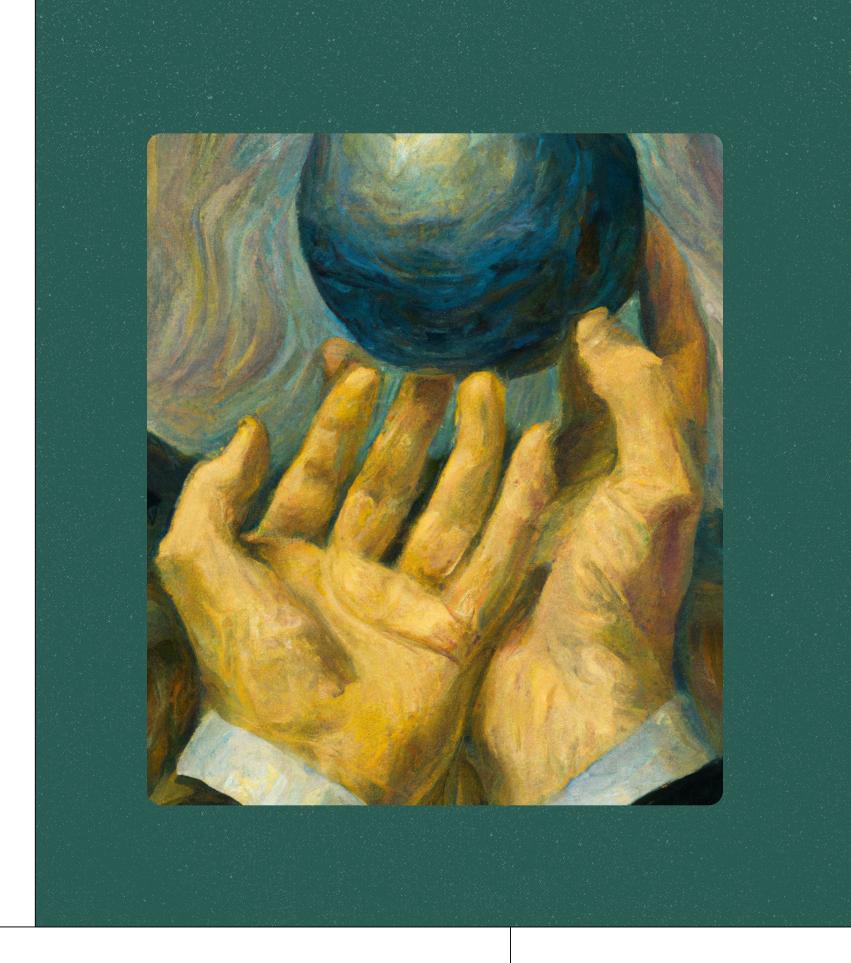
Collaboration at work in 2023: Predictions from leading experts

We asked leading experts to predict what collaboration at work will look like in 2023. Here's what they said...



THE WORK INNOVATION LAB

BY 💑 asana

Contents

| PREDICTION 01 | Companies should expect employee turnover to keep increasing, and customize coordination accordingly GREG PRYOR — Former SVP, People & Performance Evangelist at Workday and Co-founder of Connected Commons | 06 |
|---------------|---|----|
| PREDICTION 02 | Workers will need to rely on new forms of connection to collaborate more effectively ADAM GRANT — Wharton organizational psychologist, author of Think Again, and host of the TED podcast WorkLife | 09 |
| PREDICTION 03 | Companies will continue to lean on middle managers LINDSEY САМЕRON — Assistant Professor of Management, Wharton School, University of Pennsylvania | 12 |
| PREDICTION 04 | Reducing overwhelm will become even more important ROB CROSS — Professor of Global Leadership at Babson College and Co-founder and Director of Connected Commons | 15 |
| PREDICTION 05 | Innovation depends on informal connections, which are in shorter supply than ever before HENNING PIEZUNKA — Associate Professor of Entrepreneurship and Family Enterprise, INSEAD | 18 |
| PREDICTION 06 | Organizations need to reimagine ways to help employees to work across both space and time JEN RHYMER — Assistant Professor, School of Management, University College London | 21 |
| | | |

Contents

| PREDICTION 07 | Private workspaces will make a comeback BOB SUTTON — Professor, Stanford University, and author of The Knowing-Doing Gap and Scaling Up Excellence | 24 |
|---------------|--|----|
| PREDICTION 08 | Innovation will reduce the coordination cost of work and make it easier to collaborate HUGGY RAO — The Atholl McBean Professor of Organizational Behavior and Human Resources, Stanford Graduate School of Business, and author of Scaling Up Excellence | 27 |
| PREDICTION 09 | Prioritization will become more challenging MICHAEL ARENA — Faculty Member at The University of Pennsylvania, Co-founder of Connected Commons, and author of Adaptive Space | 30 |
| PREDICTION 10 | Redundant communication—when done right—will help teams accomplish more LIZ GERBER — Professor at Northwestern University and Founder of Design For America | 33 |
| PREDICTION 11 | Freelancer demand will increase in companies, big and small LINDSEY CAMERON — Assistant Professor of Management, Wharton School, University of Pennsylvania | 36 |
| PREDICTION 12 | To benefit from algorithms and Al, data scientists will need to collaborate with "domain experts" in new ways REBECCA HINDS — Head of the Work Innovation Lab by Asana | 39 |
| | | |

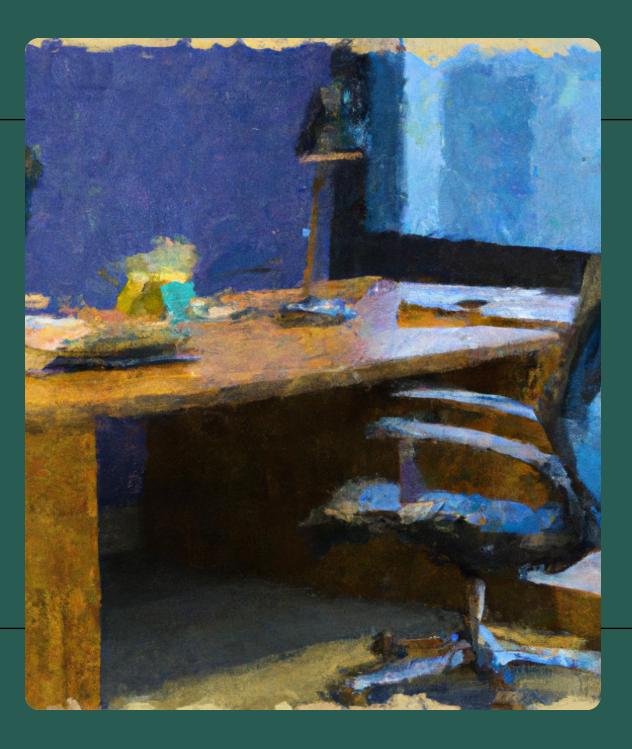
Humans are spectacularly bad at making predictions. Instead of probing historical data and hard evidence, people cling to their <u>own past</u> <u>experiences</u>. When predicting a future outcome, they often choose what's most desirable.

Yet leaders need to be able to anticipate and forecast for the future. So how can they make sure these forecasts are as accurate and actionable as possible?

One way is to use an evidence-based approach.

This report from <u>The Work Innovation Lab</u>, a think tank by Asana, features evidence-based predictions on how collaboration at work will evolve in 2023. With these predictions from leading experts—like Stanford and Ivy League school professors, bestselling authors, and founders of collaboration-focused research centers—you will get insights and actionable steps to prepare for the future of collaboration. Predictions for an evolving workplace

Companies should expect employee turnover to keep increasing, and customize coordination accordingly



Greg Pryor

Former SVP, People & Performance Evangelist at Workday, Co-founder of Connected Commons

Whether by 'great' resignation, reorganization, or reduction, employee transitions between teams, jobs, and companies will continue to rise over the next year. This on-going 'great' reshuffle will require customized, coordinated efforts to help teammates get acclimated to new networks and prevent attrition.

Employees think differently about the workplace now than they did before the pandemic. They're adjusting to office returns and new work arrangements, with <u>most (52%) employees</u> deciding whether to stay at their organizations based on how flexible it is.

<u>Gartner</u> predicts that, in 2023 and years to come, the annual U.S. employee turnover rate will be 20% higher compared to pre-pandemic averages. 40% of <u>recently-surveyed</u> workers say they're considering leaving their positions within three to six months; citing lack of social support as one factor undermining their well-being. Not only that, but quitting seems to be contagious. A recent study found that <u>resignations</u> <u>don't happen in isolation</u>. Instead, they are team events; within teams of six to ten members, workers are 15% more likely to leave after a colleague resigns.

How to take action:

Managers and leaders don't pay enough attention to the ripple effects that happen after an employee leaves. At best, they conduct an exit survey, notify the remaining team, and carry on with business-as-usual. But business isn't usual. When employees leave organizations or even just move teams, the entire network is impacted—often in hidden ways. If leaders don't proactively and reactively help their teams respond to structural changes, unwelcome ripple effects are likely to follow.

Workers will need to rely on new forms of connection to collaborate more effectively



Adam Grant

Wharton organizational psychologist, author of Think Again, and host of the TED podcast WorkLife

My prediction is that collaboration will feature more bridges across teams, fields, and geographies. More static and siloed networks was one of the organizational casualties of the COVID-19 pandemic. That should change as organizations complete their transitions from fully-remote to hybrid models, managers encourage creative collisions, and people seek out new ways to connect with the most qualified collaborators instead of merely relying on the most conveniently-available colleagues.

Analyzing communication data from over 60,000 Microsoft employees who transitioned to remote work, <u>one study</u> showed that workers became more static and siloed, with fewer bridges between disparate parts. They also experienced a decrease in synchronous communication and an increase in asynchronous communication—meaning fewer conversations happened in real-time than before.

How to take action:

In distributed workplaces, where it can be challenging to connect the dots across people and work, dedicated "bridging" roles can help companies build connections between teams. For teams that rely on cross-functional collaboration to do their work, consider formally assigning an individual on the team whose main responsibility is to align projects, people, and goals across multiple departments. For example, deputizing an employee on your marketing team to formally coordinate communication and work with your sales team can help fuel crossfunctional alignment.

Companies will continue to lean on middle managers



Lindsey Cameron

Assistant Professor of Management, Wharton School, University of Pennsylvania

Middle managers will be even more in-demand by their organizations while facing an increasing amount of pressure and responsibility in the office.

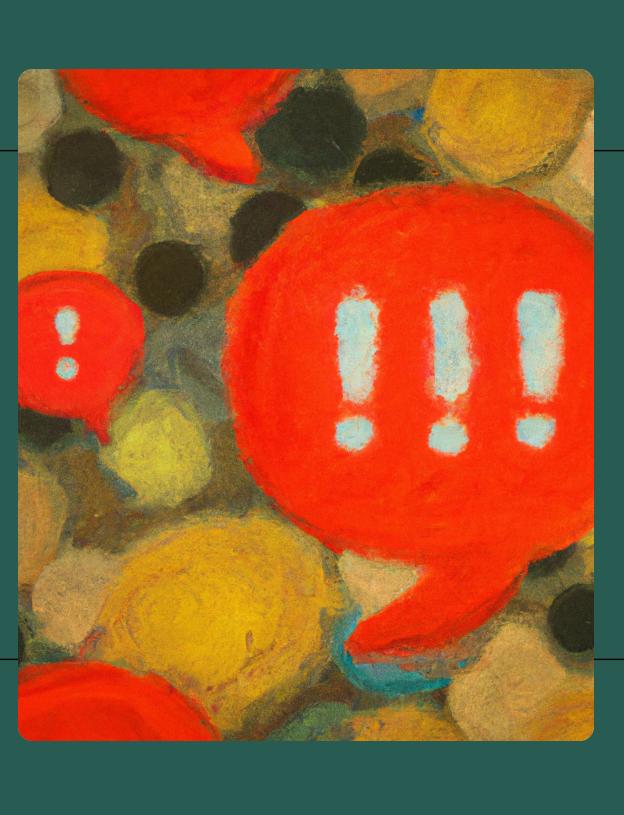
The rapid shift to <u>remote work</u> packed a challenging punch as companies adopted more asynchronous communication. In particular, this presented new challenges for middle managers who were left scrambling to close the wide information gaps created by more asynchronous work including translating messages and directives from leadership and coordinating between team members.

At the same time, <u>companies invested</u> in more support for individual contributors than they did for managers, leaving managers to assist team members and try to balance their own work with fewer resources. Adding even more burden, remote managers became <u>more disconnected</u> from their own networks, leaving them drained of peer support.

How to take action:

To prevent middle managers from losing focus on their most important work, they need to develop skills to work cross-functionally. Managers need to deeply understand how to enable cross-team collaboration, and where they might be obstructing it. This may be an entirely new muscle for many managers that will require new training and support from leaders.

Reducing overwhelm will become even more important



Rob Cross

Professor of Global Leadership at Babson College and Co-founder and Director of Connected Commons

Companies looking to address the employee burnout epidemic and promote engagement will need to focus on reducing collaborative overload and associated stress. Employers and employees will need to take collective action to reduce the negative impact of collaboration on employees' well-being.

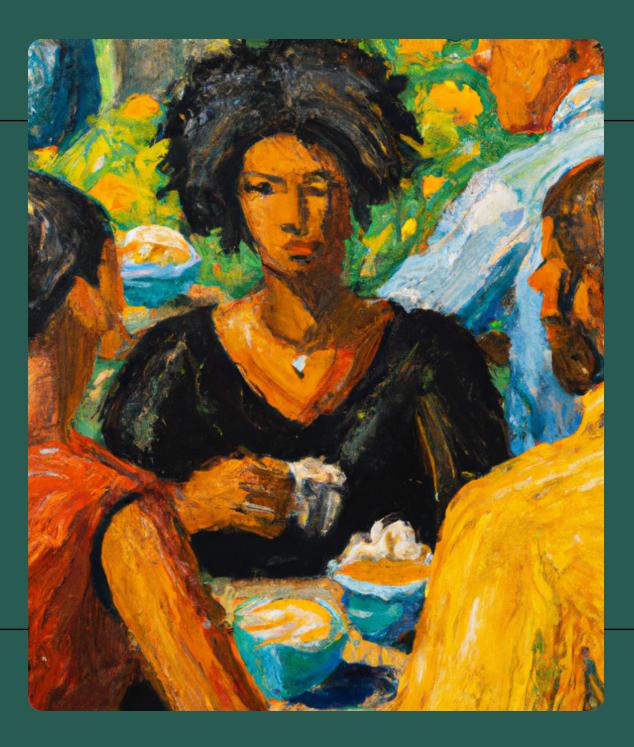
Workers are experiencing record high levels of stress—which is especially concerning when the previous high was clocked at the start of the pandemic. A recent <u>Gallup study</u> on the global workplace in 2022 concluded that only 33% of participants were "thriving" in their wellbeing, with 44% of employees reporting "a lot" of stress in a typical workday.

These amplified stress levels drive feelings of overload at work. Deloitte found that <u>low levels of employee well-being</u> were tied to heavy workloads, stressful jobs, and long work hours. Perhaps most alarming, there's a disconnect between what employees experience and what their leaders think they experience—only 56% of employees think their company's executives care about their well-being, while 91% of the C-suite believe that employees feel their leaders care about them.

How to take action:

One antidote to this disconnect is more clarity into how work is happening. By providing employees with <u>collaborative intelligence</u> (or clear insights into how they and others are collaborating), employers can take some of the guesswork and unnecessary tasks off employees' overflowing plates. For example, using interactive dashboards like a "<u>collaborative intelligence</u>" dashboard can help employees see how they're working compared to others, and encourage them to allocate their time to more impactful tasks.

Innovation depends on informal connections, which are in shorter supply than ever before



Henning Piezunka

Associate Professor of Entrepreneurship and Family Enterprise, INSEAD

When people try to get things done at work, they benefit from tapping into informal networks. Whereas formal interactions (for example, scheduled meetings and presentations) are associated with performance, informal interactions (such as casual brainstorming sessions) tend to facilitate innovation. As hybrid working becomes the norm, organizations—and employees—need to look for new ways to support informal networks.

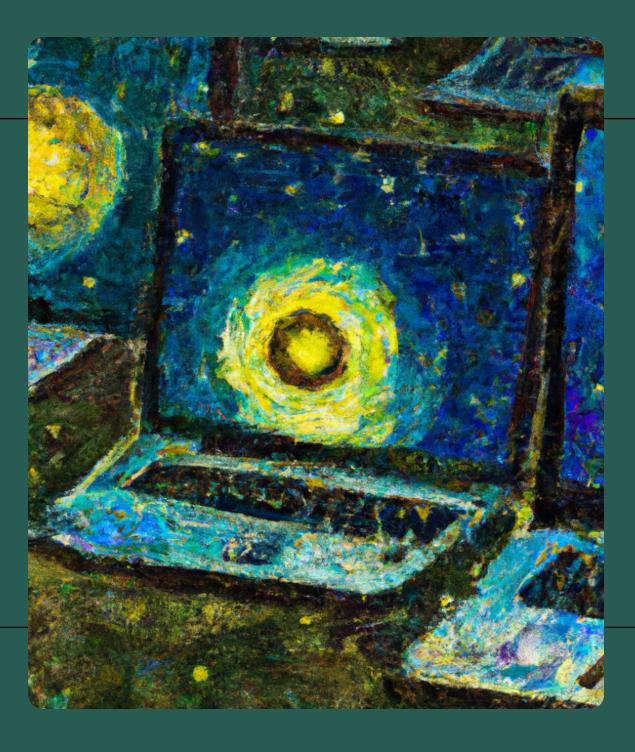
Informal connections can spark innovation. A casual conversation between deskmates can lead to a new campaign or product idea. But these interactions are more sparse in distributed work environments. Connected Commons found a <u>28% decrease</u> in these types of informal interactions for people working remotely versus those working in their company's office.

How to take action:

Innovation is always a non-negotiable in propelling enterprise companies to industry leadership and competitive advantage. But it's even more critical during <u>economic downturns</u>. To facilitate the crucial informal interactions that lead to innovation, many companies are asking employees to return to office at least part of the time for face-to-face interactions like brainstorming. But that might not be enough. When everyone has flexibility to work from the office as they choose, there are fewer opportunities for informal connections. Instead, coordinated hybrid work—where employees work in office on the same days—can be a more effective way to spur informal interactions.

20

Organizations need to reimagine ways to help employees to work across both space and time



Jen Rhymer

Assistant Professor, School of Management, University College London The last few years highlighted both the importance and challenges of collaboration. Specifically, there are two distinct challenges facing collaboration in 2023: where individuals work (e.g., from a company office, coffee shop, coworking space, or home) and when they work (9am–5pm or more flexible hours).

Companies will need to specifically support collaboration styles that allow for flexibility across time and physical space. This means being able to differentiate between the different types of collaboration (asynchronous collaboration like independent status reviews or synchronous collaboration like real-time meetings) and invest in ways to support various working styles.

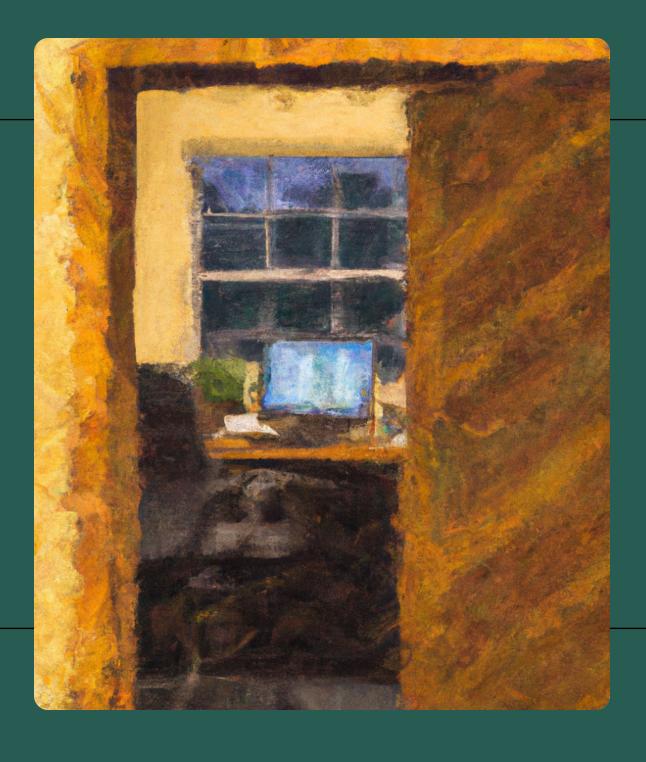
In remote organizations, <u>Rhymer's research</u> found three key factors that promote asynchronous collaboration:

- **1.** A single source of truth. This is a maintained information library that is clear, uncontested, and universally-accepted.
- 2. Documented decision-making. When employees are spread across many time zones, real-time conversations aren't always possible. Written exchanges provide a rich decision trail, showing the history of discussions and debates that led to a decision. By documenting and codifying this information, employees can go back and understand the "why" behind decisions at any time.
- **3.** Real-time iteration. In traditional companies, people often hesitate to circulate projects or proposals before they're polished. But this causes delays. To enable asynchronous collaboration, organizations need to build a culture where employees and their leaders recognize that a work-in-progress is likely to have gaps and flaws. Leaders should encourage employees to embrace—rather than criticize—such situations and iterate in real-time to improve the work.

How to take action:

Creating true asynchronous collaboration requires an intentional approach. To establish the first two factors—creating a single source of truth and documented decision-making—companies can invest in new technology to coordinate work and communication in one centralized platform. But the last one—empowering employees to iterate in real-time while they work—requires a more complex culture shift. To get this right, leaders need to reward and incentivize work progress, rather than work perfection.

Private workspaces will make a comeback



Bob Sutton

Professor, Stanford University, and author of The Knowing-Doing Gap and Scaling Up Excellence

The pandemic laid bare some of the troubles with open offices. Architects love them because they are pretty, and leaders love them because they are cheaper. But tens of millions of workers learned what piles of academic research has shown for decades. Open office designs can reduce productivity, communication, and collaboration. They can also amplify stress. And they can facilitate the spread of contagious diseases. If organizations want to entice people to come back to the office, I predict that corporate leaders will realize they need to revamp their offices so employees have more visual and sound privacy.

Despite the popularity of open office settings, <u>mounting evidence</u> disputes the touted benefits. Workers who were forced to work from their own homes during the pandemic and had the privilege of private office settings validated what years of research already showed—it's usually easier to work in an office with a door. Counterintuitively, open offices also seem to result in <u>less collaboration</u> than their private office counterparts. <u>Research</u> by Harvard Professor Ethan Bernstein found that after one company switched to an open office, face-to-face interactions plummeted by an eye-popping 70%.

One explanation for this is what 18th-century French philosopher Denis Diderot called "the fourth wall." Imagine that you are an actor and there's a wall (a fourth wall) across the front of the stage that creates a physical barrier between you and the audience. If the curtain never rises, you'll be able to block out the distractions of the audience and focus on what you are doing. Open offices can fuel fourth walls as workers put up psychological barriers (like wearing headphones or avoiding eye contact) to protect their solitude in very public office spaces.

Even if your work is highly collaborative, open offices often do more harm than good.

How to take action:

As organizations shift to hybrid and remote work, a common knee-jerk reaction is to redesign or repurpose the office for "collaborative" in-office activities. Open office spaces can seem to be a perfect solution. But the lack of visual and sound privacy can cripple work effectiveness. For example, it's extremely difficult to lead a sales call in the middle of an open, noisy space. Given the evidence against an open office floor plan, many companies would do well to beef up their investments in more private workspaces that drive higher levels of focus and productivity.

Innovation will reduce the coordination cost of work, and make it easier to collaborate



THE WORK INNOVATION LAB

27

Huggy Rao

The Atholl McBean Professor of Organizational Behavior and Human Resources, Stanford Graduate School of Business, and author of Scaling Up Excellence I predict that the human cost of collaboration will be reduced. That is, the burdens of collaboration will diminish through work innovations.

Some businesses have taken a stand against the collaborative burdens of work—like unnecessary meetings, constant email pings, and seemingly endless status updates—and created dedicated structures for simplifying work.

AstraZeneca is an example. After identifying that the collaborative complexity and intensity of work was crippling their employees, the healthcare organization with over 60,000 employees decided to take a stand. They <u>developed a Simplification Center of Excellence</u>—a small team whose sole purpose was to make the company less complex and conquer three supreme time wasters: email, meetings, and presentations. The results were impressive—to the tune of 2 million hours saved each year.

How to take action:

Collaboration across hundreds or thousands of employees is often difficult and expensive, requiring vast resources. Fortunately, there are small changes companies can make that have an outsized impact. For example, AstraZeneca noticed a recurring issue where employees were using the "reply all" setting in email exchanges—which spewed thousands of unwanted emails. To combat this, they created an automated, popup suggestion that was triggered when employees tried to reply all to a message with 25 or more recipients.

Prioritization will become more challenging



THE WORK INNOVATION LAB

30

Michael Arena

Faculty Member at The University of Pennsylvania, Co-founder of Connected Commons, and author of Adaptive Space

During the pandemic, most organizations and leaders were 'headsdown' on managing the fundamental aspects of the business. Now that we're settling into new ways of working, there is an avalanche of new activity. Without proper prioritization, organizations will become even more overloaded.

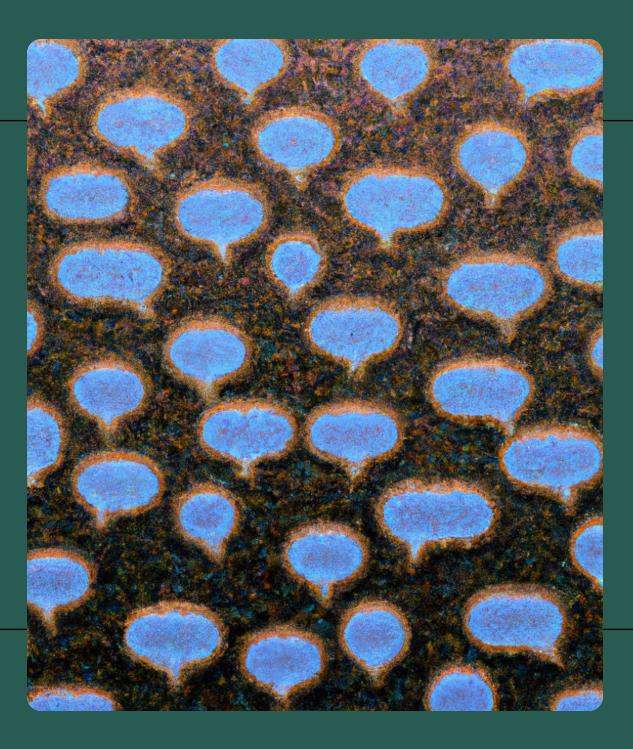
Priority overload causes workers to lose sight of their highest priorities and deliverables—and it's increasingly common. <u>Almost half (49%) of</u> <u>employees</u> report experiencing priority overload. The cause? Too many misaligned goals set by external stakeholders with competing needs and demands. As a result, employees scramble to do too much at once without identifying and completing their most critical work first. This leads to lower-quality work overall, unnecessary delays, and—when left rampant—can cause employee burnout.

How to take action:

Conquering prioritization overload requires a complex, <u>multi-pronged</u> <u>approach</u>. In its simplest terms, solving for priority overload starts with visibility. For example, if stakeholders can see and understand individual workloads before they assign work, they can gauge how overloaded stakeholders are and where their ask falls in the list of work priorities.

On the other hand, workers can help stakeholders understand the tradeoffs of their requests—if they say "yes" to a lower-priority ask, they won't have the bandwidth for higher-impact work. Organizations can also offer training and resources to help employees understand how their own personal values (for example, a bias for helping others) might be leading to over-commitment and, in turn, priority overload.

Redundant communication when done right—will help teams accomplish more



Liz Gerber

Professor of Mechanical Engineering, Northwestern University

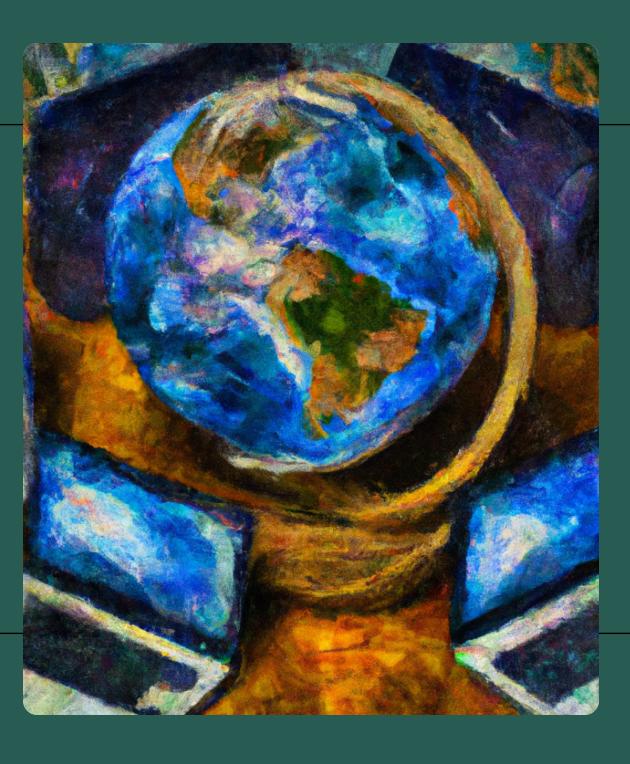
Redundant communication is problematic when it happens across too many different channels and platforms (instant messaging, email, text, etc). As companies increase their reliance on tools and technology, it will be even more common to send out communications on various platforms, making it difficult for employees to get the information they need. Yet, contrary to popular belief, the goal shouldn't be to eliminate redundant communication entirely.

According to <u>Gerber's research</u>, managers who purposefully repeated the same information over and over tended to lead quicker, smoother projects. But while her research demonstrates the benefits of redundant communication, these benefits quickly dissipate if communication happens on too many different and siloed platforms. Research shows that switching between different apps (like email, messenger platforms, and workspaces) can cost a worker <u>two seconds</u> every time. This might not seem like much—until you factor in that the average employee switches apps 1,200 times every day—or, four hours per week.

How to take action:

Reducing the number of communication tools and services works double-time to focus communication efforts and reduce the amount of time employees lose to app switching. Streamlining communication into one central, asynchronous platform allows employees to get the information they need without having to waste time and energy maneuvering from one app to another.

Freelancer demand will increase in companies, big and small



Lindsey Cameron

Assistant Professor of Management, Wharton School, University of Pennsylvania

Given the increasing public interest in the gig economy workforce, I suspect that freelancers and gig workers, who often work independently, will spend even more time communicating in online forums to share information and present a united voice to the public.

37

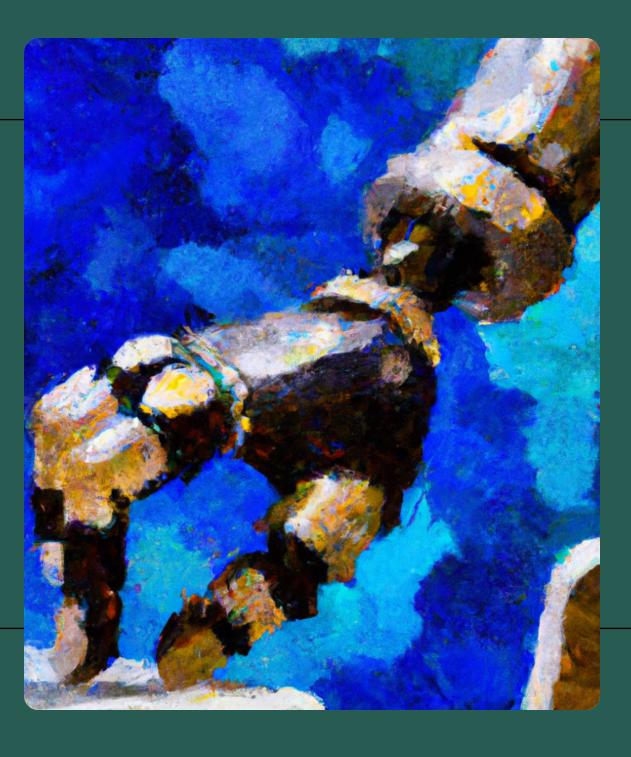
Enterprise companies are increasingly turning to freelancers to reduce their overall spend. <u>45%</u> of businesses say they've increased their investments in freelance talent since the pandemic. The larger the business, the more likely they are to tap into freelance talent.

At the same time, recent studies by <u>Cameron</u>, <u>Hatim Rahman</u> (Professor at Northwestern University), and <u>Corentin Curchod</u> and colleagues (Lecturer at University of Edinburgh Business School) demonstrate that organizations are exercising significant control over these workers. In turn, this will likely fuel the collective mobilization by gig works in online forums that Cameron predicts.

How to take action:

To survive choppy economic waters, companies need to identify ways to leverage freelancers and untraditional talent pools. Companies will need to implement new processes and structures to support freelancers' work, rather than treating their work as expendable. For many, this will mean treating freelancers more like employees (rather than independent contractors), providing them with more access to company resources and information, and fostering stronger connections between freelancers and traditional full-time employees to fuel greater and healthier collaboration.

To benefit from algorithms and AI, data scientists will need to collaborate with "domain experts" in new ways



Rebecca Hinds Head of the Work Innovation Lab by Asana

In order to effectively leverage algorithms and AI, organizations will need to ensure that the data scientists who are developing the technology collaborate in new, mutually beneficial ways with the domain experts (like marketers or salespeople) who are using the technology.

Hinds and Stanford Professor, Melissa Valentine, <u>studied</u> how a large retail tech company adopted new algorithms. They found that, in order to effectively use the algorithms, the data scientists who developed the technology needed to change how they collaborated with the domain experts who were incorporating the algorithms into work. In practice, this meant the two groups co-created a new expertise that involved much stronger and more frequent collaboration amongst themselves.

How to take action:

It's not enough to simply purchase the latest, greatest technology. Implementing these new technologies presents potentially crippling challenges. As your organization invests in new tech like AI, it's critical to evaluate how this technology will impact functions within your organization. Between domain experts and developers, there needs to be a much deeper level of collaboration than in the past as they cocreate the new expertise required to manage this new technology. If collaboration is broken or severed, domain experts can view the technology as an existential threat and resist using it.

Rethinking collaboration as an essential business imperative in 2023

Management theorist Andre Spicer, recently <u>shared</u> 20 leadership lessons. One of those is: "Each day everything seems to matter, each year only a few things really matter."

In 2023, improved collaboration will be one of "the few things" that matter most for organizations. Collaboration will enable businesses to do more than simply ride the wave of tumultuous times—it can be the linchpin that helps your business pivot, reorganize, and succeed despite external changes.

The Work Innovation Lab is a think tank by Asana that develops human-centric, cutting-edge research to help businesses evolve today to meet the growing changes and challenges of the future of work. To learn more about The Work Innovation Lab and get our other research-backed insights, visit workinnovationlab.com.

42