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Beyond monoculture:
How design eats strategy for breakfast

[insight]
people | places | technology

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Foreword

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Peter Drucker was undoubtedly one of the most influential management consultants and organisational thinkers of all time. Whether we realise it or not, a great deal of the management wisdom we take for granted stems from him and a handful of influential Twentieth Century thinkers.

Yet the most famous maxim attributed to him seems at first glance to run counter to his life's main work. The idea that 'culture eats strategy for breakfast' predates Drucker's work and holds a grip on our imagination to this day. But it also tends to be misunderstood in equal measure because at first glance it might seem to suggest that strategy is less important or can be trumped by culture. In fact what Drucker (and other writers) identify is that the two must go hand in glove. A strategy that does not heed culture is far more likely to fail. A culture without strategy quickly becomes unanchored and goes adrift.

The same need for balance is evident in the way we develop workplace strategies. Without understanding culture and knowing how a workplace can both reflect an existing culture and prompt a shift, the strategy runs the risk of becoming undone, or at least failing to fully meet its objectives. The most obvious manifestation of culture in an office is its design. This no longer primarily means its aesthetics, but also the way it conveys and underpins the culture of the organisation, including its virtual and digital facets.

> *We need to find new and better ways to structure time and design the spaces in which we work and live to bind them up with the happiness, success and wellbeing of individuals*

This link between culture and workplace strategy and design has never been more important than it is right now as the old bonds of time and place that once tethered people to an employer have loosened and dissolved.

Of course, this does not mean that there is less value in strategy, culture, values, identity, collaboration and the value we place on interacting with other people in the physical realm.

It just means that we need to find new and better ways to structure time and design the spaces in which we work and live to bind them up with the happiness, success and wellbeing of individuals.

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Beyond monoculture

The limits of traditional approaches to the office

Traditional approaches to workplace specification relied on a very straightforward approach based on simple arithmetic. This persists in many ways, based on the measurement of a net internal area (NIA) for a building which could then be used to gauge its suitability for a particular organisation based primarily on the number of people to be employed in the building. In most cases, even those who did not work at their desk most of the time would still be allocated a permanent workstation.

Generally, the only variables that existed to complicate this equation were the amount of space to be allocated to an individual based on their place in the corporate hierarchy and the amount of space dedicated to shared space such as meeting rooms.

This approach has been less universal in recent years but it is still in common usage enshrined in generally accepted pieces of guidance such as the space standards in the British Council for Office's Specification Guide and the new International Property Management Standard from the Royal Institute of Chartered Surveyors (see right). These are useful pieces of guidance, especially for people working in the real estate industry but they may not always give a full picture of what is needed in an office. They embody a direct approach to workplace strategy when what is often needed is a more sophisticated model that is not quite so restricted. The end result of the sorts of offices fostered by an undue focus on space standards can lead to the familiar litany of complaints from individuals about their offices: a too rigid working culture; lack of choice about where and how to work; too much noise and too many distractions; (conversely) too much isolation; and the feeling of working in a monoculture. The

> *Space standards and specification guides offer useful guidance, but they may not always give a full picture of what is really needed in an office*

Space standards

For many years, the bible of space standards has been the BCO's Specification Guide. The fact that the Guide has been updated regularly means that it provides us with a series of snapshots of the changing workplace. So the last update in 2014 covers topics such as building information modelling (BIM), rights to light, updates to BREEAM and amended planning law and building regulations as well as topical issues such as the inexorable rise of the 'coffee shop workplace' and the provision of cycle parks. Tellingly, advised space provision now falls in the range of 8 to 13 sq. m. per workstation, down by around a fifth since the 2005 edition as a testament to the advent of compact technology, less paper and the greater use of shared space.. A new kid on the space standards block is the International Property Management Standard from RICS. As of 1 January 2016, all property measurements undertaken by RICS members need to comply with the IPMS, that changes the way office buildings are measured worldwide. The IPMS was developed by RICs as a replacement for its 1979 codified NIA standard and is claimed to bring the way property is measured into line with modern demands from occupiers and landlords.

[insight]
people | places | technology

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solution is not to focus solely on the amount of space the organisation uses, but to temper the cold hand of strategy with the warm embrace of a humane working culture.

The enduring need for a place to work

For decades, the major catalyst of change in the workplace has been technology. This continues to be true but in recent years there has been a profound shift in the relationship between work and technology. Where once technology was a tool to be used in the workplace, it now increasingly IS the workplace. This does not mean that we no longer need to work in physical space. We are human after all and we need the company of other people for both our own wellbeing and practical reasons.

We know this at a visceral level but there has been lots of research and anecdotal evidence to support the idea that we often work better together. Nothing fosters a close relationship better than proximity. George Ball, a US Undersecretary of State for John F Kennedy put it that 'the more direct access you have to the president, the greater your power, no matter what your title actually is'.

This idea is supported by research from MIT especially the famous work carried out by Tom Allen on the effects of proximity to the way people share information. Research by psychologists Leon Festinger, Stanley Schachter, and Kurt Back in the 1960s and tested a number of times down the years, also found that working in close proximity to other people improves interpersonal relationships to such an extent that it often leads to romantic attractions. People who meet at work not only have more chance of getting married, but also - perhaps more importantly - less chance of getting divorced.

One surprising aspect of this is that, as well as developing stronger interpersonal relationships, people can end up mirroring the attitudes of those around them. This can have both positive and negative effects, of course, depending on what those attitudes are. According to a study from the Rotterdam School of Management, middle managers ape the ethics of their bosses, regardless of how ethical they are themselves, The study found that this trickles down the organisation because unethical leadership at the top of an organisation is more likely to lead to middle managers treating their subordinates unfairly if the social and spatial distance between them and the top management is low. In contrast, the effect is reversed if the social and spatial distance between managers and top management is high.

This cultural proximity can even be mimicked to a certain extent through digital communication. A study from researchers at Cornell and Stanford Universities in partnership with Yahoo found that people tend to align their email habits on the basis of cultural affinities with other users rather than pure geography.

[insight]
people | places | technology

boss
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Agile working goes mainstream

All of this means the culture of an organisation and its success in other ways is closely bound up with the way people interact. This is a particular challenge now because of the growth of flexible and agile working practices. The UK, for example, is on the verge of a flexible working 'tipping point' with more than half of employers now offering staff more choice of where to work.

A 2016 report called Working anywhere: A winning formula for good work? produced by Lancaster University's Work Foundation reveals that by 2017 over half of organisations in the UK will have adopted flexible working for at least some staff. This will have risen to nearly three-quarters by 2020.

However, the report also warns that there is still much to be done to address attitudes towards flexible working, from ensuring people don't end up working longer hours to dealing with feelings of 'disconnect'.

This isn't just a British phenomenon. According to a report from Vodafone, three quarters of companies worldwide have now introduced some form of flexible working. They inevitably face the same challenges of creating a new working culture and the physical and digital spaces that support it.

The implications for the way we design offices

Ninety-two per cent of the UK's business leaders now see redesigning their organisation as their most important priority, according to Deloitte's Global Human Capital Trends 2016 survey. As part of this shift in focus, 42 per cent of UK respondents say they are already currently restructuring their organisation and 49 per cent have recently completed the process. The report identifies the

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development of technology, the varying expectations and working styles of different generational groups, and the need to cater to the employee in an increasingly competitive labour market as the main drivers of this fundamental rethink of organisations. Tellingly, eighty-seven per cent of UK respondents rate challenges with corporate culture – the values, beliefs, behaviours and reward systems that influence people's behaviour on a day-to-day basis – as "important" or "very important". However, almost two-thirds of executives do not feel they are

effectively driving the desired culture within their organisations.

This understanding that the organisation itself needs to be fundamentally rethought inevitably suggests that we need a rethink of the spaces it uses. An analysis of US firms by real estate consultancy JLL makes this link explicit by suggesting that intelligent workplace design is essential to engage the modern workforce, especially if they have the choice to work anywhere. It claims that active disengagement costs the US economy somewhere between $450 billion and $550 billion each year. Conversely, based on an analysis of 207 organisations over an 11-year period, other research suggests that companies who actively develop their culture and engage staff return 516 percent higher revenues and 755 percent higher profits. The report also claims that firms who get things right are better at attracting and retaining talent, standing out from their competitors and meeting their strategic objectives through cultural change and employee engagement.

Addressing cultural issues is all inherently good for the business and there's growing evidence to suggest that a clear focus on culture is important to the outside world too. A study from investment analysts Stamford, found that 75 percent of 1,000 investors believe that culture plays a major role in their valuations of businesses,

[insight]
people | places | technology

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while 60 percent claim to have had a personal experience of an investment decision that was positively or adversely impacted by culture.

New approaches to workplace strategy and design

The profound shift away from traditional approaches to workplace strategy and office design was foreseen by management writer Rob Harris in his book Property and the Office Economy. It suggests that we typically see three distinct perspectives on how firms treat their offices:

Offices as a 'product': where the focus is on floor space and costs

Offices as a 'service' where space and service are consumed flexibly for a fee

Offices as 'experience' where the office adds value to the organisation and lives of employees

It is telling that many of the most talked about manifestations of outstanding office design take this last approach. This is even true for the world's major technology firms such as Google and Facebook who have created offices that are dedicated not only to attracting people to work alongside their

The creation of an office that embodies the culture of an organisation and supports its business objectives inevitably goes beyond mere expressions of corporate identity.

colleagues but also have an unmistakeable focus on culture and the experience of it.

The creation of an office that embodies the culture of an organisation and supports its business objectives inevitably goes beyond mere expressions of

Below: Ebay's new offices in Dublin and Berlin exhibit many of the new norms for workplace design in the 21st Century

corporate identity. This takes things to a whole new level because the challenge becomes how to create a workplace design that takes account of the complexity of the issue and its close association with multi-disciplinary approaches to management and technology.

How this is translated into a workplace design increasingly depends on our ability to draw on a wide range of working models, interior elements and technologies that free designers to create genuinely tailored solutions. The days when the choices were generally limited to either open plan or cellular office design are no longer with us, and so we are now able to apply a variety of work settings and working methodologies which, when combined with the right branding and identity, create a workplace that reflects and supports the firm's culture. We are able to draw ideas from wherever we like and apply them to best model of workplace design for any given situation.

The implications for other types of space

This whole issue would be a lot simpler if it was just restricted to the office, but it isn't. For example, growing demand for places to work from business travellers means hotels are increasing the amount of working and meeting space they provide in their facilities in cities across Europe

and the rest of the world. Three quarters of British employees work while staying in a hotel according to the survey carried out by the Fraunhofer Institute on behalf of hotel business solutions firm HRS. Only Italians spend more time working in hotels (76 percent),

> *Three quarters of British employees now work while staying in a hotel according to a survey carried out by the Fraunhofer Institute.*

followed by the UK (75 percent), Poland and Switzerland (50 percent respectively), Germany (46 percent), China (45 percent), Russia (43 percent), Austria (42 percent) and France (25 percent).

A growing number of British workers are even firing up their laptops in pubs, and are demanding free WiFi and (apparently) a cup of decent coffee while they do so. According to a report from Greene King, over a quarter of Brits would like to log on to get some work done from the pub. The report's findings reaffirm the pivotal role pubs continue to play at the heart of the community and their ability to adapt to the changing needs of customers, including those who see the whole world as an untapped place of work. Fiona Gunn, Greene King's marketing director, said: "With flexible working on the rise, increasing numbers of people are now using the pub as a 'third space'

establishing the pub as not just a second home but a place of work as well."

While we shouldn't necessarily see the pub as a model for intersectional office design, there is one other type of space that is transforming the way we perceive the crossover. Coworking is a genuinely disruptive phenomenon because it marks a fundamental shift in the way office space is seen and used. It is based on a business model that does not see the people who use the space as occupiers in the traditional sense but as members. In that regard at least it is the most advanced form of flexible or agile working space, unless you count the hotel lobbies and terraces, private members clubs and coffee shops that are its most obvious aesthetic and functional progenitors.

A report by property consultants DTZ found there was an upsurge in coworking space worldwide and that the total global market would hit 50,000 spaces over the next three years. The influence of the design of these sorts of offices is starting to spread out into more traditionally corporate environments. The premise for this seems to be that whenever you ask people to describe their perfect office, you almost invariably get a description of something that sounds like what we would now deem to be an archetypal coworking space; little or no openly corporate furniture or other interior features, comfortable seating, fast broadband, interesting and engaging people to

[insight]
people | places | technology

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work alongside, some private work areas and decent food and coffee.

In some ways, this is the culmination of an ongoing trend to do away with the traditional models of desk plus chair plus storage. This is driven primarily by the trend towards non-desktop technology but also by the rejection of traditional career models by the new generation of employees now entering the workforce. They are used to working anywhere, anytime and in ways they see fit and would clearly rather be home or in Starbucks or even the street than sat behind a desk.

This desire has now translated both into the aesthetic and functional principles we see behind at least some of the spaces inside pretty much all office buildings nowadays but also in the very essence of the coworking phenomenon.

This marks a fundamental shift in the way firms, especially those in the key technology and creative sectors, see their office needs. Instead of a space to occupy, they are after a space to use, closely aligned with their cultural associations and as a way of adding value rather than minimising costs.

The City as a model for workplace design

Public spaces provide a place for people to work and interact and also provide us with a model of how other spaces can work. In 1970, a researcher called William H Whyte carried out a project looking at the impact of urban spaces on people. Applying techniques most commonly associated with studies of indigenous tribes' people, The Street Life Project examined the relationship between people and their immediate environment in parts of New York. They focussed on parks and other social spaces, trying to established what worked about them and what didn't.

What became apparent is that the most interesting aspects of human interactions take place in ritualised and predictable forms and that the best spaces can foster those interactions. Whyte writes about our tendency to engage with chance meetings in particular ways, to say goodbye as part of a three phase ritual and our propensity to mirror the gestures of others. Whyte also identifies the characteristics of the best social spaces including the proportion of sitting space to circulation space and the way we like different levels of light in a space. Crucially he also reports that if you want a space to be used, it should be stimulating and enticing.

These are insights that reflect the way public spaces are (or should be) in offices. There is a history of both in the application of urban design principles to workplaces as well as the co-opting of its language. But even as the city makes its way into our offices, so the people emerge from them to colonise the urban environment.
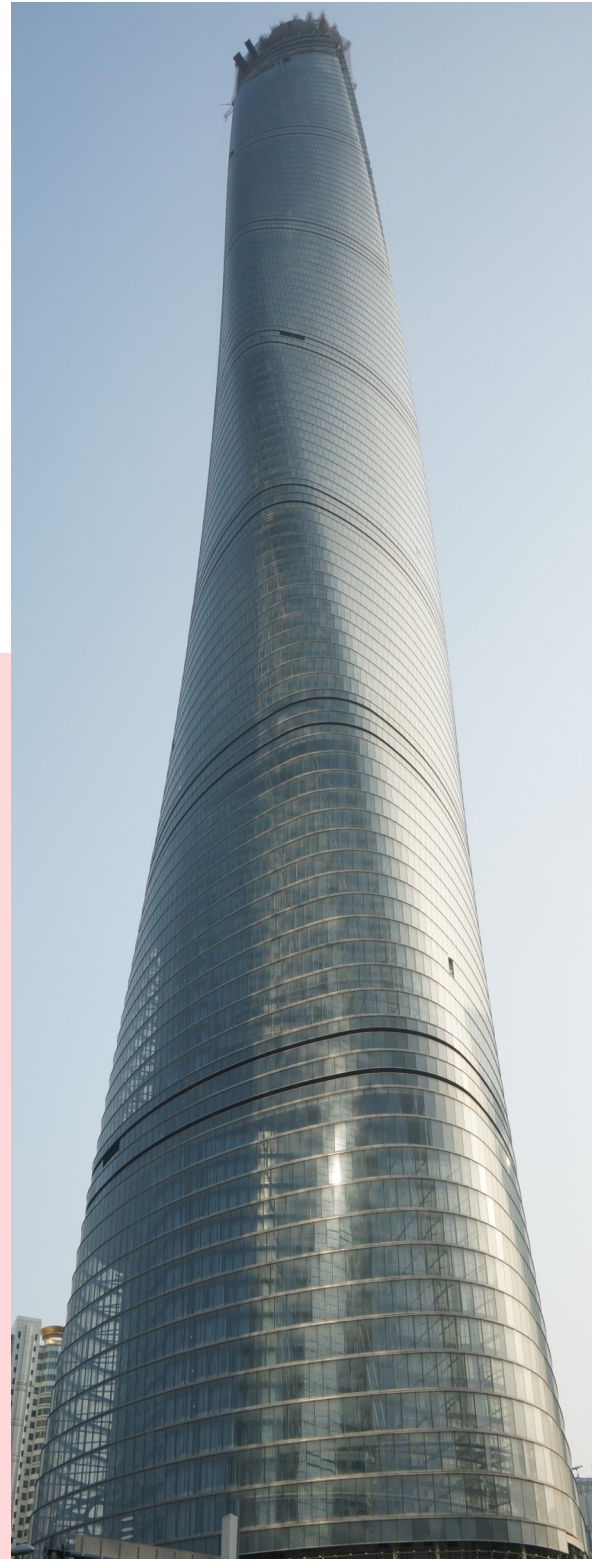
Conclusion

There is no doubt that there are limits on what can be achieved solely through the application of workplace design. People can be happy and engaged working in a badly designed office, just as they can be miserable and demotivated working in one that is well designed.

In practice, however, a well designed office is likely to go hand in hand with an organisational culture that puts a value on the wellbeing and productivity of its employees, just as an environmentally friendly office is likely to be home to an organisation that has a well formed view of its corporate social responsibility.

This interconnectedness of design and culture is becoming more important as the forces that have traditionally bound us to a fixed place and time of work have loosened. People who are absent for large periods of time need to be reminded when they are at work of the culture of the organisation.

This is no longer solely an issue of corporate identity but also of creating a culture that signifies to all employees and other stakeholders what the organisation stands for. This is obviously a strategically important issue for any organisation, but especially one which values its employees and trusts them to make the right decisions about where and how to work.

The best workplaces are those which create communities and attract people to them because that is their preference.

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people | places | technology

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About Boss Design

Founded in 1983, Boss Design is one of the UK's market leading manufacturer of high quality office seating, upholstery and tables, and enjoys global success within this design-led sector.

The company leads by example and continues to improve on the delivery of an intelligent and evolving portfolio, whilst maintaining the best ethical standards. Now employing more than 200 people across the globe, Boss Design has a wealth of experience in helping to enhance customers' corporate environments, offering choice, reliability and exceptional service.

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