# People-first:
## Reimagining the office space post-COVID

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# Intro

When offices were forced to shut down to stop the spread of Covid-19, people simply adapted. Removing the commute to the workplace, white-collar workers found that with a laptop, table, chair and WiFi, they could carry on regardless.

Now it is deemed to be safe to return to the office, not everyone is greeting the prospect with a high degree of enthusiasm. Many workers enjoyed being free of the commuting shackles and preferred the impersonal home office.

It begs the question - do we actually need offices at all? Why pay for the expensive rent and business rates, and force employees to spend significant proportions of their salary on commuting?

Will the office become a relic of the past?

The answer is an emphatic no. There is still a desire among business owners to have a physical base for their staff. But the success of home working and the high demand for a new hybrid way of working means that old certainties are being challenged.

More relevant questions now are: Should the role of an office change to suit a more flexible workforce? What does this mean for office design? What impact does the physical workspace have on employee engagement?

This white paper will look at all these questions, starting with the all-important debate on why we need offices in the first place. Some content is drawn from our webinar[1] featuring Andrew Heath, CEO of WeThrive, and Rob Day, CEO of BluePrint Interiors, in which they discuss the fundamentals of a successful return to the office.

But first back to basics…
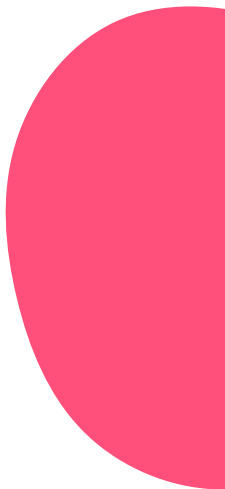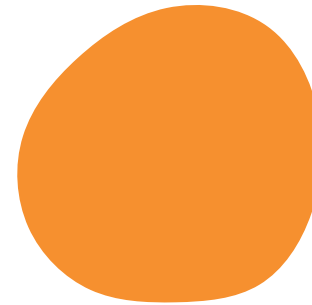
# What is an office for?

It is a question that, traditionally, few people have even bothered to ask. There has always been an unchallenged assumption that a business or organisation needs an office to function. How else could the essential administration and business generation be achieved otherwise?

The simple answer has always been that it is the location where vital processes are performed. A business needs people to work on the financial accounts, look after HR and staffing issues, make sales, ensure that contracts are fulfilled, offer customers services, market the company and many other tasks which keep the business's cogs turning.

Global insight company, McKinsey[2], recalls the prevailing perception of an office's role:

> **"Before the pandemic, the conventional wisdom had been that offices were critical to productivity, culture, and winning the war for talent. Companies competed intensely for prime office space in major urban centres around the world, and many focused on solutions that were seen to promote collaboration. Densification, open-office designs, hoteling, and co-working were the battle cries."**

But that was then. Now it is clear that most, if not all, of these functions can be performed remotely.

In fact, the role of an office was being challenged long before the pandemic, albeit with less urgency. The technologies we used during lockdowns, such as video conferencing, have been with us for many years.

Now the case for the office has switched from being a practical necessity to arguments based on culture and a sense of belonging.

Simon Lovick, from Business Because (an information service for business school applicants), notes that: "Offices are important spaces for reflecting and emphasising a company's culture or brand. Without this physical meeting place, companies are just disparate collections of employees, who may work together but have little in common. That could be bad news for innovation."[3]

Michael Colacino, president of real estate brokers SquareFoot, emphasises the importance of offices in building company culture: "There's a contract between you and the company about where you fit in the organisation, and part of that is where you fit in the space. What does taking away the office say about your commitment to that employee and then their reciprocal commitment to your company? It sounds like it's less of a commitment."[4]

An office provides the space for interaction between colleagues and with managers, which is vital for building bonds and shared goals. Human interaction is a basic need. A strong network of support fosters both emotional and physical health.

An organisation grows through the collective action of its members, so the more connected they are, the stronger the organisation will be. Happier people deliver better results.

Engaged employees are more productive and committed to their work, but has the working from home experience demonstrated that the role of the office in achieving this is overstated?

McKinsey challenges the assumption that the pandemic-induced working from home experiment can automatically create a long-term solution. It suggests that it worked so well because it was a short-term project.

It poses the questions:

- Is it possible that the satisfaction and productivity people experience working from homes is the product of the social capital built up through countless hours of water-cooler conversations, meetings, and social engagements before the onset of the crisis?

- Will corporate cultures and communities erode over time without physical interaction?

- Will planned and unplanned moments of collaboration become impaired?

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- Will there be less mentorship and talent development?

- Has working from home succeeded only because it is viewed as temporary, not permanent?

A recent survey of senior-level global real estate executives by CBRE Research[5] found that 100% of respondents believe an office:

- Provides a place for a company to reflect its brand and culture

- Provides a place for employees to experience community and social interaction

- And 87% of executives think that an office:

- Provides a place for the company to engage and attract talent

You could say that real estate professionals would inevitably promote the benefits of an office, but the survey also highlighted the recognition that offices had to change, with 56% considering more use of flexible office space, and 82% indicating flexibility is a desired attribute as they select buildings to lease in the future.

As well as encouraging collaboration, interaction and a sense of belonging, the office is also a driver of innovation. Sitting in isolation at home is not conducive for bouncing ideas around or finding moments of inspiration from a chance conversation.

Costas Markides, professor of strategy and entrepreneurship at London Business School, argues that, "Innovation happens when people run into each other, not in planned meetings, but by chance."[3] An office creates those spontaneous sparks of creativity.

The answer to what is an office for can be found in a simple yet stunningly effective quote from Professor Charles-Henri Besseyre des Horts of the HEC Paris business school:

> **"I often say the coffee machine is the best knowledge management tool you can conceive of."[3]**

Standing next to your kettle at home just doesn't have quite the same effect!

# Why does the "traditional" office space need to change?

While an office can provide a sense of belonging and a community, as well as being a hub of innovation, it is important to emphasis the word 'can'.

An office can be a soulless place and, in the worst cases, a barrier to creativity and engagement.

Unfortunately, there are far too many depressing and dreary offices, so it's no wonder that so many people have dreaded returning to the old routines.

Quite simply, many offices have become stuck in the past, like the dated set-up in The Office sitcom. Mark Dixon, CEO of IWG (International Workplace Group) comments: "In 15 years' time, if you show The Office to a young person, you'll have to explain to them what that setting is. It'll be a bit like old movies set on steam locomotives."[6]

The open-plan office has been with us since the opening of the Larkin Administration Building in New York in 1906, designed to be like a factory with few walls.

The factory influence is telling. Former Newsnight presenter Jeremy Paxman made the point that the open-plan office tells workers what their bosses think of them – that they are interchangeable and there to fulfil a mechanical task.[7]

Rob Day CEO of BluePrint Interiors believes that open-plan is probably the worst phenomenon ever to hit the office.

He says, "Many offices have the classic system of rows and rows of desks in very large floor plates, and the businesses are scratching their heads when people don't really want to come back to this. People want to come back to something better.

"You see the lowest common denominator now. In places like Canary Wharf where you've got incredibly highly paid intelligent, sophisticated workers, sitting in exactly the same environment as a call centre worker in the Don Valley in Sheffield.

> **"The return to the office needs to be more than that. Far more than just sitting at a 'battery farm office' with the workers pecking away at their keyboards like distressed chickens. We believe in free range human beings."**

Rob stresses the need to put the needs of people first:

> **"People are an organisation's most important asset, so why wouldn't you want to give them the absolute best resources you can. You need to understand what people really need. I don't mean all the nice things like fresh fruit on the kitchen counter. They're great but that's not what people really need."[1]**

Rob's starting point when designing an office is the concept of "Human Givens"[8], which defines our nine

essential emotional, physical and mental needs:

- Security — safe territory and an environment which allows us to develop fully

- Attention (to give and receive it) — a form of nutrition

- Sense of autonomy and control — having volition to make responsible choices

- Feeling part of a wider community

- Emotional intimacy — to know that at least one other person accepts us totally for who we are, "warts 'n' all"

- Privacy — opportunity to reflect and consolidate experience

- Sense of status within social groupings

- Sense of competence and achievement

- Meaning and purpose — which come from being stretched in what we do and think

To put this into practice, Rob uses WeThrive surveys with his clients to uncover what their people truly need to be healthy, happy and productive. Unique to WeThrive, the 4C employee experience model wraps core ideas from Human Givens to provide practical outputs for business leaders and line managers. See the 16 key factors that affect the way we work below.

Not all of the above can be satisfied through the design of a physical space, but by paying attention to these concepts, a workspace can be created far more sympathetically.

The traditional open space office is hardly conducive to these 'givens' or needs. They can be noisy, impersonal, and lacking in privacy and security.

Rob cites the example of safety:

> "People need to feel safe and not feel threatened. If you have your back to a busy corridor, there is an impact on your peripheral vision, making it impossible to concentrate. If you are working in a busy call centre and all you can hear is phones and other people talking, that's going to constantly trigger the primitive part of your brain that triggers the fight or flight syndrome."

Not all offices are impersonal rows of desks, but most could be significantly improved by placing human needs at the top of the agenda. And now the barriers to flexible working have been breached, employers will need to ensure the office is an attractive proposition.

## Get your first 10 people free with WeThrive and ask the questions that really matter so you can create a people-first office environment.

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# How do we create a more agile office space?

According to a survey by The Centre for Economic Policy Research, 59% of people now favour some form of hybrid working.[9]

The results are by no means unusual, several similar surveys demonstrate a real appetite for ongoing flexible working. For Rob Day, this fundamental change to working dynamics demands a fresh look at workplace design.

He says,

> **"The office belongs to everybody, including the people who come in and visit us. It needs private spaces, focus spaces, social spaces and collaboration spaces, empowered by technology. These are not institutional spaces, these are spaces for human beings."**

The future of the office is agile. But what does this actually mean?

WeWork was founded in 2010 with the vision to create environments where people and companies come together and do their best work. They believe a flexible workforce needs a flexible office layout to match. Enter the agile workplace.

WeWork defines an agile workplace as: "A type of work environment designed around complete flexibility. Unlike a traditional office—where employees are permanently assigned to desks—an agile workplace encourages workers to move freely around the office, making use of whichever space suits their objectives at that time.

> **"There's a physical aspect to the agile workplace. Agile office design is about providing workers with a variety of useful spaces where they can feel at their most productive. But agile is also a way of getting work done. As a concept, agile working is about choosing where and when you do your best work. An agile workplace supports this idea, boosting collaboration, unlocking creativity by removing physical barriers between teams, and ultimately improving employee happiness."[10]**

An agile office is achieved by the creation of distinct zones.

- Open-plan spaces. Hold on. Weren't open plan offices the epitome of poorly thought-out design? In many cases, yes. But a sensitively designed open area is required - as an option. Many people like the idea of a sociable work area.

- Quiet zones. To escape the noise and distractions of the open-plan area, a variety of peaceful areas are required. They can be sound-proofed booths or areas where phones are excluded, or even a space for meditation.

- Breakout spaces. Places to relax away from screens - some communal, some more peaceful.

- Resource areas. The area where you can access printers, scanners, recycling bins, and office supplies.

- Touchdown spaces. WeWork also advocates informal parts of the office designed for short bouts of productivity. Somewhere people can send an email or make a call.

Another way of describing new physical work spaces is "Centres of Gravity", as described by Mike Walley, Senior Director at Criteo.

He describes the office as a place, "Where we go to refresh our connection with the company brand and connect with our peers. But we don't go there to create work products. So instead of a place of resources, offices become a centre of gravity.

> **"Offices will become physical manifestations of the company. Places to drop in, drop out, connect, and recharge."[11]**

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The agile office has coined and prompted another word to enter the zeitgeist - 'resi-mercial'.

The BBC website profiled a company, LendingTree (an online loan marketplace headquartered in Charlotte, North Carolina), which has embraced the concept. The company's office has been designed to include environments that mimic working from home.

The idea is to blend a residential and commercial feel. Jill Olmstead, LendingTree's chief human resources and administration officer, says, "The idea is that it's comfortable, and you want to be here as much as you want to be at home."

**"People wanted places they can collaborate in different ways: booths or areas to sit down and have a cup of coffee. Lounge spaces to sit and talk. Traditional conference spaces. Places introverts could get away. Gathering spaces for people to come together in an informal way."6**

Perhaps this is the blueprint. Rather than work from home, make your office feel like your home!

## So how do you create an agile office?

Rob Day has outlined five things to consider when creating a people first environment

1. Put your people first - help them fulfil their potential and they will fulfil your business potential for you

2. Understand what they need at a root level - human needs

3. Creating a culture of trust and empowerment needs the right building environment

4. Make it safe and compelling

5. Remember that the change process is an evolutionary one

# How do we reconnect/engage employees with the office?

In the short term, the priority is ensuring the office is a safe space, specifically in terms of mitigating COVID-19 transmission risks.

After almost a year and a half of dealing with the pandemic, many have COVID fatigue and are desperate to return to normality. But the pandemic hasn't gone away, and even with the prospect of reduced severity in the double-jabbed, getting the virus can still be a horrific experience.

In this light, many are still hesitant or even fearful of returning to busy indoor spaces. To protect employees, every precaution should be implemented.

The government advice[12] recommends that organisations:

- Complete a suitable and sufficient assessment of the risks of COVID-19 in the workplace

- Identify control measures to manage that risk

- Provide adequate ventilation through doors, windows and vents

- Use mechanical ventilation but avoid systems that only recirculate air and do not draw in a supply of fresh air

- Identify any poorly ventilated spaces and take steps to improve fresh air flow in these areas - a CO2 monitor can help assess whether a space is poorly ventilated

- Encourage use of outside space where practical

- Identify any areas of congestion in your venue

- Reduce the number of people each person has contact with by using fixed teams or partnering

- Use screens or barriers to separate people from each other, or implement back-to-back or side-to-side working, instead of face-to-face

- Maintain regular cleaning of surfaces, particularly surfaces that people touch regularly

- Enable workers to work from home when required to self-isolate

In the longer term, businesses and organisations are faced with the challenge of selling office life to their people. It is no longer a given that everyone needs to be based in a single physical location. Employees have tried working from home, and many preferred it. Most would like to work from home for at least part of the week.

The starting point is finding out how your employees want to work in the office in the future, and the most effective way to find out exactly what their needs are is with an employee survey. To meet the demands on the new ways of working, you first need to know what your employees are thinking.

Employee engagement isn't free coffee and gym memberships. True engagement comes from meeting the underlying needs of your workforce and giving managers and employees the tools they need to develop and thrive. This also applies to the relationship people have with the physical workspace.

Company culture permeates all aspects of working life, from how people are managed to how people interact with the office space. Understandably, much employee engagement activity is focused on interpersonal relationships. The recent WeThrive blog on employee engagement best practices[13] outlines the importance of developing communication, feedback, trust and empowerment. These are all vital components, but the impact of the physical environment should not be underestimated.

Not every business can create a full blown 'resi-mercial' experience but there are ways you can help people engage with their surroundings.

Ask your people which features they want in an office. Try the WeThrive culture health check to really understand your teams' needs and concerns. Don't just ask them once. Listening to your people is an ongoing commitment.

1. Mix it up. Some people thrive in busy, vibrant workplaces. Others find it is too distracting. Ensure there are quiet places where people can concentrate.

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2. If possible, allow flexible starting and finishing times. Many are apprehensive about being in a busy office or commuting on packed trains and tubes. Flexible working allows people to avoid the peak rushes.

3. Ensure the office minimises COVID risks. Following government advice guidelines is recommended, and be vigilant in keeping people informed about your COVID-19 policies.

4. Remember people spend a lot of time in the workspace. Take some time to think about how you can make it a comfortable, safe and a pleasant space to be in.

The pandemic has been a trying time for all of us; for some it has been devastating. But in challenging times, sometimes there are positive changes. In years to come, we may look back on the start of the 2020s as the time when a revolution occurred in office design, and we will wonder how we ever put up with such inadequate workplaces.

## Get 10 people free and discover what your employees need from a people-first office today.

**Get 10 People Free**

# Endnotes

1          We Thrive webinar, August 2021, <u>5 Steps to a people-first return to the office</u>

2          McKinsey and Company, Article, 8th June 2020, <u>Reimagining the office and work life after Covid-19</u>

3          Simon Lovick, Business Because, Article, 25th March 2021, <u>What Is The Future Of The Office?</u>

4          Linda Rodruiguez McRobbie, Organizations & People, Article, 1st September 2020, <u>What is an office now?</u>

5          CRBE, Research, Autumn 2020, The Future of the Office: 2020 Global Occupier Sentiment Survey: Fall Update

6          Kate Morgan, BBC, Article, 22nd July 2021, <u>What's the purpose of the office - and do we still need it?</u>

7          Shane Hickey, The Guardian, 15th October 2015, <u>The history of the office – why open-plan fell out of fashion</u>

8          Human Givens, <u>Training and therapy organisation</u>

9          Shivani Taneja et al, Vox Eu, Article, 15th March 2021, <u>Working from home is revolutionising the UK labour market</u>

10         Steve Hogarty, We Work, Article, 19th May 2021, <u>What is an agile workplace?</u>

11         Jo Meunier, WorkDesign Magazine, Article, <u>What is the office for? A look at the changing role of the workplace</u>

12         Government advice, www.gov.uk, <u>Working safely during coronavirus: offices, factories and labs</u>

13         Megan Thompson, WeThrive, Article, 10th August 2021, <u>Employee engagement best practices</u>

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