Work&Place

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**We have an inbuilt tendency to assume that the future will
be a hyper-realised form of the present and that whatever
path we are now on is the one we will continue to traverse
without hesitation or deviation. This serves us well for much
of the time, but not always and it's this tendency for the
world to tilt on its axis that we need to keep an eye on.**

The workplace provides us with a very good example of this and **Work&Place** is
in the right place to chronicle both the evolution of the workplace as we know it
and the introduction of new ideas that shake its foundations.

There are several developments that are set to change work and workplace in
profound ways, not least coworking and the near total convergence of physical
and digital space. Where once flexible working was seen as an alternative or
adjunct to office based work, but constrained as it had always been by time, the
new era will see more of us consume physical space as a service and learn how
to interact with others in new ways. This is not to say that the office will die out,
as some people have predicted but rather than it will take on new forms and find
a new place as part of a menu of options open for people to choose about how,
where and with whom to work.

This new era presents challenges, not least those who would prefer it all didn't
happen and those whose mindset is still adjusting. This is the thread that runs
through this issue, not least how the forces at play manifest themselves in
different regions around the world.

Of course, none of this is a one way debate and you can now join the discussion,
with the **Work&Place** contributors, and many others. We hope that you will take
up the opportunity, to ask questions, challenge the writers, or to make a related
point at our LinkedIn Group, via Twitter, email or even a chat on the phone.

We look forward to hearing from you.

Mark Eltringham
Managing Editor
@InsightOnWork

Book review

Paul Carder reviews The Coworking Handbook: The Guide for Owners and Managers by Ramon Suarez

Ramon Suarez has produced a very practical book, based on his own considerable experience as one of the pioneers of coworking. And let's be clear – it is coworking (not "co-working"; there is no hyphen), as Suarez explains early in the book, "a coworker (a member of a coworking space) is not the same as a co-worker (somebody who happens to work for the same company or in your same office)".

On LinkedIn, Suarez describes himself as "entrepreneur, coworking expert and owner, tech startups and entrepreneurship promoter, blogger". On his business card, Suarez describes his role as "Serendipity Accelerator"- you will understand that if you read the book. Suarez is the founder of @Betacowork, board member of @startupsbe and @Betagroup.

With over 200 members, Betacowork,

The Coworking Handbook
Author: Ramon Suarez
Hardback: 226 pages
Publisher: Createspace
Language: English
ISBN-10: 149912063X
ISBN-13: 978-1499120639

which Suarez founded in Brussels, gives him the direct expertise to advise others how to open and run a successful coworking space. But "space" is really

only part of the picture....

A quick review of the Table of Contents should make this point apparent. Suarez differentiates coworking from its many (and mostly false) aliases. Shared offices may be collaborative, but do not provide the network of people found in a good coworking space. Networked offices, where more than one company shares space and may collaborate, "come close" to coworking. Hacker & Maker spaces, Accelerators, Incubators and Cafes are similarly differentiated.

It is clear that "community" is what Suarez believes makes coworking; and crucially, building that community. He says "the community of coworkers (of which you are part, as an operator) is what makes a coworking space sustainable in the long term and what brings more value to the coworkers themselves".

There are 14 pages on creating, growing and nurturing your community, covering key issues such as building trust among members, participation and relationships. Some of this reminds me of the book "Trust Agents" by Chris Brogan, who talks about building trusted relationships in an online community.

What Suarez describes is similar, but bringing together an actual (rather than virtual) community or "circle of trust".

The next 60 pages are on marketing; before the section on "space"; which is interesting in itself, and aligns with other conversations and papers I have read on coworking. The sequence: 1. Community, 2. Marketing, 3. Space; is very different to the real estate market's approach. It argues that coworking operators and real estate providers are both essentially "selling space", but clearly in an altogether different way. The fact is, a coworking operator can lease space from a real estate provider, and then sell it on to its coworking members at a profit. This begs the question "is coworking further up the value chain than traditional real estate?" Coworking is an added-value product of real estate; the latter provides the raw material, whereas the coworking operator adds the real business value – the trusted community.

Suarez is clear that one of the key challenges in building the community, and in the marketing of coworking membership, is that it "is still in its infancy" and most people "haven't heard of it, or understand it to be something different". Clear communication, and helping people to generally understand the concept, is an important precursor to sales. Even better, is to get people from understanding, to engaging, and on to become enthusiastic evangelists for the concept of coworking. Much of the development of membership will be word-of-mouth, on personal recommendation from the community itself.

"Space" is covered in the next 36 pages, but if you are looking for an ode to architecture and interiors, you will not find it here. Suarez again clearly differentiates coworking space from the expensive corporate places which many of us frequent. He says, "Even if community is more important ... your coworking space counts a lot, but maybe not for the reasons you think". A coworking operator can be successful in a variety of spaces and places. Suarez states, "...location and function trump looks by a long shot".

He goes on to cover location, size of facility, distribution of the space, usage (desk area, meeting, eating and drinking), productivity (noise, comfort), companionship versus privacy, furniture, access and security, cleaning, internet, printing and scanning. And the vital coffee, tea and snacks – but Suarez notes, "unless you run a café in

your coworking space, this will not be a significant source of revenue. Don't spend too much time on it". All of this is written very much from a customer standpoint, and will be very familiar to any facility manager.

The last 40 pages cover the business, finance and legal aspects of building a coworking operation. There are few surprises here, but Suarez provides a useful overview (or reminder) for anyone starting up a coworking-based business venture. Key points are that coworking, in Suarez's view, is mainly a membership-based business. Most services are included in the core membership.

There is some pretty useful information on pricing plan options, and combinations of fixed and variable desk plans. The end of the book has a section of useful checklists and further information.

The book is a comprehensive and readable introduction to the topic of coworking and packed with useful tips and I would recommend this book to anyone who wishes to consider setting up and running a coworking space. Suarez is an experienced coworking business owner, and generously passes this knowledge on to any new business owner or manager of a coworking business venture **W&P**

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Martyn Markland on how a new property standard could fall foul of the laws of unintended consequences

On the first of January 2016, the UK property industry officially adopted a set of new international property measurement standards, or IPMS. The standard most relevant to the office sector is 'IPMS 3 - Office'. Over time, this will replace Net Internal Area (NIA) to become the primary basis that landlords and property agents use to quote lettable floor areas and rents. The sponsors of IPMS 3 say that it equates 'closely to the former NIA' and that as such, there will be little or no impact on rents and capital values. But are they right?

According to my own research, the introduction of IPMS 3 to the UK market will result in the lettable floor areas of over 373,000 rateable office premises in the UK to increase by an average of 7.5%. This could cost UK business tenants over £1 billion a year in extra rent. What is even more remarkable though, is that the additional 75 million sq.ft. of lettable floor area that IPMS will bring about, is actually incapable of being used as office space at all.

IPMS 3 therefore represents a seismic event for the UK office market in particular because it fundamentally alters the way rent, service charges and

even business rates will be calculated from now on.

The UK office market already has the world's most accurate floor area he The UK office market already has the world's most accurate floor area measurement system in place. This system is known as Net Internal Area (NIA) and it was first introduced by the Royal Institution of Chartered Surveyors (RICS) in 1979 through a document called the Code of Measuring Practice. Over the last 35 years this measurement standard has been continually refined and updated. It is now used by the majority of the world's leading office markets.

The success of the existing system of NIA is due to the fact that it was designed to measure as accurately as possible the utility value of office space from the end-user's point of view. This explains why space that is incapable of accommodating a desk or an item of office equipment is excluded from a lettable area based on NIA.

The problem with IPMS 3 is that it includes a variety of unusable elements which results in an inflated floor area compared to NIA. The extent of the exaggeration depends on the amount of unusable elements within the office space. One of the key benefits that NIA offers is that it rewards space-efficient design by preventing landlords from charging rent on unusable elements such as the area occupied by a structural column or a perimeter heating system. IPMS 3 is different.

So, there is now a very real risk that IPMS might even affect the way office buildings are designed in the future as cheaper design solutions will carry no financial penalty for developers. In fact, the introduction of IPMS will probably lead to a new form of "value engineering" by office developers.

I fear that there will be many unintended consequences that flow from the introduction of IPMS. One obvious one is that office rents will be artificially inflated where tenants fail to pick up on the difference between NIA and IPMS based floor areas. As many surveyors are currently unable to accurately distinguish between the two, this is highly likely, in my view.

Other less obvious consequences relate to service charges and business rates which for some occupiers could change quite significantly depending on the difference between their NIA and IPMS floor areas.

IPMS 3 is being promoted as a close substitute to NIA with little or no impact on the UK market. In addition, it is meant to enhance cross border investment and improve efficiency in the management of international property portfolios.

However, from my investigations, it is clear that IPMS 3 is materially different to NIA. It is likely to distort pricing and lead to the majority of UK business tenants paying artificially higher rents. And is it unlikely to benefit cross border activities where far greater day

to day challenges exist than floor area conversion.

I believe that in the long run, the move to IPMS 3 will lead to less space-efficient office buildings being developed in the UK. Meanwhile, the incidence of disputes between landlords and tenants will likely increase particularly in relation to rent reviews, lease renewals and service charges.

In any event, NIA is likely to endure as a measurement standard because many of industry's benchmarks cannot be adapted to IPMS 3. The most striking of which is the Health & Safety regulations which govern the maximum number of staff you can accommodate in an office.

Of more immediate concern however, is the risk that many office tenants will unwittingly pay rent on space that is physically unusable and in some cases even incapable of being accurately measured at all.

So it seems that those who will pay the price for any negative impacts are not landlords, property developers or surveyors. Rather, it will be small to medium sized UK business tenants that will be expected to bear the brunt of any fallout from the switch to IPMS 3. In other words, the tenant will be expected to pay. Is this what the industry means by a 'neutral impact', I wonder? **W&P**

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The missing piece of the workplace conundrum?

I last wrote for Work&Place issues 3 and 4, spanning the IFMA Foundation Workplace Summit of summer 2014. It felt like an optimistic time for facilities management and the workspace sector. Heavyweights were asking questions about our organisational contribution, with thankfully less of the internally focused debate free hubris typical of much of the industry narrative. The newly announced (and now evidently historical) collaboration between BIFM and CIPD was in full swing, endorsed by social media savvy Twitterati under The Workplace Conversation banner.

Finally, I thought, we seemed to be talking less about space as a commodity and more about people. Melissa Marsh of Plastarc captured it at the Summit as she evidenced co-working principles: less "managing facilities" and more "enabling communities". It felt like some were starting to realise the fundamental qualitative difference between workspace and workplace: the role of culture. This was music to my ears. At the time I was preparing my doctoral research data. I was interested in what matters to people about workspace, from both provider and user perspectives. As I explored literature ranging far beyond FM and the built environment I developed my own constellation of spatial knowledge, and particularly which perspectives associated with each other. A doctoral journey seems to be as much about understanding the politics of knowledge production as the knowledge itself. For all our seemingly justified reasons for workspace change, I was surrounded by intellectual and often philosophically grounded arguments to the contrary. This wasn't change resistance to be overcome or unfrozen using the simple linear change models we love to apply. It was a completely different and often unshakable world view. It is no coincidence that academia is arguably one of the hardest workspace arenas to innovate within, for all manner of political and cultural reasons.

The spatial turn

The easiest way to explain this is to introduce what has become known as the spatial turn. This is where a discipline realises that all human encounters happen in and because of some sort of space, essentially underlining its significance. Space is therefore social. Space is also therefore unavoidably political. There will always be positions with and without power. Winston Churchill wasn't far off when he said "we shape our dwellings, and afterwards our dwellings shape us" in 1944, following the bombing of the House of Commons during the blitz. Rosen et al (1990, p.71) echoed Anthony Giddens's famous Structuration Theory in built terms, explaining "the spatial characteristics of buildings ... are both medium and outcome of actions they recursively organize". FM pioneer George Cairns (2002, p.818) also attempted to alert us to the industry relevance of this conundrum, to little avail:
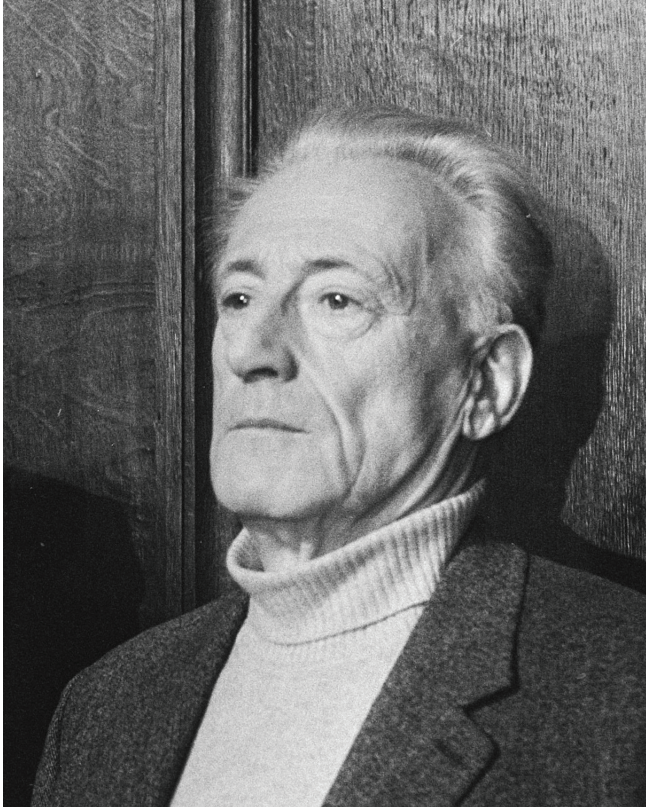
"the physical and social environments contain one another, frame one another and influence the development of one another – but they are not as one", implying an interdependent socio-spatial relationship which is far from objective or deterministic.

As I grappled with this new knowledge two important things became clear. First, the spatial turn continues to influence different academic disciplines, typically those more sociologically inclined. There is some evidence of it in areas of organisation theory more critical of contemporary business practices, but this is removed from the knowledge FM typically aligns with. Alarmingly, the industry responsible for workspace seems almost entirely unaware of the spatial turn. Second, there was one intellectual figure consistently associated with it: Henri Lefebvre. Tricky name, tricksy by nature. He deserves proper pronunciation though, so have a practice now: Onree Lefev shouldn't be too far off.

Henri Lefebvre and the production of space

Henri Lefebvre was a French Marxist Philosopher who lived from 1901 to 1991. There are a handful of scholars who have given him their full attention. Andy Merrifield's (2006) critical introduction is personally the most accessible

> **"...It felt like some were finally starting to realise the fundamental qualitative difference between workspace and workplace: the role of culture..."**

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and entertaining, if you want to read more. To those who know, he plays a lamentable bit part to other acknowledged philosophical giants of the 20th century. Yet his fundamentally active engagement with everyday life and the progression of knowledge saw him debating with the Surrealists and Dadaists, influencing Sartre's work, driving a Parisian taxi, joining the French resistance during the Second World War, perpetually wrestling with the French Communist Party, and, as professor at various universities, a key intellectual godfather of the 1968 student generation. Lefebvre's output was prolific. At least 66 books, 25 of which were penned after his 65th birthday.

The problem with Lefebvre is he is as challenging to read and work with as I suspect he was in person. Merrifield says Lefebvre "blasted out his books jerkily, hastily, nervously" (2006, p.xxii), resulting in "frequently fascinating, though invariably unsystematic and perplexing" work (1995, p.295). This isn't far off the mark. His ideas sought to humanise Marxism and de-scholarize philosophy, demonstrating its everyday, lived relevance. Yet they are presented so esoterically as to be at times practically impenetrable. Furthermore, whilst he maintained grand narratives – volume one of "Critique of Everyday Life" was penned in 1947, volume three in 1981 – he constantly drove forwards, reworking and reinventing as he went.

In 1974 Lefebvre penned "La production de l'espace". Academic politics at the time meant it was ambivalently received and marginalised. Consequently, it didn't undergo English translation as "The production of space" (POS) until 1991, when certain geographers began championing its hitherto under-acknowledged significance, and the spatial turn gathered momentum. In POS, Lefebvre captures the essence of the spatial turn in one deceptively simple sentence: "(social) space is a (social) product" (1991, p.26) and consequently focuses our attention on the inherently political production of space, rather than space itself.

The spatial triad

Ok, this next bit is pretty philosophical. This is about as succinct as I can offer. It's certainly taken a lot of pondering of my own to become conversant with it. Remember, Lefebvre was aiming for a holistic approach to consider anything

in spatial terms, from untouched mountain villages to urban regeneration projects; from hedonistic festivals to commercialised package holidays. By shifting attention from the material workspace per se, to our interaction with it and how we all produce space in different, mutually constitutive, interacting ways, we can begin to appreciate not just the rich diversity of experience, but the unfolding quotidian, everyday life of spatiality – the relationship between the social and the spatial. He determined that if space has physical, mental and social fields of distinction, it can therefore be known through three moments of production: the perceived, conceived and lived. This is the heart of Lefebvre's conceptual tool, his spatial triad, which frustratingly he only sketches, inviting active application. Harriet Shortt, a scholar from UWE, provides an admirably succinct explanation from her own research which might help:

"Perceived space – spatial practices and how we move within space as part of daily routine; conceived space – how space is physically constructed as a materialization of power relations; and lived space – the symbolic, subjective experiences of those who use space"(2015, p.635).

We might even extend this, as Schmid (2014) does, to suggest the perceived, conceived and lived spaces imply the production of material goods, knowledge and meaning respectively. The crux is that these different moments exist concurrently, and to attempt to isolate them, or privilege one over the others can only ever lead to partial understanding. Lefebvre has strong opinions about how different disciplines have done this for their own benefit, and indeed continue to do so. Holistic expertise should not entertain blind spots.

Now, for any given spatial situation, these moments exist in interaction. This interaction might be in conflict, alliance or somewhere in-between. The result is what Merrifield (2000) calls the present spatial outcome. And noting Lefebvre's political inclinations, some present spaces are more desirable than others. Another way to think about this is that with any space, there will always be what de Certeau (1984) termed strategies and tactics. Strategies are the conceived intentions of providers – for example, how various agile workspace elements need to work for organisations to benefit. Tactics are the lived actions of users – how different people respond to agile solutions and behave within the workspace accordingly. The

point is that wherever there are conceived strategies, there will always be meaning-making, resulting in lived tactics playing out in perceived space. The imposition of particular controlling strategies by the dominant, triggers tactics from the dominated, in an attempt to transcend them. It is utterly inevitable. In this respect we are all spatial experts – but providers occupy various official roles on behalf of others, to varying degrees of success. Strategies and tactics can antagonise, or they can mutually benefit each other. Graffiti is a good example to think about here – what makes the distinction between vandalism and street art?

Making Lefebvre relevant

So am I convincing you Lefebvre is worth the effort? Is Lefebvre and his triad an esoteric aside for the intellectually inclined, or does it have real workspace significance, now and into the future? Well, we can use my own research findings here to address these questions. To recap, I asked both providers and users "what mattered to them about workspace?" I did this involving volunteer participants from two case-settings in London. One was a sole-organisational arrangement in a contemporary multi-tenancy property. The other was a

> **…Is Lefebvre and his triad an esoteric aside for the intellectually inclined, or does it have real workspace significance, now and into the future?…**

collaborative work-setting aligned under an internationally franchised co-working brand. I sought to surface rich, emergent data using a novel research technique called participant-led photography. I recorded interviews based entirely on the photographs my volunteers had taken in response to my question, so the conversations inevitably ranged widely and freely.

I had a hunch that considering my own data against Lefebvre's ideas might be enlightening, but I had no preconceptions about what I might find. One of my case-settings turned out to be an example of what – in Lefebvrian terms, which I'll simplify soon, bear with me – we might call an abstract, dominated space, typical of capitalist systems where space is part of the socio-cultural power disparity between those who provide it and those who use it. However, the other case-setting demonstrated many features of Lefebvre's alternative, differential space. Here the providers sought an entirely different socio-cultural dynamic which promoted user appropriation, democracy and self-management. It had achieved an experimental, progressive niche in an inherently capitalist system.

Managing facilities or enabling communities?

Neither were without their issues. No workspace ever is. There are always too many personal perspectives and preferences for any designed workspace solution to accommodate entirely, too many trade-offs in the messy reality of organisational life to ensure total collective satisfaction. There is no holy grail of workspace design success. But there were fundamental qualitative differences. Providers of the dominated space deployed existing received wisdom, an agile solution with behavioural protocols to address resource-constrained challenges including client-impressing high quality fit-out and efficient occupancy. The users vocally valued their space for sure, but tribally and individually resisted the imposition of protocols as their locational choice and autonomy risked compromise. Conversely, providers of the appropriated space seemed completely aware that the social was as important as the physical design, experimenting with ideas to first disarm new user expectations then nudge them toward self-managing socio-spatial behaviour – yet with minimal intervention or imposition. How to behave within the setting lived only in the stories people enthusiastically told about it, and users conveyed an optimistic community culture that I suspect many tasked with improving organisational engagement and well-being would sell their souls for.

A soundbite-friendly way to summarise this is to suggest that there might be two broad Lefebvrian ways to conceive, or do workspace – dominated space-making, and place-making for appropriation. They afford alternative likely cultural outcomes, because they approach the inherently political power element of organisational workplace from different socio-spatial perspectives. In dominated spaces facilities are managed, typically from above. In appropriated spaces, communities enable themselves from within. Noting, for simplicity, the

> **...Being open to the potential of place-making requires awareness, tolerance, patience, inquisitiveness and experimentation...**

qualitative equation that workspace + culture = workplace, only place-making can ever truly embrace the socio-spatial. As an industry, I'm concerned that we are generally only space-making at best. Melissa Marsh's almost prophetic message from the 2014 IFMA summit rang true for me too.

Place-making and spatial agency

FM often seems to look enviously at architecture as a discipline able to command authority in the built environment milieu. Yet in "Architecture Depends", Jeremy Till (2009) exposes the associated challenges of institutionalised industry wisdom that some of us equally recognise, limiting the potential of FM. This is Giddens writ large: the methods we create to enable us ultimately do little except limit us, unless we possess an acute awareness and the agency to do something about it. Subsequently, Awan et al advocate doing architecture differently through an approach they term spatial agency, citing three key convictions (2011, p.29):

1. The production of space is a shared enterprise, so professional expertise is about facilitating and enabling collective contribution.

2. Social space is dynamic space, meaning its production continues over time. It is generative. There is no single moment of completion, project plan or otherwise.

3. As people live out their lives in social space, it is intractably political.

How might these convictions challenge and enhance our own practices of production and provision? Spatial agency essentially embraces Lefebvre, and particularly his differential mode of doing space, with appropriation as an aspirational goal. It also evidences a range of successful examples. In seeking to embrace place-making and the deep-seated ideological differences of this alternative approach to spatial production, more humane workplaces can be the result. Lefebvre takes us beyond the right and wrong of workspace opinion. There will always be conceived strategies as much as there will always be emergent tactics. Our role, as providers of workspace, isn't to try and oppress one in favour of the other. It is to appreciate how they are irreconcilably intertwined and to seek to conceive of spaces accordingly. Lefebvre gives us a bridge to consider the sheer possibility of generative, empowered social space. Being open to the potential of place-making requires awareness, tolerance, patience, inquisitiveness and experimentation.

I hope I have convinced you that there is real value in the endeavour and adventure of exploring Lefebvre's ideas, and coincidentally that we still have a long way to go to achieve the true workspace understanding that some claim. It isn't an easy path. There are no silver bullets for workspace design. But the additional effort is worthwhile. Perhaps a critical departure point is to acknowledge the qualitative difference between space-making and place-making. What should you aspire to with your people? **W&P**

i Ian Ellison

A facilities management educator, researcher and specialist with many years experience in a variety of increasingly senior operational management roles, supported by a master's degree and ongoing doctoral studies. Ian is both pragmatic and innovative, with experience of both in-house and outsourced FM service delivery, and the change management challenges encountered during TUPE transfer of employees. Ian's current research interests include workspace, its relationship with workplace, and why there still seem to be so few examples of genuinely inspiring, valued and successful workplaces, despite our wealth of claimed industry and design expertise. He likes to ask why this might be.

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Francisco Vazquez Medem

Implementing flexible working in Latin America

As a Workplace Consultant, I have been working on the implentation of new workplace models all around Latin America for the last eight years. The existing workplace models in the region are twenty or twenty-five years behind Europe; they consist of big open cubicle workstations and many large private closed offices, which are highly influenced by the US model.

Low Occupancy

Given that the real use of space and people's needs have completely changed, (as has happened elsewhere) due in no small part to the relentless global technological revolution, work isn't a place where you go anymore, but an activity. It has been said often enough to become a cliche but that doesn't make it any less true.

During the past few years' we have been measuring alongside our clients the real world usage of existing assigned workstations in eight of the leading Latin American countries, and for more than eighty of the biggest employers in those countries.

The result of this study is somewhat higher than other studies done in Europe, especially in London. Latin America's average is 62 percent of occupancy, 8 percent active workstations (but with no one there during the moment of the measure) and 28 percent completely free workstations. In Spain and Portugal, where we have carried out similar measures, the results average is 50 percent occupancy, 15 percent active and 35 percent empty workstations.

So as has happened in other countries in the world, the existing workplace models - and in this it does not seem to matter if occupants are five or twenty-five years old - do not respond to the reality of the needs of employees and organizations.

> **"…As has happened in other countries in the world, the existing workplace models do not respond to the reality of the needs of employees and organizations…"**

In short we are seeing:
• Less intensive use of traditionally assigned workstations;
• New needs - as a consequence of the new ways of working and mobility.

So there is a global problem in these traditional workplace models, since they are not properly used and do not fit the needs of the workers. Yet while these requirements have changed, we are still seeing the use of workplace models dating from 20 or 30 years ago.

Low Density

Because of the old traditional workplace models, the margin for big savings is very large. If we now look to the existing density, measured at the same time we measured the occupancy, as part of our Workplace Health Check Exercise, the density in Latin America is low, with an average of 26 gross sq.m/employee, compared to existing figures in Europe (Spain and Portugal are 15 gross sq.m/employee).

This means that there is a double possibility of improving savings and increasing productivity with:
• Better use of the space. New Workplace Models adapted to real needs.
• Big space reductions because of the existing low-density ratios.

Lower Real Estate Costs

In the Latin America Region the Real Estate Global Costs (rents plus facility management) are lower than in Europe (Spain and Portugal), and even more if we compare with cities like London. In Latin America the Real Estate Global Costs in prime locations are around 300 $/ sq.m/ year, compared to 500 $/ sq.m/ year in cities like Madrid or Lisbon. This reduces the

opportunity of savings by getting an interesting ROI (return of investment).

Return on investment

Looking to the three variables: Occupancy, Density and Real Estate Costs, the opportunities are 25 percent better than Europe, with twelve months return on investment.

Culture

As we all know this is not only a business case; all workplace model modifications are about people, which normally means a culture change and increasingly often, also about the digital transformation of the company. That is why important activities and concepts such as the design thinking, activity based design, co-design or change management... are all about people, with the change more about cultural organisation than personal culture. We are already digital and flexible in our private lives and we interact and collaborate in a way that in the corporate world is called New Ways of Working.

> **"…Latin American company culture is twenty years behind Europe, which is why it initially looks harder to develop a successful project in this region…"**

Nevertheless, I do not agree with the concept of new ways of working. Instead I believe that we are not changing the way people work, this perhaps was a few years ago when technology was not so far implemented and existing workers had not fully adopted it, but now is the time of the Millennials and other generations that have openly adopted a new way of working.

In all of our projects around the world we are seeing more often the way in which ways of working have already changed, with employees embracing flexible working, whether or not the company has explicitly authorised it. Workers are flexible and that's why we have these low ratios of occupancy, because our employees are already mobile. So this change is more about addressing the issue of company culture transformation.

If we talk about culture, of course the Latin America company culture is twenty years behind Europe. That is why, initially, it looks harder to develop a successful project in this region. But after all this time, and more than 20 projects, the conclusion is that flexible working is easier to implement in Latin America than in European countries like Spain or Portugal, where we have an extended experience. The reason for this is there are several big global trends that are influencing the quick acceptance and implementation of flexible working models around Latin America, which include:

Growing market

Latin America countries represent, with 620 million of population, 8,46 percent of the World population, which is almost the population in Europe (740 million). The big difference is that Latin America is growing around 1 percent per year and Europe only 0.24 percent, so in a few years the population in Latin America will be bigger than in Europe. This means we are talking about a huge region that will represent, in the near future, one of the world biggest markets and probably the future of many multinationals that might have difficulties in their traditional markets.

But not only the size is important, the fact that the market is continuously growing means the increasing implementation by big multinationals of the flexible working models as they appreciate the need for flexibility to support future growth.

New generations

The other important data if we are considering implementing flexible working models is the high percentage of the Millennial generation in Latin America which will represent more than 50 percent of the population by 2020. In response, local and multinational companies are trying to

Coza

Designed to move you

> **❝…The cultural origin of the Latin America countries is European, which means that people are open minded to all European best practices, now more than to US influence …❞**

engage this new, highly talented population by offering them a flexible, innovative workspace.

Urban concentration

As with many other emerging countries, the difference between Latin America and Europe is that 80 percent of the population is living in cities (42 percent in Europe). This means that we have cities such as Mexico o Sao Paulo with more than 20 million residents (double than London), or Buenos Aires, Lima or Bogota with around 10 million residents (three times Madrid, Berlin or Paris) and all of them are still growing. This urban concentration together with a lack of infrastructure creates a serious problem of mobility (sometimes more than two hours of commuting time). These mobility problems influence whether a company will consider implementing flexible workplace models, as it is one of the big savings on the business case

European culture

The cultural origin of the Latin America countries is European, which means that people are open minded to all European best practices, now more than to the US influence that had been very strong in the past, with the global implementation of cubicles all around the countries. I have found a very open culture where it has been very easy to implement flexible workplace models.

Although all Latin America countries are approximately 25 years behind Europe in their adoption of such new models of working, the global trends and changing ways of working, mean we are expecting to see a much quicker transformation over the coming years. In fact, some of the big multinational companies are implementing flexible working models in their Latin American offices first, as the first implementation of their flexible programmes as they find this easier to introduce there than in Europe. So, the strong business case to move to a flexible working model in Latin America means that I would predict this change will be completed over the next five to eight years **W&P**

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Serena Borghero

CORPORATE REAL ESTATE • EMPLOYEE ENGAGEMENT

The enduring quest for truly engaging workplace design

A great deal of current research suggests that engaged employees are much less likely to leave their organisation, are more productive and take less sick days that their disengaged colleagues[1]. But according to a recent survey by Deloitte[2] while 87 percent of organisations cite culture and engagement as one of their top challenges, almost two-thirds of executives do not feel they are effectively driving this desired culture within their business.

Now a global study by Steelcase[3] has found that one-third of workers across seventeen of the world's most important economies are actually disengaged. The findings make worrying reading for employers around the world, as engagement is linked to employee retention, productivity and even profits. It certainly raises the question of what more can be done to boost engagement levels amongst these employees.

The study found that there is a strong correlation between high workplace satisfaction and high employee engagement, with employees who have greater control over their physical workplace– including access to private spaces –also reporting the highest engagement levels. The findings show that employers could be missing a trick when it comes to planning their employee engagement strategies.

This is because, consistently, the most engaged workers were those who had more control over their work experience, including the ability to concentrate easily and work in teams without being interrupted. Workers who have the ability to choose where they want to work in the office based on the task at hand are much more engaged in the work they do. Key findings from the global report include:

Employee engagement positively correlates with workplace satisfaction.
The data shows that workers who are highly satisfied with various aspects of their workplace also demonstrate higher

> **"…there is a strong correlation between high workplace satisfaction and high employee engagement, with employees who have greater control over their physical workplace also reporting the highest engagement levels. …"**

levels of engagement. Yet, only 13 percent of global workers are highly engaged and highly satisfied with their workplace. The inverse is true as well: 11 percent of employees are highly dissatisfied with their offices and are also highly disengaged.

Engaged employees have more control over their experiences at work
A distinguishing characteristic of engaged employees is that they have a greater degree of control over where and how they work, including access to privacy when they need it. They are empowered, both by organisational decisions and the spaces made available to them within their workplace, to make choices about where and how they work. This means they can manage their need for privacy, concentrate more easily and collaborate with their teams without disruptions.

Fixed technology exceeds mobile by 2:1.
Despite the high global adoption of mobile devices for personal use, the vast majority of respondents report that their organisations provide twice as much fixed technology as mobile options for work. The vast majority of workers report that they are equipped with landline telephones (86 percent) and desktop computers (80 percent). Far fewer employees have laptops (39 percent), mobile phones (40 percent) or tablet computers (13 percent) available to them at work. And in recent UK research, 16 percent said that the technology they used at home was far superior to that provided by their employer.

Traditional work styles persist
Across the globe, the most common workplace layout features a combination of open spaces and private offices, but more than 60 percent of global employees say they work in either individual or shared private offices. The greatest contrast in open environments and private or shared offices can be seen in Europe, where in the United Kingdom nearly half of all

office layouts are entirely open (49 percent), while in Germany 54 percent of overall physical workplaces consist entirely of individual or shared private offices.

Cultural context influences engagement levels

The most highly engaged employees work in the emerging economies, where people have different expectations of their work environments than those in established economies. Workers from developing countries such as India and Mexico are some of the most highly satisfied and engaged, while people in France, Belgium and Spain are less engaged. Analysis of the data identified a pattern indicating that the country where employees live, its culture and the resulting expectations have an impact on how highly engaged and satisfied they are with their workplace.

For organisations on the path towards global integration, it's important to challenge assumptions and look broadly at the diverse factors that influence employee engagement. Well-designed workplaces can communicate a company's strategy, brand and culture, while encouraging the behaviours leaders want to see in their organisation – all fostering higher engagement levels.

How workplace design can be used to boost employee engagement

Organisations looking to improve employee engagement might be surprised to learn nearly one-third of workers are neither engaged nor disengaged but fall somewhere in the moderate middle. These workers might not be actively hurting an organisation, but they are not benefitting it, either. As they make up such a large portion of the workforce, just a small improvement in their engagement levels could have a significant impact on business performance. One way of doing this is to make some important changes to their work environment.

By maximising the potential of workplace design there are things you can do to help boost employee engagement. This means designing in what you could describe as "a resilient workplace": one that is most likely to have a positive impact on employee engagement levels. This approach can be modified and interpreted to suit the culture of each organisation and the country it operates in. No two companies are the same. But the principles are universal.

Here are seven ways in which you can address the engagement gap.

Give employees choice and control over when and how to work

The global report highlights how employees, who have more control over various aspects of their workplace and work experience, are more engaged. Therefore, empowering people to decide where and how they will be most productive is one strategy organisations can employy.

No two days are the same for employees; sometimes they will need to do focus work, while other times they will need to collaborate. Sometimes they will prefer to be alone in a quiet space, and other times they will prefer to be in a café with people and a buzz around them. It is important to be able to choose what works best on any given day.

> **"…For organisations on the path towards global integration, it's important to challenge assumptions and look broadly at the diverse factors that influence employee engagement…"**

Technology is a critical factor in giving employees more choice and control over where and how they work - yet many organisations appear to be lagging behind[4] with fears over data security and a perceived lack of cooperation and cohesion among employees who would no longer be working side by side. The Steelcase study highlights how many employees are still working in a traditional way, with a fixed PC and telephone, thereby restricting them to working at their desks. To avoid this, the IT strategy needs to be aligned with their workplace goals to succeed in building a more engaged culture.

Enhance and promote collaboration, particularly within teams based across different physical locations.

Collaboration is key to any workplace, but the space should be designed to support a wide variety of collaboration styles as well. For example, a project room for intense activity amongst three to six people could feature a high seating position to support movement and active brain activity, with whiteboards and technology to share digital content. That will differ quite dramatically from what you need for a training session, interacting with a client or supplier, or for a videoconference with a colleague based on the other side of the globe.

Space should support those different interactions through varied working environments, allowing employees to share ideas and co-create, work in teams without being interrupted and enable a culture of creativity and innovation - whether this happens with a team physically in the room, or virtually with colleagues spread across continents and time zones[5].

Provide employees with areas where they can focus, concentrate and have some privacy

The study shows that highly engaged workers have more access to spaces where they can concentrate than their disengaged counterparts. Furthermore, neuroscience teaches us that our brain is not designed for multitasking and that staying focused requires energy - by definition a limited resource.

According to the University of California[6], we are open to distraction every three minutes, with a consequent impact on our ability to focus and concentrate. To avoid this, employees

should be provided with a variety of spaces that allow concentration and personal focus. Experts agree that creating an office that is tailored to employee needs and which provides a menu of settings is always the best solution.

This is particularly important for employees in open plan offices[7], to allow them to balance constant contact with colleagues with moments of privacy and disconnection. It can be very stressful for employees if they have nowhere to take a personal call during the day or simply "be alone". Open plan offices must therefore be balanced with spaces for personal rejuvenation where staff can read a magazine, change posture and disconnect. Having the chance to switch off when they need to will enable staff to perform better over a longer period.

Provide spaces for social, informal connections

We are all resolutely social animals regardless of the technological developments that are reshaping the world. So we retain an intrinsic need for those physical spaces where we can connect both formally and informally with our colleagues and other contacts and so have the opportunity to discuss work in a more relaxed, informal and productive setting.

Space shapes behaviour and often the traditional meeting room with formal seats around a large table is not the ideal setting for an effective conversation. It is therefore important to provide spaces for social, informal connections throughout the day, whether these are planned or more impromptu.

When designed effectively, these social spaces should bring to the office the same vibe and emotional comfort of a café while also offering the support required for work, through connection to technology, support of a proper physical posture and also the ability to manage visual privacy when required.

One of the concepts that should be considered is the Workcafe: the transformation of the traditional cafeteria or corporate restaurant into an informal, but harder working space that offers a diversity of zones not just for social connections. Open all day, it provides an environment where people can gather when they choose over coffee or lunch, but also work individually or organise meetings.

Enable workers to physically move around during the day and change postures

Engaged employees are healthy employees. It is therefore essential for staff to keep moving throughout the day[8] to maintain their physical wellbeing. Space should support a diversity of postures and encourage movement - whether through sit-stand desks, seating designed to support interaction with mobile devices, even lounge seats that allow staff to sit back with their feet up to relax. There are numerous options to boost physical wellbeing. Movement is a key enabler for brain regeneration, thereby helping us to generate our best ideas.

Make your brand and company culture visible and give employees permission to be themselves

Employee engagement is possible only when there is a culture of trust, where employees feel they belong to the community and are free to express their ideas. Space plays a key role in driving company values, in giving signals about business priorities, as well as showing what behaviours are accepted and encouraged. It can also give an indication about factors such as how accessible leadership is.

Once again there is not "one size fits all" solution, as space is always influenced by where the company is located –Japan and South America are not the same - in which sector it operates – banking or software for example– and of course, what the company culture is and what they want to promote – whether it's innovation or tradition, attracting young talent or preserving well-established knowledge. All these factors need to be considered so that the physical workspace represents and encourages the desired behaviours.

It is also crucial to consider the importance of designing leadership team spaces. Contrary to tradition, the company

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CEO or Managing Director is no longer always the employee with the largest office, a huge desk and a secretary outside. Instead, leaders today seek transparency, a connection with their teams and to lead by example. For instance, with its 'Better Ways of Working' initiative, at Vodafone, no-one, not even the leadership team or the chief executive, has their own office. People work in 'home zones' and are free to take their laptop to any one of a number of work spaces, or to one of the coffee shops.

In terms of spaces, as with other employees, leaders need access to a balance of private and team working areas plus social and community spaces. Company leadership spaces often reveal a lot about how a company wants to be perceived by its own employees, what its values are and the behaviours that it encourages or discourages. These areas should be carefully designed with this in mind.

Create spaces that accommodate visitors, mobile workers and guests

Workspaces should not be designed for employees only. With more and more workers coming from different locations to use the office as a "hub", workspaces are becoming areas of interaction between a variety of colleagues, contractors and freelances, as well as representing the company towards external guests.

It is therefore important that spaces consider these populations and facilitate their mobility through the space according to who they are and where/how they want to work. Employers must aim to create resilient workplaces, which encourage people and organisations to be more agile, engaged and which can evolve other time as needed.

Conclusions

Engagement is a complex topic, with many variables to consider. Redesigning the workplace is just one of many factors that can have an impact.

However, the new Steelcase report shows that in many organisations workplace design is overlooked, when it can have a significant impact on employee engagement and satisfaction.

The physical surroundings can shape employee behaviours, feelings and attitudes towards their employer and experiences at work. To maximise its performance, organisations must think about the workplace as an ecosystem of spaces that allow people to have choice and control over where and how they work. Only then will they feel fully supported and able to perform at their best **W&P**

Serena Borghero

Serena Borghero was born in Milano, Italy, where she studied Business Administration at the Bocconi University in Milano and at the UCL in Brussels. She joined Steelcase in 2000, covering different roles both within the corporate and the regional offices. In 2012 Serena joined the newborn Coalesse team within Steelcase, being responsible for Marketing, Communications and Public Relations in EMEA. Today, she is Director Media Communications of both Steelcase and Coalesse in EMEA.

Serena enjoys sharing experiences and to stimulate the debate around sustainable growth and bringing new life to work by regularly participating in congresses and workshops. She lived and worked in more than 7 countries and is currently living in Amsterdam (The Netherlands) with her family. She speaks five languages.

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Baptiste Broughton

FLEXIBLE WORKING • COWORKING • PRODUCTIVITY

How France is living out a unique workplace revolution

France is always behind. Well, we might be the first to cut off our King's head and hold a revolution, or to stand up on barricades and die for ideals of justice and universal equality, but when it comes down to change – especially in large organisational contexts – we always seem to lag behind. You could blame it on a number of factors: a cultural bias towards tradition and values, the legacy of an interventionist and ever-present state, spawning bureaucratic models of large state-owned corporations, the everlasting grasp of the elites stifling innovation and the ability to "think outside the box"… Whatever this may be, the debate around remote working – a type of work organisation which allows employees to work regularly away from the office – in France has always been articulated around the preconception that France was behind. And that while its Anglo-Saxon or Nordic European neighbours displayed a boastful 30 percent of the working population as remote workers, France struggled to reach a meagre 9 to 10 percent in 2010.

In contrast, French Government studies showed that by 2015 50 percent of the working population would be eligible for remote work. And with the huge advantages that this type of work organisation provides, our backwardness seemed like just another archaic trait holding us back. Which confirmed another stereotypical vision that French have of themselves: as a somewhat intellectually-enlightened but economically struggling-to-stay-ahead nation, nostalgic of the days when we could call ourselves a "great nation".

At LBMG, we started looking closely at the subject in 2010. As young entrepreneurs who had been jumping through the hoops of large organisational transformation projects (either as consultants or as project managers in large companies), we couldn't quite understand the world we were living in. For example in Paris, people still commuted over two hours every day, in what can only be described as quite adverse conditions (try the RER A line going into the main office hub of La Defense around 8:30) only to open their laptops and work online, on tasks that could be carried out – at least part of the time -

remotely. It seemed to us that a lot of time and effort could have been saved by working in this way – but very few companies actually did; or didn't seem to.

When trying to measure the percent of the active population working remotely in France at the time, we realised:

• That the definition of remote work or remote work itself is quite a complicated task (is working from a hotel lobby or from your car considered remote work? Should freelancers be included in the analysis? Should we take into account occasional work from home, even if it's a few days per year for exceptional reasons?)

• That the comparison between different European countries was made harder for the lack of serious studies on the subject, and the various ways of measuring the phenomenon.

• That even if remote work is defined in French labour law since 2012 ("loi WARSMANN" [1]) most of the remote work today is done outside of a signed contractual relationship between employee and employer. The great majority of this type of organisation of work is therefore done "illegally" or what we call in a "grey area".

This is a specific characteristic of France which needs to be understood so see how the phenomenon is evolving today and impacting the work environment at large. As labour law is very restrictive[2], remote work is supposed to be strictly defined in the work contracts of employees wishing to benefit from this new way of working. The day can be set, or flexible. Most of the time a maximum number of days is set as well as hours where employees are supposed to be reachable. It requires the manager's approval (not always easy), and a reversibility clause is included in the agreement. This means that today 60 percent of remote working is done informally on a "one to one agreement basis[3]."

To measure this phenomenon, we decided to align the definition of remote work to those of other European countries as work conducted away from the office more than two days per month. With this rule of thumb, France was hovering around 17 percent in 2010, more than 20 percent in 2015. Other interesting

> **"…most of the remote work in France today is done outside of a contractual relationship between employee and employer so the great majority of this type of organisation of work is therefore done illegally or what we call in a grey area…"**

fact, in 2010, 45 percent of CAC 40 companies (top 40 companies in France) has signed a remote work agreement. In 2015, this number has raised to close to 90 percent. French companies want to put this in place by defining a general framework within their companies. However, putting a framework in place does not mean that a large percentage of the employee base actually embraces remote working. This can remain a marginal phenomenon, in companies that have not first revolutionised the work and management cultures, away from some of the typical traits that hinder our revolutionary instincts. These traits need to be taken into account to understand the situation in France. Here are a few easy ones:

In France staying late is a sign of performance

This might be a shock to some readers, but whereas in Anglo-Saxon working cultures staying late is a sign of bad personal organisation, in France it is seen as a way to prove yourself and show your dedication[4]. No one really looks at the time you arrive in the office, but they do look at the time you go. Which makes no sense, we agree here. The famous joke is that when working a high powered job and leaving around 6 pm, you will have invariable heard at some point a colleague with a quirky smile "ah, so you're taking the afternoon off?"

I see you, therefore you work

This translates in the fact that a lot of the management work today in France is not done on an objective basis, but on a presence basis: "if I see you on the open space I know that you are working" (even if you are spending most of the day on Facebook). More than that, it is the role and identity of managers and especially middle managers which are threatened by remote work, and this explains – partly – why remote work in France means complicated situations, and why it develops in an unformal and unchecked "grey" way.

Top management remains old school

What we have also witnessed first-hand is that in many companies top executives still have very strong negative and unfounded views regarding remote work. For them, it's a way to take an early weekend, to pick-up your kids on Wednesday afternoons, to watch TV all day while working (or not). "Teleworking? Isn't that working in front of the tele?" (True quote during an EXCOM meeting on the subject some years back). So whereas employees in France are globally quite fond of the idea (around 70 percent would like to work remotely part of the week; managers and top managers are very suspicious of this trend, and if they don't usually openly declare themselves hostile, in more private or "off" contexts you understand that sometimes whole departments involving thousands of people

are not allowed to work remotely because at the top level people are just convinced that this is a very bad idea.

The consequences for people and organisations are huge: decreased happiness at work and engagement, increased turnover and absenteeism, decreased productivity and efficiency… All the benefits of remote working are denied to millions of French workers every day, just because their bosses think that work is in the office and nowhere else. Taken as a whole, this means that the challenge facing some large companies in France is equally huge: these changes require rethinking work organisations, team by team on the key structural elements:

- • Organisation: how are teams organised on a daily basis? How does remote working alter team organisation? How to balance flexibility and the need to interact, to meet?
- • Management: how are people managed? What specific management structure, processes and cultures are in place to achieve collective and individual objectives?
- • Performance: how is performance measured in my field / activity? What indicators can be used to measure the efficiency of my team?
- • Workspace: which type(s) of workspace(s) is (are) needed? For what activities? Changing workspace from a space-base approach to a usage-base approach, and seeing workspace as not only workspace within the office, but anywhere (see next section on coworking)

The whole remote working debate in France is a great revelatory of a very specific work and organisational culture, where management (top and middle) especially come out as lacking the basic skills and vision to switch to a flexible, agile, objective-base style management where work relationships are built on trust and not on control.

But what is happening outside the traditional company structure? How does the freelance movement and the workspaces they have created for themselves – coworking spaces – shed a different light on the phenomenon? And how are companies in France able to find inspiration in these communities to solve the problem of control and trust, and bring about a more flexible and innovative way of working?

The rise of coworking – an escape from the corporate model or a way to rethink it?

The multiplication of coworking spaces around the world is staggering. More than 7000 spaces have popped-up on every continent in less than five years[5]. This global movement is a response largely to the development of the freelance, start-up and agile companies looking for flexible and collaborative office spaces where interaction and community is the prime asset. With the valuation of WeWork at 9-digit figures in the past

> **❝ …We have seen a very dynamic and diverse offering of coworking spaces in France, with small independent spaces sprouting in every area, some developing franchises, and so we can safely bet that this trend is here to stay… ❞**

year[6] the trend has shown it is now entering a new phase of maturity and will compose the landscape of office space and work environment in the future.

France (for once?) is not lagging behind. We have seen a very dynamic and diverse offering of coworking spaces in France, with small independent spaces sprouting in every area (urban or rural), some developing franchises, and with the introduction of large industrial players (Bouygues, Nexity, Accor Hotels) on the segment of nomadic workspaces, we can safely bet that this trend is here to stay. On our website[7], we have accounted for more than 540 coworking spaces nationwide.

This means that a whole section of the French economy is starting to work differently. More flexibly, more collaboratively, coworking spaces also pave the way to new sub-cultures of collaborative economies, "maker" cultures (with fablabs, foodlabs often embedded) and alternative ways of living.

Keeping the focus on corporations, it's easy to see how corporations might be inspired by this new trend. We've been studying this subject thoroughly at LBMG in the past years, because we believed that the core issues relating to remote work were somehow connected to the new arising trend of coworking. And the field to explore is huge, since only 6 percent of coworking users come from large corporations[8]. Here are the leads that we have been (co)working on:

• Coworking spaces as way to resolve the remote work issue (for managers). Coworking spaces can resolve some of the problems caused by remote work, especially homeworking, by providing professional environments separate from home, which reduces the suspicions of managers regarding homeworking. Partly because of the cultural specifics of French working culture, this means that coworking might be a very adequate solution to the remote work problem in France. We are seeing an increasing number of companies now offering their employees a choice between home and a network of coworking spaces.

• Coworking spaces as way to resolve the remote work issue (for employees). For employees, coworking spaces provide a stable, efficient and collaborative work environment, allowing an improved work-life balance and a way to separate professional and personal life. This is especially true at a time where work is increasingly invading personal space, increasing risks of burnout and "infobesity" – one of the next big challenges of our information-saturated society. The next labour legislation put forward by Holland's government includes a "right to disconnect"[9] which companies will have a hard time putting in place in the future (applicability has not been the primary concern of labour law in the past decades). Moreover, these spaces provide efficient working environments for the ever increasing number of work nomads around the world. Instead of working from noisy cafés or hotel lounges, the connected modern day worker should be able to work anywhere, with flexible workspaces at the touch of his smartphone.

• Coworking spaces as an inspiration of the "ideal" workspace. One thing that coworking spaces tell us is that people choose to work there, instead of working from home or from regular business centres or office spaces. Sometimes paying substantial amounts for a monthly rent (around 300 Euros/month in Paris). So they must be getting some things right. Corporations have already started trying to copy this model – not only of workspace environment, but also of community management and collaboration, fostering practices that coworking has created… Out of thin air, a bit of furniture and quite large amounts of free coffee. We showcased the first study of what we call "corpoworking" last year: a trend for corporations trying to create their own internal coworking spaces, with some interesting insights.

• Coworking spaces as sources of innovation. Well, the title says it all, but we believe that coworking spaces – and the community they harbour, can be great sources of innovation for larger corporations. A way not only to meet and interact with innovative communities of start-ups, makers, designers, but also just a way to "work outside the box" on a regular basis, and interact with an environment different from their own. As companies need to be more and more agile and open to their ever-changing environment, coworking spaces provide this area of interaction, via the basic functions of the workspace. Moreover, and interestingly, we have seen the ability for companies to employ directly evolving - and without complex purchasing processes - competencies and expertise.

More generally, what we are seeing today is the very early beginnings of a growing awareness that that the subjects of remote working, work culture, management, coworking spaces, shared office space, have to be weighed and thrown in into the mix to provide the modern and connected worker with the ideal and flexible work environment.

Flexwork: coworking, remote work, shared office space: the global winning equation

To tie this all up, what we try to instil within large organisations today is a global transverse vision of what work will be tomorrow in terms of workspaces – plural. In our view, it will be a mix – different for each company and for each person – of three categories of workspaces:

• Home – homeworking will remain strong and a choice which has to be left to the employee. If it's convenient, if he/she can trust himself to work from home, if they have the adequate space and environment (think about a nice big house in the suburbs, but with two toddler twins running around the place) then they should be able to do it. How many times per week? Under which sets of rules and guidelines? This is totally up to the company / team to decide – and within the constraints of the French legislation. But it's here to stay.

• Coworking spaces – effectively, are the missing link between home and the office. They are the "third place to work" allowing people to meet and connect to various communities, while remaining efficient nomadic workers. Coworking spaces, given the adequate network linking and seamless access, will become an outsourced and "on demand" office space usage on which companies will rely. Not only to cater for employee needs, but also to stomach occupation peaks, growth, local presence… And foster innovation. Coworking spaces are the key to the future of work.

• The office: a collaborative hub. If work is increasingly made remotely, the main office space has to change. Not only does it need to be more flexible, and maybe some savings can be made by putting in place shared office space. But this should never be the main objective. It also needs to be a place where people choose and want to come to work, collaborate, and interact. It's not a place where managers look over employee shoulders to make sure the work is done. It will be a place where employees come to collaborate and infuse company values.

This is why the equation is win-win only if these three work environments are combined effectively. For workspace usage to decrease at the central office, remote work can be promoted within defined boundaries. But some of the space / cost savings which will be derived will have to be reinvested into: more collaborative spaces at the main office, and allowing employees to work from coworking spaces.

Moreover, the benefits from this new way of working should be measured not only in financial savings, but in time saving, motivation and engagement, decrease in turnover and absenteeism, health and burnout. And today it is still hard to convince companies and decision-makers to factor-in these elements. Perhaps top managers and executives need to start working from coworking spaces more often. In France especially, they might learn a thing or two of how fast change is happening, and how obsolete they are quickly becoming **W&P**

> **"…the benefits from this new way of working should be measured not only in financial savings, but in time saving, motivation and engagement, decrease in turnover and absenteeism, health and burnout…"**

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Creating the next generation of workplaces

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Kati Barklund

WORKPLACE DESIGN • ACTIVITY BASED WORKING • CHANGE MANAGEMENT

Six key workplace trends from Northern Europe

Last October, I had the honor to present a session on workplace trends from Northern Europe at the IFMA World Workplace Conference in Denver, and in this article, I will try to summarize these trends. With Northern Europe, I primarily refer to the Nordic Countries (Sweden, Norway, Denmark and Finland), but I can partially see these trends in the UK, Holland and some other parts of Europe as well. The top 6 workplace trends from Northern Europe we might identify are:

Increased strategic C-level attention

Up until very recently, the workplace in itself has not been very high on the strategic C-level agenda - if it has been on the C-level agenda at all, but we are now really seeing increased strategic C-level attention for the workplace in Northern Europe.

To give you some background to this, we can state that our world is changing faster than ever and some of the key drivers for this change are:

- Increased competition and globalization
- Increased focus on sustainability
- Rapid technological development, and
- Increased war for talent and productivity.

All these changes lead to new challenges for the organizations. Let us take a simplified look at some of the C-level roles and the challenges that these different roles face today. The HR Manager's challenge is one of appeal, namely: "How can we attract and retain talent?" The CEO's challenge is productivity – "How can we increase our productivity, our innovation capability, our sales and our profitability?" The CFO's challenge is efficiency, precisely the same challenge as the procurement, the CRE and the FM managers have– "How can we be more efficient with our finances and facilities?" The Brand Manager's and the Sustainability Manager's

challenges are usually Sustainability – "How can we take our environmental, social and economic responsibility? And, how can we show and communicate this to the world, primarily to our customers and to the society as a whole?"

There is one common key solution area to all of these challenges, and that is "The Workplace". If we start to use the workplace as a strategic tool, we can increase both its appeal, productivity, efficiency and sustainability. And in fact, even if we do not – the workplace will still affect these elements – but most probably instead in a negative way.

The improvement potential when it comes to the workplace is huge! Just a few examples:

- "The bulk of employees worldwide - 63 percent - are "not engaged" meaning they lack motivation and are less likely to invest discretionary effort in organizational goals or outcomes. And 24 percent are "actively disengaged", indicating they are unhappy and unproductive at work and liable to spread negativity to coworkers".[1]

> **"…the workplace in itself has not been very high on the strategic C-level agenda - if it has been on the agenda at all, but we are now really seeing increased strategic attention for the workplace in Northern Europe…"**

- "55 percent of employees report that their workplace enables them to work productively".[2]
- "Appealing workplace facilities consistently DOUBLE the likelihood of a candidate choosing an employer regardless of the combination of other variables".[3]
- "People who are more satisfied with their work environment feel that they are more productive, with a 1 to 4 percent increase in perceived productivity for a 15 percent increase in satisfaction".[4]
- "49 percent of desks in use at any one time".[5] (In our own utilization studies we nowadays often find utilization as low as 30-35 percent)

So, the C-level is facing challenges and has started to recognize the workplace as one key solution area to these

"…The majority of organizations in the Nordics now have a more holistic view of the workplace today – focusing at the same time on the people, the activities, the place, the services and the technology…**"**

challenges. The Workplace is becoming a strategic C-level tool. It is no longer only of interest to Facility Managers, CRE Managers and Sourcing/Procurement Managers. Now the workplace is becoming of interest to the whole management team including the core-business and they want to know how they can increase the company's attractiveness and performance through the workplace, and they can see and be inspired by many good examples of this from other companies in Northern Europe.

Twentieth century silo thinking is dead

We are also seeing an increased holistic workplace perspective. Traditionally we have had silo thinking in organizations and this also applies to the workplace. We have had a few traditional silo workplace functions, such as HR, IT, CRE and FM; which have more or less been working individually and independently, and sometimes it even feels

that these departments have been run for their own sake; with the result that we have forgotten the real purpose of these functions. What we can see now is a better and increased coordination of these disciplines, with the common aim of course to make work, work better. We have kind of received a new discipline – the Workplace discipline – including HR, IT, CRE and FM, but it does not always have to be within the same organizational unit. We also see new Workplace related titles in organizations like Head of Workplace and Chief of Work etc.

The majority of organizations in the Nordics now have a more holistic view of the workplace today – focusing at the same time on the people, the activities, the place, the services and the technology. People are heterogeneous and conduct many activities during the workday and not all of them are best conducted by the desk and next to the same person all the time. We also see that we need to design for flexibility. Not only because we know that things change all the time, but also

> **"...The workplace is a continuous change journey and we cannot stop working with the change management nor the development of the workplace. We need to work with it continuously..."**

because we need the variation and flexibility to fit different needs – different people, and different activities. We use services and technology both as enablers and enhancers of the workplace and build in sustainability in the workplace in every possible way, balancing both economic, environmental and social aspects. In workplace projects we now see that we more or less have all these different workplace aspects in mind, both when putting together the project team and implementing the project.

The workplace is a process – not a project

A third workplace trend that we can see in the Nordics is that organizations start to understand that the workplace is a process - not a project, and that it needs to be treated as such. This is especially true if we want the workplace to stay attractive, productive, efficient and sustainable during the whole lifecycle of the building and not just in the beginning. We need to monitor, adapt and develop the workplace continuously, but here we generally still see that there is a long way to go.

We have quite a few examples of workplace changes where the organization afterwards realized that they did not receive the results they wanted and expected, or that these results did not stay for that long. Maybe the project was more of a design project than a change process, and too little effort was put into change management or the change management work was ended after too short a period after the change.

The workplace is a continuous change journey and we cannot stop working with the change management nor the development of the workplace. We need to work with it continuously. What we also notice is that the organizations that actually do see the workplace as a process have difficulties in figuring out how to actually do the work continuously. How do we monitor continuously? How do we know how we use our workplace, what capacity we have, what has changed, what we need etc?

Most of the traditional ways of monitoring the workplace and its performance are not relevant enough and working anymore. The instruments that we traditionally applied for monitoring are far too blunt. It is not enough anymore to

monitor once a year or even once a month. The changes are so much faster than that. We need to do it continuously and we need to monitor the right things. Utilization sensors and continuous measurement of perceived attractiveness and productivity or engagement are two good and complementary ways of workplace measurement, but not many organizations are using these tools yet. When it comes to utilization sensors the price is usually perceived as too high.

Workplace as an experience

Another trend that we recognize in Northern Europe is that organizations start to focus more on the workplace experience. We talk about hospitality and focus on the needs and experiences of the workplace guests, and with workplace guests we mean everyone at the workplace – employees, customers, visitors, suppliers and partners. And everything is seen to impact the experience of the workplace guests.

Not just the design of the workplace; but also all the people at the workplace and their behavior; and the service and technology solutions of the workplace. The workplace is not just seen as the office either, but where ever you are. This could be at home or the café or maybe on the train commuting. What workplace experiences do we want to create for the workplace guests and how can this be expressed during the whole workday?

Common general experiences that we see organizations wanting to create is an appealing environment i.e. 'attractivity', productivity, efficiency, and sustainability, but also specifically promoting and supporting for example environmental sustainability or a healthy lifestyle and work-life balance. Maybe you as a company promote healthy living by for example making biking to work easy.

Then you will also need to have available and secure parking of bikes, offer the possibility to shower and change clothes, ways to dry shoes and clothes etc, but you also might want to take this further to offering visitors the chance to have their bicycles serviced/repaired while at work, to have breakfast/ refreshments at arrival etc. In this way we need to go through all the experiences that we want to create for the workplace guests and see how this can be expressed throughout the whole workday.

Live the brand

The workplace experience needs of course to be consistent with the organization's brand, the organization's mission, vision, goals and core activities. We cannot say and sell one thing and then ourselves do a completely different thing in our own workplace and in our own way of working. We need to practice what we preach!

Traditionally, the workplace and especially the way of working seems to have been, more or less, out of scope for brand management work. For example, all the offices have looked about the same – when you have entered an office, you could not tell from the appearance what organization belongs to that office. When it comes to the way of working, we have pretty much continued to work the way we have always done, even though our needs have changed and even though we in many cases we are selling and telling something different to our clients. But, this is now definitely changing. We see many organizations changing their workplaces and way of working to match their brand and their mission, vision and values, and workplace really is a golden opportunity for brand management.

It should be seen as the platform for Brand Management, and it is so important that we practice what we preach. The mission, vision and values must be incorporated in the workplace and we need to use the solutions that we are selling to our clients ourselves, and work in the same way we advise them to work. It is all about trustworthiness. Why are we doing what we are doing? Why are we selling what we are selling? Do we really believe in what we are selling or are we just selling? What is the value? The experience we want to create must be consistent in our own way of acting and working, and the world has in many ways shrunk so much due to globalization, digitalization, social media etc. that every part of the organization, the workplace and way of working needs to be consistent with what we are telling and selling. We gather all the pieces of the brand puzzle – what we see, hear, experience from commercials, social media, friends, our own personal experience etc. We do it mostly consciously and put it together into a puzzle that becomes our image of the specific brand.

Activity based workplaces

But, the hottest trend above all that we can see in Northern Europe today is activity based workplaces. Almost every organization in the Nordics is either talking about or implementing activity based workplaces, or have already implemented this. All types and sizes of organizations from different industries and from both private and public sector, and here are some examples: AFA Försäkring, Apoteket, Arcona, AstraZeneca, Atlas Copco, Bisnode, Coor Service Management, Deloitte, DNB, Ericsson, Folksam, Försäkringskassan, ICA, Klarna, KungälvsKommun, Martela, Microsoft, Nacka Kommun, NCC, Nordea, Ramböll, SAAB, SEB, Skanska, SvenskByggtjänst, Swedbank, Telenor, TeliaSonera, Trafikverket, Vasakronan, VCC.

The basic idea of activity based workplaces is that we have different work activities that are best conducted 1) in different environments (settings, furniture, technology) and 2) with different people. So, the activity based workplace is created to support the employees and their specific activities. You have a choice of settings, furniture and technology -depending on the activities conducted at the specific workplace – and you choose the appropriate environment, furniture, technology and people depending on what needs to be done. The benefit with Activity Based Workplaces is that we get better support for our way of working and our work tasks, and better collaboration between individuals and units.

We see that the organizations implementing activity based workplaces have in general the same set of motives as the common challenges, that is 'Attractivity', Productivity, Efficiency and Sustainability, but they have different

> **"…Almost every organization in the Nordics is either talking about or implementing activity based workplaces, or have already implemented them…"**

> **...It is not certain that you have an activity based way of working and therefore get the benefits, just because you have created an activity based designed workplace...**

combinations of these. Some examples of the combinations of motives:

- Company A – Increase productivity and create ONE company
- Company B – Cut cost and create the best workplace in the market
- Company C – Facilitate a culture change
- Company D – Create ONE company and achieve space efficiency
- Company E – Attract and retain talent

What we also see is that there is a difference between activity based workplace design and activity based working. It is not certain that you have an activity based way of working and therefore get the benefits, just because you have an Activity Based designed workplace. There has been a tendency to see activity based workplaces more as a design projects, instead of as a change process, and a tendency to believe that the change happens itself if you just create the right workplace design. Maybe you have not worked enough with change management or maybe you have stopped working with change management too early. According to our experience, it takes often more than a year to change the way of working when implementing activity based working, and actually, you should never entirely stop working with the change management because the change process never ends.

So, what does the future workplace look like? I often get asked this question. I myself believe that the future workplace is a platform for organizational culture, brand management and innovation. The workplace becomes a meeting place, not only for the own organization, but also for those organizations outside our own that we collaborate with. Today, we simply need to work more openly and boundlessly, and we cannot create and manage the organizational culture just virtually, even though we of course will be able to work where ever we are. We will still need to gather at the workplace and we need to get everyone to want to come to the workplace to collaborate and innovate. This is something that I believe applies to all workplaces and organizations. No matter in or outside Northern Europe **W&P**

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No firm's workplace has been more talked about in the last few years than Yahoo's and not always in a good way. But what happened and what lessons does it have for the way we all design and manage work?

Andrea Hak

HUMAN RESOURCES • FLEXIBLE WORKING

How to save a sinking ship: Lessons from Yahoo

When former Google employee Marissa Mayer joined Yahoo as its new CEO in 2012, she inherited the company's vast performance problems. Though it was once seen as one of the original tech behemoths, Yahoo's inability to quickly come up with groundbreaking products like Google, and other competitors, put it in a slow but steady decline. Mayer was immediately tasked with downsizing and trying to reinvigorate the stagnating company. Her focus was to find a way to identify and retain top talent, while phasing out ineffective employees..

However, Yahoo's new management policies have brought about much debate and criticism from HR experts. A controversial book released this year by journalist Nicholas Carlson titled "Marissa Mayer and the Fight to Save Yahoo!" paints a highly critical view[1] of Mayer's first years as CEO. In response others have defended[2] her, arguing that she has done the best she can so far with the resources available, but has become a scapegoat for poor management in the past, like so many other women[3] in powerful positions.

Whichever side of the debate you're on, having to downsize while injecting new energy into a company is a difficult task many face. An analysis of some of the strategies implemented can serve as a guide to the best practices and pitfalls to avoid when facing this dilemma. What can your company learn from Yahoo's experience?

The Good and Bad of Yahoo's New Policies
Transparency through weekly FYI meetings

One of the first seemingly positive changes Mayer instituted was a weekly 'FYI' meeting. In these meetings all Yahoos submit and vote on the most popular questions they want answered about any aspect of the company's decisions, practices and plans. Mayer and other senior management then answer the top questions in front of the entire company. These meetings were created as a way to improve transparency

"…Whichever side of the debate you're on, having to downsize while injecting new energy into a company is a difficult task many face…"

and bottom up feedback from employees. Previously, Yahoos were often kept in the dark about company issues, having to read about them in the news. According to a 2014 survey[4] by the American Psychological Association, 1 in 4 workers don't trust their employer, while 1 in 3 believe their employer is not always honest and truthful with them. Trust is strongly tied to how transparent a company is towards its employees. Having a stake in how the company behaves makes it more than just a job, but a community in which employees are considered to be valued members.

Being able to see how individual efforts are contributing to a company's success and goals can also build a stronger sense of purpose and motivation at work. The same survey reported that employees who feel valued are 92% more likely to feel satisfied at work and 91% more motivated to do their best. In return, hearing from employees helps companies to identify hidden issues of interest in advance and come up with more insightful solutions in coordination with those working on the ground.

However, these meetings are treated more as one-way informational sessions and there is often no follow up to the issues that are raised. The low point came when Mayer took to the stage to read a children's book about spending money to the audience after being asked tough questions about the company's financial decisions. In his book Carlson gives an insider's perspective to Yahoo's confidential FYI meetings providing some of the most popular questions launched at Mayer and her team, including their responses. The questions give an insightful look into other controversial management policies undertaken by Yahoo.

Quarterly Performance Reviews

Some of the most popular FYI questions were directed at the new Quarterly Performance Reviews. To solve the downsizing dilemma Mayer implemented this system to help make tough

> **"...Based on whether employees reached their goals, managers would have to put them into one of five "buckets": greatly exceeds; exceeds; achieves; occasionally misses; misses..."**

employee cutback decisions. Rather than assessing employees based on the same standards, the positive side of this system is that it revolves around employees setting their own quarterly goals. Managers then evaluate employees based on their progress. Encouraging employees to set professional goals is a great way to boost motivation and professional development.

Various studies support Goal Setting Theory, which first became popularized by psychologists Edwin Locke and Gary Latham. According to Locke and Latham's theory there are five dimensions which must be considered for goal setting to be an effective motivational tool: clarity, challenge, commitment, feedback and complexity. Ten years of study[5] on this subject led them to conclude that when setting goals that were specific and challenging, but manageable, subjects were 90% more productive than those who set easy goals for themselves.

However, in Yahoo's case, this method was being used to decide who would stay and who would get the axe. This meant that rather than being encouraged to come up with goals strictly for the purpose of improving, employees set goals with job security in mind. In effect this tactic may actually have undermined the potential benefits of goal setting.

For one it can greatly impact employees' motivation for creating goals. Instead of basing goals on how they can contribute to the team, employees may base goals on what will get them the best and safest results. Discouraging employees from creating challenging goals or trying something new essentially stifles innovation, the opposite of what Yahoo was trying to achieve. On the other hand, this may lead some employees to set overly challenging goals as a way to stand out and impress their manager. Overwhelming oneself with unattainable goals will only lead to demotivation and burn out. In this way goals are not seen as a way to challenge and improve but a battle plan for keeping your job.

Placing employees into "buckets"

Based on whether employees reached their goals, managers would have to put them into one of five "buckets": greatly exceeds; exceeds; achieves; occasionally misses; misses. Rather than being free to place employees into buckets as they

thought best, managers were pressured at times to put good employees into lower level rankings to meet quotas, essentially stack ranking with a new name. According to Carlson, one of the most popular questions[6] from the FYI meetings was:

"I was forced to give an employee an occasionally misses, [and] was very uncomfortable with it. Now I have to have a discussion about it when I have my QPR meetings. I feel so uncomfortable because in order to meet the bell curve, I have to tell the employee that they missed when I truly don't believe it to be the case. I understand we want to weed out mis-hires/ people not meeting their goals, but this practice is concerning. I don't want to lose the person mentally. How do we justify?"

The endless announcement of companies ditching stack rankings in recent years has greatly discredited the practice. Companies including Accenture, Adobe, Deloitte[7], Microsoft and even the founder of the system GE[8], have all contributed to its decline. They found that stack ranking increased competition between peers, leading to a lack of teamwork. Top employees often don't want to work together and risk being ranked lower in comparison. In the end, this tactic does not necessarily leave you with top employees but those who were favored by management or able to fight to the top.

A scathing article published by Vanity Fair[9] in 2012 described Microsoft as a falling (or crashing) star of the tech world. Similar to Yahoo, the article discussed its rise and steep decline due to a failure to stay competitive with innovative new ideas from giants like Google, Apple and Facebook. Based on a number of interviews with past and current employees, the root of the problem was clearly attributed to the fierce office politics created by its stack ranking system. Bill Hill, a former Microsoft manager explained, "They used to point their finger at IBM and laugh... now they've become the thing they despised." Johann Garcia, a former Microsoft product manager posited, "Google was so far ahead and we had so much infighting. A lot of people became so unhappy and just lost all momentum." In a 2013 memo[10] from HR Chief Lisa Brummer, Microsoft announced its decision to completely do away with its curves and ratings and move towards more regular feedback to boost teamwork, agility and innovation.

"...One of their main arguments was that having people in the office together more often would encourage collaboration and thereby innovation. In reality, this move sparked a great debate about telecommuting amongst experts..."

GE's former CEO Jack Welch, the founder of stack ranking, designed the system to downsize its oversized employee base and stay competitive with Asian markets. Its decision to ditch stack ranking in 2013 came as a shock to the HR world. In an interview with Quartz[11,] Susan Peters, head of human resources at GE, explained their decision to ditch stack ranking, "It existed in more or less the same form since I started at the company in 1979... But we think over many years it had become more a ritual than moving the company upwards and forwards." It's not only inconsistent with the goals of fostering teamwork and innovation in a company, it's also incompatible with the needs of today's workforce. As Peters explained, "The world isn't really on an annual cycle anymore for anything... I think some of it to be really honest is millennial based. It's the way millennials are used to working and getting feedback, which is more frequent, faster, mobile-enabled, so there were multiple drivers that said it's time to make this big change." As the number of companies using the system has declined from 49% to 14%[12], Yahoo is moving in the opposite direction.

Acquisitions

During this time Yahoo also began a strategy of acquiring fast rising startups and growing companies, most notably Alibaba and Tumblr. The company was therefore able to bring in lots of new innovative hires from these companies. However, there were two problems with this strategy. First, many of these teams were close knit and enjoyed the startup life. Joining a big company and having more rigid demands on the kinds of projects they could work on, while their 'baby' was either acquired by Yahoo or disbanded was spirit crushing. A popular FYI question from this group was:

"Recent acqui-hire with real technical chops, yet I spend a vast amount of time satisfying the needs of bureaucracy and unable to focus on making a real difference. The amount of time wasted on "metawork" is astounding (e.g. have posted graded goals but still required to send a summary of accomplishments for the qtr in an email to my manager). Focus is about removing distraction - not just the properties/platforms but also the process. Stop killing my will to care - let us do real work!"

Second, it was demoralizing for current employees who found it hard to get a raise, while they were being joined by new co-workers making higher salaries. One employee wrote in an FYI question: "Told to wait 2 years for promotion, then no opportunities available -- what happened to investing in people? (310 votes)." Creating a strong company culture is essential in any company, especially when taking on aqui-hires. Yahoo's system of fierce competition has not fostered the type of environment where a strong culture can be implemented to help retain employees and successfully onboard new hire.

Working from home

Finally, one of the most unpopular decisions regarding company culture was Yahoo's ban of telecommuting in the hope of improving productivity. One of their main arguments was that having people in the office together more often would encourage collaboration and thereby innovation. In reality, this move sparked a great debate about telecommuting amongst experts, and encouraged the University of Illinois to conduct a study on the practice. The study[13] found that employees who telecommute are actually just as productive or in some cases even more productive when working from home.

With this change Yahoo was trying to attack a symptom rather than the root of the problem. Pitting employees against each other in a stack ranking style system actually discourages collaboration. The experiences of companies that ditched this system have shown that employees are more likely to try and undermine the competition than work together.

When employees feel they are listened too, have positive development goals in place, have a positive working environment (relations between employees and managers) and are encouraged to challenge or innovate there is not a strong need for companies to monitor their progress. Self-motivation and productivity are strongest when employees enjoy greater job satisfaction.

Alternatives to Yahoo's methods

Despite some of the growth and reinvigoration Yahoo has felt as a result of these changes, it has yet to make Fortune's list of best places to work and even missed the cut for the Fortune 500 list of top companies in 2014 and 2015. Will and can Yahoo

> **❝…The main thing Yahoo got wrong is that they attributed low productivity and innovation to their employees. What companies like Yahoo often fail to realize is that they don't have a people problem, they have a management problem …❞**

make the switch now? What does it take to break out of this cutthroat culture?

Greater transparency can create a deeper sense of trust between employer and employee. Yet, information on the firm's activities alone is not enough. As the backbone of operations employees want to have a say on the direction the company is going in and especially in the way their work is being managed. A greater focus on interpersonal skills[14] is important for good company culture fit and teamwork. Implementing a system for giving 360-degree feedback would be less biased and provide less chances for employees who are merely trying to curry favor with the boss to rise to the top. Getting feedback from peers gives better insight into how the employee fits into the team and how well they work with others. Allowing employees to evaluate their managers also lowers the risk of favoritism and unfair management policies.

Termination should be a separate process from goal setting. Goal setting should not be linked to job security. To reap the motivational and productivity benefits of goal setting techniques, employees should be free to create goals based on professional development. Giving more frequent feedback and coaching to employees will help them to realize these goals and grow, increasing the amount of top performers in your existing workforce.

Work should also be put towards improving on people's strengths rather than weaknesses. According to researcher and applied psychology expert Michelle McQuaid, 64% of employees believe they are more successful when building up their strengths as opposed to weaknesses. This can have a major impact on motivation as employees who have strengths discussions with their managers are 78% more likely to feel their work is appreciated and making a difference within the team. This can only happen if managers and employees are giving more feedback to help each other identify and grow their skills together.

The main thing Yahoo got wrong is that they attributed low productivity and innovation to their employees. What companies like Yahoo often fail to realize is that they don't have a people problem, they have a management problem **W&P**

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Mark Eltringham   FACILITIES MANAGEMENT • TECHNOLOGY

The Hitchhiker's Guide to the workplace

We know, and have for a long time, that the workplace is in a state of flux and so we often fall into the trap of assuming that there is some sort of evolution towards an idealised version of it. That is why we see so many people willing to suspend their critical facilities to make extravagant and even absurd predictions about the office of the future or the death of the office.

However we can frame a number of workplace related ideas in terms of evolutionary theory, so long as we accept one of the central precepts about evolution. Namely that there is no end game, just types progressing and sometimes dying out along the distinct branches of a complex ecosystem.

I've tended to frame my thoughts on all of this with reference to an idea from The Hitchhiker's Guide to the Galaxy by the great Douglas Adams which states that the history of every civilisation tends to pass through three distinct phases; those of survival, inquiry and sophistication. The first phase is characterised by the question 'how can we eat?', the second by the question 'why do we eat?' and the third by the question 'where shall we have lunch?'

I think the comparison is clear. At the most basic level, owning an office is largely about survival. You need to have an office because you need somewhere to work. It doesn't really matter that much what it's like, so long as it doesn't cost too much and it provides a basic level of comfort and possibly a rudimentary sense of style. This sort of office is far more common than most people care to admit and its role is certainly underplayed in media coverage.

At the enquiry level, people question what they expect from their offices or even why they need an office at all. This question is not as prevalent as it once was, but even the inquiry stage continues, although it's probably asking different and more difficult questions.

Then, at the most sophisticated level, we have a group of people who know exactly what they expect, take it for granted, act on it, don't mind paying for it if necessary and then just get on with the business of whatever it is that they do. If you have to picture what this sort of workplace looks like, then it's this.

Now, I wouldn't say that we are all moving towards some end point of workplace sophistication. Nor am I one of those people who claims that we are heading to a period of entropy and the eventual heat death of the workplace. We remain human and until we finally bow the knee to our robot overlords, we'll still want to be around other people for very humane reasons. Apart from that there are lots of practical reasons why we should continue to work in buildings together. Tom Allen at MIT famously explored how physical proximity affects the way information is shared. Other research has shown how important it is for wellbeing, culture and the sharing of values. Even so, there is no actual reason for us to work in a particular place at a particular time unless we want to or are obliged to.

A quarter century after Frank Duffy and other visionaries first sought to square this emerging world with the static nature of traditional workplaces, we need to adopt a more sophisticated approach to where and how we work and with whom. By sophisticated we should acknowledge that this can also mean complexity. It also brings with it some major problems, not least how we adapt as individuals in a world in which space and time no longer behave as they once did.

All of us are going to have to adapt to this new world of the workplace. We must not allow ourselves to be suckered into believing that the world in which we have been successful in the past was built to have us in it. Nor should we panic ourselves into making bad decisions. We can all get religious about what we do and the teleological argument that suggests that the world was made to fit us has been used for centuries. It explains our place in the world as well as underpinning the beguiling idea that because we so closely fit the world in which we live, we have been put here for a purpose. It's all for us. The flawed thinking behind this compelling idea was, in my opinion, best illustrated by Douglas Adams:

"Imagine a puddle waking up one morning and thinking, 'This is an interesting world I find myself in — an interesting hole I find myself in — fits me rather neatly, doesn't it? In fact it fits me staggeringly well, may have been made to have me in it!' This is such a powerful idea that as the sun rises in the sky and the air heats up and as, gradually, the puddle gets smaller and smaller, it's still frantically hanging on to the notion that everything's going to be alright, because this world was meant to have him in it, was built to have him in it; so the moment he disappears catches him rather by surprise. I think this may be something we need to be on the watch out for."

This is an edited transcript of a talk delivered to the Workplace Trends conference in London in April 2016. mark@workplaceinsight.net

CONDECO
POWERING CHANGE

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Harness the power of workspace data
and maximise your office space.

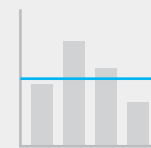Most businesses **assume** they have average workspace utilisation of
60% — 70%

Condeco Sense data tells a different story:
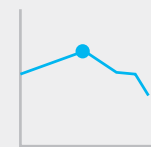
Average time desks are occupied is just
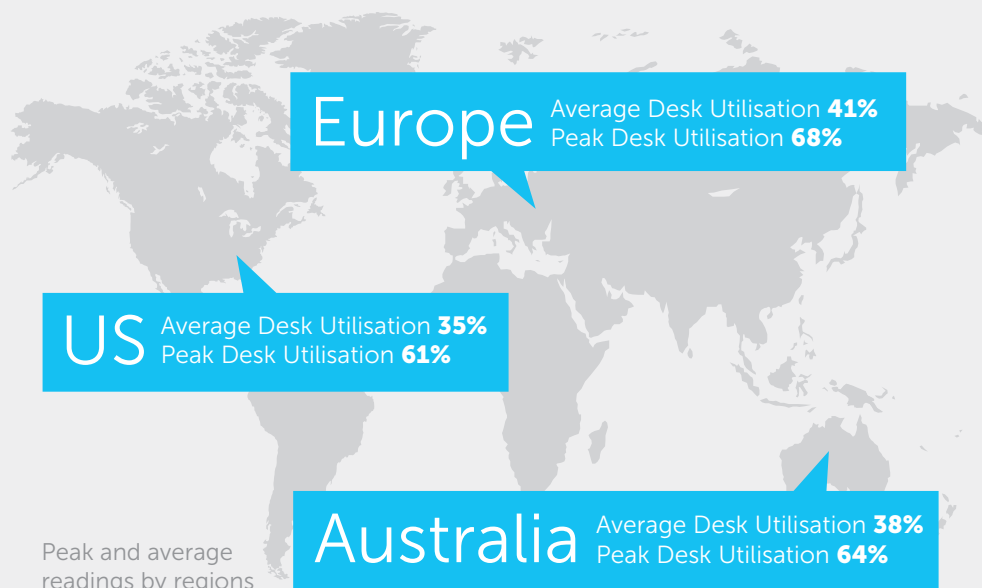## 38%

Average office utilisation is
38%

Average number of meeting room no-shows is
40%

Average peak office utilisation is only
64%

Europe Average Desk Utilisation **41%** Peak Desk Utilisation **68%**

US Average Desk Utilisation **35%** Peak Desk Utilisation **61%**

Australia Average Desk Utilisation **38%** Peak Desk Utilisation **64%**

Peak and average readings by regions

Most companies can afford to lose 1/2 of their desks | by implementing hot desks with a 1.5:1 desk ratio instead of 1:1

Condeco Sense can help businesses **save** up to **40%** on **real estate**

Condeco Sense is a wireless occupancy sensor that takes **1300 readings per day**

Save 1/3 with Condeco Sense on manual walk-through or bed-check studies

3/5
Tech savvy digital generation: 3 / 5 workers say they **don't need an office** to be productive

61%
61% of information workers **work outside the office**

Increasing numbers of staff work remotely, **outside of conventional 9-5 hours**

Condeco Sense data identifies different worker styles based on desk space requirements

Mobile

Flexi

Fixed

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