



# Creating Workplaces That Work

by

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OECD: “Productivity is the ultimate engine of growth in the global economy”<sup>1</sup>

We have observed an increasing trend towards discussing productivity, both in the facility management profession and on an international business scale. In this paper, we explore the topic in the context of the workplace’s impact on employee engagement and organizational performance, while identifying the key components of an effective work environment.

## THE PRODUCTIVITY PROBLEM

Productivity is at an all-time low. In March, the Organization for Economic Co-operation and Development (OECD) reported that the global economy is still below the 4 per cent average growth rate between 1987 and 2007<sup>2</sup>. This means there was more robust growth prior to the financial crisis of 2008. Despite being 10 years ahead, then, we’re essentially 20 years behind. As per the May Bureau of Labor Statistics report<sup>3</sup>, U.S. worker productivity declined by 0.6 per cent in the first quarter of 2017 – so it appears things are getting progressively worse.

In the press, debates on the reasons underpinning lagging labor productivity often focus on economic [im]balances, political unsettlement, geographic distribution and skills shortages, but there is little coverage concerning the workplace’s role to foster and support productivity, talent attraction and retention. Facility management exists to do exactly that – ‘facilitate’ the business and employee needs. Although forward- thinking businesses realize the importance of leveraging facilities as part of the overarching business strategy, many are yet to get the basics right. Statistics from the Leesman Index, the world’s largest independent database on workplace effectiveness, reveal that only 56.7 per cent of the 250,000 employees surveyed around the world agree that the design of their workplace enables them to work productively.<sup>4</sup>

Leesman’s independent, international benchmarking tool assesses people’s satisfaction with their working environment across five main areas: work activities, physical features, service features, workplace impact and employee mobility. Based on the data amassed across 2,000+ workplaces, the Index suggests workspaces are failing to support the productivity of those they accommodate.

Tim Oldman, Leesman CEO: “Most organizations appraise their employees every year to see whether they are fulfilling the requirements of their roles; but there doesn’t seem to be a similar appraisal process for the business space when it comes to determining whether it effectively supports the employees in question.”

Improving productivity is the holy grail of every organization from small and medium-sized enterprises (SMEs) to the Fortune 500. A Google search for “maximize workplace productivity” returns over five million results, and about the same number of how-to advice columns. But what do organizations really need to do to get more

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<sup>1</sup> <https://www.oecd.org/eco/growth/OECD-2015-The-future-of-productivity-book.pdf>

<sup>2</sup> <http://www.oecd.org/eco/economicoutlook.htm>

<sup>3</sup> <https://www.bls.gov/news.release/prod2.nr0.htm>

<sup>4</sup> Leesman data accessed 01.04.17

out of the people who work for them, to remove the barriers that impede them working effectively, and to help them to produce their best work?

Before we can address that question, it's important to attempt to determine what "productivity" means.

#### PRODUCTIVITY, N.:

- the capacity to produce; the state of being productive
- the effectiveness of productive effort
- production per unit of effort<sup>5</sup>

When we look at this definition, we can perhaps see why the workplace plays such a prominent role in this pursuit. "The state of being productive" surely arises out of the environment one finds themselves in. If one is trying to write a detailed report in a noisy open plan office, amid colleagues chatting to each other at desk-side or across corridors, then that task will probably be a struggle. However, if that same someone opts to work in a quiet, concentrative zone – somewhere outside the hustle and bustle of a collaborative workspace that by its very nature encourages serendipitous social interaction – then the work will flow a lot easier.

The same principle relates to the "productive effort". If a space enables you to work effectively, and supports the task in hand, then you're more likely to make the effort involved to reach the finish line. If, on the other hand, the acoustics, natural light, air quality and temperature are working against you, then you're more likely to experience an element of fatigue. The "capacity" and "effort" involved to produce will only be effective, then, if one is both the right state of mind... and space.

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<sup>5</sup> <https://en.oxforddictionaries.com/definition/productivity>

## THE KNOWLEDGE ECONOMY

Peter Drucker, American management consultant, educator, and author: “The most important contribution management needs to make in the 21st century is to increase the productivity of knowledge work and the knowledge worker.”<sup>6</sup>

In line with the fact that the number of knowledge workers (those who employed to perform varied intellectual tasks in cognitive occupations) has more than doubled in the last 30 years, it's imperative to finesse the concept of “productivity” and what it means in the cognitive sphere of work.<sup>7</sup>

Productivity, in the general sense, is a critical determinant of cost efficiency. While productivity is measured by dividing output per period by the total costs incurred or resources consumed in that period, there is no consensus on how productivity in the modern office can be measured, or indeed, whether it actually can.<sup>8</sup> A paper entitled “User Perception Benchmarks for Commercial and Institutional Buildings in New Zealand by the Centre for Building Performance Research based within Victoria University, Wellington, New Zealand, states that the closest we can come is to measure ‘perceived productivity’ in the office environment.<sup>9</sup> It's difficult to determine how ‘perceived productivity’ ties into actual productivity; that is, whether someone's perception of their own effectiveness links up with their level of output. The general consensus, however, is that if people can agree that the work environment enables them to work effectively, then they're more likely to be productive.

When challenged by the CFO to demonstrate clear links between workplace investment and productivity, the team at Nokia developed a mathematical model based on pre and post occupancy statistics.<sup>10</sup> The statistics not only revealed that workplace design and employee satisfaction impacted perceived productivity levels, but that an increase in perceived productivity also correlated to an overall improvement in business output. In this case, the workplace transformation project demonstrated clear ROI. Mathematics and statistics aside, organizations are more likely to be more successful when the workspace supports the combined efforts of a workforce.

The OECD reports that an increase in productivity would narrow the gap between the top 10 and bottom 10 per cent of the population, in terms of income per household, which would have a positive impact on fairness, equality, economic stability and social cohesion.<sup>11</sup> Across the Atlantic, in the United Kingdom, the former Chancellor of the Exchequer promulgated the same message.

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6 Drucker, P. (2001) *Management Challenges for the 21st Century*, HarperBusiness ed

7 <https://blogs.wsj.com/economics/2016/05/04/the-rise-of-knowledge-workers-is-accelerating-despite-the-threat-of-automation>

8 <http://www.businessdictionary.com/definition/productivity.html>

9 <http://researcharchive.vuw.ac.nz/handle/10063/2091>

10 Work 2.0 Conference 2017

11 <http://www.oecd.org/eo/economicoutlook.htm>

George Osborne: “The only way to sustainably raise the living standards of the citizens of our nation is to confront the challenge of our lifetime, to raise productivity.”<sup>12</sup>

The Stoddart Review, a not-for-profit initiative, celebrates the memory and continues the work of industry giant Chris Stoddart. Formed by the British Institute of Facilities Management (BIFM) and founding partners, it exists to raise awareness among business leaders of the importance of the workplace and real estate as a key performance lever. As part of the report, economist and former BBC Newsnight economics correspondent, Duncan Weldon, cites that a 1 per cent productivity gain in the UK alone would add almost £20 billion to the national output.

On a global scale, then, small rises in productivity could be far from trivial.

## KNOWLEDGE WORKER PRODUCTIVITY

Catherine L. Mann OECD Chief Economist:

“You cannot have productivity growth without transformation and change.”<sup>13</sup>

By understanding the factors that contribute towards a better work environment and culture, organizations can focus on improving their performance through leadership behaviors and management structures. Global workplace consultancy Advanced Workplace Associates (AWA) joined forces with the Centre for Evidence Based Management (CEBMA), a worldwide network of academics, to conduct a review of over 800 academic papers to find out what impacts knowledge worker productivity. Six factors emerged from the study that most highly correlated with knowledge worker team performance.<sup>14</sup>

1. **Social cohesion:** a shared liking or team attraction that includes bonds of friendship, caring, closeness and enjoyment of each other company.
2. **Perceived supervisory support:** how employees feel the supervisor helps them in times of need, praises them for a job well done, or recognizes them for extra effort.
3. **Information sharing and transactive memory system (TMS):** ‘Information sharing’ refers to how teams pool and access their knowledge and expertise. This leads to the idea of a team ‘transactive memory system’ (TMS), which can be thought of as a collective memory in a collective mind – enabling a team to think and act together.
4. **Vision / goal clarity:** the extent to which team members have a common understanding of objectives and display high commitment to those team goals.

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<sup>12</sup> <https://www.gov.uk/government/news/productivity-plan-launched>

<sup>13</sup> [http://video.oecd.org/3274/or/naec\\_the\\_global\\_productivity\\_slowdown\\_technology\\_divergence\\_and\\_public\\_policy\\_a\\_firm\\_level\\_perspective.html](http://video.oecd.org/3274/or/naec_the_global_productivity_slowdown_technology_divergence_and_public_policy_a_firm_level_perspective.html)

<sup>14</sup> [http://www.advanced-workplace.com/wp-content/uploads/2015/04/6\\_Factors\\_Paper.pdf](http://www.advanced-workplace.com/wp-content/uploads/2015/04/6_Factors_Paper.pdf)

5. **External communication:** the ability of teams to span boundaries to seek information and resources from others.
6. **Trust:** the firm belief in the reliability, truth or ability of others.

Although these factors shine a light on the management styles that can impact the way people work, the physical workplace plays a key role in this endeavor, particularly with regards to trust, information sharing and social cohesion. A space that has been designed and managed to support social interaction, collaboration and information sharing has more scope to improve working relationships and build trust amongst teams, which can impact overall engagement.

Andrew Mawson, founder and director of AWA: “The six factors represent the best available evidence scientific on what affects the performance of knowledge based organizations and communities. Workplace professionals need to create a trusting, supportive environment where people feel free and able to work efficiently and effectively together, in a way that encourages idea and information sharing.”

## CULTURE AND ENGAGEMENT

Behind smoking and sex, employee engagement is apparently the third largest area of statistical research.<sup>15</sup> Per the Global Human Capital Trends 2015 report, 87 per cent of organizations claim their biggest challenge is ‘culture and engagement’.<sup>16</sup> Gallup’s *State of the American Workplace* report suggests that 70 per cent of U.S. workers are not engaged at work and, across continents, only one in 10 (13 per cent) of employees claim they are actively engaged.<sup>17</sup>

Dr Emma Seppala Ph.D., Science Director of Stanford University’s Center for Compassion and Altruism Research and Education, and Dr Kim Cameron Ph.D., Professor of Management and Organizations at the Ross School of Business at the University of Michigan, state that “organizations with low employee engagement scores... experienced 18 per cent lower productivity, 16 per cent lower profitability, 37 per cent lower job growth, and 65 per cent lower share price over time”.<sup>18</sup>

But what lies behind this costly lack of engagement?

Focusing on the results generated via 4,000 respondents in the U.S., Gensler’s statistics suggest that only one in four organizations offer workplaces that support both focused work and collaborative activities.<sup>19</sup> Further research undertaken by Gensler claims that “innovative” companies are five times more likely to have workplaces that prioritize both individual and group work.

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<sup>15</sup> Symposium Employee Engagement Summit 2016

<sup>16</sup> <https://www2.deloitte.com/content/dam/Deloitte/at/Documents/human-capital/hc-trends-2015.pdf>

<sup>17</sup> [http://www.gallup.com/services/178514/state-americanworkplace.aspx?g\\_source=EMPLOYEE\\_ENGAGEMENT&g\\_medium=topic&g\\_campaign=tiles](http://www.gallup.com/services/178514/state-americanworkplace.aspx?g_source=EMPLOYEE_ENGAGEMENT&g_medium=topic&g_campaign=tiles)

<sup>18</sup> <https://hbr.org/2015/12/proof-that-positive-work-cultures-are-more-productive>

<sup>19</sup> IFMA World Workplace Conference, San Diego, 2016

Leesman data reiterates the importance of a variety of spaces. The largest survey of its kind has found that nearly half of employees actively partake in ten or more activities as part of their day-to-day role.<sup>20</sup> Those who conduct a multitude of activities over the course of a working day are more likely to select 'variety' as being a crucial component of the workspace. Considering only 30.2 per cent of employees are satisfied with the level of variety in their office, facility managers should work with people services teams to ensure that a range of spaces are available especially for the people with more complex and multifaceted activity portfolios.<sup>21</sup>

The elite group of Leesman+ award winners, 6 per cent of the 2,000+ deemed as the highest performing workplaces with a workplace effectiveness score of over 70, tend to offer a wide range of different workspaces.<sup>22</sup> This level of variety has a number of benefits. Firstly, people can choose the right environment for the specific task in hand and, secondly, an array of spaces can drastically reduce the destructive impact of noise.

## HEALTH AND WELLBEING

Tim Oldman, Leesman CEO: "The mental health and wellness impact for an employee who wakes each morning knowing that the workplace they are about to commute to does not support them working productively is hardly going to exhibit loyalty, pride and dedication - or invest an ounce of discretionary effort for that matter."

According to the American Institute of Stress, there are numerous studies that show job-related stress is far and away the major source of stress for American adults and that it has escalated progressively over the past few decades.<sup>23</sup> An article in Harvard Business Review reveals that workplace stress costs the U.S. economy \$500 billion and 550 million workdays a year; what's more, "between 60 per cent and 80 per cent of workplace accidents are attributed to stress".<sup>24</sup> In the UK, 45 million working days are lost due to stress, anxiety and depression<sup>25</sup> and the Chartered Institute of Personnel and Development (CIPD) Absence Management survey reveals that over two fifths of organizations have seen an increase in reported mental health problems over the last year.<sup>26</sup>

As per Gallup's Wellbeing Index, the American national average when it comes to feeling active and productive is 68.3 per cent; only 53.4 per cent of Americans claim that they exercise on a frequent basis; and 57.3 per cent state that they eat five or more servings of fruits and vegetables four or more days per week.<sup>27</sup> The Bureau of Labor Statistics of the U.S. Department of Labor, the principal Federal agency responsible for measuring labor market activity, working conditions, and

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<sup>20</sup> <http://minutehack.com/guides/how-to-make-activity-based-working-work>

<sup>21</sup> Leesman data, May 2017

<sup>22</sup> <http://www2.cipd.co.uk/pm/peoplemanagement/b/weblog/archive/2016/07/14/four-steps-to-making-activity-based-working-a-success.aspx>

<sup>23</sup> <https://www.stress.org/workplace-stress>

<sup>24</sup> <https://hbr.org/2015/12/proof-that-positive-work-cultures-are-more-productive>

<sup>25</sup> <http://www.express.co.uk/news/uk/661672/Mental-health-crisis-45-million-working-days-LOST-stress-anxiety-depression>

<sup>26</sup> <https://www.cipd.co.uk/about/media/press/091015-mental-health>

<sup>27</sup> <http://www.well-beingindex.com>

price changes in the economy, reports that circa “3.5 million workers missed work in January 2015 because they had an illness, injury, or medical problem or appointment”.<sup>28</sup> It could be argued that unhealthy lifestyles may have contributed to that figure.

In this never-ending quest to seamlessly piece the productivity puzzle back together, GDP often outweighs GWB – general wellbeing. However, as one can imagine, the latter can indirectly impact a person’s ability to work effectively. Considering that health and wellbeing is increasingly seen as part of an FM’s duty of care, how can industry professionals ensure that the workplace facilitates this initiative?

David Cameron, 2008, former Prime Minister of the UK: “Wellbeing can’t be measured by money... it’s about the beauty of our surroundings, the quality of our culture and, above all, the strength of our relationships.”<sup>29</sup>

“Wellbeing” is defined in Webster’s dictionary as “happy, healthy and successful”<sup>30</sup>; whereas the fancier term ‘holistic ergonomics’ seems more appropriate for FMs on the basis that the approach should involve taking care of the whole person; the mental, physical and spiritual layers.

Total human sustainability is at the heart of the WELL Building Standard (WELL), the first standard of its kind that focuses attention solely on the health and wellness of building occupants. Through 102 performance metrics, design strategies, and procedures, it comprehensively looks at all components of a building and analyzes how these could affect an occupant’s health and comfort. Serving as a guide to facilities professionals in this respect, WELL focuses on seven areas:<sup>31</sup>

1. **Air** – a ventilation system design and strategy that promotes optimal indoor air quality will support the health and wellbeing of those occupying the building.
2. **Water** – a safe and clean supply must be available for various uses through filtration and other purification techniques.
3. **Nourishment** – the availability of fresh, wholesome foods must be available to encourage healthy eating habits and food culture.
4. **Light** – illumination guidelines should be followed to minimize disruption to the body’s circadian system (daily cycle) to enhance productivity and alertness, and help promote effective sleep. Maximizing natural light should be a key factor in a building’s design.
5. **Fitness** – the seamless integration of exercise and fitness into everyday life through the integration of physical components supports an active and healthy lifestyle.
6. **Comfort** – the design of the space should be distraction-free and promote a productive and comfortable environment.
7. **Mind** – thinking beyond the physical body and the way it interacts with the environment, the design should optimize cognitive and emotional wellbeing

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28 <https://www.bls.gov/opub/ted/2015/illness-related-work-absences-in-january-2015-little-different-from-a-year-earlier.htm>

29 Huffington, A. (2014) *Thrive: The Third Metric to Redefining Success and Creating a Happier Life*. Penguin, Random House, UK

30 <https://www.merriam-webster.com/dictionary/well-being>

31 <https://standard.wellcertified.com>

through contemplating the design, technology and treatment strategies.

When you create a compassionate and caring environment, you're more likely to experience fewer absences, higher engagement and less burnout. Wellbeing can also have an impact on productivity. Per the performance management consultants Gallup, even small decreases in an employee's wellbeing are strongly correlated to absenteeism and presenteeism (when people show up to work but aren't active, effective and productive).<sup>32</sup> However, this focus must not drown out the over-riding issue, that for several employees, the physical workplace is failing.

## COGNITIVE ATHLETES

In addition to managing stress and anxiety, workers in the knowledge economy must be cognitively fit. Since its birth in 1992, AWA's aim has been to bring the latest workplace thinking, underpinned by the available evidence, to help organizations unleash the potential of the workforce. This involves helping FMs improve the health and function of every brain in their buildings. To that end, the "workplace extremists" forming AWA's Performance Innovation Network (PIN) once again partnered with CEBMA to explore the factors that have been scientifically proven to impact cognitive health.<sup>33</sup>

There are eight areas, relevant to the FM offering, that impact "brainpower":

1. **Caffeine and glucose drinks** - these beverages significantly impact alertness and focus when people become mentally tired.
2. **Hydration** - memory, decision-making and attention are all impacted by dehydration.
3. **Breakfast, nutrition breaks** - the brain needs fuel, particularly after a night's sleep when fluids, nutrients and sugars have been depleted.
4. **Lighting, temperature, scent** - being uncomfortable distracts people from work, it's that simple.
5. **Noise, speech, task interruptions** – all impact concentration and focus to a significant degree.
6. **Acute exercise, physical activity** – having an active lifestyle promotes both physical and cognitive health.
7. **Sleep** – insufficient sleep affects concentration, decision-making and relationships.
8. **Cognitive stimulation, mindfulness** – demanding and varied activities have a positive impact on the brain's performance.

Underpinning the research is the belief that the effectiveness of the human being on the payroll must be the priority alongside space efficiency if organizational productivity is to increase. To get the best out of people, and to tap into the factors that influence cognitive performance, FMs should consider the role of facilities and the workspace in better supporting employee health and wellbeing. This includes educating people about how to look after their health both at work and at home. It

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<sup>32</sup> <http://www.gallup.com/businessjournal/163130/employee-engagement-drives-growth.aspx>

<sup>33</sup> <http://www.advanced-workplace.com/workplace-research/cognitive-fitness/>

also involves ensuring a building has the necessary amenities, such as restaurants and cafes, tea and coffee stations, if not within the vicinity of such outlets. If the budget doesn't allow for an onsite gym, FMs should consider the ways and means of encouraging people to take breaks throughout the day to create a more active work environment. Simple changes like opting for the stairs instead of elevators, for instance, can make a lot of difference to fitness levels and overall health over time.

## PRODUCTIVITY INHIBITORS

A recent Happiness in the Workplace Pulse Check suggests that 40 per cent of employees believe the most important factor that makes them happy at work is feeling valued and supported; for 19 per cent, it's about the intellectual challenge; and 12 per cent say it's the money that makes getting up in the morning worthwhile.<sup>34</sup> In addition to the role, the pay and the support network, 85.1 per cent of Leesman respondents state that the design of the workplace is important to them.<sup>35</sup> That's corroborated by research by furniture giant Steelcase, which reveals that employees who are highly satisfied with various aspects of their workplace also demonstrate higher levels of engagement.<sup>36</sup>

One of the most dissatisfactory aspects of the workplace is the provision of natural light. Of the 250,000 employees in 69 countries surveyed by Leesman's workplace benchmarking tool, only 56.9% are satisfied with the level of lighting in their office, despite 75.8% stating it's important to them.<sup>37</sup> Other research organizations, including the International WELL Building Institute, Human Spaces and the World Green Building Council, have also demonstrated a link between natural light and employee productivity. Yet in most offices, blinds are drawn to protect people from glare of the sun. However, blocking out light can do more harm than good, especially when it comes to employee comfort.

Bob Ford, president of daylight technology specialist SerraLux: "When working in the confines of an office, an element of daylight is essential for employee wellbeing, engagement and productivity."

Not only can the adequate distribution of natural light improve mood, but it can also increase alertness.<sup>38</sup> The correct provision of daylight can also support the regulation of Vitamin D, serotonin and melatonin, which can reduce the amount of absenteeism caused by colds and flu. Through building design, daylight can be maximized in several ways: through building orientation, window design, configuration and glazing, strategic use of overhangs, furnishings and daylight management technologies.

FM plays a vital role in providing an environment that subtly (or obviously) discourages a sedentary workstyle. Per research undertaken by the University of Illinois, walking in bursts of 40 minutes three times a week "increases brain

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<sup>34</sup> Workplace Pulse Check, Question & Retain 2017

<sup>35</sup> Leesman data, April 2017

<sup>36</sup> <https://info.steelcase.com/global-employee-engagement-workplace-report#introduction>

<sup>37</sup> Leesman data, April 2017

<sup>38</sup> The National Renewable Energy Laboratory's A Literature Review of the Effects of Natural Light on Building Occupants

connectivity and cognitive performance”.<sup>39</sup> The provision of sit-stand or treadmill desks is one way of combatting physical inactivity. However, ergonomic design doesn’t have to break the bank; if the budget doesn’t allow for such furniture, FMs can work with teams to encourage standing or walking meetings. Other organizations have banned eating “al-desko”; with the rationale that doing so will at least mean people have to get up and move so they can get some lunch.

Adrianna Huffington, *Thrive*: “The benefits of getting up and walking – or moving – go beyond our bodies... Perhaps in addition to walking meetings we should consider creating walking classrooms.”

Other possible workplace performance inhibitors include temperature and air quality. Leesman’s research reveals that 39.6% of employees are satisfied with the air quality, and only 29.2% are satisfied with the temperature of their workspace.<sup>40</sup> It seems organizations are failing to maintain comfortable working environments for their staff. Worryingly, one of the worst performing sectors on the temperature control front is facilities management.

Finally, research conducted by PRISM and the University of Exeter suggests that a lack of control over the physical work environment can also inhibit productivity: employees who have control over the layout of their workspace can be up to 32 per cent more productive.<sup>41</sup> They’re also, by and large, happier and healthier.

Dr Craig Knight, PhD, director of PRISM: “When people feel uncomfortable in their surroundings they are less engaged – not only with the space but also with what they do in it. If they can have some control, that all changes and people report being happier at work, identifying more with their employer, and are more efficient when doing their jobs.”<sup>42</sup>

## APPEALING TO THE SENSES

It goes without saying that the workplace should be designed and maintained with aesthetics and functionality in mind. That said, sight isn’t the only sense that requires consideration, and it’s important that FMs realize that mood and behavior can also be affected by what we smell, hear and touch.

Marc Gobé, an award-winning store designer and marketing and branding expert, highlights the success of firms which incorporate scent into their branding strategy.<sup>43</sup> Doing so, he argues, can build a deeper emotional bond between an organization and its publics. Smell is the most primitive sense and, in the workplace, scent can influence and alter employee emotions. This can be achieved simply – for example, by displaying flowers in reception and social areas, by providing high quality hand wash and moisturizer, or by using scent diffusers. The

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<sup>39</sup> Huffington, A. (2014) *Thrive: The Third Metric to Redefining Success and Creating a Happier Life*. Penguin, Random House, UK

<sup>40</sup> Leesman data, May 2017

<sup>41</sup> [http://www.exeter.ac.uk/news/featurednews/title\\_98638\\_en.html](http://www.exeter.ac.uk/news/featurednews/title_98638_en.html)

<sup>42</sup> [http://www.exeter.ac.uk/news/featurednews/title\\_98638\\_en.html](http://www.exeter.ac.uk/news/featurednews/title_98638_en.html)

<sup>43</sup> Gobe, M. 2010. *Emotional Branding*, Allworth Press

little touches can make a world of difference, as evidenced in tests of perfumed offices; per one study, typists made 14 per cent more strokes on the keyboard an hour and committed 21 per cent fewer errors than they did in odorless rooms.<sup>44</sup>

Sound, too, can have a huge impact on emotions and wellbeing. This is particularly relevant as more organizations are moving to open plan environments. General satisfaction levels concerning office noise is as low as 30.7%, reports Leesman - this rises to 55% for organizations in a private setting and drops to 27.4% when in an open plan office.<sup>45</sup> A survey by The Center for The Built Environment, Berkeley, found that half of people in open plan environments think that acoustics interferes with their ability to work productively.<sup>46</sup> According to AWA research, only catching half a conversation when someone is on the phone is one of the biggest distractions – perhaps because ears can't help but tune in, and brains can't help imagine the missing dialogue.<sup>47</sup> Those that report a dissatisfaction with noise are much more likely to report that their workplace design does not support productivity.<sup>48</sup>

That said, a moderate level of ambient noise, such as music, has been found to actually aid creativity. The University of Illinois Urbana-Champaign researchers tested the effects of varying levels of noise on participants' creative thinking; those in the moderate level of ambient noise group significantly out-performed those in quieter and noisier environments.<sup>49</sup>

Workplaces can also appeal to the sense of touch through ergonomic design, which works hand in hand with tactioception. Ergonomics is a scientific discipline concerned with the understanding of human interactions. This understanding should be applied to workplace design and management. Many office workers could easily find themselves spending up to eight hours a day sat in a chair. If that chair fails to support good posture, then just being present at work will cause discomfort. What's more, adopting poor posture for long periods of time can cause long-term health issues, including back pain.

Henry David Thoreau: "Methinks that the moment my legs begin to move, my thoughts begin to flow."<sup>50</sup>

## THE SPIRITED WORKPLACE

Dr. Peggie Rothe, development director, Leesman: "We have an instinctive need to belong to a group and feel included, accepted and respected. While a part of this need is fulfilled by our social circles, it's important to recognize that majority of us spend most of our time at work. While it's not the only contributing factor, the workplace is an enabler when it comes to creating unity within organizations. It can even be an instigator in this pursuit and, unfortunately, sometimes an obstacle."

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<sup>44</sup> <https://www.naturex.ca/en/fragrances-in-the-workplace>

<sup>45</sup> Leesman data accessed May 2017

<sup>46</sup> <https://www.cbe.berkeley.edu/research/acoustics.htm>

<sup>47</sup> <http://www.advanced-workplace.com/tag/noise/>

<sup>48</sup> Leesman data access May 2017

<sup>49</sup> <https://business.illinois.edu/sound-creativity/>

<sup>50</sup> <https://www.thoughtco.com/henry-david-thoreau-on-the-art-of-writing-1689264>

To optimize engagement and productivity, knowledge work organizations can benefit from spaces that support and fuel creative collaboration, social interaction, information sharing and learning from others. Socially-cohesive environments provide the right condition for knowledge workers to fuse their ideas, knowledge and information. Such environments enable people to challenge each other and their ideas without negative feelings, to innovate and explore new ways of doing things, take judicious risks and cooperate and interact with each other. But this cannot be achieved if there is a disconnect between teams, or a poor sense of community.

Only 58 per cent of Leesman respondents report that their workplace contributes to a sense of community, but this figure jumps to 72 per cent for the Leesman+ portfolio of certified buildings.<sup>51</sup> This suggests that there is a link between community spirit and perceived productivity. Those that don't experience a sense of belonging, if you will, are less likely to agree that their work environment allows them to work effectively. Those that report higher levels of community spirit within the workplace are also more likely to agree that they work in an enjoyable environment, compared to those that don't. In fact, there's a marked difference; out of those employees who feel that their environment contributes to a sense of community at work, 84 per cent feel that their workplace creates an enjoyable environment to work in, compared to 11 per cent who don't experience the same level of belonging.<sup>52</sup>

FMs can support a sense of community spirit by facilitating serendipitous social interaction in the workplace. If budget allows, the provision of community spaces, such as cafes, restaurants and outdoor spaces, can encourage people to come together and bond during breaks. There must be zones for both concentrative and collaborative work; as well as breakaway spaces that suit no other purpose other than to fuel social cohesion. In addition, designing in staircases and discouraging elevator use is more likely to lead to *ad hoc* chit-chat.

Once the space has been set up with working relationships in mind, it's then down to the managers and supervisors to ensure people embrace and honor the company values, so the positive attitude of trust and willingness to support others permeates through the entire workforce. If people get on with each other in their teams, with other teams and with senior leaders, then they usually feel more comfortable in sharing their ideas and are happier to engage in robust discussion for the greater good. Cultural openness is important because it means people can access knowledge from all over the organization... but only if the culture and technological infrastructure supports information sharing, and enables the entire workplace community to access that knowledge.

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<sup>51</sup> <http://www.leesmanindex.com/community-spirited-infrastructure/>

<sup>52</sup> <http://www.leesmanindex.com/community-spirited-infrastructure/>

## THE FLEXIBLE WORKER'S TOOLKIT

The world of work is changing. These days, employees are not always allocated a dedicated desk. In fact, colleagues as part of collaborative projects are not only spread across offices and sites, but also sometimes countries and continents. Regardless, access to the companywide resource pool remains key when facilitating the working relationships between teams, divisions and sites. Flexible, activity-based and homeworking are all modes of work that are having an impact on how organizations function. FM must now facilitate a mix of workstyles without compromising the workplace community, or effective space utilization at any one location.

Bruce Barclay, an experienced facilities professional working for Dell Technologies, the world's largest privately-owned technology company, and author of the British Institute of Facilities Management's Good Practice Guide to Managing FM Teams Across Borders, argues that "FM has moved a long way from just keeping the office clean and secure from nine to five. Now it is all about enabling the business and supporting a 'workplace experience'".

A mobile or flexible working policy can reduce overheads and increase flexibility. It can also extend the net and give businesses access to talent outside of their immediate geographic reach. However, where some people find that working from home makes them more productive, others will be subject to distractions when working from the comfort of their living room. As such, relationships can become more difficult to manage and distance can sometimes cause misunderstandings. The free-flow of knowledge can become limited and trust may diminish accordingly. In line with the pros and cons of this new approach to work, FMs need to consider a multitude of things when it comes to enabling a mobile workforce to work effectively and productively. Technology arguably tops the list.

Andrew Mawson, AWA: "Mobile or home workers need the right tools if they're to virtually or otherwise work together with others. This doesn't mean that you can simply chuck a mobile phone and a laptop their way and expect them to get on with it. There are various platforms that can help remote-working teams collaborate effectively, such as Skype for Business and Slack, but people need guidance when it comes to using the toolkit on offer. If people aren't used to videoconferencing or screen-sharing, for instance, then this will be a tricky transition – we all need encouragement and support when it comes to working in different ways."

Within any organization that adopts a mobile or flexible work policy, space usage patterns will constantly shift. The introduction of activity-based working, for instance, demands that businesses become better at analyzing which spaces they need for which type of activity and then creating a unique environment for those purposes. Technology can again help in this pursuit.

There are tools in the market that help office-users easily locate available space in a busy office. The trick, however, is ensuring that this data is presented on a real-time basis. Freespace, from Workplace Fabric, delivers anonymous real-time space availability information, clearly and simply via screens. Live analytics also provide the FM and real estate team with strategic insight on factors including desk

occupancy, temperature, humidity, background noise levels, light and even desk elevation to ensure that the space is continuously optimized.

One Freespace client in New York used its data to identify that private offices, which were allocated to senior staff, had just 30 per cent occupancy on average. When it delved further into the issue it found that this was because senior executives typically spend most their time off-site. Using this data, the company decided to do-away with allocated private offices. This was one of a number of informed decisions that enabled it to reduce its square footage from 300,000 to 150,000 – representing a saving of \$14 million.

This technology is currently being used at iconic office locations around the world, including The Gherkin, Willis (Sears) Tower in Chicago and the Century Link Tower in Pudong, Shanghai.

Raj Krishnamurthy, Workplace Fabric CEO: “Businesses need to make sure their staff get the best experience from their flexible working environments so they can be as productive and engaged as possible. But they need to do this while also ensuring their assets are working as hard for the company as possible.”

## A TOOL FOR COMPETITIVE ADVANTAGE

Late last year, The Boston Consulting Group (BCG) opened its doors to its latest office in the new heart of New York: the up-and-coming Hudson Yards development.<sup>53</sup> The leading global advisor on business strategy has pushed the art and science of workplace design and management in numerous ways. Working with an array of specialists for input into the design and use of innovative technologies, including Leesman, Gensler, Humanyze, UnWork and Cordless Group, BCG listened to what their employees had to say and subsequently created a workplace that works.

Understanding that different people have different workstyle preferences, not to mention activity portfolios, BCG opted to provide a high level of variety in the office to meet employee demand. Now people can choose the right environment for the specific task in hand. The array of spaces on offer has also drastically reduced unwelcome noise; the space is acoustically-friendly and caters to a mixture of concentrative and collaborative activities.

The technical and physical infrastructure actively encourages creative collaboration and social cohesion. The office features numerous landing zones, all designed to maximize causal collisions, and there's an array of flexible spaces to suit a multitude of workstyles and activities. Its neighborhood seating system, by its very design, nurtures working relationships, thereby encouraging idea sharing and knowledge transfer. BCG's "High Line Café" offers the staff free breakfast and lunch, which again goes some way to promote healthy working relationships – not to mention eating habits! The space also boasts state-of-the-art technology, providing employees with instant access to high-quality videoconferencing and voice calls.

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<sup>53</sup> As per BCG NY press event

Having analyzed the work habits and needs of the workforce, BCG decided it needed very particular things to execute the best possible work environment. They then went out into the market to scope out the options but, on multiple occasions, the market couldn't deliver. Instead of letting the absence of solutions limit the scope of possibilities, BCG built the things they required themselves. For instance, they developed their own bespoke app so employees could assign themselves a workspace or find their colleagues.

BCG's key determinants for an effective workspace include great acoustics, light, air quality, coffee and availability of food. The design has considered each of these areas. In addition, this aesthetically-pleasing office sports amazing views of the Hudson on every one of the six upper levels of the 52-story tower. However, the real beauty is the way BCG worked with its executive leadership team and suppliers to approach the design from a business perspective. By viewing the workspace as a tool that can potentially aid productivity, BCG looked beyond the beauty and instead questioned how the design and management of the space could further support the people working within it.

The workplace has a direct impact on the way people work and, therefore, efficiency. If organizations can create workplaces that work for their employees, then there will be a natural increase in effort and, potentially, productivity. As the voice of authority in helping clients achieve sustainable competitive advantage, BCG has pioneered an approach to workplace design and facilities management that can hopefully be reaped for the benefit of all.

## FUTUREPROOFING FM

Maureen Ehrenberg, IFMA chair: "We must adapt or risk being left behind."<sup>54</sup>

In 1998, the American Society of Interior Designers produced a white paper that recommended an integrated design strategy for boosting productivity.<sup>55</sup> A key strand to this was the recommendation that facilities managers should team up with business leaders, designers, HRs and IT consultants when creating the blueprint for an effective workspace. Twenty years later and the workplace sphere still encompasses an array of disciplines; only design and facilities management has reached a whole new level. Many believe it to be a science and an art, incorporating behavioral science, organizational design, change management, performance metrics, demographics and technological advances – all with an eye on output.

This "mission critical industry" of ours, says IFMA president and CEO Tony Keane, has reached a new height of global recognition and 25 million people now occupy the world of FM. Today's connected devices and internet of things (IoT) continues to revolutionize the world, and the FM conditions around the globe are such to allow the industry to advance and grow. IFMA chair, Maureen Ehrenberg, suggests the industry is heading in a new direction: Echoing Ehrenberg, Keane believes the

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<sup>54</sup> IFMA World Workplace, San Diego, 2016

<sup>55</sup> [http://www.hatchdesign.ca/wp-content/uploads/2011/12/productive\\_workplaces\\_whitepaper1.pdf](http://www.hatchdesign.ca/wp-content/uploads/2011/12/productive_workplaces_whitepaper1.pdf)

industry is “on the brink of an exciting new frontier”.<sup>56</sup>

However, tech, data and the internet of things on their own won’t generate success – people are the only “things” that can make a real difference.

At the San Diego IFMA World Workplace conference, it was communicated that there are 24,000 jobs in FM available in Los Angeles alone. In the next few years, half that workforce would be retiring. Across the States, there are only 31 programs teaching FM, meaning less than 800 students graduate each year. That’s not enough to fill job opportunities in LA, let alone the States or the rest of the world. In addition, facilities management sports an ageing workforce.<sup>57</sup> According to Dr Jeffrey

L. Campbell, Ph.D., IFMA Fellow, 70 per cent of the current workforce is over the age of 47... so when those 17.5 million facilities professionals retire, there won’t be enough people to plug the gap.<sup>58</sup> Despite all the progress, then, there’s still a lack of knowledge of facilities management. Until that changes, FM won’t automatically become a career of choice.

The “productivity problem”, particularly in the face of the skills crisis, shows no sign of abating. Research has proven time and time again that the physical work environment does impact employee engagement and, in turn, perceived levels of productivity. If the business world recognizes that these ongoing productivity woes may be the result of decades’ worth of underinvestment in the workplace, perhaps FM will be able to claim center stage. But rather than waiting in the wings for a nudge into the spotlight, the industry needs to take ownership of the conversation. FM must take the reins of the subject and present the business case for creating and managing workplaces that work; not only to improve engagement and performance, but also to entice the next generation to champion the cause.



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<sup>56</sup> IFMA World Workplace, San Diego, 2016

<sup>57</sup> IFMA World Workplace, San Diego, 2016

<sup>58</sup> IFMA World Workplace, San Diego, 2016