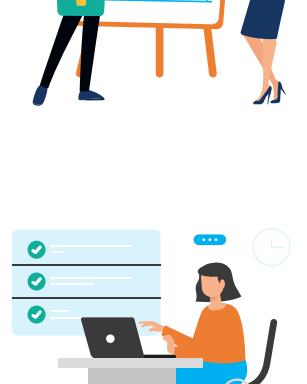
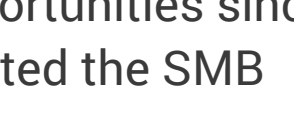
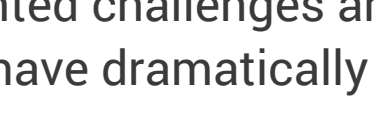
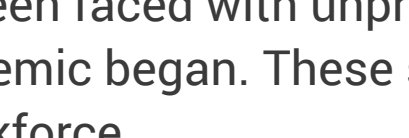
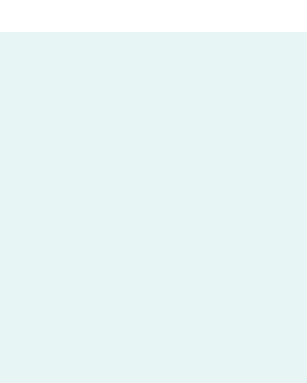


SMB DIRECTIONS FOR THE FUTURE OF WORK: WORKPLACE AND TECHNOLOGY TRENDS

Sponsored by :



Businesses have been faced with unprecedented challenges and opportunities since the COVID-19 pandemic began. These shifts have dramatically impacted the SMB workplace and workforce.

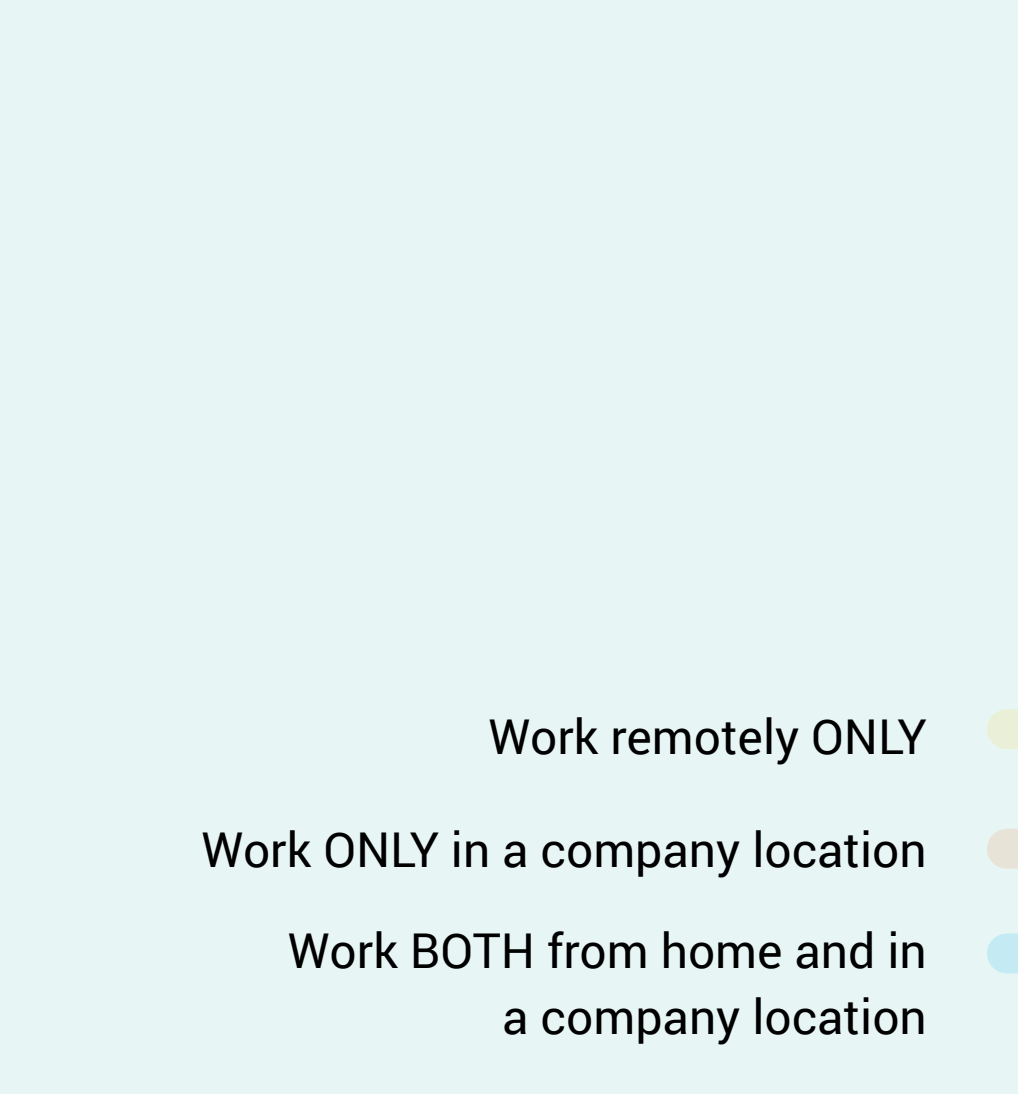


SMB Group's **SMB Directions for the Future of Work** survey study examined this topic in detail. In November 2021, we surveyed 736 decision makers and influencers in SMB (3-1,000 employees) and mid-market (1,000-2,500 employees) organizations to understand how SMBs are reshaping workplace and workforce practices to meet these challenges, and how technology factors into their plans. For the sake of brevity, we refer to the entire sample as "SMBs."



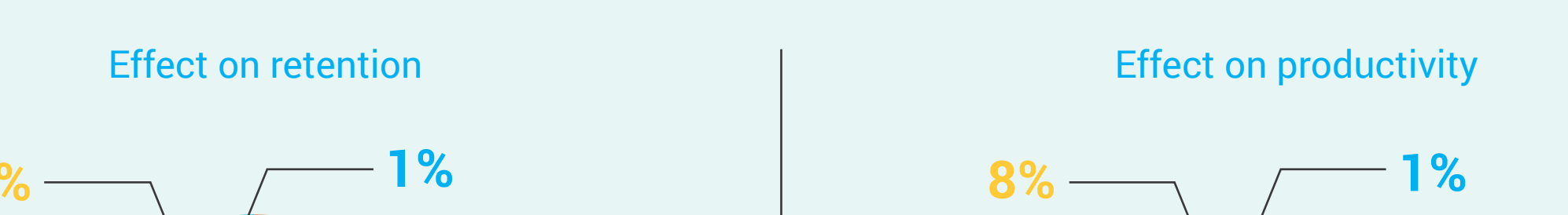
Here, we share the highlights about key workplace and technology trends.

Remote Work Is Mainstream

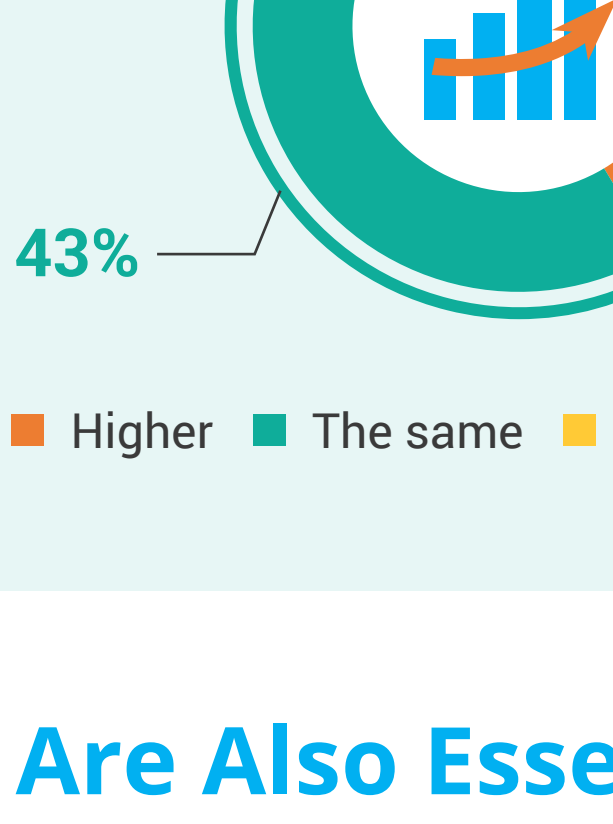
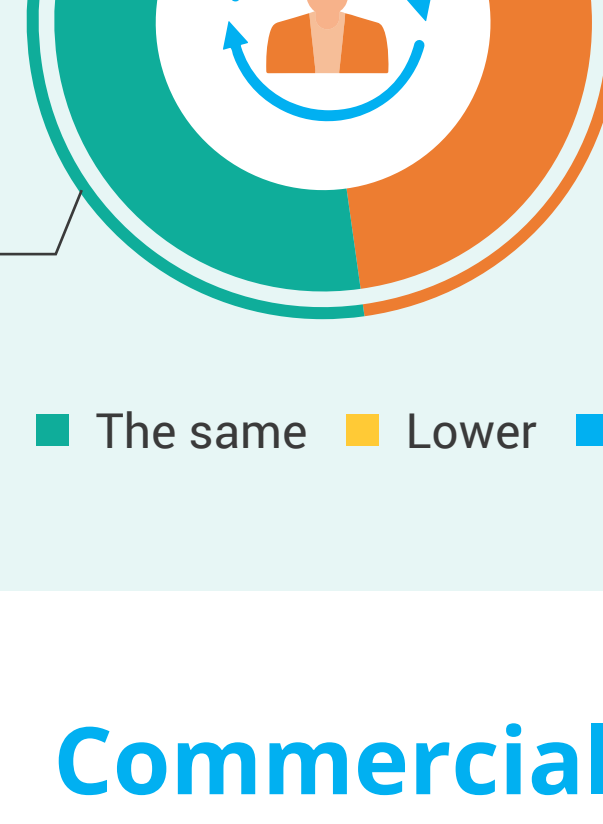


70% of SMBs have a remote work program

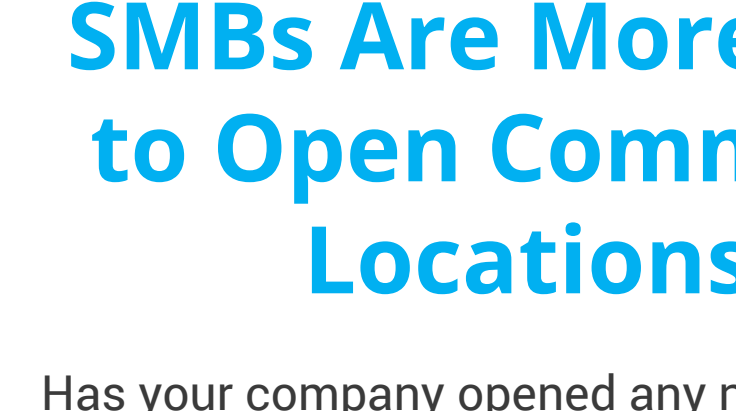
SMB Employees Are About Evenly Split Between Remote Only, Company Location Only, and Hybrid Workplaces



Remote Work Usually Has a Positive or Neutral Effect on Retention and Productivity



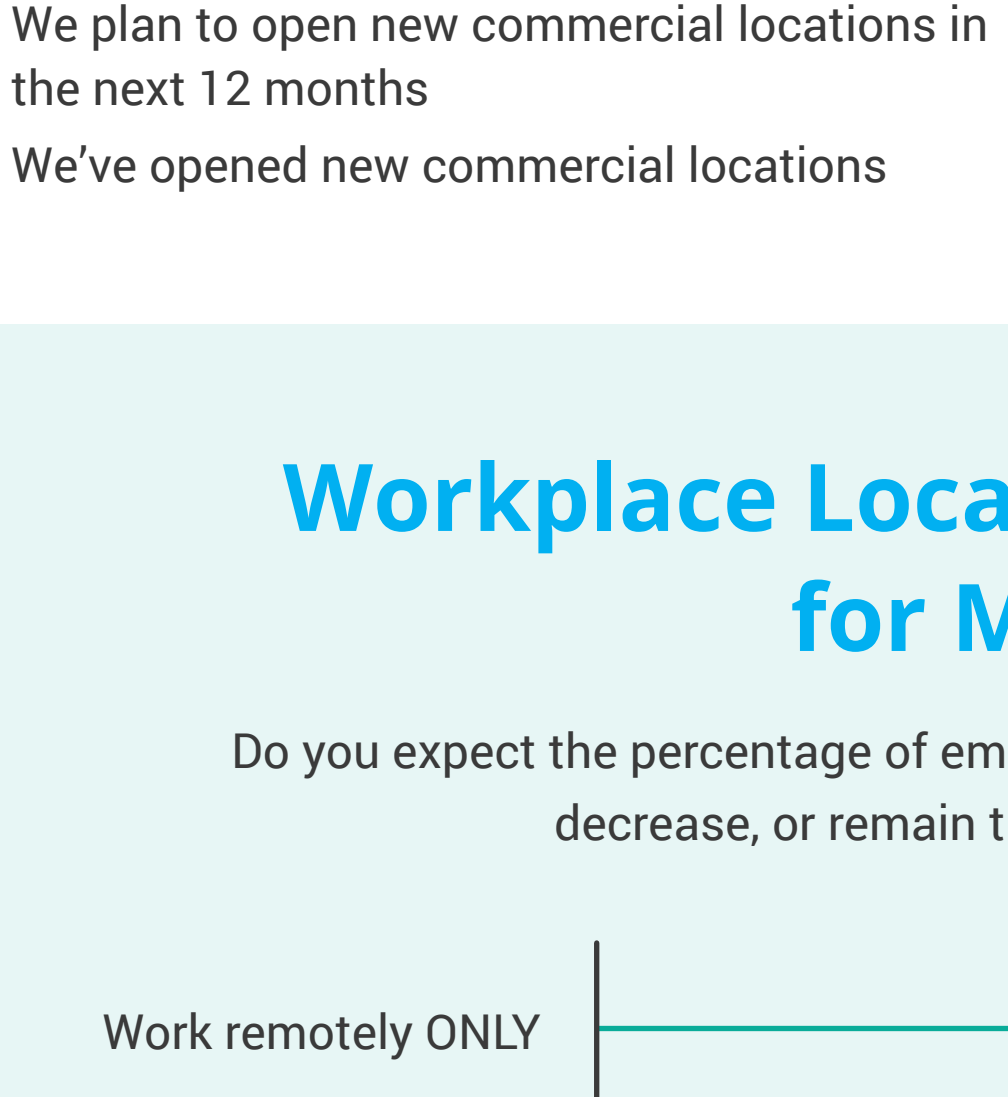
Commercial Locations Are Also Essential



SMBs are more likely to be opening than closing company locations. In some cases, they are doing both to adjust to **changing market and workforce requirements**. In general, larger companies are more likely to be both opening and closing facilities than smaller ones, and as would be expected, there are **significant variations by industry**.

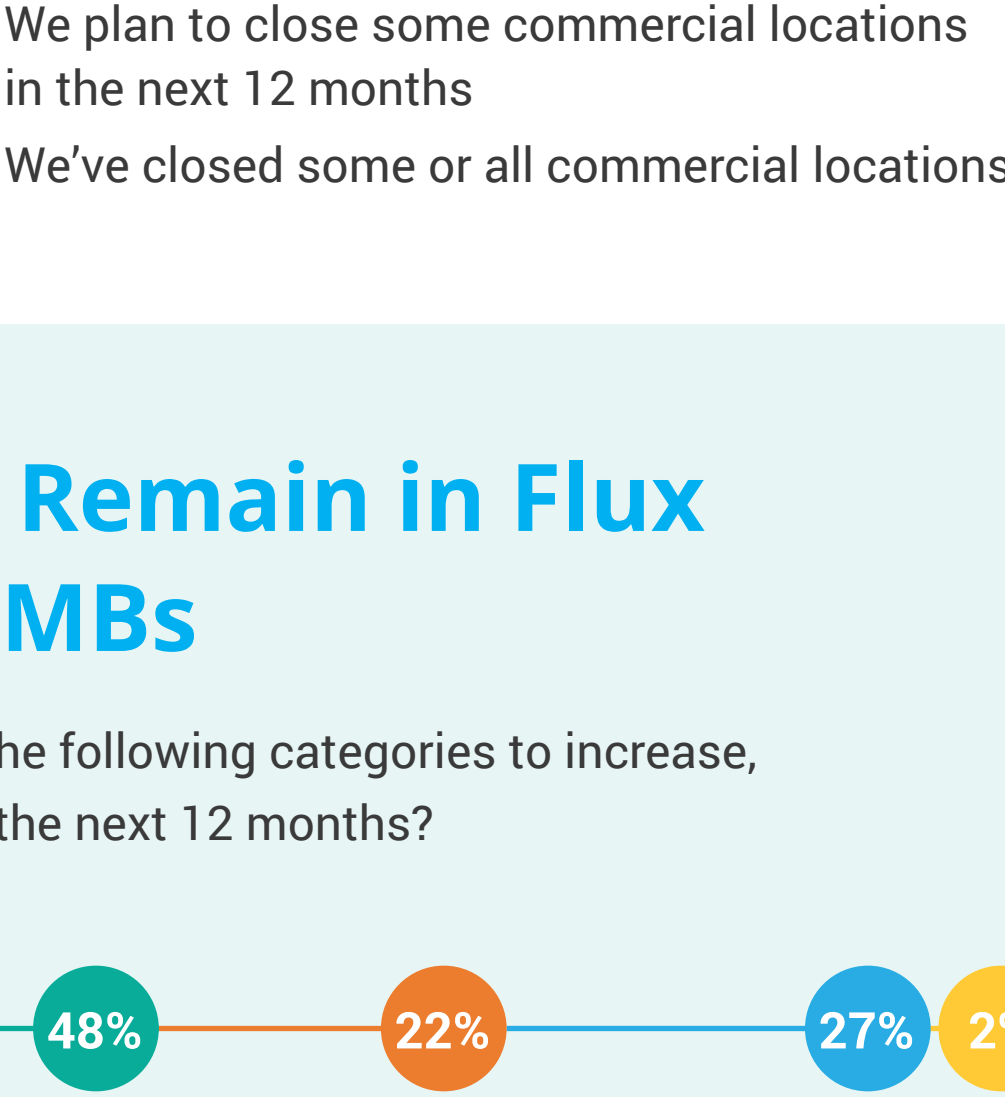
SMBs Are More Likely to Open Commercial Locations...

Has your company opened any new commercial locations in the past year, does it plan to open new locations in the next 12 months, or does it have no plans to open new locations?



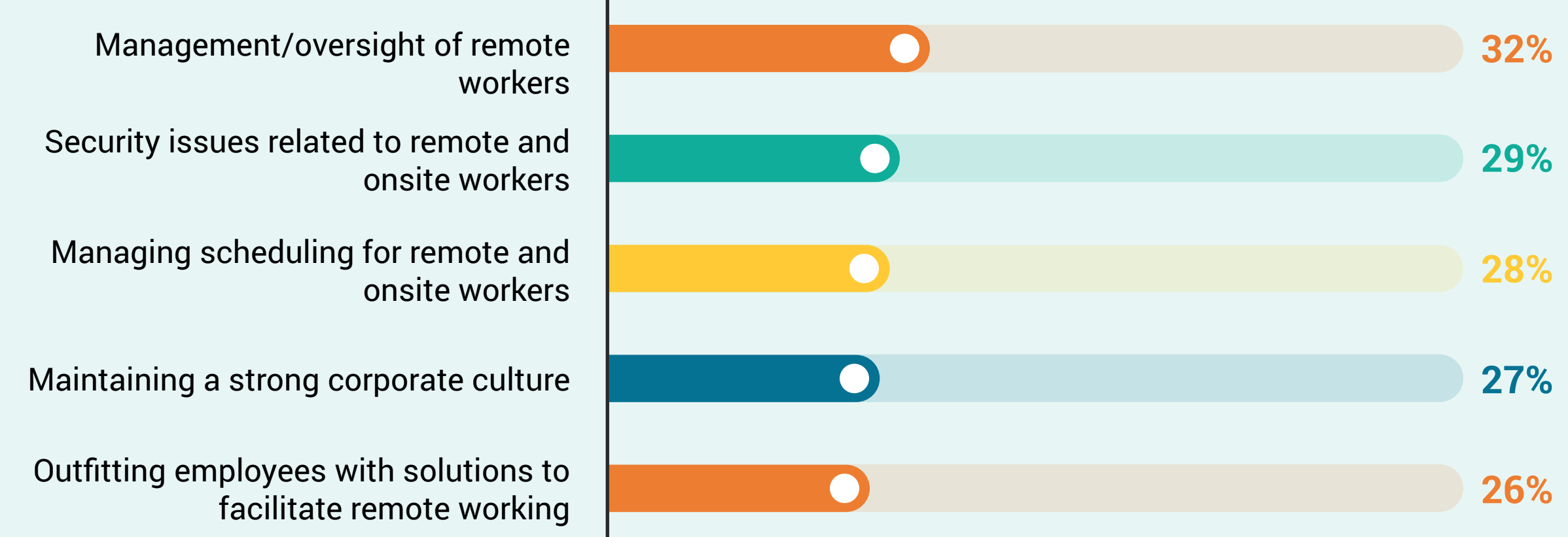
...Than They Are to Close Then

Has your company closed any commercial locations in the past year, does it plan to do so in the next 12 months, or does it have no plans to close commercial locations?



Workplace Locations Remain in Flux for Most SMBs

Do you expect the percentage of employees in the following categories to increase, decrease, or remain the same in the next 12 months?



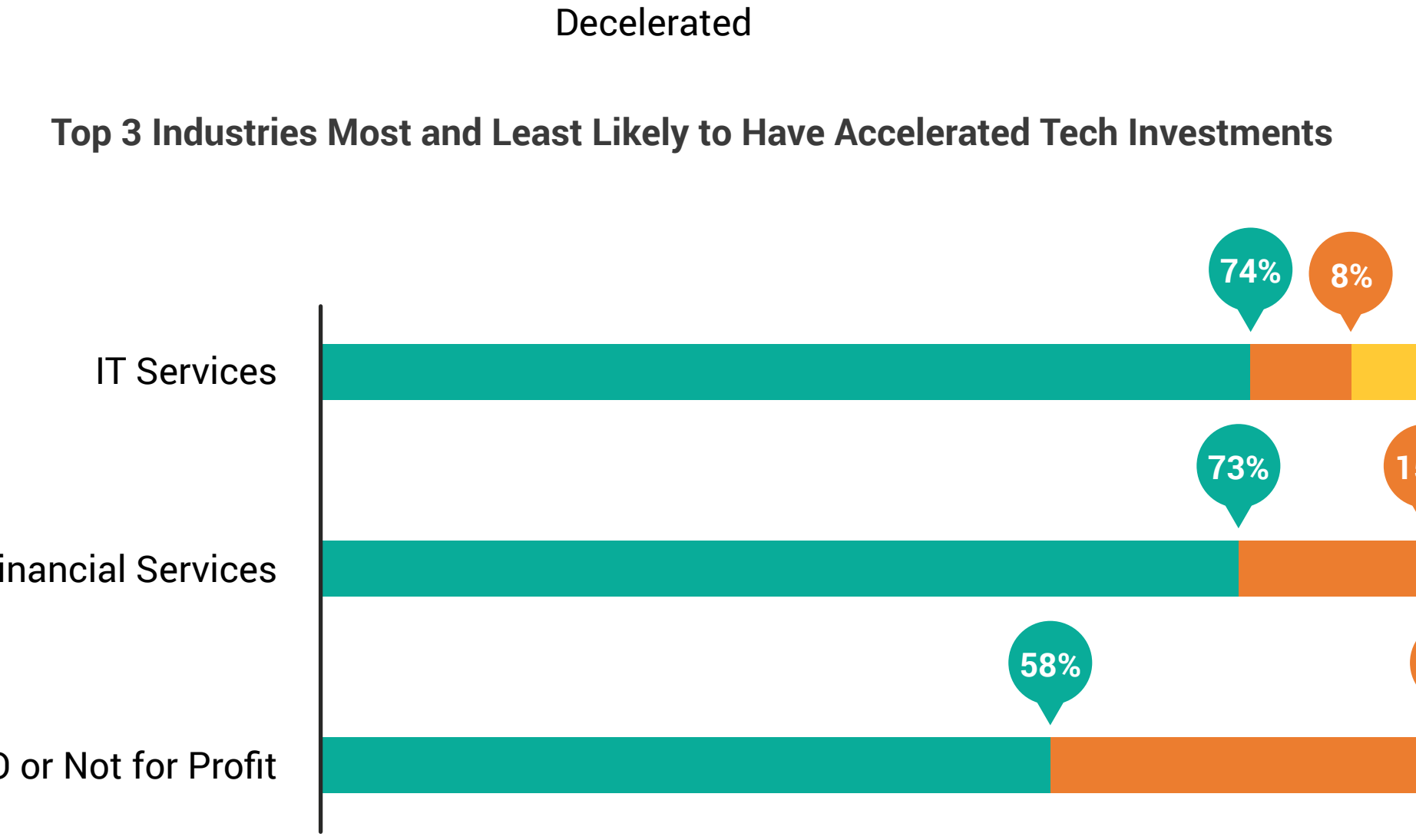
SMBs Face Challenges Managing a Combination of Remote, Hybrid, and Onsite Employees

What are the **top three challenges** your company faces in managing a combination of remote, hybrid, and/or onsite employees?

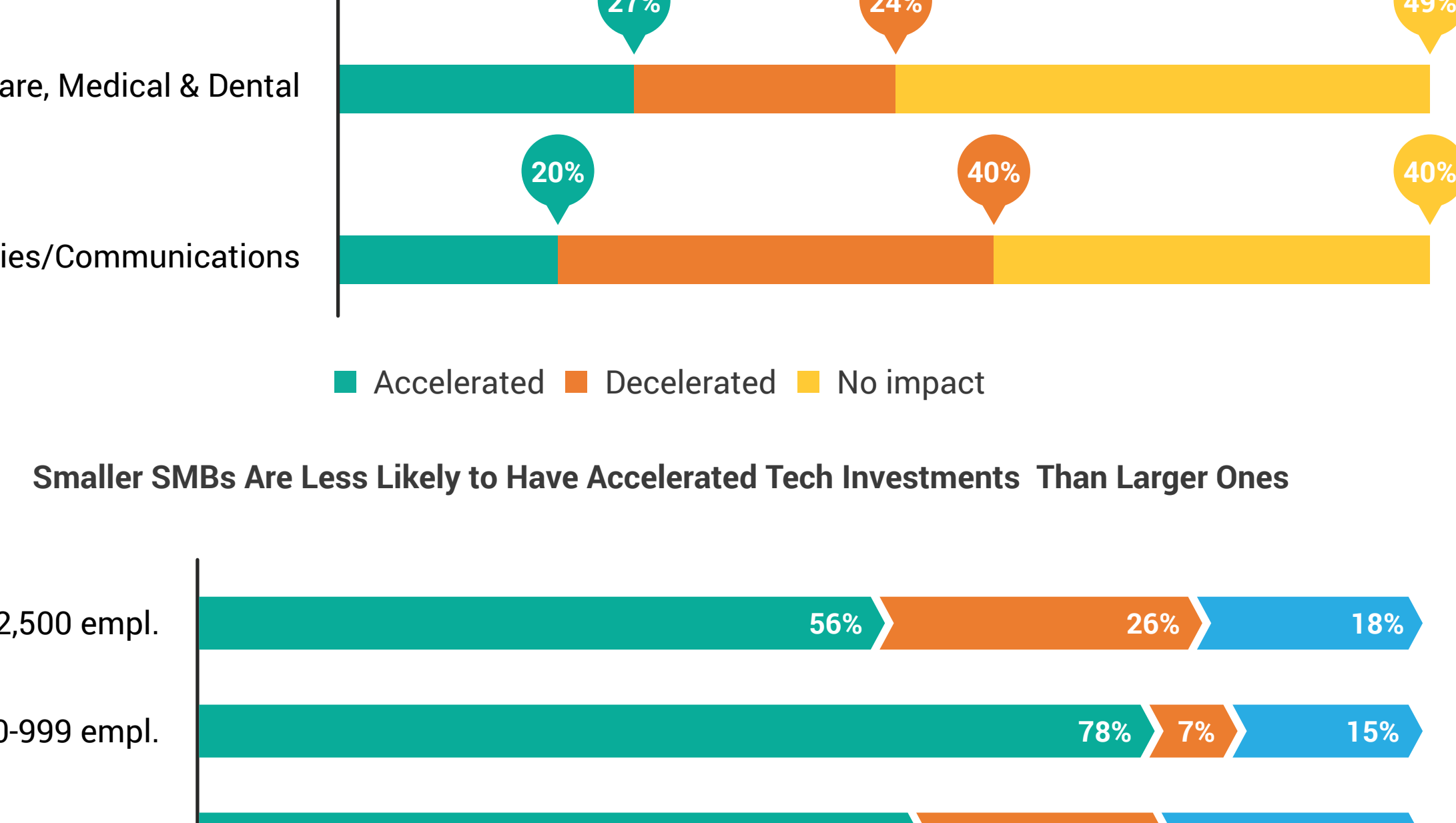


The Impact of COVID-19 on SMB Tech Investments and Adoption Has Been Mixed

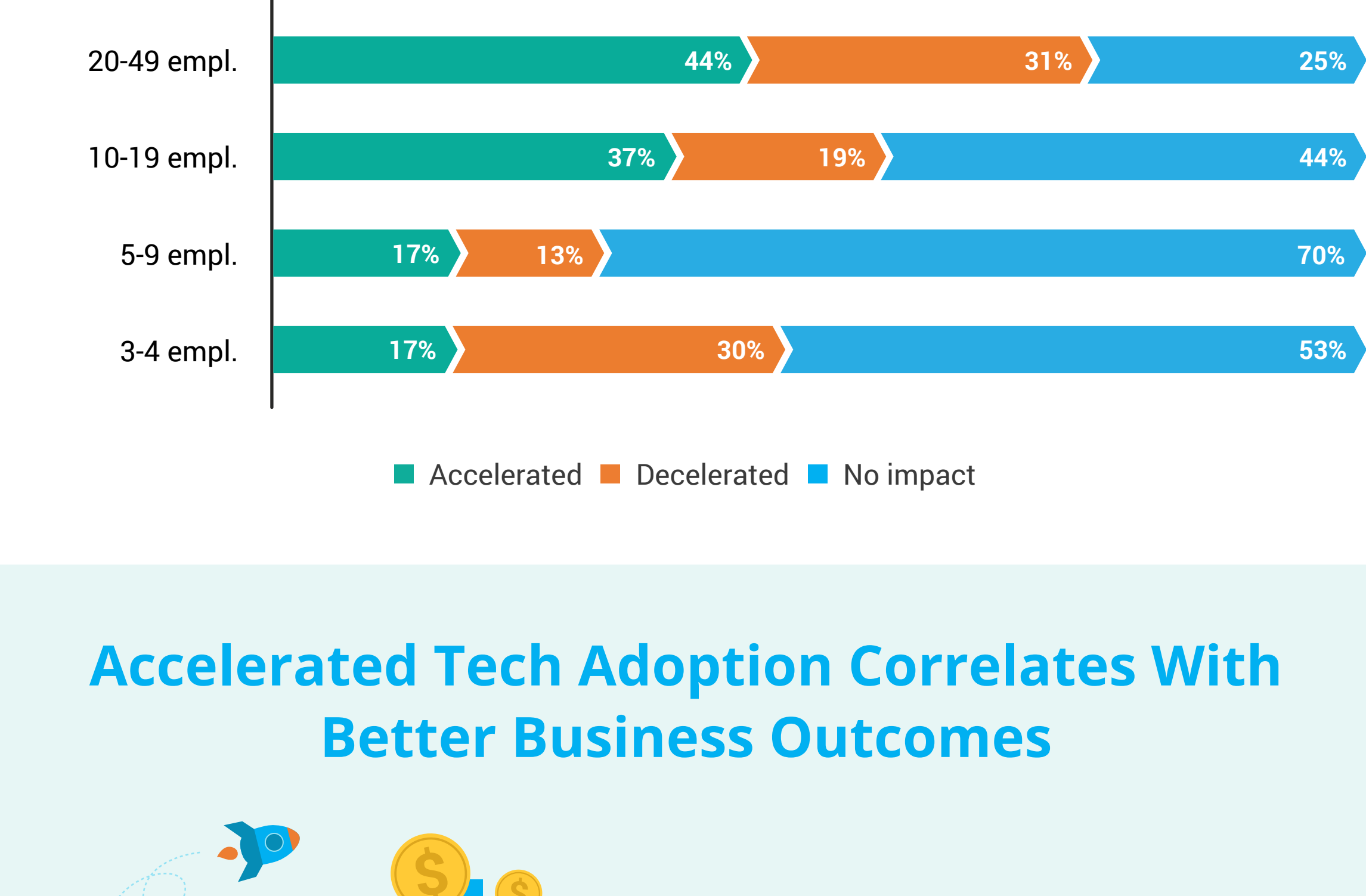
Has the COVID-19 pandemic accelerated, decelerated, or had no impact on your company's technology investments and adoption?



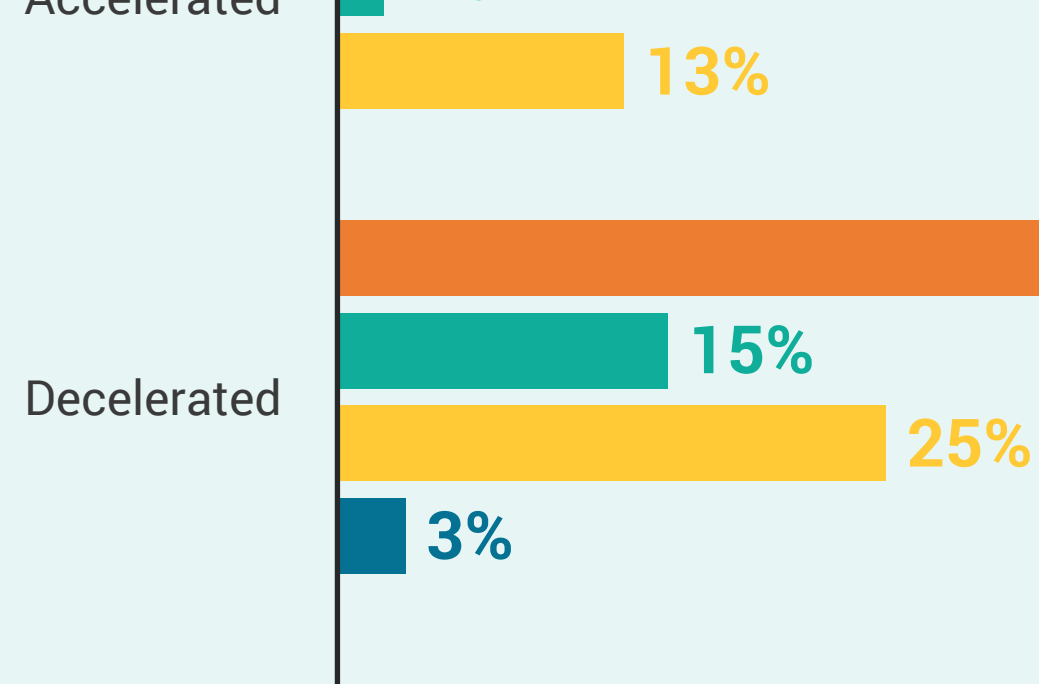
Top 3 Industries Most and Least Likely to Have Accelerated Tech Investments



Smaller SMBs Are Less Likely to Have Accelerated Tech Investments Than Larger Ones



Accelerated Tech Adoption Correlates With Better Business Outcomes



1.6x

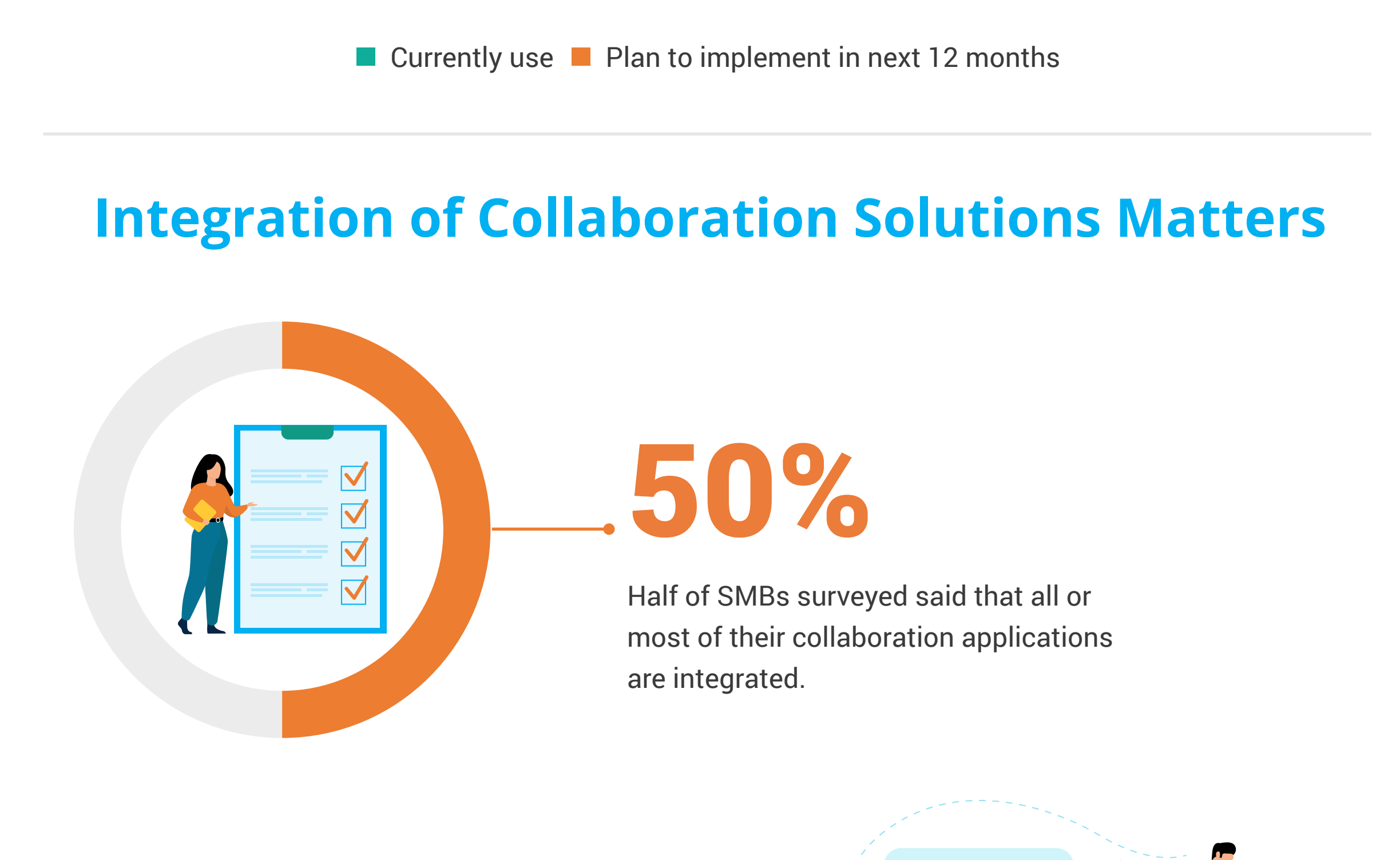
SMBs that said they have accelerated tech adoption were about **1.6 times** more likely to forecast that their revenues would rise than peers

Do you expect revenues to increase, decrease, or remain the same in the next fiscal year?



Has the COVID-19 pandemic accelerated, decelerated, or had no impact on your company's technology investment adoption?

SMB Use of Cloud Collaboration Solutions Is Strong and Growing



Integration of Collaboration Solutions Matters



50% Half of SMBs surveyed said that all or most of their collaboration applications are integrated.

3x

SMBs that have integrated all or most of the collaboration solutions they use are about **3 times** more likely to be very satisfied with the level of integration than other SMBs.

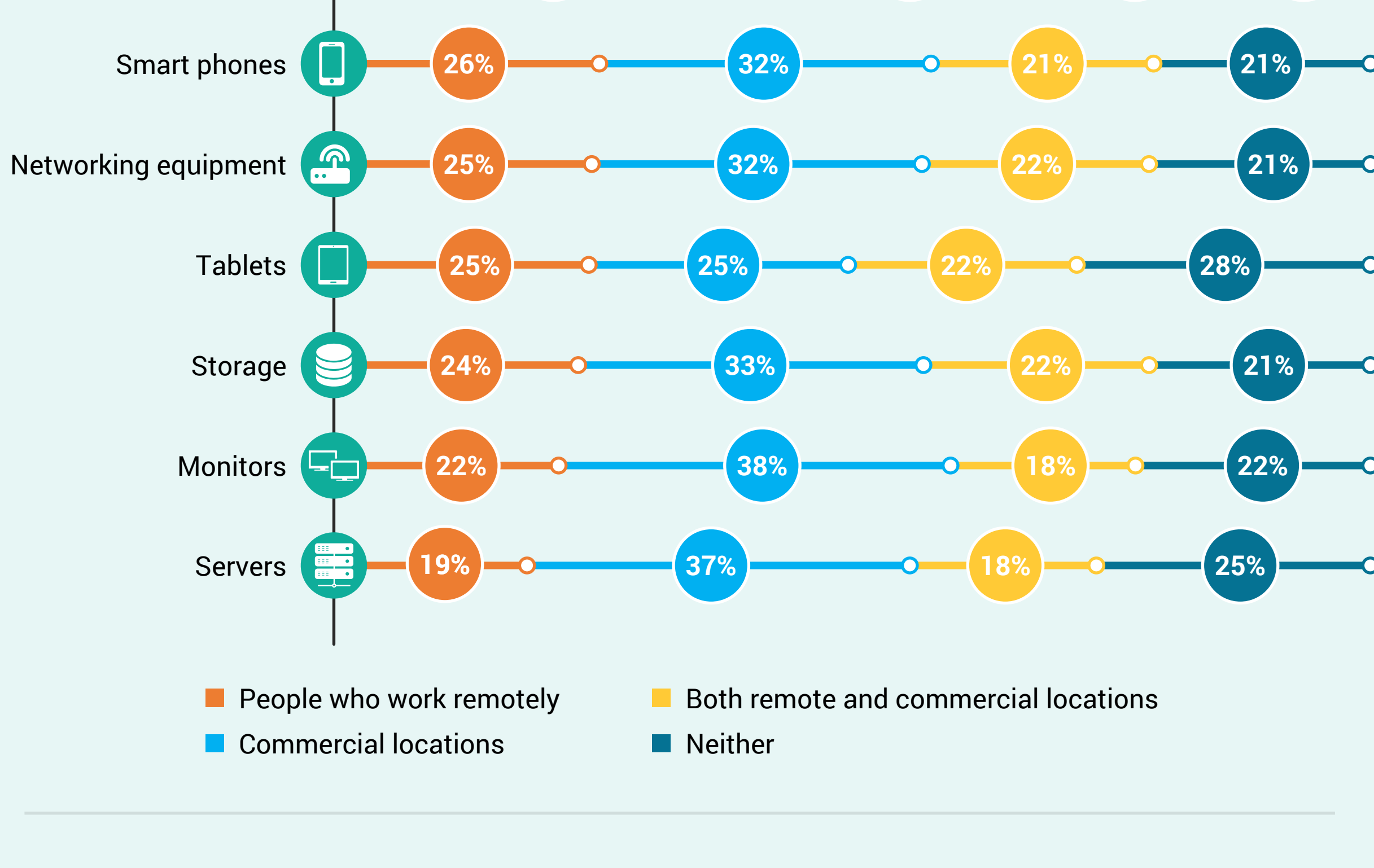


Hardware Purchases and Plans Reflect Ongoing Support for Remote Work



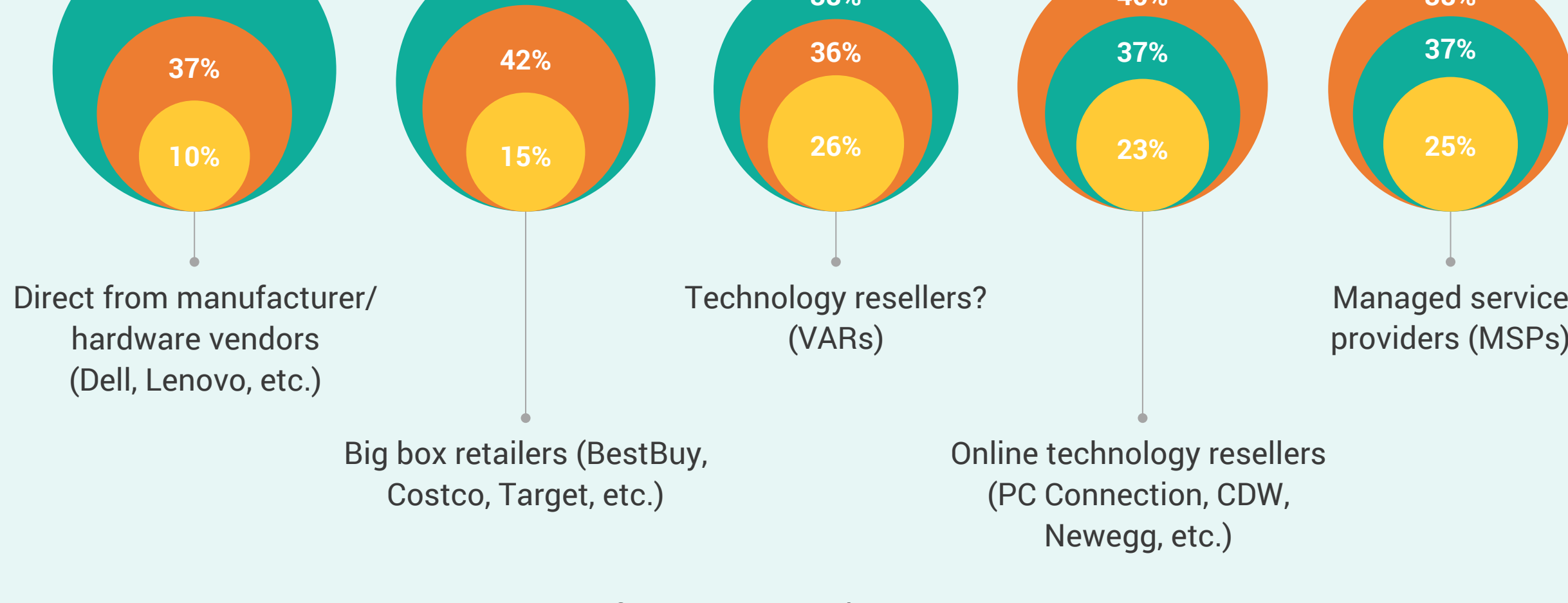
SMBs are directing a substantial portion of their hardware spending to support remote and hybrid employees. This is especially the case when it comes to PCs and laptops, where **68% of recent and planned purchases are earmarked for remote and hybrid workers**. However, this trend extends into other areas as well, underscoring SMB efforts to better support remote workers. They are most likely to say they often purchase hardware direct from vendors, followed by big box retailers—channels that are often more accessible and convenient for employees.

Has your company purchased (in the past 12 months) or is it planning to purchase (in the next 12 months) new equipment for people that work remotely, in commercial locations, or both?



SMBs Show a Preference to Buy Hardware Direct from Manufacturers

Where do you purchase new hardware (PCs, laptops, servers, etc.) for your company?

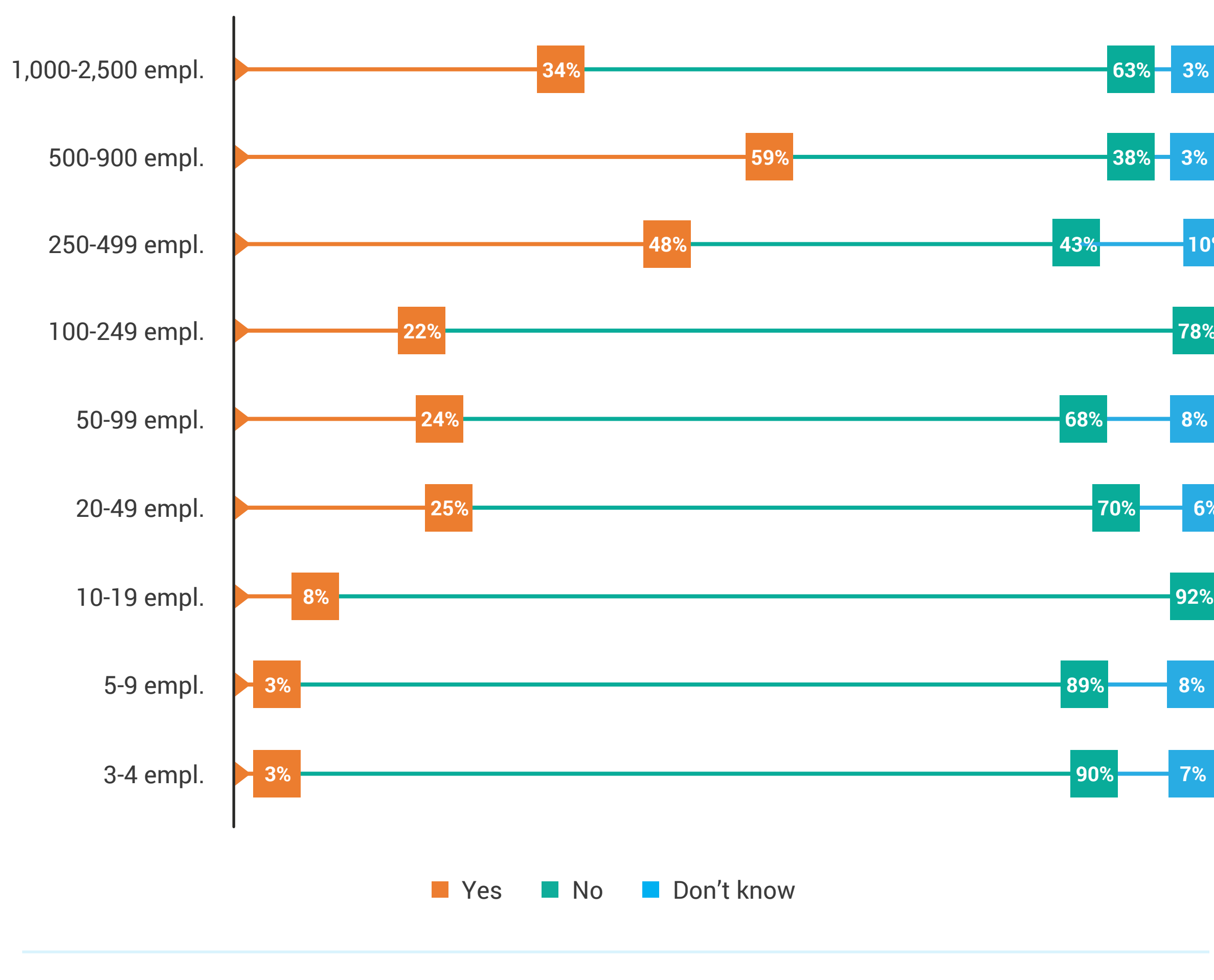


The Incidence of Cyber Attacks Rises with Company Size

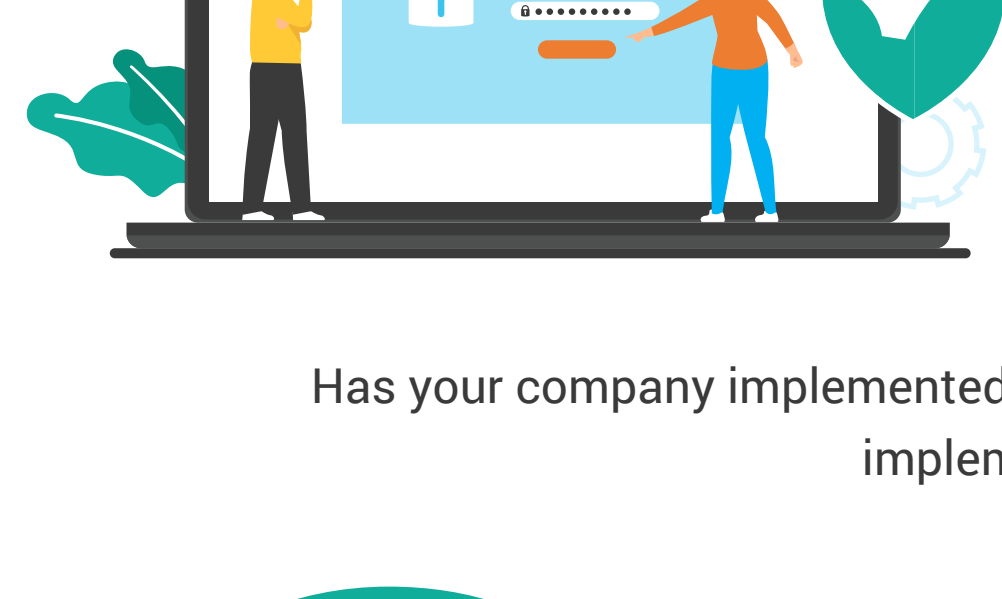
In the last 12 months, has your company:

Experienced a data breach

Experienced a ransomware attack

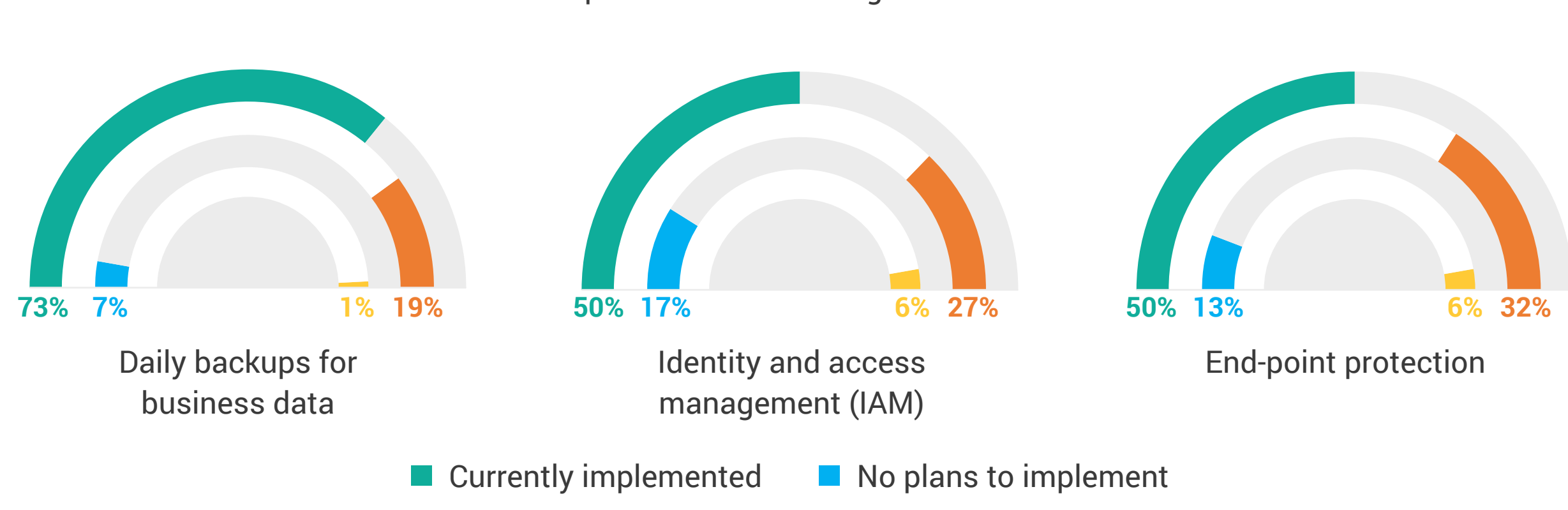


SMBs Need to Add More Security Protection for End Users



Only about half of SMBs are currently using identity and access management and end-point protection. However, Given the increase in remote work, a substantial percentage plan to add these solutions.

Has your company implemented, does it plan to implement, or does it have no plans to implement the following solutions?

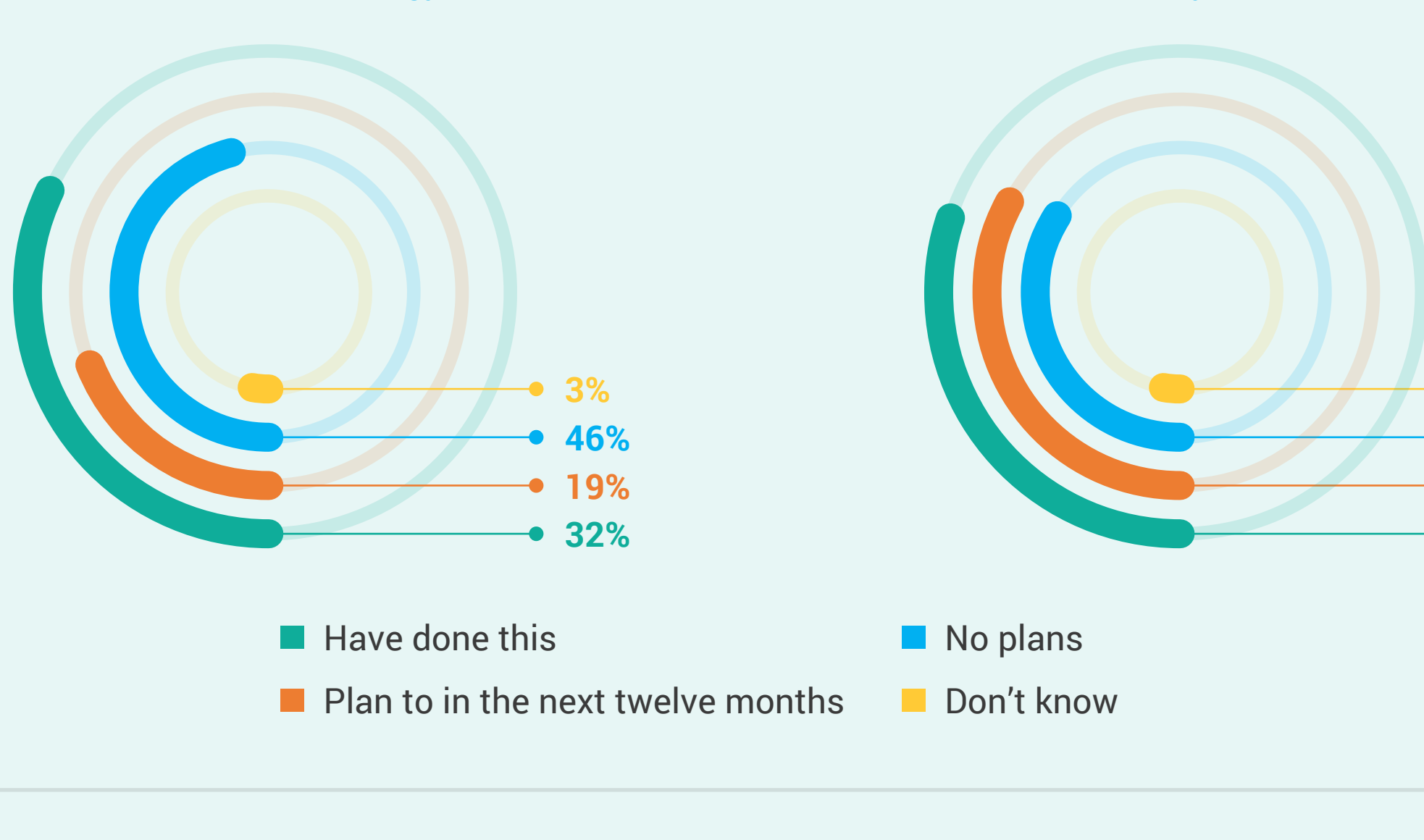


SMBs Are Using Technology to Automate Tasks and Replace Human Labor

Which of the following has your company done, does it plan to do, or does it have no plans to do?

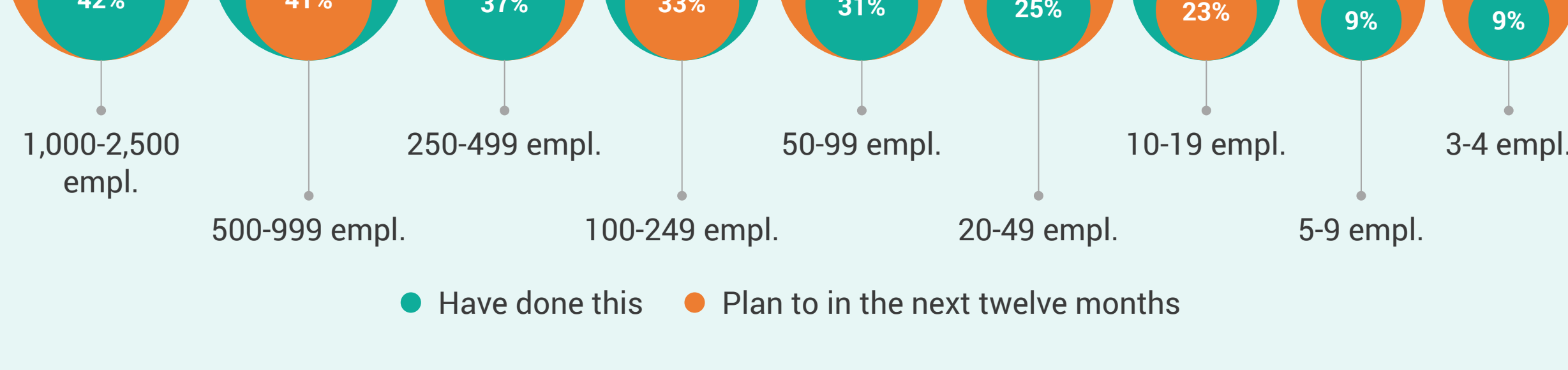
Replace one or more employees with automation/technology solutions

Automate specific job tasks to free up time for employees to do other work

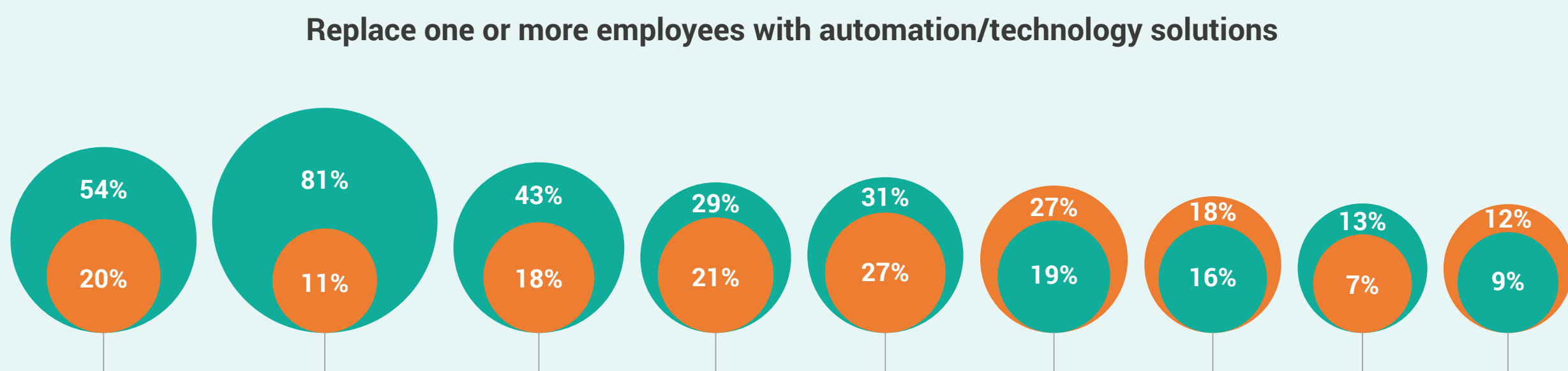


Current Automation and Plans to Automate Correlate Roughly With Company Size

Automate specific job tasks to free up time for employees to do other work



Replace one or more employees with automation/technology solutions

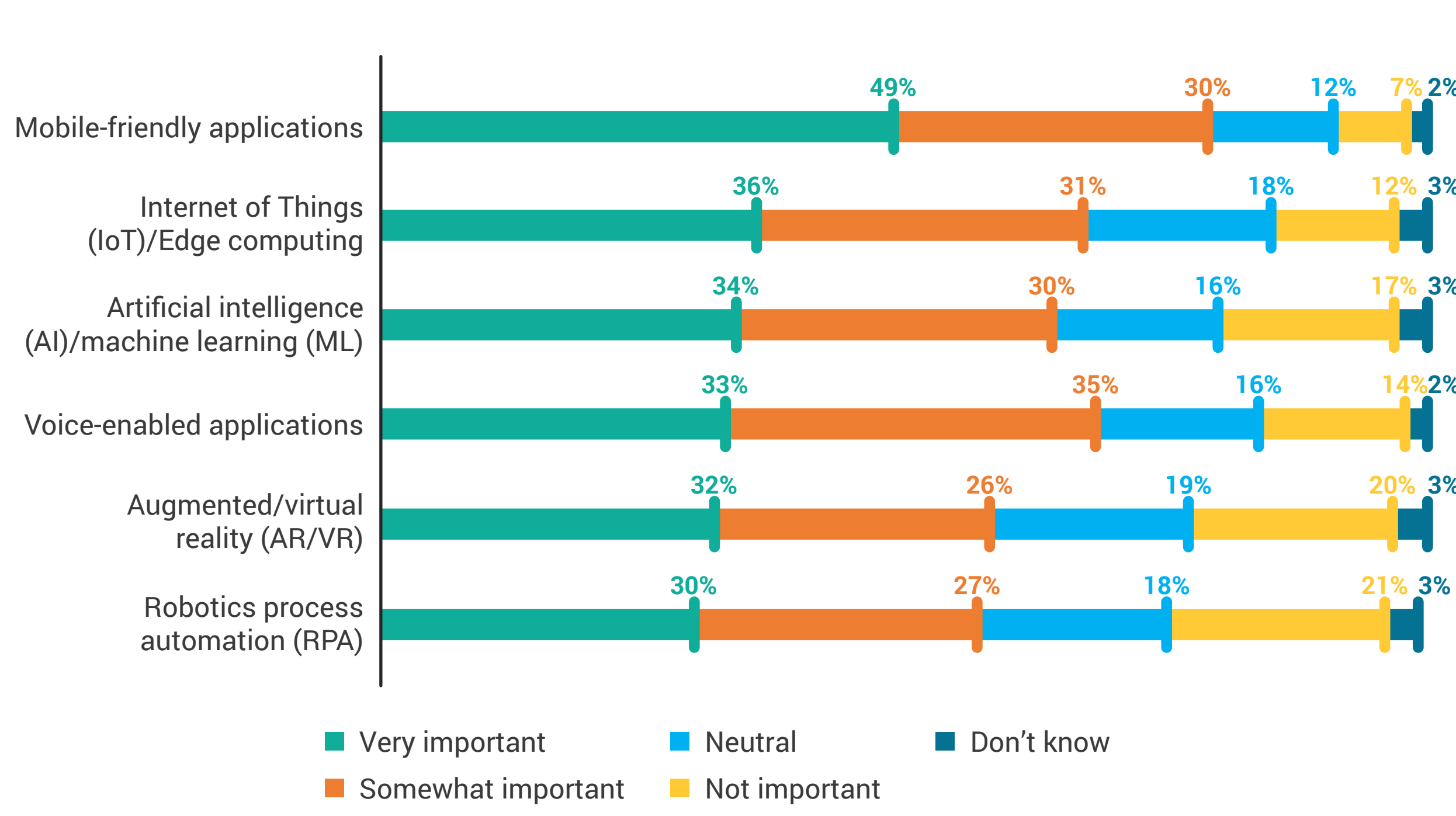


Embedded Technologies Are an Important Factor in Solution Selection



SMBs increasingly understand that innovative technologies can provide them with a competitive edge. But most don't have the in-house expertise to source, select, and integrate new technologies with the applications they use. They will seek out vendors that seamlessly integrate these technologies into their solutions to provide demonstrable business value.

How important do you think the following technologies will be in helping to improve business and collaboration applications in the future?



Perspective

- Technology has been making it easier to support more flexible work locations for many years. But prior to COVID-19, the transition to remote work had been incremental at best.
- The pandemic swiftly accelerated the shift to remote work. Millions of employees found themselves working at home for the first time, and SMBs had to figure out how to enable and manage this dramatic shift—and will need to continue to adjust in the face of continued volatility.
- Many of the actions that SMBs took in the beginning of the pandemic were reactive, but as SMBs learned to adapt, they've gotten more strategic about supporting more choice in workplace locations and providing employees with technology solutions to support productivity and collaboration—anytime and anywhere.
- They are also using automation to streamline tasks and replace human labor—enabling their employees to spend more time on higher value, more engaging work. Larger SMBs are leading the charge, but this trend will accelerate and trickle down to smaller companies as the benefits become more self-evident, and as technology solution vendors add new capabilities to their offerings.
- Our research shows that throughout the pandemic, fortune has favored SMBs who invest in technology—and all signs indicate that it will continue to do so.

ABOUT THIS INFOGRAPHIC

- This infographic provides insights from SMB Group's **SMB Directions for the Future of Work** survey, fielded in November 2021.
- For more information, see our **SMB Directions for the Future of Work** eBook and infographic, **SMB Directions for the Future of Work: Staffing and HR Trends**.
- SMB Group is a research, analysis, and consulting firm focused on technology adoption and trends in the small and medium business (SMB) market. SMB Group helps clients to understand and segment the SMB market, identify and act on trends and opportunities, develop more compelling messaging, and more effectively serve SMB customers.

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