



EMPOWERING DIGITAL WORKPLACES

WE'LL DO THE
EVERYDAY
YOU DO THE
EXTRAORDINARY

THOUGHT
LEADERSHIP
REPORT

RICOH
imagine. change.

FOREWORD

We hear one message consistently in our conversations with customers. No matter their size or sector, they are grappling with how to stay competitive and keep growing. And in the current business environment that's more challenging than ever before.

They know that new digital technologies are a key part of the answer. But the trick is to ensure these innovations become enablers of greater productivity.

This is something we at Ricoh take seriously. All the products and services we provide help empower the digital workplaces of today and tomorrow. We know technology alone isn't enough.

We wanted to get a better understanding of employees' appetite for digital empowerment. This report explores the findings of our research.

In my view the results are broadly positive for businesses. Staff appreciate workplace technology and want more to help them work smarter. The caveat is employees still expect their managers to play a very active role in making their working day better by using technology, rather than seeing it as simply an opportunity to save money.

Ultimately, business decision-makers need to take a longer term view. Cutting investment in projects like new technology roll-outs may free up capital in the short-term, but the benefits of increased productivity repay that investment many times in the years ahead.

At a time when governments across Europe are threatened by macroeconomic productivity concerns, organisations in all sectors must look to empower employees. This means working smarter and focusing on adding real tangible value.

I hope this report helps advance the conversation and benefits your business.



Javier Diez-Aguirre
*Vice President Corporate
Marketing*

Ricoh Europe



EXECUTIVE SUMMARY

New workplace technologies like robots and artificial intelligence (AI) are fundamentally changing how we live and work. But most of the conversations around these hot topics are driven from the perspective of the people who create or deploy them.

Ricoh Europe decided to find out what employees who will be working with these new technologies in their daily lives think. We wanted to understand their attitudes towards the latest innovations and the potential impact they might have on their work.

Through a pan-European survey of 3,600 employees in 23 countries, we found that people are embracing their new digital workplaces. They want new technology to empower them to work smarter.



The key findings of the research are:

Employees are very positive about the impact of technology in the workplace

98% of employees are enthusiastic or excited about the introduction of new workplace technologies.

31% believes a lack of new tech is the single biggest factor stopping their business moving forward.

They are used to dealing with new technologies and look forward to the latest innovations – but are aware that a lack of skills can be a blocker

72% of employees have to learn to use a new technology every year.

AI and Automation are the technologies that they believe will have the most positive impact on their work in future.

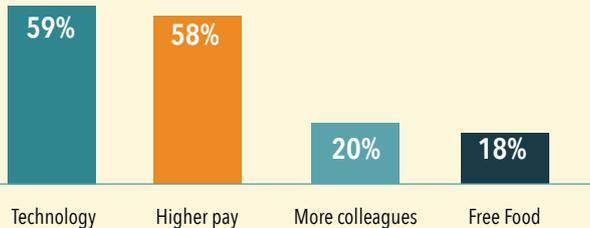
38% of employees think that in the future they will be in a new job that doesn't even exist yet, due to the new technologies driving change.

40% think the biggest hurdle stopping businesses from benefiting from new technologies is people not having the right skills.

1/3 of employees still don't feel equipped to get the most out of pervasive office software and hardware, such as Microsoft Office, printers and PCs – let alone newer technologies such as AI.

They think new technologies will have a positive impact on their day-to-day work - working with greater speed and flexibility beat perks such as free food!

59% think that better technology would have the most positive impact on their working day.



Employees want greater speed and flexibility from new technologies: more immediate access to data (44%), the ability to work from home more frequently (42%), a reduction in repetitive tasks (41%) and automation of admin tasks (36%).

They want their employers to invest in technology to grow the business – but employees are worried about the board's intentions and want training to get the most out of it

72% think that senior management will only introduce new technology if it helps to cut costs, rather than to improve their working day.

62% of respondents agreed that the best businesses spend a lot on new technology.

67% of European employees think employers need to put more emphasis on training.

CHANGING TIMES

Not many people paid attention when 18-year-old British student Joshua Browder set up a website called DoNotPay in the summer of 2015. But just four months later his website – an automated algorithm or “bot” which appeals against parking tickets – had saved users over £2m in potential fines.

Two years on, Browder has expanded DoNotPay’s capabilities to automatically handle complaints in over 1,000 areas of law. There is huge potential for similar technology to become mainstream within the legal profession over the next few years. Here, human and algorithmic lawyers will regularly work side by side on cases. And you could apply this approach to many other industries.

This is just one example of new technology reshaping how we work. Automation, virtual reality, augmented reality, robotics and artificial intelligence (AI) are rapidly maturing and entering workplaces across Europe. And, according to analysts and forecasters, almost no industry will be left untouched by these innovations.

But the debate about the future of the workplace typically leans towards the views of the companies creating these technologies, or the employers planning to deploy them in their organisations.

Rarely do we hear the voices of the employees themselves. That’s why we’ve decided to flip the usual perspective. We want to focus on the people who use these tools every day. How do they feel?

But this isn’t just about getting a fresh perspective on technology.

You have to engage employees and understand their views if you want to integrate technology into your business effectively. Without getting people on side, new technology won’t deliver its promised benefits of faster working, more time for teams to collaborate, greater productivity and happier, more innovative workplaces.

Economic data suggests European businesses need help to improve their productivity. The latest statistics from the European Central Bank show annual productivity growth in the euro area declined from about 2% in 1995 to just 0.5% in 2016.



This is behind the United States and other comparative markets. If that issue isn't addressed, the decline in output per head by 2050 could be as high as 14% in Germany, 16% in Italy and 22% in Spain.

Our research also found that day-to-day admin tasks are stopping European workers being as productive as they could be. Email (41%) and meetings (37%) are seen as the biggest timewasters in each day for employees, both exceeding commuting (29%).

Technology should help increase productivity. But this will only happen if you involve employees from the start and make them feel empowered by innovation. Otherwise you'll never fulfil the transformative potential these technologies hold.

Our research found employees across Europe understand the role new technology can have in helping their organisation grow.

31% *said they believed a lack of investment in new technology is the biggest factor stopping their business moving forward.*

Far from being worried about any negative impact technology might have, it's clear employees are more concerned when it's not there. But how do they feel about working with this new technology themselves?



WORKING WITH TECHNOLOGY, OLD AND NEW

Despite the occasional scary headline about human workers being replaced by robots, our research found employees are positively passionate about the role of technology in their professional lives.

In fact, a staggering 98% said they are enthusiastic or excited about the introduction of new workplace technology. They understand the role it has to play in improving their working lives and making them more productive.

Two technologies stood out in particular: 65% of employees believe the introduction of automation will have a positive impact on their day-to-day work, while 52% said the same about AI. And they expect these technologies to have even more of an impact on them at work than in their home lives.

These results suggest employees can see how such tools will help automate some of the more mundane tasks they are currently performing. They see technology not as something that will replace them, but rather as a way to free up their time and empower them to do higher value work. In other words, they embrace the idea that it enables them to work smarter.

This is partly down to their practical experience. In recent years employees have got used to handling the introduction of different tools and systems.

72% *of employees told us they have to learn to deal with a new digital tool every year.*

As the pace of technological change increases, they have adapted to a world in which the ability to learn and re-learn is a key skill in itself.



Many employees have also begun to think about the longer term consequences of constant innovation. Over a third think they will one day be in a job that doesn't exist yet, due to the new technologies driving change. This suggests they're open-minded about how digital technology can empower them to seek new opportunities and career paths.

But this positivity comes with a few catches.

A third of employees surveyed said they still don't feel equipped to get the most out of traditional software and hardware like Microsoft Office, printers and PCs – let alone newer technologies such as AI. While they know how to use these older technologies, they are aware they could probably do more with them. Given that most of those tools have been commonplace in offices for 20 years or more that is a worrying statistic.

It's also an important reminder that technology's potential can outrun people's abilities.

That might be why employees place such an emphasis on skills and training. When asked to name the biggest hurdle stopping businesses from benefiting from new technologies,

40% said it was people not having the right skills. Next on the list was having a closed internal culture with a fear of new technology (26%).

This might also explain why 70% of employees said younger generations entering the workplace are better suited to working with new types of technology. Younger employees are likely to be “digital natives” who have used computers and smartphones from childhood. This means they come into the workplace with skills and attitudes that might help them handle new technology better than their older colleagues.

70% *of employees said younger generations entering the workplace are better suited to working with new types of technology*

This poses a challenge to company managers. While their staff want new technology to help them do their jobs better, and are prepared to keep adapting to it, they need help to update their skills so they're able to use these new tools effectively.

MAKING A POSITIVE IMPACT

New workplace technology isn't a choice in the digital age. Increasingly companies realise that keeping up with the evolving tech curve is core to how they operate. Equipping your staff with the best tools and systems is essential to making your business grow.

Our research found employees share these views. We asked them to consider a range of different factors that might have a positive impact on their working day. Better technology was rated higher (**59%**) than getting paid more (**58%**) or increasing the number of colleagues in their team (**20%**). It also beat out fashionable perks like getting free food from their employer (**18%**).

The fact better technology is more important to employees than a pay rise should give company managers pause. It is clear workers want to be more productive and contribute more to their organisations. Introducing new technology is an effective way to improve output and enhance staff satisfaction and loyalty.

What impact do employees think improved technology would have on their work? Their answers are consistent: greater speed and flexibility.

They want immediate access to data (**43%**), the ability to work from home more often (**42%**), fewer repetitive tasks to perform (**40%**) and to automate more of their admin (**36%**).

Employees can foresee major benefits from this:

- By **streamlining or automating** some of their most common tasks, technology has a major role to play in empowering employees to work smarter and focus on adding real value to their companies.
- By **giving better access to data**, technology can help them make faster and more informed decisions. This ultimately improves the output of the organisation and helps it grow more quickly.
- By **enabling remote working**, technology can cut down on time-wasting tasks like commuting or sitting in unnecessary meetings. This allows people to focus more on the work that truly matters. Again, the result should be happier, more engaged and therefore more productive staff.



Productivity isn't just something company managers worry about. It's an issue employees have to deal with every day.

When something stops them being productive, they feel they're wasting their time and they get frustrated. They want to do more, but too often they feel powerless.



Without the right technology, employees waste 42 days a year

Improving productivity through technology is a key concern for employees across Europe. On average they believe they waste more than 42 days a year because they don't have the right technologies at work – the equivalent of finishing work for the year on November 20th rather than December 31st.

In other words, if this problem was solved, employees could effectively take the last six weeks of the year off and still be as productive as they are today. Just imagine the productivity you could achieve if your staff were equipped with the best tools for their job.

It's little wonder, then, that almost half of employees (47%) don't think or are uncertain that workplace technology at their current employer enables productivity.

THE ROLE OF EMPLOYERS – AND A CALL TO ACTION

The consistent thread running through this report is that employees want newer and better technologies to help them be more productive at work. But they know this won't happen without their managers' support.

New tools on their own aren't enough. People expect their employer to help them use technology properly. And they want to see their organisations investing in technology consistently, as it develops, to help the company grow rather than just to save money.

Employers will have to tackle some engrained scepticism here. Our research found a large majority of employees (72%) think the senior management at their firm will only introduce new technology if it helps to cut costs, rather than to improve their day-to-day work.

To engage your staff effectively, you will need to demonstrate how you are investing in transformative technologies – from AI to state-of-the-art video conferencing systems – to boost growth and help your organisation thrive in the years ahead.

Employees understand the link between technology investment and the future of the business. They see it as a sign of a strong, confident company. 62% of respondents to our survey agreed the best businesses spend a lot on new technology.

But there's also a more immediate imperative. In a fast-moving world where competition is growing and customer behaviour is constantly changing, technology is a vital way to keep up.

35% of employees said that if their business doesn't invest in technology it will fail within five years.

That may not seem a long way off, but with the current pace of change a lot can happen in that time. In the last five years, 4G networks have been rolled out, creating a huge boom in mobility and enabling technologies like augmented reality popularised by Pokemon Go in 2016 to go mainstream. Voice assistants like Amazon's Alexa have been

widely adopted. And smartphone adoption across Europe has gone from under one-third to nearly two-thirds of the population.

All of this has transformed traditional industries, from food delivery to financial services. It's also helped create thousands of new businesses across Europe. Employees appreciate the need for more technology within their own organisations to help them adapt, compete and succeed in this environment.

46% of them worry their competitors already have a technological edge over their own organisation.

But it's not just about investment in technology. Two-thirds of European employees (67%) think their employers need to put more emphasis on training to help them benefit from new technology. Clearly there's a gap here at the moment. Only 27% of the employees we surveyed think their company invests enough in technology training right now.

This is a powerful reminder to company bosses.

Technology isn't just about infrastructure.

At the end of every technology purchasing decision is a person who will be impacted by the technology in question.

Understanding their needs, opportunities, and engaging them in the process will be vital if you want to achieve the full potential of new tools and systems.

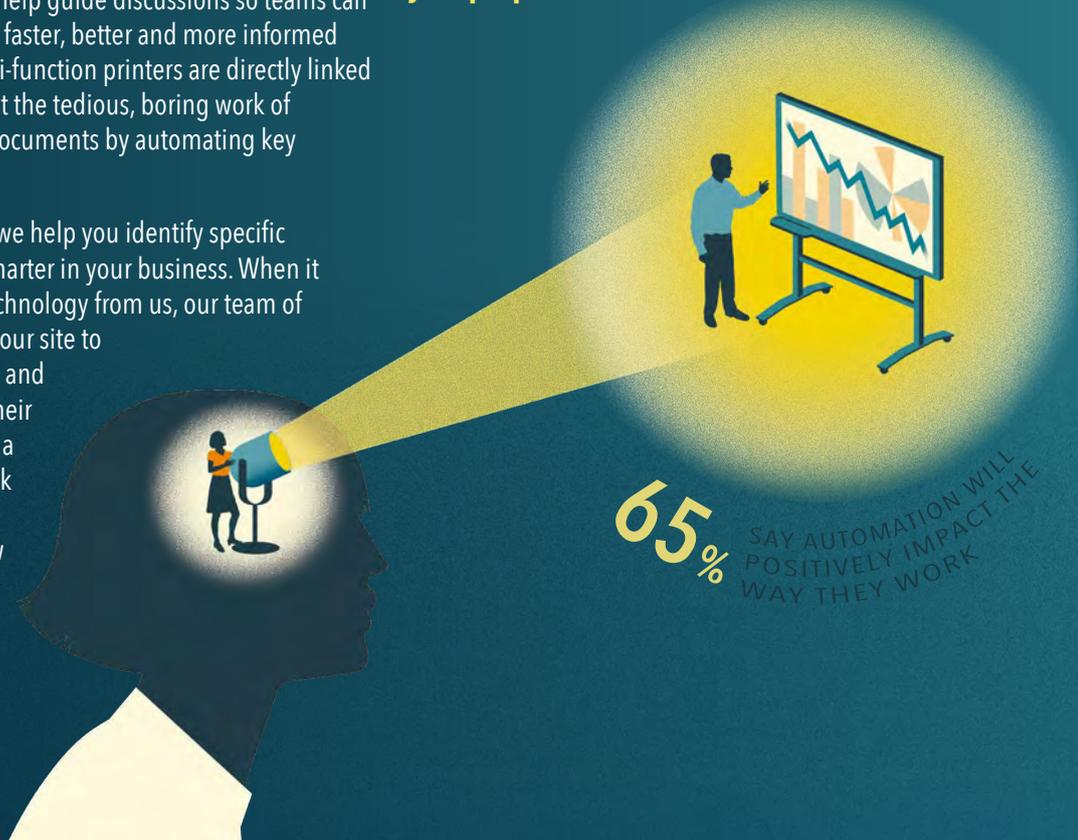


At Ricoh, we see our role as helping to empower the digital workplaces of today and tomorrow. We do this through products such as our interactive whiteboards. These are cognitively-enabled, highly interactive tools that use IBM's Watson intelligence to be an active meeting participant. Real-time analytics also help guide discussions so teams can work smarter by making faster, better and more informed decisions. Also, our multi-function printers are directly linked to the cloud. This cuts out the tedious, boring work of sending and receiving documents by automating key functions.

And right from the start we help you identify specific opportunities to work smarter in your business. When it comes to buying new technology from us, our team of engineers will come to your site to provide tailored training and help your team realise their potential. In the spirit of a true partnership, we work closely with you to continually improve how your teams benefit from using our services.

The message is clear:

You can achieve much greater growth and productivity when you use technology to empower your people.



65% SAY AUTOMATION WILL POSITIVELY IMPACT THE WAY THEY WORK

52% SAY ARTIFICIAL INTELLIGENCE
WILL HAVE A BENEFICIAL
IMPACT TO THEIR ROLES



98% ARE ENTHUSIASTIC OR EXCITED
ABOUT THE INTRODUCTION OF
NEW WORKPLACE TECHNOLOGY





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