or extremely confident that they can pick up the new tech skills needed for their jobs.

Workers know what they want: to make technology less complex. They see a clear cause and effect between lack of training (identified earlier in this report as a cause of job complexity) and their ability to adapt to new technology. Hybrid (23%) and remote workers (25%) are most likely to want less technology to navigate.

THE GOOD NEWS?

60%

of workers feel like there is at least some opportunity to suggest tech improvements.

How can we make technology less complex?

40%	36%	36%	35%	29%	21%	20%
Systems that could more easily intergrate with other technologies	More or better training on technology	Make technology systems easier to use	Technology that is more aligned or tailored to my needs	More IT experts to help me use technology	Less technology systems to navigate	Not having to learn new solutions so frequently

Compared to five years ago, do you feel your organizational dynamics have made your day-to-day job more or less complicated?

4% MUCH MORE COMPLICATED

31% SOMEWHAT MORE COMPLICATED

28% NO IMPACT

29% SOMEWHAT LESS COMPLICATED

8% MUCH LESS COMPLICATED

Organization dynamics

What about the organization itself makes work more complicated for employees? More than a third of workers feel their company has increased their job complexity compared to five years ago. This is not surprising given the rapid deployment of new technologies and dramatic marketplace shifts. Enterprises are disproportionately impacted by organizational complexity.

Workers at enterprise-level organizations and SMEs are significantly more likely than those at SMBs to report that organizational dynamics make their day-to-day job more complex. This indicates that the larger the organization, the more difficulty it can have with adapting to dramatic changes in the market caused by disruptions like the COVID-19 pandemic.

How can employers address this rise in organizational complexity? According to workers, the answer lies in transparent communication. **While 83% of workers indicated that they understand the strategic goals of their company, 71% indicated that their jobs would be less complex if those goals were clearly communicated.**

What percent of workers find the following statements true?

83%
I clearly understand my company's strategic business goals.

76%
My company gives me the means to voice feedback I feel will make my company better.

71%
Customer or client demands are increasing so fast that it's making my job more complex.

71%
My organization provides the right resources needed to cut through business complexity to do my job.

71%
My job would be less complex if my organization could clearly communicate our strategic business goals.

PART III

The future of workplace complexity

Our survey responses indicate that the COVID-19 pandemic has already significantly impacted the way we work today. According to workers, this is just the beginning of the transformation. **56% of workers expect COVID-19 to make business complexity more complex in the long term, and two out of five workers expect COVID-19 to create increased reliance on technology and make remote work the norm.**

Workers anticipate that one of the most significant challenges associated with increasing complexity will be attracting and retaining talent with the necessary tech skills.

61% of workers report that their organization cannot attract talent with the necessary tech skills.

As jobs become more complex and automation increases, **companies must focus on re-skilling and training workers to help them meet the expectations of their roles**. Companies should consider this an "always-on" requirement moving forward if they want to remain competitive.

How workers feel COVID-19 will continue to increase complexity

43% Increased reliance on technology

42% Remote working becoming the norm

34% Increased business and economic unpredictability

32% Increased financial pressures

32% Difficult to hire and/or retain the right people

30% Increased client needs and demands

26% Difficulty maintaining business relationships

20% Job responsibilities evolving too quickly

With the right architecture and approach, organizations can change their understanding of what digital transformation means – and crush the complexity it creates for workers today and in the future.

Conclusion

Complexity is increasing, and it's up to organizations to help workers navigate the new reality of work. **The first step to crushing complexity is redefining how we think of digital transformation.** Implementing new technology for its own sake only leads to further frustration and burnout among workers.

Instead, organizations must create journeys for workers that answer the question, "How can we make it easier for everyone to focus on what really matters?" Workers need systems that can be quickly updated, work across all their different customer touchpoints on all the different channels, and connect everything across their complicated landscape.

Despite their concerns about its impact, workers understand that **complexity will only continue to increase** as a result of COVID-19.

Organizations should carefully consider the implementation of new technologies to **avoid creating more data silos** for workers.

Hybrid work is accelerating, and is accompanied by significant challenges associated with setting boundaries, being productive, and collaborating.

As complexity accelerates, companies must invest in **reskilling and training** to address the lack of talent with the necessary tech skills.

Survey scope and methodology

Pega partnered with Archetype and Savanta to conduct research among professionals to understand the increasingly complex intersections of technology and the workforce. The goal of the report was to establish a clear vision of how digital transformation impacts the productivity and satisfaction of workers.

We surveyed 4,017 full-time employees working at organizations of different sizes in multiple countries from January 24 – February 13, 2022.

Countries included: the U.S. (n=500), the UK (n=501), France (n=256), Germany (n=254), the Netherlands (n=252), Mexico (n=250), Brazil (n=250), Colombia (n=250), Argentina (n=250), Japan (n=250), Australia (n=250), Hong Kong (n=251), Singapore (n=253), and New Zealand (n=250)

About Pegasystems

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