

**opentext™**

# **The Future of Work and the Distributed Organization**

CEO Position Paper

**Mark J. Barrenechea**  
OpenText CEO and CTO

## Contents

Executive Summary	2
Introduction: The Great Rethink and Modern Work	3
The Death of the Office? A Short History	6
Industry 4.0, the Post-Pandemic Myth, and the Distributed Work Imperative	7
The Future of Work: New Competencies and Dynamic Cultures	9
Ensuring Talent Thrives at the Edge	11
Office Design for the Distributed Organization	13
New Tech for a Distributed World	14
Conclusion	18

## Executive Summary

The pandemic has triggered a “great rethink” in all aspects of life, especially in the way work happens. COVID-19 forced millions of people to work remotely, depend on virtual connections and re-evaluate their relationships to organizations.

Amidst waves of layoffs followed by unprecedented shifts in the labor force, companies are scrambling for talent and trying to figure out how to retain workers in an economy in which many organizations will move permanently to hybrid form, with some employees working remotely on a permanent basis.

New research from McKinsey indicates that:

- 20 to 25% of the workforces in advanced economies could work from home between three and five days a week, a significant increase compared to pre-pandemic rates of remote work, and one that will alter “the geography of work.”
- 30% of executives surveyed (in 2020) expected to reduce the footprint of their firms’ offices.
- About a fifth of business travel will be eliminated permanently.

Firms that succeed and excel in this new world will have established a distributed model of work—not just shifting to hybrid but building networks of virtual teams with the skills to adapt rapidly to the realities of a distributed world.

Distributed workplaces will be exciting and transformative, built on a foundation of seamless connectivity, cloud storage and AI, and security that extends to the edges of far-flung organizations. They will demand agility, diversity and openness, but such organizations will also reward their employees with meaningful forms of engagement and purpose.

The idea of the distributed workplace is not new. It traces its roots to ideas about networks and resilience that circulated during the Cold War. Much more recently, telework and then fully virtual workplaces created a demand for enabling technology while debunking the idea of the nine-to-five, cubicle-filled office with managers in the corner offices.

The distributed workplace, which is neither fully centralized nor entirely decentralized, optimizes the tasks that can be done remotely while bringing people together physically for critical or strategic tasks, such as high-level planning, problem-solving, and onboarding. Such organizations are flatter, more networked, and understand that managers need to be strong yet empathic communicators who can leverage the talent advantages of a far-flung workforce.

Enabled by cloud-based applications and APIs, these organizations will enable a new kind of corporate culture characterized by grit, purpose and virtual communities of interest.

## Introduction: The Great Rethink and Modern Work

The COVID-19 pandemic is an historic pivot point—an event that produced massive shifts in all aspects of life. Many of these changes have permanently altered the way society and the global economy function. A once-in-a-generation public health crisis forced us to rethink relationships, business, technology’s role in society, the climate crisis and geopolitics.

In summary, the “Great Rethink” touches everything.

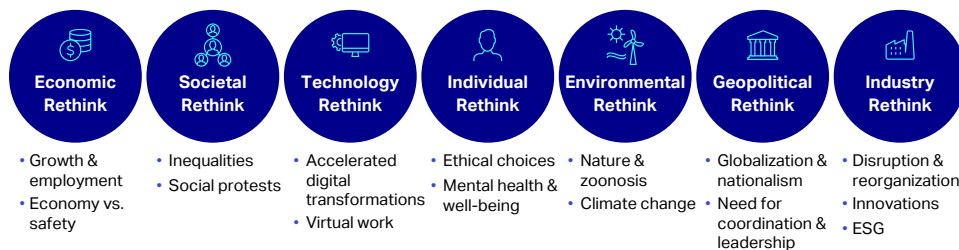


Figure 1:

The Great Rethink

We need to rethink the future. We can deploy technology to overcome our toughest obstacles. Supporting research to develop vaccines. Creating ethical AI to eliminate racial bias. Building sustainability into supply chains.

We must also learn to live more balanced lives.

The pandemic has made us rethink our roles in our communities, workplaces, institutions, and nature. Despite a long run of pre-pandemic growth and technological disruption, we have had to adapt to completely unfamiliar circumstances since March 2020. All of this change forces us to ask basic questions:

- How do we make moral, ethical and sustainable choices in this new environment?
- How do we ensure our own mental health and well-being, as well as those around us?
- How do we express our creativity and find meaning, in both our personal and professional lives?
- What does priority-setting and time mean in this new environment?
- And how do we think about the future of work in a post-pandemic world?

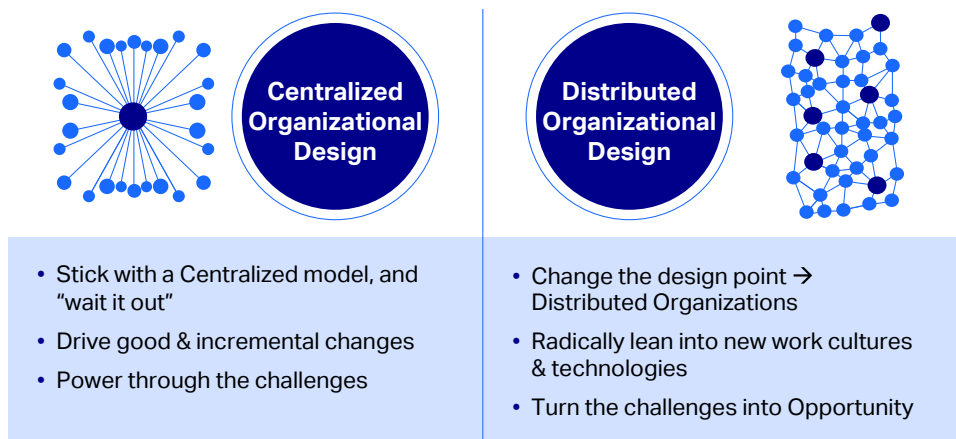
The Great Rethink is also about re-alignment. For millions of people, work became either extremely risky or a constant juggling act for those working at home and looking after family. Many sectors, from banking to hospitality, have experienced “a great attrition,” according to McKinsey. Over 15 million U.S. workers have quit their jobs since April 2021, and the disruption is widespread. People are tired and want purpose in their work lives. “Employees crave investment in the *human* aspects of work.”<sup>1</sup>

McKinsey senior partner Bill Schaninger says the exodus is about individuals looking for meaningful work, being able to contribute. It’s not just the money. “People are saying, ‘If I’m going to go back to work, it needs to be something that really matters to me.’”

The individual rethink is about finding a future where there's a better fit between personal, work and social life. As companies think about the return to the office, they'll have to retool to allow employees to find the right balance. Technology is enabling many aspects of this change. But the future of work is also about the future of the organizational structure, relationships and accountabilities.

As the pandemic slows, some employers want all their people back in the office. They want to bring back spontaneity and creativity, and connecting with co-workers. Yet others want to stay fully remote for good or are giving employees the choice.<sup>2</sup> Most organizations are looking at hybrid arrangements, with employees splitting their time between home and the office. Many seem undecided. Silicon Valley giants like Facebook, Microsoft and Apple have been all over the map, repeatedly setting and then deferring return-to-office target dates.

**We are presented with an immediate decision.**



**Figure 2:**

Centralized or Distributed? Organizations Must Choose

When organizations finally figure it out, hybrid work isn't just going to be about desks, meeting spaces, and flexible schedules.

Rather, the firms that succeed in the era of the Great Rethink will be deeply *distributed* organizations. They'll organize themselves as dispersed, flexible, cross-functional communities. They'll extend across divisions and locations. And they'll be constantly changing.

For many, the home office or studio will be the default, with office time reserved for tasks that demand in-person interactions, such as high-level problem solving, onboarding and ideation. In the distributed organization, employers co-create work in ways that allow employees to find meaning and balance, to be fearless in pursuing their goals, and to be empowered to fully leverage technology.

While remote work focuses on the individual, distributed work affects the entire organization.<sup>3</sup>

**Distributed workplaces will be exciting and transformative.**

Technological barriers to virtual collaboration are disappearing due to innovation in security and document sharing. Organizations are no longer limited by location in their recruitment efforts, so they can look for talent anywhere on earth. That means more agile teams and diversity of experience, which are the hallmarks of genuinely global organizations. At OpenText's Canadian head office, we like to say we can now recruit from coast to coast to coast, because the aperture is so wide.

Finally, the task is to create compelling organizations capable of attracting and retaining talent in a world where talent no longer needs to anchor in places like Silicon Valley or the Toronto-Waterloo tech corridor. Given the incredible pace of change since March 2020, the path to this future will not be incremental and cautious.

The organizations that succeed will be the ones who go all in.

## The Death of the Office? A Short History

The office is a modern invention, enabled by corporations with large numbers of clerical staff, and then refined by information technology. The concept of distributed work, on the other hand, is not new, although earlier versions were limited by tech and workplace culture.

Long before “telework” became a buzzword, the U.S. military had scoped out an approach to distributing data through decentralized networks designed to withstand attack. During the Cold War, RAND consultants described digital networks that could endure assaults on individual or multiple nodes using switching technology, satellite communications, television signals and microwave transmission. Such networks could be programmed to respond to disruptions and transmission failures.<sup>4</sup>

While RAND’s vision led to the development of ARPANET, the precursor to the Internet, it also influenced the way organizations could use networks to create flatter workplaces that didn’t depend on a given location. The limiting factor was communications technology.

In the 1980s and 1990s, multi-national firms, particularly in manufacturing, began to adopt Japanese quality assurance and just-in-time management methods that gave rise to global supply chains and outsourcing. Eventually, supply chains became highly networked, integrated and nimble, with IT platforms enabling distributed decision-making within and among companies.<sup>5</sup>

Firms at the time began promoting telework to allow employees to work from home as a means of avoiding lengthy commutes or accommodating the 24/7 schedules of tech support workers. Yet uptake was slow because of low-speed internet, clunky video links and paper-based systems—as well as old school thinking about what managers do. ‘How am I going to manage somebody I don’t see?’ was a common refrain. But there’s a big difference between sitting at your workstation looking busy and producing results.<sup>6</sup> Some jurisdictions created telework incentives, but many companies resisted because of health and safety issues, IP, security and privacy, office equipment and the effect of isolation.

Consequently, telecommuting didn’t become mainstream. A 2015 Gallup survey showed that the proportion of U.S. employees who had worked remotely rose from 9% to 37% between 1995 and 2015. Most were college educated, higher-income and white collar.<sup>7</sup> But telecommuting remained the exception, with people working from home a couple of days a month, typically. Though Gallup’s survey found teleworkers were highly productive, the study also noted that tech firms like Yahoo were moving in the opposite direction, requiring all employees to be on site.

The pandemic completely changed this story as the vast majority of people who could work remotely made the transition overnight. Since March 2020, corporate and media interest in teleworking, remote management and enabling technology has exploded.

Some start-ups abandoned the office altogether, operating virtually from day one, often thanks to collaborative platforms like Slack, WordPress, and GitHub. Though well-publicized, these stories were the exception. Because telecommuting and virtual workplaces had not gone mainstream prior to the pandemic, few organizations had mastered the management of remote or distributed workforces. After so many companies went remote, managers had to bootstrap and innovate, and their experiences are radically transforming work and workplaces.

## Industry 4.0, the Post-Pandemic Myth and Distributed Work

During the pandemic, technologies like streaming, 5G, cloud computing and electronic banking made a huge difference for social and economic resilience.

COVID-19 struck decades into the Fourth Industrial Revolution, a term coined by Klaus Schwab, founder of the World Economic Forum.<sup>1</sup> Industry 4.0 blurs the lines between the physical, digital and biological spheres, says Schwab, encompassing innovations such as artificial intelligence, seamless mobile connectivity, blockchain and virtually unlimited data storage. "The speed of current breakthroughs has no historical precedent," Schwab said in 2016. "When compared with previous industrial revolutions, the Fourth is evolving at an exponential rather than a linear pace."<sup>8</sup>

### The Key Extremes

Extreme Connectivity	Extreme Automation	Extreme Computing Power
<p><b>A new extreme emerges due to Covid-19: Massively Distributed Workforces</b></p> <p>90% of professional work is happening remotely</p>		

### Businesses are struggling with the "future of work." Why?

Fallacy 1	Fallacy 2	Fallacy 3	Fallacy 4
There is a post pandemic	Centralized or decentralized organizations are the design point	I am more productive in the office	Managers manage better in person

Even prior to the pandemic, Industry 4.0 yielded extreme connectivity, extreme automation and extreme computing power. Automation will drive cars, cure cancer, replace entire labor pools, reduce underwriting risk, fight wars and entertain us. Ultimately, it could create a new class of sentient beings with artificial consciousness. This is extreme automation.

The pace of automation has accelerated dramatically. Two million American manufacturing jobs may be replaced by robots by 2025, according to *Time Magazine*, because machines don't fall ill, need to self-isolate or take time off work.<sup>9</sup>

The pandemic massively amplified digital and social divides, and the reach of high-speed internet is critical. An estimated 90% of all professional work is taking place remotely, and many organizations saw dramatic increases in productivity, despite disruptions. Yet businesses are struggling to figure out the future of work. They were either highly centralized or substantially decentralized, and don't understand the benefits of distributed work.

Organizations shouldn't be waiting for a 'post-pandemic' period. While COVID-19 may recede, modern work will not snap back to pre-pandemic patterns. The technology-fueled advances we've seen in human resources, security, business travel and collaborative virtual teams have become permanent fixtures of work life.

**Figure 3:**

Industry 4.0 & the Fallacies Impeding the Future of Work

<sup>1</sup>The first, second and third are: mechanization (18<sup>th</sup> and 19<sup>th</sup> centuries), electrification (early 20<sup>th</sup>), and production automation through information technology (latter 20<sup>th</sup>).



Let’s dispel three fallacies about what’s next. The future of work will not come down to an either/or choice between centralized or decentralized. The most nimble and effective team will be neither. The second is that productivity occurs in a specific place and during scheduled times of day. Appointment work is gone and not coming back. Finally, the distributed organization will not rely on the physical presence of managers. We know it is possible for managers to oversee teams remotely. We also know the vast majority of employees are far more capable of self-direction than many managers assumed. There’s plenty of anecdotal evidence to suggest that virtual/ hybrid work relationships can be more inclusive, less confrontational, and better suited to purposeful collaboration.

**We face stark choices.**

Centralized	Distributed
Office as the default	Home as the default (and as a studio)
Company controlled Time & Space	Empowered Employees
Delegating Tasks	Delegating Authority
A Valued Contributor	Valued Communities
Traditional Competencies	New Literacies: Grit, No Fear, Embrace the Unknown, Social
The Office: 9 to 5, 5 days a week	The Office: Used for Complex Problem Solving, Ideation, Key Team Projects
Recruiting: Location-based	Recruiting: Wide Aperture, Coast to Coast, recruit from all communities & backgrounds
Digital: Process Advantage	Digital: Information Advantage

**Figure 4:**

Centralized vs. Distributed Organizations

In pre-pandemic times, centralized organizations were focused on a strong centre. Corporate decision-making pooled in a limited number of places, and most people worked in the office. In the distributed world, the home office, or studio, becomes the default instead.

In the centralized world, organizations control time and communications networks. But in the distributed world, individuals demand broader access to data, more input in decision-making, and higher levels of autonomy.

In the centralized world, companies delegate tasks and provide benefits. In the distributed world, managers delegate authority and provide scope for meaningful work. However, employees will need to develop new core competencies in order to truly thrive in these dynamic new work cultures.

## The Future of Work: New Competencies and Dynamic Cultures

Early in the pandemic, the Boston Consulting Group surveyed 12,000 people in several countries to see how work had changed.<sup>10</sup> The results were surprising. Many reported increased productivity and said flexibility, in both the time and location of work, were important in the future. Collaboration, however, suffered. Both physical and mental health were strongly associated with productivity when working from home. The survey also offered an important insight about the role of technology in the new pandemic work arrangements: employees who were satisfied with their tools were twice as likely to have maintained or improved their productivity on collaborative tasks as those were not satisfied.

Since then, organizations changed rapidly in response to the crisis, labor force conditions, supply chain disruptions and other factors. In February 2021, McKinsey examined 2,000 job tasks in 800 occupations across eight countries.<sup>11</sup> Among the findings:

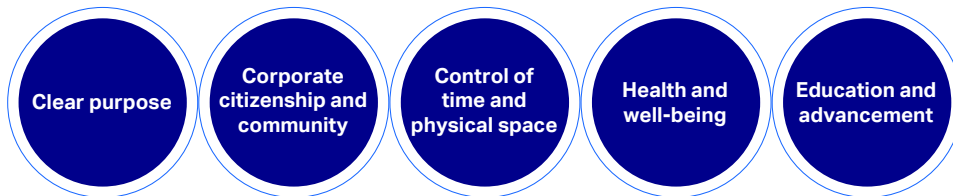
- 20 to 25% of the workforces in advanced economies could work from home between three and five days a week, a significant increase compared to pre-pandemic rates of remote work, and one that will alter “the geography of work.”
- 30% of executives surveyed (in 2020) expected to reduce the footprint of their firms’ offices.
- About a fifth of business travel will be eliminated permanently.
- Ecommerce volumes through the pandemic jumped between two and five-fold, depending on locations, with other forms of virtual interactions, such as doctor’s visits, skyrocketing.
- Two-thirds of executive respondents to a global survey expected to somewhat or significantly boost investment in automation and AI.

McKinsey indicates that some sectors have seen accelerating workforce transition as people leave jobs, move away from cities or change careers. Companies and governments have been responding with flexibility and innovation, laying the course for powerful, positive and permanent changes for the future of work.

As the pandemic wanes, organizations will have to embrace the model of distributed work. They must be highly strategic about what can and cannot be accomplished virtually, make tech investments that enable distributed work and leverage its advantages, and, most crucially, seize the opportunities presented by distributed work to attract and retain talent.

Recruiting techniques evolved significantly during the pandemic, with more reliance on AI-driven screening, new channels for promoting opportunities, and emerging techniques for evaluating internal candidates for new positions. Firms specializing in hybrid HR tasks have seen a surge in interest from corporate customers and investors. Since February 2021, for example, Oyster—a start-up that manages hiring, onboarding and a range of HR services—has raised US\$70 million in two funding rounds, with the London-based firm seeing “exponential” growth.<sup>12</sup>

Distributed firms must also understand how to empower individuals; delegate not just work but also work culture; and disperse authority instead of merely assigning tasks. Employee expectations have also shifted. Work-life balance, flex time and increased access to financial wellness and mental health benefits are more sought-after features of modern work.<sup>13</sup>



**Figure 5:**

Worker Expectations Have Changed

Going forward, governments must extend the reach of high-speed internet to enable more wide-spread recruitment of remote workers, says McKinsey. “Policymakers could support businesses by expanding and enhancing the digital infrastructure. Even in advanced economies, almost 20% of workers in rural households lack access to the internet.”<sup>14</sup>

In “Redesigning Work for a Hybrid Future,”<sup>15</sup> Gartner outlines what employers should be considering as their organizations become more distributed. Among them: more contingent/contract positions, expanded data collection, and HR policies that encourage employees to develop multiple skills that will be critical to the organization’s future, as opposed to simply preparing for another role.

But Gartner also stresses the importance of promoting corporate resilience rather than just efficiency and productivity, and predicts the emergence of new top tier organizations that have genuinely internalized pandemic lessons, beginning with the need to communicate constantly, clearly and openly.

But while distributed work focuses on how organizations will change, it’s also about how managers and employees change the way they work. The competencies for success are massively different. Team members need to be present even when they are not physically present. And they must thrive when it comes to virtual teamwork, which means having the confidence and fearlessness to venture through unfamiliar doors and into unknown spaces.

People working in distributed organizations must take the initiative to connect with remote peers and transform virtual task-oriented teams into socially cohesive groups. And they’ll need grit and fortitude to succeed in the highly fluid virtual environments that have replaced the structured and linear world of the office.

## Ensuring Talent Thrives at the Edge

The experience of mass remote work presents organizations and executives with difficult decisions. On one hand, people working remotely are more productive, enjoy the increased autonomy, and take the opportunity to relocate away from big cities.

On the other hand, some workers experience isolation, burn-out, conflicts between work and family responsibilities, and lack of adequate home office space.<sup>16</sup> People who started new jobs during the pandemic may never have met their co-workers or managers. The distance, for some, loosened their feeling of connection to the organization and contributed to attrition. According to McKinsey, more people now will quit jobs without having a new one lined up.<sup>17</sup>

In September 2021, *Nature* published the findings of a large-scale Microsoft study on remote work, which analyzed millions of emails, instant messages, video conference logs and digital calendar entries for 61,000 Microsoft employees before and after March 2020.

Microsoft found that remote work decreased the size of workers' collaboration networks, leading to more organizational siloes. It also decreased synchronous communication, while increasing text/SMS contact. The company indicated that these effects of remote work may make it harder for employees to receive and share information across the organization.<sup>18</sup>

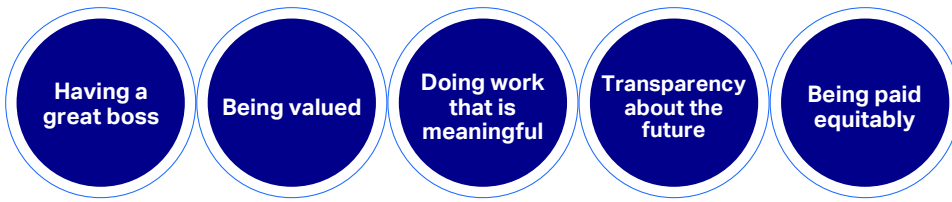
On its blog, Microsoft said the shift to remote work had also led to fewer long virtual meetings, and more shorter ones.<sup>19</sup> These shorter meetings helped replace serendipitous, in-person encounters in the office.

Microsoft's research concluded that productivity and innovation could be jeopardized in the long-term, which is worrisome for a technology giant. "Hybrid and mixed-mode work arrangements may not work as firms expect."

To be successful, distributed work must be about transforming the entire organization, not just adapting to the moment. It must be undertaken with care, foresight and flexibility, to ensure that innovation thrives and employees have a clear sense of connection and purpose.

This approach will also drive retention. As McKinsey stresses, leaders must understand **the risk of brain drain**. The first step is for senior managers to take stock before making far-reaching organizational changes or ordering employees back to the office. They urge executives to listen closely to their employees, and also ask seven key questions:

- Do we shelter toxic leaders?
- Do we have the right people in the right places (especially managers)?
- How strong was our culture before the pandemic?
- Is our work environment transactional?
- Are our benefits aligned with employee priorities?
- Employees want career paths and development opportunities. Can we provide it?
- And, how are we building a sense of community?



**Figure 6:**

Building a Great Place to Work: The Basics

While organizations are asking themselves when and if employees are coming back to the office, the truth is that the best ones don't have to. To keep their employees, leaders need to act with empathy and flexibility, and listen to what their workforce actually wants. According to McKinsey, if you can understand why employees are leaving and what they need to help them stay, "you may just be able to turn the Great Attrition into the Great Attraction."

## Office Design for the Distributed Organization

Distributed work is changing workspaces. Any decisions about how organizational life evolves must include choices about how offices are designed and what they're used for.

Workplace design has evolved in lockstep with broader trends in organizational structure, corporate mission, technology, architecture and accessibility. Cubicles and corner offices gave way to hot desks, bookable meeting rooms, co-working spaces and flex-work arrangements that included home office use. Large tech firms built highly integrated campus-style office complexes—e.g., Apple Park<sup>20</sup>—that include amenities like food courts, recreational zones, on-site childcare and cutting-edge architecture.

As many organizations look to downsize their physical footprints and employees opt for permanent work-from-home arrangements, both office and home office design must adapt.

The transition to the slimmed down post-pandemic office is a work-in-progress. But form follows function. The question is, what functions are most critical for in-person space?

For example, HubbleHQ, a U.K.-based real estate firm that specializes in finding workspaces for hybrid organizations, expects the office of 2030 to be a tech-oriented “wellness-centred” environment with sustainable design. Such spaces will serve flatter, decentralized organizations designed to accommodate the needs of teams focused on specific projects.<sup>21</sup>

Downsized workspaces must also accommodate the need for impromptu social interactions. Scholars from NYU's Tandon School of Engineering<sup>22</sup> and IMD<sup>23</sup> argue that the social functions of offices will continue to be important for organizational well-being and creative work. “It's where people build trust through personal interaction, learn the nuances of their job, and build and maintain organizational culture.”<sup>24</sup>

Collaboration hubs will play a central role. These spaces should be designed to enable high-impact encounters. They'll feature generous open spaces equipped with common tables, screens, electronic white boards and other technologies that spark problem solving and discussions about mission-critical corporate challenges or projects.

Home offices should evolve into studios—permanent and individualized spaces that encourage focused work and are fitted out with the technology and security required for seamless digital connectivity.

## New Tech for a Distributed World

Yesterday's solutions will not solve today's problems. Traditionally, centralized companies invested in software to help them gain a process advantage. Enterprise Resource Planning (ERP) was king. But then companies began investing in cloud, automation and analytics. Emerging economies started improving their connectivity.

Today's world is an age of extremes. Extreme connectivity. Extreme volumes of data generated and transmitted in real time. Planetary scale. Businesses are facing strong headwinds—new workforce models and worker expectations, information overload, multiplying cybersecurity threats, changing customer demands, supply chain disruptions and global regulatory shifts. Process advantage is not enough.

### **In a distributed world, you need to invest in platforms to secure the Information Advantage.**

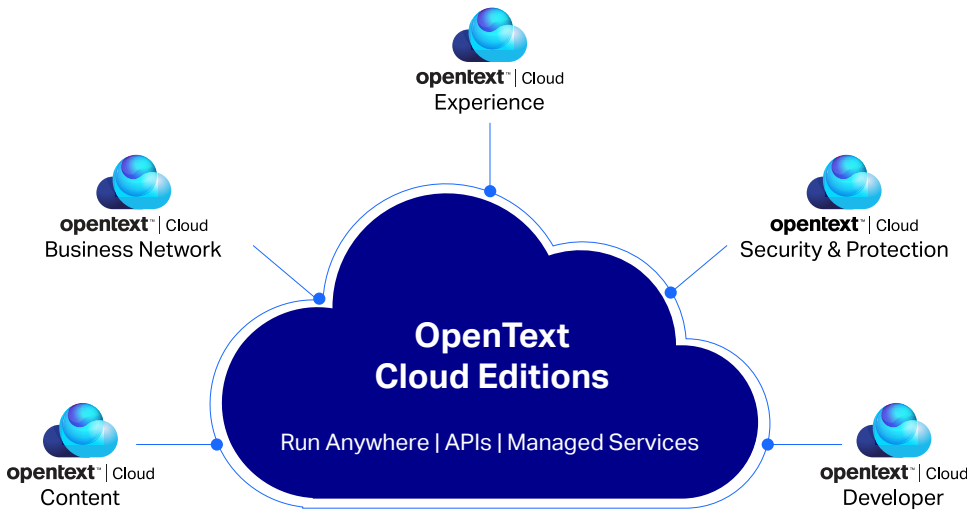
The Information Advantage requires transforming the way an organization manages information. It means leveraging digital technologies to use information to its full potential. To generate insights. To create new offerings and business models. To drive predictive analysis, so businesses can prepare for and respond to disruption.

The global pandemic has spurred many businesses to begin this journey. Digital transformation is no longer a stretch goal. In fact, the battle cry of today's organizations is 'Be Digital'.

### **OpenText Cloud Editions**

In a distributed world, the destination for innovation is the cloud. It is the platform for new technologies and disruptions, and delivers unparalleled, secure access to information for remote workers. This is why 90% of companies are already using some form of cloud, whether public, private, hybrid, managed services or Software-as-a-Service (SaaS).<sup>25</sup> Whatever the size of the business, what remains constant is the imperative to modernize technology infrastructure and leverage existing investments. The cloud opens the door to growth and potential.

OpenText is helping digital businesses of all sizes to reach this potential and adapt to distributed work by delivering Information Management in the cloud at scale. OpenText Cloud Editions includes **five specialized clouds**, each focused on addressing a key business need: **Content Cloud** helps companies master modern work, **Business Network Cloud** enables digital supply chains, **Experience Cloud** powers modern customer experiences, **Security & Protection Cloud** helps build cyber resilience and **Developer Cloud** drives the API economy.



**Figure 7:**

OpenText Cloud Editions:  
Five Unique Clouds

With innovations every 90 days, Cloud Editions makes it easy to attain new capabilities. And it is optimized to run anywhere, so every business can secure all the benefits of the cloud, regardless of where it deploys software. Organizations are pursuing digital transformation at an astounding pace, and securing the Information Advantage to drive phenomenal growth. Advanced technologies in the cloud are helping them reach their goals and get ready for the future of business.

### Master Modern Work

Employees' expectations have dramatically changed. Workers want more control over their time and space, more autonomy and greater capacity to make decisions. While in a centralized world you might delegate tasks, in a distributed world you must delegate authority.

For employees to be truly empowered, though, they must have simple access to accurate, timely information... wherever they are, whenever they want it, from whatever device they are using.

**OpenText Content Cloud** powers modern work and enables distributed workforces with the information that employees need. It improves collaboration and decision-making, while reducing risk, by enriching business processes with content, insights and automation. Content Cloud delivers end-to-end content management—from capture to full lifecycle management to archiving. It seamlessly integrates content into critical business applications and automates complex tasks to allow users to work faster and smarter.

Using digital tools for content management, businesses can grow and thrive, and truly own their digital capabilities. Instead of merely adapting, they can *lead* the new mindset of distributed work.

### Digitize Supply Chains

The issues threatening supply chains have never been more complex. Ransomware attacks. The Suez Canal blockage. Natural disasters. And of course, COVID-19. They have all had a profound impact on supply chain operations.



At the same time, well-run supply chains are positioning companies for success. In fact, it is not about supply chains at all, but supply *networks*. The new business ecosystems are built on a digital-first model, with end-to-end visibility, collaboration and responsiveness across all partners. They enable digital capabilities that allow for extreme agility when disruption happens, and even allow organizations to see disruption before it strikes.

**OpenText Business Network Cloud** enables digitized supply ecosystems, bringing together experts, proven processes and advanced technologies with streamlined connectivity, secure collaboration and real-time business intelligence. Organizations can build global and sustainable supply networks, rapidly onboard new trading partners, comply with regional mandates, provide electronic invoicing and eradicate information silos. And industrial IoT and advanced data reporting provide end-to-end visibility.

With a trusted and secure digital ecosystem, businesses can adapt—at lightning speed—to unthinkable change, while creating a foundation for lasting growth.

## Power Modern Customer Experiences

Customer expectations are radically different than they were two years ago. Today, it's about *me*, and it's about *now*. Customers are demanding a more personalized, tailored experience. You should know what they want—before they even ask for it! Consumers are also “now-ists.” Those companies who can deliver in a timely way today will be rewarded with customer loyalty tomorrow.

**OpenText Experience Cloud** unites digital capabilities under one platform to help organizations create customer experiences that deliver the unexpected *wow*. With an unmatched breadth of capabilities for servicing the entire customer journey, organizations can build memorable, unique experiences. They can put superior customer insights to work at scale with AI-powered analytics and assisted authoring. Protect customer data and privacy with intelligent, automated governance. And adapt to customer expectations as they change with new ways to sell, engage and assist.

The next phase of digital experience is not about what technologies can do for your business, but what they can do for your customers. It is time to discover and reimagine the digital universe for each of them.

## Become Cyber Resilient

We are living in a machine versus machine world. It is beyond human capacity to control, predict and respond to every single cybersecurity threat. Organizations require security and investigative solutions that will amplify the impact of their human experts. As workforces become distributed, this is more important than it has ever been. We must ensure that our customers' and our employees' data is the most secured, the most protected it can possibly be, even in a remote environment.

**OpenText Security & Protection Cloud** provides best-in-class cybersecurity, data protection, digital forensic and endpoint security solutions for businesses of all sizes. It enables organizations to find and collect complex evidence faster, reduce risk, and detect and respond to cyberthreats remotely. It provides remote collection of data and the ability to identify sensitive data. And it delivers actionable, superior threat intelligence.

Multilayered security solutions from a trusted partner ensures that data, users, devices and networks are protected. Today's workforce relies on cloud plus edge—and all of it must be secure.

### **Build the API Economy**

Development teams everywhere are struggling to support new use-cases with fewer resources. Too much of their time is eaten up working on legacy code, retrofitting languages and dealing with technical debt. Empowering developers with the tools they need to build, extend and customize Information Management applications is a central capability that drives business transformation.

**OpenText Developer Cloud** provides Information Management-as-a-Service (IMaaS), making it faster and easier to build, extend and customize applications. Built on APIs in the cloud, it minimizes the time and effort of adding new capabilities to any solution, so developers can focus resources on other priorities, like improving product differentiation or accelerating business transformation.

Information Management services allow organizations to unleash the power and creativity of their developer teams, so that developers have more time to create the software that powers the world.

### **Be Digital**

Today, the best run organizations are defined by their ability to drive technology-led transformations. Businesses that have truly embraced digital are not only mastering distributed work, but powering modern customer experiences, digitizing their supply chains, protecting themselves from cybersecurity threats and building the API economy. These organizations are able to grow faster, be more efficient, embrace creativity—and thrive in a world of accelerating change.

## Conclusion

The shift to hybrid work arrangements has become the new normal.

It will outlast the pandemic.

But to ensure that companies can continue to hire and retain talent, provide meaningful work experiences, and encourage innovation, managers must foster a genuinely distributed culture. They have to separate tasks that can be done remotely from those that require in-person interaction, such as onboarding, high-level planning, key team projects and other moments that matter. This change will also require organizations to push responsibility right out to the edges.

Distributed work isn't going to work for every company. Industrial operations, manufacturing, warehousing/distribution—these operations will still need to take place in buildings. But for divisions that rely on digital communications or knowledge work, distributed could be more cost efficient and open up new channels for collaboration, recruitment and innovation. Yesterday's centralized organizations are like whales, whereas tomorrow's distributed organizations are dolphins—swift, agile, unleashed.

In fact, the old organizational models—centralized or decentralized—are dead. The emerging distributed organization empowers workers, delegating not just tasks but authority, and allows its people to find greater control, balance and engagement.

With distributed work cultures, firms can dramatically widen their talent searches, and build in diversity and inclusion. But they'll have to invest the time and effort to build new competencies that are aligned to distributed work. Their employees will have to show they can run into the unknown, live on the edge and embrace purpose.

Grit. Empathy. Engagement. Communities of interest.

Sir Winston Churchill made a famous observation about the British House of Commons in 1943. He said, "We shape our buildings and afterwards our buildings shape us."<sup>26</sup> In this post-pandemic age, we will no longer be shaped only by our buildings. Rather, it will be the edges of our organizations that will shape the distributed companies of the future.

## Endnotes

- <sup>1</sup>"Great Attrition' or 'Great Attraction'? The choice is yours," McKinsey Quarterly, September 8, 2021, <https://www.mckinsey.com/business-functions/organization/our-insights/great-attrition-or-great-attraction-the-choice-is-yours> (accessed October 2021).
- <sup>2</sup>Emily Courtney, "30 Companies Switching to Long-Term Remote Work," FlexJobs, <https://www.flexjobs.com/blog/post/companies-switching-remote-work-long-term/> (accessed October 2021).
- <sup>3</sup>Darryl Wright, "Leveraging a distributed workforce model to accelerate your business transformation," EY Canada, July 27, 2020, [https://www.ey.com/en\\_ca/workforce/leveraging-a-distributed-workforce-model-to-accelerate-your-busi#distributed-work](https://www.ey.com/en_ca/workforce/leveraging-a-distributed-workforce-model-to-accelerate-your-busi#distributed-work) (accessed October 2021).
- <sup>4</sup>Paul Baran, "On Distributed Communications: Introduction to Distributed Communications Networks," Rand Corporation, August 1964, [https://www.rand.org/content/dam/rand/pubs/research\\_memoranda/2006/RM3420.pdf](https://www.rand.org/content/dam/rand/pubs/research_memoranda/2006/RM3420.pdf) (accessed October 2021).
- <sup>5</sup>Katariina Kemppainen, "Trends in industrial supply chains and networks," International Journal of Physical Distribution & Logistics Management, October 2003, [https://www.researchgate.net/publication/242350255\\_Trends\\_in\\_industrial\\_supply\\_chains\\_and\\_networks](https://www.researchgate.net/publication/242350255_Trends_in_industrial_supply_chains_and_networks) (accessed October 2021).
- <sup>6</sup>"A Growing Number of Workers 'Telecommute' To Their Jobs," American Banker, December 18, 1985.
- <sup>7</sup>Jeffrey M. Jones, "In US, Telecommuting for Work Climbs to 37%," Gallup, August 19, 2015, <https://news.gallup.com/poll/184649/telecommuting-work-climbs.aspx> (accessed October 2021).
- <sup>8</sup>Klaus Schwab, "The Fourth Industrial Revolution: what it means, how to respond," World Economic Forum, January 14, 2016, <https://www.weforum.org/agenda/2016/01/the-fourth-industrial-revolution-what-it-means-and-how-to-respond/> (accessed October 2021).
- <sup>9</sup>Alana Semuels, "Millions of Americans Have Lost Jobs in the Pandemic—And Robots and AI Are Replacing Them Faster Than Ever," TIME, August 6, 2020, <https://time.com/5876604/machines-jobs-coronavirus/> (accessed October 2021).
- <sup>10</sup>Adriana Dahik et al., "What 12,000 Employees Have to Say About the Future of Remote Work," BCG, August 11, 2020, <https://www.bcg.com/publications/2020/valuable-productivity-gains-covid-19> (accessed October 2021).
- <sup>11</sup>"The future of work after COVID-19," McKinsey Global Institute, February 18, 2021, <https://www.mckinsey.com/featured-insights/future-of-work/the-future-of-work-after-covid-19> (accessed October 2021).
- <sup>12</sup>Ingrid Lunden, "Oyster, an HR platform for distributed workforces, snaps up \$50M on a \$475M valuation," TechCrunch, June 22, 2021, <https://techcrunch.com/2021/06/22/oyster-an-hr-platform-for-distributed-workforces-snaps-up-50m-on-a-475m-valuation/> (accessed October 2021).
- <sup>13</sup>Stephanie Voza, "These are the skills you need to be successful in a hybrid environment," Fast Company, February 12, 2021, <https://www.fastcompany.com/90603031/these-are-the-skills-you-need-to-be-successful-in-a-hybrid-environment> (accessed October 2021).
- <sup>14</sup>"The future of work after COVID-19," McKinsey Global Institute, February 18, 2021, <https://www.mckinsey.com/featured-insights/future-of-work/the-future-of-work-after-covid-19> (accessed October 2021).
- <sup>15</sup>Mary Baker, "9 Future of Work Trends Post-COVID-19," Gartner, April 29, 2021, <https://www.gartner.com/smarterwithgartner/9-future-of-work-trends-post-covid-19> (accessed October 2021).
- <sup>16</sup>"Burnout' Crisis at Work Threatens Post-Pandemic Workplaces," Catalyst, May 26, 2021, <https://www.catalyst.org/media-release/burnout-remote-work/> (accessed October 2021).
- <sup>17</sup>"Great Attrition' or 'Great Attraction'? The choice is yours," McKinsey Quarterly, September 8, 2021, <https://www.mckinsey.com/business-functions/organization/our-insights/great-attrition-or-great-attraction-the-choice-is-yours> (accessed October 2021).
- <sup>18</sup>Longqi Yang et al., "The effects of remote work on collaboration among information workers," Nature Human Behaviour, September 9, 2021, <https://www.nature.com/articles/s41562-021-01196-4> (accessed October 2021).
- <sup>19</sup>Jared Spataro, "How remote work impacts collaboration: findings from our team," Microsoft, April 22, 2020, <https://www.microsoft.com/en-us/microsoft-365/blog/2020/04/22/how-remote-work-impacts-collaboration-findings-team/> (accessed October 2021).
- <sup>20</sup>"Apple Park," Foster and Partners, 2018, <https://www.fosterandpartners.com/projects/apple-park/> (accessed October 2021).
- <sup>21</sup>Grace Chen, "Office Space Timeline: Past, Present, and Future," Hubble, July 22, 2021, <https://hubblehq.com/blog/office-space-timeline-past-present-future-infographic> (accessed October 2021).
- <sup>22</sup>Anne-Laure Fayard et al., "Designing the Hybrid Office," Harvard Business Review, March-April 2021, <https://hbr.org/2021/03/designing-the-hybrid-office?registration=success> (accessed October 2021).

<sup>23</sup>John R. Weeks and Mahwesh Khan, *"Dynamically designed around human connection, the hybrid office is the workplace your team needs,"* IMD, February 2021, <https://www.imd.org/research-knowledge/articles/dynamically-designed-around-human-connection-the-hybrid-office-is-the-workplace-your-team-needs/> (accessed October 2021).

<sup>24</sup>Anne-Laure Fayard et al., *"Designing the Hybrid Office,"* Harvard Business Review, March-April 2021, <https://hbr.org/2021/03/designing-the-hybrid-office?registration=success> (accessed October 2021).

<sup>25</sup>Nick Galov, *"25 Must-Know Cloud Computing Statistics in 2020,"* Hosting Tribunal, December 4, 2020, <https://hostingtribunal.com/blog/cloud-computing-statistics/> (accessed October 2021).

<sup>26</sup>*"Churchill and the Commons Chamber,"* UK Parliament, <https://www.parliament.uk/about/living-heritage/building/palace/architecture/palacestructure/churchill/> (accessed October 2021).

## Cautionary Note Regarding Forward-Looking Statements

Certain statements in this presentation, including statements about the focus of Open Text Corporation (“OpenText” or “the Company”) on growth, initiatives, the impact of COVID-19, anticipated benefits of our partnerships and next generation product lines, the strength of our operating framework and balance sheet flexibility, continued investments in innovation, go-to-market and strategic acquisitions, our capital allocation strategy, creating value through investments in broader Information Management (IM) capabilities, the Company’s presence in the cloud and in growth markets, expected growth in our revenue lines, total growth from acquisitions, innovation and organic initiatives, improving operational efficiency, its financial condition, scaling OpenText to new levels, and other matters, may contain words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “may”, “could”, “would”, “might”, “will” and variations of these words or similar expressions are considered forward-looking statements or information under applicable securities laws. In addition, any information or statements that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking, and based on our current expectations, forecasts and projections about the operating environment, economies and markets in which we operate. Forward-looking statements reflect our current estimates, beliefs and assumptions, which are based on management’s perception of historic trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances, such as certain assumptions about the economy, as well as market, financial and operational assumptions. Management’s estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and, as such, are subject to change. We can give no assurance that such estimates, beliefs and assumptions will prove to be correct. Such forward-looking statements involve known and unknown risks, uncertainties and other factors and assumptions that may cause the actual results, performance or achievements to differ materially. For additional information with respect to risks and other factors which could occur, see the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other securities filings with the Securities and Exchange Commission (SEC) and other securities regulators. Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## About OpenText

OpenText, The Information Company, enables organizations to gain insight through market leading information management solutions, on-premises or in the cloud. For more information about OpenText (NASDAQ: OTEX, TSX: OTEX) visit [www.opentext.com](http://www.opentext.com).

## Contact

### Sales

**Email:** [sales@opentext.com](mailto:sales@opentext.com)

### Partners

**Email:** [partners@opentext.com](mailto:partners@opentext.com)

### Media Relations

**Email:** [publicrelations@opentext.com](mailto:publicrelations@opentext.com)

## [opentext.com/contact](http://opentext.com/contact)