



## Hybrid Work:

# Building SMB Foundations for the New Normal

The world of work today is highly complex. Employees are distributed across the organization's various locations, apps no longer reside in a centralized data center but instead may be collected from across a panoply of SaaS providers, and work input is highly specialized, requiring ongoing collaboration for completion.

Remote work requirements associated with the pandemic have generated new opportunities for workplace flexibility and employee productivity, but they have also accelerated the organizational need for new processes and technologies to future proof against emerging shifts.

As we transition to the new normal, SMBs are looking to create a context for understanding the range of options and outcomes that hybrid work may bring. Based on an extensive research initiative conducted by Techaisle in 2021, the paper provides the context and an essential checklist to have a straight line to business success.

# Hybrid Work: Building SMB Foundations for the New Normal

The global Covid-19 pandemic was (and is) a human health tragedy. However, it has also had unanticipated impacts on social and economic life. One of these impacts – positive in its effect on vast numbers of workers and employees – is a new way of looking at work.

Technology-enabled remote work has a relatively long history. The term 'telecommuting' was introduced in the early 1970s. Over the following decades, successive waves of interest in remote work were inspired by budget sensitivity in the tech start-up community, environmental concerns, and a corporate desire to offer workers a better work/life balance. But over the last two years, experimentation with remote work in select industries has shifted to broad adoption in businesses of all types and sizes in response to social distance imperatives associated with the pandemic.

## Hybrid work: a straight line to business success

For many SMBs today, remote work is no longer a question of choice but rather one of survival. But the success of this latest venture into remote has been buoyed by two critical factors:

- 1 | The ongoing development of powerful technology tools and infrastructure that enable people to work from anywhere
- 2 | The consequent evolution of new perspectives on productivity that focus on results rather than time or location.

In response to necessary physical isolation, SMBs that could transition operations to new models quickly learned that there are real benefits to remote work, including reduced cost input and, in many cases, increased work output. For their part, employees also discovered benefits. Attracted to the convenience of work from home, empowered employees quickly grasped the advantages of instant connections with expert resources and communities of interest, whatever their location, recognizing through this experience that new work opportunities are no longer dependent on a specific place.

At the same time, however, limitations of the work from home phenomenon have become increasingly apparent:

- 1 | As employees looked to recapture the intimacy of face to face (F2F) communication that is difficult to replicate in virtual environments, and
- 2 | To catalyze the creative synergies that can be achieved through in-person collaboration.

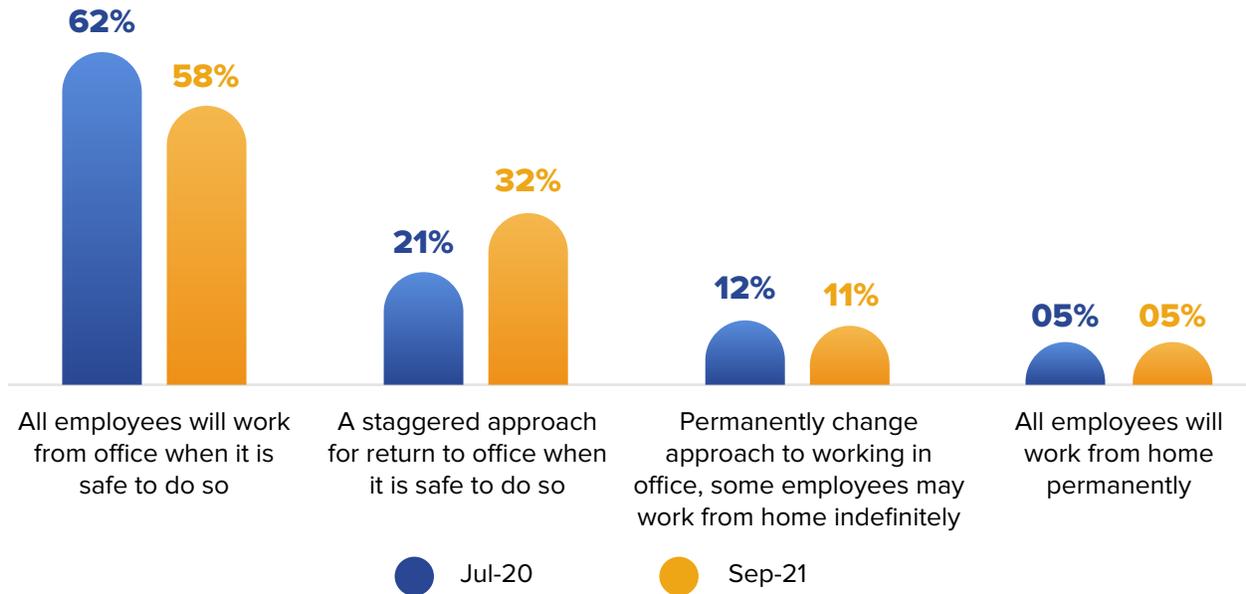
Hybrid work has supplanted remote work to enable productivity while providing the flexibility needed to support the greater work/life balance that is an increasing expectation of the modern workforce. Recent Techaisle research has documented this shift towards hybrid work modes within the small to medium

***Hybrid work is defined as a flexible work arrangement in which the employee may work in the office or offsite, depending on which location is best suited to the work at hand and the employee's schedule.***

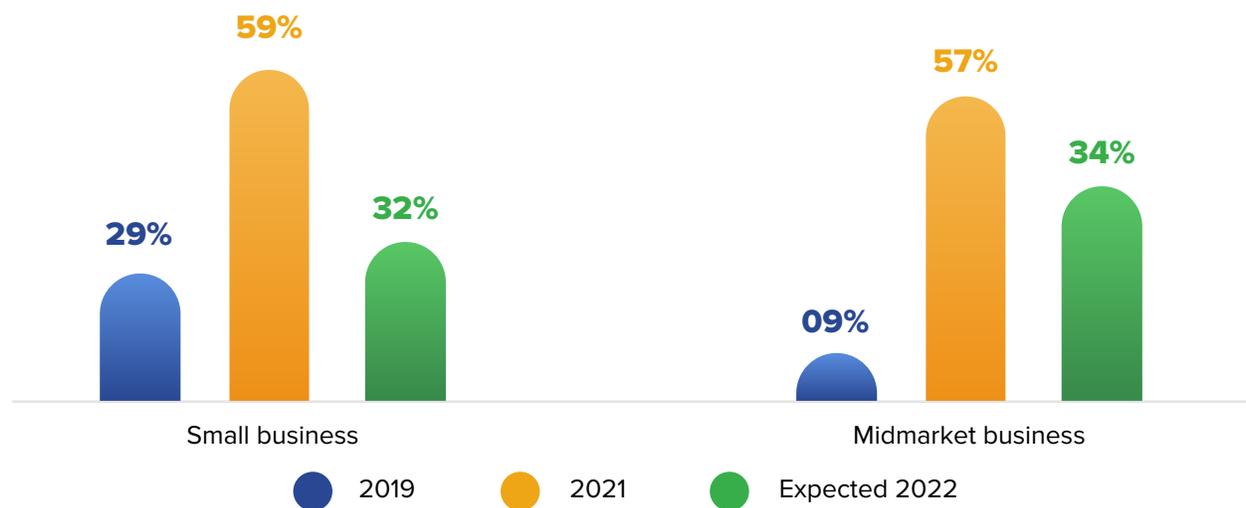
(SMB) sized organizations. Figure 1 outlines the share of SMB segment work done remotely pre-pandemic, during the pandemic, and post-pandemic – and shows how SMB approaches to work from home are changing.

Figure 1. SMB workforce expectations to 2022

How is your company thinking about returning employees to the workplace?



Percent employees working from home



Source: Techaisle SMB and Midmarket Technology adoption survey, N=2135

As the figure shows, at the height of the pandemic, the predominant expectation was for employees to return to the office as soon as it was safe to do so. However, by September 2021, this expectation had softened.

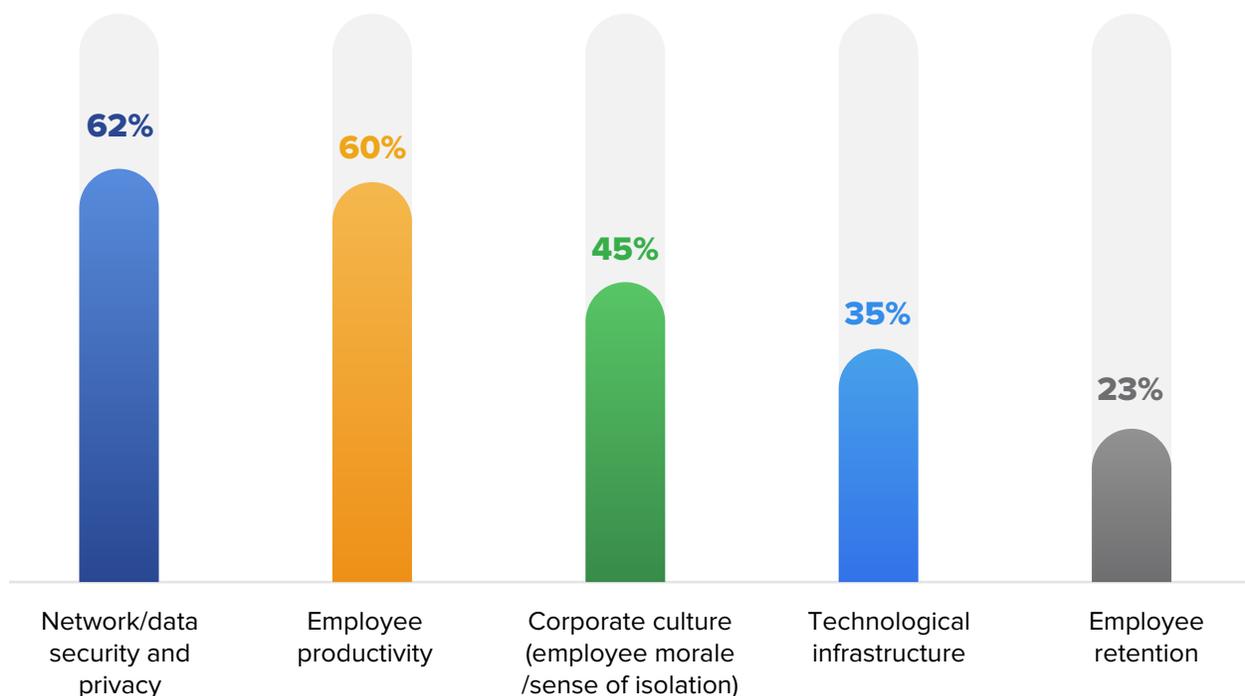
## Hybrid work challenges

What accounts for the gap between SMB expectations for remote work in the future and commitment to a permanent change in workforce patterns?

One can attribute this gap to the forced march to remote work imposed by the pandemic at a basic level. In response to the rapid imposition of social distance requirements associated with Covid-19, to their credit, many SMBs were able to successfully deploy the mobile and remote systems needed to 'keep the lights on.' However, the emergency nature of these deployments meant that the solutions are only somewhat or moderately integrated with current needs in many cases. For many SMB organizations, instantiation of longer-term visions for employee work patterns and processes used within the organization and adoption of the technology underpinning digital transformation strategies has not yet been achieved.

Techaisle research has uncovered lingering concerns with the hybrid model that spans each of these areas: in the post-pandemic world, approximately 62% of SMBs expressed concern over networks/data security and privacy; 60% continue to express misgivings over employee productivity; 45% are concerned about corporate culture (employee morale and the potential for sense of isolation); 35% noted issues with the technology infrastructure, and 23% pointed to challenges with employee retention.

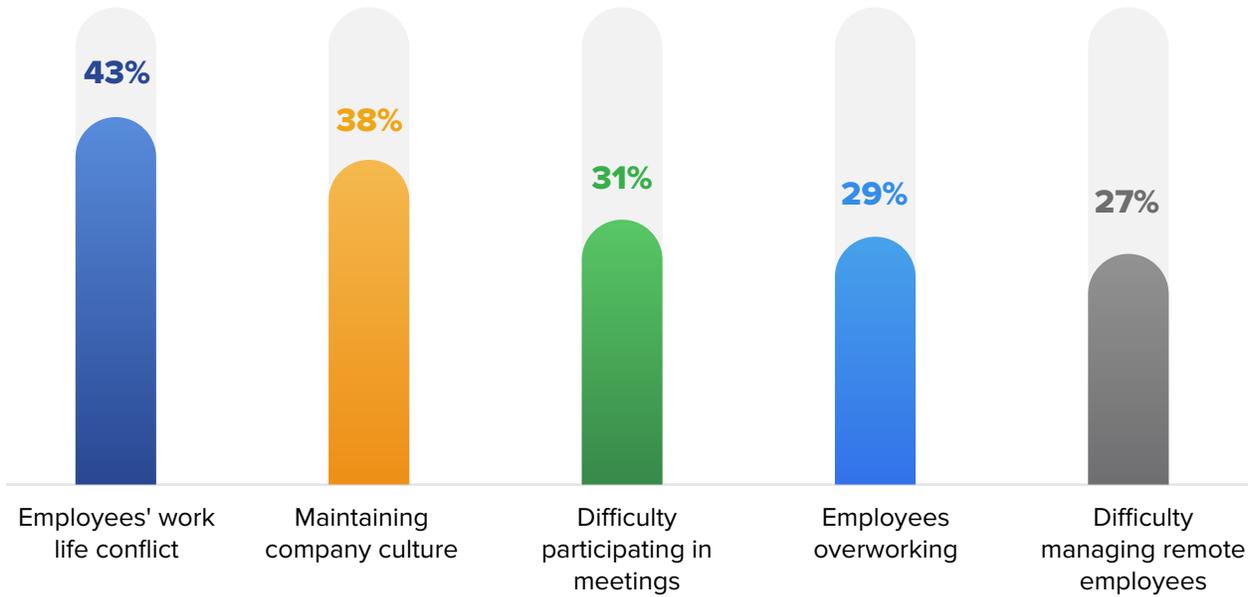
Figure 1a. SMB workforce expectations to 2022  
Post-pandemic with hybrid work what are your biggest concerns?



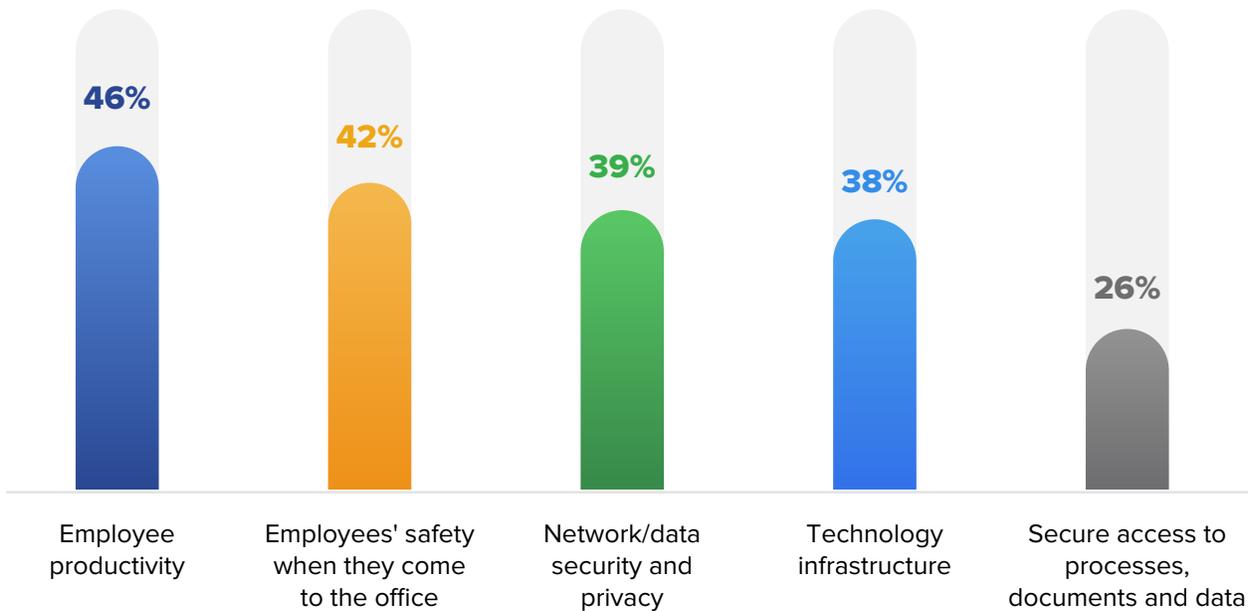
Source: Techaisle SMB and Midmarket Hybrid work adoption survey, N=1810

Figure 2. Below, provides a deeper view of SMB hybrid workforce concerns and solutions

With respect to hybrid work, which of the following are concerns at your company?



What is your company's biggest concerns with enabling a hybrid workforce?



Source: Techaisle SMB and Midmarket Hybrid work adoption survey, N=1810

The top chart in Figure 2 details SMB concerns for people in the hybrid model:

- ✓ How to manage the potential for employee work-life conflict in hybrid environments, and
- ✓ Employee tendency to overwork in at-home scenarios, and
- ✓ How to overcome difficulties remote workers may have as they attempt to participate in meetings, and
- ✓ Employee burnout – the physical and emotional exhaustion attendant on overwork and detachment from the workplace – impacts not only individual health and well-being but professional efficacy and job satisfaction

**From an organizational perspective, many questions continue to dog the SMB:**

- ✓ How to maintain company culture to ensure unity of purpose and employee motivation, and
- ✓ How to inculcate employee loyalty to address the 'Great Resignation,' a trend that is especially prominent in tech fields, and
- ✓ How best to manage so that remote work is not a contributing factor to employees' alienation

Resolving these issues will be critical in addressing employee retention challenges, which will intensify as empowered staff explore additional opportunities for non-location-specific employment.

The SMB experiences similar but broader challenges when enabling a hybrid model, as outlined in the bottom chart in Figure 2. The key concerns are also people-centric. For example, close to half of SMBs identify employee productivity, and 42% point to employee safety in an on-premise work environment as their most significant issues. Interestingly, other top concerns are technology-focused: delivering network/data privacy and security and the right technology infrastructure to employees are vital challenges that will enable access to organizational processes, documents, and data.

## Building the foundations for hybrid work

As technology has accelerated the evolution of new perspectives on work, the pandemic has also served to heighten awareness of the need to modernize the underlying infrastructure that enables hybrid work and that addresses partner, client, and customer needs to connect, engage, and transact remotely. Stories detailing the rapid, emergency 'lift and shift' of employees to the collaboration platforms required to support remote work are legion. One IT manager put it that the five-year digital transformation strategy was tunneled into two weeks as IT wrestled to maintain operations in an uncertain environment.

***Collaboration technology's service as the organizational DNA of innovation and the core foundation for digital transformation at an individual business level is even more evident today than in preceding years.***

For example, consider the following cases:

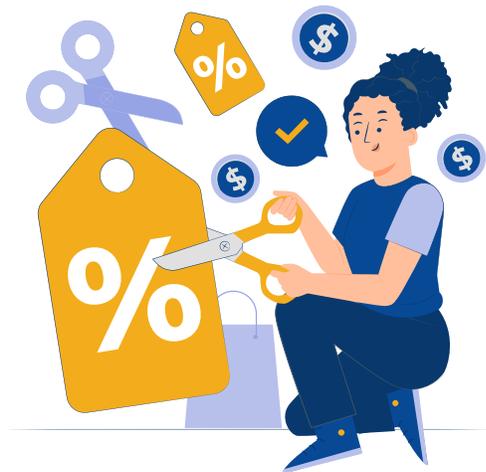


## Construction

A general contractor responsible for complex construction projects that involve a network of companies who contribute through well-defined activities used new collaborative technologies to enhance project management. The technology helped improve relationships in the network, enabled greater visibility, saved time, increased transparency in information sharing, thereby reducing errors and improving quality. Unanticipated benefits of digital transformation included better resource sharing, more significant opportunities for reciprocity in the value chain, and enhanced competitive positioning.

## Financial Services

A personal wealth-management firm, traditionally relying on in-person consultations, invested in a real-time communications system that empowered it to expand its services without office expenses. Virtual meeting rooms provided the face-to-face interaction needed for nuanced consultation on private financial information. The virtual meet room solution was crucial for achieving growth goals through expanded marketing and new client acquisition. The video-collaboration has proved popular with staff and has helped them reach and engage with clients who are unable to travel and hence unlikely to contract services.

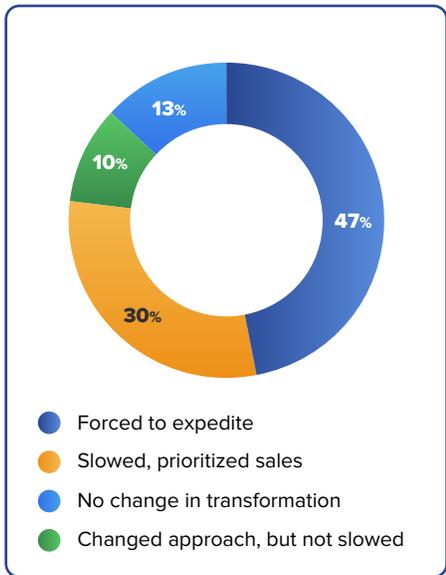


## Retail

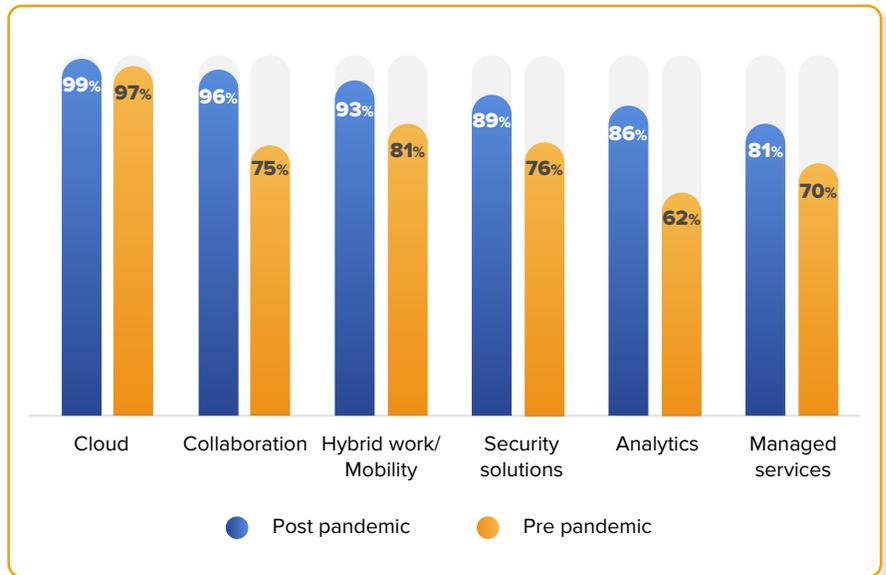
Traditionally reticent investors in technology, in the wake of the pandemic, many retailers fast-forwarded adoption of omnichannel approaches connecting 'bricks and clicks' – physical and virtual customer shopping options. A retailer that had eschewed technology in favor of 'the personal touch' migrated to online customer connections. Today and in a post-pandemic future where both staff and customers have become accustomed to choice, to maintain viability, the retailer is accelerating its use of technology platforms that integrate multiple means of connecting with shoppers.

Figure 3. Digital transformation and shifting SMB IT priorities

How did the pandemic affect the digital transformation plans?



Pre and Post Pandemic IT Priorities and Investments



Source: Techaisle SMB and Midmarket Digital Transformation survey, N=2135

Figure 3 outlines the impact of the pandemic on SMB digital transformation plans. As Techaisle research shows, the pandemic drove nearly half of SMB organizations to expedite their digital transformation plans. At the same time, less than a third chose to prioritize revenue generation and sales, and 13% maintained the same pace of change as in the pre-Covid era. Of particular interest is the group (10%) of the total, which did not slow transformation but shifted gears, changing their approach to digital transformation.

This shift in approach is captured in the charts to the figure's right, which details pre-pandemic and post-pandemic IT priorities. SMB learnings that have emerged during the pandemic are apparent in these shifting priorities. For example, while cloud technologies predominate as a critical area of focus in both periods, collaboration moves from the fourth rank in the pre-pandemic period to the second rank, identified as a top priority by 96% of SMBs. Similarly, enabling a remote/hybrid workplace and securing this environment are viewed as critical by 90% or more of small and mid-sized organizations. Cloud-based collaboration is a necessary, foundational platform for this group to manage current and future crises. Collaboration and remote/hybrid enablement act as the foundation for the further evolution of workplace models.

### Supporting hybrid work

To support a sustainable hybrid work strategy, SMB IT and business leaders must focus on areas that align with a strategic plan that enhances their capabilities by addressing digital parity and remote work privilege. A program that ensures all employees have the same workplace flexibility and have equal or similar access to connectivity, the gateway to organizational resources, can help reduce the potential for workplace friction while mitigating critical issues around employee retention and productivity. **As hybrid becomes the default approach to work, Techaisle sees three key solution areas emerging that address the people, process, and technology imperative: 1/ Unified workspace, 2/ Security, and 3/ Advanced networking.**

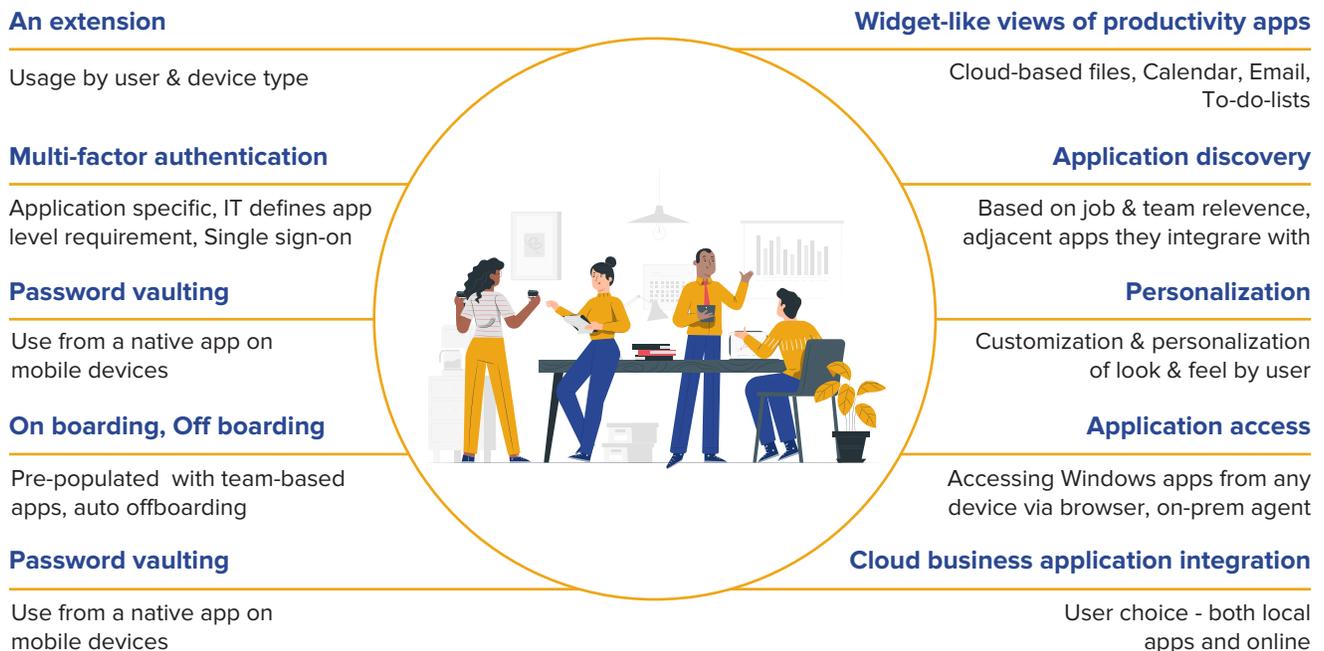


## Unified workspace

An extension of the role-based access and security that has existed for some time, a unified workspace combines new elements. **A unified workspace is a set of capabilities and access to digitally consistent resources regardless of where employees are working at a desk, at a remote location, or in transit.** The graphic below shows that unified workspace addresses requirements from a 'people perspective,' such as widget-like views of productivity apps, role-based application discovery, personalization, quick access to applications from any device, and password vaulting. It also addresses process requirements, such as cloud business application integration or the automated onboarding of new accounts with prepopulated team-based apps. Finally, it supports technology needs, including service delivery management capabilities, such as IT admin controls, multi-factor authentication designed to protect company assets, and analytics that will detail technology usage by user and type of device.

Delivered together, in an integrated fashion, these capabilities can help the SMB organization address the critical hybrid work challenge identified by the SMB – worker productivity – which is an essential input to employee satisfaction and motivation and sustain a committed company culture

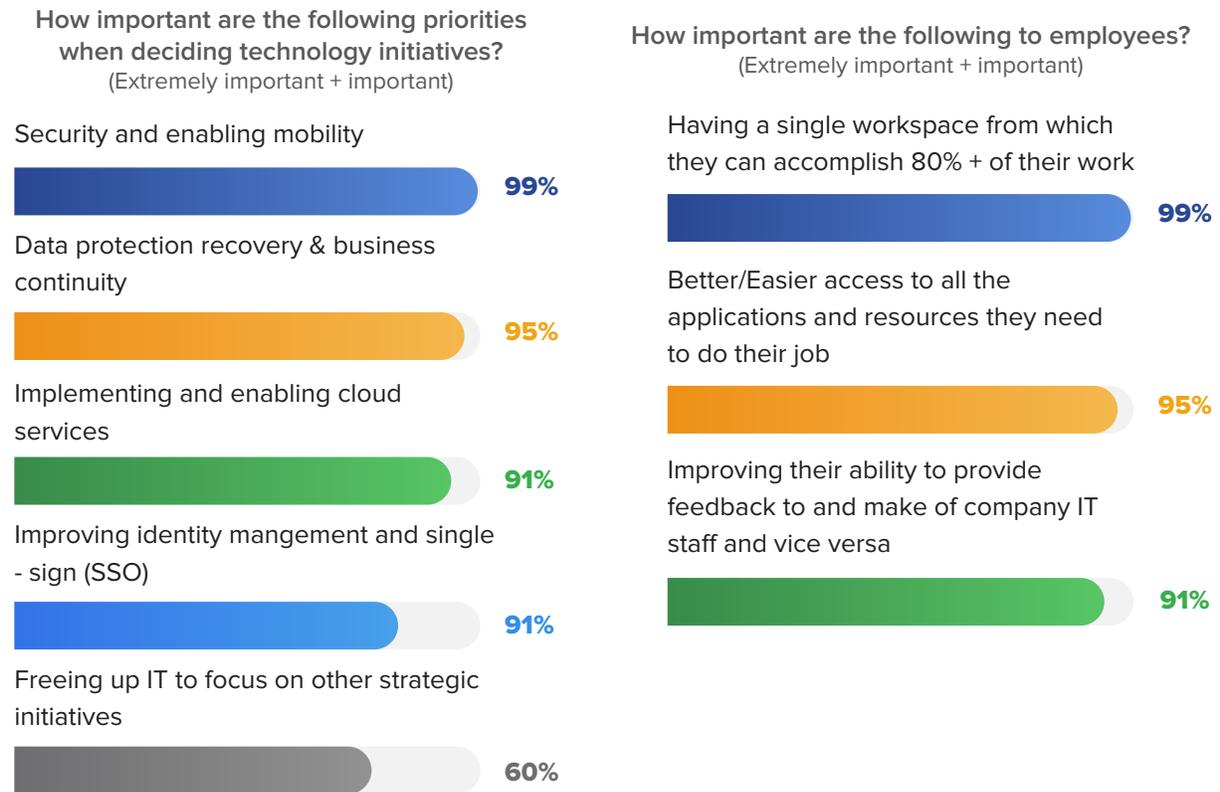
Figure 4. Building the SMB unified hybrid workspace  
Building the SMB unified hybrid workspace



Source: Techaisle SMB and Midmarket unified workspace adoption survey, N=1125

Figure 5 demonstrates the alignment of unified hybrid workspace capabilities and employee priorities. Virtually all SMB employees describe having a unified workspace as important or extremely important. 95% point to the importance of having easier access to the applications and resources they need to do their jobs. 70% value the importance of having a greater ability to provide feedback and make requests of IT staff through the automation and optimization of administrative tasks and analytics usage.

Figure 5. Employee needs and SMB technology priorities in a hybrid workspace



Source: Techaisle SMB and Midmarket Technology adoption survey, N=2135

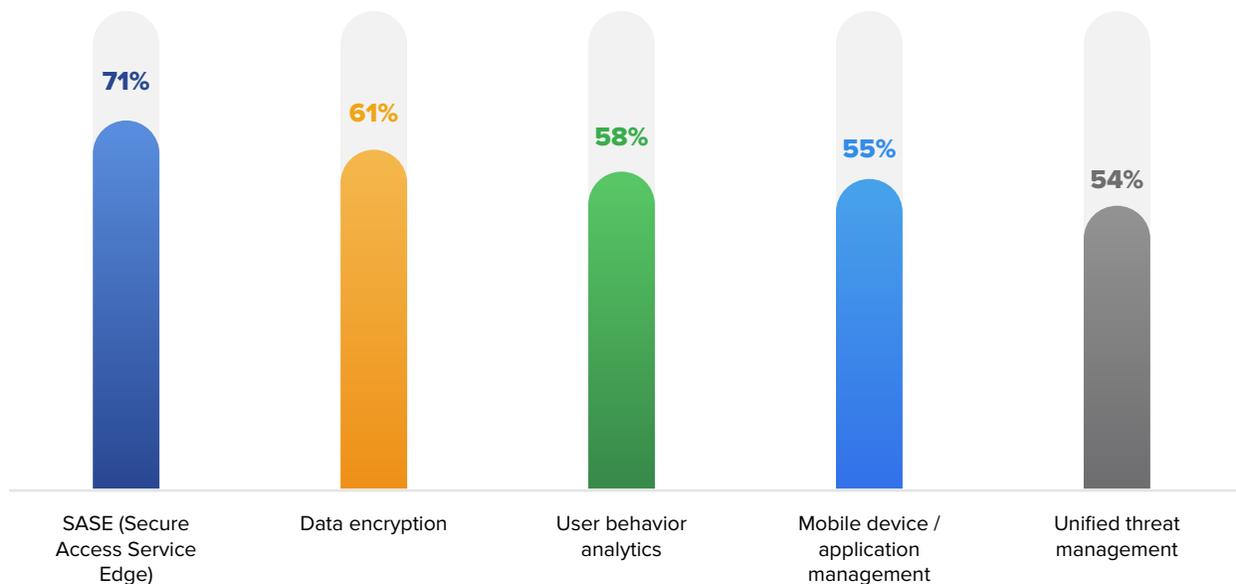


## Security

Figure 5 also outlines SMB priorities in technology decision-making. SMB's focus on the importance of delivering security, privacy, and data protection in remote environments is overwhelmingly clear. While effectively all SMB organizations reported that securing and enabling mobility is important or extremely important, a similar proportion prioritizes data protection and business continuity, and three-quarters value improving identity management, which can also impact productivity. Over 90% of SMBs are also focusing on implementing/enabling cloud services, a critical requirement in remote workplace models.

In the absence of a defined perimeter in hybrid work environments, securing the core infrastructure extends to attaching security to each user, each device, each application, and each unit of data within an

Figure 6. SMB security adoption trends for 2022  
Top 5 security solutions planning to adopt in the next one year



Source: Techaisle SMB and Midmarket Security adoption survey, N=2110

organization – meaning that security needs to be flexible and capable of integrating across environments. Figure 6 shows the top security solutions SMBs plan to adopt in the coming year. Of note is SMB focus on establishing a secure access service edge (SASE – the delivery of WAN security directly to the source of connection), MDM/MAM, or mobile device, and mobile application management.



### Advanced networking

A third solution area receiving increased attention to support remote work models is advanced networking technology. In a hybrid work environment, the network is the pathway through the organization and beyond, connecting staff, their tasks, and outputs to management, customers, and other stakeholders. The network has to be fast – and as SMB priorities have shown, it must be secure, ubiquitous, and scalable. It should also support easy onboarding of employees, whatever their location, to ensure the productivity organizations need to retain workers and prevent losing customers to more capable competitors. Advanced, secure networks may be delivered through SD-WAN capabilities that connect workers on campus or other locations depending on the organization's size. In the case of the small business or solopreneur that works remotely, internet connectivity can be boosted through premium broadband service levels or VPNs.

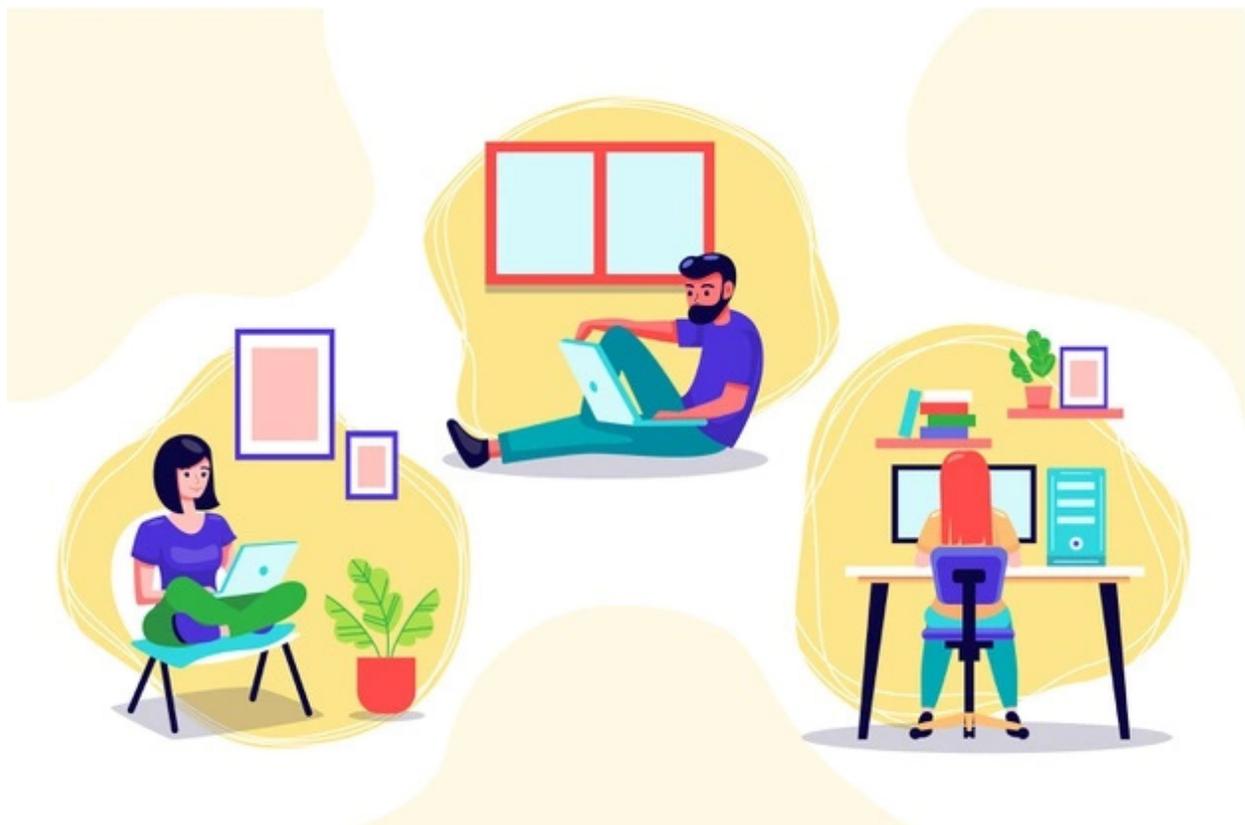
In remote work environments, networking security requirements take on added significance. While security vulnerabilities may exist in connectivity infrastructure outside the organization's management and control, a potentially more significant source of concern lies in behavior risk – in device sharing that is more prevalent in shifting work contexts. Figure 7, which focuses on mobile device usage, points to this increased risk.

Figure 7. Accessing personal information and company data via various devices



Source: Techaisle SMB and Midmarket Mobility adoption survey, N=1640

As the figure 7 shows, an impressive share of SMB employees uses personal/company mobile devices interchangeably to access company resources and assets and vulnerable (individual apps and data). Moreover, in the shifting physical ground that characterizes hybrid work, this tendency towards device agnosticism is likely to increase as the psychological divide between "the office" and "place of work" continues to break down. In this scenario, technologies that can segment network usage to ensure adequate bandwidth supply for work purposes and support the application of security protocols and protections appropriate to work resources will become a critical foundation of the hybrid work world.



# Developing your future: a management checklist

**Are you preparing your organization for hybrid work?** No one size fits all. Whatever stage you are at, here is a checklist that can help you to focus on issues that will drive improved efficiency and superior IT ROI over time:

## Overall guidance to enable a future-ready flexible and hybrid work organization

### Checklist

-  Establish service that responds to evolving customer requirements
-  Develop practices that address employee needs delivering the best of both worlds
-  Onboard employees in remote locations
-  Proactively support key management needs providing collaborative insights
-  Institute a culture of security awareness and training among all employees

### Benefit

-  Meet/Exceed expectations with superior service
-  Reduce talent loss, enhance efficiency and productivity
-  Expand the pool of capable workers
-  Management can quickly respond to customer and employee issues
-  Proactively identify attack levels and understand vulnerabilities introduced through hybrid work

## Develop a comprehensive IT plan that aligns with the organizational vision for hybrid work

### Checklist

-  Establish tools and culture for remote training and support
-  Increase support for processes with hybrid work-relevant workflows, measure and minimize latency
-  Implement technology that facilitates customer interaction in the absence of F2F connections
-  Develop analytical insights by capitalizing on new data sources

### Benefit

-  Improves employee responsiveness, engagement, and commitment
-  Reduces employee and customer frustration
-  Increases customer intimacy, loyalty and improves support
-  Enhances management support contributing to decision agility

## Establish IT priorities that align with the "new normal," beginning with a unified workspace

### Checklist

-  Deliver role-based application portfolio with discovery and personalization
-  Implement single sign-on (SSO) and multi-factor authentication
-  Implement technology that facilitates customer interaction in the absence of F2F connections
-  Automate onboarding of new employee accounts

### Benefit

-  Provides quick access to applications from any device, reduces clutter, enhances focus
-  Improves security, reduces trouble-tickets and multiple logins, improves user experience
-  Increases customer intimacy, loyalty and improves support
-  Improved employee experience and efficiency of HR and IT

## Deploy, integrate, and develop policies and technologies around security

### Checklist

-  Implement access management and remote access control, also known as (IAM/RAC)
-  Deploy data classification, segmentation, and encryption techniques
-  Develop zero-trust policies and deploy associated technology solutions
-  Implement internally or outsource system/device and network monitoring, specifically AI-driven

### Benefit

-  Implement internally or outsource system/device and network monitoring, specifically AI-driven
-  Help achieve regulatory compliance, inhibits unauthorized access, lessens malfeasance
-  Prevent attackers from penetrating the business, augments business risk management
-  Improve IT efficiency, minimize work disruption, gain complete network visibility

## Implement modern networking strategies and technologies

### Checklist

-  Deploy secure, ubiquitous, & scalable network technologies, core-layer of infrastructure
-  Adopt SD-WAN solutions with or without multi-factor VPNs
-  Implement technology that facilitates customer interaction in the absence of F2F connections
-  Automate onboarding of new employee accounts
-  Learn, enhance and extend best practices, deploy simplified network management tools

### Benefit

-  Achieve network resiliency and adaptability, enable digital transformation foundation
-  Harden the network, reduce latency, improve site-to-site connectivity
-  Increases customer intimacy, loyalty and improves support
-  Improved employee experience and efficiency of HR and IT
-  Provides a foundation to translate future, unanticipated challenges to a next "new normal"

## The Future of Work is Hybrid, and Cisco can help

Hybrid work solutions address the most pressing challenges of flexibility, agility, and resiliency. Cisco and its partners work with millions of small and medium-sized customers around the globe to find the right technology to keep their business running regardless of what is around the next bend. As a result, SMBs realize superior business outcomes and value at a compelling price by helping them find the right technology approach to meet their specific needs.

In addition to strategic alignment on company HR policy and facilities design, Hybrid work requires a technology approach where networking, collaboration, and IT security are converging and are delivered via the cloud. Omitting any of these elements can jeopardize a successful work implementation. Cisco and its authorized partners are here for companies of all sizes to tackle these new challenges in an integrated fashion.

**Find out more about how Cisco can help you get started today:**

<https://www.cisco.com/c/en/us/solutions/small-business.html>

# techaisle

Techaisle is a global SMB, Midmarket, and Channel IT Market Research and Industry Analyst organization focused on simplifying, expanding, and growing clients' share in three of the most complex market segments – small business, midmarket, channel partners. Techaisle's premise is that Go-to-Market strategies require insightful research, flexible data, and more in-depth analysis. Understanding the value of data consistency across markets to inform strategic planning, Techaisle is holistic in its approach to insights and provides globally consistent analysis across geographies by conducting in-depth surveys with end customers and channels to understand market trends, opportunities, buying behavior, purchase intent, and IT priorities. Besides covering topics such as cloud, managed services, mobility, edge, virtualization, analytics, artificial intelligence, end-points, collaboration, HCI/converged infrastructure, security, and digital transformation, its channel research coverage provides an in-depth understanding of resellers and channel partners globally. Techaisle provides insights built on a robust data-driven foundation, and its analysts are conversant with primary research and industry knowledge, which is a rare combination. Techaisle offers its clients: Syndicated Research, Custom Primary Research, Consulting Engagement, and Competitive Intelligence.

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