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Work, disrupted

Let's time-travel for a moment. In early 2020, the centre of gravity for millions of companies shifted almost overnight as people around the globe began working from home. Over the past few years, organisations have blazed a trail through this uncharted territory by experimenting with new ways of working and, along the way, discovering better ways to support their customers and employees.

Today, the world of work is once again at an inflection point. Amid economic headwinds and tighter constraints, every leader that I speak with is searching for ways to make their organisation more productive. And as exciting new technologies like generative AI hit the market, it's clear the global work experiment that began in 2020 isn't over – in fact, it may be just beginning. This moment demands swift, thoughtful action to set us on a path towards a better future of work.

But before going any further, I want to take you time-travelling again to show you how

we got here, back more than 100 years to the industrial era. This period laid the foundation for how we've thought about work for the past century: as a rigidly structured activity, each person with their own time card and station on the assembly line. This mental model of work as something linear and regimented continued even as work evolved into the 20th century, when management guru Peter Drucker popularised the concept that 'what's measured gets managed'.

Now, in the era of digital-first work and artificial intelligence, our capabilities at work have grown exponentially, and we're able to work more flexibly than ever before. Desk workers are far more distributed and innovative than at any time in history. In other words, work today looks very different than it did then – and so we must re-evaluate what really drives productivity and how best to measure success.





To better understand the current state of work, Slack commissioned a global survey that explores how companies are navigating productivity, flexibility and automation. We learned that today's most successful companies are focused on equipping their people with technology that accelerates work and unlocks their talent, creativity and collaboration (and not on performative visibility metrics, like hours worked). They're also focused on 'soft' productivity drivers that many organisations have overlooked for far too long, such as the importance of motivation and supporting employees' emotional wellbeing.

Now is the moment for companies to redesign work in a way that supercharges productivity while helping people to be their best. We've already seen hints of the incredible productivity that generative AI (trained on public data) can unlock at work. The real power of this technology will be realised when companies' AI tools can also analyse and act on the valuable knowledge

that they've curated internally about their own customers, people and projects.

Transformation of this magnitude requires fresh thinking – we can't afford to get stuck in the same mindset that once led people to think of the automobile as a 'horseless carriage' instead of an entirely new class of transport. Work has changed forever, and not enough companies are taking full advantage of the computing power, automation and artificial intelligence that's available to truly transform work. For example, our survey revealed that employees who have adopted AI at work are 90% more likely to report high productivity, but only 27% of companies are investing in AI to drive these types of results.

So if you're ready to learn more about how the world's top companies are approaching productivity, automation and flexibility in the era of modern work, then keep reading.

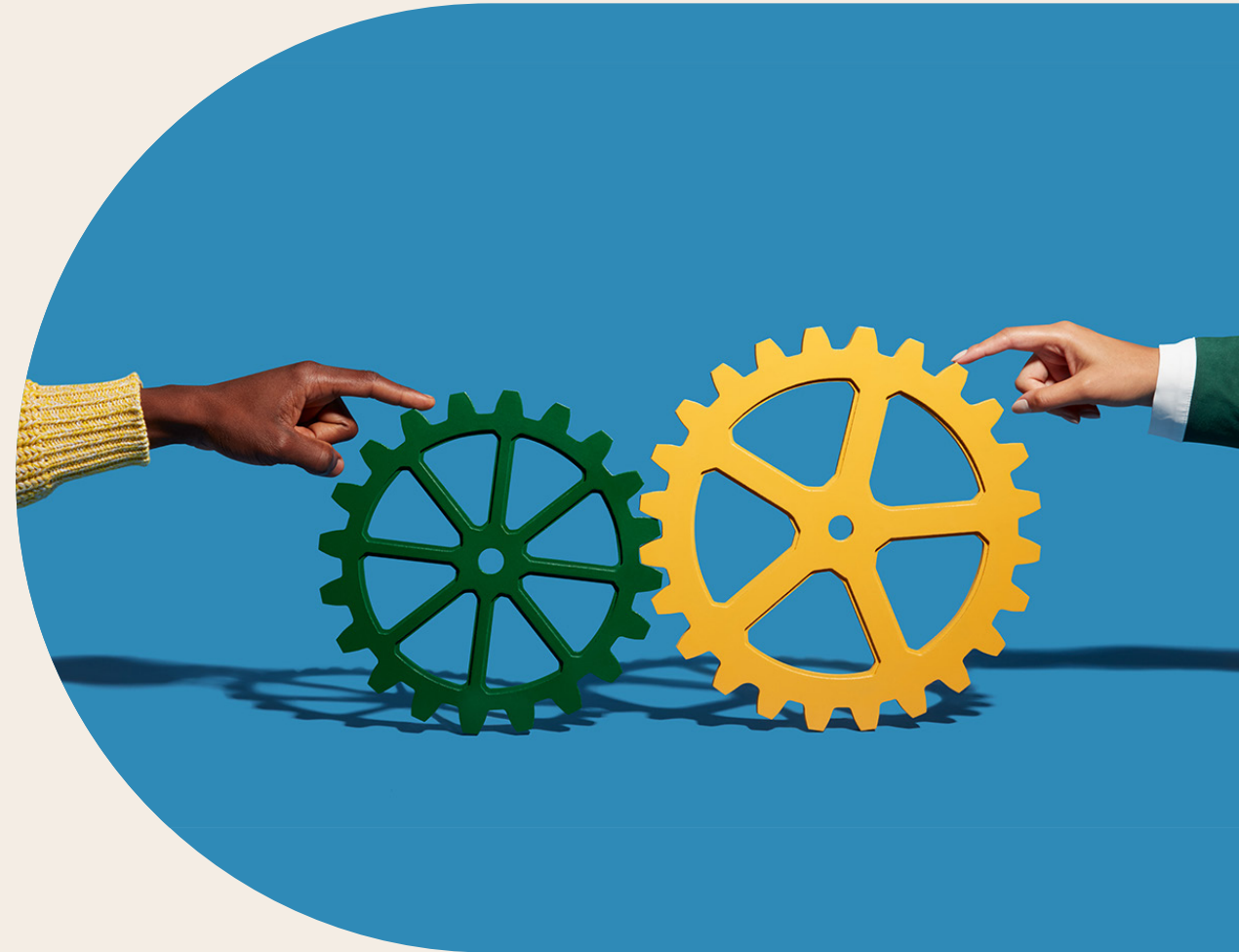
Lidiane Jones
CEO, Slack

Who we surveyed

Slack, a Salesforce company, conducted this global survey in partnership with the research firm Qualtrics between 24th February and 21st March 2023. The total sample size was 18,149 desk workers and executives across a range of sectors in the following countries: the United States (3,115), Australia (2,034), France (2,039), Germany (2,032), the United Kingdom (2,027), India (2,039), Singapore (1,341), Japan (1,658) and South Korea (1,864). Surveyed groups included office, remote and hybrid workers. The survey did not target Slack employees or customers.

In this report, we refer to the following respondent groups:

- **Executives and leaders:** Presidents, partners, C-suite
- **Managers:** People managers, ranging from team leads to VP-level leads
- **Desk workers:** Independent contributors, e.g. analysts, graphic designers and developers



Executive summary

When we released our first State of Work report in 2019, the biggest issue facing workers seemed relatively simple: how to align effectively around their shared mission.

But the world has changed radically in the four short years since then. Slack recently partnered with Qualtrics on a survey of more than 18,000 desk workers – up and down the corporate ladder and across industries in nine countries around the globe – to understand what makes certain workers more efficient and productive.

We discovered that an entirely different set of challenges are at play today.

Executives and non-executives are locked in a tug of war over how to measure productivity

Non-executives tend to think that their bosses want to see them work longer hours, be available during weekends, respond immediately to emails and sit in on every meeting (even though, say workers, 42.5% of meetings could be eliminated with no consequences).

63%

make an effort to keep their status active online, even if they're not working at the moment

53%

feel pressure to respond to messages quickly, even if sent after working hours

50%

feel pressure to let their colleagues know that they are at work and being productive

There's a reason they think this way. Based on our data, visibility and activity ranked at the top of leaders' go-to metrics. However, most individual contributors prefer to be measured based on what they produce, through team goals and KPIs. The challenge for leaders is to develop a blend of metrics that assess both inputs and outputs.

AI and automation promise to turbo-charge efficiency – but leaders are missing major opportunities to use them to their full potential

The most-productive employees that we surveyed are far more likely to be automating their workflows compared with their less-productive counterparts (65% versus 40%), driving a greater sense of wellbeing and more impact at work. Nearly half of those who use automations to be more productive at work report saving an average of 3.5 or more hours (or nearly half a day) per week.

Despite these impressive results, only 45% of leaders are prioritising automations (and only 27% are using AI), although nearly double these numbers say that both technologies would meaningfully improve worker productivity, engagement and work-life balance. The data supports this claim: those who use automations are 71% more likely to exceed manager expectations.

Leaders have a real opportunity to help employees stay motivated, regardless of when or where they're working

The most-productive employees tend to work in organisations with higher tech adoption and a generous amount of flexibility in when or where they work (60%) – 28% more than those who say that they are less productive. But tools and logistics aren't the only factors. Productive workers feel happy and engaged, understand how their roles fit into the company's mission overall and benefit from transparent communication. On the surface, these may seem like intangibles, but employee experience matters because it impacts the performance of the business at large.

Terms that we'll use in this report

Productive workers

51%

rate themselves as more productive now than pre-pandemic (March 2020)

Non-productive workers

49%

rate themselves as neutral or less productive now than pre-pandemic

Chapter 1

The productivity paradox

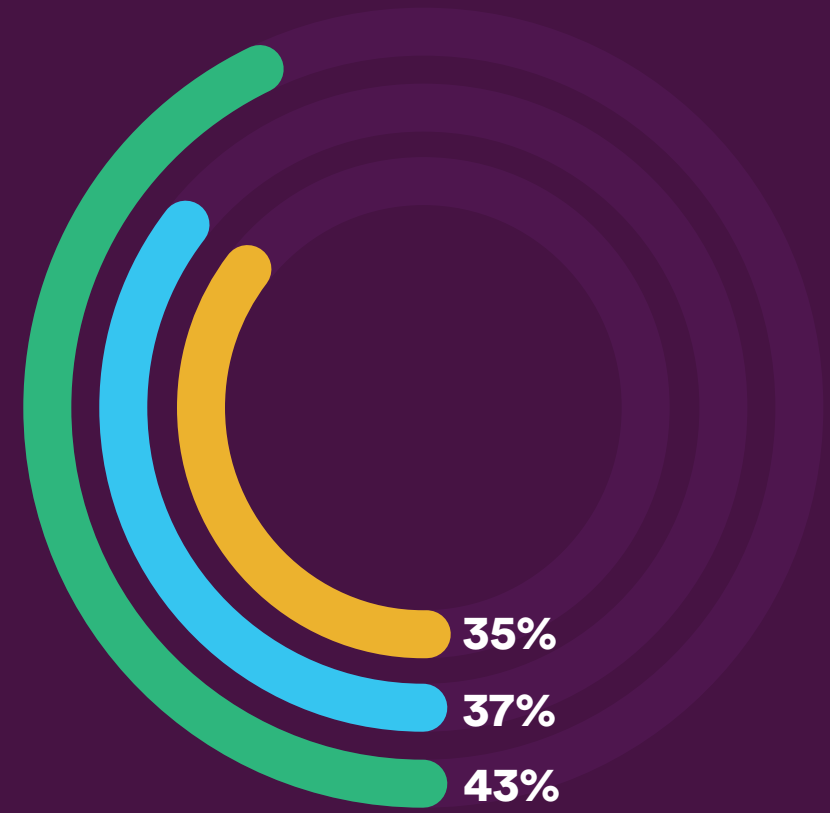


Ask business leaders what's keeping them up at night, and the majority (71%) will tell you that they're under immense pressure from their company's management to squeeze more productivity out of their teams.

Doing more with less is imperative during a precarious economy, and organisations across all industries are finding themselves right in the middle of one. No matter their size, companies are being forced to produce more with fewer resources and to get creative as they contend with an economic downturn.

Despite these pressures, however, we found that companies are overlooking opportunities to embrace new ways of working, and they're not taking advantage of automation and AI to truly transform their work. Instead, they're stuck in old ways of thinking about productivity – missing the urgent need to adopt new technologies to help them scale and become nimbler.

Executive actions during economic downturn



- Freezing new hires
- Pivoting our business strategy
- Budget reductions

BASE: EXECUTIVES

‘Strong communication is one of the best skills that individuals and their leaders can develop.’

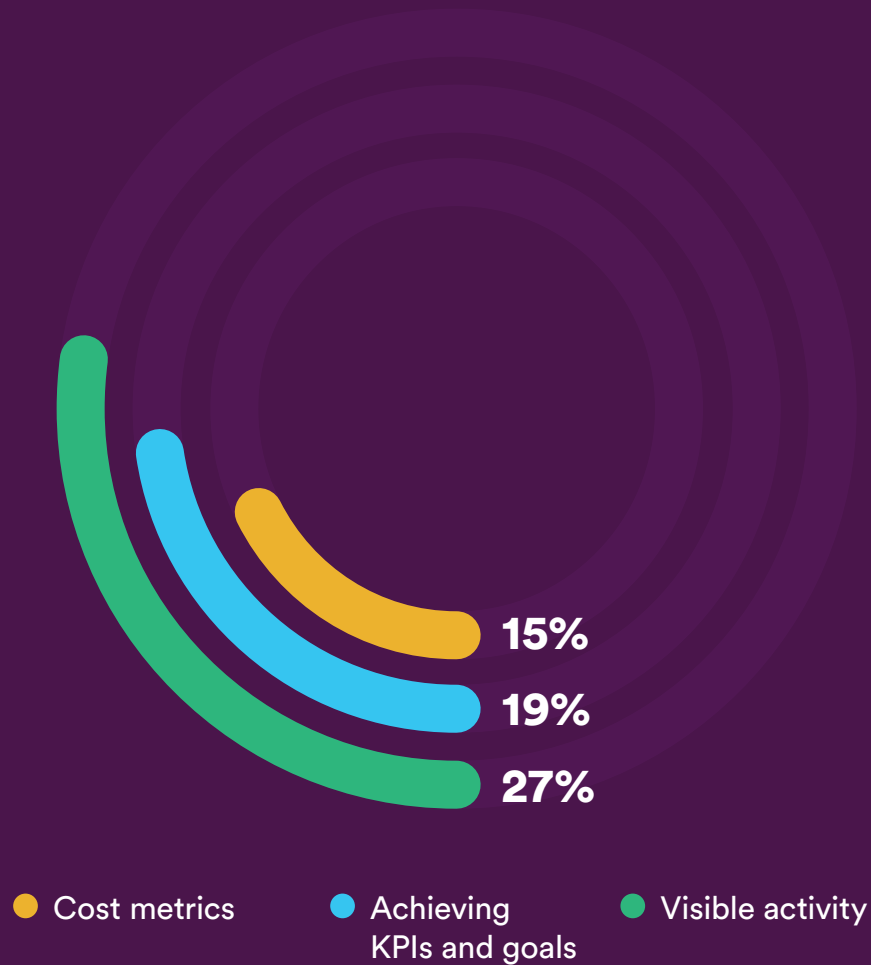


Ellen Taaffe

Director, Women’s Leadership Program, Northwestern University Kellogg School of Management, Illinois, USA

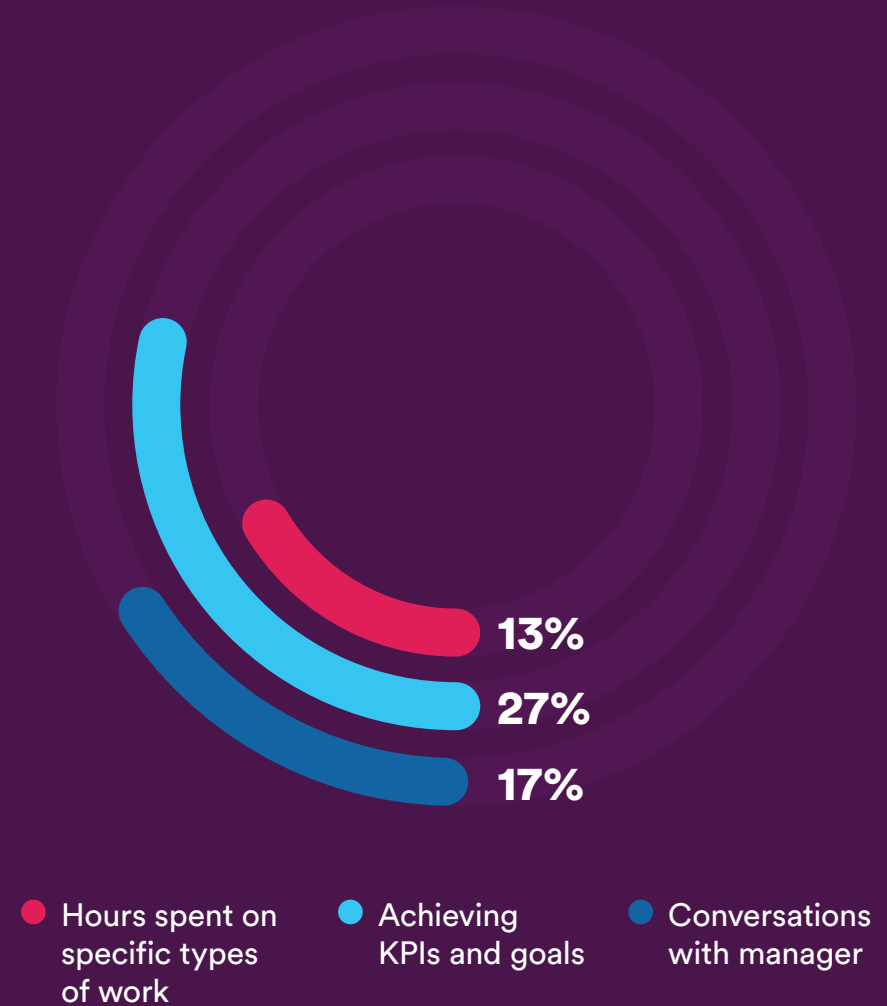
Part of the confusion comes from a growing schism between leaders and teams over how to properly define and measure productivity. ‘Strong communication is one of the best skills that individuals and their leaders can develop,’ says Ellen Taaffe, the director of the Women’s Leadership Program at Northwestern University’s Kellogg School of Management. ‘You need to really get on the same page with your reports. Be clear about how many projects they’re working on, the different components to each, and what needs to be 100% polished versus what can be in draft form. I don’t think those conversations are happening as frequently as they should.’

How executives primarily measure productivity



BASE: EXECUTIVES

How desk workers want to be measured for productivity



BASE: DESK WORKERS

Based on our data, most executives do rely heavily on visibility and activity metrics, with 27% using these as their top overall productivity measure. However, most individual contributors prefer to be measured based on what they produce or achieve (the top preferred measure is ‘achieving goals/KPIs’, at 27%). That’s followed by the quality and impact of their work, their personal growth and skill development, and other production measurements (that is, outputs) such as sales revenue, units produced, completed tasks, quality ratings, and customer satisfaction and retention.

There’s cause to believe that top-down monitoring doesn’t actually increase productivity. We found no direct correlation between employees feeling pressure to be seen doing performative work and real, measurable gains in what’s being produced. On a related note, employees who ‘feel pressure to respond to messages quickly, even if they’re sent after standard working

hours’ are not statistically more likely to say that they feel productive at work.

Determining the right mix of inputs and outputs is one of the biggest obstacles that many organisations face when it comes to properly measuring the productivity that’s so essential to navigating choppy economic waters. ‘Anyone can game a single metric, so you must consider a blend of leading and lagging indicators,’ says Prashanth Chandrasekar, the CEO of the software developer platform Stack Overflow. ‘The lagging indicator is what happened. It’s “reading the news”, and if you look at it in isolation, it’s not very helpful – whereas leading indicators give you a proactive look at the speed and progress the company is making.’

The tension surrounding the best way to measure productivity represents an opportunity for managers and reports to better align around transparency and engagement. Helping their teams to stay

motivated is a top challenge for managers globally (43%). That’s because one in three employees find it hard to stay motivated, and 29% have difficulty keeping their focus.

Let’s unpack that next.



Chapter 2

What's in the way of productivity today



Our survey divided respondents into those who feel more productive today than they did before the pandemic and those who feel less so. The purpose was to uncover the biggest drivers of and barriers to productivity.

Those who say that they are ‘less productive’ today:

- Experience too many unnecessary meetings and emails
- Feel unsupported by their managers and disconnected from their colleagues
- Lack access to effective tools and technology
- Grapple with information silos and switching between disconnected apps

Those who say that they are ‘more productive’ today:

- Embrace flexible work
- Have a choice over the meetings that they attend, leading to more focused sessions
- Save time with automation
- Use tools that enable transparency and access to historical knowledge
- Use platforms that integrate all their tools and technologies in one place

90%

who feel more productive today are more confident in their ability to hit goals

70%

say that fewer meetings and emails would improve their productivity

There’s a cultural component, too; for example, 57% of those who say that they feel like they’re ‘a valued member of their team at work’ also say that they’re now more productive than they were pre-Covid – 24 percentage points higher than those who don’t feel valued.

If leaders want to meaningfully boost productivity, they need to find ways to eliminate the roadblocks in front of their least productive employees and lean into what’s working for the ones performing at their best. And going beyond the empirical metrics, there’s a compelling business case to be made for the intangibles.



The future of work calls for a more collaborative approach between leaders and their teams. As the Konosuke Matsushita Professor of Leadership at Harvard Business School, Leslie Perlow studies how open communication and experimentation can empower teams to find the best strategies for their unique needs. ‘Leaders and their reports will need to engage in dialogue and experiment to find out what approach will serve their individual organisations best – ultimately establishing clear objectives and goals while leaving the execution up to team-level agreements that allow smaller units to do their best work,’ she says.

All of this bolsters the bottom line, because those who feel more productive at their jobs now than before the pandemic are significantly more likely than their counterparts to have a greater impact at work. They feel more confident in their ability to hit their goals (90% versus 75%) and are more likely to exceed manager expectations (36% versus 19%).

Chapter 3

The unlimited but unmet potential of AI and automation



**Those who are most
productive are**

242%

more likely to be using
AI compared with their
less-productive counterparts

**Globally, workers are
saving an average of**

3.6 hrs

every week through automations

Truly transformative technology doesn't come around very often: the printing press, the lightbulb, the telephone, the internet, the smartphone – and now, artificial intelligence. The developments that we're witnessing have brought us to the edge of a new frontier, and companies that aren't finding ways to harness the power of automation and AI will miss out on a massive competitive edge.

'Generative AI technologies will improve knowledge workers' efficiency by automating repetitive tasks, providing insights and recommendations for decision-making and enabling better collaboration,' says Jungkyu Choi, the multimodal AI group leader at LG AI Research in Seoul. 'Ultimately, workers can focus on tasks that require human intelligence and creativity, leading to higher productivity and more innovation.'

Of the workers that we surveyed, those who are most productive, have the biggest impact at their organisation and experience better general wellbeing at work are significantly more likely to be using AI (242%) and automations (78%) compared with their less-productive counterparts.

Nearly half of the respondents say that they're using automations to do more work in less time and with fewer resources – with a remarkable 74% freeing up at least two hours per week that they can now spend on tasks that drive bigger business impact.

Across industries, those who work in tech were most likely to be implementing automations, especially for file sharing and storage. Engineering, IT and design teams use AI the most, while sales, service and marketing have the greatest unmet opportunity to use the latest tools.

Use cases for AI

Writing and editing text

58%

Voice-to-text transcripts and scripts for customer support

49%

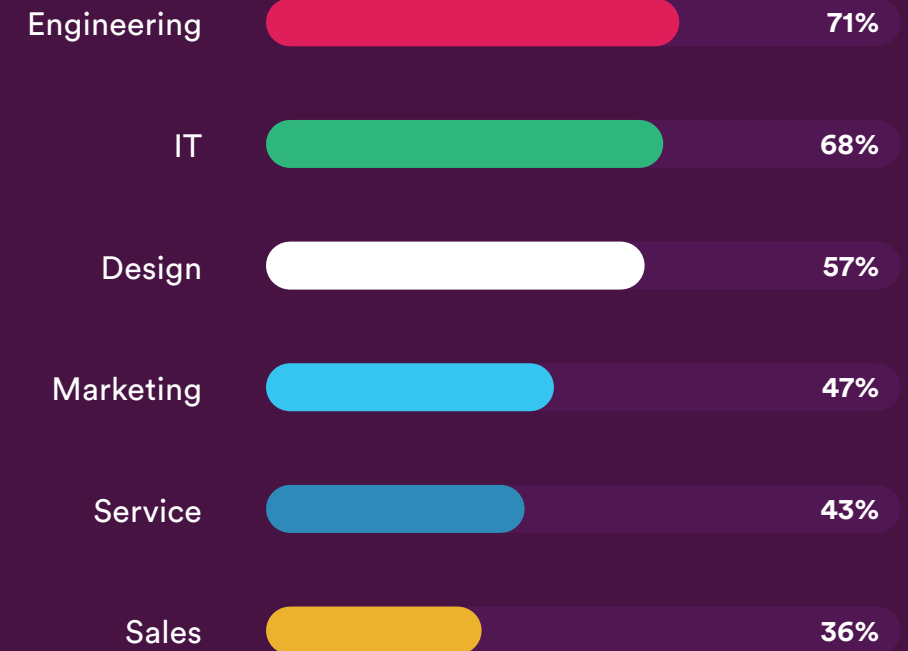
Image and video creation

44%

Writing code

42%

Teams using automated processes



While 77% of our respondents say that being able to automate routine tasks would greatly improve their productivity, only 45% say that their teams have created automations to make their work processes easier or more efficient. That's a mismatch, and it could cost companies that don't quickly move to catch up.

Those who are using automations are significantly more likely to have increased their productivity at work (57% of those who are more productive now are using automations, versus 32% of their counterparts). We see the same thing with AI use at work (41% of those who are more productive are using AI at work, compared with only 12% of their counterparts).

'With the time they save, knowledge workers can focus on curating the resources gathered by AI and determining their quality – giving them more time to spend on creating new ideas and innovations,' says Koo Ping Shung, the practicum director and co-founder of Data Science Rex.

Biggest benefits of using automations

62%

achieve more with less time and fewer resources

44%

drive more business impact

36%

enjoy a better work-life balance

45%
of respondents are currently using automations

77%
say that being able to automate routine tasks would improve their productivity

What is flexibility, really?



The overnight exodus from offices caused by the pandemic sent a reverberating shock through the corporate world, and corporations are still reeling, unsure of how to navigate a path forwards now that the worst is behind us.

Flexibility is so much more than location; it's also how and when we work. That means thinking carefully about office design and work schedules, and being intentional in terms of deciding which environments are best for specific tasks. There's a time and place for everything, and the organisations with the highest productivity have taken the time to consider what goes where.

'Gone are the days when productivity was measured by the number of hours spent in the office or calls hosted,' says Donald Knight, the Chief People Officer at Greenhouse Software, a talent recruiting company. 'Instead, post-pandemic companies are now measuring success through their overall organisational and employee health. The key is developing leaders who embody a culture that exhibits flexibility and trust.'

The data shows that, when implemented thoughtfully, flexible approaches to work unlock higher levels of productivity and focus. There's always a place for in-person collaboration (which employees say they want to use for brainstorming, community building and team decision-making). But as Taaffe from Northwestern University emphasises, there's no one-size-fits-all solution, and it's crucial to keep in mind that trust is at the core of a healthy work environment. 'If managers are suspicious and don't trust that someone is doing their job, that's less about remote flexibility and more about being clear on what that person is supposed to do,' she says. 'Are they engaged? Are they skilled enough or getting the training they need? Do they know

'Companies are now measuring success through their overall organisational and employee health.'



Donald Knight
Chief People Officer, Greenhouse Software

what their role is as part of the bigger picture? You've got to create that environment of trust by having clear expectations and the safety to say what is and isn't working.'

What matters above all is that work schedules and locations are purposeful according to the kind of work being done – and that each team's agreements are well defined. The data is clear: flexible arrangements can significantly boost productivity, as long as they're serving the current needs of the business.

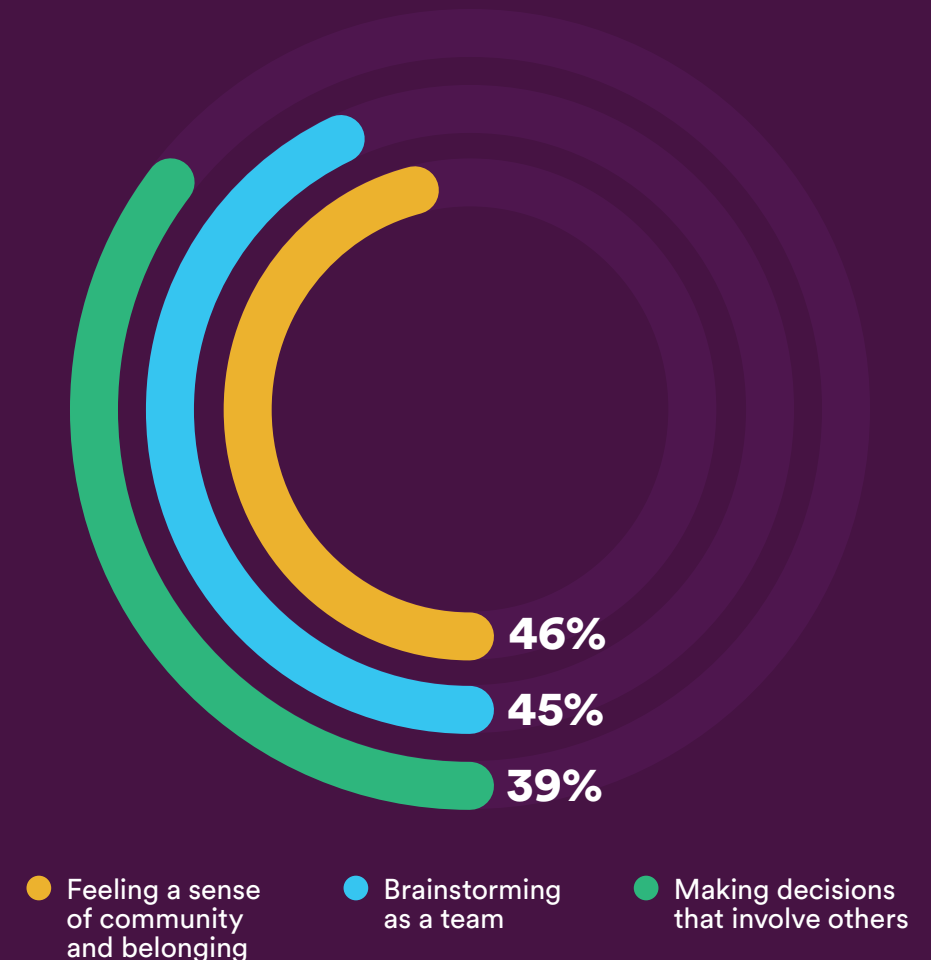
77%

say that having their immediate team in the office at the same time as they are would increase their productivity

Flexibility can look different depending on a team's goals and needs. For instance, 77% agree that when they do work from the office, they want their immediate team to be there too. That's because they feel that the presence of others improves their productivity. Of these respondents, however, more than half say that their team (not just their company) is geographically distributed across multiple locations. So coordinating on team days to work from an office isn't always the same as working in the same office.

It's a nuanced situation, and leaders must carefully evaluate which tasks are best completed alone or remotely (deep work, meetings) and which ones benefit from group dynamics (ideation, brainstorming, skills development).

Type of work considered 'more productive' in the office



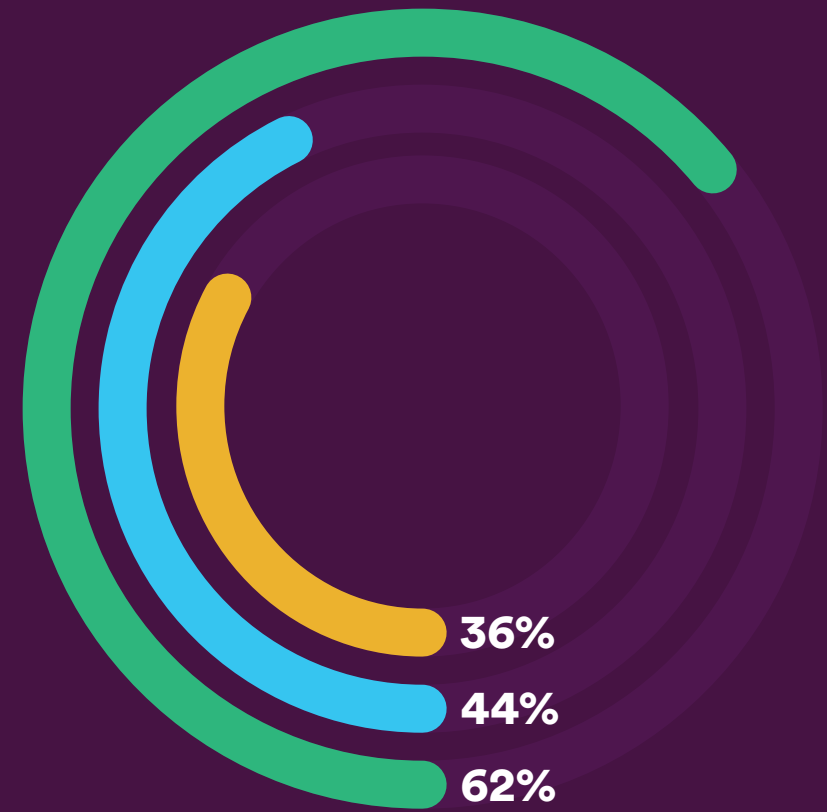
BASE: DESK WORKERS

‘While some may wish to return to the way things were, the paradigm of hybrid work is here to stay, and it offers each industry or organisation the opportunity to unlock massive efficiencies, but doing this work is complicated and messy.’



Prashanth Chandrasekar
CEO, Stack Overflow

Biggest benefits of using automation



- Better work-life balance
- Drive more business impact
- Achieve more with less time and fewer resources

A path to productive collaboration



On average,
employees spend

32%

of their time on performative
work that gives the appearance
of productivity

Respondents say that

43%

of their meetings could
be eliminated with no real
adverse consequences

Team collaboration isn't necessarily easy or straightforward. When people aren't rowing in the same direction, it leads to disorganisation and hinders an organisation's ability to be resilient in the face of unexpected change. But when a group of people work together – harnessing their collective creativity, talent and innovation efficiently – they can create something far greater than what they could have accomplished alone.

Based on our key findings from the survey, here's our best advice on how proactive leaders can unlock unprecedented productivity gains, even in a time of belt-tightening.

Banish distractions and multitasking with a platform that supports focus, choice of tools, flexibility and automated workflows. Workers who are more productive today than they were pre-2020 are better connected with their teams, using more collaboration tools both at home and in the office. When tools are scattered and siloed, however, they can cause problems. Productivity happens when tools are integrated into a single platform that allows employees to do their work in one place instead of having to constantly flip between dashboards.

Eliminate performative work and hold fewer, better meetings.

We know that the biggest challenges to productivity include spending too much time in meandering meetings, a deluge of email, and busywork that doesn't directly contribute to the company's bottom line.

According to our respondents, nearly 43% of meetings could be eliminated with no real adverse consequences. This statistic is even more pronounced for managers and senior leaders, so they would actually disproportionately benefit themselves by cutting back on meetings. With that in mind, teams should champion impromptu huddles to quickly solve problems, along with asynchronous audio and video clips to relay information.

Empower employees to innovate with AI and automation. Only 23% of executives have enhanced their company's technology stack in an attempt to boost productivity in the past six months. During this period, a burst of tools have debuted with the promise to transform work as we know it. Our advice is to find a platform that allows workers to build workflows that automate repetitive business processes such as approvals, requests and code reviews. Integrate AI chatbots that can plug into a single dashboard and securely wrangle your proprietary data.

These steps not only give employees an informational edge, they carry a concrete ROI by saving time and money, improving the overall quality of work, increasing employee satisfaction and retention, and reducing dependence on IT teams. Opportunities are everywhere, especially for sales, support and marketing teams. For example:

- Sales teams can automate approving deals and updating customer records
- Customer service can lean on AI-powered chatbots to escalate issues to the right contact
- IT teams can monitor and respond to incidents automatically
- Software engineers can perform AI-assisted code reviews and testing
- Marketers can automate elements of their social media production and use GPT-based models to assist with content creation

But such tools are still far from mass adoption, with 60% of respondents saying that their companies have not yet incorporated AI – while, as mentioned above, 77% report that automated tasks would significantly boost their productivity.

‘You must create a mission and a community that makes people want to work there. When they’re driven by passion and belonging and worth, you can trust them.’



Debbie Lovich
Managing Director/Senior Partner, Boston Consulting Group

Success with flexible work arrangements comes down to fostering trust. Some employees at the margins may take advantage, but freedom doesn't come without accountability – and performance reviews with clear metrics can actually be a tool that builds trust.

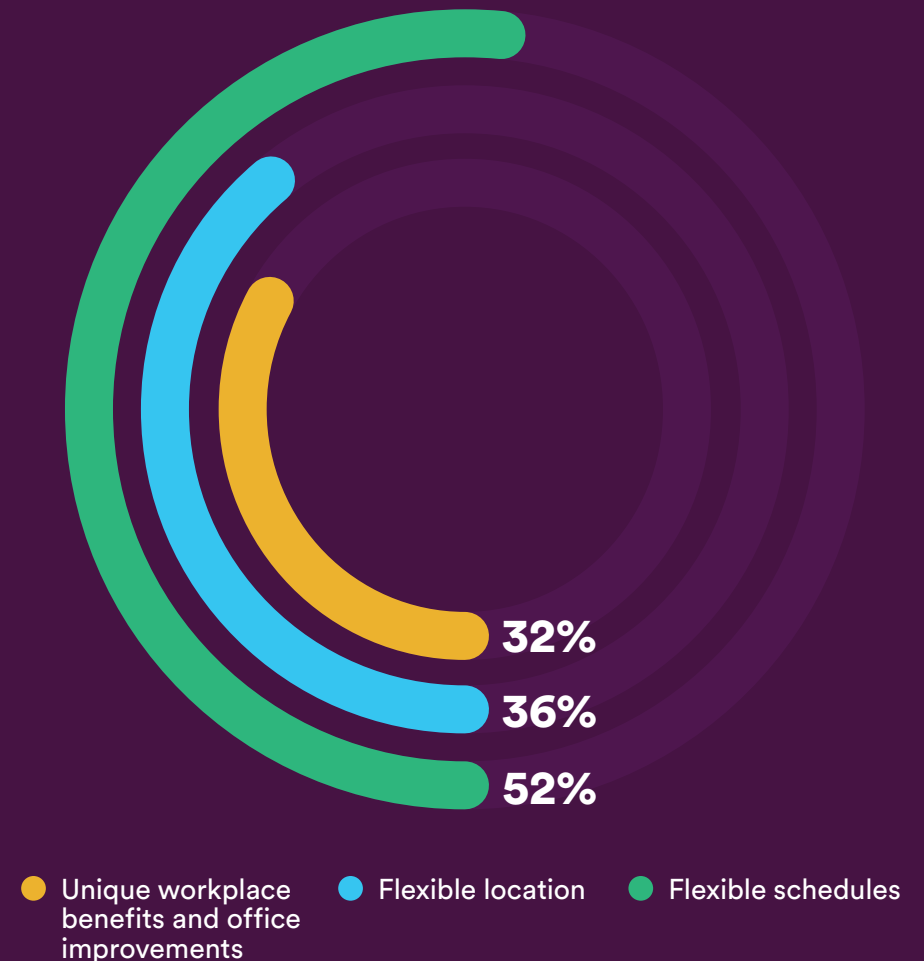
'If you're moving in an us-against-them direction, where it's management versus employees, you're already doomed to failure,' says Debbie Lovich, a managing director and senior partner at Boston Consulting Group. 'You must create a mission and a community that makes people want to work there. When they're driven by passion and belonging and worth, you can trust them.'

Leadership intangibles matter, and managers must work harder to support their reports' wellbeing. While the experiential side of work can be difficult to measure, teams do see positive results when they're intentional in building a culture that prioritises teamwork and respect, inspiring employee enthusiasm for the company's goals and giving people the time that they need to focus on their work. Despite how subjective this may seem, productivity is higher when employees feel excited about the future of their company, are valued members of their teams and are receiving fair opportunities to maximise their contributions at work.

The stakes are high. Not focusing on these issues can extinguish productivity. For a combined 49% of respondents who do not feel more productive now compared with before the pandemic, the top contributors were 'not feeling supported by their manager' and 'having to deal with too many crises or too much chaos at work'.

It's the manager's job to shield the team from these challenges.

Best ways for employers to support productivity





The lesson

Modern work is facing a moment of truth.

Companies have experienced waves of disruption over the past few years. First, the pandemic triggered a global exodus from the office, and now AI and automation promise a thrilling but uncertain future. Understandably, there's misalignment around how best to measure productivity amid all these rapidly shifting pieces. And despite the excitement around automation and AI, many businesses haven't incorporated them to their full potential.

Rather than seeking a one-size-fits-all solution, each company will have to commit to studying itself and finding creative solutions based on the needs of their organisation.

The path forwards demands a mental palate cleanse and fresh ideas. While the pandemic-related disruption was significant, we now have an even bigger opportunity to redesign work – not because of sudden restrictions, but instead based on real insights about when, where and how we work best.

Appendix



Top barrier to productivity faced by desk workers

Spending too much time on meetings and emails

Trouble staying motivated

Spending too much time on meetings and emails

Spending too much time on meetings and emails

Spending too much time on meetings and emails

Difficulty coordinating or communicating with colleagues at work

Spending too much time on meetings and emails

Difficulty coordinating or communicating with colleagues at work

Trouble staying motivated

Trouble staying motivated

Top barrier to productivity faced by managers

Helping my team to stay motivated

Helping my team to stay motivated

Helping my team to stay motivated

Spending too much time on meetings and emails

Helping my team to have a good work-life balance

Helping my team to stay motivated

Helping my team to stay motivated

Helping my team to stay motivated

Helping my team to stay motivated

Helping my team to stay motivated

Percentage adoption of AI tools to drive productivity

27%

21%

23%

29%

75%

10%

35%

10%

21%

21%

Percentage adoption of automating processes to drive productivity

45%

45%

40%

51%

75%

21%

54%

43%

36%

39%

Hours per week saved through automating processes

3.6

3.3

3

3.5

4.9

2.4

3.6

3

3.3

3.5

The best way that employers can drive productivity

Flexible work schedules

Flexible work schedules

Flexible work schedules

Flexible work schedules

Flexible work schedules

Flexible work schedules

Flexible work schedules

Flexible work schedules

Flexible work schedules

Flexible work schedules



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