



**2021 Work Trend Index: Annual Report**

# The Next Great Disruption Is Hybrid Work – Are We Ready?

Exclusive research and expert insights into a year of work like no other reveal urgent trends for leaders as the next phase of work unfolds.

March 22, 2021

# The future of work is here and it's hybrid

**T**he year 2020 changed work forever, impacting every person and organization across the globe. Now, with widespread vaccinations in sight, we're on the brink of a disruption as great as last year's sudden shift to remote work: the move to hybrid — a blended model where some employees return to the workplace and others continue to work from home.

We know two things for sure: flexible work is here to stay, and the talent landscape has fundamentally shifted.

Remote work has created new job opportunities for some, offered more family time, and provided options for whether or when to commute. But there are new challenges ahead. Teams have become more siloed and digital exhaustion is a real and unsustainable threat.

The opportunity now is to build on what we've learned over the past 12 months to create a workplace where everyone can thrive.

With over 40 percent of the global workforce considering leaving their employer this year, a thoughtful approach to hybrid work is critical for leaders looking to attract and retain diverse talent. To help organizations through the transition, the 2021 Work Trend Index outlines findings from a study of more than 30,000 people in 31 countries and analyses of trillions of productivity and labor signals across Microsoft 365 and LinkedIn. It also includes perspectives from experts who have studied collaboration, social capital, and space design at work for decades.

Read on to explore how the last year changed the way we work, and the seven trends that will shape the future of work.

---

## Table of contents

Introduction

### 7 urgent trends every business leader needs to know in 2021

- |  |  |  |
|--|--|--|
| 01 Flexible work is here to stay                                   | 04 Gen Z is at risk and will need to be re-energized | 06 Authenticity will spur productivity and wellbeing |
| 02 Leaders are out of touch with employees and need a wake-up call | 05 Shrinking networks are endangering innovation     | 07 Talent is everywhere in a hybrid work world       |
| 03 High productivity is masking an exhausted workforce             |  |  |

What's at stake: As the world opens up, more employees are evaluating their next moves

### The way forward

- |   |   |  |
|---|---|--|
| 01 Create a plan to empower people for extreme flexibility                  | 03 Combat digital exhaustion from the top           | 05 Rethink employee experience to compete for the best and most diverse talent |
| 02 Invest in space and technology to bridge the physical and digital worlds | 04 Prioritize rebuilding social capital and culture |  |

7 hybrid work trends  
every business leader  
needs to know in 2021

# Flexible work is here to stay

**E**mployees want the best of both worlds: 73 percent of workers surveyed want flexible remote work options to continue, while at the same time, 67 percent are craving more in-person time with their teams. To prepare, 66 percent of business decision makers are considering redesigning physical spaces to better accommodate hybrid work environments.

The data is clear. Extreme flexibility and hybrid work will define the post-pandemic workplace. Employees want control of where, when, and how they work, and expect businesses to provide options. The decisions business leaders make in the coming months to enable flexible work will impact everything from culture and innovation to how organizations attract and retain top talent.

“Over the past year, no area has undergone more rapid transformation than the way we work. Employee expectations are changing, and we will need to define productivity much more broadly — inclusive of collaboration, learning, and wellbeing to drive career advancement for every worker, including frontline and knowledge workers, as well as for new graduates and those who are in the workforce today. All this needs to be done with flexibility in when, where, and how people work.”

Satya Nadella,  
CEO at Microsoft

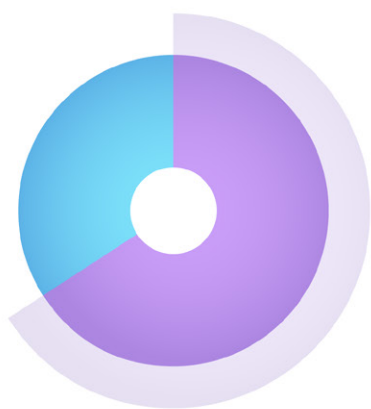
Our research also shows leaders may be too narrowly focused on where to invest. Even after a year of working from home, 42 percent of employees say they lack office essentials, and one in 10 don't have an adequate internet connection to do their job. Despite these challenges, only 46 percent of workers say their employer helps them with remote work expenses. This is important to recognize because, "technical difficulties can be very exclusionary," says Dr. Sean Rintel, a Microsoft principal researcher focused on socially intelligent meetings. "If you can't hear them and they can't hear you, people can't contribute." Interestingly, in geographic areas that are ahead of the return-to-work curve, this trend is gaining traction. Forty-seven percent of employees in New Zealand and 78 percent in China say their employer helps with remote work expenses — a significant increase over the global average of 46 percent.

Last year's move to remote work [boosted](#) feelings of inclusion with everyone working in the same virtual room. The move to hybrid will break that mold and there will be a new and important objective to a) ensure that employees are given the flexibility to work when and where they want, and b) to give everyone the tools they need to equally contribute from anywhere.

---

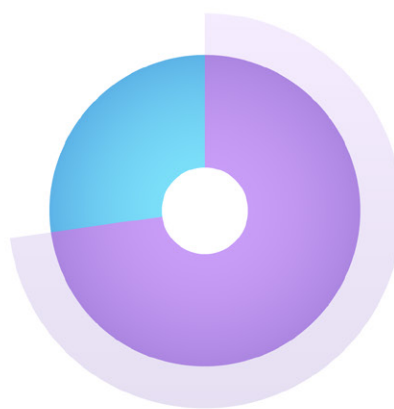
## Hybrid work is inevitable

Business leaders are on the brink of major changes to accommodate what employees want: the best of both worlds.



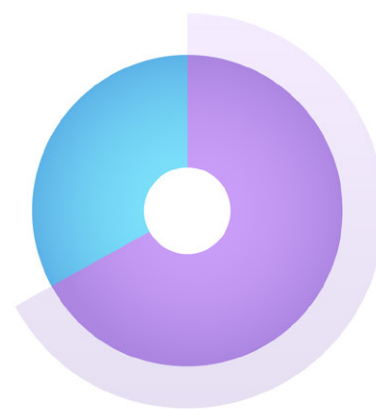
**66%**

of leaders say their company is considering redesigning office space for hybrid work



**73%**

of employees want flexible remote work options to stay



**67%**

of employees want more in-person work or collaboration post-pandemic

*The Work Trend Index survey was conducted by an independent research firm, Edelman Data x Intelligence, among 31,092 full-time employed or self-employed workers across 31 markets between January 12, 2021 and January 25, 2021.*

# Leaders are out of touch with employees and need a wake-up call

**O**ur research suggests most business leaders are faring better than their employees. Sixty-one percent of leaders say they're "thriving" right now — 23 percentage points higher than those without decision-making authority. They also reported stronger relationships with colleagues (+11 percentage points) and leadership (+19 percentage points), and a higher likelihood of taking all or more than their allotted vacation days (+12 percentage points).

Business leaders surveyed were also more likely to be Millennials or Gen X, male, information workers, and farther along in their careers. In contrast, Gen Z, women, frontline workers, and those new to their careers reported struggling the most over the past year. And workers feel the disconnect. Thirty-seven percent of the global workforce says their companies are asking too much of them at a time like this.

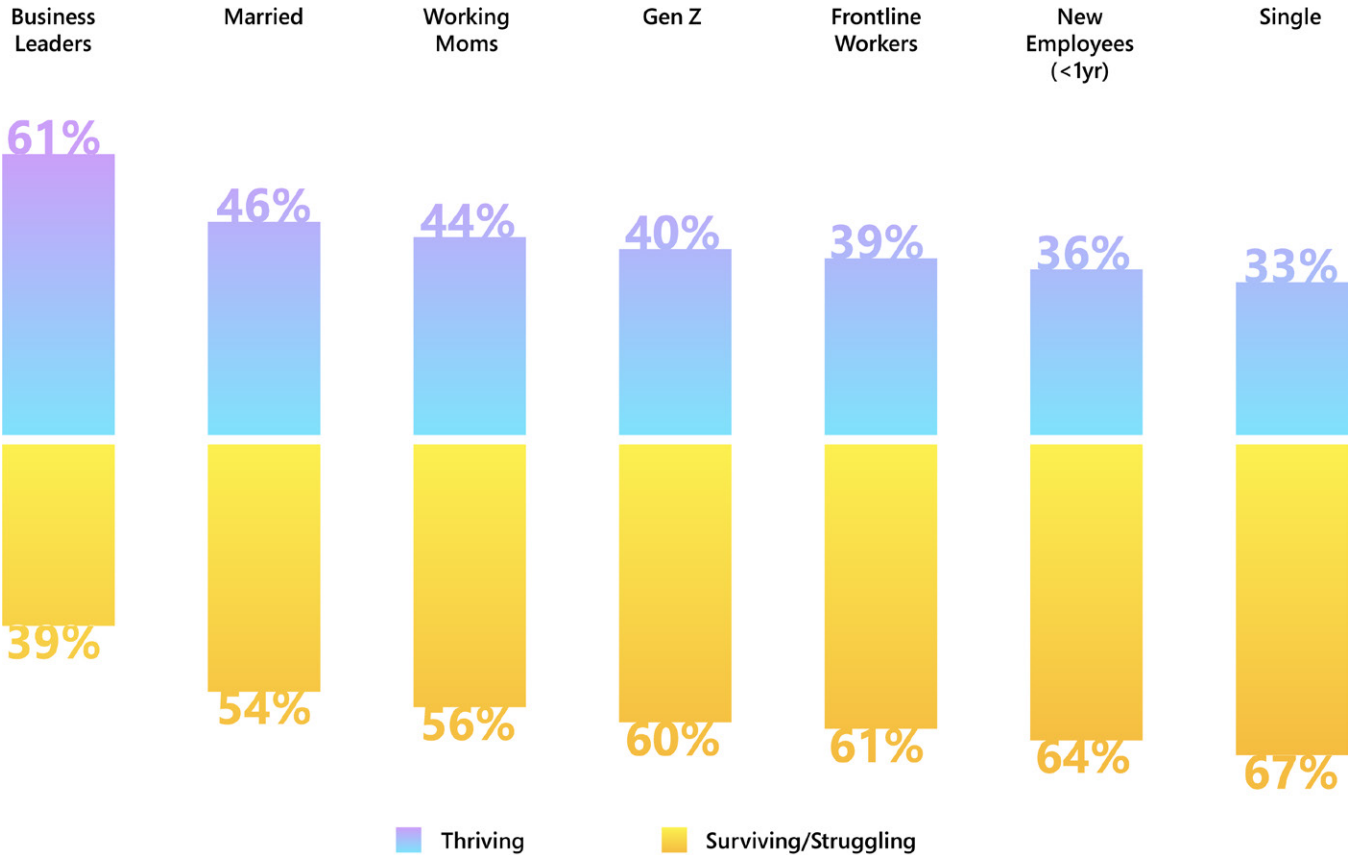
Now more than ever, people are expecting their employers and leaders to empathize with their unique challenges. But business leaders may be out of touch with what their employees need.

"Those impromptu encounters at the office help keep leaders honest. With remote work, there are fewer chances to ask employees, "Hey, how are you?" and then pick up on important cues as they respond. But the data is clear: our people are struggling. And we need to find new ways to help them."

Jared Spataro,  
CVP at Microsoft 365

# Business leaders are faring better than their employees

Most leaders in our study were male information workers with an established career — the near opposite of those struggling most.



The Work Trend Index survey was conducted by an independent research firm, Edelman Data x Intelligence, among 31,092 full-time employed or self-employed workers across 31 markets between January 12, 2021 and January 25, 2021.

# High productivity is masking an exhausted workforce

**S**elf-assessed productivity has remained the same or higher for many employees over the past year, but at a human cost. Nearly one in five global survey respondents say their employer doesn't care about their work-life balance. Fifty-four percent feel overworked. Thirty-nine percent feel exhausted. And trillions of productivity signals from Microsoft 365 quantify the precise digital exhaustion workers are feeling.

The digital intensity of workers' days has increased substantially, with the average number of meetings and chats steadily rising since last year. Specifically, when we compare collaboration trends in Microsoft 365 between February 2020 and February 2021 we see:

- Time spent in Microsoft Teams meetings has more than doubled (2.5X) globally and, aside from a holiday dip in December, continues to climb.
- The average Teams meeting is 10 minutes longer, up from 35 to 45 minutes year-over-year.
- The average Teams user is sending 45 percent more chats per week and 42 percent more chats per person after hours, with chats per week still on the rise.
- The number of emails delivered to commercial and education customers in February, when compared to the same month last year, is up by 40.6 billion.<sup>1</sup>
- There was a 66 percent increase in the number of people working on documents.

This barrage of communications is unstructured and mostly unplanned, with 62 percent of Teams calls and meetings unscheduled or conducted ad hoc. And workers are feeling the pressure to keep up: despite meeting and chat overload, 50 percent of people respond to Teams chats within five minutes or less, a response time that has not changed year-over-year. This proves that the intensity of our workday, and what is expected of employees during this time, has increased significantly.

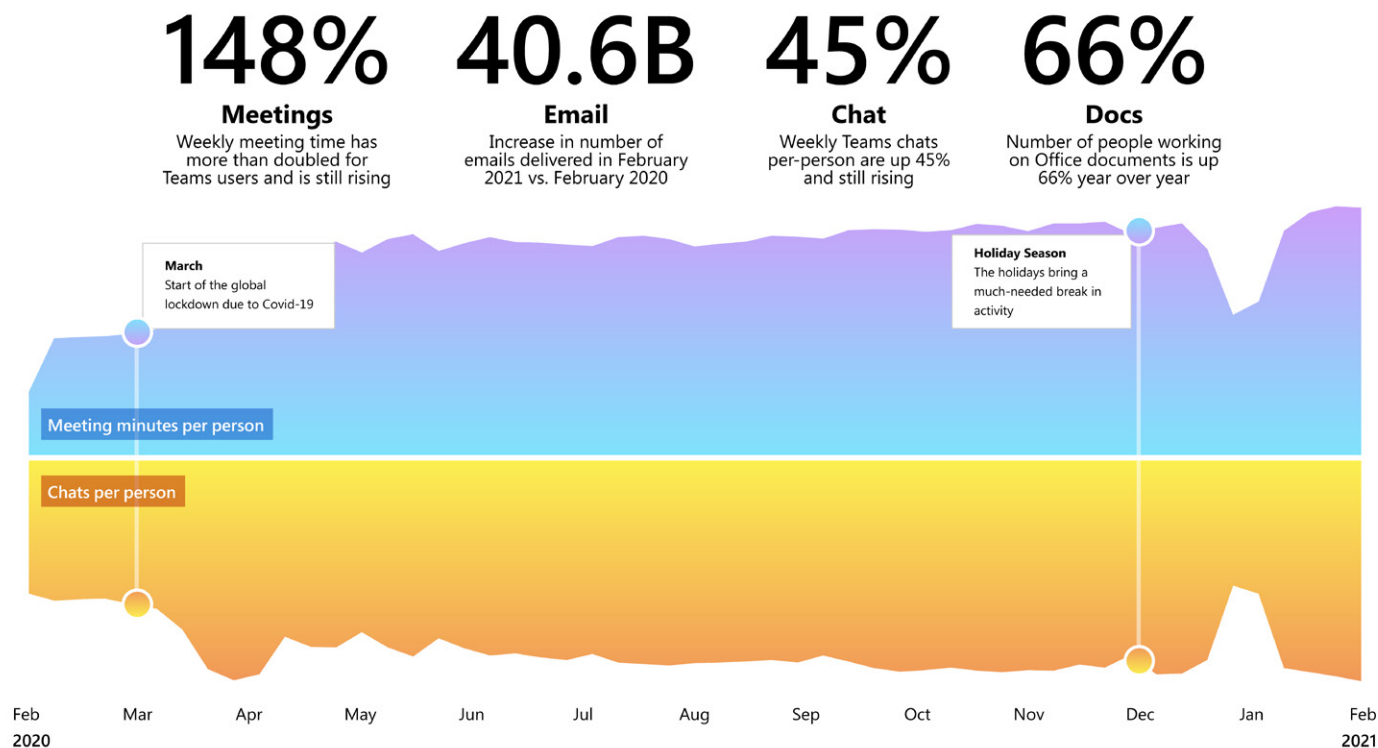
---

<sup>1</sup> The number of emails delivered to commercial and education customers via Microsoft Exchange Online in February, when compared to the same month last year.



## Digital overload is real and climbing

One year in, time spent in meetings and chats sent per person each week continues to climb.



Analysis reflects the change in collaboration activity across Microsoft 365 tools from February 2020 to February 2021. This visualization is based on aggregated data, without personal or organization-identifying information. [Learn more about our approach.](#)

According to Dr. Mary Donohue, Founder of The Digital Wellness Center, the exhaustion we're feeling can be blamed on the speed and urgency of virtual work. In-person conversations give our brains a chance to assess things like tone, social cues, and body language to make meaning. But technology can create digital static: "the gap between what you try to communicate online and what the person receiving the message understands." And as that digital static increases, so does employee fatigue, anxiety, and burnout rates — while motivation and engagement decline.

“To avoid burnout, Dr. Albert Einstein sat in a tub and watched the bubbles. No one could talk to him. He was thinking and watching the bubbles. To reduce your risk of burnout, take a few minutes every day to have quiet. Even three minutes a day will make a difference.”

Dr. Mary Donohue,  
Founder of The Digital Wellness Center

There is hope, however, that hybrid work will offer some reprieve. There were just two countries that saw a more moderate increase in weekly meeting time year-over-year than the rest of the world. In Australia, meeting time increased by 125% and in China the increase was just 67%. Both countries have spent more time in hybrid work environments and may offer a hint at what the future holds.

# Gen Z is at risk and will need to be re-energized

A

**n overlooked demographic** appears to be suffering right now: Gen Z. Sixty percent of this generation — those between the ages of 18 and 25 — say they are merely surviving or flat-out struggling.

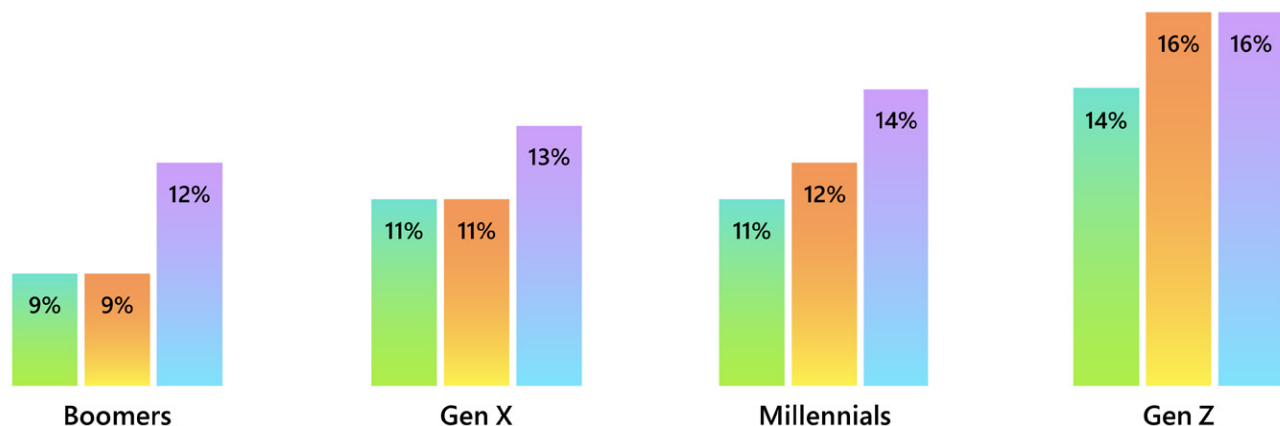
This generation is more likely to be single and early in career, making them more likely to feel the impact of isolation, struggle with motivation at work, and lack the financial means to create proper workplaces at home. Survey respondents reported that they were more likely to struggle balancing work with life (+8 percentage points) and to feel exhausted after a typical day of work (+8 percentage points) when compared to older generations. Gen Z also reported more difficulty feeling engaged or excited about work, getting a word in during meetings, and bringing new ideas to the table when compared to other generations.

“Networking as someone early in their career has gotten so much more daunting since the move to fully remote work — especially since switching to a totally different team during the pandemic. Without hallway conversations, chance encounters, and small talk over coffee, it’s hard to feel connected even to my immediate team, much less build meaningful connections across the company.”

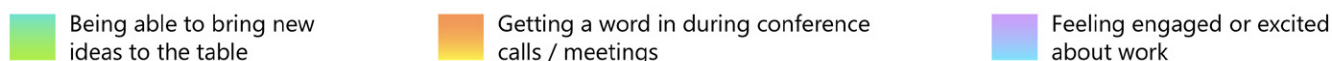
Hannah McConnaughey,  
Product Marketing Manager at Microsoft

## Gen Z is struggling more than other generations

The last year has been more challenging for Gen Z in many ways — from bringing new ideas to the table, to feeling engaged or excited about work.



### Gen Z is More Likely to Say They're Struggling than Older Generations on These Aspects at Work



*The Work Trend Index survey was conducted by an independent research firm, Edelman Data x Intelligence, among 31,092 full-time employed or self-employed workers across 31 markets between January 12, 2021 and January 25, 2021.*

“Our findings have shown that for Gen Z and people just starting in their careers, this has been a very disruptive time,” says LinkedIn Senior Editor-at-Large, George Anders. “It’s very hard to find their footing since they’re not experiencing the in-person onboarding, networking, and training that they would have expected in a normal year.”

While some of the isolation will ease as the pandemic subsides, the likelihood of ongoing remote work means that feeling included and engaged at work will continue to be a challenge — especially for those new to the workforce.

Younger generations offer fresh perspectives and challenge the status quo. Their contributions are critical, and as the first generation to enter the workforce in a completely remote environment on a widespread basis, their experience will set expectations and attitudes toward work moving forward. Ensuring that Gen Z feels a sense of purpose and wellbeing is an urgent business imperative in the shift to hybrid.

# Shrinking networks are endangering innovation

T

**he pandemic-driven isolation** people feel in their personal lives is also happening at work.

Anonymized collaboration trends between billions of Outlook emails and Microsoft Teams meetings reveal a clear trend: the shift to remote shrunk our networks. At the onset of the pandemic, our analysis shows interactions with our close networks at work increased while interactions with our distant network diminished. This suggests that as we shifted into lockdown, we clung to our immediate teams for support and let our broader network fall to the wayside. Simply put, companies became more siloed than they were pre-pandemic.

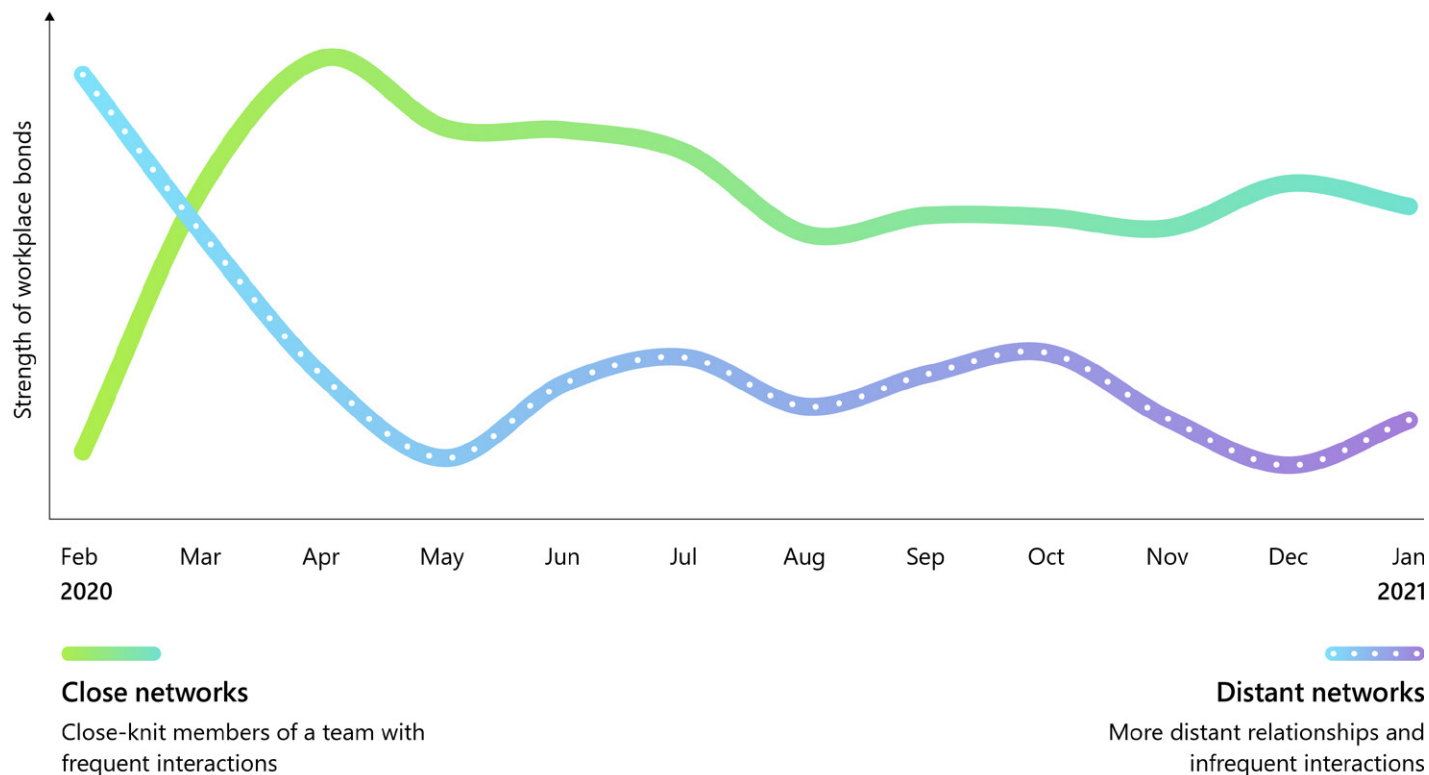
And while our close networks are still stronger than they were before the pandemic, the trend shows even those close team interactions have started to diminish over time.

What's more, Teams chats reveal a similar trend. Between April 2020 and February 2021, the number of people sending chats posted in a Teams channel — designed to include the whole team — have decreased by five percent. In contrast, the number of people sending small group or one-on-one chats have increased by 87 percent.

Strong workplace networks are more than just a “nice to have.” They impact two things important to the bottom line: productivity and innovation. Specifically, people who said they felt the most productive in our survey also reported strong workplace relationships and feelings of inclusion at work. And, on the contrary, respondents who reported weaker workplace relationships were less likely to report thriving at activities that lead to innovation, like thinking strategically (–9 percentage points), collaborating or brainstorming with others (–10 percentage points), and proposing new ideas (–9 percentage points).

## Teams are more siloed in a digital work world

Collaboration trends in Microsoft Teams and Outlook show that interactions with our immediate team, or close networks, increased with the move to remote work. However, our interactions outside of that team, or distant networks, have diminished.



Analysis of an aggregated 122 billion email interactions and 2.3 billion meeting interactions in Microsoft Teams and Outlook across industries and countries around the world. This visualization is based on aggregated data, without personal or organization-identifying information. [Learn more about our approach.](#)

“When you lose connections, you stop innovating. There are no new ideas getting in and groupthink becomes a serious possibility.”

Dr. Nancy Baym,  
Senior Principal Researcher at Microsoft

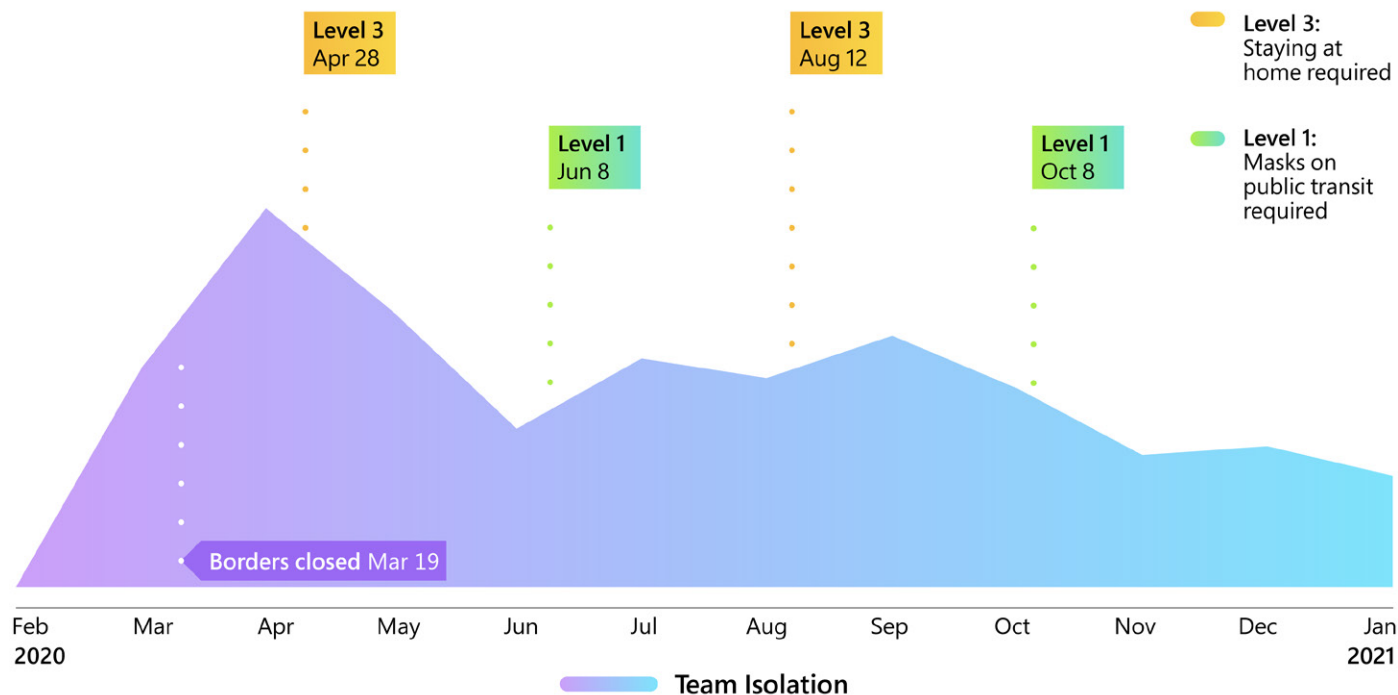
“Bumping into people in the office and grabbing lunch together may seem unrelated to the success of the organization, but they’re actually important moments where people get to know one another and build social capital,” says Microsoft Senior Principal Researcher Dr. Nancy Baym, who has studied social connections for decades. “They build trust, they discover common interests they didn’t know they had, and they spark ideas and conversations.”

Dr. Baym says, in the lab she works in, people are often on whiteboards. And as other people walk around and see the whiteboard, it stimulates innovation. “This kind of environment has led to papers and projects that wouldn’t have happened if that whiteboard hadn’t been on display,” she explains.

Thankfully, our analysis suggests that hybrid work may help revive our professional networks. For example, in New Zealand, as lockdown restrictions eased, team isolation — measured by interactions with our distant network — improved. We saw this trend in other countries as well, including South Korea.

## In New Zealand, eased lockdown restrictions improve workplace networks

Collaboration trends in New Zealand reveal a hopeful look at the future of hybrid work. As lockdown restrictions ease, team isolation improves.



The analysis considered email and meeting interactions across Microsoft Teams meetings and Outlook emails in New Zealand. This visualization is based on aggregated data, without personal or organization-identifying information. [Learn more about our approach.](#)

As companies balance a mix of in-person and remote teams, it will be important to remember that remote work makes for more siloed teams. Leaders must look for ways to foster the social capital, cross-team collaboration, and spontaneous idea sharing that's driven workplace innovation for decades.



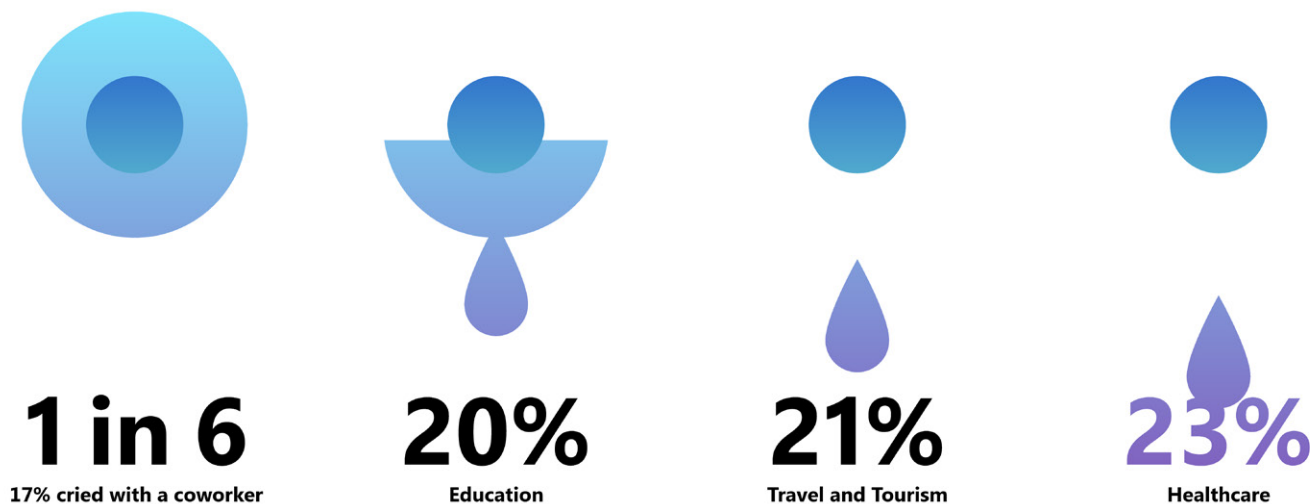
# Authenticity will spur productivity and wellbeing

**A** s people navigated unprecedented stress on the front lines this year, balanced childcare and homeschool, worked from living rooms and quieted barking dogs, something changed: work became more human.

Just under one in five (18 percent) have met their colleagues' pets or families virtually, and as we clung to each other to get through the year, one in six (17 percent) have cried with a coworker. This number was even higher for those in industries hit hardest during the pandemic, like education (20 percent), travel and tourism (21 percent), and healthcare (23 percent).

## A tough year made work more human

Coworkers leaned on each other in new ways to get through the last year. 1 in 6 (17 percent) has cried with a colleague, especially those in healthcare (23%), travel and tourism (21 percent), and education (20 percent).



*The Work Trend Index survey was conducted by an independent research firm, Edelman Data x Intelligence, among 31,092 full-time employed or self-employed workers across 31 markets between January 12, 2021 and January 25, 2021.*

More genuine interactions with coworkers may help foster a workplace where people feel more comfortable being themselves. Compared to one year ago, 39 percent of people in our study said they are more likely to be their full, authentic selves at work, and 31 percent are less likely to feel embarrassed or ashamed when their home life shows up at work. And people who interacted with their coworkers more closely than before — by meeting their children and pets over video, or even sharing a cry — not only experienced stronger work relationships (+12 percentage points), but also reported higher productivity (+23 percentage points) and better overall wellbeing (+9 percentage points).

**“Before the pandemic, we encouraged people to ‘bring their whole self to work,’ but it was tough to truly empower them to do that. The shared vulnerability of this time has given us a huge opportunity to bring real authenticity to company culture and transform work for the better.”**

Jared Spataro,  
CVP at Microsoft 365

It’s important to note, however, that Black and U.S. Latino workers in the U.S. reported more difficulties building relationships with their direct team (19 and 18 percent, respectively, compared to the 12 percent national average), feeling included (21 percent and 28, compared to a 20 percent national average), and are less likely to bring their authentic selves to work than a year ago than the broader population (26 and 24 percent, compared to a 17 percent national average). Leaders and teammates should be aware and ensure their workplace interactions encourage authenticity among all groups, especially in hybrid environments.

While we hope the next phase of work will relieve pressure from those in the most impacted industries — especially frontline workers — and bring more balance to the work-life collision many of us are feeling, business leaders have an opportunity to encourage this authenticity as an antidote to isolation. These more personal interactions have the power to drive inclusion, productivity, and innovation for years to come.

# Talent is everywhere in a hybrid work world

**A vast talent marketplace** is one of the brightest outcomes from the shift to remote work. Remote job postings on LinkedIn increased more than five times during the pandemic, and people are taking notice. Nearly half (46 percent) of those we surveyed are planning to move to a new location this year, indicating that people no longer have to leave their desk, house or community to expand their career opportunities. This fundamental shift expands economic opportunity for individuals and enables organizations to build high-performing, diverse teams from a near-limitless talent pool.

“Remote work and migration patterns open up so many interesting jobs to people who may otherwise have had a hard time gaining access to them.”

George Anders,  
Senior Editor-at-Large at LinkedIn

An [analysis](#) of the LinkedIn Economic Graph shows women, Gen Z, and those without a graduate degree as the groups most likely to apply for those jobs. And, in the U.S., our survey found that Black, U.S. Latino workers, and women are more likely than white workers and men to say they prefer remote work.

“This shift is likely to stick, and it’s good for democratizing access to opportunity,” says LinkedIn Chief Economist Karin Kimbrough. “Companies in major cities can hire talent from underrepresented groups that may not have the means or desire to move to a big city. And in smaller cities, companies will now have access to talent that may have a different set of skills than they had before.”

A wider talent pool offers immense opportunity, especially as the pandemic subsidies and childcare options are more readily available. Organizations will be able to hire the best and brightest from around the world, while people broaden their career and economic possibilities without compromising wellbeing and family priorities.

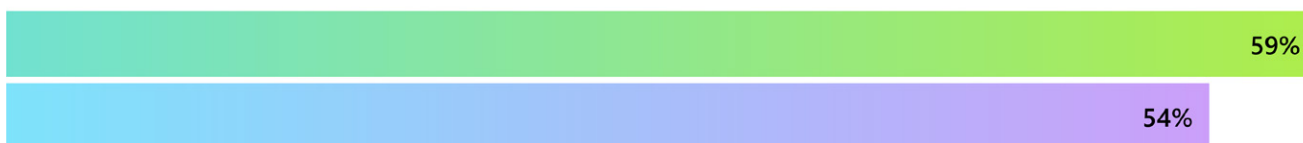
## Remote opportunities are more attractive to diverse applicants

On LinkedIn, women, Gen Z, and those without a graduate degree, are more likely to apply for remote positions.

### Women



### No Graduate Degree



### Gen Z



## Certain groups are more likely to seek out remote work



Insights were generated from data points created by hundreds of millions of members in over 200 countries on LinkedIn. LinkedIn. Learn [more](#).

**Work Trend Index: Annual Report**

# What's at stake

# As the world opens up, more employees are evaluating their next moves

**O**ur research shows that 41 percent of the global workforce is likely to consider leaving their current employer within the next year. This number is even higher for Gen Z (54%). At the same time, 46 percent are planning to make a major pivot or career transition.

These numbers seem notably higher than years' past. According to global surveys collected in 2019 and 2020 by Glint, a people success platform acquired by LinkedIn, about 70 percent of employees said they planned to be with their current employer in two years.<sup>1</sup> Given that this data is over the course of two years, a 41 percentage over the course of one year would indicate that "job switching intent has nearly doubled," says LinkedIn Senior Editor-at-Large George Anders. "People are going to try and compress into one year what they might ordinarily have done in two."

With so much change upending people over the past year, employees are reevaluating priorities, home bases — their entire lives. Whether due to fewer networking or career advancement opportunities, a new calling, pent-up demand, or a host of pandemic-related struggles, more and more people are planning a change.

If these projections pan out, businesses could lose an unprecedented number of employees and face tackling the challenge of onboarding an influx of new hires remotely. This will create pressure on HR teams already tasked with rethinking policies for hybrid work and create instabilities that could affect employee morale and engagement.

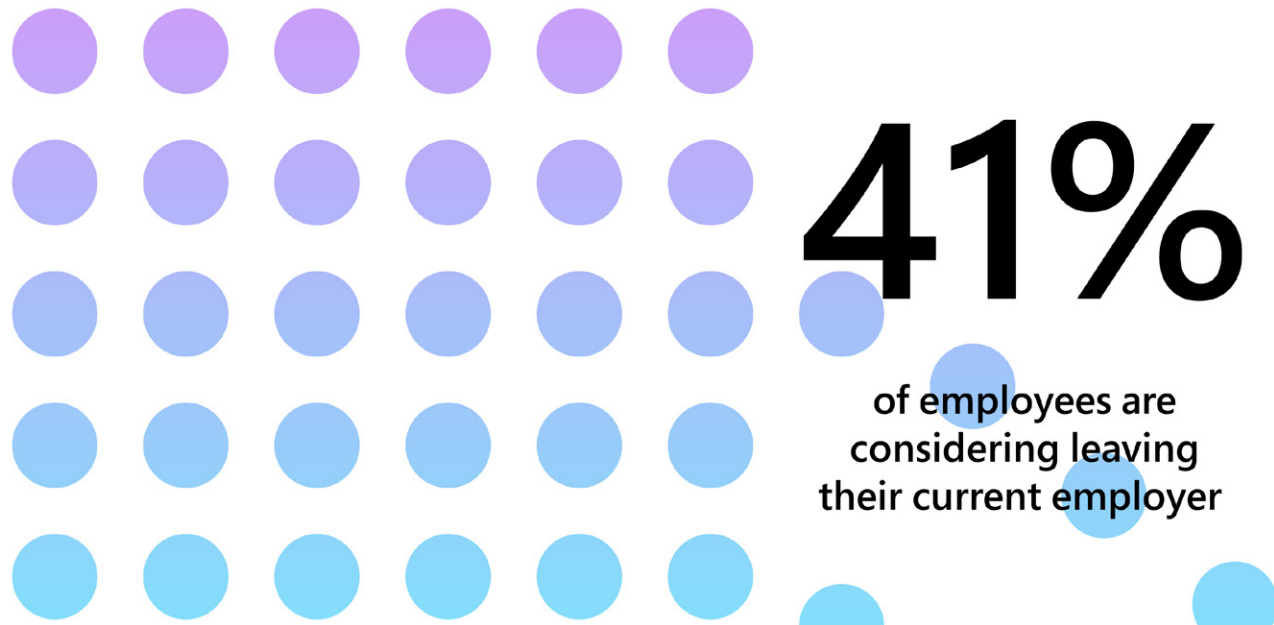
These findings show why a thoughtful approach to hybrid work matters. Employees are at an inflection point. The way companies approach the next phase of work — embracing the flexibility people want to retain and learning from the challenges of the past year — will impact who stays, who goes, and who ultimately seeks to join your company.

---

<sup>1</sup> This insight was derived from a global sample of 659,833 Glint survey responses by employees at 84 organizations around the world. These surveys were conducted during the 2019 and 2020 calendar years

## Employees are at an inflection point

41% of employees are considering leaving their current employer this year and 46% say they're likely to move because they can now work remotely. Your approach to hybrid will impact who stays and who goes.



*The Work Trend Index survey was conducted by an independent research firm, Edelman Data x Intelligence, among 31,092 full-time employed or self-employed workers across 31 markets – between January 12, 2021 and January 25, 2021.*

**Work Trend Index: Annual Report**

The way forward





Taken together, these trends show that we are no longer bound to traditional notions of space and time when it comes to how, when, and where we work. It's time to set aside our long-held assumptions that dictate that people need to work in the same place at the same time to be productive and have impact. It's a big mental shift — one that will require leaders and organizations to fundamentally reexamine and rewire their operating model. Shaking off the confines of 20th century thinking will not come easily, but we've identified five strategies for business leaders to begin to make the shift. It starts with embracing extreme flexibility.

## Create a plan to empower people for extreme flexibility

The decisions leaders make today will impact your organization for years to come — from how you shape culture, to how you attract and retain talent, to how you respond to changes in the environment and future innovation. It's a moment that requires a clear vision. Every organization will need a plan that puts people at the center and encompasses **policy**, **physical space**, and **technology**.

It starts with answering critical questions: How are people doing and what do they need? Who will be able to work remotely? Who will need to come into the office, and for what amount of time? When people do focused work, where will they do it? What about collaborative work? In a world where ongoing disruption is part of the new normal. Leaders need to be prepared to respond to sudden changes.

Codify the answers to these questions to formulate a plan to empower people for extreme flexibility, then provide guidance to employees as you experiment and learn.

Many organizations have already stepped forward with strong stances on flexible work. And at Microsoft, we're starting our journey, too. This month we're beginning our transition to hybrid work at our headquarters in Redmond, Washington.



## Invest in space and technology to bridge the physical and digital worlds

We can no longer rely solely on offices to collaborate, connect, and build social capital. But physical space will still be important. We're social animals and we want to get together, bounce ideas off one another, and experience the energy of in-person events. Moving forward, office space needs to bridge the physical and digital worlds to meet the unique needs of every team — and even specific roles.

“Over the past 12 months, we've figured out how to get things done when everyone is working from home. Now we need to rethink how to handle that messy middle—when some people are together in-person, and others are remote.”

Jared Spataro,  
CVP at Microsoft 365

Most organizations will require a mix of collaboration, meeting, and focus space, in addition to spaces that encourage informal social interactions. Gale Moutrey, Vice President of Workplace Innovation at Steelcase, says the company's [research](#) shows that — second only to proper safety measures — workers expect a post-pandemic office to be a compelling and energetic space that creates a sense of community they can't get working from home. Many companies will also need space set aside for focused work. “If workers can't get both of these things by commuting into

the office, there's going to be a gravitational pull to work from home, because on the surface, it just seems easier," Moutrey says.

Office space no longer stops at the office. It extends to thinking about work from home. Our research shows many people are still without the basic supplies and adequate internet connection to be successful working from home. Moving forward, companies will need to take more responsibility for employee home offices. This will be essential to making remote workers feel included — particularly for those who are early in career, and those with fewer resources.

"Along with physical spaces, organizations need to invest in technology that enables people to fully participate from home, in the office, on the go, and from the manufacturing floor. This includes creating inclusive meetings experiences where everyone can contribute regardless of location. Our [vision](#) at Microsoft includes changes to meeting room layouts with the addition of multiple screens to create dynamic views of participants, chat, whiteboards, content, and notes. We'll also enhance in-room technologies to help remote workers track and participate in the flow of the meeting," says Jared Spataro.

In addition, "moderators and facilitators will be more important in managing remote people and making sure that they get included," Dr. Sean Rintel advises. "The moderator's job is to be the remote person's advocate and proxy in the room, helping them come in on difficult topics, making sure that they seamlessly integrate into and out of workflows." Moderators will help ensure that each meeting participant feels included and able to participate as equally as their in-person colleagues.





## Combat digital exhaustion from the top

As we look to create a better future of work, addressing digital exhaustion must be a priority for leaders everywhere.

The first step is doing less. Microsoft 365 Corporate Vice President Jared Spataro says, “Look across your teams and prioritize. Find ways to reduce employees’ workloads. If possible, look where you can add additional staff or resources towards helping your colleagues manage the intensity of the current day-to-day. This is something top of mind for me and my team as we pause and reflect on what needs to stay and go in this next phase of work.”

Second, embrace a balance of synchronous and asynchronous collaboration. Dr. Rintel suggests confronting the “meeting-ization” of work head-on. “We’re operating in a new world but many of us are still doing things the way we always did. We need to completely rethink our digital processes. More dynamic, creative, or emotional topics may require a meeting, whereas informational, status, and technical topics may benefit from more long-form document collaboration, a Teams channel, or email. Other simple tasks may be handled via chat. Actively think about how to introduce more asynchronous collaboration so employees spend less time in unproductive meetings. This will give people more flexibility in structuring their day, create more time for focused work, reduce fatigue, and give people the time and energy to bring their best selves to work.

“In one internal study of over 600 information workers, we saw that at the beginning of the pandemic, people would begin meetings with pleasantries and checking in to see how everyone was doing. But then they realized, ‘Oh, my gosh. So many meetings. I’m completely overwhelmed. I don’t have energy for this.’”

Dr. Nancy Baym,  
Senior Principal Researcher at Microsoft Research

Third, embrace a culture where breaks are encouraged and respected. Our study showed that employees who feel more productive are more likely to take exercise or stretch breaks. Founder of The Digital Wellness, Dr. Donohue, says breaks are even more important in a remote and hybrid world. “In digital, information is overwhelming and can lead to a constant state of panic,” she explains. “When this happens, you need to make a quiet space in your day to allow your brain to distill the constant flow of information. We all have ideas; the key is giving our brains some time and space to form them.”



## Rebuilding social capital is a business imperative

The data shows that rebuilding social capital and culture isn't just nice to have — it's a business imperative. Broadening our networks takes effort in any work environment, but it's even more difficult in a hybrid world. Interactions feel less natural and take more effort, especially as we jump from meeting to meeting. But the importance of rebuilding social capital can't be overlooked. It's inextricably linked to successful business outcomes, like productivity, sales, creativity, and innovation.

The first step is reframing team building and bonding from a passive effort to a proactive one. Equally important is expanding our networks which have contracted this year. Encourage teams to seek out diverse perspectives from neighboring teams, share learnings far and wide, and check for groupthink often.

Leaders should also encourage and reward managers to build social capital at work. "We found people who reported working at companies that encourage and reward social support with bonuses or other incentives were more likely to feel satisfied with their jobs and happy about working there," according to Dr. Baym. They also tend to report higher quality social interactions, which as we've seen are essential to a high-functioning team and business.

Finally, look to create a culture where social capital thrives. "I would argue that supporting each other is the most important work we can be doing right now," says Dr. Baym. Cultivating a culture of kindness, fun, and cooperative collaboration is just as important to the bottom line as your daily to-do list. "Organizations need to understand that being nice to each other, chatting with each other, and goofing around is part of the work that we do. They are not a distraction or unproductive. They feed productivity and nurture the soil from which people will produce ideas."





## Rethink employee experience to compete for the best and most diverse talent

If 2020 was the year of the Chief Technology Officer, then 2021 will be the year of the Chief Human Resources Officer (CHRO). CHROs face the next great challenge: reimagining hiring, onboarding, and employee wellbeing in a hybrid world.

With over 40 percent of the workforce considering their next move, embracing extreme flexibility will be critical in retaining and attracting the top talent. And, with remote work positions more often preferred by women, Gen Z, Black, and U.S. Latino workers, flexible work is also an amazing opportunity for leaders to create a more diverse workforce, especially as the pandemic subsides and alleviates some at-home responsibilities.

“Our data from around the world shows that COVID-19 has likely had a more damaging impact on women’s careers than men’s, and that women have been disproportionately leaving the labor market since the pandemic started,” explains LinkedIn Chief Economist Karen Kimbrough. “Employers can help by actively seeking female talent, removing bias from job descriptions, and offering more flexibility to allow for a better work-life balance.” Similar logic creates opportunities for other struggling groups, including ethnic minorities, younger generations, and those of lower income.

“There will be an influx and an outflux of talent now that people do not have to leave their desk or home to change jobs. This creates opportunities to hire more diverse talent, but you also need a strategy to ensure you don’t miss out. And that strategy should include extreme flexibility.”

Jared Spataro,  
CVP at Microsoft 365

More digital work, and the stress of living through a pandemic has left many employees feeling overworked and disconnected. With some groups suffering more than others, it will be important for HR leaders to consider how wellness programs and work policies affect each group uniquely. For instance, policies such as “wellness days” on top of vacation and sick time can normalize taking time off. Other examples include investments in increased access to therapy, especially for essential workers who are on the front lines of the pandemic, as well as subsidized daycare for working parents and flexible schedules for all. And as we shift to hybrid, the need for an [employee experience platform](#) that brings wellbeing, knowledge, engagement, and learning together in a digital world is critical.

Our research suggests Gen Z is most at risk. HR leaders should rethink onboarding and double down on support for employees early in career to ensure their ideas are heard and that they can contribute fully. Managers have an amplified role in supporting new hires and helping them grow their networks. Cohort-based onboarding programs can also be redesigned, for instance, to ensure they foster connection and community in a hybrid work world.



“Managers have always had an important role in unlocking the potential of employees, and that role has been amplified during the pandemic. At Microsoft, our managers follow a framework to — Model, Coach, Care — and we’ve seen measurable positive impact for remote employees when managers model wellbeing, coach employees on setting priorities and show care and support for each individual member of their team.”

Kathleen Hogan,  
Chief People Officer at Microsoft

# Conclusion

T

**he choices leaders make** in this next phase of hybrid work will impact an organization's ability to compete for the best talent, drive creativity and innovation, and create an inclusive work environment for years to come. It will require a significant mental shift to rewire your operating model to meet new employee expectations.

Successful organizations will embrace an experimental, agile approach. As George Anders of LinkedIn says, "Be ready to build a new plan — not just once, but maybe two, three, four times. What worked for your people and business in April may not be the same as November." And as the research reveals new insights on how work is changing, Anders

believes the best CEOs will "keep realigning the balance between caution and enthusiasm, which is bound to waver over the course of 2021."

There's no doubt that challenge and uncertainty lie ahead. But this moment also offers leaders a powerful opportunity to unlock new ways to achieve everything from wellbeing and work-life balance to an inclusive and authentic company culture — and experience better business outcomes along the way. **If we embrace extreme flexibility, follow data insights, and continue listening closely to employee needs, together we can create a better future of work for everyone.**

# Appendix

---

## EMEA

Compared to the global average, workers in EMEA are...

- **More settled in their current location:** only 36 percent of remote workers in EMEA are likely to move to a new location because they can work remotely (versus the 46 percent global average).
- **Trending toward more burnout:** on a typical workday, 42 percent of workers in EMEA feel exhausted (versus the 39 percent global average) and 46 percent feel stressed (versus the 42 percent global average).
- **Feel less freedom to be their authentic selves:** 30 percent of remote workers in EMEA say they are more likely to be their authentic selves at work compared to last year (versus the 44 percent global average).

---

## Asia

Compared to the global average, workers in Asia are...

- **More connected with co-workers:** only 35 percent of workers in Asia experienced decreased interactions with co-workers (versus the 40 percent global average).
- **Less exhausted and stressed:** on a typical workday, 36 percent of workers in Asia feel exhausted (versus the 39 percent global average) and 39 percent feel stressed (versus the 42 percent global average).
- **More free to be their authentic selves:** 55 percent of remote workers in Asia say they are more likely to be their authentic selves at work compared to last year (versus the 44 percent global average).
- **More likely to change professional paths:** 47 percent of workers in Asia are likely to consider changing employers (versus the 41 percent global average) and 56 percent are likely to consider a career change (versus the 44 percent global average).

---

## Japan

Compared to the global average, workers in Japan are...

- **More productive:** 63 percent of workers in Japan say their productivity levels have remained the same compared to last year (versus the 40 percent global average).
- **More socially isolated at work:** 35 percent of workers in Japan feel isolated in a typical workday (versus the 27 percent global average).
- **More exhausted and stressed:** 48 percent of workers in Japan feel exhausted (versus the 39 percent global average) and 45 percent feel stressed in a typical workday (versus the 42 percent global average).
- **Less likely to consider changing employers:** 38 percent of workers in Japan are likely to consider changing employers within the year (versus the 41 percent global average).

---

## LATAM

Compared to the global average, workers in LATAM are...

- **Trending less toward burnout:** 31 percent of workers in LATAM feel exhausted (versus the 39 percent global average) and 42 percent feel overworked (versus the 54 percent global average).
  - **Feel more freedom to be their authentic selves:** 54 percent of remote workers in LATAM feel more likely to be their authentic selves at work compared to last year (versus the 44 percent global average).
  - **More socially isolated at work:** 49 percent of workers in LATAM say their interactions with coworkers have decreased (versus the 40 percent global average).
  - **Less likely to consider changing employers:** 53 percent of workers in LATAM are considering a career change within the year (versus the 46 percent global average).
- 

## Oceania

Compared to the global average, among workers in Oceania...

- **Business leaders are even more likely to be thriving:** 73 percent of business decision makers in Oceania are “thriving” (versus the 61 percent global average).
  - **More employers prioritize work-life balance:** 61 percent think that their employer cares about their work-life balance (versus the 50 percent global average).
  - **Team relationships are more likely to be thriving:** 61 percent of workers in Oceania say relationships with their direct teams are thriving (versus the 54 percent global average).
  - **People feel more freedom to be their authentic selves:** 50 percent of remote workers in Oceania say they are more likely to be their authentic selves at work compared to last year (versus the 44 percent global average).
  - **People are more likely to move now that they can work remotely:** 50 percent of remote workers in Oceania are likely to move to a new location because they can now work remotely (versus the 46 percent global average).
- 

## Canada

Compared to the global average, workers in Canada are...

- **Trending more toward burnout:** in a typical workday, 47 percent of workers in Canada feel exhausted (versus the 39 percent global average) and 51 percent feel stressed (versus the 42 percent global average).
- **More likely to feel isolated:** in a typical workday, 36 percent of workers in Canada feel isolated (versus the 27 percent global average).
- **Feel less freedom to be their authentic selves:** 30 percent of workers in Canada say they are more likely to be their authentic selves at work compared to last year (versus the 44 percent global average).
- **Less likely to consider changing their employer:** 35 percent of workers in Canada are likely to consider changing their employers (versus the 41 percent global average).

# About the Work Trend Index

T

**The 2021 Work Trend Index** provides data-driven insights to help people and organizations thrive in a rapidly changing world.

We analyze trillions of productivity and labor signals from across Microsoft 365 and LinkedIn to derive powerful insights about how people work and collaborate. Taken together, these aggregate emails, meetings, searches, and posts create a window into human interactions at work — a unique view that we can use to better understand how collaboration and productivity are changing over time. We combine this data with surveys and interviews with information workers, frontline workers, and business leaders from across the globe, as well as findings from Microsoft's Human Factors Lab, which looks at how virtual work impacts our brains. We provide expert analysis and advice from researchers across Microsoft who have studied social capital, wellbeing, culture, and human interaction for decades.

The annual Work Trend Index is published each spring. Throughout the year, we publish pulse reports on timely industry topics.

## Acknowledgments

We would like to thank the following people who contributed to this report: George Anders, Dr. Fereshteh Amini, Assembly, Callie August, Dr. Nancy Baym, Darcy Cain, Anbu Chinnasamy, Dr. Mary Donohue, Murat Erer, Godfrey Dadich Partners, Amber Hoak, Dr. Sonia Jaffe, Karin Kimbrough, Jonathan Larson, Laura Lorenzetti Soper, Ronnie Martin, Hannah McConnaughey, Gale Moutrey, Plain Concepts, Loren Pokorny, Sharat Raghavan, Dr. Sean Rintel, Colette Stallbaumer, Kim Stocks, David Titsworth, WE Communications, and Jessica Voelker.

## Survey methodology

The Work Trend Index survey was conducted by Edelman Data x Intelligence, an independent research firm, among 31,092 full-time employed or self-employed workers across 31 markets between January 12, 2021 to January 25, 2021. This survey was 20 minutes in length and conducted online, in either the English language or translated into a local language across markets. At least 1,000 full-time workers were surveyed in each market, and global results have been aggregated across all responses to provide an average. Each market is evenly weighted within the global average. Each market was sampled to be representative of the full-time workforce across age, gender, and region across a mix of work environments (remote vs. non-remote, office settings vs. non-office settings, etc.), industries, company sizes, tenures, and job levels.

Markets surveyed include: Argentina, Australia, Brazil, Canada, China, Colombia, Czech Republic, Finland, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Malaysia, Mexico, Netherlands, New Zealand, Philippines, Poland, Singapore, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, United Kingdom, United States, and Vietnam.

## Privacy approach

Microsoft takes privacy seriously. We remove all personal and organization-identifying information, such as company name, from our data before analyzing it and creating reports. We never use customer content — such as information within an email, chat, document, or meeting — to produce reports. Our goal is to discover and share broad workplace trends that are anonymized by aggregating the data broadly from those trillions of signals that make up the Microsoft Graph.

