
Research Report

2019

Is Today's Office Fit for Purpose?

Instant
RETHINKING WORKSPACE

area



gñuc
LONDON 2019

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“In this modern connected age, we can all work remotely, so office design, culture and colleagues are vitally important.”

Introduction



The Instant Group and Area have worked together to produce a research-based CRE industry report for GCUC London, highlighting the key problems and challenges that affect businesses, which use office space today. We highlight the challenges that exist and the successes that have seen to date.

To conduct the research, we utilised a two-tiered methodology conducting online quantitative interviews with occupiers of office space and qualitative depth interviews with decision makers / office managers that occupy space and providers of office space.

Across all our research, there were three interconnected factors for running a successful business; people, culture and office design.

Office culture stems from a combination of factors, including people and the use of the space. And of course, what's the point in having a well-designed office if you have no people or culture to speak of.

Employees are often the most expensive cost of any business. Our research confirms that not only are unhappy employees unproductive, they are also far more likely to leave their jobs. Ensuring the optimal working environment not only boosts employee engagement but also saves firms significant costs in relation to talent acquisition and retention.

**THE FINDINGS OF
THIS RESEARCH** 
**HIGHLIGHT SOLUTIONS BOTH IN
FIT OUT & DESIGN**
**THAT WILL ANSWER THE PROBLEMS
THAT EXIST IN TODAY'S
CRE MARKET** 

Key findings

Our research looked at what aspects of office space make occupiers feel happy to maximise on the happiness and productivity relationship, and found that:

- **2 out of 10 individuals are unhappy at work**
- **There is a direct correlation between happiness and productivity**
- **Noise, lack of privacy and distractions are the leading cause of unhappiness**
- **Alongside colleagues the key causes of positivity in the workplace are related to environment, layout and provision of space**



Executive summary

Where workspace is failing end-users is around designating available space and controlling noise:



Having areas that encourage cross-pollination of ideas is crucial – some of these can be in the main office space, but some should also be away from main office traffic and noise to give a sense of privacy without the need to use formal meeting rooms



Collaboration spaces, that can also be used as informal meeting areas, should include a mixture of different types and styles – consider sofas, pods, bean bags etc. Essentially, use different furniture and décor to create different areas within a space



To help with noise, place main static desks away from the office thoroughfare and consider using half walls and partitions to deflect noise away from “focused” working areas



Building on space types, areas that are specifically for breaks and relaxation, where no work is allowed, are also important. These areas in particular should be kept as quiet as possible.



Outdoor space is popular with occupiers, but is obviously not practical in every scenario. However, you can bring the outdoors into the office during the design and fit out by using plants, green walls, ceilings and lighting



Using ‘pods’ for working areas, whether they have doors or are tucked away in corners can help create a sense of privacy for those wanting to conduct focused work



Collaboration is a driver for employee happiness and an important attribute for employers who see the benefit in shared thinking driving business solutions

“WHILE IT IS DOWN TO INDIVIDUAL COMPANIES AS TO HOW THEY INCORPORATE RELAXATION TIME INTO THE WORKING DAY, GIVING OCCUPIERS A QUIET PLACE TO RECHARGE IS PROVEN TO HELP WITH THEIR MENTAL AND PHYSICAL WELLBEING.”

The Customer



So you've recruited the best talent...

NOW, HOW DO YOU GET THE BEST OUT OF THEM AND, MOST IMPORTANTLY, KEEP HOLD OF THEM?

The relationship between happiness and productivity has been well documented in both academia and the media; happy employees are productive employees.

Recent research conducted by Instant and Area highlights the correlation between happiness and productivity at work (see chart). It clearly shows that as happiness increases then productivity follows.

Amongst employees who are unhappy at work, only 36% claimed that they were productive compared to happy employees, 94% of whom say they are productive at work – effectively nearly three times more productive and a statistically significant difference of 58%.

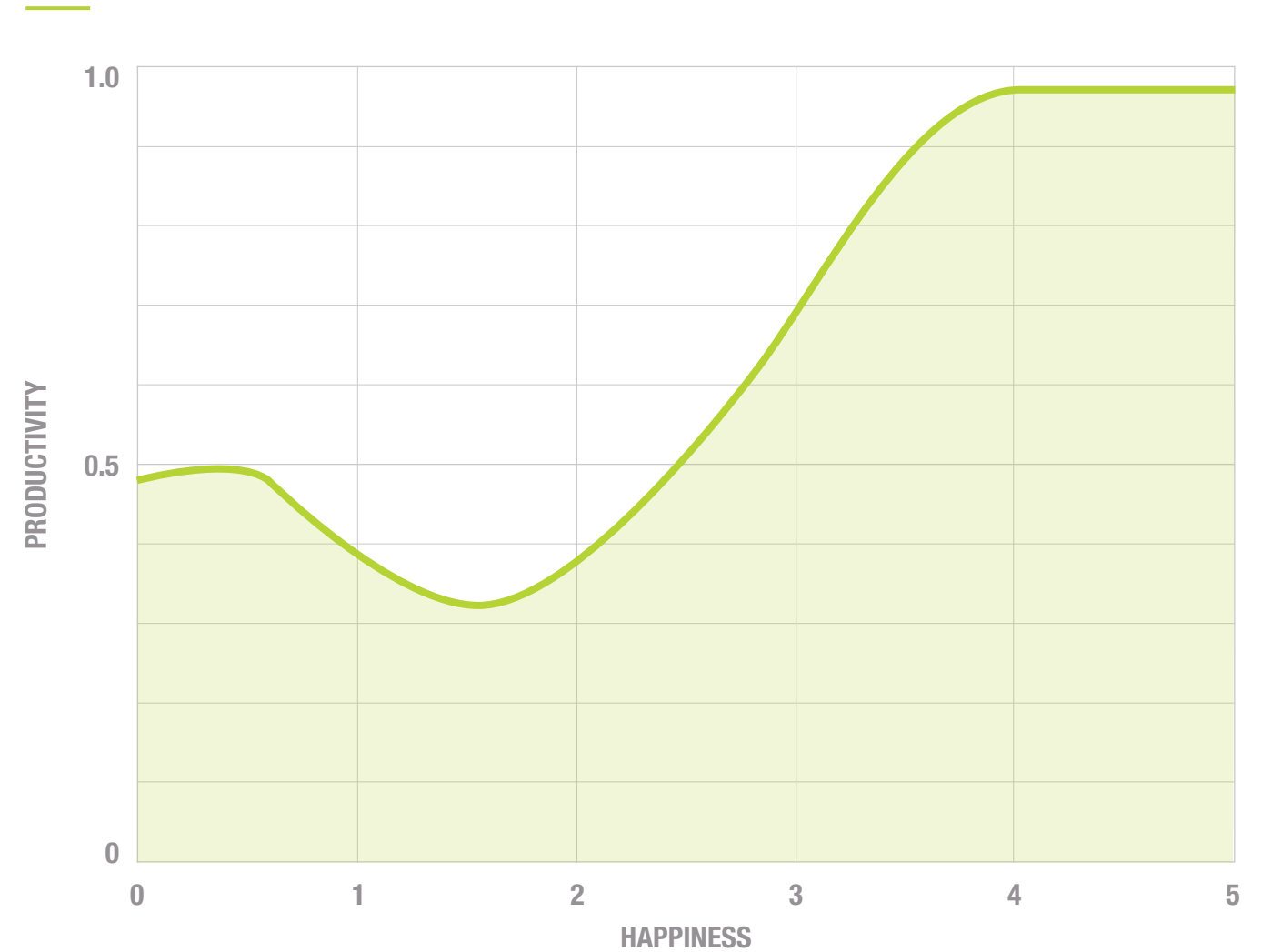
A paper by the Social Market Foundation and Warwick's Centre on Competitive Advantage in the Global Economy¹ showed that an increase in happiness created a 10% boost to productivity (defined by the increased effort of workers at a task), whether an individual started out happy or unhappy in the beginning.

From a business perspective, this level of growth in productivity is huge and can generate substantial additional value for a company that can create happiness amongst its workforce.

The question that every business needs to consider is how does the work environment make employees happy and how do we influence that for positive returns within a business?

**93% OF OCCUPIERS BELIEVE
THAT WHEN
THEY'RE HAPPY
AT WORK THEY ARE MORE
PRODUCTIVE**

HAPPINESS VS. PRODUCTIVITY



What makes you happy at work?

BREAKOUT SPACE CLEAN SNACKS
NATURAL LIGHT CULTURE ERGONOMIC FURNITURE
GOOD MANAGEMENT DRINKS
FITNESS LOCATION BENEFITS MEETING ROOMS
OPEN PLAN KITCHEN WELLNESS
RELAXED FLEXIBLE WORKING
MODERN AMENITIES
COLLEAGUES AIR CON DESK SPACE
LIGHTING COLLABORATION
DIFFERENT SPACES AGILE WORKING
SUPPORT OUTDOOR SPACE GOOD VIEWS

What makes you productive at work?

RESOURCES
CULTURE OPEN PLAN TECHNOLOGY
TRUST COLLABORATION
MEETING ROOMS POSITIVE ATMOSPHERE
DESK SPACE FOCUSED WORK
ERGONOMIC FURNITURE AGILE WORKING
BREAKOUT AREAS THE JOB VALUED
LOCATION FACILITIES COLLEAGUES WELLNESS BENEFITS
IT FACILITIES
FLEXIBLE WORKING
NATURAL LIGHT ENVIRONMENT AIR CON
DIFFERENT SPACES
MUSIC GOOD MANAGEMENT

Offering flexible working, a good location and an open-plan office that allows for collaboration help keep occupiers happy at work...

“Our office space is good, creative and forward thinking. It enables us to work in different ways, with standard open-plan desking with large screens to more touch down spaces for laptop working and ad-hoc meetings.”

“I enjoy the flexibility, I am in and out of the office and have the option to work remotely which suits me.”

TOP 10 REASONS OCCUPIERS ARE HAPPY AT WORK

- Colleagues
- Flexible working
- Location
- Open-plan office
- Collaboration (space and opportunity)
- Culture
- Different spaces / zones
- Good management
- Agile working
- Benefits (remuneration and perks)

“My workplace is very flexible...every staff member works where they think it is more comfortable / appropriate. This flexibility has led to a great culture where people feel free to make their own decisions and organise their workload without the sense of imposition common in other workplaces.”

78% OF OCCUPIERS ARE HAPPY AT WORK



...while having designated areas for collaboration and focused work makes occupiers feel productive in their workplace

“I feel that I am very productive at work as I enjoy working in a calm and quiet environment and it enables me to concentrate better. I am very self motivated, so I enjoy working in a quiet office rather than a noisy, busy office.”

“Ability to work flexibly - in different office locations or at home. In particular, I find working from home hugely productive as I cut out commuting time and have less ‘short’ interruptions so can focus more.”

TOP 10 REASONS OCCUPIERS ARE PRODUCTIVE AT WORK

- The job / role itself
- Colleagues
- Areas for focused work
- Collaboration (space and opportunity)
- Flexible working
- Resources (to do job e.g. IT, internet)
- Office environment
- Technology
- Different spaces / zones
- Positive atmosphere

“I can work anywhere anytime. At times I am distracted a lot at work by others and so it’s important to have quiet, focus areas.”

17% OF OCCUPIERS FEEL THEY ARE UNPRODUCTIVE AT WORK



As businesses change, collaboration will be the key function of an office...

While happiness and productivity in the workplace are largely driven by company specific factors, such as the opportunity for flexible working, their colleagues and benefits / remuneration, there are several 'space-specific' factors that have influence:

Location is a key factor as occupiers look to reduce their commutes to minimise cost and maximise their work-life balance. In a study conducted by Glassdoor¹, 61% cited location as the most important factor when looking for a job, followed by commute time (49%).

Open-plan office environments help occupiers to interact with colleagues and management more easily, making them not only feel part of their team but also more valued by and interested in the wider company.

Collaboration areas came out strongly as occupiers look to work within and across their teams, away from main desks with a mix of closed and open spaces.

Different space types outside of a regular desk, such as breakout areas and meeting rooms/area, give occupiers the flexibility they crave while maintaining an office presence. They will choose where they work depending on projects, a specific task or even their own mood that day.

Having a number of these in different styles (e.g. one breakout space using sofas and one that is a diner-like pod) gives occupiers flexibility to choose how they work in the office, creating a more agile work environment.

91% OF OCCUPIERS BELIEVE THAT THEIR OFFICE ENVIRONMENT HAS AN IMPACT ON THEIR MOOD AT WORK

Other features that make occupiers happy and productive (in descending order of pref.) include:

- Natural light
- Kitchens
- Modern features/décor
- Outdoor space
- Air-con
- Good sized desk space/area
- Good views

High levels of noise and a lack of areas for focused work are the most common reasons why occupiers feel unhappy and unproductive.

Factors that make occupiers feel unhappy and unproductive at work tend to be poorly executed design features:

Noise is a key complaint from unhappy occupiers with desks near high traffic areas and a lack of space for focused work being mentioned the most, even by those who define themselves as happy at work. (By focused work, we refer to tasks that require independent working without distraction.)

Privacy is also an issue for some occupiers; a lack of private meeting rooms and, again, desks in high traffic areas, mean that some feel constantly watched – this makes they feel less trusted by other staff but also impacts their ability for focused work.

Ultimately both have a negative effect on productivity in the workplace, making them feel less valued by and committed to the company and affect employee happiness.

As different space types within the office are key for driving happiness and productivity, ensuring there are quiet areas for focused work, areas to allow for private working and ensuring that desks aren't placed in high traffic areas will improve these metrics.



What did end users have to say?

“MICRO-MANAGEMENT AT ALL LEVELS OF HIERARCHY, VERY INFLEXIBLE WORK ENVIRONMENT, POOR MORALE OVERALL. OFFICE DESIGN IS OPEN-PLAN BUT BAD LAYOUT, SO IS NOISY AND DISTRACTING FOR WORK.”

“OPEN WORKPLACE PROVIDES TOO MUCH NOISE AND DISTRACTIONS. MEETING ROOMS ALWAYS BUSY. NEED PLACES TO MAKE PHONE CALLS, END UP WALKING OUTSIDE ALL THE TIME.”

“WORKING ENVIRONMENT TOO PUBLIC WHICH HAS NEGATIVE AFFECT ON COMPLETING WORKLOAD. WOULD PREFER TO HAVE SMALLER OFFICES FOR INDIVIDUALS WITH A SEPARATE RECEPTION AREA.”

“CONSTANT INTERRUPTIONS AND DISTRACTIONS. LESS OF THESE WOULD ENABLE BETTER CONCENTRATION AND RESULT IN IMPROVING PRODUCTIVITY.”

“IT IS NOT INSPIRATIONAL AND YOU CAN NOT EASILY SPEAK TO OTHER MEMBERS OF STAFF.”

“NOT ENOUGH SPACE FOR PRIVATE MEETINGS, CONSTANTLY BOOKED UP DUE TO EVERYONE NEEDING THEM.”



“OUR EMPLOYER OFFERS US A GREAT VARIETY OF BENEFITS, INCLUDING FREE FOOD / DRINK IN THE KITCHEN, FLEXIBILITY OF WORKING HOURS, BIRTHDAY LEAVE AND VOLUNTEERING LEAVE, MONTHLY MASSAGES, A GREAT WELLNESS PROGRAM, AND SO ON. HAPPINESS AT WORK IS A MUST.”

“GREAT COMPANY CULTURE AND COOPERATION WITH COLLEAGUES. GREAT AMENITIES, FLEXIBLE HOURS AND THE WELLBEING OF EMPLOYEES AND THEIR HAPPINESS IS A KEY COMPANY OBJECTIVE.”

“ENVIRONMENT IS IMPORTANT, BUT REALLY THE MOST IMPORTANT THING IS PEOPLE AND HOW WE TREAT EACH OTHER.”

“GREAT COLLEAGUES AND GOOD CULTURE ARE THE BIGGEST DRWS FOR COMING INTO THE OFFICE.”

What else is on offer above and beyond office design? Today's employee wants to know...

Perks are generally initiatives provided by employers directly to enhance an employee's work experience, such as early finishes, casual dress days and access to discount schemes. Amenities on the other hand are the facilities and

services provided in the company's individual workspace or the wider building / complex the office is in, generally managed by the workspace provider or operator. But does one have a greater influence than the other?

Nearly two thirds of occupiers feel that perks and amenities are both equally important when it comes to increasing happiness and productivity at work...

WHEN IT COMES TO INCREASING HAPPINESS AND PRODUCTIVITY AT WORK....

This balance is more important to millennials with those under 35 years of age significantly more likely to believe this than those over 35 (72% vs. 58%).

...while just over a quarter think that amenities are more important:

Non-millennials are significantly more likely to find amenities more important than perks and initiatives (34% vs. 18%).

While amenities are traditionally part of the workspace, perks and initiatives are seen to be part of the culture of a company, helping with employee wellbeing and ensuring employees achieve a good work-life balance.

64% OF EMPLOYEES BELIEVE THAT **PERKS & AMENITIES** ARE EQUALLY IMPORTANT

27% OF EMPLOYEES BELIEVE THAT **AMENITIES & MORE** ARE EQUALLY IMPORTANT

The Culture

Around two thirds of occupiers would describe their workplace culture as progressive, though this varies significantly by age.....

Progressive workplace cultures vary hugely by industry and company, but typically include flexible working hours, remote working options and a stronger focus on employee wellness through activities, perks and amenities that are available in the workplace.

Broadly speaking, 65% of occupiers would describe their company culture as 'progressive' (a rating of 61 or more on our progression scale).

This rises to 78% when you look at those who are happy at work, significantly more than those who are unhappy (78% vs. 15%), suggesting a positive correlation of progressive culture driving happiness; the more progressive you are with your culture, the happier your employees will be.

Millennials are significantly more likely to describe their workplace culture as progressive compared to non-millennials (72% vs. 60%).

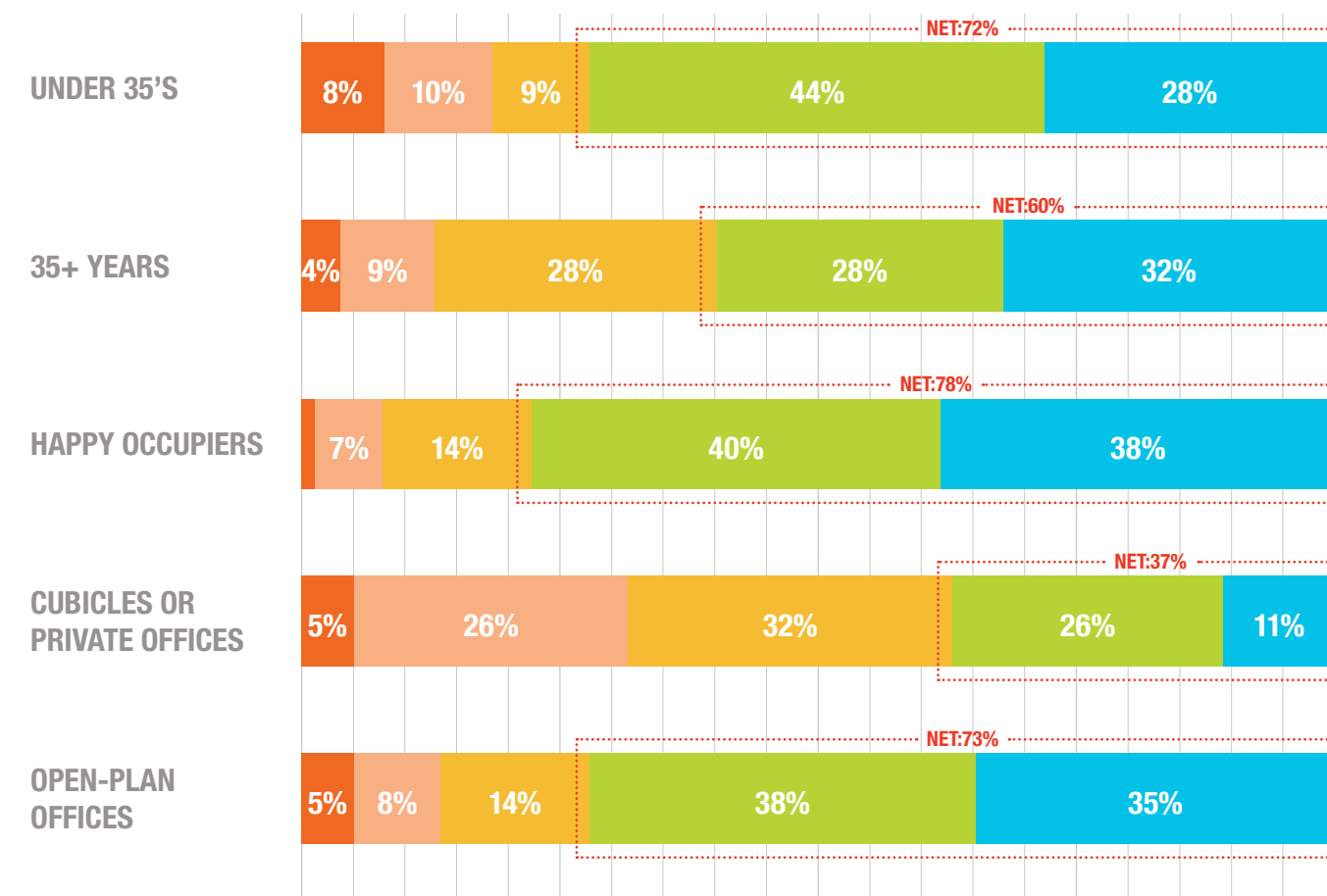
This is likely driven by millennials having a greater awareness of progressive workplace culture, giving it high importance when choosing a role and actively seeking out employment opportunities that would offer such a culture, compared to their older colleagues who, broadly speaking, place less importance on such factors.

Office type also has an impact on how progressive a company is perceived to be; those in open-plan offices are significantly more likely to describe their workplace culture as progressive than those in cubicles or private offices (73% vs. 37%), driven by open-plan offices being seen as more modern and allowing for different types of working to occur within the space.

THOSE IN **OPEN PLAN OFFICES** ARE SIGNIFICANTLY **MORE LIKELY** TO DESCRIBE THEIR **WORKPLACE CULTURE AS PROGRESSIVE**

ON A SCALE OF 1 - 100, HOW PROGRESSIVE DO YOU FEEL YOUR COMPANY IS WITH ITS OUTLOOK ON WORKPLACE CULTURE?

■ : 0-20 ■ : 21-40 ■ : 41-60 ■ : 61-80 ■ : 81-100



The 4 Pillars of Workplace Happiness

PEOPLE

Largely this is the team that individuals work within, being supportive. But it also includes management and leading from the top down.

Occupiers appreciate the trust they get from more senior colleagues as well as those within their team. This gives them a certain amount of autonomy in their role and the feeling of working flexibly.

“Really the most important thing is people and how we treat each other. The management and leadership team need to lead on this front.”

“Trusting people so they feel they can work where they need to and be as productive as they can be.”

“A positive working culture needs to filter down from the leadership team.”

COLLABORATION

Collaboration in and across teams is becoming more prominent, with businesses using it to share ideas and come up with bigger and more creative solutions.

While focused working can be important, many companies are putting a stronger focus on collaboration, setting aside specific working areas that promote this type of working.

At it's core, collaboration builds on the 'people' part of office culture, encouraging employees to talk to one another regardless of any hierarchy and allows for cross-pollination of ideas.

“Collaboration is essential to our business, we operate as a team as opposed to individuals.”

“I think we identified the importance of collaboration as one of the major activities in an office and we're on a constant process of changing and upgrading our offices to make that more effective.”

“Cross-pollination of ideas is the key to any great solution that would come up for any business problem.”

FLEXIBLE WORKING

Nearly all companies offer flexible working these days, with UK companies having a legal obligation to consider flexible working requests from employees whether that be flexible locations, flexible hours, job sharing, compressed hours...the list goes on.

As a result, companies use technology to facilitate flexible working, providing access to company files via remote desktop or cloud-based file systems, and using online conferencing services to ensure colleagues can be in contact with each other, whatever their location. However, flexible working isn't just about working from home, but about choosing how to work in the office.

Often called activity-based working, this type of flexible working allows you to choose space to work in the office, whether that's at your desk, from a sofa or spread out over a meeting room table. This type of flexibility can help occupiers to feel more productive and stimulated mentally.

“We have a culture similar to a 'carrot on stick' – whether working from offices or working from home, we have a lot of trust and let people get on with it.”

“The one that works well for us are traditional desks, booths and collaboration spaces. If you have got those in the office they usually cover most requirements.”

WELLBEING

As today's occupier strives for that all important work-life balance, employers and workspaces are increasingly trying to offer perks, initiatives and amenities to help occupiers get the most out of their time at work.

When it comes to workplace culture, wellbeing is about supporting employees to find a good work-life balance. It's also about looking after mental and physical wellbeing.

As well as the office environment itself promoting wellbeing, companies can also use perks and initiatives such as providing food and drink, wellness classes etc. to improve this.

“An office environment promotes everyone's mental health, needs and wellbeing.”

“There's so much that needs to be done for people to be mentally fit and healthy and making them feel they're not just a number.”

“We have recently turned one of our meeting rooms into a wellbeing room. It's for self-reflection, yoga and prayer, and has a sofa and TV.”

When it comes to perks and initiatives provided by employers and workspace, health and fitness come out top

According to the Department for Digital, Culture, Media & Sport, workers can spend up to 75% of their day sat down contributing to a range of health issues, including back injuries and stress, depression or anxiety. Work-related ill-health, such as from those conditions mentioned, was estimated to cost UK businesses £32 billion per year¹.

So, as employees look to improve their own health at work, it's perhaps unsurprising that the perks and initiatives that occupiers ranked as the top 5 most important are centred around health and fitness:

Just over half of occupiers feel that it's important for their workspace to offer wellness classes, such as meditation, yoga and anxiety management, as well as fitness classes including boxing, HIT classes or even a lunchtime running club.

Perks that help occupiers to eat well were also ranked of high importance; 76% said fresh fruit was important, closely followed by healthy snacks (71%).

BUT WHAT DO OCCUPIERS FEEL IS LEAST IMPORTANT?

Ranking at the bottom of the list were 'bring your pet to work day' and gaming leagues (e.g. pool, ping-pong, fantasy football etc.) with only around a quarter of occupiers stating they are important, so a ban on furry friends and hanging up those ping pong paddles is not going to affect your staffing levels.

And neither is cancelling happy hour – only a third of occupiers claimed that a beer fridge or alcoholic drinks on tap are important.

PERKS AND INITIATIVES (ORDERED HIGH TO LOW IMPORTANCE TO OCCUPIERS)



1: EARLY FINISHES



2: FRESH FRUIT



3: HEALTHY SNACKS



4: DISCOUNT / REWARD SCHEMES



5: CASUAL DRESS DAYS



6: WELLNESS



7: FITNESS



8: ALCOHOLIC DRINKS



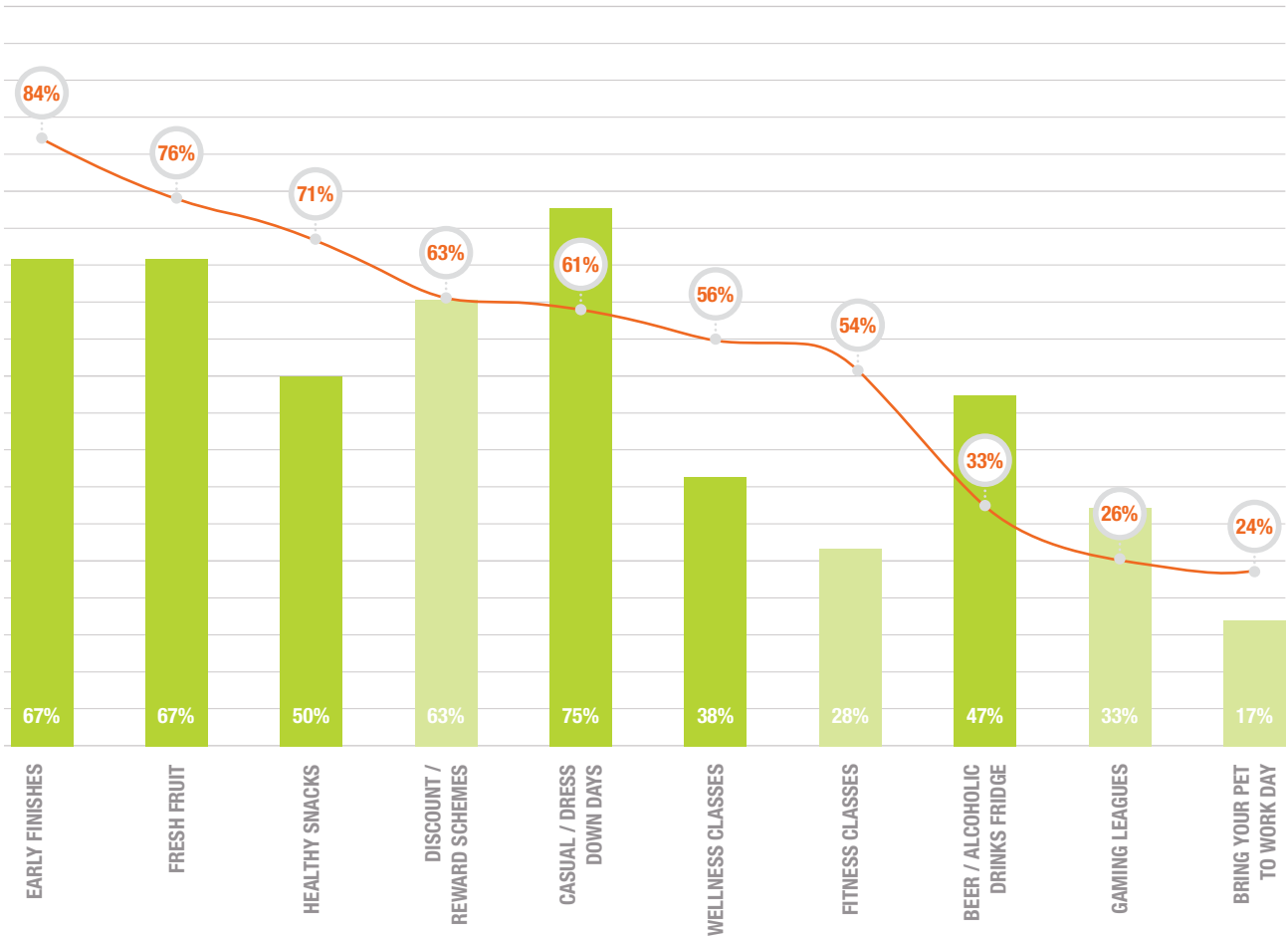
9: GAMING LEAGUE



10: PETS AT WORK

IMPORTANCE OF PERKS AND INITIATIVES TO OCCUPIERS
% BY NET IMPORTANCE

■ : % WHO HAVE ACCESS TO THE PERK — : % NET IMPORTANCE



So, are employers and providers getting it right with the perks and initiatives actually on offer?

WELL, NOT QUITE:

71% OF OCCUPIERS STATE THEY WOULD LEAVE A ROLE BECAUSE OF POOR WORKSPACE PERKS, SO IT'S AN IMPORTANT OFFERING TO GET RIGHT.

While some of these perks such as early finishes and casual dress days are driven by individual companies and their procedures, there are some things that providers of space can offer within their buildings.

By looking at the difference between what is available to occupants and their level of importance, we can see where perks and initiatives are not being maximised to their full potential.

One of the larger differences between what occupants have access to and what is seen to be important is visible on wellness and fitness classes (a difference of 18% and 26% respectively).

This doesn't necessarily have to be within the building; providing access to local facilities, ideally discounted, would also work well.

Healthy snacks also show a significant difference (21%). Providing easy access to snacks, through vending machines, visiting food vendors or even a daily special at the front desk would provide occupants with a much desired for perk.

By being a provider that offers these perks, you're not only saving time and money for employers by them not having to sort it themselves, but you're also helping them to increase the happiness, productivity and retention of their staff all within your desk rate – how many providers can confidently offer that?

Millennials place greater importance on perks. Generation Z expectations are set to rise...

While millennials and non-millennials show no significant differences when it comes to happiness and productivity, they do have some significantly different priorities when it comes to perks and initiatives that support a progressive workplace culture.

All the perks and initiatives we asked occupiers about are significantly more important to millennials (except for gaming leagues where there was no significant difference).

For both age groups, offering early finishes, fresh fruit, healthy snacks, discount schemes and casual dress days are the most important perks to offer to keep employees happy and productive.

**OFFERING THE MOST IMPORTANT PERKS
KEEPS EMPLOYEES
HAPPY & PRODUCTIVE**

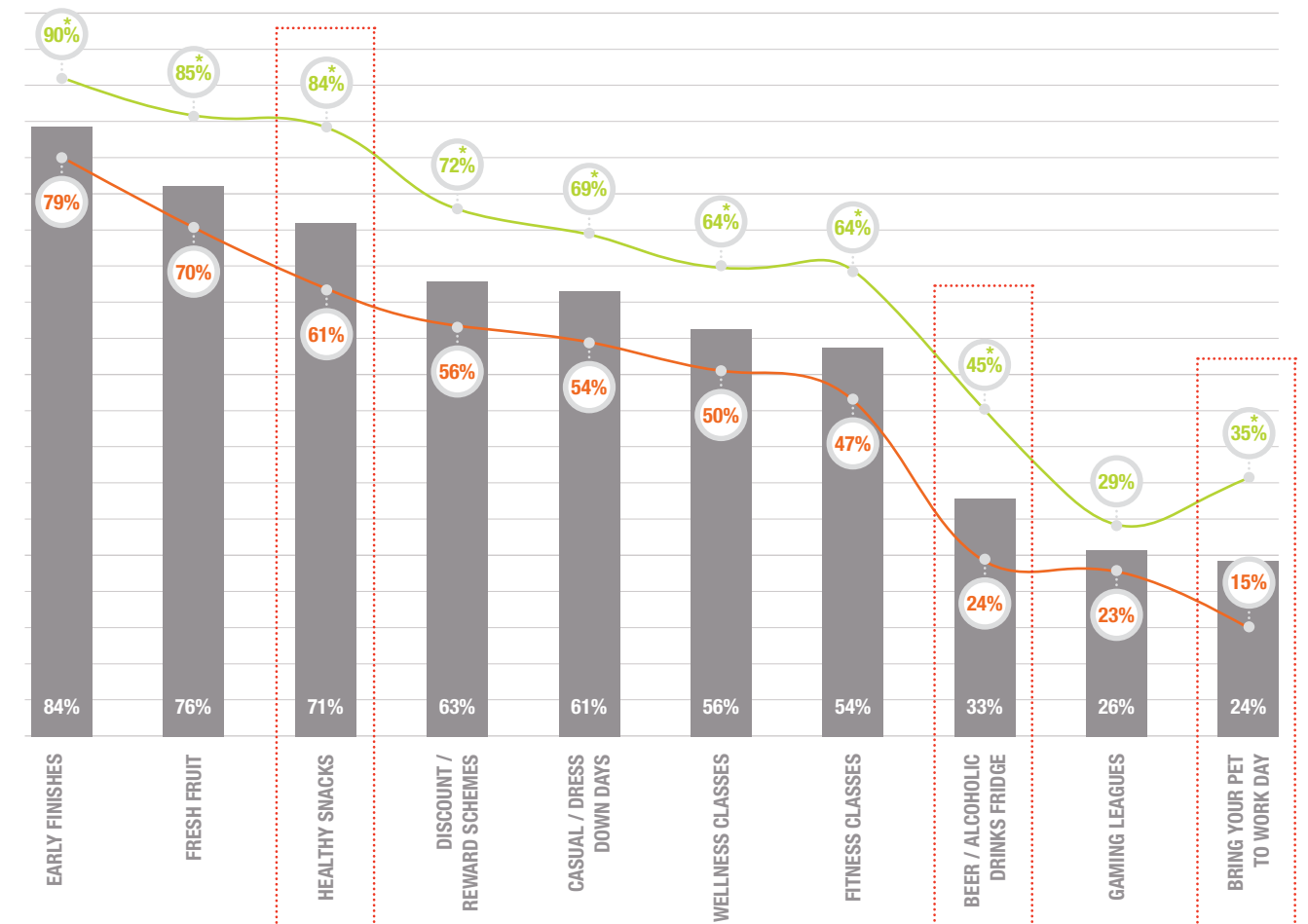


The fact that the importance is significantly higher among millennials suggests that those companies with a higher proportion of graduates should focus on these top 5 areas to help increase talent acquisition and retention.

The perks where the generational gap is most prominent are healthy snacks, beer / alcoholic drinks and bring your pet to work days, suggesting that if you don't have a large millennial contingent on your staff, you potentially don't need to consider these options.

IMPORTANCE OF PERKS AND INITIATIVES TO OCCUPIERS BY AGE % BY NET IMPORTANCE

■ : ALL OCCUPIERS — : UNDER 35 — : 35+



Base: 195

* Denotes statistically significant result for the difference at 95% confidence level

The Workplace

Open-plan offices are becoming a more common office type, with two-thirds describing their current office as an open-plan environment

Open-plan offices are the foundation of the modern workspace and are well liked by occupiers and decision makers (a fact that may surprise some):

An open structure makes it easy to catch up with colleagues and communicate within and across teams

It removes any hierarchy within the company with C-suite and director level employees working in the same environment, which in turn helps team members to feel more valued at work.

Similarly, many decision makers feel it's important to have a company structure that filters from the top down; an open-plan office environment makes a much more successful environment to do this in.

This is likely due to those spaces being noisier for a small number of occupiers, which we know is a detractor for happiness and productivity.

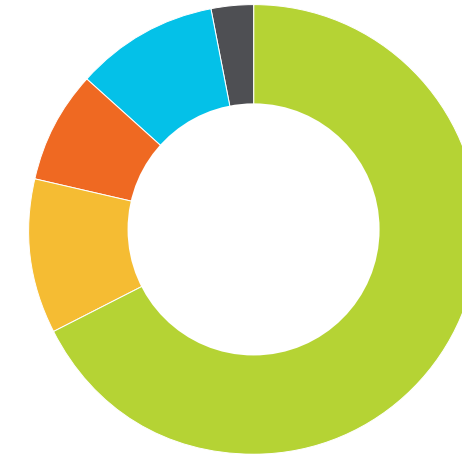
“ENJOY OUR OPEN-PLAN WORKING - NO ONE HAS THEIR OWN OFFICE - EVEN DIRECTORS!”

“THE OPEN-PLAN ALLOWS US TO CATCH UP WITH COLLEAGUES AS WELL AS KEEPING AN EYE ON EACH OTHER.”

“GOOD LOCATION AND OPEN - SO EVERYONE CAN COMMUNICATE WITH ONE ANOTHER EASILY. BY HAVING AN OPEN SPACE PLAN WE HAVE NO CLEAR HIERARCHY WHICH IS IMPORTANT.”

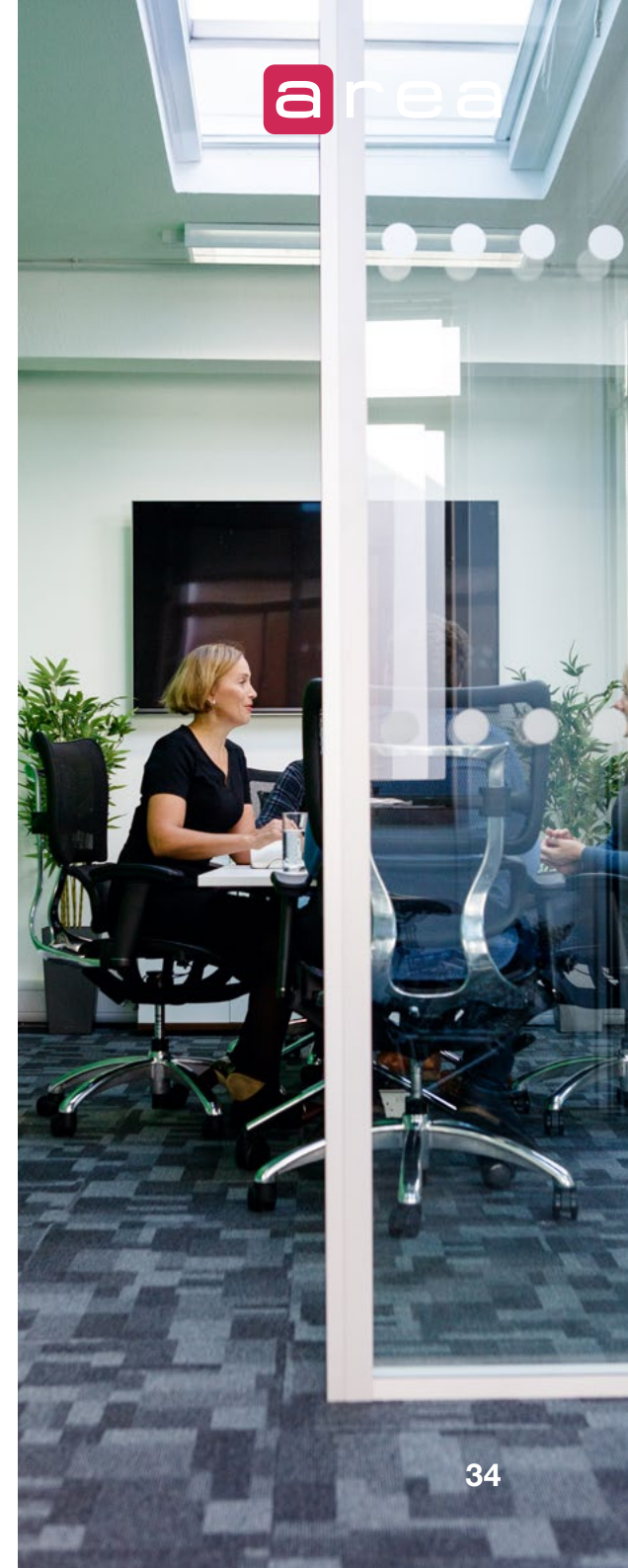
“OPEN-PLAN ATMOSPHERE IS FRIENDLY BUT HARD WORKING. ALSO, IF YOU NEED SOMEONE YOU CAN SEE IF THEY ARE AVAILABLE INSTANTLY.”

HOW WOULD YOU DESCRIBE THE SPACE IN YOUR CURRENT OFFICE?



KEY

- 67% TRADITIONAL OFFICE WITH AN OPEN-PLAN ENVIRONMENT
- 11% TRADITIONAL OFFICE WITH CUBICLES OR PRIVATE OFFICES
- 8% COWORKING SPACE (SHARED WITH OTHER COMPANIES)
- 10% A MIX OF THE ABOVE
- 3% OTHER



How does design impact employee productivity?

Open-plan environments also have a more positive effect on happiness and productivity than other office types; generally speaking those in an open-plan office are the most happy and productive.

Those with an open-plan office environment are significantly more likely to be happier than those in an office with cubicles or private offices (82% vs. 62%). There is also an indication that those in open-plan environments are happier than those in a coworking space, though not significantly so.

This is likely due to coworking spaces being noisier for a small number of occupiers, which we know is a detractor for happiness and productivity.

There are no significant differences in the productivity of occupiers, though figures do suggest that those in open-plan environments are more productive than those in coworking or cubicles and private offices.

WHY DOES OFFICE TYPE EFFECT HAPPINESS AND PRODUCTIVITY?

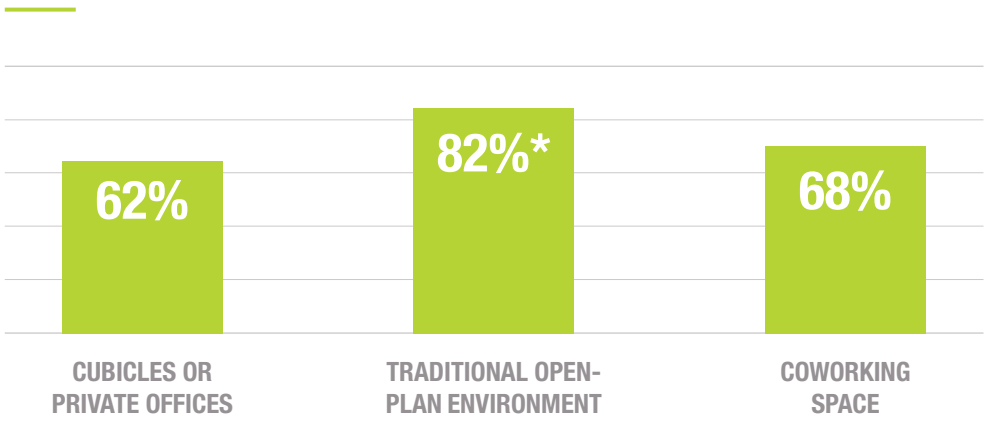
While noise and distraction is the leading cause of being unhappy and unproductive at work, minimising noise alone is not going to change the mood of your occupiers.

Put it this way, in offices with cubicles and private offices where noise and distractions can easily be kept to a minimum, happiness and productivity is at its lowest compared to other types of space.

There must be alternative factors, in addition to noise control, that drive happiness and productivity, such as the wider facilities available to occupiers in their office space as well as the wider building / complex that the space is in.

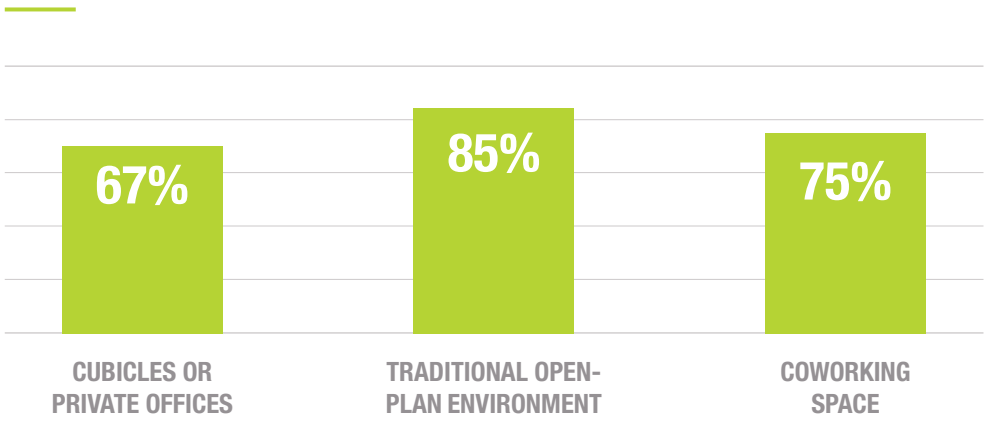


NET HAPPINESS OF WORKERS BY OFFICE TYPE



Base: 228
* Denotes statistically significant result for the difference at 95% confidence level

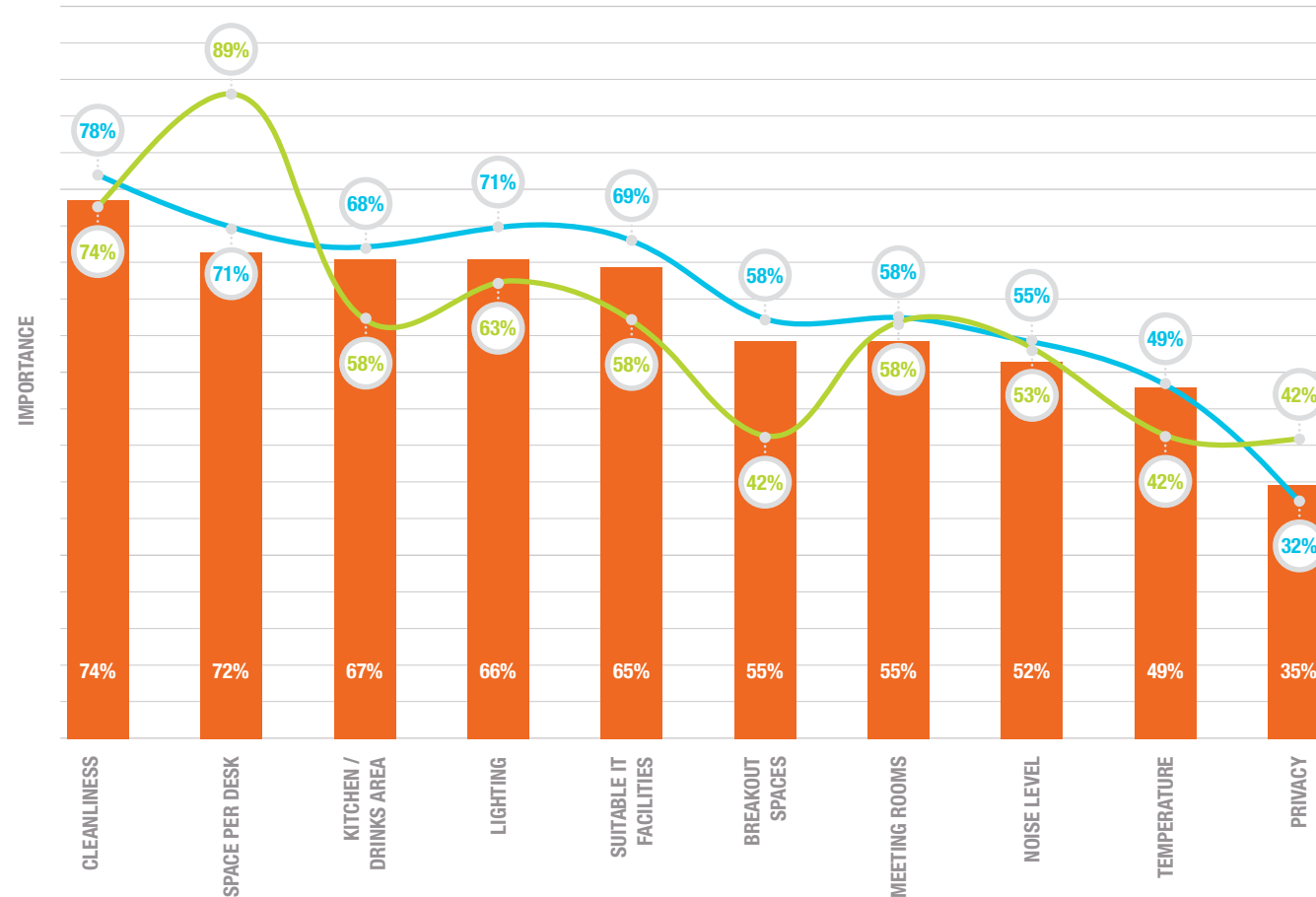
NET PRODUCTIVITY OF WORKERS BY OFFICE TYPE



Base: 205

IMPORTANCE OF AMENITIES OCCUPIERS VS. CUBICLES / PRIVATE OFFICES

■ : ALL OCCUPIERS — : OPEN PLAN OCCUPIERS — : CUBICLES / PRIVATE OFFICE OCCUPIERS



Open-plan occupiers are more satisfied with aspects of their office than those in private offices.

Broadly speaking, occupiers rate their workspaces highly for cleanliness, space per desk and the kitchen and drinks area, indicating that these are areas that decision makers and providers get right when it comes to providing workspace.

However, privacy, noise levels and lack of breakout spaces are the amenities that occupiers rate the poorest, suggesting that decision makers and providers have not maximised these concepts to their full potential.

SPACE AND PRIVACY – DO PRIVATE OFFICES GET THIS RIGHT?

However, those in private office are significantly more likely to rate their space per desk as good compared to open-plan.

Those in cubicles/private offices also show a higher privacy score which suggests a link between the two – space per desk is not just about having enough room to spread out and move your chair, it's also about giving occupiers a certain sense of privacy that can be hard to find in an open plan office.

To decision makers and office providers, this correlation indicates that more attention needs to be paid to this area when designing open-plan spaces looking at both the free space around the desk and its proximity to other people, possibly considering larger desk sizes to help create some sort of privacy.

PRIVACY, NOISE LEVELS & LACK OF BREAKOUT SPACES ARE THE AMENITIES THAT OCCUPIERS RATE THE POOREST

Amenities and services at work are important

We know that around a third of occupiers feel they're equally as important as perks when it comes to being happy and productive at work, helping occupiers to achieve that all important work-life balance.

BUT WHICH ARE THE MOST IMPORTANT?

Natural light, a kitchen area and daily cleaning are seen as the most important amenities to have access to at work.

Following these are different types of spaces; formal meeting areas, break / relaxation areas and informal meeting areas. This speaks to the earlier findings around happiness and productivity being about having different space types and zones within the office to allow employees to work more flexibly and in an agile way depending on their projects needs.

BUT WHAT DO OCCUPIERS FEEL IS LEAST IMPORTANT?

Despite the fact that having access to wellness or fitness classes through work is of high importance to occupiers, having a gym and fitness space in their building is not quite as important (as previously mentioned, access to local classes works just as well as a perk).

VARIETY OF SPACES TO INCORPORATE DIFFERENT WORK IS ONE OF THE MOST IMPORTANT MISSING FACTORS IN AN OFFICE.....

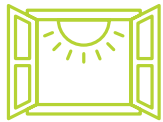
As with the perks, by looking at the difference between what occupiers have and their level of importance, we can see where amenities are not being maximised to their full potential.

One of the larger differences is seen on climate control (46% difference), with just over a third of occupiers claiming that they have access to it.

Another large difference can be seen on break/lunch and relaxation spaces (27%).

For both areas, it's about a lack of access to certain amenities where they are deemed to be important. These statistics really hammer home that when designing workspace, providers and designers need to consider providing more temperature control and a greater variety of spaces.

AMENITIES AND SERVICES (ORDERED MOST TO LEAST IMPORTANCE TO OCCUPIERS)



1: NATURAL LIGHT



2: KITCHEN



3: DAILY CLEANING



4: FORMAL MEETING AREAS



5: BREAK / RELAXATION AREA



6: INFORMAL MEETING AREAS



7: CLIMATE CONTROL



8: OUTDOOR SPACE



9: SHOWERS



10: FRONT DESK /
CONCIERGE



11: GYM



12: RECREATIONAL
AREA



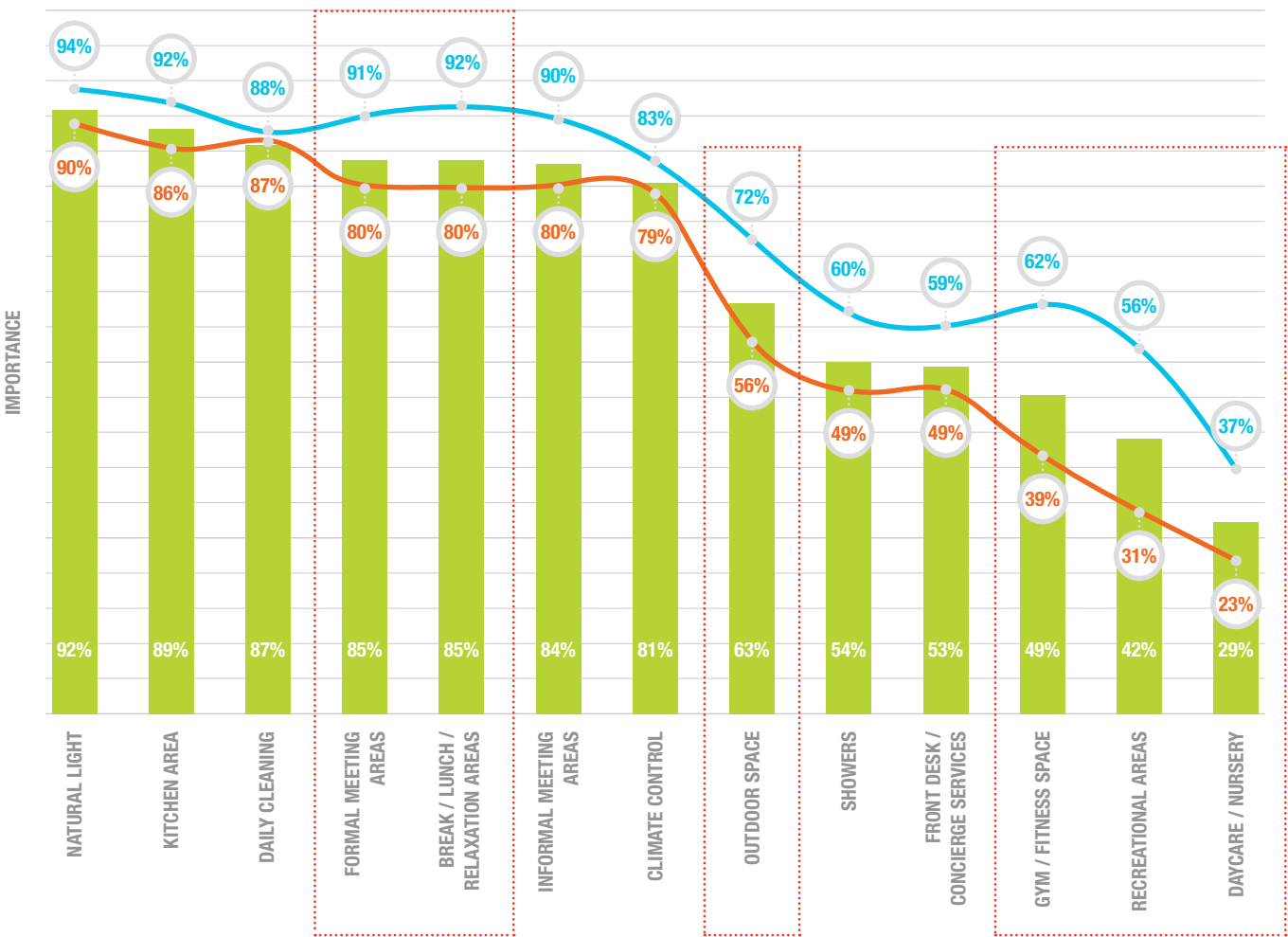
13: DAYCARE

IMPORTANCE OF AMENITIES AND SERVICES TO OCCUPIERS BY AGE

■ : ALL OCCUPIERS

— : UNDER 35

— : +35



What makes a great work environment?

While millennials generally place a higher importance on amenities than non-millennials, it is only for some services where this is significant:

FORMAL MEETING AREAS

BREAK / LUNCH / RELAXATION AREAS

OUTDOOR SPACE

GYM / FITNESS SPACES

RECREATIONAL AREAS

DAY-CARE / NURSERY

Again, making millennials happy and productive at work comes down to using different types of space at work effectively, having areas for formal meetings behind closed doors, complimented by breakout areas that can be used for informal meetings and to recharge.

Outdoor space is a tricky one to negotiate, particularly in the flex market, and let's face it, a sometimes underused space with the erratic British weather! But this can be achieved by some well thought out design features within the office through plants, green walls and mood lighting.

87% SAID THAT HAVING A 'GREAT OFFICE' MAKES THEM WANT TO GO TO WORK

Ergonomic furniture is the most important office technology for occupiers

Of the decision makers and office managers we spoke to as part of this research, the most common use of technology in the office was for audio / video conferencing, typically via Skype for Business, and for electronically booking meeting rooms whether via an app or a shared calendar.

Beyond that, some offices that have more agile and activity-based working don't have set desks for employees but the options for bookable desks in certain areas. Lighting has a semi-tech focus, tending to come on only when there is movement in an area, though this tends to be more of a green initiative to prevent over-use of electricity than it is technology.

Seeing as back injuries are a leading cause of workplace sickness, it's really no wonder that ergonomic furniture is the most important piece of office tech to occupiers, for all age groups.

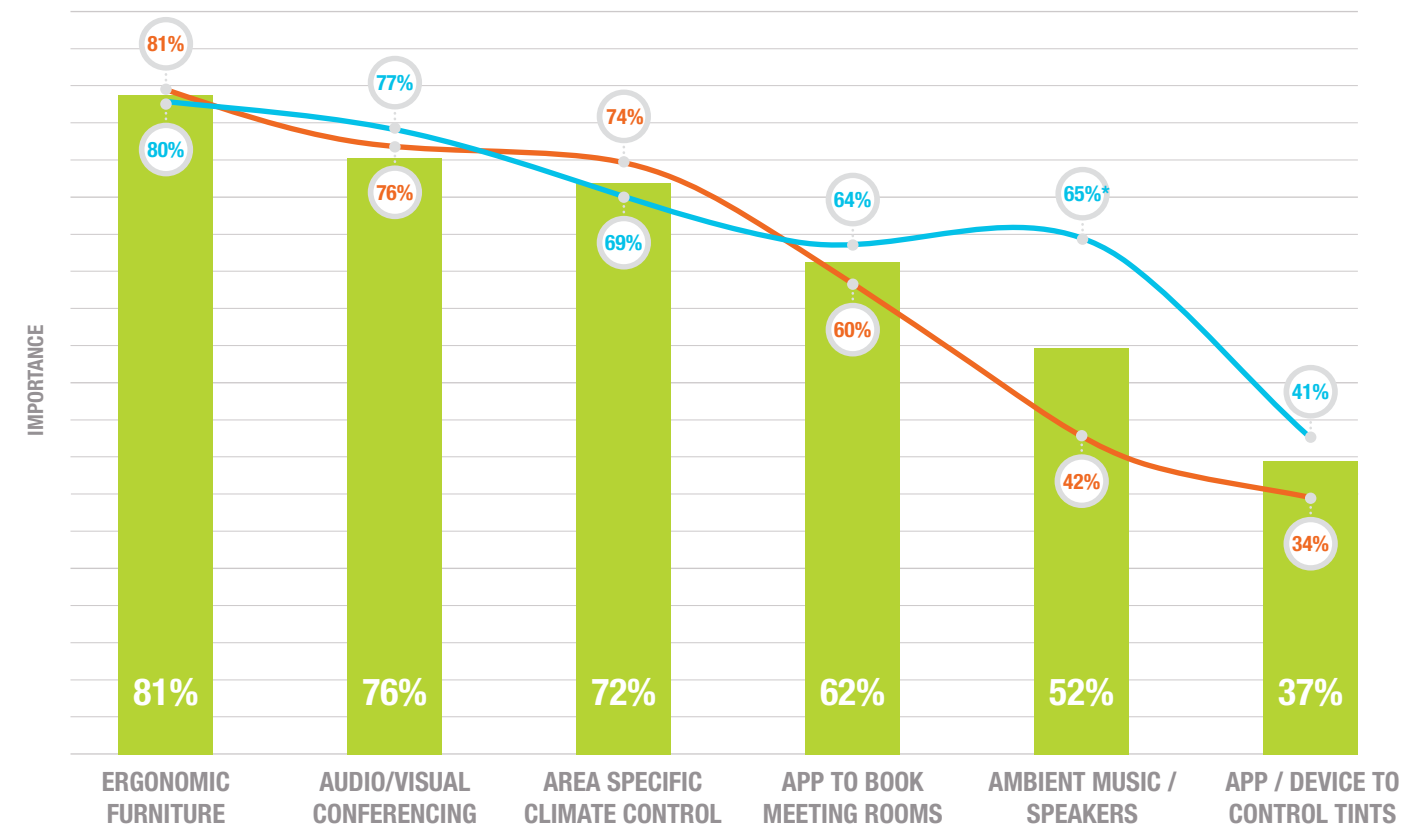
As with perks and amenities, technology is generally more important to millennials, except for area specific climate control, which is more important to non millennials.

Millennials are also significantly more likely to place importance on having ambient music in the office than non-millennials – in fact its more important to them than having an app to book meeting rooms!

In comparison to amenities and services, office tech such as those opposite, is still not as important as natural light, kitchens, daily cleaning and different space types (formal & informal meeting areas and break/lunch/relaxation areas), indicating that these amenities and services must take precedence before looking to bolster your workspace with the latest office technology.

IMPORTANCE OF OFFICE TECHNOLOGY USE BY AGE

■ : ALL OCCUPIERS — : UNDER 35 — : +35



Today's challenges

Within the real estate community, FM teams are forced to sweat assets and business owners want to realise yield on property and people. These two items are their biggest single costs on the balance sheet and yet the optimisation of their performance is underreported or simply overlooked.

Design communities are quick to optimise space, abolishing siloed areas and offering the amber nectar of space saving. As a result, we are presented with an office that is bright and open, with pods, collaboration areas and reduced offices.

This is not always the best course of action as we can be faced with user resistance. We come from all walks of life, interpret information differently, and have different likes. Workers are not analogous.

The one-size-fits-all policy doesn't exist. As much as we try, people are resistant to change, and we look for the path of least resistance – we want to find our comfort zone. And the moment we are forced out of it, we immediately look for a way back and break the rules.

Lets look at a basic example. If you are one of the many people who commute to work by train, chances are you will stand and wait for the train in the same spot each day at the platform, navigating to the same carriage and seat. If you are then lucky enough to talk to anyone, it will be the same people each morning and evening - establishing train friends!

The fact is we like to follow the path of least resistance, and once we know how something works and it is safe and comfortable, our basic human instinct is difficult to change.

There are two very clear types of people: individuals who like to be free and will accommodate change, and those that seek more structure and process. Lets call them puffins and penguins.

Why? Well, a puffin will only head back to an island once a year to mate – spending the rest of the year free to navigate and explore. Whereas penguins prefer to stay in a flock together.

Our puffins are normally gregarious people in their own right, as they are happy to roam and be free. Therefore, are in job roles that facilitate this within a business structure. These could be business development people, marketeers or a role that demands a high level of travel.

Penguins, by virtue of their nature will gravitate to roles that provide security, comfort and a level of repetitiveness. And these positions will be in a static location within the four walls of an office. Our penguins will navigate to the same place, even with the best thought out agile environment, and guidelines in place. They are creatures of habit.

As a result of this, offices are filled with people that perform roles who prefer structure, process and a level of comfort.

THE CHALLENGE WE HAVE IS TRYING TO DESIGN SPACES THAT WILL ACCOMMODATE AND FACILITATE THE NEEDS OF THE PENGUINS, WITHOUT CAUSING STRESS, DISRUPTION AND A DECLINE IN PERFORMANCE, WHICH IN TURN LEADS TO RESISTANCE.



The future office

The office of the future will be about the experience, with the ability to offer choice. In our personal lives we are bombarded with options.

From what we want to watch on TV, at what time and at our convenience, to the plethora of variables we have in consumables and travel. However, when we walk into the office, the reality is we have very little room for making our own decisions.



THE OFFICE OF TOMORROW SHOULD INCORPORATE A NUMBER OF THINGS:

1 THE ABILITY TO OFFER CHOICE

Why not create different spaces; spaces for contemplation and thinking work, areas for communication and collaboration, and places for creativity. Lets call them our LinkedIn, Twitter and Instagram environments.

If a piece of work requires dedication and silence, then allow the user the choice to head to the LinkedIn zone. Conversely, if we need some creative spirit head to the Instagram space.



2 CREATE A NEXUS

The space will be intelligent enough that it has a purpose and will interlink the sum of its parts. The user experience will be seamless and effortless.

- The office will know why I am here and what I want and need at any time of the day.
- The office will know how I feel and why.
- The office will know where I need to be, at what time and with what resource.
- The office will know what I need when I leave.
- The office will bring the outside in and bring us closer to the real world.
- The office will improve our health and wellbeing.



3 TEMPORAL SPACE

Our offices today are fixed in time, and the space will look exactly the same as it does on a Monday as it does on a Friday for the period of the fixed lease. The world outside is ever changing and dynamic, we have seasons and day and night. The office doesn't change and is therefore very boring.

We need to think of the office as a stage set or festival space, where we can create an environment of choice that facilitates the demands of the business and its users over time.



Area are workplace design and fit-out specialists with a clear mission: to deliver exceptional spaces across the UK and Europe. We provide workplace consultancy, design, fit-out, furniture and refurbishment services across the workplace, retail, hospitality and leisure, education and light industrial sectors.

Working directly with professional teams, coworking operators and corporate occupiers, we put our clients at the heart of everything we do, and our client-centric approach has resulted in long-standing relationships and a level of repeat business we're proud of.

Area operates out of 10 offices in mainland Europe, in addition to its three offices in the UK. Area are part of Fourfront Group, one of the UK's leading commercial workplace specialists. To support our vision to be the leading globally connected workplace specialist, we founded of "The United Workplace", a global network of like-minded workplace specialists which provides consistency of service to our clients internationally.

For more information please visit www.area.co.uk | info@area.co.uk



Founded in 1999, The Instant Group is a workspace innovation company that rethinks workspace on behalf of its clients injecting flexibility, reducing cost and driving enterprise performance. Instant places more than 11,000 companies a year in flexible workspace such as serviced, managed or co-working offices including Amazon, Barclays, Prudential, Sky, Booking.com, Capita, Serco, Teleperformance and Worldpay making it the market leader in flexible workspace.

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