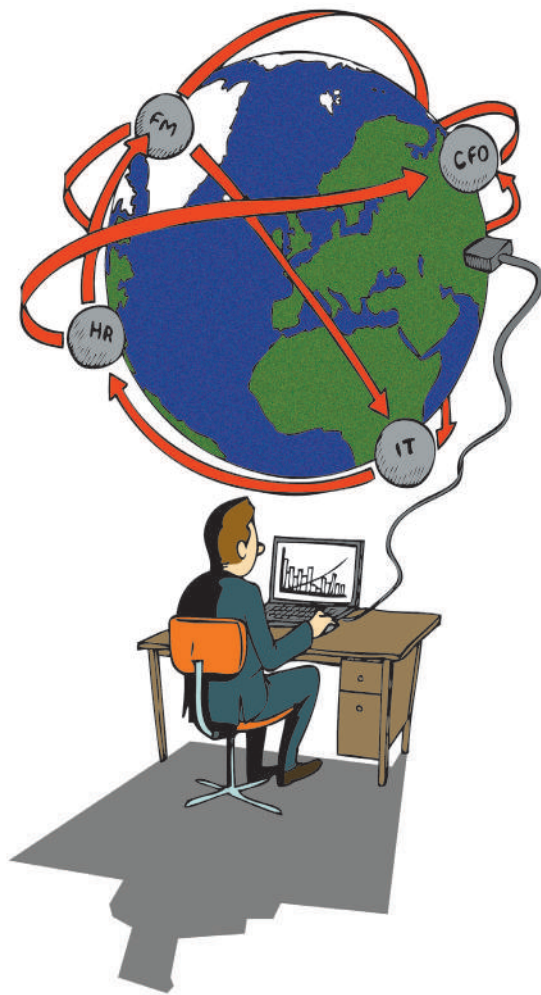


Work&Place

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At the end of a recent workplace and technology seminar in London, one of the audience members asked a panellist what the issues she had discussed meant for the traditional disciplines of human resources, IT and facilities management. If the old boundaries between place and time had been dissolved, he pondered, what did that mean for the roles of those charged with managing them? To which the only answer seemed to be: **What, indeed?**

With each passing issue of **Work&Place**, it becomes more and more apparent that we will soon have to answer this question with something better than another question. Underlying each feature we publish is an assumption that the office no longer functions as a discreet platform for work. It is part of an ecosystem that not only includes other buildings and spaces, but also the technological realm. Users and occupiers no longer draw distinctions between these places, so neither should the professions charged with designing and managing them.

This future will be shaped by the likes of **Antony Slumbers** who in this issue challenges the idea that it is something of which we should be afraid. **Giuseppe Boscherini** considers how we choose where to go to have our very best ideas. **Beatriz Arantes** takes a journey into the inner world of neuroscience and considers what it might mean for how we work. **John Eary** also turns his gaze inwards as he shares research on the link between personality and performance in agile workers. **Amanda Sterling** considers how workplace transformation is manifesting itself in New Zealand. **Kati Barklund** explores the relationship between workplace design and key HR metrics. **Paul Carder** discovers the missing links between economic activity and the modern workplace. **Sue Gregson** considers the implications of an updated environmental standard. And I look at how changing demographics and an aging workforce are shaping Government policy worldwide.

Of course, none of this is a one way street 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

Scope

news and views

Book review

**Mark Eltringham reviews
Workplaces Today by Juriaan
van Meel of the Centre for
Facilities Management.**

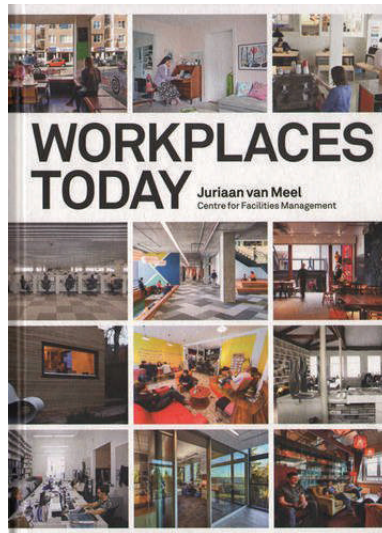
It is perhaps the most common misperception of evolutionary theory that all animals are somehow evolving towards something perfect. This notion is perhaps best characterised as a sceptic asking: "If we evolved from monkeys, why are there still monkeys?"

The lesser of the two problems with this is its solipsistic assumption that humans are the pinnacles of life on Earth and that, if evolution were true, all animal species would eventually evolve into people.

The bigger (and related) issue is that the question completely overlooks the fact that each species is already pretty much perfectly adapted to whatever environmental niche it inhabits at any particular point in time. It is only when that niche changes that the organism has to adapt to its changing surroundings and conditions. This is why many ancient species continue to thrive almost unchanged over thousands or even millions of years. They have no need to evolve into a human or indeed anything else.

This is why there is so much diversity of life on Earth. Yet, precisely because we've evolved humans we prefer to simplify this complexity into patterns and narrative concepts such as the tree of life and the Ascent of Man.

A similar process can be discerned in the way we talk about the evolution of office design. I won't pick on any particular one of the numerous histories of office design you can find online but any you care to look up is likely to begin with the starched clerical workers in Frank Lloyd Wright's design for the Larkin Building from 1903 and conclude



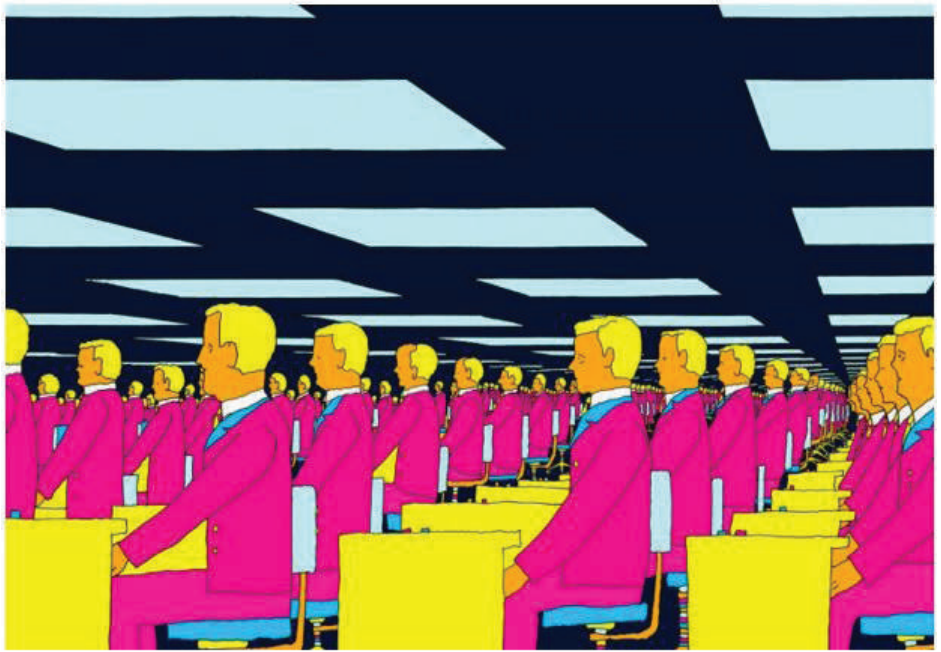
Workplaces Today
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with a millennial on an orange slide. Along the way it will stop to have a pop at Frederick Taylor, cubicles and open plan before suggesting that something or other is dead and needs to be replaced because the pinnacle of design has been established and you should clamber up.

This idea is a compelling trap and it is one that Juriaan van Meel swerves neatly in *Workplace Today* by treating the workplace ecosystem as something that can be subject to the same principles of taxonomy as the natural world.

Of course, he's not the first person to turn to classification as a way of challenging the idea of an evolution towards an idealised form of office design. Nor does he avoid the history of the office and the fact that it remains in a perpetual state of flux as it adapts to the changing needs of organisations, technology and people.

He also has little time for the mechanised and potentially dehumanising effects of an incorrect office design, especially one rooted in command and control management styles. He illustrates this point with a striking image from the work of Norwegian artist Hariton Pushwagner (below).



“...The low criticality of workplace design does not mean that it is irrelevant or an entirely subjective matter. It does mean, however, that discussions about workplace design can become very slippery once the basics have been covered...”

One of his progenitors in establishing a classification system for office design forms in this way is Frank Duffy, who he cites throughout the book and who defined many of the ways we still talk about offices.

Duffy is perhaps the person who popularised the taxonomical idea by combining the organisational design thinking of management theory with notions of how that might be transposed into the physical environment and used to define the various and evolving forms of workplace design.

Whereas Duffy was content to stick to just four areas of classification when he wrote prodigiously and influentially on the subject in the 1990s, van Meel is writing about a very different world and is therefore able to broaden his scope and taxonomy to include various forms of public, shared and domestic spaces as well as new, hybrid forms of office environments such as co-working spaces, typified by the Impact Hub in Amsterdam (right).

The strength of the book, once it has established the key features, context and premise of each of its ten classifications, is that it is led by case studies and hence imagery and descriptions of real offices. This means that the author is free to shape his own thoughts while leaving the reader their own freedom to make up their own mind about any particular example.

What is a shame is that the standard hardback format of the book does not always allow the images to do the case studies justice. Maybe this is a sign of the times, but this would once probably have been a coffee table sized book with



different paper stock and so all the better for it.

The author is also refreshingly well aware of the limitations of workplace design and the ways in which occupiers and designers can address the more difficult questions about getting a design right.

As he sums up the issue in his epilogue: “The low criticality of workplace design does not mean that it is irrelevant or an entirely subjective matter. It does mean, however, that discussions about workplace design can become very slippery once the basics have been covered. It is fairly easy to discuss the appropriate air quality

and temperature levels in an office because these are well-studied aspects of workplace quality. More conceptual issues, however, such as the openness of workspaces or the freedom to work from home, are much more value laden and open to debate.”

This is indeed where the challenges of office design arise and the trick is always to develop the right form for the right environment, as it is in Nature. Problems arise when this is not the case. As the author concludes: “The art and science of workplace design is to make optimal use of these possibilities and to create solutions that are efficient, attractive and meaningful.” **W&P**

An exploration of the genesis of ideas and the mechanisms behind ideation and the growing importance of creativity at work as an integral part of both business and personal development

Giuseppe Boscherini

OFFICE DESIGN • ARCHITECTURE • HUMAN RESOURCES

The genesis of ideation and where we go to have ideas

With collaboration, creativity and innovation increasingly perceived as key objectives and differentiators of business performance, isn't it time we explored the ways in which physical attributes of work settings may influence, or even trigger, creative work behaviour? So where do you get your best ideas or any ideas at all for that matter?.

The cliché of the shower as one of these favourite places comes to mind and yet experience does show that the idea of seeking a setting, a “zone” if you will, for a specific purpose is intuitively right. This needn't be a retreat or cocoon, as is often assumed, but can also be a crowded, busy, noisy place. This might explain why so often the most animated work conversations move out of the office into the coffee shop. Equally, highlight events or special meetings tend to be held in a “venue”, often dressed for the occasion.

The symbiotic association of special activities with codified rituals is as established as civilization itself; the recognition that settings – temples, town halls and courthouses – and their props – altars, maces and gavels – play an important role, not just in embodying but possibly also in stimulating and facilitating the very activities with which they are associated.

This also applies to the very special activity that is the generation of ideas or “ideation”; not to be confused with innovation. Not all ideas are or need to be innovative, but all are defined as ideas in that they are, with varying degrees of success, the expression of creative thinking and problem solving.

From the start, I would like to dispel two myths. The first relates to the use of the term “creativity” in the context of business. Business has embraced some of the language and, in the face of the failure of traditional management systems, sought to appropriate the language, techniques and structure that are typical of the Arts; is this legitimate and to what purpose? Perhaps it is therefore more fitting to be discussing ideation in the context of knowledge exchange and creation.

In 1995 Nonaka and Takeuchi¹ introduced the SECI model, which has become the cornerstone of knowledge creation and transfer theory. They proposed four ways that knowledge types can be combined and converted, showing how knowledge is shared and created. The model is based on the two types of knowledge: explicit and tacit.

Most knowledge is tacit. So a major challenge for businesses aiming to break a mechanical, systemic and stale pattern of behaviour at work encounter is in transforming their tacit knowledge into explicit knowledge. This is what we may otherwise call ideation and which requires the kind of spaces and associated culture that encourage a free flowing exchange of ideas and acclimatise people to the habits of sharing and learning.

“...A major challenge for businesses aiming to break a mechanical, systemic and stale pattern of behaviour at work encounter is in transforming their tacit knowledge into explicit knowledge...”

The second myth I would like to dispel is that of the single introspective creative act suggesting in its place that ideation, as knowledge exchange, is a collaborative orchestration of inputs. In that creation is the response to external inputs from any given context, it is by definition

collaborative, as no idea emerges from a void but is the result of interaction. The more diverse and large the creative team the richer the creative process.

Articulating ideation into distinctly structured stages is not contrary to the creative act. A creative process does indeed possess structure. While it may wander, it is a hugely purposeful and intense mission. That intensity of thought and reasoning needs to be maintained alive throughout the process. When doing so, it is best to let the development of ideas take place in bursts, broken up by periods of pause, reflection and discussion. The idea of continual refinement is in fact implicit in the notion of ideation. It is achieved through a timely sequence of successive layering, which enriches and confers depth to the ideas being developed.

The more often ideas are tabled and discussed, exposed, shared, stripped apart and compared with others, the better the outcome. Believe it or not, these are what we call meetings



and, when they are loaded with the ambition to generate ideas they become brainstorming meetings, the official sanctum of ideation. With productivity, personal fulfilment as well as target setting in mind, the true purpose of meetings is never clearly stated but often includes ideation, resolution and crisis management.

David Pearl, founder of the “Meeting Doctor” initiative and author of “Will there be Donuts”², states that there is no such thing as “just a meeting”; meetings are particular and can be defined by their specific intention and their function. Here are just a few key examples:

1. Dialogue

Definition - free exchange of ideas between two or more participants.

Conditions - informal, eye-to-eye, no obstacles, comfort, human, lively.

2. Discuss

Definition - two or more people purposefully hammering out an idea or issue.

Conditions - high connectivity, good sightlines for whole group, focus, energy.

3. Debate

Definition - a form of confrontation between those proposing and opposing an idea in order to find an answer.

Conditions - formal, two sides of the table, bi-cameral, high energy, a creative confrontation.

4. Decide

Definition - a meeting to bring a conversation to a close with definitive action.

Conditions - formal, efficient, no distraction.

5. Devise

Definition - creative meeting to invent new ideas or approaches.

Conditions - open ended, playful, and organic, props to facilitate creativity.

6. Direct

Definition - operational meeting to direct the business, distribute information, delegate tasks.

Conditions - focus on meeting host, purposeful assemble, briefing, absorbing information easily.

So, increasingly ideation is seen as trigger and spark of business growth. But are we ever really “creatively” meeting?

Ubiquitous communication technology has eliminated the constraints of time and location with regards to ability and opportunity for interaction and knowledge exchange, yet this freedom has also diluted the significance of individual meeting moments and removed a natural sense of hierarchy, place, priority or joy in the enacting of the meeting.

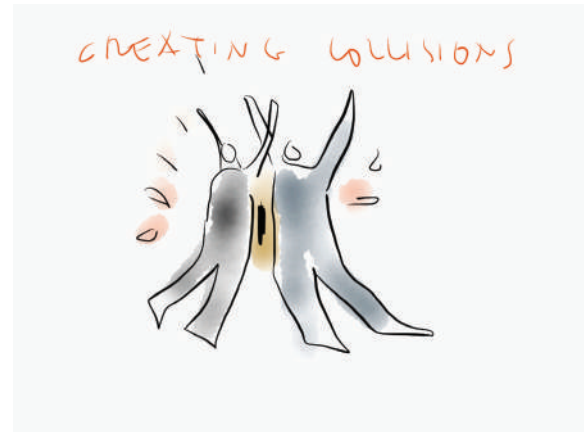
Moreover, the primary reason for meeting is often forgotten because company procedures, format, timetabling as well as pre-conceptions and

expectations about what the nature, duration and objectives of the meeting should be, takes over and distracts from their true intent. Crucially, the attributes of the environment are rarely acknowledged to be playing any part in shaping and supporting ideation. Knowledge exchange and communication tend to inhabit the spaces provided as part of general office infrastructure rather than being the spaces that might inspire best results.

“Today the trend is towards de-institutionalization, hybrid forms of organisation and co-operative mastery of knowing and knowledge production, towards open expertise produced in multi-actor networks”³

Creative encounters are about achieving the potential of assembled participants. Like a theatrical or musical performance it is a moment in time - a gig - the success of which depends on timing and effect. Involving all in an organisation is important, but, contrary to common belief, this need not be at all times - all of the time. Role-playing is key to

“...Ubiquitous communication technology has eliminated the constraints of time and location with regards to interaction and knowledge exchange...”



the allocation of parts in well-managed interactions. Benefits of successful interaction are derived from the achievement of quantifiable outcomes but also from the enjoyment of being part of the experience and the knowledge network.

Knowledge workers with large social networks tend to perform better than those with small personal networks through better access to information and an attitude that “can get things done”. However, knowledge workers who span boundaries tend to perform better through access to different information, thus, new information, which may generate new ideas and an attitude that can spin information beyond the obvious and convectional – hence, the genesis of an idea.

So, ideation has to do with networks of knowledge workers meeting effectively.

“Face-to-face interactions are by far the most important activity in an office; creating chance encounters between knowledge workers, both inside and outside the organization, improves performance.”⁴

When it comes to the attributes of the physical environment the current trend and misconception is to associate creative work with settings that have been creatively shaped and are quirky, funky, and “fun”. When Coca-Cola appointed MoreySmith in 2011 to design the interiors for its new

“...The current trend and misconception is to associate creative work with settings that have been creatively shaped and are quirky, funky, and fun...”

European Headquarters in London, the brief was to enhance the creative work by creating a wide array of stimulating settings. They wanted an interior that was authentic, lived in, not too finished or polished, allowing for individual input and personalities. While the result was artistically and technically flawless, this is a case of mistaking the quality of the environment with that of the activity.

“The house of happiness is not just our house, it will drive the reputation of Coca-Cola as a unique workplace”⁵

Google, whose offices have long been associated with the company’s colourful and vibrant branding, currently promotes another take. Partnering with The Center for the

Built Environment (CBE) at Berkeley University of California, Google is carrying out ground breaking research on healthy workplaces that positively impact the health and well-being of its employees by approaching buildings as living systems, designing for daylight, clean air, and removal of harmful toxins and chemicals.

Health and wellbeing expressed as environmental quality are often some of the main factors affecting ideation at work. Work environments are still for the most part, perceived as a matter of furniture and finishes selection. However, as the CBE research is showing, there are imperceptible factors, which dramatically improve comfort at work, including Air and Light quality.

Key recommendations under the two headings included the following:

Air

- Improve the quality and quantity of natural ventilation,
- Allow individual access to operable windows,
- Separate ventilation air from thermal conditioning,
- Provide task air for individual control.

Light

- Maximize the use of day lighting without glare,
- Separate task and ambient light,
- Select the highest quality lighting fixtures,
- Design plug-and-play lighting and dynamic lighting zones.

The premise of this kind of research is that neutral but healthy backdrops to creative activity can foster a state of wellbeing and alertness that is a necessary predisposition to ideation.

“People work best when all senses are engaged”⁶

In the context of clinical environments, Aaron Antonovski⁷ has argued that health treatments could be strengthened and enhanced through environments that are salutogenic – i.e., that focus on the factors that keep us well. The aim of salutogenic design is to stimulate the mind in order to create pleasure, creativity, satisfaction and enjoyment. There is an important relationship between an individual’s sense of coherence and the characteristics of the physical environment.

Powerful economic, social and technological triggers for reinventing workplace have emerged. However, office typologies remain constrained by a codified approach to space that takes the form of a reliable yet predictable set of spatial and organisational typologies. It’s (increasingly) about people



and about giving them the opportunity to express an idea. Organizations are beginning to see the value in giving their talented employees a voice and spaces for it to be heard.

*"Business performance is influenced by the impact of the workplace environment on staff motivation and ability"*⁸

In conclusion, the workplace of the future could act as an ideation environment that supports and facilitates an event orchestrated and choreographed to yield the desired business outcome. Such an environment recognizes the distinct moments of the creative thinking as they unfold and offers effective timely props for full effect.

It constitutes the perfect alignment of workspace and business strategy on an experiential level as articulated under the following four headings

Understanding of the importance of ideation in business and its links to productivity, through:

Acting - enact business as theatre, leading to multiple possible outcomes

Improvising-accepting unexpected results depending on inputs, timing and dynamic of the ideation journey

Jamming - harmonising the different workplace actors

Sensing - understanding needs, communicating solutions and responding to feedback

Defining possible metrics for identifying success criteria of business innovation, through:

Collating qualitative data

Playing out realities (gaming)

Quantifying qualitative measures of success

Technology - user responsive and user centric

Highlighting the direct/indirect relationships between physical space and business activity, through:

Sense Sensitive Design - understanding the impact of the environment on physical and emotional wellbeing and motivation

Nutrition- increasing energy levels, giving pleasure and reducing allergies

Stimulus - using sensory experience to awaken senses, engender a response

Familiarity - reassuring features and routines associated with the workplace

Appreciating the impact of space on creative behaviour in the workplace, through:

Psychogeography - an approach to geography that emphasizes playfulness and drifting (dérive) around urban environments. It's about how we're affected by being in certain places - the architecture, the weather, whom you're with - a general sense of excitement about a place.

Empathy - collaboration for individual and team success/ staying connected to team needs

Flexibility - adaptability to changing work styles and business needs/iterative and experimental mind set

Empowerment - ownership and sense of initiative / suggestive rather than prescriptive / encouraging an environment that promotes curiosity. **W&P**

The eponymous talk at the annual conference of the Association for Business Psychology takes place in Reading on Thursday 26th of November. To register log onto the ABP's website: www.theabp.org.uk/

i Giuseppe Boscherini

Giuseppe Boscherini is a qualified architect (Dip Arch UCL/RIBA), industrial (MDes RCA) and interior designer, with 30 years' experience leading and inspiring design teams within internationally renowned practices such as Foster and Partners, Gensler, IBI, Woods Bagot and CBRE, on multidisciplinary projects for global clients. Most recently, he was Creative Director at CBRE Workplace Consulting group, facilitating client workshops, enhancing project content and leading research initiatives. He runs his own London-based studio, aiding clients' understanding, broadening their vision and assisting their decision-making through the use of hand-drawn diagrams, vignettes and concepts. His culture is about design thinking, which is analytical and fact-based yet three-dimensional, layered, adaptive and collaborative.

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Office workers are overwhelmed by distractions, due mainly to a lack of understanding of how to manage attention. As a result, organisations are turning to branches of knowledge not typically associated with the office

Beatriz Arantes

OFFICE DESIGN • WELLBEING • HUMAN RESOURCES

Neuroscience: the next great competitive advantage

The average worker is interrupted or distracted every three minutes and it takes them 23 minutes to return to a task after being interrupted. Office workers are overwhelmed by distractions, due mainly to a lack of understanding of how to manage attention. Distractions and the inability to focus negatively affects productivity, engagement, wellbeing and overall performance in organisations.

We long to be more effective, but the harder we try, the more tired our brains become. Attention meltdowns are epidemic because workers do not understand what attention is, how to manage it or have access to the best places to support their tasks.

In workplaces throughout the world scenarios of near constant distraction have become the norm, to such an extent that often people do not even feel compelled to comment on them and their consequences. But as a result of the vast amount of neuroscience research being carried out into the effects of this on people, there is now hard evidence about what attention is, how it works, how to attain it and how to use it productively for competitive advantage.

That is why we at Steelcase have presented this meta-analysis, based on the findings of neuroscientists and cognitive researchers worldwide, integrating discoveries from these experts with our own ongoing investigations into workers' behaviours and the changing nature of work.

In collaboration with the distinguished neuroscientist Dr. Henning Beck, our researchers found a convergence of findings that inspired new perspectives and new ideas on the physical environment and how that environment, when thoughtfully designed, can be an effective tool to help workers better manage their attention.

There are certain key insights that are important to bear in mind when considering the nature of the brain and its role in

workplace design and management. These include:

- Attention is limited and is a human's most precious resource
- People do not know how to manage their attention
- Attention is directly linked to productivity, wellbeing, engagement and overall performance
- There are three brain modes, focus, activation and regeneration, that require distinct behaviours and settings
- The workplace can help mitigate distractions and prime us to better manage our attention

Understanding Attention

The prefrontal cortex, often described as the executive centre or the CEO of the brain, is the director of our attention. It's the last major region to develop in our evolutionary history, and it's what enables us to selectively focus on something. But there is more to

attention than just the prefrontal cortex. Other brain functions that impact attention include:

- Psychological state of arousal: Being alert or lethargic determines if we can control our attention or if our minds are unable to sit still and jump from topic to topic.
- Limbic System: Dispersed parts of the brain that deal with emotion help bring attention. Fear or excitement calls for attention more easily than neutral objects or topics.
- Motor orientation: The closer our sensory receptors are to a source of stimulation the easier it is to pay attention.
- Internal thoughts and concerns: Internally generated lapses in attention are activated by the medial prefrontal cortex, a special part of the prefrontal cortex that's triggered by thoughts of ourselves and of other people.

Brains get tired too

The brain comprises merely 2 percent of the body's weight

“...Never in history has the human brain been asked to track so many data points; people routinely ask more of their brains than they have the energy to handle...”

CONTROLLED ATTENTION



Controlled attention is our capacity to intentionally and willfully direct our minds to a specific item or task.*

STIMULUS ATTENTION



Stimulus-driven attention is an involuntary attraction to any external or internal lure.*

Image: ©Steelcase

but consumes more than 20 percent of the daily caloric intake of energy—more than any other organ in the human body. It therefore developed mechanisms to ensure that it doesn't use up finite supplies. So losing attention is a simple energy-saving mechanism.

Never in history has the human brain been asked to track so many data points; people ask more of their brains than they have the energy to handle. But while the brain is on a budget, workers today are constantly trying to stretch it by putting in more hours and focusing harder.

As stress mounts, the human body is flooded with adrenaline and cortisol, which weaken our immune systems and influence our general state of mind. This results in people being in a state of over-arousal, consumed by irritation, guilt and pessimism instead of being productive.

Minds crave flow

Contrasting dramatically with multitasking is what psychologist Mihaly

Csikszentmihalyi, Ph.D., has famously named “flow”—being completely immersed in a challenge over time. It's considered by many to be our most productive state. However, only 20 percent of people have flow moments at least once a day, while around 15 percent of people never enter flow during a typical day.

Entering flow is something workers must consciously choose to do. The mind can only stay in this state for about 45 minutes at any given time until a person needs a well-deserved break.

Multitasking is a myth

In today's workplaces, many activities compete for attention. A trend in recent years has been widespread multitasking, as workers juggle simultaneous projects and responsibilities.

Scientists have proven, however, that when we think we are multitasking, we are really switching our attention

rapidly between things. Research shows that a person can't consciously keep more than two things in their brain and that multitasking increases error rates by 50 percent.

Many people today aren't aware of how much they are degrading their mental processes as they attempt to multitask throughout the day. As people multitask more and more, they get worse at prioritizing and focusing on tasks.

Mindfulness trains the brain

Research from Dr. Richard Davidson at the University of Wisconsin shows that gamma rays of Buddhist monks who practiced intense meditation for years were 30 times stronger than those of a control group of college students. Instead of getting lured into distracting thoughts, the monks had trained themselves to focus at will. As little as 30 minutes of mindfulness a day for eight weeks can physiologically change the brain, according to research in the journal of Psychiatry Research.

“...As little as 30 minutes of mindfulness a day for eight weeks can physiologically change the brain, according to research in the journal of Psychiatry Research...”

Respect the rhythms of our brains at work

Based on these key insights, Steelcase researchers and designers have identified three specific brain modes that workers experience during the day: Focus, Activation, Regeneration. As we become more knowledgeable about how our brains work and more attuned to the ebb and flow of our attention, it becomes easier to recognise what our brains need, and when.

Each of these brain modes requires its own distinct behaviours and settings. By recognizing the natural rhythms of the brain, we can create spaces that help people find focus, regeneration or inspiration and activate their brains to ultimately think better.

Brains ebb and flow between different types of attention throughout the day. Peaks and valleys in the brain's energy

Brain Modes

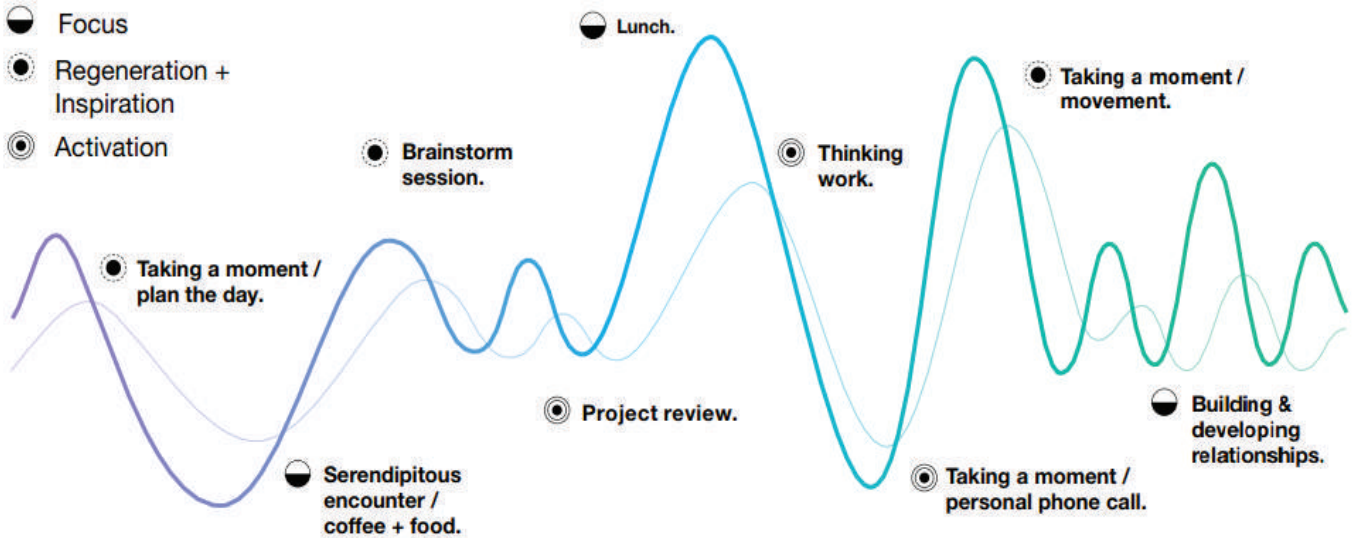


Image: ©Steelcase

make it impossible for any individual to engage in eight hours of controlled attention with any reasonable expectation of quality or quantity of output.

Workers' tolerance for stimuli varies as they switch from analytical to group work or from routine to creative tasks. Distractions can be constructive when they fuel creativity and foster new kinds of neural connections, but they can also be disruptive when doing focused work.

No single workplace can fully resolve the complexity of tasks workers tackle every day, so having the ability to choose spaces that help control distractions is crucial for productive work..

The need to focus

Our research has shown that in the UK only 57 percent of workers can concentrate easily and only 41 percent can choose where they can perform specific tasks within the office environment. Workplaces should therefore include places designed as retreats away from noise distractions and frequent interruptions.

When we need to deeply focus on something, it's important to avoid unwelcome distractions. Whether the distractions are external or internal, every time we switch our attention we burn through finite neural resources and increase opportunities for the limbic system to hijack our focus.

Whether it's turning off our phones for a while or overhauling how we manage our working day or just getting more sleep, expert authors are offering a steady stream of helpful tips, suggesting various behaviours that we can adopt to focus our brains.

Regeneration and inspiration

When we need to activate our state of arousal, moving our bodies is key. Although we may have learned otherwise

in school, static sitting sabotages our ability to concentrate. Numerous studies have proven that movement boosts attention by pumping oxygen and fresh blood through the brain and triggering the release of enhancing hormones. While the physical and emotional benefits of movement are well-established, neuroscience has proven it also enhances cognition.

Activation

Although self-regulation is necessary for controlled attention, it's important to recognize that distractions can be opportunities to give our brain the timeout it needs to function at its full potential and then let our minds go wherever they would like.

Similarly, although daydreaming has taken on generally negative connotations in the world of work, it actually turns out that our brains are still working at a very high level when they are allowed to wander freely on their own and sometimes even work better. When we allow this, neurons in our brains are activating new pathways rather than merely focusing on what is already known, and that's when insights really start developing.

Movement also engages the brain. A study found that those who worked from a treadmill desk were 34.9 percent more likely to answer a comprehension question correctly compared to those who sat in a chair.

The role of the workplace

Through our research, we at Steelcase have found that office environments and enlightened working cultures can do a great deal to mitigate distractions and prime workers to better understand and manage their levels of attention. Like any healthy ecosystem, the workplace thrives on diversity, so it is

“...Although daydreaming has taken on generally negative connotations in the work world, it turns out that our brains are still working when they are allowed to wander freely...”

“...Neuroscience provides a new lens through which organizations can understand cognitive wellbeing and optimize performance ...”

important to provide a range of spaces that allows people to choose where and how they work. This choice has a number of benefits but one of the most important is allowing people to work in the best possible way.

Our researchers proved that there is no single type of work environment that provides the right balance between collaboration and privacy. The answer is a diverse ecosystem of spaces:

- Where people can select the right level of stimulation and informational control.
- That support different work modes (learning, socializing, coordinating, evaluating, co-creating, as well as individualized and focused work, among others).
- With a variety of public and private spaces for “I” and “We” work that are both owned and shared.
- That enable people to move around and change postures.
- That have been created in partnership with workers, giving them even more sense of control.

Conclusions

Neuroscience provides a new lens through which organizations can understand cognitive wellbeing and optimize performance.

By studying neuroscience research and integrating those discoveries with our own insights into work behaviours, we were able to shed new light on the fundamental problem of distraction and how thoughtfully designed workplaces can help people better manage their attention.

We found that the workplace can be designed to mitigate distractions and prime workers to better manage their attention.

We also found that the way to increase productivity and creativity is not about expecting people to focus more, or put in more hours every day. It's not about getting rid of an open plan and returning to the private offices and cubicles of the past. Instead, it is about getting smarter about the brain, learning its limitations and capabilities, and then using those insights to create environments that truly help people think better at work. **W&P**

i Beatriz Arantes

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- Don Norman: Things That Make Us Smart: Defending Human Attributes in the Age of the Machine

Technology is removing the absolute need for the physical workplace, but by imagining “the best in this best of possible worlds” it will still have a very important purpose

Antony Slumbers

CORPORATE REAL ESTATE • TECHNOLOGY

A Panglossian future for real estate and technology?

Amos Tversky and Daniel Kahneman first introduced the concept of Loss Aversion in 1984¹, highlighting people’s tendency to strongly prefer avoiding losses to acquiring gains. Most studies suggest that losses are twice as powerful, psychologically, as gains. Lose £100 and we will feel a remorse that easily outweighs winning £100.

In a similar fashion we find it very hard to see future positives when confronted with short term losses. We understand easily what we have lost but cannot imagine in quite the same way what there is to be gained. Furthermore, as Frederic Bastiat wrote in an 1850 paper², “That Which is Seen, and That Which is Not Seen”, man has a tendency to “pursue a small present good, which will be followed by a great evil to come, rather than a great good to come, at the risk of a small present evil”.

Put these together and it is no wonder that, by and large, the future of work, real estate and the workplace is misunderstood. The strength of argument put behind thinking of the traditional office as a “sustaining technology” as opposed to something crying out for “disruption” is intense. It fits perfectly into Clayton Christensen’s worldview, where innovations are resisted by incumbents, laughed at, and dismissed right up to the point where they reach a position where they can no longer be resisted.³

It is time to be more positive, to stop holding on to a belief system that is no longer applicable. Yes, much is going to change in the next ten years (as it has done in the last ten) and things we are used to are going to disappear. There is though “a great good to come”, if we become cognisant of the huge technological forces at work and learn to embrace new ways of living, thinking and feeling. We need to co-opt technology to augment our lives, our society, and our planet. A computer can beat any human chess player, but cannot beat a human working in conjunction with another computer.⁴

With society becoming ever more digital we must resist digitising the past. As Mark Twain said, “History doesn’t

repeat itself, but it does rhyme.” The future will reflect human predilections, but these will be repurposed around technological capabilities.

Below are several developments that will reshape “work, rest and play”. And that is “will” not “may”; it is up to each of us to make the most of this inevitability. We can shape change, we cannot resist it.

You should assume the office really is dead

Only by embracing the fact that technology has removed the need for an office to undertake work⁵, will you reimagine the office as somewhere that does have a real, enduring purpose.

We used to need an office because that was where we could access the technology, data and people we needed to get our

work done. This is, barring a minority of companies, no longer true. And anyone who still thinks “water cooler” moments make it all worthwhile clearly isn’t living in the real world of social media and streaming, anything, anytime information.

Do believe the hype, the robots ARE coming and they will take 30-40%⁶ of today’s jobs. And most of those will be the jobs that people do in the office right now. Any work that can be codified will be codified, and thereafter automated.

So what then is the point of the office? Well, to understand that you need to focus intensely on what it is that we humans can do that computers cannot. And that boils down to things that cannot be codified, are unique, require social intelligence and are an amalgam of disparate, unstructured inference and intuition.⁷

Then, and only then, will you be able to see the future of the office. It has one, but not as most of us currently know it.

Machine learning is a double edged sword

A big difference between computing today and just a few years ago is that, while the notion of computers as being sentient is currently fanciful, they can now do things off their

“...The strength of argument put behind thinking of the traditional office as a “sustaining technology” as opposed to something crying out for “disruption” is intense...”

own but that previously required human instruction. Think of it like a game of “if this then that”; where once the “that” needed to be pre-defined for the “this” to take effect, computers today can infer or induce what the “that” is. The machine can learn from the data it has to hand. It can deduce that if X occurs the next thing to happen will be Y. In effect machine learning means machines can build their own decision trees⁸. And therein lies the rub. The positive is that we can enlist the help of the machines with complex analysis or the development of predictive analytics. The negative is that the bar is being raised as to what the machines can do without our help.

You need to assess what questions the machines should answer themselves, and what ones you need to work on together, in partnership.

The “Death of Distance” will return

In 1997 The Economist’s Frances Cairncross wrote a much lauded book, *The Death of Distance*⁹. It posited the idea that communications technology would free people to work wherever they wanted to, and that people would gravitate to the places that suited them most, safe in the knowledge that they could work anywhere. Well, much to the delight especially of technology naysayers, this hasn’t come to pass. In fact people have gravitated en masse to already successful cities, and clusters of like-minded companies have formed in crowded, urban city centres.

But the death of distance is a real phenomenon and will re-assert itself in the years ahead. If you think of Netflix, or Apple TV, or streaming music services like Spotify you just take them for granted. But ten years ago none of these things could have existed, as the technology required simply did not exist. Whilst many scoff at the companies that went belly up in the Dot Com crash of 2000, the fact is most of the big failures were simply ahead of their time. It is a question of what behaviour is enabled by technology. To date, distance has not died as people need to be near each other because the tools and infrastructure they require are not universally available.

However, this is an evolutionary process and as demand grows so does supply. So we now, for instance, have multiple “Silicon Valley” type tech centres around the world; London, Berlin, Stockholm, Tel Aviv etc. And a world is developing where every talented coder does not have to move to San Francisco to partake in the technology industry. And the connectivity, and hardware/software, to genuinely be in multiple places at once, is now becoming commonplace.

Like e-commerce, the point is not to aggregate figures across the whole market and infer minimal impact, but to look at those areas where sizeable numbers of people or companies are starting to work in a different way. Disruption is when something not as good as, but dramatically cheaper than the incumbents, starts to gain traction. Like the lily pond analogy, not a lot happens for a long time and then suddenly everything changes.

So consider that Automattic, who make Wordpress that powers a quarter of all the world’s websites, is an entirely remote company; or the dispersed, networked nature of companies like Airbnb, or Uber, operate in hundreds of companies largely through online collaboration. And there is a plethora of on-demand companies springing up to provide

“...For those lucky, or smart, enough to have jobs that they enjoy, that have purpose and that enable them to demonstrate their skills, the whole notion of work/life balance is old hat...”

you with what you want, wherever you want it, at the press of a button.

All of this involves the death of distance. People connected by technology, not place. And it is growing.

The advantages, once you adjust your thinking, are huge. As Bill Joy has said “No matter who you are, most of the smartest people work for someone else.” Being constrained by one’s immediate surroundings is something the digital age removes. As Venkatesh Rao writes in *Breaking Smart*¹⁰, the command and control nature of many businesses is dying and with it the limiting closed mindset, based around order, process and industrialised production. There is a big world out there, so go talk to it.

There’s no such thing as Work/life balance and that’s good

When you can do your work anywhere you do not need to parcel your life up in this way. Work is becoming more and more about getting things done than being present, at your desk, for a set number of hours each day. At the heart of smart working is judging progress by what gets done, productive collaboration and developing one’s business in an agile, iterative way. And this does not necessarily involve a contiguous number of hours - or presence - in one place. So for those lucky, or smart, enough to have jobs that they enjoy, that have purpose and that enable them to demonstrate their skills, the whole notion of work/life balance is old hat. Work/life is a blend, not an either/or.

Assume everything is mobile¹¹

With 4 billion people across the world owning a phone, and replacing it roughly every two years, the mobile is increasingly the first screen people use to access anything. In the western world, where smartphones are de rigeur, each of us has a 1990s supercomputer in our pocket. And we have this with us almost all of the time.

The Cloud rules

Part of the reason your smartphone is so powerful is because it can access pretty much anything via The Cloud, and can offload complex tasks to server filled data centres via The Cloud. In practice you have the total computational resources of the



WeWork co-working space, London

world in your pocket. If you are not serving your employees, suppliers, partners and customers via The Cloud you are missing out on a huge opportunity.¹²

Connectivity matters

Harnessing the hardware power of your smartphone and the resources available via The Cloud requires good connectivity. Wallis Simpson once said “You cannot be too rich, or too thin” - if she were alive today she would add “or have too much bandwidth”. It matters.

Whereas the real estate mantra “location, location, location” still retains some validity, in a networked world it is “connections, connections and connections” that really matter.

Work is being unbundled

So much office work is a process of aggregating data from different people, in different departments, and then organising this for reporting or presentation purposes. Once aggregated and distilled, in all likelihood any facts and figures included are a statistical snapshot of a moment in time.

This process is a construct of the analogue, non-networked, age and will disappear in the digital one. Such work will be unbundled, in the sense that distinct processes, applications and API's will be developed that tie together all this information, via pre-defined (or on demand reprogrammable) templates, into real time data feeds that short circuit the whole panoply of manual tasks currently required.

Much of the work that is currently performed via Excel spreadsheets will transition to Cloud based applications, either automatically supplied with data points or supplied via mobile or tablet interfaces.

And with real time, contextual and analysed data to hand, it can be both more widely distributed (hence the flattening of hierarchies) and more valuable and responsive to human designed interpretation and decision making. Companies will have more people working with more accurate data, more quickly than ever before.¹³

Software is on-demand, available as a service

If you look at the way large successful startups are using software you'll see that the old “as long as it's Microsoft” days are over. Where it would be typical to run a one supplier stack of applications across your whole business it is commonplace nowadays to meld together, via public API's and Cloud hosting, a wide range of services from 3rd parties specialising in their own particular area. So, if you take Uber as an example they use Google Maps to locate you, Twilio to text you, and SendGrid to email you. With this sort of approach, where software is considered on a modular, plug and play basis, you can concentrate on delivering an exceptional customer experience, and deliver this at speed and with great flexibility.¹⁴

In addition, with all these services available off the shelf and on-demand, you can be as powerful in a tiny startup as the largest multi-national. The difference, of course, is that you'll be more flexible in your business modelling and a great deal faster to market. Although execution is still key, today the playing field is pretty much level.

“...With all these services available off the shelf, a tiny startup can be as powerful as the largest multi-national. The difference, of course, is you'll be more flexible in your business modelling and a great deal faster to market...”

And the result of all this is?

With all of the above going on I hope it is clear that the work we do, and how we'll do it, as well as the environments that will enable this, will change in the years ahead.

I see the following coming to pass:

The young will continue to congregate in either ever smaller apartments, or flat/house shares (or purpose built new blocks mimicking University life) in the city centre. If you cannot afford your own place then renting right in the heart of the action makes sense.¹⁵

They will make the most of this but there are limits to how much of their salary people will be prepared to pay in rent. As has been said before, London could follow New York (purportedly) and eat its own creative class.¹⁶

At some point the allure of city centre living will meet the harsh realities of cost and increasing numbers of people will leave the capital; primarily for city centre locations in second and third tier UK cities. This is of course a gradual process but a tipping point will be reached. For current hub cities this will

“...The centre of super prime cities will be reserved for weekly get-togethers, with a continuation of the trend for less but longer commuting journeys as people’s circumstances change and the need for some decent space increases...”

be game changing, but for countries as a whole it will be positive as regional centres up their game and attract/offer higher paying, higher skilled employment.

Pure dormitory locations will suffer badly, as they do not offer either good jobs or interesting lifestyles.

The zoning of areas will break down, as it becomes increasingly anachronistic to think of places as somewhere you work or somewhere you live. Cities will become dotted with local communities where housing, office space, retail and leisure uses are mixed up and people move around different environments as the need, or urge takes them.

Many of these areas will redefine existing High Streets and turn them into multi-purpose communities, rather than single purpose retail destinations.

It will become commonplace to find purpose built apartment blocks incorporating working space along with retail and leisure uses.

In major city centres large buildings, that once would have been single purpose offices will follow the same pattern, becoming vertical villages.

A large percentage of offices, perhaps 40-60%, will become variants of the co-working spaces we see sprouting up all over the place today. These 3rd spaces will be hybrid work/home environments that are much more pleasant to spend time in than most people are used to¹⁷. Because the nature of work will have changed so much, emphasising human skills augmented by technology, they will need to be more pleasant, as smartthinking requires the right kind of stimulation.

The centre of super prime cities will be reserved primarily for weekly get-togethers, with a continuation of the trend for less but longer commuting journeys as people’s circumstances change and the need for some decent space increases. The flip side of this will be a growth in live/work purpose built communities, in and outside historic market towns.

Property owners will morph into full stack service providers as this world of “office as a service” takes hold, and the demands and requirements of occupiers increases. Those who do it right will be rewarded with more customers spending less time overall in their properties, but paying significantly more on an hour by hour basis.

All of the above will be underpinned by a wave of exponentially developing technologies that will provide extraordinary tools for developing exceptional customer experiences, great human relationships and meaningful, prosperous businesses.

Something to aspire to I think. **W&P**

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The role of personality in the performance of agile workers

The introduction of Agile Working into organisations has typically focussed on the workstyles of different job roles, but has tended to treat the jobholders within these groups in the same way. The successful introduction of new ways of working clearly relies on the willingness of the people occupying the job roles to embrace new ways of working; yet there has been little investigation of the needs of Agile Workers with different personality types beyond looking at the needs of extroverts and introverts. These studies have tended to focus on the workplace; for example, the Cushman Wakefield Workplace Programme briefing paper¹ examines how organisations can accommodate the needs of extroverts and introverts working together in the workplace. However, using OCEAN personality profiles, Nigel Oseland² found that different personality types have different preferences, which in turn are likely to affect their performance at work.

This new research³ looked at the links between agile working, personality and performance to see if different people are more suited to different ways of working and if organisations should use different approaches to Agile Working employees to increase their productivity. The research, undertaken by JEC Professional Services, was commissioned by the Employers Network for Equality and Inclusion (enei), with sponsorship from DWF and Santander,

The research looked at four main personality types and found differences, as well as commonalities, in both their performance and their attitude to Agile Working. Those with an Influential personality profile appeared to have the most challenges, particularly with team working, although this is also an issue across a number of personality types. While all participants valued reliable technology there was little interest in more sophisticated technology tools and only a small proportion rated a good workplace as very important. In general there were no significant differences between respondents based on age, gender, job role, length in job role or employment status.

Methodology

584 employees and managers from Birmingham City Council, DWF (a major business law firm), Santander, the Department for Work and Pensions, the Ministry of Justice and the NHS chose to participate in the survey. All had some autonomy in

where, when, and how they chose to work. Each participant was asked to:

1. Complete an Employees' Ways of Working Questionnaire to describe the way they work and their views on performance and workstyles.

2. Send a request to their line manager asking them to complete a Manager's Questionnaire to provide a confidential view about the employees' performance in relation to their way of working.

3. Complete a Personality Profile Questionnaire.

A literature search was undertaken of published papers on ways of working and personality and performance⁴.

Figure 1 shows how different workstyles were assigned to ways of working categories



Figure 1 - Assignment of workstyles to ways of working categories

Personality types

To provide the personality assessments we used the DiSC® profiling technique, which takes its name from the initials of its four main factors: Dominance, Influence, Steadfastness and Conscientiousness.

DiSC is a well-proven test used by some 41 million people across 50 countries since 1984. By looking at the relationships between different factors, it is possible to build up a library of individual traits that a person possesses and also assess traits that a person lacks. Employees with a high score on each of the DiSC personality traits can be summarised as follows (the proportions in the sample are shown in brackets they add up to more than 100% because an individual can score high on several different traits):

- Dominant (10%) - are "doers" and "go getters" who like to get things done and quickly. They are driven to achieve.

• Influential(14%)-thrive within a team environment where there is lots of human interaction. They like freedom but are not disciplined.

• Steadfast (26%)-like structure and routine with a stable workload.They are strong team players who will put the needs of others in front of their own.

• Conscientious (61%) - have little desire for human and social interaction. They like to work on their own.They enjoy spending time on detail.

The sample contained a larger proportion of respondents with Conscientious personalities than would be expected. This may be the result of those with a Conscientious personality being more willing to complete a voluntary survey or a high representation in the sample populations.

Performance and personality profile

Employees from different “ways of working” categories were asked to rate their performance across a range of performance measures. The employees’ line managers were also asked to assess the performance their staff, to provide a different perspective on the impact of ways of working on performance. In general, line managers’ responses validated their employees’ responses.

The proportion of Agile Workers who were rated “exceptional” or “very good” varied according to their personality profile. Figure 2 shows that the performance of the Agile Workers with a Steadfast personality had the highest overall performance ratings, although Agile Workers with a Dominant personality were highest for efficiency, effectiveness and productivity. The Agile Workers with an Influential personality showed good performance, but of the four groups they appeared to find Agile Working most challenging.

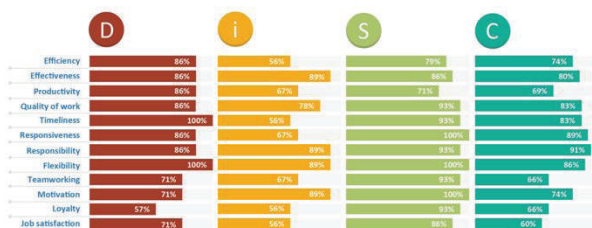


Figure 2 - Proportion of Agile Workers who rate their performance as “exceptional” or “very good” - analysed by their DiSC Profiles

Rating of agile working by different personality types

Agile Workers’ were asked for their views on the positive impact of Agile Working on a number of performance measures. When examined by personality profiles: effectiveness, responsiveness, responsibility and job satisfaction all had similar scores. However, as Figure 3 shows, while the views of employees with Dominant, Steadfast and Conscientious personality were broadly similar, employees with an Influential personality profile were less positive about Agile Working’s contribution to efficiency, productivity and quality of work than employees with other types of personality profiles.



Figure 3 - Agile Workers’ Views on the positive impact of Agile Working on other performance measures by DiSC Profiles

Factors contributing to performance by personality

Factors rated as “very important” for achieving good performance by Agile Workers across all personality types were communications, teleconferencing, smartphones, laptops, good remote access to systems and files, and fast reliable networks. There were a number of other factors where the ratings varied according to personality type as shown in Figure 4. Good workplace facilities were rated “very important” by less than 40% of respondents and particularly low by those employees with a Dominant personality; possibly reflecting the amount of work that now takes place away from an office. A study by Julian Thompson and Prof. Edward Truch⁵ suggests that the most direct benefit from flexible working comes from a perceived improvement in personal productivity. They attribute this to a less distracting, more conducive work environment away from an office environment.

As might be expected, “interaction with colleagues” was rated highest by those employees with an Influential personality who also rated the importance interaction with their manager significantly higher than the other personality types.



Figure 4 - Factors Rated as “very important” for achieving good performance

Perhaps most surprising were the factors rated as “not important” for achieving good performance with just some variations according to personality type as shown in Figure 5. Although teleconferencing was rated as “very important” by 51% across all types, more sophisticated technologies’ involving screen sharing and videoconferencing were deemed as “not important” by all groups, with the exception of employees with an Influential personality, who perhaps value the additional communications facilities that these technologies afford.

Nigel Oseland⁶ points out that 55% of communication is non-verbal, 38% done by tone of voice, and only 7% related to the words and content, clearly non-verbal communication is a key component of interaction. He argues that virtual collaboration systems therefore need to replicate this basic communication need, especially in the early stages of team forming or when the team consists of a high proportion of extroverts.

“...Dominant personalities can be a little maverick in their working approach, so managing them with an element of “boundary setting” is advisable...”

Social communications, both physical (social events) and electronic (social media) were not valued by most employees although more so, not unexpectedly, by those with an Influential personality.

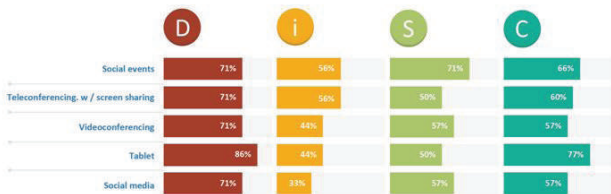


Figure 5 - Factors Rated as “not important” for achieving good performance by DiSC Profiles

Team working

Team working was a particular issue and the only example of where Agile Working had a negative impact on performance. Overall, less than a third of Agile Workers felt their way of working had a positive effect on team working, with some believing it had a negative effect.

Furthermore, as shown in Figure 6, 20% of employees with a Conscientious personality felt Agile Working had more of a negative impact on teamworking than those with a positive view. A third of respondents with an Influential personality held a negative view, but this was matched with those who had a positive view. Those with a Dominant personality had the most positive view of team working although arguably team working is not a priority for employees with this personality type.

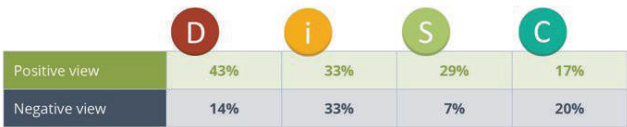


Figure 6 - Agile Workers' views on negative impact of Agile Working on teamworking by DiSC Profiles

Conclusions

This research indicates that it is important to consider the needs of the different personality types of employees when making the transition to an Agile Working environment.

The DiSC profiles analysis provides guidance on how these employees should be managed.

Dominant personalities can be a little maverick in their working approach, so managing them with an element of “boundary setting” is advisable. The best way to manage these individuals within an agile working environment is to give them an element of structure and objectives to achieve, with touch points during the working day/week to ensure they are not going off the path. These individuals will more than likely not be too bothered whether they have an agile or traditional working environment, as they are able to work in a variety of environments and do what needs to be done. However, an Agile Working environment may be beneficial for them as they can manage their own diaries and work hours that suit them, as long as they understand the job that must be done and which they are achieving.

Influential personalities working in an agile working environment will need strong management and much more direction and expectation setting. As agile working allows individuals to take ownership of their working environment, it will need managers to have interaction with them every day. So a start up call and end of day call with these individuals is advisable.

Steadfast personalities need to feel comfortable about agile working and that they are trusted. Regular contact and setting structure and deliverables will provide this. These individuals like to plan their day and will go out their way to ensure they achieve objectives as they don't like to disappoint. Be aware when asking for feedback on how Steadfast individuals are adapting to an Agile Working environment, as they may be reluctant to give an honest answer for fear of upsetting their manager or the status quo.

Conscientious Personalities should be allowed to work to a high level of detail, but ensure they are not working very long hours and burning themselves out due to this autonomy. There needs to be interaction with colleagues, which should be encouraged through conference calls/video conferencing or other communication mediums to ensure that team interaction is not lost. A key point to be aware of is

that these individuals are perfectionists, and may present more detailed work than is normally required, so setting out expectations will be key.

The survey has also indicated the need for organisations to address issues in teamworking in their implementation of Agile Working. Team working is clearly an important factor in performance but is difficult to get right. From the survey responses it appears that the implementation of Agile Working in a number of the participating organisations has not effectively addressed teamworking. Furthermore the survey suggests that social events and social media, or the way they were being used, were not regarded as relevant by the survey respondents.

Cushman Wakefield¹ argues that, if organisations want to change how teams/departments gain synergy in collaboration, they must recognise the differing communication preferences in the workplace and provide an environment that meets employees' needs and also provides a support platform for collaboration.

In summary, employers need to compensate for the reduction in face-to-face contact time which results from the adoption of Agile Working with effective communications, new team protocols and the appropriate use of conferencing technologies. **W&P**

“...If organisations want to change how teams gain synergy in collaboration, they must...provide an environment that meets employees' needs and provides a platform for collaboration...”

i John Eary

John Eary is a Director of JEC Professional Services, a consultancy with a strong track record in providing advice and support on Agile Working and exploiting IT effectively. John has assisted over 30 organisations adopt new ways of working. John is a regular blogger on Agile Working and seeks to provoke thinking on the opportunities and challenges for new ways of working presented by technology. John regards himself as a true Agile Worker practising work-life integration

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enei is one of the UK's leading employer networks, covering all aspects of equality and inclusion in the workplace. It is an independent network of leading employers who strive to realise the business and social benefits of an inclusive workforce. enei has over 165 members who between them employ over 22% of the UK workforce who are employed in medium and large organisations.

w http://www.enei.org.uk

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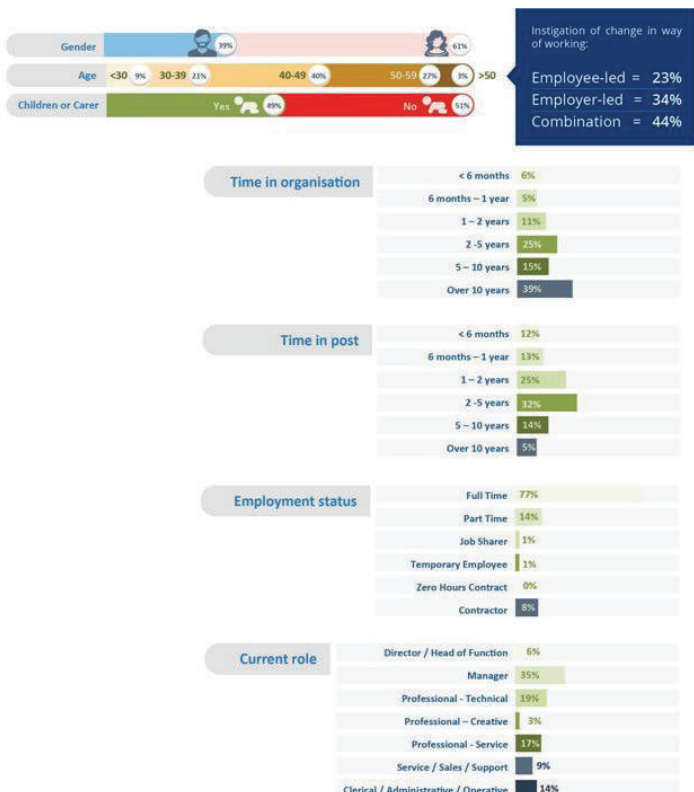


Figure 7 - Respondents' profiles

NATURALLY DRAWN

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The workforce is aging rapidly worldwide, with many countries seeing a fall in their working population at the same time as people are living longer into their retirement. Governments now have to act

Mark Eltringham

DEMOGRAPHICS • HUMAN RESOURCES

Defusing the worldwide demographic timebomb

There are a number of reasons why we shouldn't be drawn into blindly accepting the narrative about Generation Y's (and Z's) impact on the workplace. Often it seems that the most important is also the least talked about. It is that the workforce is actually ageing in the world's leading economies. While it may be true that twenty-seven is now considered middle-aged¹ for employees at technology companies, for pretty much everybody else in the working world, shifting demographics, longer lives, improving health, falling pensions and changing personal preferences are likely to mean they stay in the workforce for longer.

This is true in both the UK² and US³ where Millennials may make up the largest demographic grouping in the workplace but are still in a minority within an increasingly diverse workforce.

The dynamics of these changes are playing out in different ways in different countries, of course, but the forces are essentially universal. They even include countries like China where the Government is considering reversing its famous policy of restricting families to one child.

While such issues are primarily macro-economic, they will also play out at local and regional levels and in individual workplaces where managers will have to create working cultures and environments that address the needs of an increasingly old and diverse workforce.

In the developed world, the workforce will not only increase in the diversity of its age groupings but also its ethnicity as Governments in places with a growing retired population and a falling workforce seek to plug the gaps with migrant workers.

This will happen regardless of any other considerations as political instability and continued levels of high unemployment throughout Africa and the Middle East, coupled with the demand for labour will make the UN's projection

that Europe's population will fall from 730 million today to 640 million by 2100 increasingly unlikely.

Africa's population is likely to increase by more than three billion over the next 85 years, providing a ready workforce for those countries such as Germany who will see their own populations fall significantly over the same period.

This is not inevitable as there are obviously other challenges in using migrant labour to maintain current workforce and employment trends. Nor does it take into account the potential impact of the forthcoming wave of automated labour. Nevertheless countries worldwide are already taking steps to defuse this potential demographic timebomb. Here are just a few examples.

Japan

Japan's population could fall from 127 million today to 83 million by 2100, with 35% of the population then over 65 years old. Europe and other developed economies are aging as well, owing to low fertility rates and increasing longevity according to a United Nations Report.

In Japan, the lack of younger workers is creating opportunities for older employees to develop new careers, especially women who are increasingly willing to take on shift work and part time and temporary roles, according to this report. It claims that employers are increasingly

willing to take on more older workers as they struggle to fill vacancies while employees are taking on work because they want to and because they need work to make ends meet. Often they are jobbers, finding freelance and casual work through websites.

There is a particularly marked increase in the number of older women in the workforce. According to official Japanese Government data, the employment rate for women aged 55 to 59 rose from 58 per cent in 2004 to 66 per cent in 2014. For

“...While such issues are primarily macro-economic, they will also play out in individual workplaces where managers will have to create working cultures and environments that address the needs of an increasingly old and diverse workforce...”

“...One interesting development is that the Government plans to make grandparents the latest grouping able to take paid time off for childcare because flexibility around parental leave will help all people to return to work more quickly...”

women aged 60 to 64, the employment rate was 48 per cent, up from 38 per cent in 2004, while it was 31 per cent for those aged 65 to 69, up from 24 per cent 10 years earlier⁴. This trend is likely to continue as the Government seeks ways to address the key challenge acting as a brake on the country's economic success: Japan today has a less than three people of working age for each retiree in the country. By 2030, it will have less than two.

One initiative that has already stalled is the so-called womenomics initiative which seeks to encourage larger employers to take on more women workers. to balance against a declining population. Take up so far has been far below the Government's own projections but they remain hopeful that the scheme can be shocked back into life, according to a recent report in the Wall Street Journal⁵.

UK

Meanwhile in the UK things are a little different, although many of the forces at the work are strikingly similar. A recent report from the Scottish Commission on Older Women claims that a generation of older female workers are struggling to balance their need to carry on working with their obligations to family members, especially when they work as carers for their parents or partners. They also face age discrimination and are likely to take on lower paid work than men. The report calls on UK, Scottish and local governments, as well as employers and trade unions, to take steps to improve the situation, including more transparency over pay, flexible working policies and statutory entitlement to carers' leave.

This pattern is replicated across the UK for both older male and female workers and is one of the key drivers of the uptake of flexible working. Earlier this year the CIPD warned that the UK was sleepwalking into a skills crisis because it was ignoring the untapped pool of talent older workers represent, especially women⁶. The challenge for employers is to stop agonising about Gen Y and instead consider how to offer the flexible working and support such workers often need.

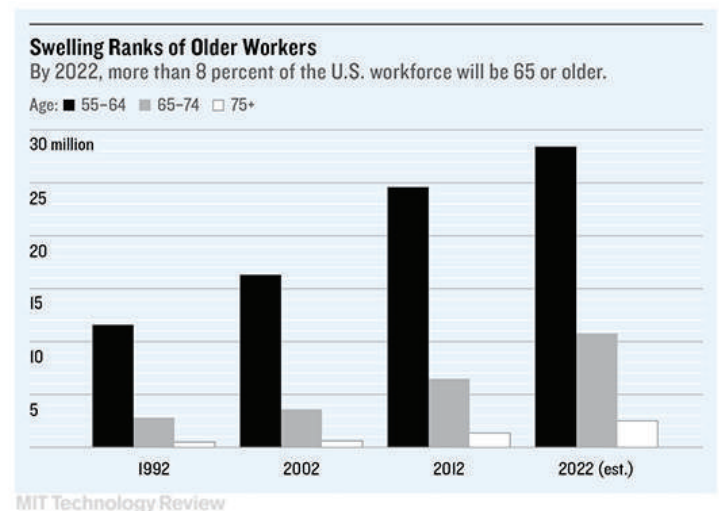
One interesting development here is that the Government plans to make grandparents the latest grouping be able to take paid time off work for childcare. The Government believes the additional flexibility around sharing parental leave will help all parents return to work more quickly.

US

The situation in the US is complicated by the structure of the healthcare sector. The costs of healthcare are increasingly rapidly as the population ages, according to a report from Bloomberg⁷. This is likely to accentuate the existing move for people to work much later in life. As recently as 1992, less than 3 percent of the American workforce consisted of people age 65 and over. Today that proportion has nearly doubled, according to the U.S. Bureau of Labor Statistics, and it's expected to reach 8.3 percent by 2022. Most of these 13.5 million older workers will be between 65 and 74, but nearly 2.6 million will be 75 and over.

One reason for this demographic shift is improved longevity. American men who reach 65 can expect to live another 17.9 years on average, the National Center for Health Statistics calculates, while women can count on 20.5 years. Both figures are up more than a third from the norms of the 1950s. With so much life still ahead, high-status workers may not want to be idle, while low-paid workers often find that meager savings won't let them quit. At the same time, thanks to the service sector's steady ascendancy over manufacturing, many jobs require less physical stamina.

This in turn creates another challenge, as a recent report in the MIT Technology Review⁸ highlighted how companies need to shift their policies on workplace technology away from an assumption that they should address the needs of digital natives and instead focus on the challenge of catering to the needs of older workers too.



“...Companies need to shift their policies on workplace technology away from an assumption that they should address the needs of digital natives and instead focus on the challenge of catering to the needs of older workers too...”

Germany

Another European country aware of the ticking demographic time bomb is Germany, as a recent detailed analysis from the Financial Times uncovered⁹.

The solutions mentioned in the article include attempts to increase the birth rate of native Germans and plugging the gaps with immigrants as well as importing talent from Eastern Europe and the US. The crisis facing Germany is particularly severe because the country's population is now actually decreasing. It peaked at 82 million in 2002, but is set to fall to under 75 million by 2050 with fewer younger people as a proportion of the population than any other country on Earth, while the proportion of over 60s rises from 27 percent to 39 percent over the same period. This will mean a 1.8 million shortfall in the number of skilled workers within 5 years.

The underlying problem, according to the feature is that 'ageing societies are not necessarily good at rethinking' because older workers have different priorities to younger workers. The example cited is that while the UK is raising retirement ages, and people are working longer voluntarily, Chancellor Angela Merkel has decreased the retirement age for German workers. This may be politically astute but it doesn't make sense in a country with a population whose average age is already 46, second only to Japan's. Already one in 20 Germans is over 80. By 2050 it will be one in six, based on UN data.

Hong Kong

While the Government on the Chinese mainland has become so concerned about its own demographic issues that it has already relaxed its infamous one child rule and may soon abolish it altogether, Hong Kong has its own issues. As baby boomers head towards retirement age in the near future, Hong Kong's workforce is expected to decline by around 14 percent, according to projections by the Census and Statistics Department. The department's 50-year projection also predicts the city's population will hit a peak of 8.2 million in 2043 before starting to decline. People aged 65 or over will make up 30 percent of the population by 2034, compared to 15 percent currently.

As in Japan, the authorities in Hong Kong are doing more to encourage women back to work. The Government is planning a new swathe of childcare centres to encourage mothers back into the workforce as it seeks to cope with a rapidly ageing population. The Housing Authority will be asked to include the centres in future public estates, while facilities at government offices will be rolled out to more parents. **W&P**

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Offices: you're everywhere and nowhere, baby

My trade is to ask questions, and to make sense of the pieces of the jigsaw. That has been a particular challenge with regard to the commonly asked question, 'what are offices, today?' What seems clear is that the various 'actors' in the office economy are looking at offices through very different lenses. In fact, it appears that we could have three perspectives on offices, as follows:

- (a) Offices as a 'product': floor area, for a price (rent)
- (b) Offices as a 'service': space and service, for a simple fee (daily, monthly, etc.)
- (c) Offices as 'experience': more than the sum of (a) + (b); attraction; added value;

Rob Harris' book¹, a decade ago, helped to simultaneously consolidate my thinking, and to spark new questions. But today, urban planning and development professionals still view offices as a distinct category of real estate "use". And most real estate professionals also view offices as this "product", i.e., the delivery of floor area, in a specific category. Some things have changed - for a couple of decades now, the 'hybrid' economy of serviced offices and agile spaces such as co-working hubs have turned the office product into a "service". But, in many cases they have simply made the leasing of floor area much simpler, and more flexible in terms of time commitment and pricing. As Neil Usher says in his *workessence* blog²

"...while co-working is on the one hand declared to be disrupting the institutional stuffed shirt that is the commercial rented sector, the sprouting centres come to increasingly resemble the corporate world at which their earlier incarnations cocked a snook".

That may indeed be true for many serviced offices, and a few co-working hubs. But, what is happening now, in pockets of activity, appears to be that the "experience economy"³ is starting to pull offices through into a contemporary "place experience" sub-economy.

How many followers does your office have?

Companies like WeWork⁴ are creating a following, a community, of which inspiring places is just one (important) element. The corporate world is fighting back, and (again, in pockets) trying to emulate this "place experience" sub-economy. We all know the well-publicised examples, such as Google.

Behind all of this, of course, is the fact that increasingly we (us fortunate knowledge workers) often do not 'have' to be anywhere in particular. Sometimes we need to be with specific groups of people (meetings, workshops, events). Mostly, we can choose who to be with, and where to hang out. Though, not everyone can do this, and not all of the time, as Neil Usher also points out:

"...the more technology we deploy and the more reliant upon it and more in its service our careers become, the more we need closer human interaction, and the enablers of this. The more we push the boundaries, the less that work is an individual pursuit."

But, that human interaction does not need to be in the corporate office. There are economic push-pull factors at work, which simply did not exist when the concept of the office originated, as a real estate 'product'. Many office users are now consumers, with real choice. Larger employers are trying to attract people back to the office, in the knowledge that they can work somewhere 'cooler', or just more convenient.

What is this dynamic? What do we call it? - the "social office" perhaps? Does your office have "followers"? Will places have followers? Will Google hangouts not just be online? (scary thought, or exciting, depending on your viewpoint - could we see Google "hangouts" in every urban centre?)

Form and function have changed

Many commentators have predicted the 'death of the office'. It is no closer to becoming true than the 'paperless office' was when *Business Week*⁵ predicted it in 1975. Mark Twain once said, "The reports of my death have been greatly exaggerated". The same might be said of the office. Offices are certainly changing. Or, in many cases, 'have changed', almost to be unrecognisable to my parents and others who have not stepped into a contemporary office for a couple of decades.

Contemporary office space often looks very different to the way it did even a decade ago. And the activities and functions conducted by people in office space have changed - not entirely, but in relative proportions. Office work is less desk-bound, and more collaborative.

Any Facilities Manager can prove this with utilization data, using sensor technology⁶ or a simple walk-about. Commonly, the general workstation-filled open-plan space is

approximately 40 percent occupied, on average. But, meeting rooms are often fully utilized, and if you hang around long enough you will hear someone say, “There are no meeting rooms available. Let’s go across the road to [xyz]”. Xyz is usually a café, restaurant, or place where a group of people can get free meeting space in return for buying coffee (a kind-of reverse business model, in many cases!).

Dear planners... it’s all Sui Generis now

Take this last case in point. Urban planning is quite rigid in its terminology. But, if you spend a lot of time in and around urban areas, it is easy to find numerous examples of spaces being used for something different to their primary “Use Class”. In England, the legal “use” is defined by The Town and Country Planning (Use Classes) Order⁷ and managed by local government planning authorities. The owner of a space will generally need planning permission to change from one use class to another.

This is, of course, a matter of substantive use. These ‘use classes’ are listed in this table (I have left out a few, for clarity purposes).

A1 Shops	A2 Financial and professional services
A3 Restaurants and cafes	A4 Drinking establishments
A5 Hot food takeaways	
B1 Business - Offices (other than those that fall within A2), research and development of products and processes, light industry appropriate in a residential area	
B2 General industrial - Use for industrial process other than one falling within class B1 (excluding incineration purposes, chemical treatment or landfill or hazardous waste)	
C1 Hotels - Hotels, boarding and guest houses where no significant element of care is provided (excludes hostels)	
C3 Dwellinghouses	C4 Houses in multiple occupation
D1 Non-residential institutions - Clinics, health centres, crèches, day nurseries, day centres, schools, art galleries (other than for sale or hire), museums, libraries, halls, places of worship, church halls, law courts, Non-residential education and training centres.	
Sui Generis - Certain uses do not fall within any use class and are considered 'sui generis'	

So now, let’s reflect back to the over-flowing meeting room area in an office, in a central urban area. The meeting convener has decided to take her meeting across the road to a hotel. On arrival in the hotel lobby, she finds that she is not alone in doing so.

In fact, the whole ground floor is filled with tables, where business people are meeting. Some are between meetings, working on laptops, and being served with coffee by the hotel staff. In many of the rooms upstairs, people staying in the city for a few days are similarly working at their slightly under-sized “office desk” provided by the hotel.

When is a hotel not a hotel? When is a café not a café? In the example above, between check-in times (most of the day), this hotel is an office, isn’t it? Or is it Sui Generis, the catch-all?

Property market data can mislead – it’s about ‘product’

Property market data does not help us much, as it focuses on the old categories of primary ‘use classes’ discussed above. Property market data focuses on the product – the floor area (quantity) and rent, and occasionally other operating costs (price). It is the old economic model, trying to predict the demand for more floor area, and relative market prices.

A casual glance at office property data in London, from a

“...A casual glance at office property data in London, from a workplace strategist’s perspective, might suggest the long-awaited demise of the office is now well and truly upon us...”

workplace strategist’s perspective, may suggest the long-awaited demise of the office is now well and truly upon us. Between May 2013 and April 2015 data⁸ shows that at least 2,639 office-to-residential applications were received, by London boroughs. As the London Councils⁹ report “at least 322 [were] fully occupied office spaces... around 39 per cent of those approvals granted for which occupancy information is available”. This is not just a London market phenomenon.

The British Council for Offices (BCO) says¹⁰ that the current office-to-residential permitted development right (PDR) is estimated to have led to more than 550,000 square metres of office space in England being converted into residential use in 2014.

Is this indicating the demise of the office? The property data picture is mixed: part re-use of redundant office stock, but also driven by higher residential values. As would be expected, the latter has been the driver in much of Greater London.

However, if one drives around the suburbs of almost any UK town or city, it takes little time to compile a list of vacant offices, for sale or ‘to let’. Often these office properties are in locations where conversion to alternative use, such as residential, would be inappropriate or unattractive. For example, these vacant offices may be in industrial areas or business parks.

Secondary office ‘product’ being replaced with service,

The BCO report concludes that “high office rents are resulting in a fresh development response across the UK, which may replace some (but probably not all) of the lost space” (i.e., office space lost due to conversion to residential use).

There is less data which describes the nature and quality of this new office space. Square metres of office space, as data, only provides an indicator of quantity, but not quality. For example, we should ask:

- Is the market simply losing tired old, or sub-standard, office space?
- Is it being replaced with fresh, light, airy and attractive office space?
- Is new space being delivered with additional functionality and a ‘service’ element?
- If so, will this new office space promote healthy, productive and creative activity?

“...In respect of office use, the floor area metric is simply becoming far less relevant.... We can no longer link knowledge workers to office floor space.... they are working somewhere – just ‘off the radar’...”

Loss of poor quality office space may be a good thing for the economy of any country, if one believes (as workplace strategists surely do) that quantity of space is not the same as quality of space or place. Paying more, for a higher quality working environment, may ultimately make the workforce more comfortable, productive, and result ultimately in more successful occupier organizations. The BCO report¹⁰ acknowledges this, commenting on the data from one area of London:

“The replacement of secondary office floorspace (presumably at lower rents) by more expensive prime office floorspace is not necessarily undesirable. However, it can be detrimental to the local business base if the pace of change is too rapid.”

The speed of change may be a problem, clearly, if the poorer quality (and lower cost) space becomes unavailable in timescales which smaller businesses have insufficient time to respond to. But, in the medium term, albeit paying higher rents, they may adjust to subsequent benefits of their ability to attract staff, and to achieve higher staff satisfaction and productivity levels.

Consider the argument for the enlightened SME (small and medium sized enterprise): why should the workforce of a small firm expect to work in environments of far lower quality than their friends who work for larger companies? We know that often this is the case, but why should it be?

The rise of co-working hubs and agile working

Interestingly, the BCO report¹⁰ suggests that “the office market does appear to be responding at least partly to shortages of cheaper or smaller office space, including through ‘hub’, ‘incubator’ or serviced office models”.

This should be of great interest to workplace strategists – a watching brief is needed. This is a trend which will surely continue to grow.

The replacement of secondary office space, especially tired old poor quality space, may be a good thing, as discussed above. However, as it is replaced with serviced offices, co-working hubs, and various other entrepreneurial places, does it disappear ‘off the radar’ for property analysts? Ramidus Consulting’s 2014 report¹¹ estimated that 3% of the City of London office floor space was used by serviced offices, and that this had quadrupled since 1995. They also noted “about 60% of

the centres have opened since 2008, despite the global financial crisis” suggesting we will see continued strong growth in serviced offices. The report stated:

“We estimate that there are 10,437 small occupiers (occupying space of less than 1,000 sqft) in the City, of which 8,173 (78%) occupy conventional leased space, and 2,264 (22%) occupy serviced office space. If the number of small occupiers in the City was to grow by 10% over the next decade, and the proportion of small occupiers accommodated in serviced offices rose from its current 22% of the total to 35%, then the market for serviced offices would grow by 77% by 2025. This is in addition to potential demand from the growth of core and periphery business models from corporates; new business formation and in-movers and representative offices. For this reason, we consider it a cautious prediction to expect the market for serviced offices to double in size within the next decade.”

This may happen, over the next decade. But, the picture does not accurately reflect how the new serviced office space is likely to be used in practice. And therefore the metrics, and our property market language, will be wrong. When a small business decides to move into serviced offices, they will buy what they need as they grow. They are likely to use the new space more flexibly than their traditional leased space. They will share desks, and buy meeting room space only when it is needed.

Hence, the serviced office space does not replace the traditional office space, like-for-like. Far more people are likely to be supported by the serviced office, in the same quantity of space. So, the ‘formal’ demand for office space reduces. But those people are working somewhere! They are in someone else’s office, or working at home, or in a hotel, or somewhere.

In respect of office use, the floor area metric is simply becoming far less relevant, as demonstrated above. We can no longer link knowledge workers to office floor space. But they are working somewhere – just ‘off the radar’.

As form and function change, our language must change

The ways in which we – that is, the media, professions, and people in general – describe offices, has not kept up with the reality of contemporary workplaces. There is too often a focus on what can be easily quantified, and a dearth of information

“...Efficiency of office space use is now becoming, for many occupiers, more important than quantity of space. For an ‘agile’ workplace, there is now a limited connection between the quantity of space and the numbers of people supported by that space...”

where things are difficult to measure. These are just a few examples, some of which have been discussed above:

- Property market data is focused on floor area (square metres/feet), rent, and location. But a unit of office floor area, in a specific location, is not a commodity. So, property market data has wide margins. Rent varies significantly, based on many factors;
- These many factors have been captured into methodologies, and tested around the world, but rarely make it outside the world of academia. Assessing building performance, quantitatively or qualitatively, alongside comparison of market rent and operating costs, is still rare;
- Efficiency of office space use is now becoming, for many occupiers, more important than quantity of space. For an ‘agile’ workplace, there is now a limited connection between the quantity of space and the numbers of people supported by that space;
- The concepts of ‘place’ and ‘service’ are overtaking ‘space’ as a measure. The more that people, knowledge-workers in particular, can work almost anywhere, the more they need to be attracted to a great ‘place’. Or at least, the experience of ‘service’ that they would expect elsewhere.
- From an urban planning viewpoint, the contemporary concept of an ‘office’ is blurred into part-hotel, part-retail, and even residential. What is an office, today? And where is the office? For many, especially the growing number of freelance workers, the office is wherever there is somewhere to sit (or stand!), in relative comfort, and use a connected device.
- A desk and a chair were essentials in the era of paper and briefcases. The desk-based telephone came (and went, in many cases). The desk-top PC came (and again, went, in many cases). The laptop PC came, got lighter and smaller, and even that has often gone. Connected devices now mostly do not need desks – or even chairs. But we mostly sit down to ‘work’, and still mostly sit at flat surfaces – maybe a desk, or maybe just a table somewhere.
- Architects and designers slave over their CAD and BIM models, to create sustainable office buildings, and building services. But knowledge workers increasingly decide whether they need to travel to the office at all. And their corporate occupier teams are slowly recognizing the most

sustainable solution may often be to have fewer offices, not just new sustainable offices.

The issues set out above demonstrate that the link between economic activity and the office ‘product’ is, today, rarely a simple relationship. For much of contemporary life, it seems clear that the urban planning ‘use class’ of offices is no longer fit for purpose. We need to find different ways of describing the built asset product, its use as a service to organizations (occupiers), and increasingly the role of great space and places in the experience economy.

As the 60s song goes, “You’re everywhere and nowhere baby, that’s where you’re at”. Call it what you like, that’s where you’re sat. **W&P**

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The modernization of work has only led to it being more intense and controlled. It's time we introduced a new age of working based on relationships and not rules; people and not process

Amanda Sterling

HUMAN RESOURCES • LEARNING AND DEVELOPMENT

A New Zealand perspective on workplace transformation

The industrial revolution is often remarked upon as the period of the greatest change in how we work and live that we've ever seen. The cornerstone of that change was the introduction of steam-driven machinery in the 1700s. Steam meant greater efficiencies, increased production, and unprecedented growth in income and populations for developing countries. It also meant that workers flocked to big cities to work in factories. Craft production, where small quantities of goods were produced by hand at home, became a diminishing art.

Then Henry Ford came along in 1913 and introduced the moving assembly line for automobiles, further increasing production and lowering costs. At about the same time, Frederick Taylor designed the principles of scientific management, which divided work into tasks to be performed by each individual as goods moved down an assembly line. Work became more fragmented and more controlled. Organisations got even bigger and more hierarchical.

We'd like to think that a lot has changed since then, but I don't think it has. We've modernised our work, but we haven't transformed it. There's a big difference between the two. My friend Heather is a school teacher who works for a progressive school in Auckland, New Zealand; and I like how she explains this difference.

"Formal education began as a result of the industrial revolution and the need to provide a skilled labour force. As a result, our schools were built around a factory model where you were pushed along the assembly line from one year to the next until you received your diploma. Teachers were seen as the experts and the holders of knowledge."

The pace and style of learning was set by the institution, following a one-size-fits-all model. This model has basically remained unchanged for the past 100 years. To think about that is scary. What's even scarier is that most people, teachers

included, don't even realise this. It's because along the way, we have been busy modernising.

People are often fooled into thinking that modernisation means change. I see this each year when the schools I've worked at host open evenings. Parents come along with their children to look at the prospective school, they're given a tour and way too much information, and I laugh because I often hear parents say, "Wow, school has come a long way since my day." They say that because they see data projectors, and smart boards and YouTube presentations and fancy new buildings, new subjects and programmes and they say, "Oh wow, progress!"

The problem is that, while it looks new and modern on the outside, it's only superficial.

When you actually look a little bit closer, you'll notice we haven't really changed at all. Instead of sitting in rows and copying notes off the blackboard, students are now sitting in rows copying the PowerPoint off the whiteboard. The actual process that

"...We offer people flash offices, the latest phones, stand up desks, and pets in the office, but fundamentally, the way that we work has not changed... in fact, it's become more intense and controlled. ..."

underpins learning is still the same."

I see the same thing happening in the business world. We offer people flash offices, the latest phones, stand up desks, and pets in the office. But fundamentally, the way that we work has not changed. In fact, it's become more intense and controlled. The same technology we see as making our lives easier is tying us to our work, making us more accessible and on demand. It's also raising expectations of when, and how quickly, we get things done.

We're now grappling with the consequences of this constant connectivity. As ever, technology has been driving much of this change, rather than humans. Things should instead be the other way round. In other words, we've modernised, but we've not transformed.

I think we have an opportunity, right now, to transform the way we work and learn. Social technology is handing us this on a plate. The question is whether we take it, or just go about



things the same way we have since the industrial revolution (with just a few new whizz-bang features).

So what does transformation look like? It means putting people first –before technology, profit or process. It means flipping the power dynamics from top-down to bottom-up, to encourage greater innovation, creativity, ownership and flexibility. It means engaging with new technologies or processes in a way that brings out the best in people, not in a way that makes people the secondary concern.

We should do these things not just because they're warm and fluffy, or even because they're the right things to do. We should do them because the companies that do actually see results. I'm not just saying that to ease the money-driven types either – I'm saying it because it's true. And I'm not the only one who's saying it: check out Frederic Laloux's book *Re-Inventing Organisations*¹ for case studies of People First designed workplaces in industries that include nursing and energy. Also have a look at WorldBlu's *Freedom Centered workplaces*². 'People First' is not just a pipe dream, but an economically validated reality.

These transformative approaches are already happening in the consumer landscape. In their book *A World Gone Social*, Ted Coine and Mark Babbitt³ explain that we are living in a world where it's the customer that tells the story about the goods or services they have purchased, not the corporate marketing team. Consumers can readily Tweet, Facebook post, YouTube share, Snapchat story or Instagram image their positive or negative views of a products to their thousands, or millions, of followers.

As Eric Qualman, author of *Socialnomics*⁴, points out, people are more likely to buy something based on someone else's recommendation. That's true even if the recommendation comes from someone they don't know. They're much less likely to listen to marketing spin, which means marketing control is no longer held by the marketers. So marketers must get to grips with the greater power of consumers to create their own narrative about products.

Likewise, employees are creating their own stories about what it's like to work for their organisations. Glassdoor, the website where employees, ex and current, can review their

employer, is an overt example of this. But, more covertly, it's the connections we're creating and the conversations we're having behind the scenes that are just as, if not more, powerful than what is immediately visible. These connections are made possible through digital technology: you can now connect through a friend of a friend, who knows someone, who works with that manager, to find out what it's really like to work for them. This is the less visible undercurrent of communication and connectivity in our hyper-connected world.

And the shift goes beyond recruitment: we're finding more information about everything ourselves – it's all at our fingertips. What do you think this means for the way we design and deliver organisational learning? Should we be sitting in workshops or at conferences listening to what one person tells us? Relying on this approach just doesn't make sense anymore. We don't need to "know" stuff; instead, we just need to know where to find it. Terms like "personal learning networks" and "networked intelligence" are part of our new lingo. Our skills are now in how we search, sort and share information – not whether we have it in the first place.

In this environment, organisational learning is context-based; and it happens on the job, as we find what we need, when we need it. Learning is in the hands of the learner. The elegance of our design is in the environment we provide our learners. How do we make sure they are motivated and that they have the resources to seek out knowledge, and the opportunity to do so?

The landscape is shifting. We need to move with these shifts in power; and create greater levels of transparency both within, and from the outside of, our organisations. And we need to remove the pervasive layers of hierarchy and filtered communication. We need to change how our businesses operate.

Gary Hamel⁵, one of the foremost business thought leaders of our time, argues that our current business models are not sufficient for organisations to survive and thrive – they're just not adaptable enough. What we need instead are organisations that let the strengths of individuals shine through; that offer employees decision-making power, and adapt more readily to the needs of their consumers.

This concept is not new: we've just got greater impetus now, more than ever before, to do something about it. I say it's not new because standout companies like Morning Star, a tomato processing plant in California, use self-managing teams to manage and make decisions about work. Morning Star has been around since 1970. Another example is Mondragon Corporation in Spain, which is owned and run by the workers, and has been run successfully that way since 1956.

Even more recently, Zappos has very publicly been grappling with the transition to self-managing teams in the form of Holocracy – a type of self-management model with its own manifesto of structure and discipline. It's a brave move to turn and transform any company, of course. But these days, such groundbreaking, agile business structures are not just a “nice to have” that is driven by a visionary chief executive or business owner. Instead, it's a “need to have” driven by a shift in power and voice. The question is not whether you start to get to grips with this transformation, but when?

I see the shifts more intimately in the People and Culture space because that happens to be the community I'm connected to. A big part of this connection is through a community of HR, Recruitment, and Learning and Development people called NZLEAD; and through a collective of workers and learners called the I-practice. NZLEAD is a community that converges around conversations that relate to making our world of work better. The I-practice is a community of work and learning – a new consultancy, a people cloud – where business owners converge to work together and share ideas and resources.

I'll admit that, yes, I'm biased when I talk about the power, and potential, of social technologies to change the way we work, learn and live. That's because I've met some amazing people, from all around the world, through social media. For me, it's opened up so many opportunities for connection and collaboration. Instead of operating in isolation, employees and people professionals alike can band together to change our

workplaces for the better. Our problems become smaller as our breadth of knowledge and depth of resources becomes greater. Ask any “socially” active HR person, and I'm sure they'll back me up on this.

Communities like NZLEAD and the I-practice, because that is what they are – not organisations – are special because they demonstrate an entirely different way of working and learning. They're examples where people are connected through a common set of values and a shared purpose, rather than through more traditional organisational ties, structures and contracts.

Communities where power is held collectively by the many instead of by the few; and where technology connects members and allows them to collaborate and learn without requiring them to be in the same physical location to work together. They're also communities where the genuine

connections you have with people are more important than how fast you can manufacture or sell something. As Dan Pink says in his book *A Whole New Mind*⁶, relationships are the new source of competitive advantage.

So you're probably wondering now about what you can do to

adapt to this. How can you change your People practices so that your organisation is ready for, and on top of, these changes. How can you – and how can we all – put people first?

In my book *The Humane Workplace*⁷, I talk about three things that any People and Culture, HR, Recruitment, Learning and Development professional (i.e. anyone who has people at the heart and soul of their profession) can do.

The first thing is to cut the crap. That is, look at every process, policy, or exercise you have that centres around the people in your organisation; and ask yourself, “do I really need this?” Be tough on yourself with your answers because it is easy to come up with reasons to keep something. However, if something doesn't actively help people thrive in your organisation, there's a good chance that it's hindering, rather than helping, your organisational success.

“...Communities where power is held collectively by the many instead of by the few; and where technology connects members and allows them to collaborate and learn without requiring them to be in the same physical location...”

“...Our problems and opportunities are not unique to our businesses, industries or countries. Together we can tackle the issues and we all have this opportunity now, more so than ever. ...”

Policies are a really good example of an area where we can easily go overboard. Use them to set the tone and direction; and then give your managers the skill and freedom to apply policies in a way that suits individual circumstances. All too many organisations use policies as the rote instructions for how people are meant to behave. This approach is simply too prescriptive to support people to thrive.

Secondly, be brave. I say that because, quite frankly, some actions within organisations are inhumane. This can include anything from seating people in dark and dingy corners, to allowing psychopathic managers to bully employees. We need people to perform at their best. To enable this, we have to stand up to behaviours that keep them from performing. We need to weed out bad behaviour, and we need champions to do that. You can be one of those champions. It's not an easy thing to do, though, so you need to be brave.

Thirdly, and perhaps most importantly, get social. Because, let's face it, no one person can solve these challenges completely on their own. And you don't have to. You can connect to other professionals from all around the world – and you should.

Our problems and opportunities are not unique to our businesses, industries or countries. Together we can tackle the issues facing our organisations. We have this opportunity now, more so than ever. Getting actively involved in social media communities is not a “nice to have”, or “what the kids are doing these days”. Rather, it's a necessary way of enhancing the People and Culture practices within your organisation.

What all of the thoughts I've expressed in this article have in common is an overriding focus on people; a focus on what individuals experience while working for you, how they perceive your recruitment, and how you support them to learn and grow. All of these things require an unequivocal and holistic focus on people. They require making people the first and foremost consideration; and designing your systems, processes and technology around them.

This new age of working is based on relationships and not rules; people and not process. It's time we put the industrial practices aside, looked past that distracting modernisation, and truly transformed our workplaces. **W&P**

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Don't just measure your workplace effectiveness when you move. There are smarter ways to use the workplace as a strategic tool that influences productivity, efficiency and sustainability

Kati Barklund

WOKPLACE MANAGEMENT • PRODUCTIVITY

Smarter offices increase attraction and performance

The workplace can and should be used as a strategic tool to support work and cooperation, to shape the experience of the brand and to produce competitive advantage for the organization. Even when not used as a strategic tool, the workplace still affects all these elements and there is an overwhelming risk that it can instead have a negative impact if we are not aware of this relationship.

The workplace makes a great difference to outcomes and it is becoming an important differentiator between successful and less successful organizations. I also strongly believe that the workplace management area is of key importance for us in the FM sector to bring facilities management to a higher level, and shift from a cost focus to more of a value focus. This is something we need to do together within the FM industry and we really should take the driver's seat. But, let's start from the beginning.

We can see four key drivers of change within the workplace strategy area, and these are:

- Cost/Price pressure;
- Sustainability and corporate responsibility;
- Technology;
- and the war for talent and productivity.

When it comes to the cost/price pressure area, we still see a lot of focus on the cost side due to the economic situation, maturing markets, global competition and the fact that costs, for example, staff costs and rents, rise continuously. The rent is for example generally really high, especially in the urban areas. We know here that the utilization tend to be below at almost never over 50%. In our own utilization studies regarding both our clients and ourselves we have generally seen a 35-45% utilization of work desks. In UK for example, the Real Estate managers see a reduction of almost 50% of the need of space within five years and we can see the same development in the Nordic countries as well.

However, we also see a change from only being cost focused to being more and more value focused. Are we getting what we need, could, and should get for the money and time we are investing? Are we really optimizing the value? And this is especially important in the field of FM where the overwhelming focus over the last years has been on

diminishing cost. This is without always reflecting on the relationship between FM services and employee satisfaction and productivity. In many cases the productivity cost can be so much higher than the actual saving we are making.

Regarding sustainability, the focus on the issue continues to be even harder, and not only regarding environmental responsibility but also social and economic responsibility. We see a shift from just seeing sustainability as a hygiene factor to seeing sustainability as a business opportunity and a way to attract both employees, clients and business partners. In the future, companies will get neither clients nor employees if not being sustainable.

In the technological arena, we see this as both a driver and an enabler. Technology is both driving and making change possible, and I am not only referring to new technology, but existing technology that has become both cheaper and more available. For example, QR code technology is today more than 20 years old, but we have only recently started to see and take advantage of this technology. We, both as private persons, employees and organizations, have become much more mature when it comes to technology.

Today we are more used to technology and to trying out new things - and if it does not work, we try something else. We also tend to see possibilities with technology to a greater extent than before. We see how it can help our lives and work - to simplify, improve, streamline, fasten and secure - and we have begun to demand it.

Corporates are also fighting a war for talent and increased workforce productivity, so when it comes to this fourth area, we see that corporations today are fighting a war for talent and productivity and that the workplace, meaning "office, home and third place", is really becoming an important differentiator.

What we can see is that:

- Unemployment remains high. However, both private and public sectors struggle to recruit and retain talented people in several areas and regions. We also know by looking at the demographic development for example, that this war for talent





is increasing. We will have even greater lack of talent in many areas and regions in the future and therefore even a greater war for the talent.

- The workforce at our workplaces today is diversified. We have for example a four-generation workforce today; and although I believe that much of the same things are important to people regardless of generation, there are some differences as well in preferences and attitudes towards work and workplaces. There are also other variations amongst the people, for example, when it comes to cultural and religious differences, personal backgrounds, and of course different personalities like introverts and extroverts.

- Many people at work today are not engaged. According to Gallup, 63% of employees are not engaged and 24% are disengaged as an average of 142 countries. Many people come to work and lack motivation and just do a minimum effort and are “less likely to invest discretionary effort in organizational goals or outcomes”. Also many are “actively disengaged indicating they are unhappy and unproductive at work and liable to spread negativity to coworkers”. How does this affect creativity, efficiency, productivity and performance of the employees and the organization? And how great is the potential of getting more creative, efficient and productive employees if we can increase this engagement?

- Many people (47% according to Leesman as an average of more than 100.000 sampled respondents) feel that their workplace does not enable them to work productively. If I feel that my office doesn't help me to work productively, why should I go to there? I might rather work from home, from a café, or from somewhere else.

- There is a strong relationship between perceived comfort and self-reported productivity, with differences in productivity as high as 25% reported between comfortable and uncomfortable staff and, “with a 1 to 4% increase in perceived productivity for a 15% increase in satisfaction.” You cannot

of course measure productivity objectively when it comes to knowledge workers. Productivity differs a lot from person to person, but also there are many different factors affecting productivity, and it is impossible to know exactly what factors have the greater affect. For example how much does the workplace or different aspects of the workplace influence productivity? Instead, we measure the perceived individual productivity and whether we feel that our workplace enables us to work productively, as in the Leesman Office survey mentioned above.

- As the World Green Building Council said : “There is overwhelming evidence which demonstrates that the design of an office impacts the health, wellbeing and productivity of its occupants”.

- “Appealing workplace facilities consistently double the likelihood of a candidate choosing an employer regardless of the combination of other variables.” It is really important that the workplace signals what we want it to signal and that it shows that we are practicing what we are preaching. Everything in our workplace sends signals, and not just the design but also behaviour, services and solutions. The workplace needs to be trustworthy and

consistent with our mission, values and offering. The workplace is an important platform for the brand management of any organization.

In conclusion, people are the largest expense and most important investment for any organization. What may appear as a modest improvement in employee health or productivity, can have a huge financial impact for the organization. The overall picture above is pretty general, no matter what company or business area. Of course, there are differences and some organizations in some areas and countries have slightly better or worse figures, but in general, we believe that every company can do a lot better.

Organizations can attract and retain more people, save more money, be more sustainable, have more satisfied, engaged and

“...Appealing facilities consistently double the likelihood of a candidate choosing a particular employer, regardless of the combination of other variables...”

productive employees and overall perform better. I know that some organizations have realized this and I know that more will follow.

Workplace management as a single function?

If we look at the workplace management area, we see a lot of interesting things happening. Traditionally we have had a silo thinking here, but now the workplace management area is becoming a more coordinated function. In the UK for example, 25% of Real Estate managers say that they already have seen this happen, and 40% predict they will see this happen within five years. We also see these new workplace titles and functions like Head of Workplace and Chief of Work. The main objective for this new function is to increase productivity and performance and to enable this, the coordination of HR, IT and CRE/FM-functions is absolutely necessary. These are all important parts of a holistic workplace and the common aim for the workplace function is of course to make work, work better!

An holistic lifecycle perspective on the workplace

In our Smart Office model, we have both a holistic and a lifecycle perspective on workplace management. Smart for us means that the workplace is attractive, productive, efficient and sustainable during its whole lifecycle. As we see it, we can use the workplace as a strategic tool to:

- Strengthen the brand.
- Attract and retain people (both employees, clients and partners).
- Maximize the output by enabling cooperation and making the employees more satisfied, healthy, inspired, engaged, creative, efficient and productive.
- Optimize the use of space, resources and money.
- Increase sustainability regarding both people, planet and profit.

Even when not used as a strategic tool, the workplace still affects all these parts and there is an overwhelming risk that it can have instead a negative impact regarding attractiveness, productivity, efficiency and sustainability, if we are not aware of the relationship and really use the workplace as a strategic tool. This applies to all workplaces and offices regardless of what

organization or business area it occupies. The workplace impacts the business results!

If we look at our holistic model, we see that it is always the employees who are to be supported in the workplace and all these parts – meaning the process, place, technology and services – need to be in place so that the office can fully support employees in their work. These parts need of course always to be in line with the mission, vision, strategies and goals of the specific organization.

We believe that a Smart Office is:

- Centered around the people working there. What attracts and motivates them? What do they need to be able to perform at their best?
- Based on the activities that are to be performed in the workplace; where and how are these activities best performed?
- A place designed for flexibility. Flexible in a way that it is accessible and used every day, depending on different activities and that is open for changes and innovation over time.
- Enabled and enhanced by technology, which efficiently supports the required ways of planning and performing work.
- Enabled and enhanced by the services provided, regarding both function, convenience and experience.
- Sustainable in every possible way, by balancing economic, environmental and social aspects.

Treat the workplace as a process – not as a project!

If we look at the lifecycle side of our model, we must consider the entire lifecycle of the workplace, which is normally up to 10-20 years or even more. In the beginning, we have a project, often lasting up to a few years, before moving to the new workplace, and the project normally ends six months after moving in. In most cases, we could say that the workplace is already OLD on day one when we move in, because during the project we haven't followed up the needs and adjusted the process, place, technology and services. Over time it just gets worse, with a discrepancy between the needs of the workplace and the support to make changes. This is because we treat the workplace as a project instead of a process. These needs of course vary and change all the time and we need to continuously follow them and optimize the process, place, technology and services.



In practice this should be a never-ending process. A process – not a project! In order to stay smart, the workplace needs to stay attractive, productive, efficient and sustainable through its whole lifecycle.

The basis for workplace lifecycle management

Before we make a workplace change, whether it is moving to a new office or transforming the existing office, we usually conduct a utilization analysis. We want to know how we are using the workspace, so that we can have a better idea of what we might need in the new workspace. How are we working? Where are we working? How much space do we need? What kind of space and workstations/collaboration areas do we need and to what extent?

We want to get a better understanding of why we are using the workspace the way we are using it, how well the workplace corresponds to our needs (are we satisfied, does it enable us to work productively etc.), but also to get a better picture of what we require in the future. This can be achieved with workplace utilization analysis, including with the use of heat sensors, but also with qualitative analysis with questionnaires and interviews.

Yes, of course we need to conduct utilization analysis before a workplace change and there really is a huge potential in reducing square meters, increasing the number of employees and increasing employee satisfaction and productivity. All of this is enabled by objective and reliable facts. But, what we tend to forget is that the workplace is a process, and that things change continuously. This means we need to continuously monitor and adapt to ever changing needs in order to keep supporting the needs of the employees and the activities conducted in the workplace.

However, in most cases, we only conduct utilization analysis before a workplace change and often for just a short period, so even immediately after the change, the workplace does not meet the needs, and day by day it just gets worse, until we have another workplace change project after maybe a few years.

Utilization analysis, and especially permanent sensors are an excellent basis to start following up the workplace in more effective. This- when used as the basis of a workplace

governance model that includes continuous metering of important workplace parameters like engagement, self-reported productivity - combined with more qualitative methods to follow up the changing needs, would help us keep the workplace smart during the whole lifecycle, and not just in the beginning.

In conclusion, we believe that it is really time to take a more holistic lifecycle perspective on workplace management in order for organizations to perform better. This will make a difference. Smart workplaces and holistic workplace lifecycle management is good for people, good for the business and good for the environment and yes, the workplace really impacts the performance and attractiveness of the business! **W&P**

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One of the world's most popular environmental standards has been updated. The changes are designed to strengthen the link between business strategy, environmental issues and building life-cycles

Sue Gregson

BUILDING MANAGEMENT • ENVIRONMENT

A new era for green building design worldwide?

The publication in September 2015 of the revised ISO

14001 Global Environmental Management Standard has been heralded as a move that will “shift business focus on the environment from compliance with regulations and direct operations, to placing the environment at the heart of thinking and strategy.” This will assist businesses around the world to respond to increasing global sustainability challenges and ensure long-term business success.

Currently there are over 300,000 organisations worldwide that are certified to the ISO 14001 Standard, first published in 1996. According to the Institute of Environmental Management and Assessment (IEMA) ISO 14001 is, globally, the second most used standard companies employ to manage their performance, with 171 countries now participating.

Its popularity as a management tool is linked to both improved financial and environmental performance. In a recent survey carried out by IEMA around 60% of businesses responding reported saving over £10,000 as a consequence of implementing an Environmental Management System, with some businesses saving over £5m.

The majority of these savings were delivered through energy efficiency measures (71%) and improved waste management (64%). Wider benefits include improved environmental performance (38%), meeting legislative requirements (39%), enhancing stakeholder relations, and generating new business opportunities (22%).

In response to what Martin Baxter Executive Director - Policy of IEMA has called “a perfect storm of global challenges,” such as climate change, resource scarcity, volatile energy markets and soaring population growth, the International Standard for Environmental Management Systems ISO14001 has been revised, a process taking over three years to complete, in order to support businesses to manage these growing risks and take advantage of business opportunities. The new Standard has been developed to better align with business strategy and to support organisations becoming more resilient to external environmental change.

The new Standard will require companies to:

- put in place measures to proactively respond to growing environmental risks;

- ensure top management are accountable for environmental performance improvement; and
- place greater emphasis on managing environmental impacts across the value chain.

One of the key changes is that ISO 14001 will not just be a framework for managing the organisation's impact on the environment; it will also help organisations manage (and become more resilient to) external environmental change, for example climate change and resource availability.

It's early days but the revised Standard has already received widespread recognition and support from business, with over 40% of businesses surveyed by IEMA responding that the updated version will bring greater 'buy in' from senior management.

The biggest challenge will be getting environmental management positioned at the highest level of the organisation. If environmental management is currently in its own silo, integrating across the whole organisation will be difficult for some. However, there has been some consideration by regulatory bodies, such as the Environment Agency, that organisations may be able to reduce the number of compliance visits regarding permitted activities if they have a certified ISO 14001 EMS in place. A financial and efficiency incentive such as this will be key for environmental management gaining traction in the boardroom, allowing it to rise higher up the business agenda.

There is a three-year transition phase from the 2004 to the 2015 version. Businesses are being advised that implementing the new ISO 14001 Standard should be used as an opportunity to refresh and invigorate the way existing users can get value out of good environmental management. It's also important to recognise that you don't need to be certified to use the Standard and get the benefits. Given that ISO 9001 is also changing, and the structures of these standards, together with the forthcoming Health and Safety standard (ISO 45001) have been aligned, developing a joint and integrated approach to implementing the new standards makes sense

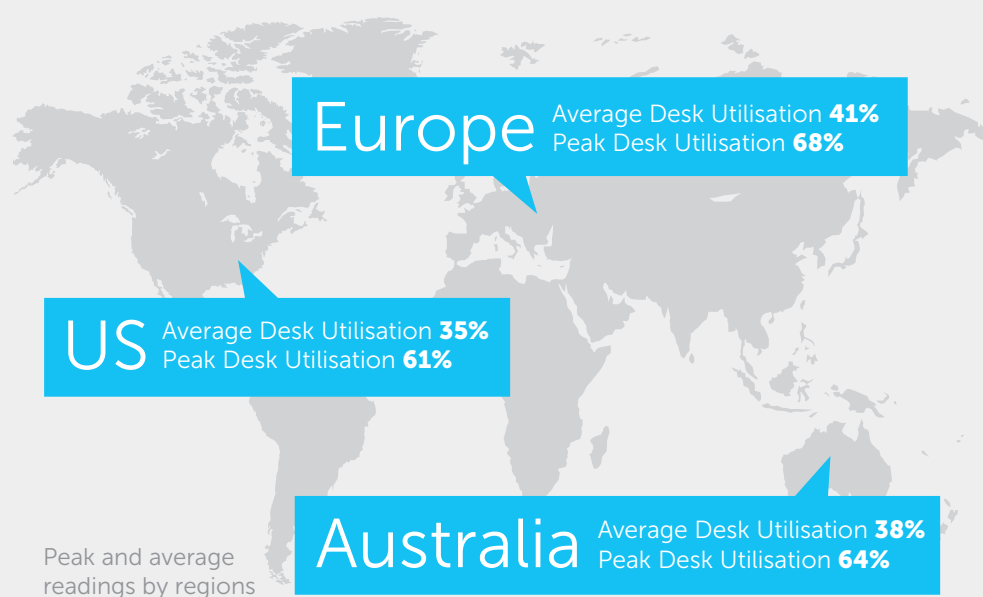
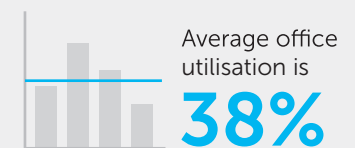
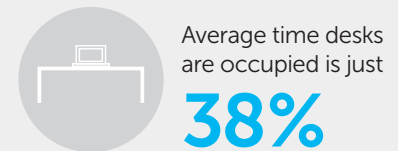
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