

Workplace 2025: Retail

How are business and technology leaders in the retail sector laying the foundations for the future digital workplace?

A REVOLUTION IS COMING TO THE WORKPLACE

Retailers need to brace themselves for a huge change in their workplace strategy as the concept of a full-time job in a traditional office environment vanishes during the next decade. By 2025, millennials will represent more than 50% of the workforce, and will redefine corporate culture around flexible working, a more open approach to collaboration, and a focus on data as the lifeblood of the business.

To better understand how organizations are preparing for these future changes, PAC partnered with Fujitsu to interview 1,278 senior decision makers at commercial and public sector organizations in Europe, ANZ and the US. This report highlights key findings from the **retail** section of the study¹ and provides insight into how CXOs in the sector are planning to bridge the gap between their current workplace environment and a strategy that will support the demands of the business in 2025.

TODAY'S WORKPLACE IS FALLING SHORT

Retailers admit that their current workplace approach is failing to deliver in many areas. **85%** of participants in the sector admit that their current working hours and practices are not flexible enough, and **86%** identify the complexity of their existing workplace technology tools as a barrier to productivity. **20%** of participants believe that their current workplace approach has a negative impact on their ability to engage and innovate with external partners, while **18%** state that it has a detrimental effect on their ability to recruit and retain new employees. More than a third (**37%**) believe that their current approach to cybersecurity – with too many layers of authentication - is slowing employees down.



86%

of retailers see complex workplace technology as a barrier to productivity



85%

state that current working hours and practices are not flexible enough



37%

say that their current cybersecurity approach has a negative impact on productivity

¹ The retail survey is based on CATI responses from senior decision-makers at 277 large and medium-sized organizations, with respondents split equally between business and IT leaders.

LAYING THE FOUNDATIONS FOR THE FUTURE

Retailers are responding to current workplace challenges and preparing for the future by making some important changes to processes, policies and technology. The sector leads the way in changing current policies to create an improved work/life balance for employees (74%), while almost half (49%) are planning to provide access to tools and platforms to create and share innovation with the wider ecosystem. Retailers lead all other sectors in their plans to invest in open innovation/crowdsourcing and hackathons in the next 12 months (44%) as a way to improve engagement with external partners.

Retail companies will have to support an increasingly diverse workforce, and 46% are looking to improve knowledge sharing between experienced workers and younger millennial and Gen Z recruits. This is encouraging given that just 13% claim to have a truly effective, organization-wide approach to knowledge management and sharing strategy in place. And retailers also lead the way in planning investment in robotic process automation (RPA) as part of their workplace modernization strategies during the next two years (45%). On the topic of automation, 93% of participants from the sector see the rise of artificial intelligence as one of the major factors that will reshape their workplace by 2025.



74%

of retailers are changing policies to create an improved work/life balance for employees



62%

have invested or plan to invest in biometric, contextual analysis and single sign-on cybersecurity technology



45%

plan to invest in robotic process automation in the next two years as part of their workplace modernization

THE REVOLUTION STARTS NOW

The study identified many shortcomings in retailers' current workplace strategies that urgently need to be addressed. Today's retailers are not set up to support flexible working, while the complexity of current workplace technology and a lack of access to the right productivity tools are seen as bigger challenges here than in other sectors. There are some positives as well. Retailers are ahead of other sectors in taking an integrated approach in how they manage mobile access in their workplace strategies, and they are moving faster than other industries in harnessing the potential of open innovation and crowdsourcing as a way to tap into sources of innovation from outside the business. Like all sectors, retailers are looking to revamp the cybersecurity strategy, and more than 90% feel they would benefit from working with an external partner to refine their approach. Retailers must not ignore key issues such as reducing the dependence on ageing technology that continues to hold back their ability to innovate and adapt. The **long-term survival of the business is at stake**, and the future needs to be addressed now before the pace of change becomes unmanageable.

For the full results of the study, and recommendations on how to get your workplace future-ready, please visit: <https://digitalworkplace.global.fujitsu.com/workplace-2025-cxo-view/>