

# Crafting Workspaces that Enhance the Employee Experience

By 2020, organizations that support a “choose-your-own-work-style” culture will boost employee retention rates by more than 10%.

## Introduction

Social developments, digital business, consumer behaviors and emerging technologies are changing where, when, why and with whom people will work over the next decade. An engaged workforce is pivotal for a successful transformation to digital business. The kinds of workspaces an organization’s leadership provides its workers speak volumes about how they value their employees. Employees who enjoy their physical work environments are more engaged, productive and happy.

The desire to attract the best talent, improve employee experience and increase employee retention presents an opportunity for application leaders of digital workplace programs to work with real-estate and facilities leaders to create inspiring workspaces.

Today, application leaders who understand the changing business context of “office space” are better able to respond to technology service demands — network access, mobile applications, digital signage and so on — while contributing to a more-engaging employee experience. Digital workers can literally work from any place and at any time. IT is the technology enabler; the real estate/facility management (RE/FM) teams drive the design of the space. All are working toward a shared business outcome that cannot be realized unless they pursue it together.

In this Research Note summary we look at the impacts and provide recommendations for leaders responsible for enhancing employee effectiveness as part of digital workplace programs.

## Considerations and Recommendations

**Consideration 1: Include well-designed workspaces in digital workplace programs to attract talent, inspire creativity and increase collaboration**

Space design has a powerful impact on the people who occupy it. The physical attributes of space can encourage behaviors such as collaboration and creativity, or discourage them. Only 11% of respondents to the 2017 Gartner Digital Workplace Survey said they were completely satisfied with their workspace.

Leaders responsible for digital workplace programs can create greater employee satisfaction by incorporating the principles of activity-based working (ABW) into their workspace design. ABW provides people with a choice of work settings — choosing whatever type of space fits what they are trying to do, as well as their personal preferences.

Digital workplace leaders who identify the work styles of their employees will be well-positioned to take advantage of this trend. This is an opportune time for IT leaders to work more closely with RE/FM leaders to create a shared charter for IT and RE/FM.

### Smarter workspaces

- Technology forces such as IoT, AI and AR/VR are introducing a myriad of new possibilities for digital workplaces leaders to create smart workspaces and smart buildings.
- Digital workplace leaders can facilitate integration of the information from such building and facilities technology into an exceptional employee experience.

### Space-based technology requirements

- Different types of meeting space have different IT requirements.
- Analyze the various kinds of meeting spaces within the organization and equip them with the right technology.

### Digital signage/screens

- Offer digital signage as an element of digital workplace services.
- Embedding visual communication capabilities as part of a more modern, dynamic workplace can lead to better employee communication and experience.

### Improve IT support/perception

- Introduce a visible presence for IT such as a “genius bar” to make IT more approachable and responsive.
- A walk-up service can elevate the relationship between employee and IT.

### Unified communication needs

- Interactions need to support remote workers.
- Deliver continued investment in technologies such as unified communications and collaboration (UCC) and group video to support collaborative workspaces and facilitate collaboration with third-party partners and vendors.

### Integrated workplace management systems

- Harness the partnership with RE/FM leaders to determine an integrated workplace management system (IWMS) vendor that meets the requirements for smart and cost-effective operation of the facilities.

### New procurement skills

- Encourage new skills development by having IT leaders work with new types of vendors such as those for furniture, digital signage, architecture and design firms, IWMS, and resource scheduling.

### Consideration 2: Remote working trends and accounting rule changes increase the need for synergy between application and RE/FM leaders

#### Increase in remote working

The increase in remote working is a global phenomenon and as interest increases, digital workplace leaders need to make sure that remote workers can easily find and reserve the kind of workspace they require when they do go into the corporate office. Working with RE/FM colleagues, they can support a mobile workforce with a smaller real estate footprint and no loss of productivity.

As part of continually re-evaluating how space is used, RE/FM professionals are exploring more dynamic subleasing arrangements for unused space. Use of shared workplace or co-working spaces is not restricted to freelancers, individual business executives and fast-growing startups; it includes employees of large enterprises.

#### Changes to accounting rules for lease transactions

FASB/IASB accounting changes due to take effect on 1 January 2019 will radically change accounting for operating leases and affect almost every organization, especially those that lease real estate. These changes will effectively do away with the

traditional off-balance sheet operating lease for terms longer than 12 months, and will require that they appear as liabilities on the balance sheet. For listed companies, specific assets that will be most affected by these accounting changes include corporate real-estate holdings that are often financed via an off-balance-sheet operating lease.

This accounting change serves as a catalyst for corporate RE leaders to urgently seek cost-saving opportunities and, in the long term, to revisit or even overhaul their RE management strategies. RE/FM leaders are already making investments in technology to create smarter, more efficient buildings. Digital workplace leaders need to actively engage with them to ensure that the business outcomes that are fundamental to the RE/FM business case can be addressed with the communication infrastructure.

### Right technology and amount of remote work

- Enabling remote work requires significant technological investment.
- IT leaders need to reassess mobile and endpoint strategies, the foundation for which must be the concept of unified workspaces.
- Technologies and services must securely deliver the right applications and data to the right user, on the right device, at the right time and location.
- IT and business leaders must determine how much remote working their organization can handle, as well as ensure that the culture and the technology infrastructure can support it.

### Managing the workspace with mobile workers

- Remote workers must be able to find the resources they need at their corporate location.
- IT needs to work with RE/FM leaders to determine remote workers' requirements and deploy resource scheduling tools to provide an optimal employee experience

### Data-based space planning

- Leverage the utilization data from RE/FM tools such as IWMS and resource scheduling to design your future workplace.

### Combined user segmentation modeling

- RE/FM leaders need to classify workers based on how often they are in the office and what they do when they are there.
- All organizations should have a single, evolving user segmentation model, developed and applied by all shared service organizations that contribute to the employee experience.
- IT should draw on data such as usage of mobility and conferencing services as well as device assignment, to help inform user segmentation modeling.
- Using techniques such as journey mapping and persona development will help to understand who is using which spaces and for what activities.
- Developing these competencies needs to be a shared activity of IT and HR with RE/FM.