

# Work&Place

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# Comment

## Work&Place

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**Welcome to this first edition of 'Work&Place', from Occupiers Journal Limited. We hope that it will be the first of many issues, over many years. So, we very much look forward to your feedback!**

We considered many options for the name, but combining the two words, "work" and "place" seemed simple whilst also in a way comprehensive. We think of "work" as a verb, and we intend to demonstrate that, for many knowledge workers at least, "work" is not a noun. In fact, over the coming generation, we believe (perhaps, we hope) that the phrase "on my way to work" will disappear from language. We may still say "on my way to the office", or some other "place". But there will come a time when organisations, and the people who lead them, will think of "work" and "places" as two different, but inter-connected, management responsibilities.

And "management" is the word missing from our title, but it will be integral to the key messages put across in many of our articles. Our journal will therefore be relevant to the creators and managers of "places" (corporate real estate, construction, facilities management and workplace development). It will be equally relevant to managers of "work" (business leaders, and functional specialists who have a key influence on corporate "places" - human resources (HR) and information technology (IT) and others such as branding/marketing).

We must walk before we try to run, but we also have a thinly-veiled agenda! That is, at some point in the future, this journal "WorkAndPlace" will become the key thought-leader for a new integrated management discipline. We believe that there is currently a gap in corporate executive responsibilities. There is no existing role responsible for making "work" more effective - we have called this role the "Director of Work" (see article p32).

In real organisations, this role may not be called the "Director of Work"; it may have many titles. We are starting to see evidence of similar roles, such as "VP, Enterprise Support". These roles tend to include other functions such as Procurement, in addition to Facilities, IT, HR, and departments supporting people to deliver their work more effectively. The key factor is probably that these functions are working together, across the enterprise, with each other, and with customer-facing business units. They are combining strengths, to improve the experience of both "work and place".

To make this new journal slightly different, we have built in the facility for readers to have a discussion with each contributor, and others. We hope that you will take up this opportunity, to ask questions, challenge the writers, or to make a related point.

The link is: <http://www.linkedin.com/groups/WORK-PLACE-Occupiers-Journal-4460089>

We look forward to hearing from you!

**Paul Carder**

**Editor**

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## How do the places in which we choose to work affect the way we think? Are we losing creativity and innovation by limiting the options for many people?

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James P. Ware, PhD

CREATIVITY • OFFICE • DESIGN • BEHAVIOUR • KNOWLEDGE-WORK

# Musings on knowledge work and 'place'

**I don't need a workplace; I need workplaces. Of course, I can only be in one place at a time. But sometimes I need to be in one place, and sometimes in another.**

I am a knowledge worker. I use my head to create value. Sure, I use my hands too, but mostly just to hit some little square pieces of plastic in a particular sequence that produces images of text on a plasma screen. Sometimes I hold a pen and spread ribbons of ink on paper as another way to create and communicate my ideas. But, however I record my ideas, it's what goes on in my head that matters.

But here's what's bugging me: I use my head in a lot of different ways, and I've begun to realize that **where** my head is physically (and where it's been) has a lot to do with how well that head produces what I want it to. Sometimes I need to explore, to think, to create new ideas. Other times I need to express an existing idea, to produce an article or complete a report. Still other times I am searching for new information, often via the web, but sometimes in a book or magazine. Those kinds of knowledge work are a lot different from analytic or problem-solving work, where I am sorting out existing information, recasting it, or searching for an answer to a specific problem.

And everything I've mentioned so far is essentially individual work. When I'm interacting directly with others in a phone call, a face-to-face meeting, or a working session, I'm using not just my head but my eyes, ears, and mouth (and sometimes my nose) as well. That's how I translate what goes on in my head into meaningful words (and body language too) that make sense (sometimes, anyway) to other people, and sometimes actually contributes to group creativity and innovation.

So what's the point? Isn't that all pretty obvious? In one sense, of course it is. But in another, I am not so sure that any of us really understands or appreciates the impact that our physical surroundings have on either the quality or the quantity of the stuff that happens between our ears.

I was thinking about this a few years ago when I had the good fortune to spend almost three weeks in northern Italy

accompanying my wife and a group of her fellow artists. They were exploring the history, the art, and the architecture of that very special area, and doing a marvelous job of capturing many of the incredible buildings, natural vistas, and people on paper and canvas. The group let me tag along, so I too got immersed in ancient churches, museums, 11th-century walled villages, monasteries, and wonderful country walking paths. The fresh air and light breezes during the day and the hearty food and rich conversations every evening (helped along in no small part by some of the best, inexpensive red wine on the planet) refreshed my spirit in ways that I hadn't really anticipated.

**“I use my head in a lot of different ways, and I've begun to realize that **where** my head is physically (and where it's been) has a lot to do with how well that head produces what I want it to.”**

During that trip I experienced a personal renaissance of thought and energy that mirrors in a very small way the grand cultural Renaissance that took place in the hills of Italy some 500 years ago. Surely the sun, the hills, and even the monks and barons of that far-away time had something to do with the burst of creativity that brought Western Europe out of the Dark Ages. Now, my own artistic ability is presently limited to pointing a digital camera and clicking the shutter, but even that simple activity helped sharpen my sense of where I was and what colors, textures, and shapes were surrounding me.

And that thought brings me back, finally, to what is bugging me now. My experience of getting away from “the office” and the simple space inside the four walls where I normally do all that ‘head work’ has awakened me to how profoundly my surroundings affect the way I think, what I think about, and



what I am capable of dragging out of that wet space between my ears.

Yet I, like most “knowledge workers” spend almost all my work time in a fairly traditional office environment – four walls, a desk, some filing cabinets, and shelves full of books. Sure, there might be a family photo or two on the wall, and maybe a picture drawn by a child, but the fact is that no matter what I am trying to accomplish on a given day, the place where I am is almost always the same (yes, I usually hold team meetings in a conference room, and sometimes I even have a meaningful “meeting” in a cafeteria or a coffee shop, but let’s face it, most of the time I use the same place to read, write, analyze, list, sort, file, talk on the phone, and even meet with colleagues – at least when I’m not on an airplane or in some drab hotel room far from home).

What if I had lots of places to choose among, and could move from one to another as I moved from one task to another? My instinct tells me I’d be a lot more creative in some kinds of places (rooms filled with art work, or with outdoor photos – or literally outdoor places), more analytic in others (a library, or a bare-bones office?), and thoughtful and reflective in yet another place (a church? a mountain retreat? a sailboat? a café?).

Now, to bring this back to office design and the future of work, I have had many opportunities to visit innovative office facilities; some of them one-company endeavors and some multi-company shared “third places.” One facility in particular was exceptionally impressive – open workspaces with low (or no) dividers, light and bright colors, lots of windows and natural light. I can’t help but think I’d be creative and energized if I worked there regularly. The people who are fortunate enough to have access to that place seemed highly engaged with their work and – when working collaboratively – with their colleagues.

But the deeper lesson for me was the incredible variety of spaces and places in that one facility. There were several different “zones” with different workstation layouts (some were traditional 8x8s, some used the popular 120-degree designs), but there were also several enclosed “personal harbors” for two- or three-person meetings, private heads-down work, or phone conversations; a “kitchen” and café area with informal lounge furniture groupings; an outdoor patio area; and several more traditional conference rooms of varying sizes and designs.

We don’t have detailed work behavior or productivity data on that workplace yet (unlike Tim Oldman, see page 23), but anecdotally it is clear that people are moving around frequently from one spot to another over the course of a day, as individual and team activities change dynamically from one hour to the next.

How effective is that kind of workplace? In this case, the early reports are that the people who “inhabit” the facility are highly satisfied, and their managers are too. It’s hard to ask for more.

I think you get my point. When there are so many different kinds of knowledge work, why do we so often try to do it all in one kind of place? How much creativity and innovation have we lost forever? Is our creativity ‘sapped’ by placing people who do different kinds of work from day to day, and even hour to hour, into those all-too-common, drab, one-size-misfits-all, cube farms? **W&P**

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### **Editor’s footnote:**

You’ll probably think that this article was written by Jim maybe six weeks ago? It was actually written six years ago! The reason that we borrowed and updated it from Jim’s blog, was that we thought, how much has actually changed? Offices continue to get designed with ‘one person to one dedicated place’ in mind. Is that killing off creativity and innovation? Join the discussion with Jim and others on our [Work&Place LinkedIn Group](#).

# The psychological highways, byways and cul-de-sacs of office management

**We are defined by our space. Space constrains us and allows us to grow.** In space we develop relationships with others and we confirm our sense of identity and where we belong. Yet psychologists have only recently begun to study workspace in terms of its importance for productivity and well-being

We take it as a given that we can decorate our home to our tastes. We decide where the sofa should go, what colours we want on the walls, where we will meet with our friends and where we want to retire for solitude. And the result of these arrangements says something about our identity as human beings. Our homes shape our interactions, highlight our interests and illuminate our perspective on life. Allowing others into 'our space' is both personal and significant. When people respect or abuse our space they respect or abuse us. Yet psychologists have paid little attention to this area, perhaps because it all seems so obvious. Consequently, in the workplace, consultants, designers and managers have matters of workspace largely to themselves. Their activities are seldom subject to scientific scrutiny and a very different model of space use has emerged to dominate understanding and practice.

In the office, our space is shaped and controlled by those who assume the expertise and authority to take decisions on our behalf. This dominion of space management is coming under increasing psychological questioning. What are the ramifications of managerial control of the workspace in terms of both well-being and productivity?

## The roots of the modern office

The origins of offices can be traced back to antiquity, but took on their recognisable form during the industrial revolution as a new class of professional clerks came under increasing supervision from a growing number of managers. This drove demand for standardised workplaces where managers assumed greater control of their workforce. In the early

twentieth century the scientific management movement, dominated by Frederick Taylor, looked for the 'one best way' of doing any particular job. 'Taylorism' paid particular attention to how environments were geared to support the work performed. It emphasised two key managerial objectives. First was the need to remove from a workspace everything except the materials required to do a given job. This made the space bend flexibly to management's requirements and left the workers with negligible distractions outside their given tasks. Second, tight control was exerted over workspace design and use, thus ensuring conformity to standardised, trusted work practices which could be enforced as necessary and altered as required. Surveillance was central to this control.

## The modern office: A brave new way?

Taylor's scientific management principles have exerted a strong influence over office design and general management for over 100 years. Most particularly, they have been translated into a philosophy of lean offices in which emphasis is placed on the creation of uncluttered, open, and flexible space. Rather confusingly, this space is often marketed under the banner of 'new ways of working'. Its doctrine regards clutter — particularly that created by employees themselves — as an unhealthy, unsafe, and unnecessary impediment to office productivity and efficiency. It is also seen as an obstruction to communication and to the acceptance of an organisation's preferred identity and ethos.

A key selling point of open-plan 'clean' space is that it can be quickly adapted to suit the changing needs of an organisation and to meet demands for a flexible workforce. Whatever the precise configuration of space, it is the demands and influence of managers that predominate. The voice of the rank-and-file employee is largely silenced. Partly in reaction to this spartan design process, an alternative movement has developed over

the past thirty years. This has attempted to incorporate the (assumed) tastes and objectives of employees. Those who advocate this approach argue for the creation of enriched spaces emphasising bold, invigorating and creative designs. Enrichment is built on an intellectual infrastructure where stimulating, often high-design spaces increase employees' well-being and promote interest, creativity and productivity.

Reliable evidence which might establish the relative merits of the lean and enriched approaches is extremely sparse. The extensive literature which does exist tends to be derived from case studies based on the opinions of managers and implementers who have a vested interest in a project's success. What is scientifically clear is that strategies of both lean and enriched workspace share an inclination to impose designs on workers. Studies attest that employees frequently reject the visions of designers and space managers (e.g., Baldry & Hallier, 2010; Chandler, Lalonde, Sokol & Hallett, 2003; Knight & Haslam 2010a). When this occurs, enrichment – like lean – can be a basis for discomfort, disenchantment and disengagement.

**The importance of identity realisation**

The concept of identity is central to everybody's experience of life and work. Yet, as we have seen, the identities realised through workspace design tend to be those of the organisation and its management. Indeed, in lean, flexible spaces employees' expressions of their own identities are actively suppressed in the search for optimised organisational performance. Yet psychology's message is straightforward; helping employees to realise their own identity at work accounts for nearly 20 times as much of the variance in pro-organisational behaviour as financial incentives (Tyler & Blader, 2000). In simple terms, when it comes to harnessing employees' energies; how well you treat them and how much you involve them will be at least as important as how much you pay them.

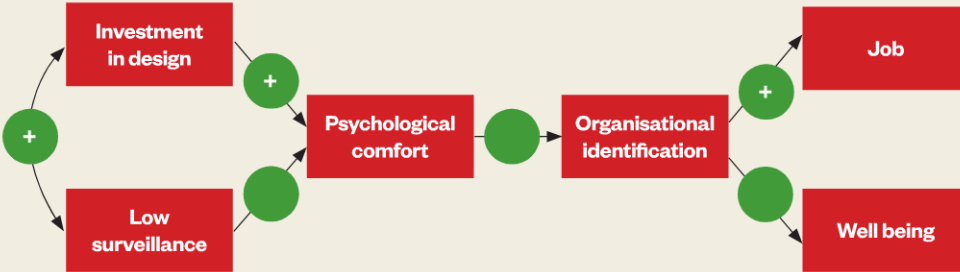
**Recent and ongoing research**

Our own work in this area has attempted to develop the understanding of the psychology of office space in two ways. First, we have conducted a series of large-scale surveys with the aim of providing integrated analyses of the relationships between levels of enrichment and empowerment at work and feelings of well-being and organisational identification. Statistical modeling of the data suggests that job satisfaction and well-being are compromised where employees are subjected to high surveillance and/or have little input into design.

Yet there is a problem with survey research. Surveys, no

**The connections between office design, psychological measures, and work experience**

This model summarizes studies involving over 2,000 office workers (mainly from the UK, EU and the US). It indicates that employees involved in the design of their space tend to work with minimal surveillance. These groups are generally more comfortable at work, report higher levels of identification with the organisation and are associated with greater job satisfaction and well-being. However, the model also indicates that offices characterised by low involvement and high surveillance tend to be associated with negative psychological states and work experiences (Knight & Haslam, 2010a)



matter how thorough, only show corellational data. For example, it might be the case that individuals who have no input into the design process and who find themselves under high surveillance are simply less competent, less trustworthy and unhealthier than other workers and it is these factors that explain their complaints of dissatisfaction and illness. Survey data depends upon – possibly fallacious – interpretation.

In order to make causal statements about how workspace affects psychology and behaviour it is necessary to conduct experimental research. In so doing the nature of office space may be systematically manipulated. We have conducted a series of experiments that do precisely this.

Our participants were asked to perform a range of tests (e.g., attending to detail, processing data and managing information) in the same office but with the workspace managed in different ways. The key questions were whether and how these different arrangements would affect participants' productivity and well-being.

- In the lean condition, the office was a clean space containing everything necessary to perform the office tasks with no other distractions.
- The enriched office had been decorated by the experimenter with both plants and art. The empowered office allowed participants to decorate the office themselves using the same range of plants and art available to the experimenter.
- Finally, the disempowered office also allowed participants to decorate the office themselves but after they had done this their design was overridden and the office was re-arranged to the experimenter's own specification.

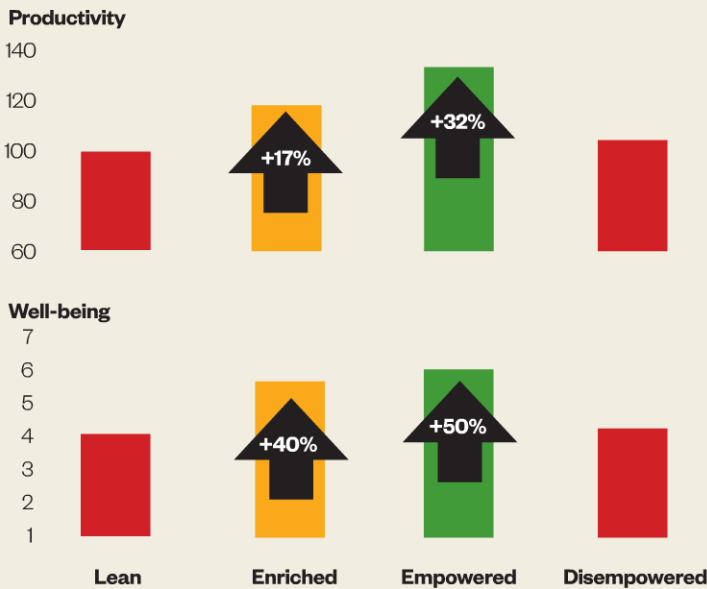
Across eight years of investigation results have been robust, clear and dramatic (see panel on page 8). Relative to the baseline of the lean condition, participants in the enriched office have worked faster but with no more errors. Consistent increases in productivity of up to 17% have been recorded. Productivity increased still further – by up to 32% compared to a lean, flexible office – where participants were empowered to develop their own environment (either individually or in teams). Participants' reported sense of well-being has been consistently higher with increases of up to 50% recorded. However, if peoples' choices were overridden,



## The impact of office type on productivity and well-being

The measure of productivity represented in the graph relates to the time taken to perform set tasks (% improvement relative to lean baseline). The measure of well-being relates to the absence of physical complaints within the environment (e.g., finding the air stuffy, experiencing headaches).

The best outcomes were seen when workers were empowered to decorate the office themselves. The poorest outcomes were observed when workers were either in lean or in disempowered space. (Knight & Haslam, 2010b; Nieuwenhuis, Knight, Postmes & Haslam, in prep).



levels of performance and well-being were no different from those observed in the lean office. Based on these results we can conclude that if organisations develop workspace that pays no heed to employees' own design preferences, they might end up undermining the very things that they seek to enhance.

### Innovation not reinvention: a conclusion

After considerable neglect, the psychology of office space is beginning to impact business awareness. Key to this development is a range of systematic studies that have unearthed data which seriously, consistently and substantively challenge the assumptions underlying the philosophy of modern business environments. This applies most particularly to the flexible lean office which – in one form or another – has prevailed for over a century. The merits of lean appear highly questionable once subjected to scientific scrutiny. And, although there is evidence of positive outcomes if work environments are more stimulating to the senses, work experiences remain suboptimal without considerable direct input from employees themselves.

Our conclusion is that space should not be left in the hands of designers, consultants and managers; it is far too important for that. When users are excluded from creating and directing their own environment, they tend to relate to that space in less effective and thereby uneconomic ways. If business genuinely wants to develop sustainable patterns of use for increasingly valuable space then it is time everybody became involved in its management. **W&P**

### Craig Knight

is a chartered doctor of psychology, a director of Identity Realization Limited (which specifically investigates optimal office space and its management) and an honorary research fellow at the University of Exeter.

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### Further reading

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### Editor's footnote:

We asked Craig to write about the research that he and Alex have been conducting over several years because it is one of the best examples of 'real science' being applied to the workplace. We aim to help them to get their ground-breaking findings out to the global industry. Do please join this discussion with Craig and others on our [Work&Place LinkedIn Group](#).

# Art Works! The importance of art in the workplace

**Research, including that reported in this issue of Work&Place,** has demonstrated that the workplace can affect job satisfaction, motivation, creativity, mood and productivity. Various aspects of the workplace have been isolated for individual consideration, but they have tended to be the easily measurable aspects like temperature and air quality. However, there is emerging evidence to suggest that the other less tangible and potentially more subjective aspects of the workplace should also be considered. One such aspect of the workplace is the installation of artwork. The incorporation of artwork in workplaces has increased, but is it merely decorative or can it be having a positive impact upon organisations and their employees?

## Art in the workplace

Accepting that the workplace matters, we set out to discover whether artwork plays a role in the positive impact that the working environment can have upon people. A survey by New Hampshire Business Committee for the Arts and the International Association for Professional Art Advisors (IAPAA) (2003) revealed that over 800 workplace occupants surveyed across the USA felt that art was an important element of their workplace environment. They reported that it had a very positive impact upon them by reducing stress and broadening employee appreciation of diversity. They also felt that artwork helped to increase their creativity, productivity and enhance morale. Overall, 82% of respondents felt that artwork was important.

More holistic studies of the whole workplace environment have revealed that artwork has a significant impact upon people's satisfaction with their environment overall. However, in Dr Thomas' doctoral research (Thomas, 2010) provision of artwork was frequently rated as being the least satisfactory aspect of the workplace environment by the 350 workplace occupants who took part. Whilst many organisations had installed artwork in their reception area and meetings rooms, very few of them had incorporated any artwork in the main office area. Within the research 16 different workplaces

were evaluated to discover the impact that the workplace as a whole was having upon satisfaction, stimulation levels and perceived productivity. The results of the research highlighted that 70% of workplaces had no artwork installed in the main office area and 95% of people could not see a piece of artwork from their workstation clearly demonstrating that artwork provision is being neglected.

The team behind the Leesman Index (see page 23) support these findings, reporting that 85.1% of the 7000 plus people who have completed their survey were dissatisfied with the artwork provision in their offices, but 50% thought it was an important part of their workplace environment (Leesman, n.d.).

Thomas also found that perceptions of artwork were significant predictors of satisfaction with the workplace and how stimulated people felt by their working environment. The more people liked their artwork the higher their levels of satisfaction and the more alert they felt in the workplace environment, and when people had artwork in their main office environment they tended to be more satisfied. For an example of where this has worked well, see Case Study Square One (page 10).

Other aspects of the workplace environment studied within the research may also affect the impact of artwork. In particular choice in the design of the workplace which was very strongly correlated with satisfaction. The more choice people had in the design of their workplace, including the artwork installed, the more satisfied they were. For an example, see Case Study Deloitte (page 11).

So if we accept the research findings that the installation of artwork in the workplace is important, how exactly is artwork having an impact? Can the workplace environment affect people by motivating them and increasing how alert they feel at work? To test this theory Thomas conducted some experimental work based upon her evaluation studies. This involved systematically changing aspects of an existing workplace and discovering whether it affected how alert people felt in their workplace environment. The experiment



## Case Study: Square One

Following a company-wide training scheme, IT recruitment specialists Square One Resource wanted to introduce images reflecting what had been discussed. Works in Print was commissioned to work with one of the managers, source pictures and install them in the back office. Key in this project was the inclusion of art in the main workspace. Inspirational sports figures like Bannister, Ali and Wilkinson were chosen. Life-size vinyl out-outs were created to fit in with the modern sleek design of the space, with corporate-colour detailing. The idea behind using vinyl was twofold: the client wanted the art to be reflective of a 'clean-cut' graffiti style and to ensure ease of removal. This was not because they were unsure of the concept or collection, but because they plan to change the entire collection regularly. They felt that regular changes of artworks would be an important factor in keeping staff engaged and enthused.



included changing the colour of the walls by washing them with coloured light, changing the temperature and air movement, providing access to a new breakout space, giving people more personal control of the internal climate and the addition of artwork. The artwork was projected on the wall and consisted of a range of nature scenes which were changed daily.

Of all the aspects changed, the biggest impact came from the introduction of artwork. When assessing how alert people perceived themselves to be in the afternoon, during the traditional post-lunch slump in concentration, compared with the morning there was less of a dip reported when there was artwork displayed. Qualitative data collected in the study revealed that this effect was the result of a number of factors which included providing people with something to look at rather than their work and giving people something to talk about which promoted social interaction.

In light of this we were interested in further exploring the power of artwork in the workplace. Our starting point was the field of art appreciation, to establish how it is embedded within our culture, and to understand the relationship between artwork and people.

### Art appreciation

Culturally, art can define nations. Socially, we dedicate great institutions to art. And financially, it is a multi-billion industry in most countries and currencies. The art industry's products receive great media attention, which everyone has an opinion on. Whether positive or negative, art inspires conversation. We are taught it from an early age, we appreciate it at school, we have it on the walls of our home but we forget about it in our workplaces. Yet, as mentioned above, we have found that the provision of art in the workplace is a neglected area, despite its obvious cultural significance.

Research undertaken into the importance of art in education showed that 93% of people agreed that the arts are vital to providing a well-rounded education for children,

and that 83% believed that arts education helps teach children to communicate effectively with adults and peers. Research into collective decision making in care homes also referred to the importance of displaying "recognisable artefacts that have meaning" to the residents. The paper went on to focus on the importance of the idea of collective decision making; indeed later, we propose that this 'empowerment' is just as important in ensuring the art of a workplace works. So if art positively affects the young and the old, and we think it is tantamount to our education, is it such a jump to think it has a positive impact at work?

And if that is the case, why are we forgetting about it in the place many of us spend most of our daylight hours?

At the heart of The Arts Council England's raison d'être for 2011-15 is to get more people to experience and to be inspired by the arts. Their publication, *Achieving Great Art for Everyone*, the product of an exhaustive consultation process, states that success of their experience/engagement goal is that there will be "an increased likelihood of people's engagement in the arts, irrespective of their socio-economic or educational background." Our national institutions are behind the move to have more people experience and interact with art. We want to take this a step further and prove that a well-thought out, relevant provision will increase well-being, satisfaction, happiness and even productivity in a workplace.

### Art Works! – pilot studies

Patrick McCrae's company, Works in Print, has been supplying artwork to workplaces in the UK for two years, and has placed around 1,000 pieces. From this experience, an understanding has developed concerning how and why organisations select artwork for their workplaces. Despite a belief that preferences for artwork are very subjective, McCrae has observed patterns in peoples' preferences for the types of art they would include in certain spaces in the workplace.

Based upon this observation, and the research evidence, we have started to explore whether it is possible to understand more about the positive impact that artwork can have, and how this can be harnessed by organisations. We have conducted some initial pilot studies to gauge the reasoning behind the selection of artwork and also to establish what people really think of the artwork in their workplaces.

Through a series of presentations to architects, facilities managers and others involved in the selection or commissioning of artwork we have gathered information on the types of artwork people might choose for different areas of the workplace. From the wide range of artworks available through Works in Print, a selection of 40 pieces was





reproduced as postcard-sized images. People attending Art Works! presentations were asked, in groups, to select the two pieces of artwork which they felt would be most appropriate for different areas of the workplace such as meeting rooms and the main office, and to support different activities including concentration and well being. If the assertion that peoples' preference for artwork is entirely subjective were true, we would expect very different pieces of artwork to be selected by different groups. However, the results from running this activity to date have produced some interesting commonalities.

We have found that people's reasoning for selecting images for most of the areas, particularly meeting rooms, was consistent. People felt that artwork in a meeting space should not be too distracting but should offer something interesting to look at if people wanted a brief mental break from what was being discussed. The main office was the area for which most people found it difficult to select a piece of artwork. The nature of the organisation and the type of work that people were doing was felt to be very important to inform the decision and as they weren't given this as a term of reference it was difficult. Even once a self-imposed organisational type was specified, people still found it difficult to decide whether the artwork should be interesting to offer people a mental break from their work, whether it should be aspirational or inspire creativity, or whether it should be calming to allow people to focus on their work and concentrate. This led to the selection of a wide range of images depending on what people felt artwork in the main office should achieve. It was interesting to note that the area of the workplace people struggled with the most was the area that was found in Thomas' research to be the least populated with artwork, the main office. This leads us to question whether

there is a lack of art in the main office because people do not know what artwork to install to have a positive impact.

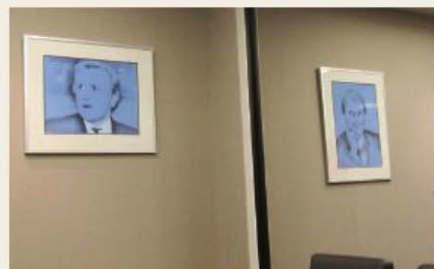
The choices of artwork based upon activities also produced some consistencies. When asked to select images for well being and relaxation similar images were selected by the majority of people. Images tended to be of nature scenes. This is supported by the work of Kaplan and Kaplan (1989) who found that several elements – including 'fascination', a perception that the environment extends beyond the view, and other attributes - images of natural environments were those that had the most positive impact upon the restoration of concentration levels. In fact, over 75% of people selected the same image to include in the workplace to promote well being (see left). The artwork selected and reasoning given for areas where people needed to concentrate produced different responses. Some people felt that the artwork should offer a distraction and, in itself, be something that requires people to concentrate on 'to work it out'. Others felt the artwork should be a calm and fairly simple image which did not distract people at all, so they were able to focus more easily on their work. Again, different responses were given, but the reasoning led to similar images being selected depending on which of the groups people fell into in terms of the impact they felt the artwork should have.

To understand more about the impact of artwork on workplace occupants we conducted a small pilot study with employees of Peel Hunt, for whom Works in Print installed a series of artworks. The brief was to ensure that the art reflected the client's position as a reputable City financial institution. Works in Print held discussions with the interior designer, project manager, facilities manager and executives to select the collection. The artwork reflected the finer details of their high-end fit out, their City location, and was reflective of their brand. A survey of staff revealed that they were satisfied with the artwork installed. However, they would have liked some artwork to be installed in their main office areas as well

### Case Study: Deloitte

The Deloitte project highlights the importance of empowering the staff in choosing a new art collection. Following a refurbishment of their Cambridge office, one of the Senior Partners wanted to theme their meeting rooms. The staff were asked to submit ideas, and it was turned into a competition. The winning idea was Footlights Presidents. Through the archives, we sourced images of the likes of Fry, Laurie, Cook, Oddie and Frost. We commissioned a digital artist to work on the project, and he themed the images using Deloitte's corporate colours and added his unique style. The images were very well received; the senior partner said the work was "an interesting talking point and has been a great success with staff and clients alike."

By empowering staff and getting them involved in the project, we were able to ensure that people embraced the idea and that when the final collection was installed they felt a sense of ownership of their workplace.





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as the meeting rooms and circulation spaces. There were also mixed responses when asked whether they would like the artwork to be changed on a regular basis. Around half of the respondents wanted it to stay as it was. However, the artwork had only recently been installed and people liked it, so may have been concerned they would get something they didn't like if it was changed. Most striking from the results was that there was a unanimous response when people were asked to chose their favourite piece of art installed in the workplace. It was a painting of the Palace of Westminster and the St. Stephen's Tower (see above). These results add further weight to the argument that artwork is not entirely subjective and that the selection of artwork in terms of subject, colour, style and maybe even media could have a positive impact upon employees and the occupying organisation.

### What next?

We have discussed some of the research to date, highlighted case studies, and some important aspects to consider when choosing an art collection. But, this paper is really the start of a greater movement to codify the importance of art in an office; to show that art does work. We have shown that the research conducted to date highlights that art is important, but it is not comprehensive and further study is needed to answer questions raised by this paper. Our future research will therefore focus on the impact of art in relation to factors such as well being, motivation, creativity and ultimately productivity. To be able to assign a value to art (over and above the cultural, the aesthetic and the monetary value) in relation to its relevance and engagement of the people of an organisation, will be ground breaking.

We are in discussions to progress the "Art Works!" programme with some significant arts institutions and occupiers in the UK. We are looking for:

- organisations with whom we can further our research
- office occupiers to talk to as part of the round table discussions that will frame the details of the research;
- arts institutions who believe what we believe.

Art is often forgotten about and dealt with absent-mindedly, leaving one of the most prominent aesthetic centrepieces of a workplace looking either out of place or irrelevant. If we can discover how it can be viewed as an asset, having a positive impact upon people and the overall organisation, the decision to include art can be significant and well informed. **W&P**

### **i** Jenny Thomas

Jenny Thomas is Director of Performance Consultancy, an organisation specialising in evidence based design and post-occupancy evaluation. Her doctoral thesis was entitled "An Holistic Evaluation of the Workplace. Understanding the Impact of the Workplace Environment on Satisfaction, Perceived Productivity and Stimulation."

### Patrick McCrae

Patrick McCrae is Director of Works in Print, an office art company. Established in 2009, WiP has the vision to provide a rented changing collection of art to occupiers while giving artists an almost unprecedented 'paid-for' exhibition.

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### Editor's footnote:

This is a promising partnership between two young and talented people: entrepreneur and art-lover, Patrick, and academic/consultant Jenny. You will read more about Patrick and Jenny over the next few years, I am very sure. This paper is also another great example of 'real science' being applied to elements of the workplace. Do please join this discussion with Jenny, Patrick and others on our our [Work&Place LinkedIn Group](#).



# Creativity and place: Does *where you are* impact on *how* or *what you think*?

**Good ideas seem to come to us at the strangest moments in the strangest places.** Archimedes was soaking in a bathtub, Descartes was in bed, and well, Isaac Newton was allegedly sitting under an apple tree when they made their discoveries. Is this a coincidence? Does where you are impact on how or what you think? Are some places more creative than others?

Creativity has become a significant competitive factor in today's economy (Florida, 2005). "More than half the economic growth came from activities that had scarcely, if at all, existed ten years previously." (Hospers, 2003, p. 260). Employee creativity can substantially contribute to organizational innovation, effectiveness, and survival (Amabile, 1996; Nonaka, 1991). It is no surprise, that fostering creativity within the organisation is at the top of many a business leaders' to do list.

Organisations, such as Google, Microsoft, MTV and Red Bull have implemented the idea of creative space in workplace design. Common strategies are to create open and collaborative spaces, to encourage serendipitous encounters around coffee and food and include 'fun' spaces with colourful and playful design elements (and the quintessential beanbag) for inspiration. 'I just know it, I don't need to measure it', is what a manager at Microsoft said when asked about the creative effectiveness of their office. Fair enough, but the response made me wonder how much we actually know about creativity and the workplace.

The concept of creativity is often portrayed as something that cannot be defined, described, or copied; A gift limited to the talented few and subject to whims, divine inspiration and highly palpable muses. Indeed, there is something magical about having a creative breakthrough. Yet, our brain doesn't generate new ideas at random. You are stuck with a problem and suddenly something you have seen or heard somewhere before is compounded and transposed, and the light in your brain is turned on. It is this 'stuckness' that differentiates

creative thinking from analytical thinking. Wallas (1926) recognised that the creative process happens in four stages: (1) Preparation and definition, (2) Incubation, (3) Illumination and (4) Verification, others have added a fifth and sixth stage of (5) Problem recognition and (6) Marketing the idea. These stages will most likely overlap and may not happen in a linear but more iterative fashion. Elusive as creativity may seem, cognitive scientists have been studying creativity for several decades and have made headway on understanding what goes on inside the creative brain. By their definition, creativity is 'using old ideas in new ways, places, or combinations', that are (a) novel and (b) potentially useful. Creativity requires a variety of distinct cognitive skills such as: fluency, flexibility, association, and originality. Creativity is considered both a trait and skill, partly innate but can be practised. Everyone is creative, and the more and more diverse expertise you have, the greater the promise for creative output. In fact, "if you're trying to be more creative, one of the most important things you can do is increase the volume and diversity of the information to which you are exposed" (Lehrer, 2012).

## The creative brain

In discussions about creativity people will often refer to left and right brain individuals, implying that creativity and analytical thinking are two distinct practices, physically separated in the brain. Consider the following brain-teaser from a creative thinking experiment: Mary and Ethel were born on the same day of the same month of the same year, to the same mother. Yet they are not twins, how is that possible?

This problem requires analytical thinking to understand the problem, more creative thinking to generate alternatives and again analytical thinking to test every answer's suitability. You may 'see' the answer straight away, but most people will only realise the answer three days later, when they have stopped thinking about it, at least consciously. Creativity is not

linked to either hemisphere. It is the parts of the brain that direct attention and motivation, which are more important. Attention to seemingly unimportant details and motivation to keep going when you are stuck and to aim for perfection.

### Attention

This is where the prefrontal cortex, the part of the brain that sits behind the forehead, the part of the brain that regulates attention and working memory, comes in. In the illumination stage, this part of the brain is less activated, commonly called zoning out or daydreaming, allowing us to focus less on details and have more free flowing thoughts. Research shows that this happens a lot, 47% of the time under normal circumstances and even when we try to concentrate, it happens 20% of the time (Killingsworth & Gilbert, 2010). This mind wandering is devastating for analytical tasks, yet creative tasks benefit greatly from it.

People who were asked to do a mindless task in the middle of a creativity experiment performed better than people who worked on a more mentally taxing interval task. This might also explain why people with ADHD are generally more creative, their mind wanders often. Fatigue can make it more difficult for people to concentrate, therefore night owls tend to be more creative in the morning and early birds have more original ideas late at night. Contrarily, a good night's sleep also does wonders. More so, because creative thought is heightened just before going to sleep or when we first wake up. Furthermore, lay off on coffee, because this intensifies analytical thinking and being anxious or under pressure also tends to put you in a more analytical mindset. Alternatively, a drink of alcohol or the use of marijuana or amphetamines have been found to loosen the mind. It is this state that, on EEG scans, in the right hemisphere of the brain alpha waves are emitted. Although the function of alpha waves are still a mystery, researchers have found that they are a precursor to creative insight. They mark the transition from incubation to illumination. Hot water increases alpha waves, perhaps that's why so many eureka moments happen in the shower.

This doesn't mean the prefrontal cortex switches off. Although it might not be entirely focused, the working memory still processes and monitors our thoughts. Good ideas are stored in short-term memory and directed to connect with other ideas. Research done with highly creative people, as measured by their achievements, shows that they have a way of paying more attention to information which others will consider 'noise'. Also when working memory is not bogged down, it allows us to think more freely. For example classical cellists, who were asked to remember several different words during a performance were rated as less creative in their musical improvisations. So if you are stuck with a problem, take time out, step away, clear your thoughts, creating so called '*psychological distance*' (Lieberman & Shapira, 2009), whatever gets you to focus less on the problem. Often, the best way to solve a problem is to stop thinking about it. Or as Einstein put it: creativity is the residue of wasted time.

### Motivation

It is a great feeling when you have that creative insight and all falls into place, but it takes strong motivation to get there and keep going, a certain stubbornness and resilience to failure and rejection. Thomas Edison wisely said: "*Genius*

*is 1% inspiration and 99% perspiration*". Creative motivation is strongest if it comes from within and increases when the task is engaging, satisfying and or challenging and when the person has creative confidence, a belief in their own creative aptitude. External drivers such as evaluation, rewards and a controlling culture can undermine intrinsic motivation. Goncalo & Duguid (2012) suggest that creative people are stifled by strong group norms. They need the freedom to determine their own behaviour.

A common idea is that positive emotions encourage creativity and negative emotions are to be avoided. That's why there is a tendency to create fun and happy workplaces. In recent years thinking about emotion has changed dramatically. Emotions function as a motivator for behaviour and they determine which type of action we will choose and how active we will be. Anger and sadness are both negative emotions but anger has a mostly positive effect on creativity whereas, sadness a mostly negative effect (DeDreu, et al, 2008). This perhaps explains why conflict and frustration in the first stage of creativity is not a bad thing.

Creativity is innate in each of us, but must be nurtured to thrive. An overview study by Furnham (2008) suggests that personal characteristics explain only 5 to 15% of the difference in creativity between people. This means our creativity isn't fixed, but depends on context and circumstances. So how important is the space around you for creativity?

### Creative space

Discourse on the context of creativity centres on either social and organisational aspects, or macro- and medium-scale geographic areas. As a consequence, only a few studies investigate the relationship between physical space on a micro spatial level, such as the workplace. I believe space affects creativity in three ways: direct effects, implicit message, and facilitation of behaviour.

### Direct effects

Several studies have found direct effects for space on creativity. In one study, one group of participants worked on puzzles similar to the one about the two siblings. Another group did the same but subtle hints were placed in their environment. The findings were astonishing. Participants in the second group solved significantly more puzzles than the first group. This shows that we draw information from the space we work in.

Other studies have looked at more concrete spatial features in relation to the creative mindset. Csikszentmihalyi (1996, p. 136) states that prepared minds in beautiful settings are more likely to find new connections among ideas and new perspectives on issues at hand. In general, creativity flourishes in light and airy and relatively quiet (below 70db) spaces, with high ceilings, and a direct window view. Natural daylight or iridescent light is best. Fluorescent light has a negative effect on creativity. The use of blue and green colours fosters creativity and originality, not quantity of ideas, but has no influence on analytical performance, whereas red undermines analytical performance, but has no influence on creativity performance. The presence of plants and greenery within a workplace (Shibata & Suzuki, 2004) further encourage creativity.

Providing cognitively and perceptually stimulating physical



environments through artwork, building materials and visual cues can enhance the performance of creative tasks.

Research by Leung and her colleagues (2008) indicates that, under certain circumstances, a multicultural environment (their participants worked in a modern New York apartment with traditional Chinese furniture) can lead to sustained, higher levels of creativity.

There's some research which suggests that novelty and surprising environments can trigger creative insight. This would support the inclusion of playful design features, however there is no clear understanding of how long it takes for novelty to wear off.

### **Implicit message and image**

The second way physical space can affect people is by expressing and reflecting the identity and culture of the organisation and its users. According to 'behaviour-setting theory', physical cues (colours, materials, layout . . .) in the environment send a message to people about appropriate behaviour and responses. In other words: design informs users about how they should behave. For example, churches elicit religious behaviour even in people who are not religious. Work environment factors that promote creativity are: a buzzing atmosphere, people interacting and moving around, a presentation of creative work (visuals and models). Physical space and layout can also express a flat structure; managers working in the same open plan space, signals the possibility to critique or discuss ideas. Research shows that less creative people benefit from being around creative co-workers.

However, projecting an image is a delicate balance. Direct attempts to influence creativity may not only be resented by employees because it doesn't suit their personality, but also because it seeks to reshape their values and expression. So, no matter what you do, if people don't see it that way, if what you do is seen as inappropriate to the circumstances or if it is obvious what you are trying to achieve, the effects are minimised.

### **Facilitating behaviour**

Space could further act as an enabler of the creative process by facilitating different activities. Since creativity is a catchall of problem finding, problem construction, combining information and ideas, generating alternatives, insight and idea evaluation, it appears that different things happen in our brain at different stages of the creative process.

Perhaps different spaces are needed in different stages of the process: e.g., quiet space for individual creativity and buzz for inspiration and cross-fertilisation.

This could explain the inconsistencies in staff surveys between the types of spaces people want for creative thinking. The incubation and illumination stage require more private spaces for quiet personal thinking. Distraction at work is perceived as negatively affecting creativity: It takes the average person 20-30 mins to get back into 'the zone'. Brainstorming also seems to be more effective done solo. By brainstorming on their own, people produced more ideas that were more original and not hampered by group think. The other stages require frequent interaction with others to define the problem and exchange ideas to generate alternatives and validate the solution. On the other hand, several experiments suggest that under certain circumstances the presence of

others has a negative effect on creativity (Meusburger, 2009). Especially when there is an atmosphere of competition amongst co-workers. In general, cross-fertilisation increases creativity and productivity.

Facilitating cross-fertilisation through space design requires a delicate balance. Proximity and visibility facilitate communication. We are ten times more likely to talk to a person who sits next to us (Allen, 1984).

People who work within 10 meters of each other are not only more likely to communicate, the quality of their creative work is also higher. The Allen curve indicates that the likelihood of work-related communication with a person who sits more than 50 meters away is close to zero. And the introduction of IM or Skype hasn't changed this since.

Does this mean that large open plan offices to increase collaboration are excessive? Not entirely, because novel, non-redundant information from diverse social circles is more likely to be communicated through weak ties. Network theory proposes that employees in peripheral positions with many connections outside their network would be exposed to new ideas and perspectives that contribute to their own creative ideas. Also close knit teams are more likely to fail. The better option is to have balance between people who know each other well and relative outsiders. This is because people trust each other enough to work well together, but there is room for new guys to bring in fresh ideas. At Pixar, people are assigned a desk space. It is the producer of a project who will place people together, based on what they are doing. They may not necessarily be on the same team.

In general, open space increases collaboration and random encounters. What we can further learn from urban planning is that higher density in combination with spatial friction increases the likelihood of 'collisions'; it increases the bump factor. For example in neighbourhoods with wide streets and few corner shops, social interaction between strangers is less likely.

The extent to which the workplace facilitates creative behaviour is positively related to creative output of the employee. Data from the Leesman Index suggests that space for creative thinking is seen as important by employees and the more mobile employees are the more important it becomes. One catch in this, is that it is not the actual support but the extent to which the employee perceives the workplace as supportive. According to most of the 10.000 Leesman respondents their workplace provides insufficient support for creative thinking. How is your workplace performing and does it make you more creative?

### **Conclusion**

Creativity is a function of personal characteristics, characteristics of the physical context, characteristics of the social-organisational environment, and also the interactions among these characteristics. Creative performance is driven by personal characteristics but can be further enhanced by the work context. The social-organizational work context seems to have a stronger impact on creativity than the physical environment.

Creativity is a verb, it is a difficult process and requires a lot of cognitive and emotional effort. Attention and motivation are the key in the creative process.

Creativity desires a building that allows and encourages



diversity, contradictions and disagreement, through its spatial organisation. Penn et al. (1999) highlighted the importance of spatial differentiation, since shallow, i.e. centrally located spaces afforded unplanned interaction and the rapid transfer of ideas, whereas deep, i.e. segregated spaces afforded the completion of assignments.

Effectiveness of the creative workplace is very much about the ability of employees to control the physical environment to meet the required level of privacy, interaction and noise. Personal control of the environment can be met by the ability to choose the right place for the task at hand or the ability to alter the environment to suit the task.

One has to recognise the specific processes and activities involved and especially their cognitive requirements. It is important to realise that people can have different conceptions of the same physical workspace and its effect can vary from irrelevant to highly motivating. Even the wildest of workplaces cannot, despite the executive hopes placed in it, disguise, the daily reality of an uninspiring role or counterproductive work culture. Seth Godin put it beautifully: *"The most efficient way to get the behaviour you're looking for is to find positive deviants and give them a platform, a microphone and public praise"*.

### Limitation

Much of the research into creativity and space is correlational, this means that there is a relationship, but we often don't exactly know which influences which. There's plenty more research to be done. The increasing interest from academics and professionals leaves me hopeful for the future.

I hope this article has brought you a better understanding of the process of creativity and more inspiration on how to use it for the design and layout of your workplace. Some of the incentives for creativity suggested here will probably be beyond the scope of FM, but require a more strategic collaboration between different business service units as well as top level management. (*Editor: this is one of the challenges being looked at in the "GRID" research programme, by Occupiers Journal Ltd*).

As to the problem, about the twins, I've included three hints throughout the article to try and help your brain think about it subconsciously while you were reading. If your thoughts wandered elsewhere instead of this problem, the two sisters are part of a triplet. Don't be concerned if you didn't get it. If creativity is about forging new links between existing ideas, it needs to be built on knowledge and experience.

Contrary to popular belief, the peak of a person's creativity does not lie early in life. Talent can be developed and nurtured. Expose yourself to new experiences and various types of information. Participate in the creative arts and develop your creative mindset. Get out of the box and carry something with you to record your creative thoughts, because you never know where your next big idea is coming from. **W&P**

## **I** Linda van de Sande

Linda is Occupiers Journal Limited "Regional Partner" in the Netherlands. She is a psychologist and researcher, focused on bridging the social and the built environment. Linda has an interest in making FM and CRE more attuned to the needs of its users, and says *"the environment shapes people and people shape their environment."* Linda previously worked for an international architectural consultancy firm, helping organisations to develop and implement strategic workplace design ("New ways of working/"Het Nieuwe Werken"), taking an integrated approach to workplace design by combining real estate, human resources, information technology and change management. She was involved in projects in China, India, the Philippines, New Zealand, and Australia.

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### Editor's footnote:

Once again, we feel that this paper is another great example of 'real science' being applied to elements of the workplace. There are many issues to consider, and perhaps common design practices to be re-worked as a result, in Linda's article. Also, again psychology is being shown to be one of the most important bodies of knowledge to be applied to 'work and place'. We are fortunate to have Linda as a member the Occupiers Journal Regional Partners network, and we will hear more from her in future issues. Do please join this discussion with Linda and others on our [Work&Place LinkedIn Group](#).

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**The role and contribution of the workplace professional is much wider than the design and management of physical space and amenities**

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Debra Dailey; Rebecca Schwartz

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# The critical role of the workplace professional and the built environment in employee and organizational well-being

**Today's business environment is rapidly becoming more** global, information-based, and technologically-advanced in support of the emerging knowledge economy, and companies must also evolve if they are to keep up with these trends.<sup>1</sup> Employers are beginning to understand that one of the key components for maintaining their competitive advantage is the acquisition and retention of a healthy, productive, and highly-engaged workforce. To ensure corporate survival in the knowledge and information age, however, the workforce – unquestionably a company's most valuable asset – must also be provided with the resources necessary to drive innovation and creativity, as well as foster teamwork and collaboration.

Organizations cannot neglect the fundamental need to focus on core business; however, as business needs have evolved, so too have the needs of employees. With four generations in the workforce – each with different workstyle and lifestyle demands – organizations must learn to view their employees as multi-dimensional and respond to their preferences accordingly in order to remain successful.

The shifting dynamics of the workplace are motivating employers to seek out new ways to maximize their employees' health and productivity, and many have identified the current work environment as being inhibitive of the realization of these goals. As a result, a new type of work environment is increasingly being demanded: one that effectively supports the convergence of employees' workstyle and lifestyle needs in order to promote better well-being,

improved job performance, greater pride in the company, and ultimately organizational success.<sup>2</sup>

The role of the workplace professional is being elevated to a new level of importance

**“No longer restricted to the typical domain of their occupations, the CRE executive and the FM find themselves called upon to help pave the way in the conceptualization and creation of this new type of work environment.”**

In response to changing organizational needs and employee demands, the role of the workplace professional – including the corporate real estate (CRE) executive, the facility manager (FM), and the entire industry focused on delivering value to corporations through the strategic management of corporate real estate and workplace resources – has expanded to include a much broader scope of responsibilities and an entirely new set of priorities. In fact, a 2012 poll of nearly 200 corporate real estate and workplace executives revealed that the most urgent issue facing their industry is the “quality of working environments and work experiences,” closely followed by “energy conservation and alternative industries.”<sup>3</sup> Likewise, a study conducted

by Today's Facility Manager confirmed the widening role of the facility manager, and found that many FMs indicated "a strong shift towards more flexible office design, the shrinking footprint of the traditional workstation, and more space being allocated to teaming and common areas that support open communication and collaboration as well as learning spaces."<sup>4</sup>

No longer restricted to the typical domain of their occupations, both the CRE executive and the FM increasingly find themselves called upon to help pave the way in the conceptualization and creation of this new type of work environment.

These professionals have been given the task and opportunity to contribute to an organization's strategic operations, business success, and competitive advantage.<sup>5</sup> Furthermore, CRE executives and FMs increasingly play a vital role in bringing together key cross-disciplinary resources and teams to address the requirements of the new work environment.

This paper will discuss the importance of the built environment in cultivating employee engagement and the emerging demand for a workplace that supports both the workstyle and lifestyle needs of employees. The role of the workplace professional in the delivery of solutions that address these needs will be examined; and the essential requirement of a unified, multi-disciplinary approach to the realization of an integrated system of workplace solutions will also be explored. Two companies that have recognized the value of strategic improvements to the work environment – and have subsequently successfully leveraged the workplace to their advantage – will be used as case studies to bring home several key points.

### **Employee engagement is critical for company success**

Employee engagement – encompassing an employee's motivation, morale, and enthusiasm for the job – is already top of mind for many companies. In a 2010 Towers Watson survey of 700 global companies, "level of disengagement among workers" was listed as one of the top four workforce areas of concern.<sup>6</sup> This is not entirely surprising, as the research has clearly shown that employee engagement is critical for employee satisfaction, productivity, and company success. A study conducted by Gallup found that companies with engaged employees are 56% more likely to have better than average customer loyalty, 38% more likely to have higher than average productivity, 27% more likely to have higher profitability and 50% more likely to have lower turnover.<sup>7</sup>

### **The built environment directly affects employee engagement and productivity**

It is widely acknowledged that well-managed buildings, services and facilities enable an organization to function more efficiently and effectively, and contribute toward the provision of the optimal work and business environment.<sup>8</sup> However, many employers have been slow to recognize just how powerful the built environment can be in augmenting employee engagement and productivity. Often, the design and layout of the indoor workspace are viewed as relatively inconsequential compared with other organizational variables designed to motivate employees...namely pay scales and promotions. While these incentives certainly have their

place, research in organizational behaviour has clearly shown that the physical setting can significantly influence employee satisfaction, productivity, and motivation, thereby either aiding or hindering the accomplishment of organizational goals.<sup>9</sup> In fact, research conducted in office buildings provides compelling evidence on productivity gains (or losses) of up to 15% due to indoor environmental conditions.<sup>10</sup>

To a large degree, facility managers control many aspects of the work environment and, therefore, can significantly influence employee engagement and ultimately company success. Tim Parker, MSBA, emphasizes that "*employees bring to the workplace an individually developed and unwritten set of expectations, setting a benchmark of how they want to be treated and cared for by the company.*"<sup>11</sup> One of the basic job duties of the FM is to oversee daily operations, and the FM should be mindful that when buildings appear run-down or outdated, employees may form a negative attitude toward the company. This problem is often further exacerbated by excessive workplace distractions, poor service from support staff, or a lack of basic amenities such as onsite cafeteria options. "Employees perceive the lack of attention in these areas as a direct reflection on senior leadership," Tim notes, "and their engagement and performance suffer as a result."

### **Employee health and well-being can be enhanced (or harmed) by our environment**

Low engagement and lost productivity often manifest themselves as increased presenteeism, which occurs when employees go to work in spite of physical or mental illness.<sup>12</sup> Despite the progress being made toward the more universal implementation of healthier building design concepts, occupational ill-health – both physiological and psychological – remains a serious problem. According to the American Institute of Stress, U.S. industries lose nearly \$300 billion a year – or \$7,500 per worker – in employee absenteeism; diminished productivity; employee turnover; and direct medical, legal, and insurance fees related to workplace stress.<sup>13</sup> Work-related illness stems from a myriad of sources and stressors, some of which pertain to

**“Facility managers control many aspects of the work environment and can significantly influence employee engagement.”**

the work process and culture and are, therefore, outside of the workplace professional's control. However, many studies have found significant associations between the work environment and employee health risks and medical conditions, and the CRE executive and FM do have the ability to alleviate health-related problems that originate from attributes of a substandard built environment.<sup>14</sup>

In addressing these issues, an integrated approach that promotes the physical as well as the psychological well-being of the occupants should be implemented. FMs can directly improve the physical well-being of employees by changing aspects of the ambient environment – specifically



air quality, ventilation, thermal comfort, lighting, and acoustics. Psychological well-being is also affected by these modifications and can be further enhanced by: better quality of artificial and natural light, the provision of views of the outdoors, proper use of color and furnishings, adequate workspace, and ergonomic work stations.<sup>15</sup> When aggregated, these changes have a synergistic, far-reaching impact on the working environment that ultimately leads to increased employee engagement, well-being, and productivity.

## **Of additional consideration for the CRE executive and the FM is the emerging push for footprint consolidation and sustainable practices.**

Of additional consideration for the CRE executive and the FM is the emerging push for footprint consolidation and sustainable practices, which are increasingly being embraced by companies that recognize the impact these changes can have, not only on the environment, but also on the company's employees. In fact, environmentally responsible building design is gradually being recognized as an answer to many of the health and economic challenges facing organizations.<sup>16</sup> "Going green" creates a healthier and more comfortable indoor environment that results in better engagement and higher productivity among building users, as well as an enhanced ability to attract and retain employees. Within organizations that have been slow to adopt sustainable practices, the CRE executive and the FM can undoubtedly lead the way in the movement toward more eco-friendly buildings and facilities.

### **The built environment should support the lifestyle needs of today's workforce**

The needs of today's workforce encompass more than just a desire for a health-promoting environment, however; employees are increasingly seeking more substantive solutions and services to address lifestyle improvement and behaviour change.

Employee wellness programs – once considered exceptional – are slowly becoming the norm as employees have come to expect them and employers have come to recognize the value and cost reduction these programs are capable of generating

Employee wellness programs can include a wide range of amenities and services, including: fitness centers, onsite coaches/nutritionists, disease management clinics, and ongoing health promotion initiatives. In addition to meeting these health-related needs, many organizations have also realized the importance of creating an environment that encourages better work-life balance for employees.

Both the CRE executive and the FM clearly play an integral role in the design, construction, and management of amenities such as onsite fitness centres and clinics. However, these professionals can also contribute to the promotion of a healthier workforce by creating opportunities and spaces that foster better employee well-being and cultivate a more

exemplary workplace experience. For instance, together the CRE executive and FM can advocate for and design vitality, relaxation, and innovation zones for employees, and work toward the provision of healthier dining and vending options. Furthermore, the addition of amenities such as concierge services, onsite stores, personal and home services, or onsite IT help desks – all of which allow employees to better balance their work and home lives – undeniably falls within the expertise and domain of the workplace professional.

### **Employees have different workstyles that need to be accommodated – CRE & FM can help**

In concurrence with their evolving lifestyle needs, employees in today's knowledge economy are also progressively demanding that organizations support an entirely new workstyle – one that fosters innovation, learning, and creativity, and requires flexibility, multiple places to work, and the ability to connect and socialize with peers. A 2008 U.S. Workplace Survey conducted by Gensler revealed that there are four work modes regarded as essential for optimizing employee productivity – those that encourage employee focus, collaboration, learning, and socialization – and that workspaces designed to support these modes can yield significant improvements in several key organizational indicators of success. Specifically, survey respondents who incorporated the concepts critical to a better designed workplace indicated an overall improvement in job performance of 22%, and levels of employee engagement and job satisfaction three times higher than average companies.<sup>17</sup>

The CRE executive and the FM play a pivotal role in adapting a company's physical workplace to the changing workstyle needs of its employees. The FM can directly affect employee focus by reducing distractions and interruptions in the work environment, while the CRE executive is often charged with finding creative solutions for building design and usage so that more space can be allocated to teaming and common areas that support open communication and collaboration, as well as learning spaces.<sup>18</sup> Today's knowledge economy depends upon innovation and the effective communication of ideas, and only when the workspace encourages these outcomes can an organization truly expect to thrive.

One company that understands the importance of innovation for success is Google. It is, therefore, not surprising that George Salah, Google's Director of Real Estate and Workplace Services, espouses a forward-thinking approach to the company's workplace design. Salah's philosophy for the workplace is that it should reflect the organization's principles, values, and culture, and be driven by the company's specific work processes. As such, Google's key workplace design principles include: designing for collaboration, interaction, and knowledge sharing; enabling flexibility and adaptability; and using the building to accelerate learning.<sup>19</sup>

### **Creating the optimal work environment requires a customized approach, the unification of cross-disciplinary teams, and the integration of workplace solutions**

One of the challenges in restructuring the work environment is that the optimal design for one company may not be the

optimal design for others.<sup>20</sup> This indicates a need for the tailoring of workplace modifications to the specific needs of the organization and its workforce – an unquestionably complex and challenging task. Of additional importance for employers is the ability to provide multiple and diverse solutions that are not only harmonious with each other, but also uphold and advance the company's brand and image. When workplace solutions form an integrated system – and especially when they are delivered and managed by a single source – the optimal synergistic impact can be achieved.

While the CRE and the FM executives are often entrusted with many responsibilities pertaining to workplace improvements, these

professionals cannot fully address the built environment without the support and resources of other cross-disciplinary teams within the organization.

The CRE and the FM executives, therefore, must continuously collaborate with human resources staff, service architecture professionals, wellness consultants, and business managers who are all committed to the development of the “new” optimal workplace. In bringing these teams together – and often leading the movement for workplace improvement – today's workplace professionals can truly influence the well-being of employees and the success of the organization in a very significant way. **W&P**

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## Why has the sector failed to produce an evidence-based case for the link between the workplace and occupier performance? Consistent data will help to make the connection clearer

Tim Oldman

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workplace effectiveness benchmark point to a concerning number of workplace occupiers suffering, as organisations fail to recognise the damage done by mediocre workplaces. This waste in human capital value is in urgent need of redress.

Of the subjects most likely to fuel vociferous discussions amongst workplace designers, strategists, managers and owners, the “productivity” debate is surely the most volatile. Does the design and management of a workplace impact on the productivity of those it accommodates? This and future editions of *Work&Place* will doubtless brilliantly escalate this wrangle.

Most of those debates falter first on pseudo-academic and historic preamble as to whether productivity is in fact a valid unit of measurement in a knowledge economy. Critics dismiss “productivity” as outdated, pointing to its origins in 16th century pre-industrial revolution “piecework” which sought to measure the number of physical items or operational steps completed, regardless of the time required, triggering remuneration based on those outputs. This, those critics claim, can never be applied to the movement of ideas or intellect and so to knowledge transfer in a knowledge economy. But, piecework was conceived as an indisputable measure of an individual craftsman's personal performance and since the majority of those who dislike references to productivity prefer instead to discuss performance, are we not all simply concerning ourselves with a common shared objective – measuring how effective workplace environment design contributes to employees performing at their personal peak?

Since the first arrival of white-collar work, the design of office spaces has twisted and turned with each new technology development, creating an ever contending series of ‘people and place’ demands: openness then later privacy, interaction later versus autonomy. American engineer Frederick Taylor is credited as one of the first people to ‘design’ an office space back in the early 20th century –

though in truth as an engineer, he engineered it. Taylor precisely organised serried rows of workers in completely open environments, while managers looked on from elevated private offices, applying his own (Taylor's) “scientific management” principles to divide supervisory and production tasks.

Today, while the intellectual might of workplace design, management and strategy rebound between analysis of productivity and performance, most all earnestly advocate how workplaces can foster greater knowledge exchange and collaboration and thus improve outputs in our knowledge economy. In this environment of economic uncertainty, that means eagle-eyed clients are once again focused in on the “people and place” equation of productivity vs. performance.

So let's be clear, those business leaders (our collective clients), are concerned in equal measure with productivity and with performance and rest assured they simply desire clear, consistent, robust information regarding which physical factors will directly and positively impact on their business' performance and thus finances. Intellectual preamble as to whether knowledge can be measured or benchmarked does little to engage these clients more.

### Evidence-based design

So what is the workplace industry missing? How has it failed to capitalise on its collective intelligence and construct an “evidence-based design” case for the strategic business impact of better workplaces?

Let's face up to some uncomfortable facts. Evidence is not something designers are good at routinely gathering. Most designers struggle with the numeric depth and discipline needed to gather consistent data. Evidence-based design is well established in many fields, but in workplace at least, is still an untapped rich resource (*Editor: Dr Jenny Thomas also discusses this in her article on page 9*).

Evidence is the lawyer's currency – the tipping point from ‘reasonable doubt’ to ‘beyond the shadow of a doubt’. Cases are

built or blown apart on the basis of evidence. No coincidence then that it was a random conversation with a luminous legal mind early in 2010, questioning the scarcity of consistent independent workplace effectiveness data, which led us to consider the concept that has become the Leesman Index.

Workplace professionals “know” that there is an intrinsic relationship between workplace design and employee performance, but seem to struggle to present a watertight case? Leesman has set about gathering data, which we hope will provide the strongest possible defence for that case.

We have quickly amassed the largest independent contemporary study of workplace performance. From a standing start in 2010 we received our 10,000th e-questionnaire response on 14th June 2012. We have set ourselves the ambitious target of receiving 20,000 responses by 14th June 2013.

Whilst the depth of today’s data remains some way off proving the relationship between occupier performance and their workplace ‘beyond all shadow of a doubt’, we believe that as we continue to gather evidence, we will move significantly closer toward that case having a substantially greater positive balance of probability. At that point, we hope those responsible for workplace will take that evidence upwards. We will do our best to shout on their collective behalf, but our independence keeps us from consulting with clients on the interventions that our data suggests will deliver key strategic benefit. See us as the radiographers of workplace – we can deliver the crispest of x-rays but have no skill with the scalpel. So in the meantime, workplace professionals should do more to tune in to the wavelengths of the boards they serve. Executive boards do concern themselves with “risk management”. For most this will be compliance stuff. Preventable risks vs. strategic risks vs. external risks. So let’s start talking about the risk in ignoring the impact of better workplace on bottom line, shareholder value generating corporate returns.

### **Workplace design profession**

The workplace design profession has a particularly difficult hill to climb here. It has (in very general terms and with some notable exceptions) allowed itself to be relegated to begrudgingly required service provider.

How many design directors could, with hand on heart, say their relationship with their client is one of “trusted business advisor” and not just another component in a cost-managed supply chain? Designers need to start putting their heads above the foxhole because the longer they are dug in, the more clients are going to have found more business savvy partners to work with. And we already have an arsenal of ammunition to offer. 88% of our 10,000 plus respondents report that the design of their workplace is important to them. The design aware occupiers of workplace want design. They recognise the value that good, considerate, effective design can bring to their workplaces. So while workplace professionals ruminate, human resources management professionals do pretty much agree – staff performance is for them a collective factor of ability and of motivation. This should then validate the workplace designer’s drive to create motivational and uplifting workplaces.

Whether you are feeling up or down, energetic or lethargic, anxious or calm, your mood affects the way your mind works;

in a knowledge business, research has proven that outputs will be affected by stimulus that engenders positivity. In her book “Mood Mapping”, neurosurgeon Dr Liz Miller notes that mood is the foundation of our mental health and so the basis of our behaviours, thinking, emotions and general wellbeing. Dr Miller notes, “Bad moods give rise to bad thoughts, unhelpful emotions and poor mental and physical health, where a good mood gives rise to positive thinking, enhanced creativity and intelligence”.

Research by the UK Chartered Institute of Personnel and Development<sup>2</sup>, reported that over a third of employers had seen an increase in absenteeism in 2010, with 38% citing an increase in reported mental health problems such as anxiety and depression. Clearly this rise will have greater roots in social economic uncertainty than in workplace design, but could the workplace design do more to help?

### **Progress or setback ?**

The publication of research by American researchers is likely to add yet another dimension to this ‘productivity versus performance’ debate. Harvard Business School Professor Teresa Amabile and independent researcher and consultant Steven Kramer’s 12-year research programme<sup>3</sup> has sought to examine the factors affording enhanced innovation and increased knowledge productivity. This mammoth work concludes that the single thing that motivates employees to the greatest extent is actually the simple and straightforward sense that they are making progress. So, says the report, the biggest contribution employers can make is to ensure their teams are provided with the right “catalysts and nourishers” that allow work to progress, removing “obstacles and toxins” that present impediments and cause setbacks. The work examines “the power of progress” and carefully considers the factors that lead employees to categorise days as “progress days” or “setback days”. It found that simple incremental progress increases engagement in the work being undertaken. 28% of those incidents that respondents classed as mere “minor” progress points elicited a major impact on the employee’s sense of achievement. The research suggests that it is this inner work-life reward that potently fuels personal creativity and productivity.

But the research also exposes the diametric picture. Whilst small progressive steps have a disproportionately large impact on individual sense of productivity and fulfillment, small losses, setbacks or obstructions to progression have an even larger disproportionately negative impact on inner work life. This points, then, to business leaders needing to invest greater time and resources in understanding where the processes, systems and workplaces they provide are supporting or failing the staff they accommodate.

Try an experiment: carry a small pad of luminous sticky-notes with you for a day and each time something impedes you doing what you are employed to do, however small or puerile, write it down on a new note. If it happens more than once, write a new note for each occurrence. At the end of the day stick the notes on a wall and review their collective impact on you. Then consider how many of those impediments you think are common across colleagues. And how many would you suggest particularly obstruct something you are specifically employed to do? What impact do you think these have had on your personal productivity



or corporate engagement? And, what financial bottom-line impact do you think that might have if common across the whole of your organisation?

### Workplace effectiveness survey

The Leesman Index (or ‘Lmi’) employee workplace satisfaction database, though in its infancy compared to the Harvard Business School work described above, exposes similar ‘obstacles and inhibitors’. The Lmi measures how a workplace environment is performing for those it accommodates, and it is open for all workplace professionals to use – consultants, strategists, suppliers and occupier clients. There is no ‘rose-tinting’ - no vested interest for anyone commissioning an audit. There is no service provided by Leesman beyond the effectiveness survey. It is therefore entirely independent.

Our individual survey, deployed for less than the average annual cost of occupancy for just one desk position, allows clear unobstructed vision of which activities employees are undertaking, and then which physical features those employees rank as important in order to complete these activities. The data reveals whether the physical features are supporting or obstructing the work that employees are doing.

Lmi data points to a common series of key issues recurrently causing concern.

Confidential discussions: nearly two-thirds of employees report that confidential discussions are an important part of their work. Of those, just 39% are satisfied that the workplace environment provided for them supports that activity. Ok you say, but confidential for whom? Accepted, the majority of discussions inside a legal practice may have some degree of confidentiality about them, but what of conversations in other organisations? Are this many employees engaged in business confidential work? Or are employees confusing confidential with private?

Perhaps the extensive importance attached to confidentiality is being inflated as our private lives increasingly blur with our professional ones, and parts of those lives need to be managed from open plan desks in the workplace? Our data suggests that employees increasingly seek space for discretion – small meeting spaces; quiet rooms for solo and shared work; variety of different workspace. In other words, simply places where the pace and the level of enclosure is more private.

Individual focused work: This is an important workplace activity for 95% of our respondents. 78% of those employees also consider noise levels an important part of an effective workspace. But, with nearly half of those employees negative about their acoustic environment, the impact of poor office “soundscapes” is also bearing heavily on workplace effectiveness.

Ten years ago it would not have been possible for those employees to think of finding other spaces to work from. Now, even a futuristic pod clad in cedar shingle

camouflage and nestled deep in suburban flora can pass for an effective workplace! Increasing numbers of knowledge work professionals are finding that the tech walls that had previously restricted their remote access to corporate files and networks are fast coming down, increasing their ability to contribute effectively from the back of beyond, or more likely, from the back of the garden.

Half of our respondents who seek a variety of different types of workspace are dissatisfied with corporate provision. So, where management styles can keep up with the technological advancements that permit remote working, employees searching for other space can do so outside the corporate workplace.

Employees fortunate enough to have a designated space at home feel much more in control of that space. That control fuels satisfaction, and that in turn projects through to a greater sense of personal productivity. And because those same technologies that facilitate remote working are also maintaining accessibility to increasingly dispersed clients,

### Leesman Lmi - number of properties by Lmi banding



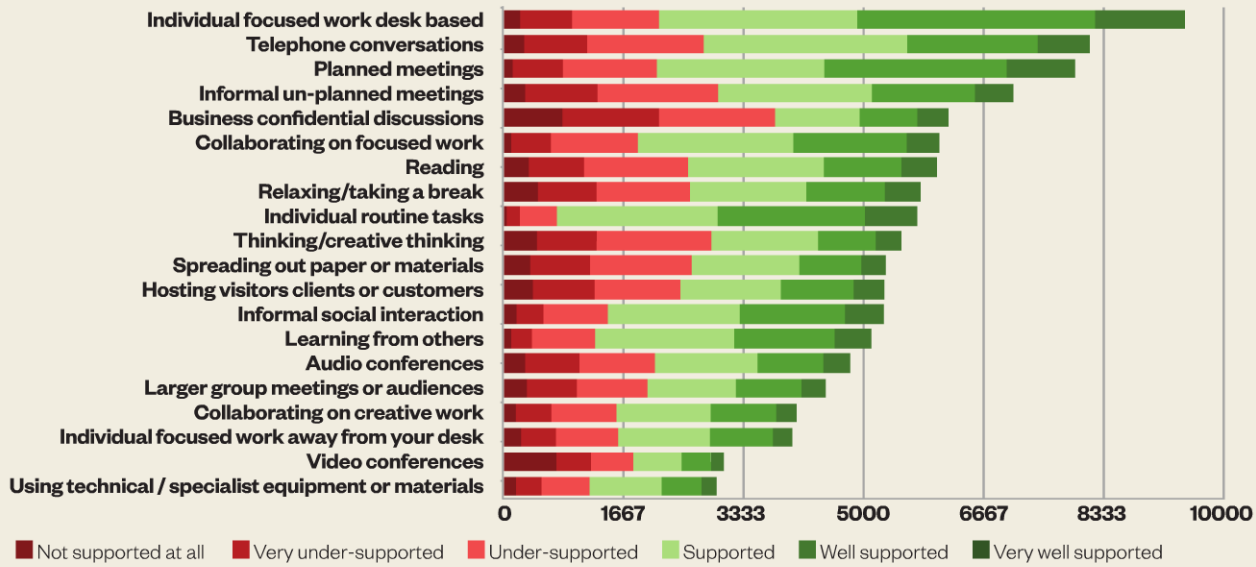
collaborators and colleagues, employees find themselves in a new, strange, semi-isolation zone – one that is entirely remote and private, but entirely connected at the same time.

Most “podites” keep rather quiet about these paradise capsules, because these remain, of course, a privileged provision. The box-room or kitchen table is a starker reality for most. But increasingly, employees are taking advantage of a relaxation in traditional line-of-sight management and finding new habitats, with beneficial results for their employer. We can measure and report on those benefits. Collectively, 60% of those employees with greater location freedom report that their workplace enables them to work productively. Of those with less flexibility, it is 53%.

### Thinking space

More than half of those employees who include thinking / creative thinking in a list of important workplace activities, report that their space isn’t supporting that aspect of their work. So, many seek out other “environments”. An 8Gb iPhone can easily hold 2500 songs – nearly 150 hours of play time. With headphones in (or on) and assuming an average 7-hour working day, any employee, creative or otherwise, could last a month without hearing the same track twice! That’s an awful lot of introspective, antisocial private time perhaps. No wonder then, managers find this particular

## Leesman activities by importance - which activities are important to you in your work



workplace behaviour difficult to manage – because they have no idea “where” that employee is when they are in that private space between the noise-isolating headphones.

The chances are of course, that those employees are immersed not in their music but in their work – creative or otherwise. The highly concentrative privacy afforded by being plugged in is both aural and visual – a clear deterrent to those who might consider casually interrupting.

With headphones, in increasingly open-plan shared landscapes, employees can find highly concentrative, highly stimulating and therefore highly productive workspace, without the need for expensive and inflexible physical enclosures.

Here are just some of the key statistics from the latest analysis of the Lmi:

1. 71% of respondents rank “informal unplanned meetings” as an important workplace activity for them in their work, but 41% of them report that the design of their workplace does not support the activity.
2. 53% of respondents rank “hosting clients visitors or customers” as an important workplace activity, but 56% of them report that the design of their workplace does not support the activity.
3. 61% of respondents rank “confidential conversations” as an important workplace activity, but 62% of them report that the design of their workplace does not support the activity.
4. 31% of respondents rank “video conferencing” as an important workplace activity, but 59% of them report that the design of their workplace does not support the activity.
5. 79% of respondents rank “noise levels” as an important workplace feature with 48% of them dissatisfied with this feature in their space.
6. 71% of respondents rank “air quality” as an important workplace feature with 51% of them dissatisfied with this feature in their space.
7. 87% of respondents rank “temperature control” as an important workplace feature with 61% of them dissatisfied with this feature in their space.

8. 59% of respondents rank “quiet rooms for working alone or in pairs” as an important workplace feature with 67% of them dissatisfied with this feature in their space.

In three out of four examples given, the physical feature described is seen as “satisfactorily meeting requirements” by less than half of the respondents who ranked it as important. As an employer, I would find this concerning.

To what extent these failings or staff dissatisfaction is inhibiting progress and workflow requires considerably greater analysis. But clearly, where large numbers report similar concerns, investigation and intervention is called for by those who provide the facilities. We believe that these are our modern day ‘unseen toxins’. They are prohibiting employees from progressing with the work that their employer is paying them to do. They are daily creating a ‘smog of frustration and disengagement’ that must surely be impacting on the psychological and physiological wellness of staff. Most shockingly, this is quite clearly contributing to a sense of impediment.

Just 54% of the 10,000 plus employees we have surveyed in the last 12-months report that “the design of their organisation’s office enables them to work productively”. In our lowest performing workplace this was just 30%. In our highest it was 89%.

### Effectiveness gap

This gap in effectiveness must surely be resulting in lower morale, increased absenteeism and reduced discretionary effort alongside the reduced productivity / performance. In an economically constrained world, employers might argue that capital expenditure is just not there to intervene. But this is then undervaluing staff as a commodity, not as an asset. Assets need tending and protecting, not poisoning.

But faced with any executive pressure to sweat assets, strategy debates in the property and facilities management arena still repeatedly revert to ‘cost of occupancy’ – the costs associated with occupying the built asset – and not the value of that human capital they accommodate. Reports from DTZ<sup>4</sup>



in February this year predicted UK cost of occupancy to grow at circa 1.8% per annum over the next five years. It points to an average cost of £6,356 per annum per UK workstation by 2017. London remains the most expensive location with costs expected to hit £10,000 in the City and a staggering £17,000 in the West End. So no wonder executive boards, and their facility managers, continually juggle strategies that will chip away at those costs. But as RLF-Larch<sup>5</sup> point out in a forthcoming white paper, with rent, rates and service charges representing perhaps 80% of that occupancy cost, what impact is that 'chipping' really going to have on the remaining 20%?

The Office for National Statistics<sup>6</sup> (ONS) reports average UK private sector salaries running at near £24,000 per person, but puts average inner London salaries at £53,000. So the principle corporate cost is not the built asset - it is the employee that it accommodates.

The annual cost of 'work' (that is, the person doing the work) could be five times more than the annual cost of the 'place'. As a tribute to this new journal, we might call this the 'Work&Place' Ratio, as its editor has written about this for years!<sup>7,8</sup>

Employers in the service sector would expect an income per 'head' of a factor of three or four times the 'cost' of the individual employee. So an average London employee will be expected to contribute at an aggregated £160k - £200k each. A 5% nibble at their cost of occupancy might save their employer £500 per person per annum, but a mere 1% enhancement in their personal productivity could deliver £2,000 additional annual revenue. So, increasing the number of employees who can report that the design of their workplace enables them to work productively, to above Leesman's average of just 52.2% has greater potential to impact on the fiscal performance of the business than punitive reductions in spend on occupancy. Leesman's highest performing workplace had 83.3% of employees reporting that the design of their workplace enables them to work productively. That 31.1% difference would surely interest the executive board?

Emerging joint work from the worlds of neuroscience, psychology and economics is forging an ever-closer link between a thriving workforce and better business performance. And those writing alongside me in this first issue of 'Work&Place' are all involved in promoting this message. The worlds of design, corporate real estate and facilities management should be doing the same. Leesman's data shows an explicit link between what defines a supportive workplace and what delivers an enhanced personal sense of productivity. How that is cascaded to those who commission the creation of workplaces sits equally now in others hands. Those supporters around our initiative - those leading thinkers in workplace design, management, strategy and operation - think listening to our 10,000 plus respondents could make a difference in proving that link. So we are committed to building on this data, because we think that a new human capital strategy for the economics of workplace surely sits in that link. **W&P**

## **i** Tim Oldman

Tim Oldman is the founder and managing director of Leesman, whose database is Europe's fastest growing resource of consistent and publicly-reported workplace effectiveness performance data.

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### Leesman states,

"As the leader in measuring workplace effectiveness, our survey and audit services provide deep insight into how well workplace environments support the productive work activities of the employees they accommodate. Leesman offer no consulting services on the data, removing all conflict of interest with the data harvested. Our unparalleled suite of easily and inexpensively deployed high performance tools provide executive boards, project managers, workplace designers, corporate real estate teams and change management consultants, clear line of sight to timely and accurate, benchmark performance data".

## History and demographics are key to understanding attitudes to education and employment in Vietnam.

Andrew Currie

ASIA • DEMOGRAPHICS • ECONOMICS

# Work and place in the culture, society and history of Vietnam

**“Vietnam is a country rich in history and culture blended from diverse influences that have presided over the country and its people. From the 2,000 years of domination by the Chinese to the more modern influences of French colonialism and the turbulent independence movement of the mid 20th century, Vietnam is now being embraced by the world for its magnificent natural beauty, friendly and inquisitive people and its delicious food. Full of UNESCO and World Heritage listed sites, Vietnam is a treasure trove of memories. Its geography, manmade monuments and structures are enhanced by the positive attitude of the Vietnamese people themselves, creating an inspiring and captivating atmosphere for visitors”** .

The travel industry rightfully paints an enchanting picture of Vietnam as a wondrous and memorable place to visit, but what is it like to work here? What parts have history, society and culture played in forming the context of ‘work’ in Vietnam?

More than most, Vietnam is a country where recent history resonates through every facet of life. 85% of the population, or 78 million people, are under the age 40; more than one million young adults reach working age each year, and for the foreseeable future.

For the past nine years I have lived and worked from a base in Ho Chi Minh City (formerly Saigon). This is a city where commercial clout and colonial grandeur collide head-on, and tree-lined boulevards cut paths across a labyrinth of small streets and tiny laneways that channel more than three million motorcycles, back, forth across and around the city day by day.

Prior to moving to Vietnam I worked as a senior strategist for a leading global workplace consultancy where I was responsible for activities across Southeast Asia. It was during this time I became disenchanted with the lack of Asia-specific workplace research, data and reference material and the potential (and actual) conflict between ‘global’ workplace solutions and the societal and cultural norms prevailing in the different country in which they were being applied. I

observed further disconnect, or perhaps a ‘transmission-loss’ through the transfer of knowledge and learning from briefing, through the development of workplace strategies, to the design of the workplace and then finally, through the implementation. In many cases these activities were being performed by completely different firms, many of whom had little or no experience working in the locations they were designing solutions for.

I felt there was a need to change this. Initially my intention was to investigate this academically, in a doctorate. However, my personal preference for live projects, and opportunity, led me down a different path. In 2003 I established Workplace-Asia, a consultancy modelled on the integration of briefing, strategy, design and delivery, specifically in Asia.

### Why Vietnam?

Having experienced life in fast-growing Asian countries through my childhood in Singapore and my early career in Indonesia, Vietnam in the early 2000s showed all the signs of being an exciting, dynamic and compelling place to be.

The life and energy of the place, and of the people, was palpable.

International businesses were just starting to get a foothold, and ‘modern’ buildings and workplaces were almost nonexistent. This was a place on the cusp of a very real workplace revolution that was literally going to change the structure of the nation, both socially and physically.

So almost 10 years on, what have I learned...?

Let me begin with an overview of Vietnam and its historical context. Partly, to set the scene for those who know little about this unique and interesting country. But also, to share my personal observations.

I firmly believe that Vietnam’s recent history continues to have a profound (but diminishing) influence on the nation’s people, and their work-culture.

Vietnam is a long, thin coastal nation with a population of 92 million. 1,650km north-south and 50km wide at its narrowest point, the country has seven main ethnic groups,





and two main cities. Hanoi, in the north, is the nation's political capital and has an official population of 6.5 million. Ho Chi Minh City, in the south, is the nation's economic powerhouse and the country's largest city with an official population of more than 7 million. Unofficial estimates add 15-20% to these figures.

Vietnam is reputed to have one of the longest continuous histories in the world, with a recorded cultural history reputed to date back more than 20,000 years.

For most of the 20th century, it has been involved in, or recovering from, conflict and/or occupation. In fact Vietnam has only been free from war for a little over 20 years, when its last official conflict with bordering Cambodia ended in 1989.

Looking at what has most influenced the people, their lives and their work-culture, I believe there are four 'stand-out' events that can be identified.:

- The long-term occupation by the French, (mid 1800s to 1954), their retreat, and the formation in the North of the Democratic Republic of Vietnam (a communist state supported by China and the USSR),
- The war with America and its allies from 1965 to 1976, ending with the liberation of the south by north Vietnam's communist troops,
- The post-war support of the former USSR, and subsequent loss thereof; and,
- The introduction in 1986 of the government's 'Doi Moi' reforms that paved the way for economic growth that has since been bolstered by the lifting of the US trade embargo

in 1994 and the country's accession to the WTO in 2007.

Any one of these four events on its own is nation-changing. But string them all together in a period of less than three generations and you have a nation of people with vastly different life experiences and changing attitudes, which have in turn created a huge generational gap in Vietnam.

A research study from 2010 states that "...the majority of the older population have first-hand experience of extreme scarcity and/or poverty and believe that success will be 'lived' through their children".

To a large degree we do see this statement being played out in reality. Stellar growth and the 'opening-up' of the country has provided older generations with the means to provide for their children opportunities that are in stark contrast to the lives they themselves experienced. Rapidly increasing access to new technology, and advanced 'international' education, have been met with an ever increasing desire amongst the young for new experiences, new challenges, and success. And also the prospect of 'catching-up' with more developed regional neighbours such as Thailand, Singapore, Korea and even Japan.

In the workplace, this has resulted in a strong preference amongst young professionals to work for international companies where opportunities for career advancement, higher salaries, professional development, better benefits and the prospect of overseas travel are seen to be better.

Whilst this is true for many nations, we need to consider that nearly 40% of people in Vietnam are currently employed





by state-owned enterprises that are increasingly being challenged by new perceptions of what makes a good employer, and a good workplace.

Regardless of age, 7 out of 10 people believe that success is defined by job, but perceptions of what make a good job have changed completely. Whilst older generations favour jobs such as teaching as the 'ideal occupation' younger generations clearly identify with roles such as 'business manager'. Clear evidence of the influence of this thinking can be seen in the proliferation of private institutions and business schools offering tertiary degrees and MBAs of all shapes and sizes.

Before going too much further, I need to set the context for the market we serve here in Vietnam.

The vast majority of our clients are international and multinational firms operating in the south of Vietnam; where it can be considered (currently) that the business environment is more liberal and the aspirations of the people more international.

As these companies are seen as more desirable by the younger generation, the competition amongst employers, for the 'best-and-brightest' has been fierce. In lieu of experience, good foreign language skills and exposure via overseas education, or even travel for that matter, have been a 'gold-pass' for career advancement across a growing network of foreign owned, managed or influenced firms operating here. Amongst these firms staff turnover rates of 25 to 50% per annum are common.

If workplace optimisation means understanding and responding to the interrelated roles of People, Process and Place, then making sense of the extreme generational stratification of people that exists in Vietnam is paramount.

## People

In order to better explain, I will take a demographic 'cross section' through the prevailing white-collar workforce so we can see some main characteristics at play:

- 45-65 yrs: A generation touched by 40 years of ongoing conflict starting with the war for independence against the French in 1946-55 (the first time in history that a colonial power is militarily defeated), followed by the north/south division of the country and the formation of the communist state in the North, and finally the war against the USA and its allies starting in 1965. This demographic is characterised by three distinct groupings:

- The Old Guard: Making up the majority of the people who are employed by state-owned-enterprises (which is 40% of the country's workforce) these are people with strong political beliefs and 'party' connections that formed the foundation of the post-war Vietnam. Many are now leaders of state-run industry whilst others have pioneered joint ventures with foreign investors.

- The Haut Monde: Those 'people of means', with international connections, who managed to exit the country and take up residence elsewhere. Many have since returned and re-kindled their former relationships, often providing a conduit through which foreign trade and investment can 'flow' more smoothly.

- The Survivors: Those that battled through the hard times, struggling to make ends meet and eking out a modest living.

- 25-45 yrs: A generation divided by the 'American War' and its aftermath. It was during this period that a great many people fled the country, particularly from the south. Whilst there are no official figures, estimates put the number as high as 1.5 million. In this divided demographic we see two very different, often conflicting 'profiles':

- Resident Workers: Influenced by strong communist doctrine and support from the former USSR, these people often learned Russian as a second language and sometimes completed tertiary education in former eastern-bloc countries such as Bulgaria, Czechoslovakia or 'mother Russia'. Whilst generally endowed with a strong technical education, dedication and commitment, their work experience is generally limited to government agencies, state-owned enterprises, and spin-off private firms with more bureaucratic and hierarchical structures. These factors combine to make the transition to a more open, international and corporatized company structure and work environment particularly challenging for both employer and employee.

- Returning Workers: It is also in this demographic that we find the first returning Vietnamese or 'Viet Kieu' as they are referred to here. These children fled Vietnam with the help of family, friends and relatives, and those fortunate enough to survive found new homes as far afield as the USA, Australia, Canada and Europe. To international employers, these workers have the advantage of better (non-Vietnamese) language skills, more 'western' education and better compatibility with westernised corporate culture and expectations. On the downside, these employees often suffer considerable culture shock and difficulty re-integrating with their own generation. And even more so, their generational seniors for whom the memories of post-war Vietnam still strike a deep emotional chord.

- 18-25 yrs: Vietnam's newest editions, its Gen Zs are certainly the closest to a 'global' generation that the country has seen to date. The first to grow up in a Vietnam that is not only free from conflict, but one that is experiencing dramatic economic growth, these young citizens have benefited from access to more and better education, health, nutrition, information, technology and exposure to the outside world. Many have travelled outside the country and a growing number are being educated abroad in countries including Singapore, Australia, Europe and the United States.





What they lack in experience they often make up for in enthusiasm and drive; and whilst they offer international employers the prospect of improved compatibility and better cultural fit, they bring with them their own unique set of challenges.

In conclusion, what we have experienced in the past 7 to 10 years is an employment dilemma presenting ‘modern’ organisations with three main ‘People’ choices:

- 1. Aim for maturity:** by employing older people who are generally less skilled in English and other foreign languages, less technologically adept and often less accepting of and compatible with international/western views. In many cases these people have not had a great deal of exposure to the world outside Vietnam, but have maturity, diligence and respect to their advantage.
- 2. Aim for outlook:** by employing very young staff with little or no experience who possessed better technical and language skills than their older colleagues and who are generally more culturally compatible with the values of the modern global market place. In addition to their lack of experience and tutelage by suitable role models, many struggle to see the value in long-term employment (read 1.5 years plus) when it has been more beneficial to change jobs rather than to grow.
- 3. Aim expat:** another common solution is to look for foreign expatriates who can often provide a more familiar and hence ‘safer’ solution. In recent years we have seen a number of ‘waves’ of such people in search of opportunities to work abroad. Motivated for reasons ranging from the lack of work in Europe or the USA, through to a desire to live and work somewhere exotic, expatriate employees come with their very own set of challenges; almost all foreign firms have a percentage of expat workers and we are now seeing the more forward thinking local firms starting to do the same.

### **Place: The landscape of work**

I have given an overview of modern Vietnam, and its population in 2012. We need to apply this background to the question of how this translates to “place” and the design of the office landscape?

In the next issue I will identify the key characteristics of the office landscape in Vietnam and how, like its population, this is also changing. **W&P**

### **i Andrew Currie**

Andrew Currie is co-founder & managing director of OUT-2 Design, an international award winning design practice serving clients across South East Asia from Hong Kong and Ho Chi Minh City, Vietnam. A specialist division, Workplace-Asia provides expertise, research and consultancy services in workplace strategy, design and change management. In addition to his project work, Andrew is committed to supporting better education, greater awareness and increased corporate, social and environmental responsibility (CSER) in the countries in which he works. He is a founding member of the Vietnam Green Building Council.

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### **Editor's footnote:**

Andrew Currie and Kate Anderson founded their firm in 2003, and now serve clients across South East Asia from Hong Kong and Ho Chi Minh City, Vietnam. We look forward to the second part of Andrew's article in the next issue.

And we will add similar articles about “work and place” in other parts of the world. If you have a particular preference, please contact me, or comment on our

[Work&Place LinkedIn Group](#).

# Paul Carder asks where should the “Director of Work” fit into large organisations?

Our next study, through our **Occupiers Journal** groups of ‘end users’ around the world, will focus on this subject. The foundations built from our “Raising The Bar” study, sponsored by the RICS, will be presented at World Workplace San Antonio on **2nd Nov 2012**. We will lead on from this, to look at how, and from which disciplines, this new role of Director of Work will be created.

I wrote about this subject **two years ago** on my personal blog, and felt compelled to re-write it on the **OJL blog**. We are convinced that a new role is needed, to bring together the several corporate functions that do not currently have enterprise-wide leadership. Professionals know ‘what’ to do; for that, they are trained. What is not always clear is when, where, and how to work? There is little in the way of vision, or policy, to help ensure that people are adopting ‘best practice’ ways of working. Or, that they are getting a positive, healthy and productive work experience. ‘Place’ is a factor, as is designing the ‘experience of work’.

Who brings together the ‘when, where and how’ of work, to set policy and options that can support employees?

HR has a role to play, but does not set policy on ‘when, where and how’ to work. Line managers do, to some extent. But, most business unit heads are not equipped to advise on the options for when, where and how to work. Or probably

just as importantly, they often do not want to make decisions – they would rather avoid the thorny issues such as working from home.

What happens in many organisations is therefore a ‘responsibility gap’. HR believes that ‘work’ is the line manager’s responsibility, and the line manager is hoping that HR is dealing with any human/personal issues that people have with their work effectiveness, stress, motivation, etc.

Enter, stage left.....the “Director of Work”

The role would bring together the issues of when, where, and how to work, looking at the vision for how the organisation should work most effectively, reviewing options, and setting policy for when these options may be most appropriate. The Director of Work would then also set a programme of training for line managers, to make sure that they have full understanding of all the options for when, where and how to work. And, the role would manage the human and organisational risks of getting this wrong.

Director of Work meets Director of Work-‘Place’...

The Director of Work would be a key ally for any existing director of real estate, workplace and facilities management. With a mandate from the executive board (C-suite), she would be a breath of fresh air for most RE/workplace professionals. Or a potential career move for some!



Cornell University

## WORKPLACE STRATEGY SUMMIT 2012: RESEARCH IN ACTION

On September 5 through 7 of this year, Cornell University will host a gathering of the leading thinkers in workplace strategy. Many of the workplace ideas and concepts initiated in the 80’s and 90’s have now become reality. Advances in technology have made it possible for office workers to work anywhere. Telecommuting is now common and concepts like hoteling, free address system, and spaces for informal collaboration are becoming familiar to many organizations.

But what do we really know about workplace effectiveness? Where is the evidence? What concepts and ideas need serious research? Do we understand the nature of collaborative work or are we relying upon theory and supposition? What changes in lifestyle, organizational and urban infrastructure do future workplaces demand?

The Workplace Strategy Summit will gather 160 of the leading thinkers and practitioners in workplace strategy for an exploration of the key issues of work and workplace in the 21st century. The event will be a way to further the conversation on how the office environment can best serve the activities of today’s organizations and to define next steps for serious research needed by the profession.

[www.ifmafoundation.org/summit](http://www.ifmafoundation.org/summit)