

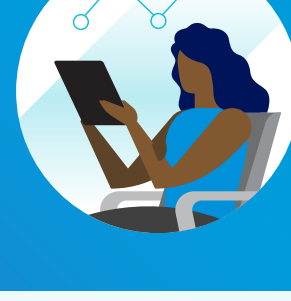
Distributed Work Brings a Boost to the Bottom Line

Data from the global survey
*The New Remote Work Era:
Trends in the Distributed Workforce*

A new global survey¹ of 5,700 IT, HR and business decision makers—conducted by Vanson Bourne, in partnership with VMware and Dell—looked at anticipated cost savings resulting from remote work and how businesses plan to reinvest them.

Where companies will save

The global pandemic forced companies to activate distributed workforces... and fast. The vast majority of respondents anticipate that the shift to remote work will result in cost savings. Unsurprisingly, the top 3 areas for savings involve employee travel and facilities.



90%
anticipate cost savings
from remote work over
the next 12 months

Top 3 areas for savings:



Employee travel

54%



Facilities overheads
(e.g. office space)

50%



Maintenance costs
(e.g. electricity)

49%

Where companies will spend

Regardless of the amount companies save, the true indicator of remote work's impact on the enterprise will be how effectively those funds are redeployed.



Top 3 areas for reinvestment:²



Technology upgrades

57%



Product or service innovation (e.g. research and development)

44%



Employee programs
(e.g. diversity, equity and inclusion)

38%

Look to the smaller organizations and the high performers

Among the organizations that anticipate cost savings, we find some meaningful distinctions in how they plan to make use of the funds. Smaller organizations are much more likely than larger ones to reinvest cost savings, and to put those funds into employee-focused programs.



"I do not expect my organization to reinvest any cost savings from remote working in the next 12 months"

Companies with 500-999 employees

6%

Companies with 5,000+ employees:

13%

Employee programs
(e.g. diversity, equity and inclusion)

40%

29%

Employee salary or benefits

34%

25%

Talent acquisition
(e.g. amplifying job postings)

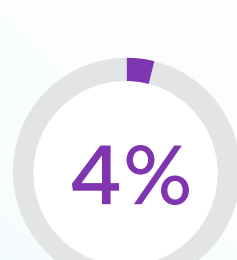
34%

25%

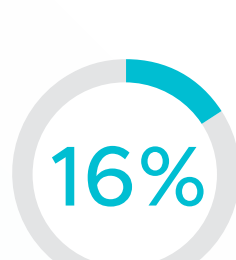
Investment in employee programs could help with recruitment and retention, making smaller companies better able to compete.

High-performing organizations are significantly more likely to reinvest remote work savings than their underperforming and not growing counterparts.³

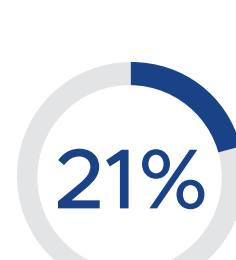
"I do not expect my organization to re-invest any cost savings from remote working in the next 12 months"



High-performing organizations



Underperforming organizations



Static organizations

This suggests that a company's overall willingness to invest resources back into the business could be correlated with revenue growth.

High-performing organizations are also much more likely to see the value in employee-focused investments, as well as investments in technology and innovation.



	High-performing organizations	Underperforming organizations	Static organizations
Employee salary or benefits	48%	27%	21%
Talent acquisition (e.g. amplifying job postings)	48%	25%	20%
Technology upgrades	64%	51%	45%
Product or service innovation (e.g. research and development)	45%	39%	30%

Seize the opportunity

It has become clear that the recent widespread shift to remote work has presented businesses with a big opportunity—both directly as it transforms operations and indirectly through cost savings that can be deployed elsewhere. But businesses must step up to meet the moment if they are to take full advantage.



Learn more and download the full report at vmware.com/go/distributedtrends

1. Global survey conducted between June and July of 2020. Survey included 5,700 IT, HR and business decision makers—conducted by Vanson Bourne, in partnership with VMware and Dell.

2. Surveyed only respondents who expect their organization to have cost savings from remote working in the next 12 months.

3. High-performing organizations are those that have year-over-year revenue growth of 15% or more; underperforming organizations are those for which revenue is shrinking by 1% or more year over year; not growing organizations are those that have 0% revenue growth year over year.