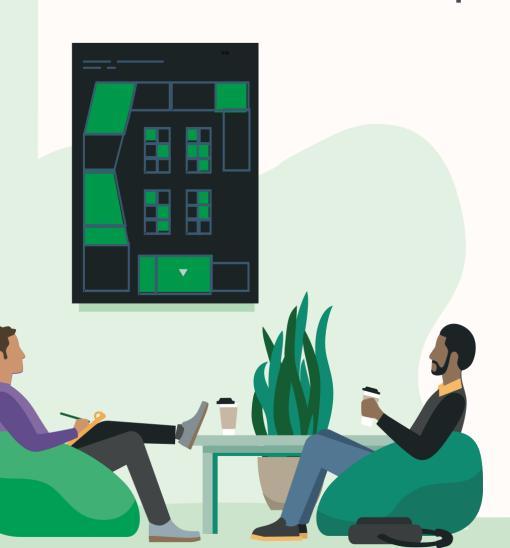
Your guide to a flexible workspace



Finding the best balance of fixed and flexible space for your office



Robin

What's inside

| What to expect | 3 |
|---|----|
| Introduction | 5 |
| What is a flexible workspace | 9 |
| Experience and activity-based space | 10 |
| Why flexible workspaces work | 11 |
| How to implement flex space | 12 |
| Square feet per person | 13 |
| How to determine your office layout | 14 |
| Communication | 17 |
| What flexible space can lead to | 18 |
| A quantified work environment | 19 |
| A flexible organization | 20 |
| Herman Miller: Five responses to flexible workspace | 21 |
| Conclusion | 22 |

What to expect

Open floor plans are a productivity drain when activities are not supported.

Comprehensive workplace research has shown that open floor plans increase distraction and reduce privacy, robbing personnel of productivity and well-being.

Improved sense of mission is the one bright spot in a welter of bad news about this office trend. While serendipitous "casual collisions" between coworkers are sought after by innovative companies, many tasks require focus without interruption.

Flexible workplace = a mixture of different environments + individual choice

In a flexible workplace, individuals and teams can choose different work environments depending on the task at hand. Some environments, like conference rooms, are booked through a reservation system, others are open.

- Flexible workspace is also called unassigned space, or activitybased space (ABW)
- Features include: well-lit collaboration space, "cafes" for people who work best surrounded by chatter, and work pods and "libraries" for those who need quiet to focus.

Allowing individuals the opportunity to select the environment they work in leads to better outcomes

Choice of work environment led to workers who performed better, believed more in their company's innovativeness and were satisfied with their jobs and their workspaces.

Square feet per worker industry benchmarks are no longer relevant

Workplace design should not begin with a conversation about what is expected in an industry, but rather with a conversation about company culture and mission—what is valued and how it gets done.

These questions, which can come down to the department and team level, should determine workplace design and the mix of assigned and unassigned workspaces. The interplay between company culture and its workspace is now adaptable.

A flexible workplace provides new insights into best practices

Managers are using a combination of data provided by scheduling systems and insights to learn how workspaces are used and how they can be improved. Data is also visible to individuals, giving end users autonomy to move throughout the office.

Critical values: communication, visibility, and adaptability

An organization must communicate effectively about the purpose of its designed workspaces, and about how they're used. When use diverges from expectation, adaptations are needed.

Guide to a flexible workspace

Introduction



Robin

Open floor plans, unlimited vacation. It seems that the perks of the 21st century, post-WeWork office space were a trap. Especially the open floor plans. We read about how Mark Zuckerberg, the CEO of Facebook, sat at an open desk like any other employee of the company.

This was supposed to deliver transparency and a more decentralized organization. Instead, in many cases, it brought complaints of noise, inability to focus, self-consciousness. And then there was the constant noise from the ping-pong table.

Study after study has shown that open floor plans are a productivity drain.
"Enclosed private offices clearly outperformed open-plan layouts in most aspects of IEQ (Indoor

Environmental Quality), particularly in acoustics, privacy and the proxemics issues," write the authors of one study that encompassed 300 workplaces and 40,000 workers.

"Benefits of enhanced 'ease of interaction' were smaller than the penalties of increased noise level and decreased privacy resulting from openplan office configuration." Headphones are no remedy for "visual noise," i.e., activity or movement in an individual's peripheral vision, the authors note. Their research doesn't stand alone.

In one 2011 survey, the author reviewed more than 100 studies about open office environments, finding that while they did boost employees' sense of their organization's mission, they cut



short attention spans, hurt productivity, hampered creative thinking, damaged satisfaction, reduced motivation and increased stress.

These findings should not be surprising: another body of research has demonstrated how interruptions hurt productivity and poked holes in the notion of "multitasking."

In one study, participants performed 20 percent worse on a test when interrupted; in another, interruptions caused 96 percent of essay writers to produce lower-quality work.

This does not mean a return to high-walled cubicles and private offices. Firms are looking for new ways to manage unpredictable talent needs amid rapid changes in technology and markets. Not only desk partitions, but leases themselves are becoming more flexible. WeWork, a pioneer of short-term leases and flexible floor space, now touts itself as Manhattan's largest office tenant. "Flexible," in WeWork's case, means flexible leases.

Not all of its tenants are startups. The commercial real estate firm Jones Lang Lasalle pegs the amount of WeWorkstyle flexible space at five percent of office space today, and projects it will go to 30 percent in the future.

WeWork's growth is both an effect and a cause of employee demands for flexibility on how they work.

Companies take advantage of its flexibility, and exposure to coworking and a more agile approach to real estate engenders a desire for more flexibility.

WeWork may be suitable for the quick spin-up of a new office, but eventually companies establishing new locations want to impart their satellite offices with a dose of culture from the mothership.

"There's a new way of working that expensive workspaces built out 10 years ago don't meet the needs for. Consumer technology has set the new bar for what the workspace should be."

Raymond Cheng, Head of Marketing at Convene

Many companies look to emphasize a culture of openness and information flow. For example, some organizations look for ways to enhance accidental collisions of people and ideas, reason being that interruptions are often catalysts for valuable new ideas.

For companies looking to make innovative investments in the workplace, hot desking and desk hoteling, the practice of sharing desks in an office, allow companies to create more space for different types of activities, including quiet focus areas, without having to procure new real estate.

Flexible floor plans with unassigned space and activity-based working emphasize individual choice as to the location and setting of work. Flexible workspace provides options geared for various work modes -- well-lit spaces with whiteboards for collaborating, large open rooms for people who work best surrounded by chatter, and work pods and "libraries" for those who need quiet to focus.

In a mixture of coworking, assigned space and flexible workspace, new and

potentially transformative ways of working and organizing firms are emerging. When personnel choose their workspace, their choices provide data that can support a quantitative analysis of how people work best.

This kind of organizational transparency guides decisions not only about where to place desks, but where to locate offices, how to organize teams and what kinds of talent are needed to win.

Guide to a flexible workspace

What is a flexible workspace



Robin

While some companies go all-in on hot desking, open floor plans or other office layout options, more companies are employing a mixture of different environments that some are calling "flexible workspace." Also known as activity-based working, it's often a mixture of assigned desks and unassigned spaces. Unassigned space can be open or bookable through an online reservation system. That can include "hot desks"--unassigned desks that are open or may be booked in advance. It can also include space that is tailored to a specific experience.

Such experience-based space often includes focus rooms designed to foster quiet work, for example, or collaboration rooms, brightly lit, with plenty of whiteboards. Company social areas, like kitchens, are often placed more centrally, and include cafe-style tables where people can work solo or gather for informal meetings.

Alchemista, a Boston based startup whose mission is to ideate and amplify tech company culture, reimagined a client's office and planned designed a quiet focus space--not solo pods, but a place where people would work quietly, together. "We designed a library room," Christine Marcus, Cofounder and CEO, said, with an "industrial library" aesthetic where employees could still be around other people, they just don't want to hear anybody talking. It's this attractive physical space to be in, it's a cool vibe, but nobody's in there to talk -- much like the quiet car on trains."



The library room designed by Alchemista.

Why flexible workspaces work

Flexible space is supported by the idea that allowing individuals the opportunity to select the environment they work in leads to better outcomes. The design and architectural firm Gensler found as much in a survey of knowledge workers, published in 2014: choice in-office and out-of-office led to workers who performed better, believed more in their company's innovativeness, and were satisfied with their jobs and their workspaces.

everyone. That may be the reason why flexible space is effective: it allows people to select the environment that works best for themselves, their team, and their task.

Engineers prefer quiet focus, for example; customer-facing functions often thrive in a noisier, open environment, where a sales representative can overhear and borrow ideas from the pitch her neighbor is using.

"Workplace choice is just one part of a broader culture of autonomy," co-CEO Diane Hoskins wrote. "With the support of organizational policy, and the right alignment of tools and technology to optimize productivity, it allows workers to optimize their own job performance, leaving them more satisfied, motivated, and creative – exactly the sort of employees you need to deliver high performance."

"The reality is even within seemingly similar groups of people you're just not going to get the same preferences. No one's work is going to be totally homogenous. The key is in designing for a range of preferences. For human beings, that's the whole spectrum.

Really building in flexibility and choice whenever possible."

JD Peterson, Chief Growth Officer at Culture AMP

It may seem obvious, but it's impossible to design a workplace that will please

Guide to a flexible workspace

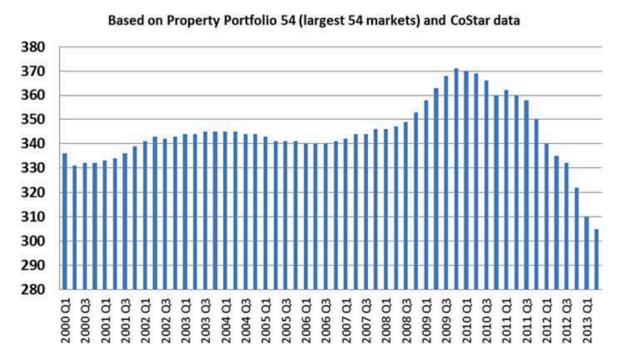
How to implement flex space





When you say the word "benchmark" in commercial real estate, everyone knows what you're talking about: it's the number of square feet you need per employee. Each industry has had a different number, and across many industries, this benchmark has been declining for some time: a recent study found an approximately 20 percent drop over three years in actual square feet per employee; and surveys in this decade have predicted many US offices will be below 100 square feet per employee by 2018.

Its decline reflects changes in the way people work, but it's the existence in the first place speaks to one of the top considerations for most companies with a traditional floor plan: how to accommodate the most amount of people in the smallest amount of space. For managers considering the world through this lens, the cubicle farm and the open floor plan were welcome innovations.



US space per worker trends in square.

"We are moving away from an area in which we measure success by industry benchmarks. If your ultimate objective is to support the people in your organization, then your conversation needs to start with people, not with industries."

Joseph White

Director Workplace Strategy, Design, and Management at Herman Miller

Different people work differently,
Joseph White, Director of Workplace
Strategy, Design, and Management at
Herman Miller. explained. To get office
layout right, managers need to
understand how people work in their
organization:

- Is it a formal or informal environment?
- Is there an emphasis on collaboration?
- Is business done in person or over the phone?
- Do people put in long hours in the office?

Guide to a flexible workspace

• Where do the best new ideas originate?

These unique work
patterns vary by
geography, industry,
company, department,
and team. Ultimately they
come down to preferences and
habits at the individual level.

"Those factors shape pretty much everything about the physical environment, about their management structure and about the tools that they use," White said.



White and colleague Nathan Glotfelty, Herman Miller's senior program manager for Living Office, helped a client renovating its office space. In the middle, a more open space housed cubicles and desks for middle managers and contributors, as well as common areas like the reception area and kitchen.

The executives almost never met by chance, the type of chance and casual collision that stimulate innovative thinking. The company worked out a plan to push executives into more physical proximity with each other, while still allowing them to continue to have access to privacy The executives agreed to move out of the closed office and into the open floor plan at the center of the building, with a suite of "havens"—private offices that are unassigned and bookable by anyone—right behind them, where their old assigned offices used to be.

"Culture eats strategy for breakfast," people often say. MIT psychology professor Edgar Schein put it more precisely, albeit less punchily: "Culture determines and limits strategy," he wrote.

For the modern company that invests in its workspaces strategically, these principles are central to the thinking that justifies that investment. Flexible or not, there's work to do ahead of time before deciding what balance of flex and fixed workspaces is best for an organization.

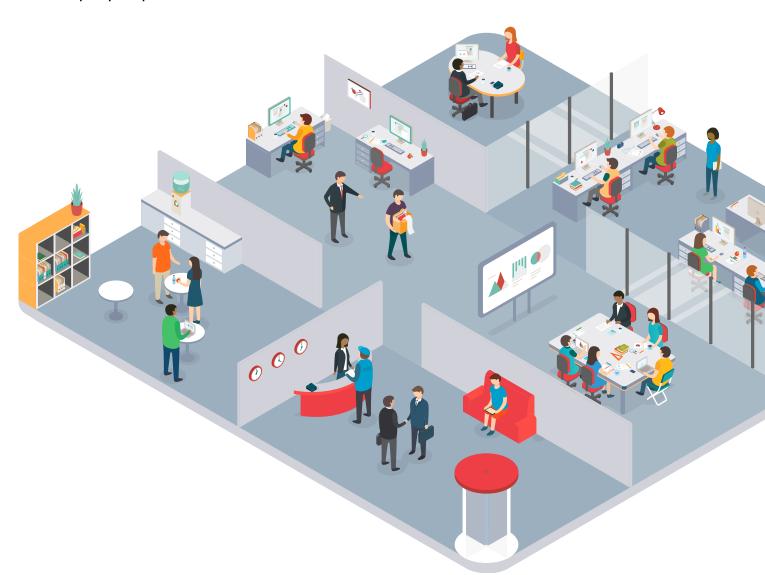
Among other things, culture includes how people work best, as well as their stated preferences and known habits. It starts with management acknowledging the needs of the employee and the nature of the industry. An engineer has different needs from a salesperson. An insurance company or a bank has different needs than a nonprofit or a startup.

In designing office environments for its clients, Herman Miller uses a map of eight different characteristics that helps it understand these elements of corporate culture.

"They help us articulate how I would interact with an environment differently compared to how you would interact with an environment," said White.

Often, these conversations help prevent a fad from taking over a workspace. There may be a legitimate desire for more flexibility, but there are probably many people in any office who have a legitimate need for a fixed desk. Engineers with specialized equipment would be an obvious example, but the needs may vary by company, department, team and

individual. Often, the right answer is a mix of assigned and unassigned workspaces.



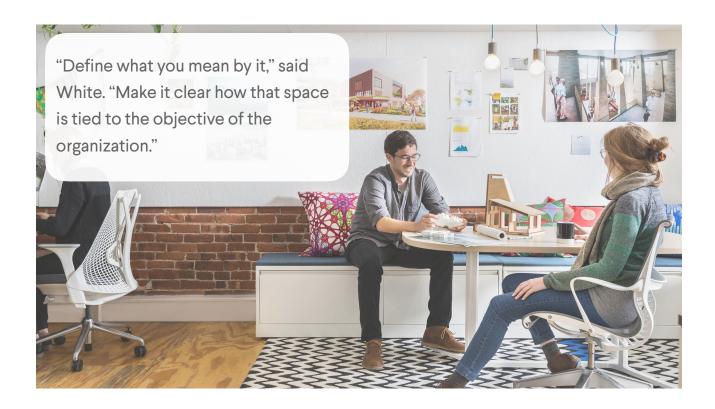
Communication

Before asking people in an organization to make choices as to how their workspaces will be used, an important first step is to ensure people understand how management intends them to be used--and what kinds of feelings and values they are intended to convey to people both inside and outside the organization.

Some people, even most people, may disagree that the workspace lives up to its intent, but communicating that intent is the first step toward having that dialog.

Communication also means making sure people know what options are available to them. Herman Miller handles practical examples of this kind of optionality.

As their clients look to implement flexible working arrangements, scheduling software provides the ability for employees to know what options are available and make their selections.



Guide to a flexible workspace

What flexible space can lead to



"One of the benefits is when people test out new ways to get the job done," says White of Herman Miller.

The designer of iconic office furniture has devoted significant effort to understanding how workers react to different office environments. One of the most positive reactions they've identified is a tendency in some employees to explore different work environments and ways of working. In trying new spaces at work, these explorers also learn the ways their teammates work best.

Some people absorb new ideas visually, and do their best work with colleagues in front of a whiteboard.
Others need time to read, and do their best work in a quiet space. Some teams may find they make progress in long, free-wheeling conversations in a relaxed setting.

In flexible workspace environments, the explorers Herman Miller has identified will learn what works best for themselves and their co-workers, by trying these different environments, and their teams will perform better as a result.

A quantified work environment

Technology becomes another tool to manage that relationship: monitoring which spaces are used and which sit idle, for example. Sometimes it's noticing that certain spaces are heavily used, but not in the way intended--like the boardroom that's home to a flurry of two-person huddles. This data can be powerful tools for managers, but also for proactive individuals. People who wear fitness bands and use productivity applications are no strangers to the idea of a quantified self, a method to collect data on specific aspects of your daily life. Many will know how to use data that informs them about how they work and collaborate. Slack, a popular instantmessaging tool, knows this, surfacing to its users analytics showing the channels they use most frequently to communicate with co-workers.

Information by itself is almost never adequate. Data that doesn't translate into action quickly becomes data that is ignored. It's why Robin Powered works to translate data on office space use into actionable insights, delivered in plain language. Whether you are distilling patterns from conference

usage, or surveying employees to pick conference room names, it's important to focus energy on data that you can act on. Otherwise, you and everyone else are likely to become quickly fatigued with the information exchange and begin to ignore it.

A more flexible organization

Once that value has been communicated, management must be willing to change and adapt.

"There's a flow component," says Convene's Raymond Cheng. This adaptable model is in contrast to the old model, in which companies signed a 10 to 15 year lease and hired an office designer to design an environment that would suit their organization for the duration of it. Now, in some of the companies that use Convene's meeting facilities, the layout and looks of an office space are a moving target.



In research published in 2016, Herman Miller identified five responses to flexible workspace. Two are positive, and indicate people are thriving in the unassigned environment. They are:

- Explore: I move throughout the workplace to work in settings that support my changing needs,
- 2. **Network:** I move a lot so I can learn from others and grow.

Three are negative, and indicate people are finding ways to cope with the unassigned environment--either unassigned work points aren't a good fit or they haven't been integrated appropriately.

"There is a relationship between the physical space and the way people interact with it and how they work. It's a living relationship. It's not something you can put in place once and expect to last the duration of your lease. It's something that needs to evolve continuously as the people and the things that you do evolve."

Joseph White

Director Workplace Strategy, Design, and Management at Herman Miller

- Hoard: I save resources just in case I need them,
- Occupy: I band my team together and create an unofficial territory,
- 3. **Anchor:** I seek out the same spot everyday because I like it and am used to it.

According to Herman Miller, negative behaviors go beyond the people who exhibit them; they also degrade a potentially beneficial experience for those whose roles are better aligned with an unassigned work situation.

Surveying people for information about their opinions and their activities, or asking them one on one, are methods attentive managers use to make

> sure the workplace is supporting an organization's culture and mission.



Conclusion

Given the way past workplace innovations like the open floor plan and the cubicle have gone negative or been co-opted by managers zealous to save on facilities costs, it is reasonable to view flexible workspace through a skeptical lens.

In many implementations, it may fail. But even in instances of failure, the transparency and adaptability of flexible space may make it a winner in the end. When conference rooms are overbooked, and nobody's using the nap rooms, it's hard not to see what needs to be done. With that in mind, here are a few takeaways from the professional insights and research assembled here.

Looking to find the right balance of flex and fixed space for your office?

Robin can help.

Schedule a demo today.