2015 Trends in the Workplace
Table of Contents

Introduction 3
Wellbeing Overtakes Wellness 4
Staunching the Senior Tsunami and 8
The Fight for Collaborative Space 11
Connecting Experiences through Technology 13
Working Everywhere and Nowhere 15
Introduction

The workplace continues to evolve as new age groups, technologies and work styles enter the mix. As a result, businesses are finding it essential to respond to these changes with environments that work for this new crop of needs. With so many new issues to think about, where should business leaders direct their attention? For many, focusing on the issues related to the individual employee experience will help increase overall satisfaction and have a positive impact on the organization’s bottom line.

- **Wellbeing Overtakes Wellness:**
  It’s estimated that the average American sits 7.7 hours per day. How can design elements within the workplace be improved to help employees lead a healthier life?

- **Staunching the Senior Tsunami:**
  There are up to five generations in today’s workforce. Keeping everyone happy requires attention to the different needs and work styles of each group.

- **The Fight for Collaborative Space:**
  Collaboration enhances knowledge sharing, productivity and innovation, but achieving the right mix of spaces may not be a simple task.

- **Connecting Experiences Through Technology:**
  Today, technology is an essential piece of workplace success. The rise of the remote worker shines a new spotlight on technology integration.

- **Working Everywhere and Nowhere:**
  The traditional workplace is no longer the only option as organizations and individual workers look for flexible, fully-customizable options.
Wellbeing Overtakes Wellness

What’s new for Wellness

Last year, we discussed the expansion of health and wellness programs. For 2015 and beyond, we expect a greater emphasis on total wellbeing rather than simply examining positive ways to impact employee health. An employee’s health status influences work behavior, attendance and performance/productivity. Simply put, healthier employees are better at their jobs. Wellness is fairly easy to understand and measure. Most companies understand this and are taking steps to design spaces that promote wellness.

In addition to providing healthy environments, employers are looking more comprehensively at ergonomics and movement. In a traditional work environment, much of the day is spent sitting at a desk or conference table. Sitting for up to eight hours a day has negative impacts on not just weight gain but can also lead to heart disease, brain function issues, leg disorders and even cancer. ¹ Workplaces are slowly but surely beginning to adapt as more and more companies seek solutions to accommodate a variety of needs.

Designing for wellness includes examining new ways to promote movement in the workplace, such as creating indoor and outdoor walking paths, designing multi-functional collaborative spaces and providing a higher degree of worker choice. When studying the “time famine” of not enough hours in the day, researchers found a distinct link between employee wellness and flexibility in the workplace.² Many of the physical changes around wellness (green design, ergonomics, amenities) have been present in the design industry for a long time. Creating designated spaces to address these need is more recent, but again, fairly standard.
Wellbeing Overtakes Wellness

Why Wellbeing?

Focusing on wellness itself is not enough. People are the most expensive asset and it’s critical that organizations address wellbeing in addition to wellness in order to ensure the best outcomes for employees.

One of the most buzzed-about presentations at CoreNet Global’s 2014 North American Summit was a presentation featuring two fascinating scientists: Sally Augustin founder of Design With Science and Cristina Banks of the University of California – Berkeley’s Interdisciplinary Center for Healthy Workplaces.

Touching on Herzberg’s Two-Factor Theory (also known as Herzberg’s Motivation-Hygiene Theory and Dual-Factor Theory), the scientists dug into how workplaces can better promote physical health as well as mental and social wellbeing. The Two-Factor Theory identifies factors in the workplace that cause satisfaction (motivators) versus those that cause dissatisfaction (hygiene factors). The physical workplace itself contributes to several hygiene factors; and the way it is used can influence motivators. Augustin suggested that the workplace should follow “five C’s”:

- Comfort: workplace enables control of experiences, access to visual and acoustic privacy
- Communicate: workplace design is consistent with the way employees view themselves and their organization; provides space to interact
- Coordinate: workplace supports the task at hand
- Challenge: workplace supports as individuals grow and develop
- Continue: workplace evolves

THE AVERAGE AMERICAN SITS

7.7 HRS PER DAY
SOURCE: WORLD GREEN BUILDING COUNCIL

EVERY ADDITIONAL HOUR ADULTS OVER THE AGE OF 60 SPEND SITTING INCREASES THEIR RISK OF BEING DISABLED BY:

50%
SOURCE: WORLD GREEN BUILDING COUNCIL
Banks identified three key factors in successful workplace design and noted that people are motivated by WIIFM (what’s in it for me). The strongest WIIFM wins.

Wellbeing needs include opportunities to engage in spontaneous social encounters, freedom to move between social phases, opportunities to engage in a full range of behaviors, opportunities for regular exercise, noise levels similar to those in nature, meaningful change and sensory variability and an interesting visual environment.⁵

Wellbeing also has tangible benefits. Individuals are more creative, more cooperative, more helpful, take fewer sick days and are more engaged with work.⁶ Employees who are engaged in their jobs are generally in better health and have healthier habits than employees who are not engaged or are actively disengaged. Gallup estimates that disengaged workers cost the US $450-550 billion every year.⁷

Introducing Wellbeing in the Workplace

Designing a psychologically healthy workplace is not as complicated as it might sound. One of the first considerations is providing places of refuge. Typically, people do not like being approached from the rear. When designing spaces, consider the layout of individual work areas to limit this and provide shared and collaborative spaces that offer the opportunity for respite. In terms of design and development of use protocols, provide space and policies that enable control.

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―BL Frederickson
Developing workplaces with an additional focus on culture and emphasis on professional and social interaction also promotes wellbeing. For example, activity-based working includes a variety of collaborative spaces intended to be used for both work-related collaboration and casual interaction. The evolution in the character of these types of spaces creates a stronger sense of team culture. Feedback from activity-based workers indicates that they feel like they interact with and know more about what their colleagues are doing because they run into them more. They also note a sense of better access to management.

Biophilic design focuses on elements connecting humans to nature. Views to the outdoors, inclusion of elements such as living walls and water elements within the workspace have proven to increase patient outcomes and reduce stress of office workers. Organizations should provide places for people to regenerate in places of “gentle fascination” with views of plants, nature, fish tank or fire.

In line with the focus on greater wellness and wellbeing, a new certification program was recently launched: the WELL Building Standard®. This standard focuses on human wellness within the built environment, measured across seven categories: air, water, nourishment, light, fitness, comfort and mind. The first symposium was held by the International WELL Building Institute and coincided with Greenbuild 2014. As time goes on, it will be interesting to track how the design and building community adopts the standard.

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Staunting the Senior Tsunami

The Workforce Outlook

For the last decade, the workforce has been increasing in generational diversity. We know that there are now up to five generations in the workforce, but 2015 brings more insight to the impact of this generation blending within the workplace.

- **Generation Z is entering the workforce.** Believe it or not, this generation is in the workplace, typically either as interns or entry-level employees.²

- **Millennials are in leadership roles.** Those born in the earlier years of the cohort are in their mid-30s, meaning they have often established their career paths. Career Builder surveys show that 38% of respondents work for someone younger than themselves.⁸ By 2025, this generation will represent 75% of the workforce.

- **Millennial values are different than those of Boomers and earlier generations.** Millennials value work-life balance more than compensation growth or skill development.¹⁰ In fact, top priorities when choosing an employer for Gen Y in the UK are: work colleagues, opportunities for learning, and quality of life.¹¹

- **Generation X, the Millennials (and also probably Generation Z) are “supertaskers.”** Cisco’s 2014 Connected World Technology Final Report states that over 40% of Gen X and Y employees say that they are able to supertask or work effectively on two or more tasks at the same time. Most report supertasking best on a smartphone and conducting a mix of professional and personal activities.¹²

- **Generations Y and Z are more diverse in terms of race, gender, creed, sexual orientation than any other generation before them.**

- **An aging population means more workers (of all ages) are serving as caregivers to older adults.¹³**
Greater diversity is good news for companies. Not only does this broaden the experiences across the organization and provide new and different ways of thinking, but companies with greater diversity in their top leadership make more money. 14

A multi-generational Workforce

In addition, changing demographics are leading to a shrinking talent pool, which is particularly true in the United States and many other industrialized regions (such as Europe and Japan). With the “senior tsunami” of retiring Baby Boomers and overall lower birth rates, both succession planning and finding employees with the right skills is becoming a challenge.

To combat the senior tsunami, there is a dramatic increase in post-retirement consulting. Many Boomers plan to stay well past 65 for various reasons, such as to enhance retirement earnings as well as keep bodies and minds active.15 As reported in USA Today, 65% of workers plan to work for pay in retirement.16

Additionally, both individuals and companies are beginning to explore increasing retirement age. In the United States, the original Social Security Act of 1935 set minimum age for retirement at 65; this has been revised and today, full retirement age for those born in 1960 and later is 67 years old. There is an expectation that many organizations may raise the

“65% of workers plan to work for pay in retirement.”

-USA Today. Oct 22, 2014
retirement age to 75 years old. Many organizations are seeing employees stay well beyond their anticipated dates of retirement. This means a need for workplaces that solve issues across a variety of generations. Cross-generational issues can include:

- Ergonomics/workplace comfort/health and wellness
- Technology (use and understanding varieties)
- Knowledge transfer (business continuity for older generations and active engagement of younger generations)
- Preference for face-to-face collaboration
  - Need for flexibility
  - Need for workplaces that attract and retain talent.

While certainly not the top reason for joining or staying at a company (these are typically compensation and mission), the workplace environment does matter when employees select a position. Companies must carefully consider what type of talent they are trying to attract and what types of spaces will help draw these people in and keep them at the organization. It’s important to provide a space that is attractive to the types of people you want to recruit.

- Younger generations desire workplaces that support knowledge. Creating a variety of spaces that support both formal and informal collaboration while encouraging interaction and relationship building can provide ways for junior and senior staff to learn from one another.
- It’s also important for companies to create flexibility for a varying workforce. As more companies utilize the talents of part time employees and consultants, it will become more essential to provide spaces that support their needs while maintaining high levels of space utilization. We expect to see more hoteling type scenarios, shared offices, and spaces that are supportive of the different abilities present in the workplace.
3 The Fight for Collaborative Space

Finding the Right Mix

Collaboration continues to be a key emphasis for workplace design. Collaboration enhances knowledge sharing, improving productivity and innovation. Companies seek opportunities to enhance both formal and informal collaboration through the built environment.

It is critical to understand what kind of collaboration is best for the company. A similar experiment with a furniture company resulted in an increase in interactions with other teams, but the intended result of increased productivity was not found. Instead, this company saw a drop in energy levels and a drop in communication within existing teams.

“And it’s not just a trend. Researchers are beginning to find evidence that chance encounters DO actually improve performance. Harvard Business Review recently shared a study in which one pharmaceuticals company found that when their salespeople increased interactions with colleagues from other teams by 10%, sales also increased by 10%”.

What does this mean for workplace design? First, greater upfront understanding of the client organization is needed to plan for the right type and mix of collaborative space is required. RTKL recently conducted a study for a healthcare consulting firm. The leadership and senior management were convinced that the organization needed many large, formal conference rooms. Utilization studies found that the average meeting size was 3.7 people and there were no meetings with more than 15 attendees during the study period. This trend holds true for many, but not all, industries. Knowing the client’s needs is critical for successful planning.

Researchers are beginning to find evidence that chance encounters DO actually improve performance.
The second major issue is better planning for and education/engagement of space-use protocols and collaborative space management. With an increased focus on collaboration, companies are struggling with the management of collaborative space. Organizations that have focused their design on shrinking individual office spaces and relying heavily on formal, reservable conference rooms are struggling with protocols. Meetings often run over and there is exceptional demand for rooms.

As reported in the Wall Street Journal, the amount of time spent in meetings has risen 8 to 10% annually since 2000. This puts an increased demand on existing meeting space and results in lost time waiting for space, sometimes creating interoffice ruffles.
Connecting Experiences through Technology

The Impact of Technology

Most of the technology trends discussed are in relation to collaboration and/or mobile work (connecting remote employees). Surprisingly, many companies want to be mobile and have the right vision; however, the technology is not always in place to support it. For example, many organizations struggle with:

- Provisioning pervasive Wi-Fi
- Digital security concerns (i.e., secure networks, Personally Identifiable Information (PII), lost personal technology)
- Provisioning tools that support in-person collaboration, such as screensharing through devices such as media: Scape, ClickShare, Apple TV
- Widespread provisioning of mobile work tools (laptop, smartphone, tablet, softphone, Bluetooth headsets, etc.)
- Effective reservation technology
- Online collaboration tools (chat, webconferences, Skype/Hangouts/Facetime)
- Presence tracking (CUPC, Lync)

The trend for technology in 2015 expands from just enabling mobile work and collaboration and moves into connecting experiences: connecting devices, connecting services, and connecting people.

Connecting services and devices, such as sensors, lighting, room scheduling, building systems, security, and so forth results in better experiences, real-time metrics, more efficient utilization, and more comfortable, energy-efficient spaces.
Connecting Experiences

The True Meaning of Mobility

Mobility is about more than just BYOD. It is about providing real flexibility, such as “pocket to board room” connections, unified communications for a global, mobile workforce, and greater diversity in collaboration. This impacts office design, furniture, software, and device selection, as well as actual workflow. The benefits of true mobility include: greater flexibility in workforce selection, tailored work environments, better accessibility, and enabling teams of the best people.

Companies (and landlords, too) are seeking facilities that provide more efficient, flexible technology, such as Wi-Fi everywhere, Passive Optical Networks, cellular reinforcement, Bluetooth iBeacon, and distributed antenna systems. Facilities with this technology enables working anywhere (in the office/building), saves space and cost in the server room, supports a greater variety of devices, and enables easier management of services.

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What space works for you?

Real estate is traditionally a static asset. Companies sign a lease and are locked in to a space for between five and twenty years. Great news for landlords and brokers who are looking for a stable and predictable cash flow. It’s less great for businesses, which are constantly growing, shrinking, changing, and evolving. The traditional real estate market forces businesses to make long-term investments and predict needs that will likely change.

For many years there have been numerous options for businesses that are just starting up or opening a new office in a different region. These are still available, but are evolving to be more desirable and customized:

- **Serviced Offices**: Serviced office centers, such as Regus, typically provide a variety of standard office space available for short-term rental/lease to individuals or groups of up to 20 people. These spaces typically include offices and workstations, as well as common area that offers meeting rooms, a business lounge and stocked kitchen area, and reception area.

- **Speculative Suites**: Landlords and developers have long provided spec suites ranging in size from a few thousand to about 10,000 SF as a way to help lease out empty portions of their facilities. Typically, these have been fairly vanilla with offices, a conference room or two, reception space, and a break area. Today, these are transforming into more visually appealing full build outs of flexible office spaces – most of which are highly open and collaborative and designed to be modular, allowing tenants to personalize and refine as they grow and evolve.

- **Subleases**: Many businesses find themselves with excess space due to various reasons. New and growing businesses can often find great deals with ready-to-use space in a variety of shapes and sizes.
Today, the market is expanding to provide greater flexibility for businesses of all types - new businesses, expanding and contracting businesses, and businesses who are experiencing or expecting greater mobile / remote work. Two newer solutions that are being adopted in greater numbers are coworking and LiquidSpace.

- **Coworking**: Similar to serviced offices, coworking facilities typically offer a variety of workspaces and basic supplies. Coworking, however, is designed to attract a mix of individuals for short or long periods of time. This caters to full-time work-from-home professionals, contractors, jet setters, and individuals who just need a break from the office. The cowork philosophy goes beyond simply providing a space in which to work, but emphasizes the creation of a synergistic community that brings together people from various backgrounds.

- **Liquid Space**: Like other services that rely on the concept of a shared economy marketplace (such as AirBnB and Uber), LiquidSpace is a company that enables members to find and book workspaces when and where they need them. This service also allows companies of all sorts to repurpose un- or under-utilized spaces by offering them for short-term use using the LiquidSpace model, whether it be a single desk, a lounge area, a conference room, or suite of spaces.
Endnotes


3. Motivators are factors that can result in satisfaction: recognition, sense of achievement, growth and promotional opportunities, responsibilities, and meaningful work.

4. Hygiene Factors are those which do not promote satisfaction, but if are not present, will result in dissatisfaction: pay, company and administrative policies, benefits, physical working conditions, status, interpersonal relationships, and job security.


15. SHRM Workplace Forecast, May 2013.


RTKL’s Philosophy

As workers change, so changes the workplace. No longer just a place of employment, today’s work environments are a forum for corporate expression, collaboration and communication. The lines between mission and environment have blurred, providing more opportunities for our clients to leverage their workplaces to reach strategic and financial objectives and make deeper, more meaningful connections to their employees and their clients.

Greater need for efficiency and increased attention to effective workplaces is driving the need for consolidation, renovation, and repurposing of property assets. RTKL goes beyond traditional architectural and design services to help our clients manage change in the built environment. Our approach has the power to make a client’s project a stronger, better realization of its business.

Too often, clear and compelling business strategies fail to translate into the real environment. It’s partly about recruitment and retention—providing inviting, comfortable work environments that reinforce values and make employees feel like a part of a larger mission—but it’s also about much more.

RTKL, together with our colleagues at ARCADIS, works with our clients to help define the problem, develop the vision, create a strategy, implement the solution, measure results, and adjust throughout occupancy.

About Jodi Williams

As the senior workplace strategist in RTKL’s Workplace Interiors studio, Jodi Williams brings 15 years of experience in workplace strategy, facility planning, and change management. She leads strategic planning efforts for public and private sector clients, and has been a featured speaker at industry events such as IFMA World Workplace, Greenbuild, and NeoConEast. In her spare time, Jodi enjoys playing patty cake with her daughter, long walks on the beach with her husband and dog, being judged by her cat, and expending excess energy on the soccer pitch.