RETHINKING THE FUTURE WORKPLACE

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MMOSERASSOCIATES

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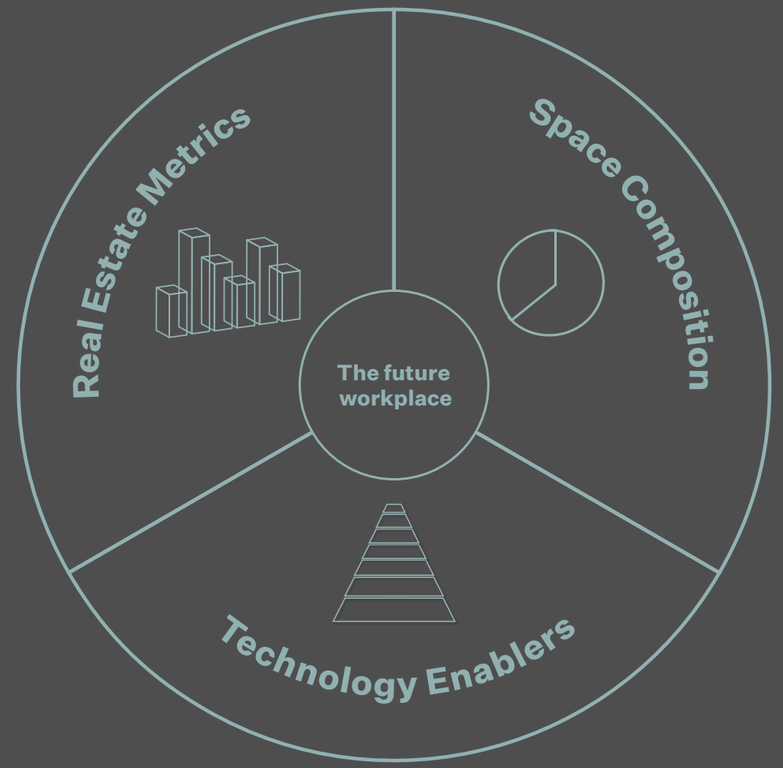


Rethinking the Future Workplace

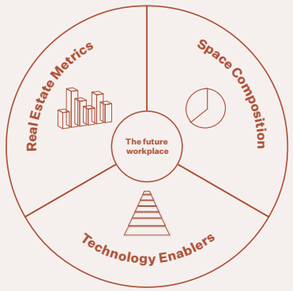
The forced global experiment of remote work caused by COVID-19 has turned the world of corporate real estate on its head.

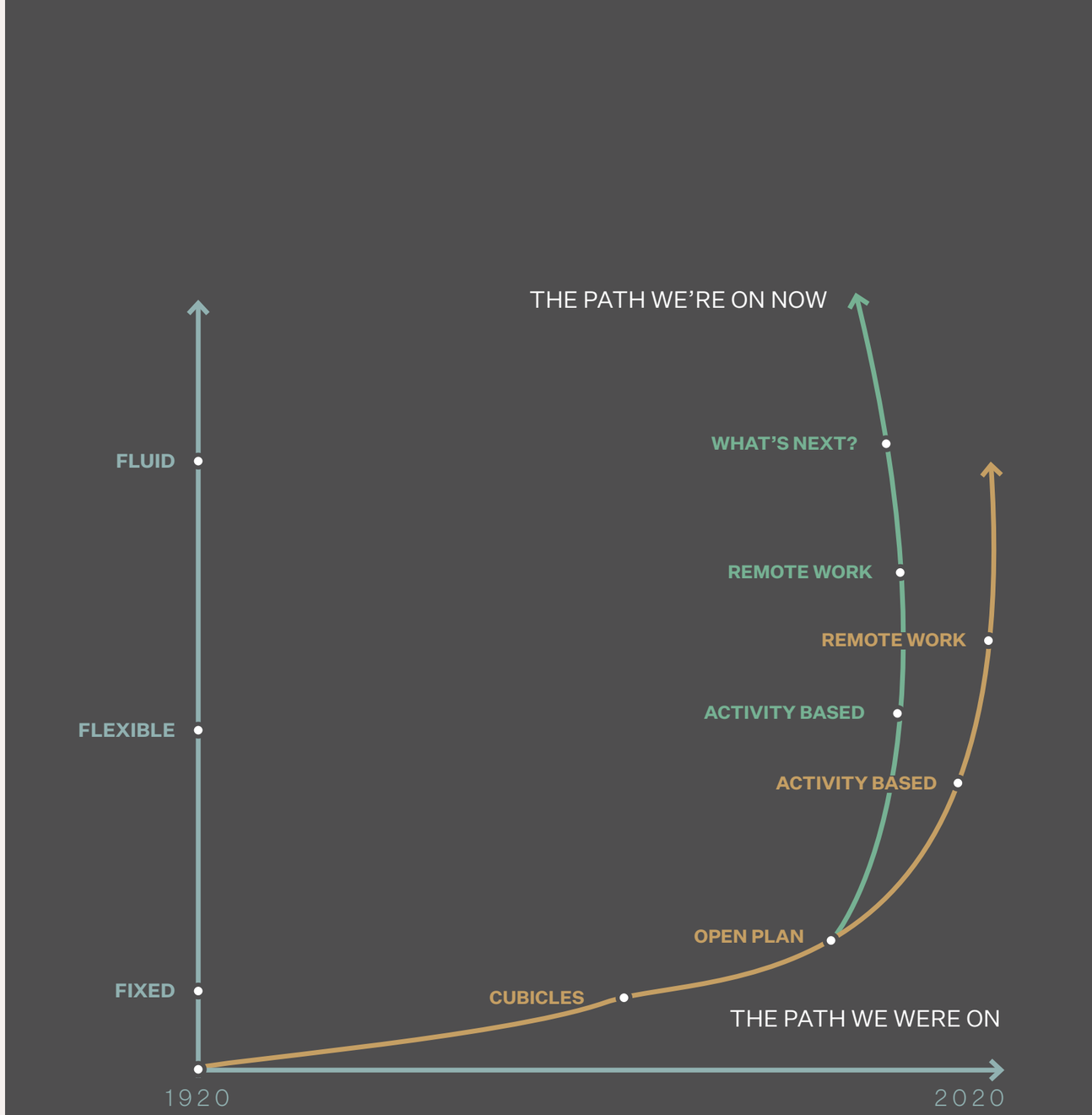
For some organizations, working remotely has gone so well that they have begun to explore the idea of extending work-from-anywhere policies beyond a pandemic-mandated timeframe.

The skills and capacities gained through remote working have forever changed the workforce. Catalyzed by the pandemic, this global upskilling has shifted our perspective of the physical workplace and its place in the ecosystem of resources needed to accomplish our best work.

Leaders are asking questions to understand what, if any, actions they should consider and possibly take now. In this pivotal time of rethinking the future workplace, it's not just about taking away, but recomposing what's left. It is imperative that organizations understand how to right-size and invest in the right aspects of the workplace to ensure success.

Whether you're an organization that's at the beginning of rethinking your workplace and its impact on your real estate footprint, or well into the planning and consolidation efforts, there is a path to navigating the uncertainty. Workplace transformation centers around three core areas: space composition, technology enablement, and real estate metrics. Assessing these key aspects of the workplace can help guide the various space types required and provide a path to long-term solutions.





PART I

Evaluating Space Composition

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It’s enticing for organizations to take advantage of efficiency gains by driving more work remotely. And, in fact, it’s a good starting point, but without clarity around how these newly acquired skills will likely impact the long terms goals of the organization, the result may only be a short-term fix. A clear top-down vision from leadership, paired with a bottom-up understanding of the unique personas within an organization is essential to defining the size and composition of the workplace. Establishing the vision and linking it to employee workstyles, motivations, and subsequent needs drives the appropriate scale and types of spaces to promote desired behaviors. Further, a segmentation of the workforce by function and business unit enhances this understanding.

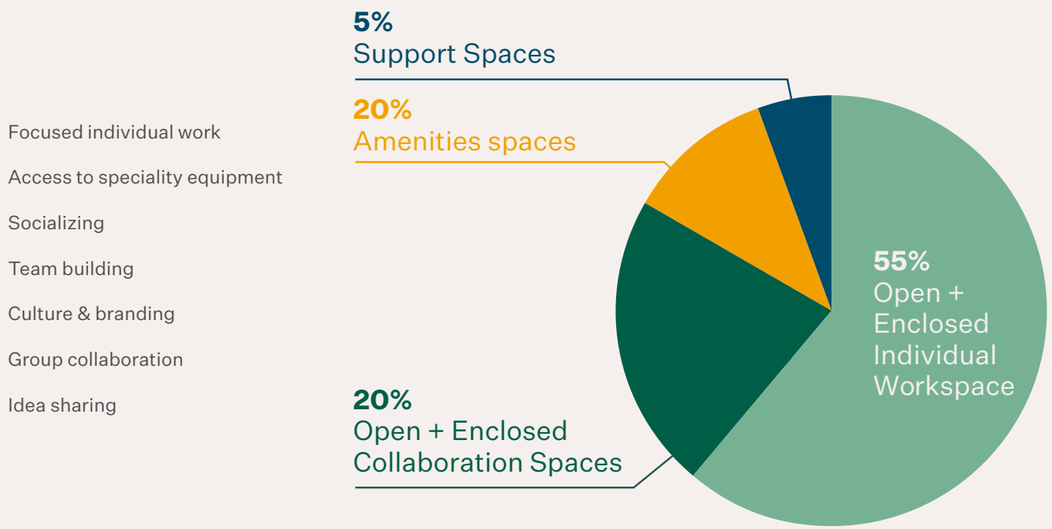
Historically, workplaces were designed with a majority of space allocated for focused, individual work and a one-size-fits all approach. Now, the need to be in the office has shifted from a requirement to a conscious choice to support a certain mode of work. Going forward, employees will likely go to the office predominantly to interact with others, as most information and means of sharing moves to the virtual realm. This shift creates an opportunity to lean into the unique behaviors that matter for an organization. Behavior-focused design aims to understand the behaviors that are needed for success, and the physical, social and digital touchpoints that impact and influence these behaviors. This translates into design strategies that enable the desired outcomes for performance, company culture, and wellbeing.

As workplaces and work schedules become more flexible, it’s important to design systems and protocols to manage space – and people’s expectations – effectively. While some may need a physical workplace for focus work, most teams will be able to operate as a distributed network through a hub-and-spoke model. This releases organizations from a single space and place, giving people the ability to move seamlessly between physical locations. As a result, ideal workflows and increased performance emerge.

With the move away from a centralized workforce, designing for inclusion is essential to building stronger communities and a well-connected, virtual workforce. Looking beyond a quota, a holistic workplace provides flexible, mobile, and multi-use layouts as well as modular settings and adaptive options, bringing all types of people together to enhance wellbeing, creativity and innovation. Designing for inclusivity incorporates universal design – creating the best possible design for the highest volume of people – from age, gender and neurodiversity, to ability, identity and more.

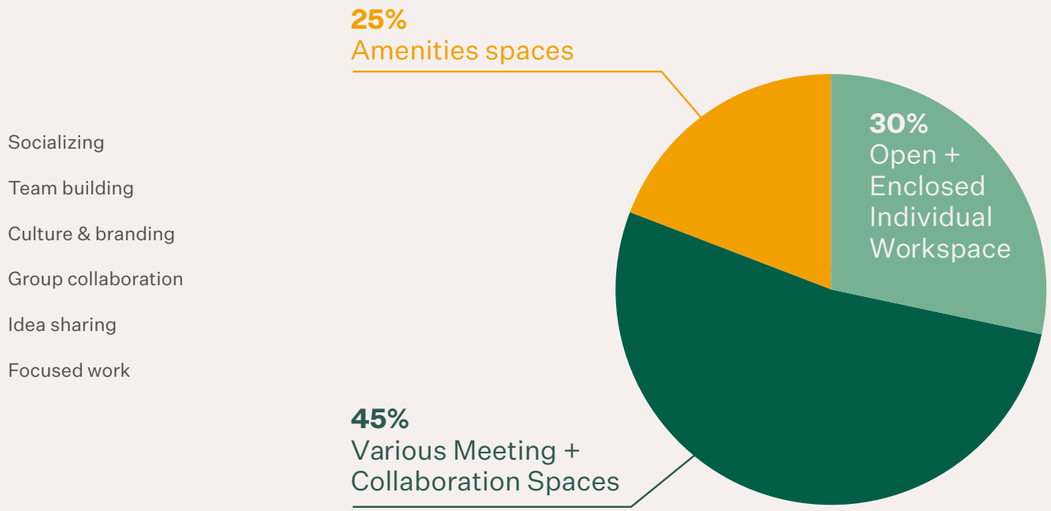
THEN

Purpose of the office



NOW

Purpose of the office



Source: M Moser Associates Research

PART II

Identifying Technology Enablers

With multiple work locations emerging, it is critical to have the appropriate enabling technology to blend the physical and virtual workplace. Cloud-based, real-time collaboration tools, for example, will bridge the gap in communications and interactions – such as shadowing, mentoring, brainstorming, and building camaraderie– that are proving difficult to replicate virtually. Designed incorrectly or overlooked, the wrong digital tools, connectivity platforms that are too slow, or buggy virtual experiences may result in significant risks to successfully delivering an effective workplace and working model.

Moving on-site servers to the cloud to accommodate a distributed workforce and ensure a seamless experience whether employees choose to work remotely, at a satellite office, or at the main location is foundational to running an organization smoothly in the new business landscape. Thoughtful switches to connected systems like this will likely dramatically upgrade an organization's ability to manage and tailor its portfolio effectively. Seat reservation systems provide teams with a bookable space to work as well as visibility to their peers attendance in the office. Mobile devices for productivity and connected collaboration can further bolster an organization's agility by untethering employees from previously hardwired technology and tools. Resetting perceptions on how space should be used and supporting that change with technology that signals to a user that their time there is temporary will also likely reduce any potential for under- or-overutilization of physical workspace.

Beyond efficiency, building a sense of belonging and community and cultivating a positive and inclusive culture is challenging in the current environment. . To combat this connection barrier, more and more companies are looking to custom-built workplace applications to create a seamless experience and a vital social network between their in-office and remote work environments. These applications capture a company's culture and connect it to employees wherever they may be, promoting meaningful activities among employees and fostering a sense of unity and camaraderie.

A successful distributed workforce requires frequent temperature checks to measure progress, understand achievement, and prompt forward movement. Organizations and leaders have a unique opportunity to push the limits of technology in pursuing this effort. Whether visualizing a team's contributions through dashboard-like representations to share collective and individual achievement or recreating the informal, ad-hoc collisions we all took for granted in a traditional workspace, technology provides a variety of ways to meet these challenges. Looking ahead, the growing adoption of previously cost-prohibitive technologies such as augmented reality, virtual reality, and cross reality could play a vital role in bringing us closer together while staying safely distanced.

Proprietary software to gather data about users to understand how they work provides companies with the ability to distill the infinite range of people and their needs into personas with characteristics that are easily understood and supported. Behavior-focused design applies an understanding of these roles, personalities, and behaviors and translates these insights into the workplace. This detailed understanding of where, how, and why work happens can be used to align user needs to the right size real estate and the right design to enable performance.

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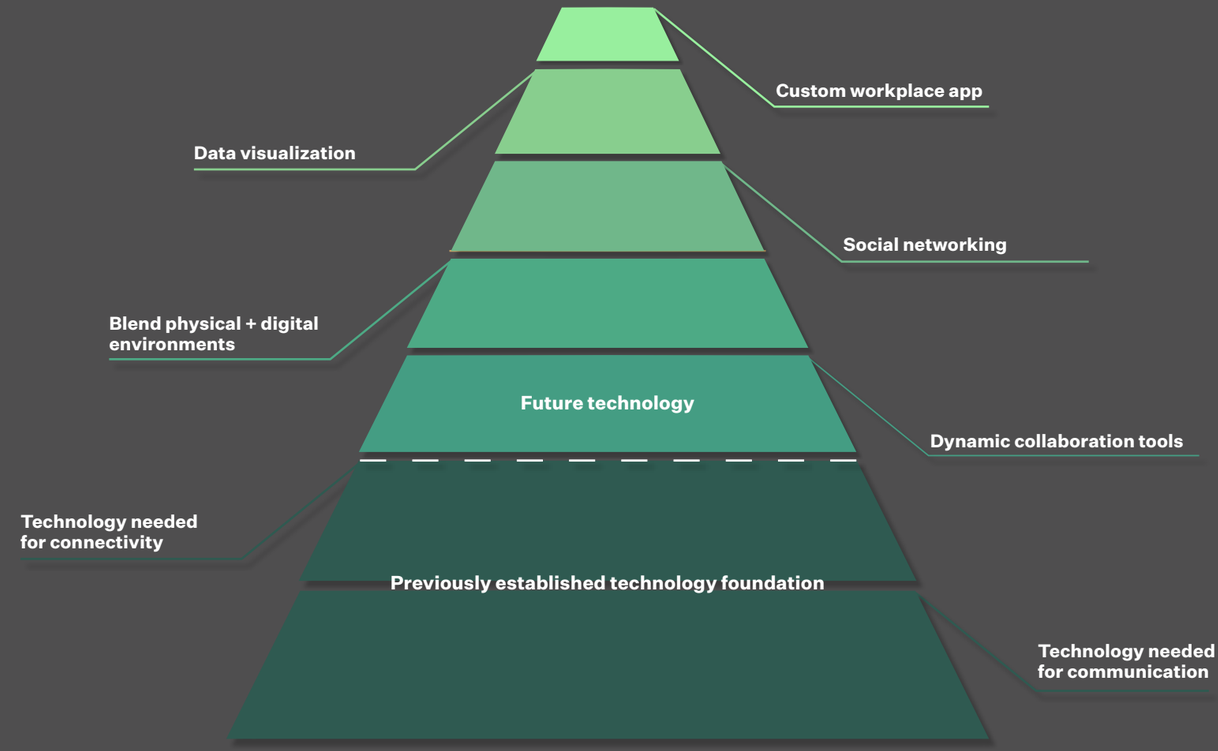
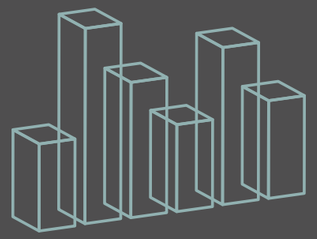


PART III

Retooling Real Estate Metrics



Corporate real estate metrics used historically to assess, compare, and determine how space is utilized will likely need to change to reflect the post-COVID ways companies will use their real estate. This new model requires metrics and key performance indicators that help quantify the effectiveness and flexibility of workspaces. While these metrics serve to evaluate the current requirements and design, over time they will influence the direction of the future workplace.

To remain resilient, organizations must strive to minimize business interruptions through a deeper understanding of how workplaces can react quickly to potential disruption. As such, spaces must be flexible and serve multiple purposes. The ability for team members to quickly huddle, plan, disband, work remotely, and subsequently regroup in the office is a model that requires its own set of qualitative measurements.

Taking a purely financial and cost savings approach can work, but is likely to leave an organization dealing with employee issues and operational challenges. The optimal solution is a balanced approach with workforce, workplace, and real estate all represented. Metrics used pre-COVID to compare, plan, design, budget, and monitor real estate and workplace requirements need retooling for the near term, and likely permanently.

While the conversation of metrics is important for an organization, there is also a need to assess the underlying human side of this approach. Fundamentally, new practices will be developed to support a more resilient and flexible workplace.

The ultimate outcome of retooling metrics is to support the design of new work environments with higher levels of resiliency planning as well as to provide the tools and key performance indicators to measure the success of the new environments over time.

Ways to measure the future workplace include:

1. **Mobility vs utilization score:** Leveraging workforce segmentation and employee categories to determine how often employees plan to be in the office, compared with how often they come into the office.

2. **Experienced square feet per person:** Considering the entire space as places to get work done with the understanding that fewer people are in the office at any given time.

3. **Number of work settings per employee:** Historically a metric used to design space, it takes on a new meaning for conference rooms, break rooms, and collaborative spaces where there may be multiple work settings per person to use throughout the typical day.

4. **Remote readiness score:** The consistency of the technology and digital tools inside and outside of an office and their ability to cope with disruption.

5. **Density vs occupancy score:** If every second seat suddenly needs to stay empty, how many people can still fit on a floor while maintaining the specified spacing?

“Corporate real estate metrics used historically to assess, compare, and determine how space is utilized will likely need to change to reflect the post-COVID ways companies will use their real estate.”

THEN Real Estate Metrics	NOW Real Estate Metrics
Sq Ft/ Person	Mobility vs Ulization Score
Cost / Sq Ft	Experienced Sq Ft / Person
Technology Cost / Person	Number of Work Settings / Employee
Occupancy Rate	Remote Readiness Score
	Density vs Occupancy

The path forward

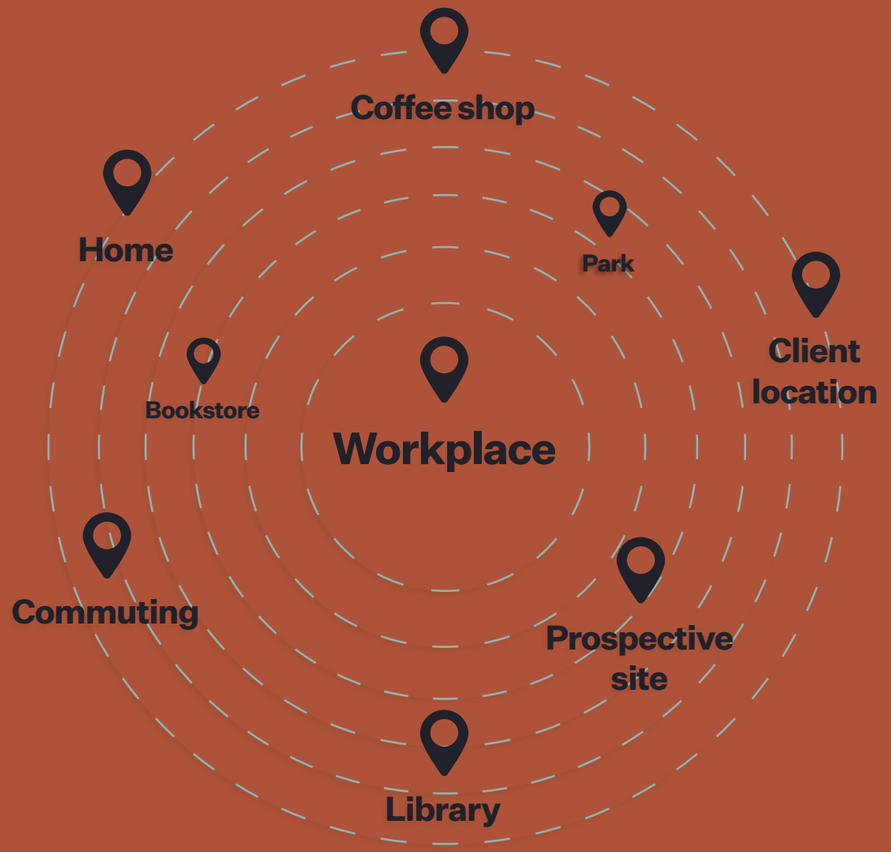
Workplaces are no longer solely physical locations where all work-related activities take place. Instead, they serve multiple personas within the organization providing a diverse choice of spaces to meet their unique work requirements.

Space composition, technology enablement, and real estate metrics are essential for understanding and implementing a successful workplace transformation that allows an organization to maximize the value of its real estate footprint. Focused on human behaviors, the new space composition seamlessly supports in-office and remote workers, giving them access to the right tools, wherever they are.

Technology is a critical enabler of the redesigned workspace and acts as a necessary bridge between the on-site and remote work environments. From foundational technology that enhances communication and connectivity to bespoke workplace applications that cultivate a positive and inclusive culture among in-office and remote workers by replicating formal and informal interactions technologies improve productivity and the work experience. Furthermore, proprietary software makes it possible to match people's roles, personalities, and behaviors with the appropriate space to support the organization's goals.

Traditional corporate real estate metrics must be rethought and shift from measuring usage and space efficiencies to identifying the transformed workspace's effectiveness and flexibility. These new metrics should identify and measure the elements required by a more resilient and adaptable workforce.

A clear understanding of how space composition, technology enablement and real estate metrics work in an organization will guide informed decisions to ensure the enablement of the ideal workplace design and an optimal real estate footprint. By truly focusing on people and how they need to do their jobs, the physical office will evolve, transform and continue to play a critical role in nurturing a company's culture, fostering a collective sense of purpose and empowering individuals to meet their full potential.



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