Telstra

The Asia Pacific Transformation Vision: Optimising for Hybrid

Designing for the future to optimise business and operational models

Index

Executive Summary

Methodology

Telstra commissioned Kantar Profiles, an independent market research company, to look at the transformation landscape in a hybrid work environment among 461 business decision makers and 560 employees.

Markets included are Australia, India, Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam.

This survey was conducted online between February to March 2022.

Telstra Asia Pacific Transformation: Optimising for Hybrid

Businesses all over the world are finding themselves in a pivotal position today, deciding what their new work order will be like post-pandemic. The changes and uncertainties of the last two years had triggered businesses to adapt and accelerate their digital growth and transformation to stay relevant and continue to be available for customers. Employees too were challenged to adapt to completely new working environments. Remote work had become the default because of lockdowns and isolation, and businesses had to explore and optimise how their teams could continue to collaborate while everyone worked from home.

This test of conventional standards of office-based work and productivity has brought about a shift in both employees' and employers' mindsets. Is the conventional office still necessary today, and how does the evolved employee want to engage with their teams?

Our latest research clearly shows that an optimised hybrid workforce is the way of the future. Even as businesses have started to bounce back from the pandemic and reopened their office spaces, previous ways of working are decreasingly relevant or desired. Instead, the work environment continues to evolve, and businesses need to rethink their operation models and the work arrangements that would benefit both employers and employees.

In this new hybrid work environment, what do employers and employees expect and what are the tools needed to advance this transformation? The research examines four key areas that can help businesses drive this transformation: Collaboration, Leadership, Productivity and Economic Impact, and Optimised Hybrid Work and Technology.

1. The Future of Collaboration Designed by Technology

Our research shows that there are three key transformation priorities for businesses in Asia Pacific (APAC): increasing investments in emerging technologies, improving cybersecurity, and increasing the pace of digital transformation. The first, investing in new technology, will be key to creating a successful hybrid work environment, say 45% of APAC leaders surveyed, as businesses look to facilitate team collaboration and communication across remote work locations.

Data and analytics technology has also come up tops in when it comes to information and communication (ICT) spending, as 57% of APAC leaders plan to invest in technology that can measure productivity in a hybrid work environment and optimise their operations accordingly. Moreover, 54% of business leaders are also seeking improved cloud infrastructure, including cloud-based security platforms and services, to better manage a decentralised workforce.

2. Leadership in a Hybrid Work Environment

One of the key challenges of a decentralised workforce is fostering team cohesion. In a hybrid work environment, leaders need to find new ways to maintain employee engagement and corporate culture.

As the blend of virtual and in-person work becomes the norm and employees seek flexible work arrangements, both employers and employees believe that technology is important to encourage frequent and open communication for employee engagement. This is especially important for new hires who will have fewer opportunities for in-person meetings and team building. On average, 75% of both APAC leaders and employees say that it has become easier to stay engaged and drive cultural exchange with technology.

Employees have also come to expect that organisations must provide the right tools to facilitate a self-sufficient and collaborative remote working experience. At the top of that list is the need for wireless networks and related services, followed by remote working quality and uptime, say over 54% of employees.

3. Productivity and Economic Impact in a Hybrid Environment

According to our research, organisations are not slowing down their growth plans, despite setbacks of the pandemic. Enabling remote work is a definite win for both employers and employees as it opens opportunities for new talent from anywhere. In fact, 7 in 10 organisations are now recruiting talent from all locations and allowing hybrid work arrangements.

To manage such a decentralised workforce, however, requires consistent organisation-wide practices, guidelines, and policies that will help employees balance their need for flexible work and productivity, especially as over 74% of employees in APAC believe that they and their teams are more productive with more flexible work arrangements.

One important transformation strategy is to evolve the role of human resources to include full hybrid policies and guidelines, say 72% of employees. This can include shaping how an organisation measures productivity. Notably, organisations have started to measure the usage of tools for teamwork and communication to assess productivity, say over 56% of APAC leaders.

4. Optimising Hybrid Work with New Technology

Despite offices reopening, organisations are expecting virtual work to increase by 83% in the next six to 12 months. This is not surprising as hybrid work has become an important consideration for employees when making career decisions, and organisations are responding to this demand. Over 85% of organisations are promoting hybrid work arrangements, and 70% of organisations already have a strategy in place to identify and deploy the right technology and tools to facilitate both office-based and remote work. For example, organisations are ensuring they have the right communication tools to facilitate collaboration but are also empowering employees by offering allowances for individual device purchases.

Across these four key areas, technology plays an important role in driving the transition to hybrid work. It's essential for businesses to find synergies between office technology and remote working tools to drive and maintain employee engagement and productivity in this new environment. This requires investment in the right technology to meet employee expectations while ensuring businesses continue to thrive and grow despite continued change.

Key Findings and Trends

Key Asia Findings

Graph 1: Advancing Digital Transformation: Businesses are scaling up their investments in emerging technologies and cybersecurity

The top three strategic transformation priorities for organisations in Asia Pacific are increasing investments in emerging technologies, improving cybersecurity, and increasing the pace of digital innovation projects. Smaller organisations prioritise cybersecurity improvements. Larger organisations are also orienting towards agile processes including the way they work with partners including service and solutions providers.

	APAC Leaders (N=461)	100 – 999 Employees (N=275)	Over 1,000 Employees (N=186)
Increasing investment in emerging technologies	45%	43%	48%
Improving cybersecurity	43%	47%	38%
Increasing the pace of digital transformation/innovation projects	41%	45%	35%
Improving collaboration across the business	39%	38%	39%
Improving the way that we work with service/ solution/product providers and vendors	39%	39%	40%
Increasing our use of agile processes	32%	28%	37%
Redefining the role of HR and remote work policies	30%	28%	33%
Putting in place Occupational Health and Safety policies for a remote workforce	30%	32%	26%

Which of the following has your organisation prioritised as part of its transformation strategy?
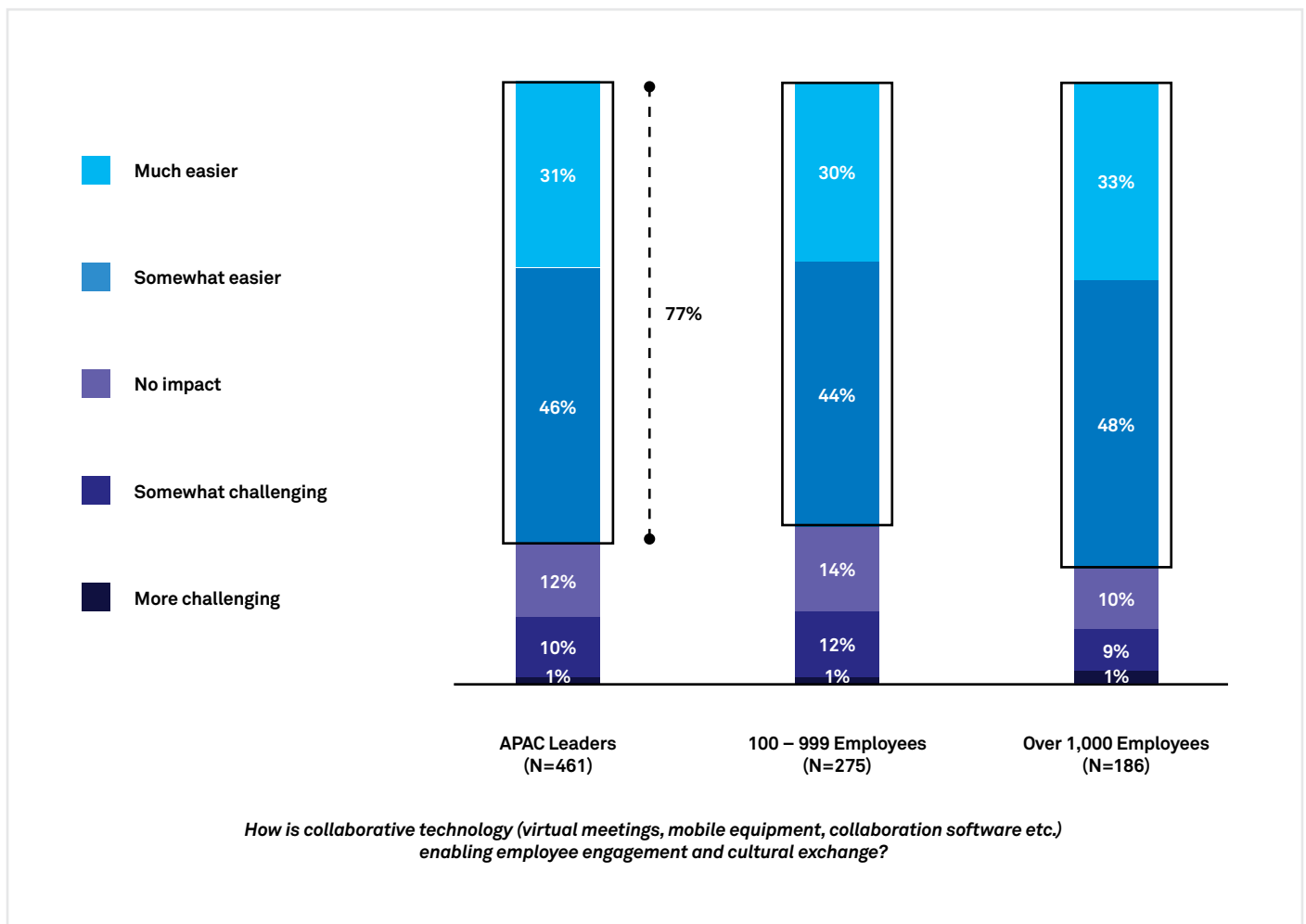
Graph 2: Impact of collaborative technology on employee engagement and cultural exchange

Technology that enables collaboration has the power to ensure synergy and productivity across teams, no matter where they are in the world. But collaborative technology can do so much more than that, as it also has the potential to facilitate employee engagement and foster corporate culture despite a decentralised workforce.

3 out of 4 employees say that it has become somewhat or much easier to stay engaged and drive cultural exchange with technology.

Creating a corporate culture and facilitating employee engagement can be challenging even when employees are centrally located in one office. However, by leveraging technology that promotes open communication among employees and teams, organisations can foster team bonding no matter where in the world their teams and employees are located.

	APAC Leaders (N=461)	100 – 999 Employees (N=275)	Over 1,000 Employees (N=186)
Much easier	31%	30%	33%
Somewhat easier	46%	44%	48%
No impact	12%	14%	10%
Somewhat challenging	10%	12%	9%
More challenging	1%	1%	1%

77%

How is collaborative technology (virtual meetings, mobile equipment, collaboration software etc.) enabling employee engagement and cultural exchange?

Graph 3: Tools to enable optimised hybrid working from an employee perspective

For many employees, the pandemic lockdowns brought about a shift in what it means to work remotely. As people were physically separated from their working teams as well as office administrative teams, like HR or IT, there was a rising need for tools that would enable employees to continue working independently without compromising on productivity and efficiency.

For employees, it's not surprising that the No. 1 tool that would facilitate self-sufficient remote working is wireless networks and other related services.

The quality and uptime of remote working services were equally important, especially among smaller organisations, as it could impact employee productivity and communication.

As employees look for ways to measure productivity, data collection and analytics have surfaced as important tools to aid team evaluations.
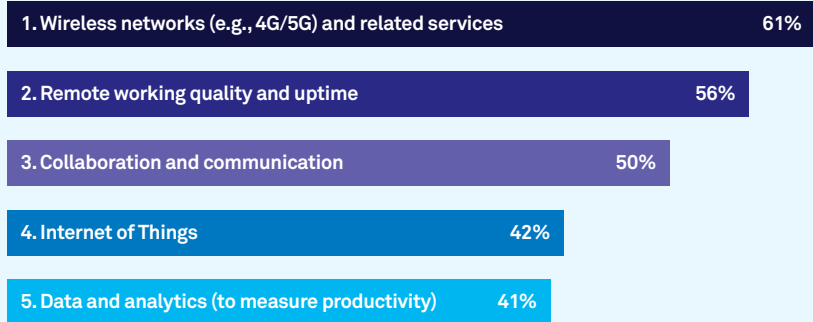
Interestingly, 37% of employees in small organisations show more of an affinity towards immersive digital experiences, like augmented reality and virtual meeting platforms, than those in larger organisations.

	APAC Employees (N=560)	100 – 999 Employees (N=342)	Over 1,000 Employees (N=218)
Wireless networks (e.g. 4G/5G) and related services	57%	54%	61%
Remote working quality and uptime	55%	54%	56%
Collaboration and communications	52%	53%	50%
Internet of Things	46%	48%	42%
Data and analytics (to measure productivity)	45%	48%	41%
Cloud infrastructure and services	44%	45%	42%
Cloud-based security platforms	42%	44%	39%
Artificial intelligence	34%	34%	34%
Immersive augmented/virtual reality tools for live virtual meetings	34%	37%	29%
Wearables (virtual reality headsets, smart glasses etc)	28%	29%	26%
Traditional hosted security	24%	28%	19%
Robotics	19%	19%	18%

What type of technology would you want your organisation to enable to facilitate self-sufficient remote working experiences?

Top 5 tools for a Self-Sufficient Remote Workforce

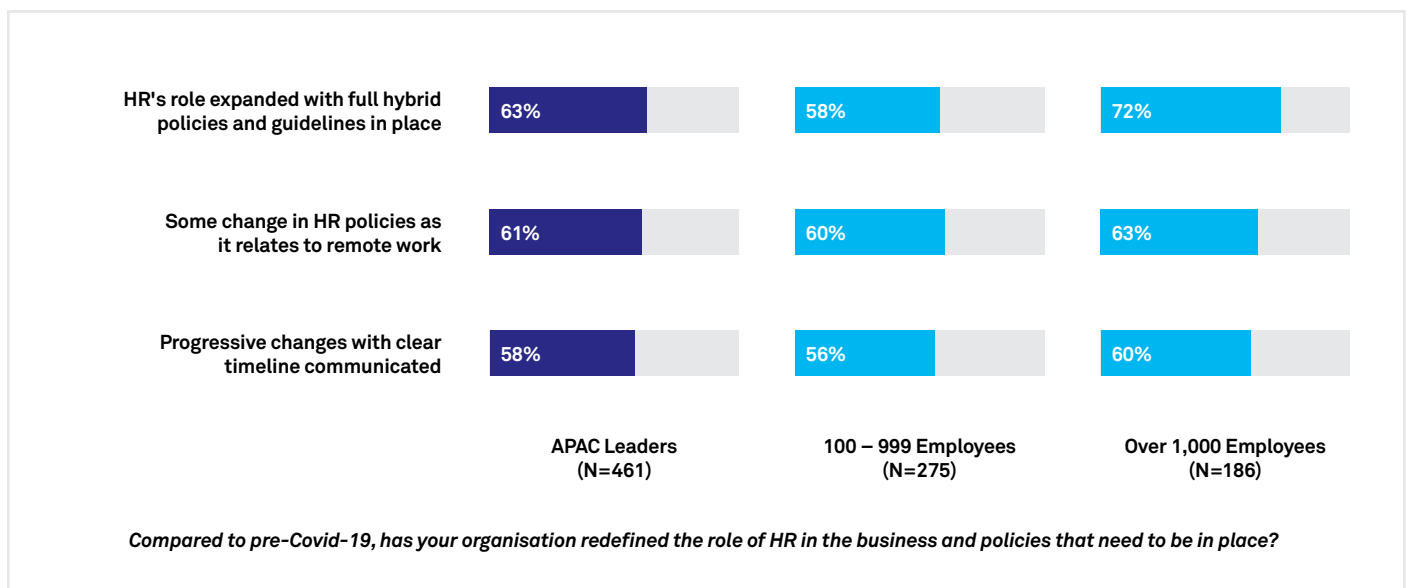|	
1. Wireless networks (e.g., 4G/5G) and related services	61%
2. Remote working quality and uptime	56%
3. Collaboration and communication	50%
4. Internet of Things	42%
5. Data and analytics (to measure productivity)	41%

Graph 4: The evolved HR role

As both business leaders and employees embrace hybrid-working experiences, there is a clear need for policies and guidelines to cover remote work scenarios. In many large organisations especially, the role of HR has already started to expand with full hybrid policies and guidelines in place, ranging from recruitment processes to compensation standards.
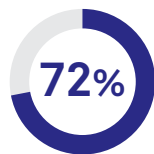
72%
of employees in large organisations say that HR's role has already expanded with full hybrid policies and guidelines in place.
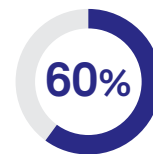
60%
of APAC leaders and employees are seeing progressive changes with a clear timeline to achieve full hybrid policies and guidelines.

	APAC Leaders (N=461)	100 – 999 Employees (N=275)	Over 1,000 Employees (N=186)
HR's role expanded with full hybrid policies and guidelines in place	63%	58%	72%
Some change in HR policies as it relates to remote work	61%	60%	63%
Progressive changes with clear timeline communicated	58%	56%	60%

Compared to pre-Covid-19, has your organisation redefined the role of HR in the business and policies that need to be in place?

Country Findings

Top 3 ICT spend by market

Australia

- Cloud-based security platforms
- Remote working quality and uptime
- Cloud infrastructure and services

India

- Cloud-based security platforms
- Wireless networks (4G/5G) and related services
- Cloud infrastructure and services

Indonesia

- Application and data
- Wireless networks (4G/5G) and related services
- Cloud infrastructure and services
- Internet of Things

Malaysia

- Wireless networks (4G/5G) and related services
- Data and analytics to measure productivity
- Remote working quality and uptime
- Applications and data

Philippines

- Data and analytics to measure productivity
- Wireless networks (4G/5G) and related services
- Applications and data

Singapore

- Data and analytics to measure productivity
- Cloud infrastructure and services
- Internet of Things

Thailand

- Wireless networks (4G/5G) and related services
- Remote working quality and uptime
- Cloud-based security platforms

Vietnam

- Application and data
- Traditional hosted security
- Data and analytics to measure productivity

Building a hybrid optimised workplace starts with the right people

Geraldine Kor
Managing Director, South Asia, Telstra

The last two years have prompted many people to rethink how and where they want to work. It's clear from our research that hybrid work is now permanently embedded within the modern workplace.

Many organisations are being challenged to respond to these new expectations. Understandably, business leaders are seeking to rekindle employee engagements, drive closer collaboration, and foster corporate culture through a return to office environments, whereas the majority (76%) of employees are advocating for more flexible work arrangements. Hence, leaders must navigate meeting their business objectives and creating a positive work culture, while supporting the new decentralised workforce paradigm.

So, what constitutes a successful hybrid working environment? Telstra has identified four areas that businesses should consider in order to achieve an optimised hybrid work environment:

1. Drive productivity in a hybrid workplace

2. Lead with a culture of openness

3. Lean into technology for talent growth

4. Co-create with employees in this new hybrid world

1. Drive productivity in a hybrid workplace

If not implemented successfully, a hybrid work environment can create a negative impact on productivity. Technology obviously plays a pivotal role in enabling productivity, as teams continue to work in distributed locations and potentially across different time zones. As our formal research illustrates, we are seeing increasing investments in ICT solutions that are simultaneously used to drive digital transformation projects and initiatives and not just improvements in productivity and decentralised workflows.

As an indicative example, when a leading provider of semiconductor and electronics assembly solutions came to us looking to improve cross-functional collaboration for their global workforce located in 13 countries across the US, Europe, Asia and China. In addition to modernising their UC&C capabilities to facilitate remote work, we also designed and implemented end-user automation for critical business areas.

At our Service and Experience Centre in Singapore, we regularly host customers for creative thinking workshops to foster creative design ideas in which to solve their business requirements. In a similar vein, Company leaders can also help to lower productivity barriers and facilitate employee collaboration by building shared spaces that can promote team bonding and inspire employee creativity.

2. Lead with a culture of openness

With the contemporary adoption of hybrid ways of working, how leaders guide and motivate their teams likewise needs to evolve. Technology has long enabled businesses to communicate with decentralised teams at scale. For example, live streaming of major corporate events - like townhalls and annual general meetings, has helped keep employees informed. However, more than ever, leaders must look beyond mass one-way communication and think more deeply about interactive communications and ensure it resonates with employees on a personal level.

The research tells us that while people want the flexibility that hybrid working entails, they also yearn for mechanisms to build relationships with their teams, including their leaders. This is especially true for new hires who may have contended with online or virtual onboarding sessions - and may have even had to work with leaders with whom they have never met face to face. Furthermore, some employees may also experience feelings of exclusion or isolation. Leaders therefore must be ready to facilitate two-way communication and establish a digital version of "keeping the door open to chat" through a combination of the right online communication tools and adapting their management style to remote forms of interactions.

3. Lean into technology for talent growth

Accelerated digitalisation has thrown open the proverbial doors to hire talent from anywhere, without that talent needing to physically be in the country, state, or office. This presents an exciting opportunity for talent acquisition and growth. Organisations are no longer bound by geographical limitations in order to attract and hire the right person with the ideal skills and expertise.

To facilitate talent growth in this manner, Telstra International has created a concept of four distinct workspace ecosystems to help employees thrive. The first is our 'Hub'. It is our centrally located main office where employees who want to work in a full office setup and contribute to a community of in-person collaboration. It is also a space we use to host and engage our customers who are looking to adopt new technology to enhance their work processes. The second is the 'Home', where we ensure we have the right tools in place to support those who seek better work-life integration or deep-focus time while maintaining productivity without a commute. The third is the 'Local'; a convenient office location for those who want to feel a sense of community but are not able to commute to the main office. And lastly, the 'Anywhere', for workers who wish to leverage a combination of Hub, Home and/or Local.

4. Co-create with employees in this new hybrid world

Our research shows that both organisational leaders and employees agree that setting clear business goals and flexi-work policies, coupled with well-defined processes, are essential to driving productivity that caters to flexible work arrangements.

Achieving the optimal operating model for hybrid working requires close collaboration between leaders and employees. Employees should be open about their expectations and work in tandem with leadership to create a more adaptable and inclusive workplace. It is important to ensure there are consistent performance rating policies that ensure equal treatment and eliminate any risk of bias. This co-creation should also include representatives from the Human Resources department, who can help carve out the appropriate policies to enable flexible work arrangements that align with leader and employee needs, as well as considerations of equality.

As we continue along this new hybrid working world trajectory, there are bound to be subsequent challenges and teething issues. As businesses continue to digitalise, technology will play an important role in facilitating open communication and collaboration. Equally, leaders must create a flexible and inclusive working environment that benefits both people and businesses.

I'm excited about this opportunity to help shape what the future of work will look like, and I look forward to co-creating this office of the future with my teams and our customers.

Starting with the right technology

Businesses that are looking to create an inclusive and flexible hybrid workplace have one goal in mind — to drive efficient collaboration across teams and employees no matter where they are in the world. To achieve this, businesses need dynamic network solutions, reliable cloud infrastructure, and robust security platforms. These solutions must be underpinned by data and analytics to help leaders make informed business decisions, cultivate meaningful engagement with employees, and fuel growth.

To help you respond and adapt to the demand for hybrid work experiences, Telstra provides a wide range of products and services to create a flexible, scalable, and secure IT environment as you enter the next phase of your digital transformation journey.

Our solutions include: Adaptive Networks, Security, Modern Workplace and Data Centre & Cloud Transformation.

Adaptive Networks

By starting with the best core network, we provide adaptive network connectivity and architecture, ranging from cloud connectivity and virtual private networks (VPN) to on-demand and software demand networking. This includes an SD-WAN solution that improves application performance, resiliency, and security, among other benefits.

"

We do business from over 30 locations around the world, so reliable, global data communications are essential. Telstra's Global IP VPN service provides us with a single, high speed network to connect all our global offices, including those in the Asia Pacific region. The service is fully managed and supported 24/7, so we can trust Telstra to look after our network while we focus our attention on our business

Brian Lyall
Group I.T. Development Manager
Renishaw plc

Read more >

www.telstra.com.sg/en/news-research/case-studies/renishaw-case-study

Security

At Telstra, security is embedded in everything we do – it's in our DNA. As businesses increasingly operate in the digital realm, we can help solve business security challenges with services ranging from vulnerability and threat assessments and management to advanced DDoS mitigation.

Save the Children Australia has always placed privacy and security as top priorities when managing people's records, such as health information. Maintaining strict privacy and security is vital in all cases, especially when dealing with families and children fleeing situations of domestic abuse. Save the Children Australia could embed security in the network while maintaining a seamless experience for staff and clients. The organisation implemented an SD-WAN solution and Telstra Programmable Network technology to deliver a seamless, invisible approach for everybody.

Read more >

https://www.telstra.com.sg/en/news-research/case-studies/save-the-children-connects-more-families-with-secure--supported-tech

Modern Workplace

In a hybrid workplace, it's become more important than ever to connect people and teams across locations and borders. We can help organisations move away from traditional office environments and empower a hybrid workforce with secure collaborative technology and business automation solutions to create efficiencies, improve productivity, and deepen employee engagement.

Evolution Wellness has been able to completely streamline its inventory management capabilities. The project was also designed and delivered over short lead times using an existing Office365 subscription, creating an incredibly cost-effective development process.

"

Telstra Purple has brought the power of Office365 to the forefront both for me and my wider team. Several team members have been amazed by the platform's capability and they're now talking to their line managers about using it more broadly across our business

**Nick Gray
Facilities Manager, Asia
Evolution Wellness**

Read more >

www.telstra.com.sg/en/news-research/case-studies/evolution-wellness-case-study

Telstra Purple's roll-out of Microsoft SharePoint across Suntory Beverage & Food Asia catered specifically to the collaboration needs of a globally dispersed workforce, serving the company well during the pandemic.

Read more >

www.telstra.com.sg/en/news-research/case-studies/centralising-communications-and-information

Data Centre & Cloud Transformation

Taking an automation-first approach, we operate digital services that are fast and flexible. This enables us to help businesses accelerate their digital transformation from end to end, from accessing workloads and applications to implementing best-in-class visual and predictive analytics.

"

We started looking for a new kind of network as our business demanded an agile network which is flexible, secure and integrated. Our network needed to provide data centre interconnect services using virtual routers at reasonable costs. Telstra Programmable Network solution helped us to unlock the full potential of Cloudmax's services, and it came with a great commercial flexibility. In its absence, we would have had to make a hefty investment in hardware, licensing and maintenance in various countries, as we scaled up our services

Lawrence Pan
Technical Director
Cloudmax

Read more ›

www.telstra.com.sg/en/news-research/case-studies/cloudmax-tpn-case-study

"

Before we engaged with Telstra, the challenges we faced included functionality and the ability for us to move faster. We didn't have access to data that we needed, it was difficult to make change requests, and there were delays in the support we received from our legacy provider

Poh Lian Ong
Head of IT Auto & General, Southeast Asia
Budget Direct

Read more ›

www.telstra.com.sg/en/news-research/case-studies/next-generation-customer-service-for-budget-direct-insurance

Appendix

Telstra

Telstra is a leading telecommunications and technology company with a proudly Australian heritage and a longstanding, growing international business.

Today, we operate in over 20 countries outside of Australia, providing services to thousands of business, government, carrier and OTT customers. Telstra Enterprise is a division of Telstra that provides data and IP networks and network application services, such as managed networks, unified communications, cloud, industry solutions and integrated services. Telstra Purple, our new professional and managed services business in Australia, Asia and the UK, brings together people and innovative solutions to define and deliver a clear vision of our customers' transformation journey, network foundation, and the protection they need to thrive.

Telstra's global network includes more than 26 cable systems spanning over 400,000 kilometres, with access to multiple cable landing stations and more than 2,000 points of presence around the world. Our subsea cable network is the largest in Asia Pacific, with access to the most lit capacity not just in Asia, but also from the region to Australia, USA and Europe.

For more information visit **www.telstra.com.sg**

Disclamer

Telstra