WORKPLACE STRATEGY
IMPLEMENTATION 101

PRESENTED BY:
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ABOUT US

LIZ PETERSON, AIA, IIDA, LEED AP

- Architect with 30+ years of experience
- Focuses on strategic workplace design for global corporate clients
- Clients include: IBM, Choice Hotels, NASA, Northrop Grumman, Sprint, and CSC among others

MICHELE VERNON, IIDA, NCIDQ, LEED AP

- Interior Designer with 14 years of experience
- Focuses on developing and implementing workplace strategies for corporate and government clients
- Clients include: Inter-American Development Bank, ICF International, and CareFirst BlueCross BlueShield among others
Representative Workplace Strategy Clients

- Google
- IBM
- Choice Hotels International
- Inter-American Development Bank
- Booz Allen Hamilton
- Volkswagen Group of America
- Bank of America
- Fannie Mae
- BlueCross BlueShield
- Adventist Healthcare
- Booz & Company
- Siemens A.G.
- Cummins
- Gallup Organization
- CSC
- HMS Host
- Sprint
- Northrop Grumman
- CACI
- ICF International
Approximately 50% of a typical office environment is utilized at any given time.

The standard workforce strives for an improved work/life balance and flexibility.

Executives strive for a reduced real estate footprint, increased retention, and productivity.

It is not about WHERE you work, but HOW you work.

The workforce is now comprised of several generations – this must be addressed.
NEW IDEOLOGY:
SPACE IS A SERVICE, NOT A NECESSITY
GOAL SETTING

1. Evaluate Real Estate Portfolio
2. Identify Long-Term and Short-Term Goals
3. Establish Budget and Time Frame
4. Determine Who Will Be Affected
5. Gain Leadership Buy-In and Support
6. Develop Mission Statement
GOAL SETTING

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EVALUATE REAL ESTATE PORTFOLIO

1. EVALUATE REAL ESTATE PORTFOLIO

goal
reduce regional real estate footprint and associated costs

> Strategy
Implement e-Workplace On-Demand mobility program for entire facility, consolidating (3) facilities into (1)

> Demonstrate

> Outcome
1. Reduced real estate footprint by 60%, from 300,000 SF to 125,000 SF, saving Client approximately $5 million annually
2. Improved workplace efficiency by 62%, reducing the SF/per person ratio to 183 SF/person; 70 SF/person with hoteling
1. **Evaluate Real Estate Portfolio**

**Goal**

Improve space utilization in an effort to reduce real estate costs.

**Strategy**

Introduce flexible workspaces throughout the facility to accommodate transient staff needs.

**Demonstrate**

<table>
<thead>
<tr>
<th>Floor</th>
<th>Administrative</th>
<th>Executive Staff</th>
<th>Office Support</th>
<th>Core</th>
<th>Office Support</th>
<th>Legal</th>
<th>Underwriting</th>
<th>Claims</th>
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<tbody>
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<td>12</td>
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<td>4</td>
<td>VACANT - RETURNED TO LANDLORD</td>
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<td>3</td>
<td>VACANT - RETURNED TO LANDLORD</td>
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<tr>
<td>2</td>
<td>Corporate Services</td>
<td></td>
<td>Office Support</td>
<td>Core</td>
<td>Office Support</td>
<td>Corporate Services</td>
<td>Cafeteria</td>
<td></td>
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<tr>
<td>1</td>
<td>Service/Catering</td>
<td></td>
<td>Office Support</td>
<td>Core</td>
<td></td>
<td>Fitness Center</td>
<td>Mail Room</td>
<td>Treasury</td>
</tr>
</tbody>
</table>

**Outcome**

1. Reduced space from 12 floors to 10, reducing square footage by 17%.
2. Improved workplace efficiency by an average of 30%, reducing the average square foot per person ratio from 180-200 SF/person to 110-149 SF/person.
3. Created a variety of spaces to attract transient workers who no longer have permanently assigned space.
GOAL SETTING

1. Evaluate Real Estate Portfolio
2. Identify Long-Term and Short-Term Goals
3. Establish Budget and Time Frame
4. Determine Who Will Be Affected
5. Gain Leadership Buy-In and Support
6. Develop Mission Statement
2 IDENTIFY LONG-TERM AND SHORT-TERM GOALS

- Pilot project vs. an ultimate firm-wide extent
- Determine flexibility requirements
- Extent of reuse vs. new
Identify long-term and short-term goals

Goal
maximize flexibility to accommodate anticipated growth

Strategy
Create universal plan and workplace standards that allow a scalable environment, accommodating growth without significant investment

Demonstrate
Typical Floor Plan from 8 x 10 stations to 8 x 8 stations

OutCome
Design accommodates 30% growth increasing total building capacity from 400 to 600 staff, without need for structural changes
2 IDENTIFY LONG-TERM AND SHORT-TERM GOALS

goal
reduce reconfiguration costs company-wide

> Strategy
Develop and implement workplace standards and configure using a universal plan that adapts to different buildings.

> Demonstrate

> Outcome
1. Universal plan allows easy reconfigurations for a dynamic company. Changes involve moving people, not furniture.
2. In one calendar year, approximately 2,000 employees were moved with minimal construction, due to business restructuring.
GOAL SETTING

1. Evaluate Real Estate Portfolio
2. Identify Long-Term and Short-Term Goals
3. Establish Budget and Time Frame
4. Determine Who Will Be Affected
5. Gain Leadership Buy-in and Support
6. Develop Mission Statement
3. ESTABLISH BUDGET AND TIME FRAME

Goal
reduce reconfiguration costs after move-in and improve flexibility of work environment

> Strategy
Reduce the number and type of workspace standards and configure within a universal plan

> Demonstrate

> Outcome
Universal plan allows easy and low cost change after move-in, changes are achieved by moving people, not furniture

Outboard Office Configuration
Inboard Office Configuration
GOAL SETTING

1. Evaluate Real Estate Portfolio
2. Identify Long-Term and Short-Term Goals
3. Establish Budget and Time Frame
4. Determine Who Will Be Affected
5. Gain Leadership Buy-in and Support
6. Develop Mission Statement
4 DETERMINE WHO WILL BE AFFECTED

- What groups will be affected? Are they already mobile?
- Need to understand and manage culture shift and properly plan
- Accommodate generational differences in workplace to maximize recruitment and retention
## Determine Who Will Be Affected

### Estimated Percentage in 2020 Workforce

<table>
<thead>
<tr>
<th>Generation</th>
<th>Born During</th>
<th>Sterotypically Known For</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditionalists</td>
<td>1925 – 1945</td>
<td>Loyalty, respect for authority, discipline, adherence to rules</td>
</tr>
<tr>
<td>Baby Boomers</td>
<td>1946 – 1964</td>
<td>Optimism, innovation, achievement, individualism</td>
</tr>
<tr>
<td>Generation X</td>
<td>1965 – 1980</td>
<td>Autonomy, productivity, recognition, adaptability</td>
</tr>
<tr>
<td>Generation Y</td>
<td>1981 – 2000</td>
<td>Self-Expression, comfort with change, resilience, global awareness, connected</td>
</tr>
<tr>
<td>Generation Z</td>
<td>2000 &amp; after</td>
<td>Technologically savvy, fast-paced, socially connected, creative, collaborative</td>
</tr>
</tbody>
</table>
GOAL SETTING

1. Evaluate real estate portfolio
2. Identify long-term and short-term goals
3. Establish budget and time frame
4. Determine who will be affected
5. Gain leadership buy-in and support
6. Develop mission statement
Gain Leadership Buy-In and Support

- Who does this need to be sold to?
- Develop compelling business case
  - Monetary (for Executives)
  - Personal ROI (for Staff)
### Goal Setting

1. **Evaluate Real Estate Portfolio**
2. **Identify Long-Term and Short-Term Goals**
3. **Establish Budget and Time Frame**
4. **Determine Who Will Be Affected**
5. **Gain Leadership Buy-in and Support**
6. **Develop Mission Statement**
A new work environment focused on the company’s collaborative spirit. Taking advantage of open plan layout, the design will use transparency and visibility to increase the level of collaboration amongst staff. At the same time, the open plan will allow maximum flexibility and efficiency accommodating future growth and change. By relocating into a single building, Choice will be for a more connected organization. With the goal of increasing connectivity between staff and franchisee. Also, the new work environment will be a showcase of sustainable design and planning practices.
REQUIRED COLLABORATION FOR SUCCESS

REAL ESTATE

HUMAN RESOURCES

INFORMATION TECHNOLOGY
Past Methodology vs. Today

Benefits of initial measurement

- Increases effectiveness of program
- Creates factual historical representation of existing real estate utilization

Engage help of specialized company to provide hardware and software for this task

- Phone/Tablet/Computer login or card reader can track when space is utilized
- Sensors can track number of people and duration of spaces being used
REAL ESTATE | QUANTITATIVE DATA HARVESTING

Allows decision makers to determine approximate extent of teleworking ratio and SF/per person goals, especially when compared to benchmarking data of similar companies.
REAL ESTATE | QUANTITATIVE DATA HARVESTING

TOTAL FLOOR AREA: 46,115 SF
TOTAL HEAD COUNT: 151
SQ.FT. PER PERSON: 305 SF

SQUARE FOOTAGE
CLOSED 40%
OPEN 60%

HEAD COUNT
PO 15%
WS 85%

OFFICE STANDARDS
CEO/PRES/EVP PO 300 SF
SVP/PRINCIPAL PO 150 SF
VP WS 96 SF
DIRECTOR WS 48 SF
MANAGER WS 48 SF
PROFESSIONAL WS 48 SF
SUPPORT WS 48 SF
REQUIRED COLLABORATION FOR SUCCESS

REAL ESTATE

HUMAN RESOURCES

INFORMATION TECHNOLOGY
- Discuss employee culture and brainstorm as to how a smooth transition will be achieved
  - Discuss how different levels of seniority will be affected by the shift
- Determine a plan for highlighting the benefits of this work culture shift, as many could potentially focus on the negatives
- Types of support and employee benefit areas that could/should be included
- Employee surveys could allow decision makers to determine qualitative goals, addressing the changing needs of the current staff
USER SURVEY

1. Do you think your facilities accurately support the culture of the company?

2. Does the current workspace effectively quality and effective work? If so, how should the workspace change to improve quality and effectiveness?

3. Do individual groups have a distinguished identity within the company?

4. Do you think your facilities accurately reflect the image of the company?

5. Does your current facility support the way your group works or should work? What could be done to better accommodate the way your group should work?

6. How/when/where do members of your group interact?

7. Please describe the general level of technology and any special technological needs of your group.

8. Do you anticipate significant changes to your group in the near future? If so, describe how anticipated changes may affect staffing and space requirements.

9. Is this group willing to challenge how they currently work? If not what are the cultural or operational constraints that may prohibit them?

10. Do you anticipate changes that may affect the way you utilize the facility? If so, please describe.

WORKSPACE USE

During a typical week, what percentage of your time do you spend working in the following locations?

Please make sure all items together roughly total 100%.

- % In my own individual workspace (desk/office)
- % In a colleague’s individual workspace
- % In a conference room
- % At an off-site location (government building, client office, vendor office)
- % Working at home
- % Elsewhere: Please specify

Considering only your working time in your building, please estimate the percentage of that time you spend on the following activities.

Please make sure all items together roughly total 100%.

- % In scheduled meetings
- % Talking face to face with colleagues outside of scheduled meetings
- % On the phone
- % Reading or writing email, instant messages, chat or text messages
- % Other computer work
- % Reading or writing print material
- % Paperwork (sorting, filing, copying, faxing, etc.)
- % Other: Please specify

HOW WELL DOES YOUR CURRENT WORKPLACE SUPPORT THE WAY YOUR WORK?
REQUIRED COLLABORATION FOR SUCCESS

REAL ESTATE

HUMAN RESOURCES

INFORMATION TECHNOLOGY
- IT Department should explain the mobility-friendly technology capabilities the company has today and how the staff is currently utilizing them.

- IT Department should be engaged when interviewing third party measurement and reservation system companies, at least in final rounds.

- Once ultimate goals are established, engage IT department to understand technical plan for achieving.

- Helping IT team to think big picture will allow them to choose a method that will continue to achieve long term goals and you will not have to reinvent the wheel after a few years.
## Technology specifications by work space

<table>
<thead>
<tr>
<th>Space Type</th>
<th>VTC</th>
<th>Projection</th>
<th>Whiteboard</th>
<th>Phone</th>
<th>Reservation System</th>
<th>Ergonomics</th>
<th>Wireless</th>
<th>Tabletop Connectivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workstation</td>
<td></td>
<td></td>
<td>R (Desk)</td>
<td>O</td>
<td>R (Partial)</td>
<td>R</td>
<td>R</td>
<td>R</td>
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<tr>
<td>Office (Focused)</td>
<td>O (portable)</td>
<td>O</td>
<td>R (Desk)</td>
<td>R</td>
<td>R</td>
<td>R</td>
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<td>R</td>
</tr>
<tr>
<td>Office (Dual-Purpose)</td>
<td>O (portable)</td>
<td>R</td>
<td>R R (Desk + Polycom)</td>
<td>R</td>
<td>R</td>
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<tr>
<td>Team Room</td>
<td>O (portable)</td>
<td>R</td>
<td>R R (Polycom)</td>
<td>R</td>
<td>R</td>
<td>R</td>
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<tr>
<td>Medium Conf. Room</td>
<td>O (mid-end)</td>
<td>R</td>
<td>R R (Polycom)</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td>R</td>
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<tr>
<td>Boardroom / Enhanced C.R.</td>
<td>O (mid- or high-end)</td>
<td>R</td>
<td>R R (Integrated)</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td>R</td>
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<tr>
<td>Phone Booth</td>
<td>O (portable)</td>
<td>O</td>
<td>R (Desk)</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td>O</td>
<td>O</td>
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<tr>
<td>Focus Room</td>
<td>O (portable)</td>
<td>O</td>
<td>O R (Desk)</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td>O</td>
<td>O</td>
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<tr>
<td>Open Teaming Area</td>
<td>O (portable)</td>
<td>O</td>
<td>O (Desk)</td>
<td>O</td>
<td>R</td>
<td>R</td>
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<td>R</td>
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<tr>
<td>Lounge</td>
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<td>O</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td>O</td>
<td>O</td>
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<tr>
<td>Reception</td>
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<td>R (Reception System)</td>
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*R = Required  O = Optional*
WHAT'S NEXT?
- Full engagement of the architect/designer in the data harvesting stages, helping to analyze information received and aid in determining ultimate solutions for implementing hoteling

- Translate findings into an architectural plan that would achieve the qualitative, quantitative, and technical goals

- Furniture is a critical factor, including types of workstations, offices, attributes, and storage

- Develop real estate standards, coordinating with the SF/per person benchmarking and support characteristics already decide
Standards could include levels of governance – mandated requirements vs. options.

Real estate standards are useful when executing a plan nationwide or worldwide, as it builds in the necessary flexibility while rendering the tools to maintain a consistent brand.
Three models are available, each with advantages that should be evaluated and balanced against organizational objectives

<table>
<thead>
<tr>
<th>Comparison Of Governance Models</th>
<th>Decentralized</th>
<th>Hybrid</th>
<th>Centralized</th>
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</thead>
<tbody>
<tr>
<td><strong>Corporate Real Estate Management</strong></td>
<td>Local</td>
<td>Central</td>
<td>Central</td>
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<tr>
<td><strong>Standardization</strong></td>
<td>Local</td>
<td>Regional / Local</td>
<td>Central</td>
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<tr>
<td><strong>Advantages</strong></td>
<td>Maximizes local control and satisfaction</td>
<td>Achieves balance between centralized standardization &amp; local expectations</td>
<td>Ensures central control of workplace, design and space standards</td>
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<tr>
<td></td>
<td>Alignment of local business drivers</td>
<td>Allows application of workplace, design and space standards</td>
<td>Ensures collection and development of performance metrics</td>
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<tr>
<td></td>
<td>Leverages existing local leadership structure (Office Managing Partner / Office Manager)</td>
<td>Facilitates collection and development of performance metrics</td>
<td>Simplest operating principles</td>
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<tr>
<td></td>
<td>Avoids potential delays associated with centralized approvals or work processes</td>
<td>Reduces complexity relative to decentralized model</td>
<td>Maximizes opportunity for project delivery efficiency</td>
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<td>Reduced administrative expenses (e.g., global travel)</td>
<td>Increased ability to leverage centralized vendor contracts / buying power</td>
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<tr>
<td><strong>Applicability</strong></td>
<td>Small, regional organizations</td>
<td>Small to medium, multi-national organizations</td>
<td>Medium to large, multi-national organizations</td>
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<td>Few or no specialized CRE resources</td>
<td>Limited specialized CRE resources</td>
<td>Substantial CRE resources</td>
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</table>
CASE STUDY: GLOBAL CONSULTING FIRM

Goal
create global consistency among worldwide offices while allowing for local flexibility

> Strategy
Create instruction manual, ‘Playbook’, with built-in governance for implementing standards

> Demonstrate

<table>
<thead>
<tr>
<th>Proposed Decision Rights</th>
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<tbody>
<tr>
<td><strong>Office Component</strong></td>
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<tr>
<td>Building Layout</td>
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<td>Hoteling Ratios / Space Standards</td>
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<td>Office Uses</td>
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<td>Office Sizing</td>
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<td>Workstation Types</td>
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<td>Conference Room Design</td>
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<td>Reception Design</td>
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<td>Lobby Design</td>
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<tr>
<td>Architectural Finishes</td>
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<td>Furniture</td>
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<tr>
<td>Branding, Signage, Wayfinding</td>
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<tr>
<td>Environmental</td>
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<td>Sustainability</td>
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</table>

> Outcome
Developed comprehensive workplace strategy that was documented in the ‘Playbook’, which will be used as a guide in implementing workplace standards worldwide. The ‘Playbook’ maintains quality control, upholds a singular brand, and aids in attracting/retaining top talent.
CASE STUDY: GLOBAL CONSULTING FIRM

goal

provide access to natural light and views for all employees

> Strategy
Analyze and evaluate various workplace zoning strategies to determine optimal layout

> Demonstrate

Outcome
Established space planning standard which places workstations along the perimeter, maximizing openness
CASE STUDY: GLOBAL CONSULTING FIRM

**goal**

design a workplace that supports various work styles

**Strategy**

Benchmark office/workstation metrics of similar companies and organizations with similar work patterns

**Demonstrate**

**How We Use The Space**
- **Size, SF (SM):**
  - Dense Spaces: 150 – 180 SF (15 – 17 SM)
  - Focused Offices: 100 – 120 SF (9 – 11 SM)
  - Dual Purpose: 160 – 180 SF (15 – 17 SM)

**Benefits**
- Individuals have a space dedicated to them
- Smaller size office frees up room for collaborative spaces
- Can be used for 1:1 meetings
- High utilization of offices

**Implications**
- Can be distracting when other person is present
- Minimum 200% sharing ratio
- Minimum 200% sharing ratio
- Requires fewer dedicated/lexam spaces

**Outcome**

Selected two office/workstation standards that allow flexibility and changeability to support various work styles

**Private Office Size Benchmarks**
- Average Size: 125 SF (12 SM)

**Workstation Size Benchmarks**
- Average Size: 47 SF (4 SM)
- Benching 1: 36 SF (3 SM)
- Benching 2: 36 SF (3 SM)
- Workstation 1: 48 SF (4 SM)
- Workstation 2: 48 SF (4 SM)

- Greater capacity to accommodate additional headcount
- Frees up room to add additional collaborative spaces
- More suitable for EAs and employees who are in the office 80% of the time

**Recommendation:** Local choice between options and a mix of all types.
CASE STUDY: GLOBAL CONSULTING FIRM

goal

control real estate costs and improve real estate utilization

> Strategy
Analyze client’s current real estate utilization and benchmark against utilization ratios of similar companies. Additionally, implement a mobility program to support flexible work arrangements.

> Demonstrate

Office Hoteling Ratio Benchmarks
Min / Max Observed

> Outcome
Through implementation of a mobility program, consisting of a 2:1 employee to workstation ratio and an office classification segmentation program, space utilization improved and infrastructure and construction costs were reduced.
WORKPLACE CULTURE SHIFT

ALMOST THERE....
The ultimate goal is to minimize time between the employee walking on site and beginning work.

» What will the process be for coming to the site and utilizing the space?

**Technology** – software meets hardware

» Third party providers

» Kiosk, phones, room wizards, laptops

**Service** – consistent throughout company

**Staffing** – Incorporate a Site Concierge that would be POC for employees’ needs. Responsible for troubleshooting technical issues, supplies, and enforcing clean desk policies.
**EXECUTING THE STRATEGY – MANAGING THE PLAN**

- **Training** – provide for all levels of staff. Transitions are smoother when employees are kept informed as the process develops.

- Build in methods for staying connected – mandated on-site team collaboration days/online portal to locate employees.

- Manage performance goals – reestablish benchmark for success – face time vs. what is produced.

- Continue **data harvesting** – qualitative and quantitative.
REQUIRED COLLABORATION FOR SUCCESS

REAL ESTATE

HUMAN RESOURCES

INFORMATION TECHNOLOGY
QUESTIONS?

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