

Improved productivity at lower cost

Evidence from research on workplace transformation



Report by
ZZA Responsive User Environments



Improved productivity at lower cost

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With grateful thanks to the organisations that contributed to this research: Birmingham City Council, BT, and the Department of Work and Pensions; and much appreciation to the numerous individuals who shared their time and thought in interviews.

Challenging prevailing practice Summary

Corporate real estate is a production lever; its purpose is to accommodate business activity. To support positive enterprise, workspace must be effective. But as a costly resource, space should also be efficient. Organisations can always do better with finance than sink it in superfluous space. The funds released from redundant space can be very substantial. Efficient space is therefore an important lever of business productivity.



If these gains can be achieved without compromising productive activity, the net effect is

unequivocally beneficial. Where people also experience workplace transformation in a positive way, the gains are even stronger.



This report highlights the significant scope that workplace transformation affords in organisations' quest for cost efficiencies – opportunities that are especially relevant in the current economic climate. For any business seeking to realise these benefits, a key question concerns the impact on operations – staff productivity and morale.



The research therefore set out to appraise both workplace change driving increased space efficiency and occupant reaction to the resultant conditions.



Based on a thorough review of space metrics, and one-to-one interviews with both business

leaders instigating workplace change and team members working in transformed environments, the research shows the rounded suite of productivity benefits that can be delivered.



Not only can efficiency be greatly increased without compromising business performance, but people recognise the benefits for business continuity. Less resource wasted on redundant space and its servicing means jobs. Staff 'get' it.



But the findings are even further reaching. They show that staff may well prefer the leaner conditions that efficiency can deliver: more compact workplaces, more cohesive work communities, and increased flexibility in working. These are valued correlates of more efficient space.



The fulcrum of such outcomes is IT, and the research shows that far from being a barrier to workplace change, IT is not only already embedded, but underpinning a strong impetus to further 'channel shift'. Ongoing change in the modes by which business is done is continuing to alter the relationship between business and space, challenging space-rich equations and practices where these still endure as legacies from former decades.



Today's scope for agile working is enabled by IT and cultural change. It brings opportunities for efficient operations as well as efficient space. When people work in locations that are optimal for the tasks in hand, they waste less time and energy on unnecessary travel. Agile working can promote effective work, sustainable operation and work-life balance.



The record of effective workplace change reported here is a valuable reference for new change programmes. Businesses targeting efficiency can use these case studies to inform ambitious objectives for space utilisation, in the knowledge that this can also promote staff satisfaction and performance.



Organisations can also re-set their perspective on the physical workplace for effective change. The 'all bells and whistles' solutions that the industry has celebrated may be gratifying to deliver, but can miss the mark.



The research shows a staff preference for simplicity and fundamentals: easily accessible workplaces, with modest fit-outs, offering a good internal environment, at a scale that is conducive to team esprit and genuine collaboration. Business can use this learning to resist pressure to photogenic designs with lavish amenities, focusing instead on change that's apt for business.



As an additional benefit, the reduction in superfluous travel that the reported efficiencies afford also promotes environmental sustainability. This is a widespread, if secondary, contemporary business objective.

Challenging prevailing practice

Ten high level messages from occupant research

1

Forget the office palace

Staff value fit for purpose workplaces of a friendly scale

2

Location is a high staff priority

Easy access between work and home makes for more sustainable and productive work and living

3

Office consolidation often makes supply sense

But over-concentrating workspace in a single place reduces staff access and can limit productivity

4

Highly imaged, statement landmark buildings with high end amenities attract industry attention

But they're superfluous to staff priorities and requirements

5

Modest workplaces can deliver for today's agenda

What matters is relevant location, conducive scale and appropriate fit-out

6

Re-think existing property assets

They may be quick and cost-effective to adapt for what matters in business performance

7

Occupier value derives from intensity of use more than from density of layout

Staff welcome the stimulus and engagement of well populated workspace

8

Better utilised space means less space to occupy and run

This reduces the occupiers' cost base, and promotes staff performance

9

IT has changed the way we work

Agile working enables efficient space use, productive working and sustainable operation

10

Increasing workspace efficiency can generate overall productivity improvements

Not just less space to own, manage and negotiate, but also re-allocation of finance to enterprise, and equivalent or improved staff satisfaction

Researching workplace change Are 'the givens' given?

As a supplier managing the workspace of up to 1% of the UK workforce, Telereal Trillium has undertaken extensive restructuring of operational estates for public and private sector clients, involving significant change to these organisations' resource base.

As the owner and / or manager with active responsibility for subsequent operation of their customers' workspace, it is important for Telereal Trillium to know what works well for these occupants and what misses the mark.

Researched knowledge of outcomes for occupants working in changed environments is necessary to validate or challenge industry assumptions that are typically recycled from project to project. To test the results and establish a rounded evidence base, Telereal Trillium reviewed space metrics on workplace change they have delivered, and commissioned ZZA Responsive User Environments to research occupants' experience.

About the research

Space metrics

The review covered portfolio size – pre and post transformation, including quantities of space, space utilisation, and associated costs.



Occupant research

Business leaders

Parallel research with business leaders and senior managers provided views on outcomes relative to transformation aims – covering Strategy, Operations, Finance, HR and Property perspectives.



Staff

Interview-based Post Occupancy Evaluations, with public and private sector organisations, covered a comprehensive picture of occupants' work experience and comparison of conditions before and after change. The sampled participants represented a range of teams, functions and work positions in transformed workspace – in new and refurbished buildings, and central and off-core locations.



Benefits for business and industry steer Highlights

What less space means for productivity ...

The significant savings that can be achieved by releasing surplus space are easy to demonstrate, as is the scope to reallocate funds to value-adding investment. But business performance is also based on people.

Occupant research

Space contraction doesn't mean reduced staff productivity. On the contrary, less space that's more intensively occupied can improve staff engagement and enhance overall performance.

Business opportunity

Lean, efficient space isn't just cheaper to occupy and run; it can also promote productive operations.

Property steer

Efficient workplace resourcing avoids surplus space and supports intensive use. This requires an ongoing strategic focus and proactive FM.

Space efficiency is about well utilised space, not just layout ...

Efficiency is more than desks per square metre. It's about intensive usage and the rounded benefits that dynamic efficiency brings.

Occupant research

More intensive space usage promotes workplace community and teamwork, adding value to business.

Business opportunity

Good utilisation saves money, promotes operational performance and contributes to greener operations.

Property steer

Focus on relevant metrics to establish a full picture; not just desks per sq m, but data on capacity and its use.

Access to work Physical and virtual ...

Productive, sustainable business depends on individuals. Staff value convenient workspace and workplace protocols.

Occupant research

Workplaces in accessible locations, and buildings that are simple to enter and exit, make life easier.

And staff value scope to work remotely – when the activity in hand doesn't gain from physical presence at their place of employment, and more can be achieved by working elsewhere.

Business opportunity

Smaller buildings close to residential areas facilitate staff access.

With some staff working remotely at times, and others on leave or ill, the number of people assigned to a given workplace can typically be increased.

Property steer

Convenient staff access promotes productive working. Workplace location is highly relevant to productive outcomes.

IT unlocks people from one specific workspace, enabling work from a wide variety of settings. This supports productive working and generates capacity for workplaces to accommodate increased numbers of staff. Productive space means fewer buildings in an occupier's operational estate.

Community at work ...

Work is social; effective workplaces promote teamwork and a sense of belonging.

Occupant research

Staff prefer workspace that's well populated and compact in scale. They value a sense of community and sense of place, over and above the high end on-site amenities that large workplaces can provide.

Business opportunity

Smaller buildings in relevant locations can support business performance – bigger isn't automatically necessary or best.

Property steer

The big statement buildings and on-site amenities that the industry celebrates do not always meet occupier requirements. Staff preferences for more modest solutions than providers often deliver may be more relevant to productive operations.

Benefits for business and industry steer Highlights

Bigger buildings don't equal collaboration ...

Scope for chance encounters is not the same as interaction, and interaction does not mean collaboration.

Occupant research

Staff report co-location with functional groups that lack inherent synergy as irrelevant and alienating. Occupying a large building with unrelated teams detracts from business purpose and work enjoyment.

Business opportunity

Co-locating all parts of an organisation may be unnecessary nor value-adding. Clarity about worthwhile adjacencies can reduce the scale of transformed workplaces, generating a useful ongoing role for smaller buildings. A strategic network of buildings, large and small, can provide a productive distribution of workspace across a city or region.

Property steer

People want physical contiguity with relevant functions. This challenges the belief that bigger buildings and campuses to co-locate more working groups will add inevitable commensurate value.

A comfortable and pleasant environment fits the bill ...

The workplace industry promotes the 'wow' factor as important for workplace design – high visual impact and amenities. Whilst photogenic, this is not what staff prioritise in use.

Occupant research

Over-specified offices are irrelevant to operations. What staff want is fit for purpose workplace accommodation – natural light, fresh air and some control of internal conditions, in a clean environment, that's simple to navigate and pleasant to work in, with settings for individual and team work.

Business opportunity

The standards that industry media and awards promote often over-reach actual requirements, whereas simpler and more affordable change propositions may meet the mark. Organisations contemplating workplace change can focus on lean and appropriate solutions that meet staff needs for effective space in ways that matter.

Property steer

Highly imaged, 'cool' design may command useful attention in sectors like advertising. However, effective workplace delivery in other sectors calls for a focus on what the operation and its staff require, rather than imposing culturally extraneous solutions that suppliers may want to deliver.

Business viability ...

Efficiency always promotes effective business performance. In stringent times, workplace change that makes space work harder can represent the route to business continuity.

Occupant research

People want jobs. They have a vested interest in business viability, and recognise that efficiencies enable this.

Business opportunity

Staff are allies in business success. They understand the implications of wasteful excess, recognise that 'less space' can mean 'more benefit', and support change when its longer term purpose is clear.

Property steer

The contribution of workplace change in securing business futures needs explicit articulation. There is persuasive evidence that demonstrates lavish workplace standards as counter-productive.

Change can challenge morale ...

Those who lead workplace transformation and many staff are enthusiastic about the opportunities that change affords. Others nevertheless experience change as a challenge, particularly when this occurs alongside organisational restructuring and the uncertainties this entails.

Occupant research

People recognise that workplace transformation can contribute to their organisation's viability. They accept it, but don't necessarily warm to the change. Delivering what staff really value in the workplace can facilitate the transition.

Business opportunity

There is extensive variety in the way workspace can be designed and managed. Workplace transformation is better poised for welcome acceptance when its propositions respond to staff views and ideas, incorporating the low cost and often cost neutral features that enhance people's workplace experience.

Property steer

Relevant knowledge and delivery of change that focuses on operations and people promotes a positive response to workplace transformation.

Effective workplace transformation moulds the strategy and solutions to a given business, rather than coming pre-packed as 'lift and shift'.

Benefits for business and industry steer Highlights

Leveraging proven success for productivity benefits ...

The evidence demonstrates the rounded benefits that can be achieved by eradicating excess space: financial receipts, reduced service costs, enhanced performance from better utilisation, productivity improvements related to agile working, and leaner, greener practices.

Occupant research

Positive experience of workplace transformation often exceeds expectations, and once agile work modes are introduced, organisations' grasp of its potentials increases its adoption, generating scope for further efficiencies in both work mode and space use.

Business opportunity

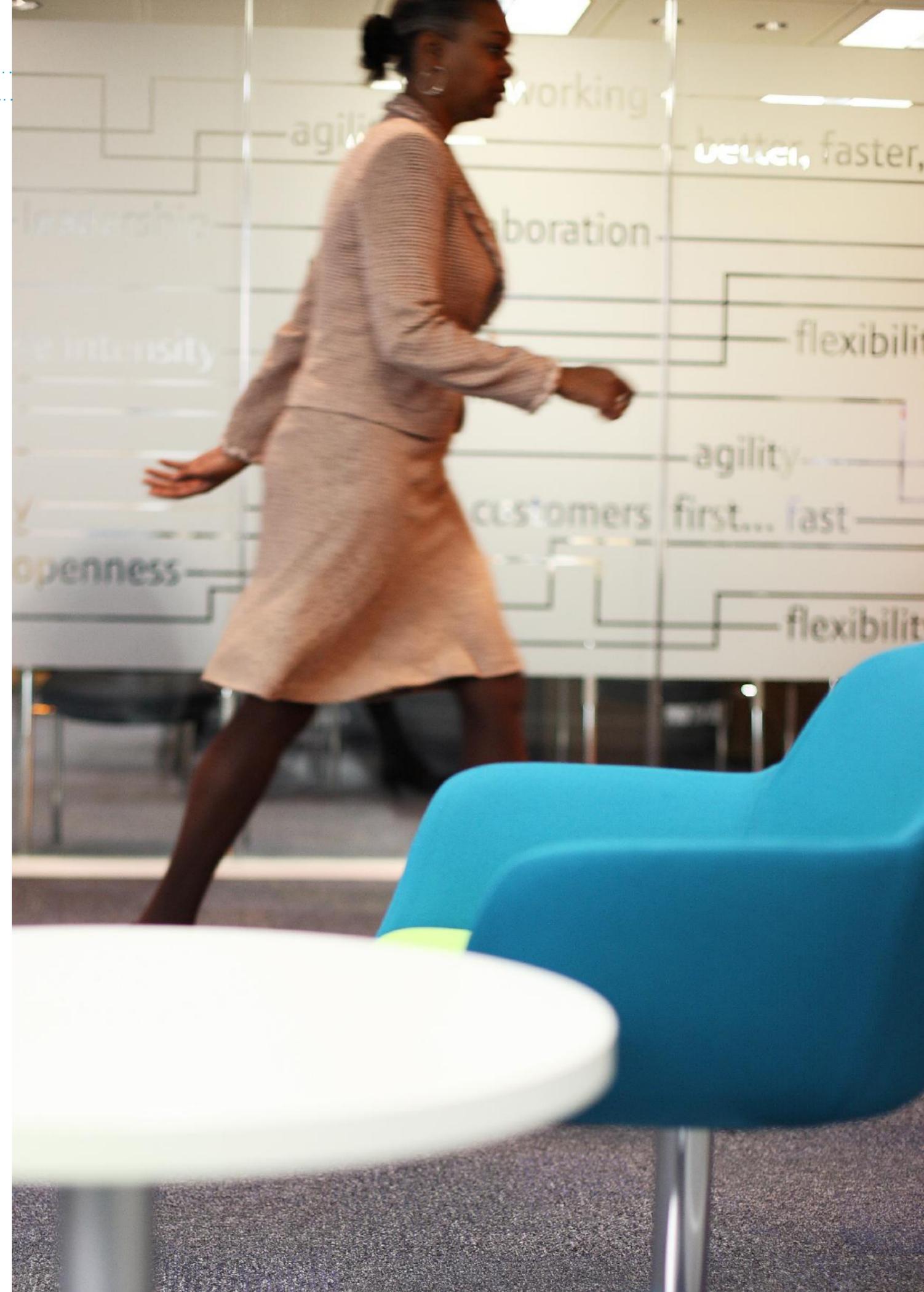
Organisations considering workplace transformation can reference instructive case study learning from programmes that have been implemented and researched, informing efficiency targets that avoid needless change cycles and hasten the realisation of benefits.

Property steer

Management of workplace transformation must evolve by learning from research of change that has already taken place. Evaluation of outcomes can validate a projected programme, identify programme improvements, and embolden project scope.

The embedding of IT as a 21st century reality offers opportunities for improved efficiency, productivity and sustainability.

Changed work modes involve increased agility – both away from and within workplaces. The more traditional settings of desks and meeting rooms are now too limited as a sole frame of reference to measure resource use. Optimal management calls for metrics that reflect the realities of contemporary space use – not just desks / sq m and users / desk – but every seat in all work settings – from café to breakout space.



The evidence on space contraction Realising big wins

Taking stock: doing with less

Audits of occupiers' properties typically identify scope for contraction, often with dramatic potential for financial savings, through space reduction and / or replacement or selective replacement with buildings that are more efficient in their energy use, maintenance and facilities management.

Examples of savings for occupiers participating in the research:

BT 30%

For BT, rationalisation and efficiency have meant contraction from some 5.1 million sq ft in 2008 to approximately 3.7 million sq ft today – achieved by releasing 39 properties.

Birmingham City Council 50% of administration space.

For Birmingham City Council, the programme is on target to reduce the number of back office buildings from 55 to 8, involving a 42% reduction of floor space. Given organisational contraction since the programme's inception, a further 22 buildings totalling 120,000 sq ft of NIA have been added to the 975,000 sq ft in the original scope, increasing total space reduction from 42% to 50%. As the transformation involves acquisitions of new workspace as well as disposal of unsuitable space, the figures are net.

Fulcrum of business viability

This scale of asset release converts to valuable financial returns. The business leaders highlight the role of space contraction in ongoing business continuity, particularly with the ongoing resource pressures on both public and private sector organisations.

The net effects are significant. For Birmingham City Council, the forecast net running cost reduction is approximately £7 million per annum. Combined with forecast capital disposal proceeds, this provides total net cashable benefits of c.£100 million over 25 years.

The financial benefit of BT's estate contraction from the 2008 starting point of 98 office and call centre buildings to the 59 today, is a saving of £45 million.

“ The key driver was cost reduction. ”



“ The prime objective right now is cost reduction. ”



“ Cost reduction – reducing the number of occupied buildings that we've got, and mothballing buildings where we can. It's down to cost management. ”



“ In terms of the financial outcome, being able to come out of buildings is critical to our challenge to meet growing service expectations and demand with less financial resource – in 2007 to 2008 it seemed like a mountain, but the reality is that it's possible. ”



The evidence on space contraction Realising big wins

Workplace change and the culture of work: operational efficiency

Workplace transformation also equips organisations to meet changes in the way business is done, by modernising the culture of work, and facilitating 'channel shift' – the technology platform underpinning business operations. Typically this involves an increased role for virtual communication.

“ The first point of contact for customers in this business is online. It changes the headcount – requiring far fewer people per 100 customers. It's very popular with customers and it's a very young environment – a beacon for the future. Both the business and headcount are growing. ”



Benefits realisation: sooner rather than later

Given the scale of benefit that transformation can deliver, the research flags up the opportunity cost when change is deferred, highlighting the value of early realisation.

“ I don't think we missed any of the intervening steps, but we could have done it faster. The approval of the business case could have been accelerated. It would have been better to start earlier. ”



Unpicking the big wins Relevant space metrics

From portfolio to people: what metrics matter?

The scale of savings from estate rationalisation is clearly seductive. How do these translate to operations on the ground?

Beyond static density

The keystone measure of NIA / workstation references efficiency of layout. This is an ongoing focus of both the Government Property Unit and Telereal Trillium. Interior layout is an important measure of capacity, but it is just one factor. Productive space is well used.

Birmingham City Council's forecast space reduction is a product of agility plus effective layout density. The increased efficiency is already in place and operational, involving the more intensive use of buildings that enables other properties to be released. The following example compares Lancaster Circus, before and after refurbishment.

IT and space utilisation

Relevant metrics relate to the scope that IT now affords to connect remotely, giving businesses valuable flexibility in staff resourcing and in sizing workspace to the staff base likely to be on site at any time.

Seats / users: today's focus on collaboration

Given the nature of work today, a still more instructive measure covers not just desks, but all the settings that staff use in a workplace, including work in breakout space, project areas, canteens, meeting and quiet rooms. Seats / user population is a more comprehensive and accurate index of productive space use.

Alternative metrics

Workstations / users is a newer measure of 'dynamic density' that reflects agile working. Focusing on the number of staff assigned to work in a given building, and recognising that they won't all work there at the same time, this measure of capacity denotes provision to share desks. 'Desks to people', eg. 1 desk to 2 people, represents a planned or actual measure of workplace agility. Signifying that staff are occupying less space, this typically translates to fewer buildings. It underpins the big wins that organisations like Birmingham City Council and BT can achieve at portfolio level.

“ There were a lot of offices that you went to and thought: 'there's no one there.' ”


Business leader

Further to go

The workplace change data from this research shows improved space efficiency, reflecting advances in the adoption of agile resourcing and increased space utilisation. But agile working promotes further agility, as managers and staff grasp its advantages for efficient, responsive working, and efficient resource use. Thus the utilisation research indicates scope to intensify sharing, enabling still more efficient ratios of users / work settings.

Greener business performance

Improved space utilisation contributes to environmental as well as cost objectives. As more efficient space use means fewer buildings and travel, it reduces occupiers' carbon footprint. Although typically secondary to financial efficiency, improved environmental performance is a widely held business objective. Efficient space use allows both objectives to dovetail.

Alternative metrics

Total space	Workstations	NIA / workstation	People	Agility ratio (workstation:people)	Area / person
Pre-change: 189,000	1,500	126	1,500	1:1	126
Post-change: 189,000	1,950	97	2,267	8.6:10	83

“ This is one of the objectives of the Council – to reduce the carbon footprint. ”


Business leader

“ The environmental agenda is very financially driven – for example, energy efficient light bulbs and energy reduction. ”


Business leader

The productivity question Can less space work operationally?

The impact of less space on operations

The financial gains of space contraction are compelling, but workspace is to house operations. The occupant research therefore questioned how workplace change involving more efficient metrics works for staff and business.

High level verdict: business leaders and senior managers

The business leaders report distinctive operational benefits of the new environments – additional to the financial benefits of property contraction.

They highlight the positive impact of more intensive space use: fuller occupancy enlivens the workplace. And they report the change from 'heartless buildings' that 'lack in buzz' as improving staff performance.

“ Being fit for purpose and improving service - our offices now meet the needs for driving the programme forward. It's a lovely environment for staff and service users. It's to do with excellence in facilities, corporate and services management in the future. Plus one of the main drivers is financial savings. **”**


Business leader

“ No more Marie Celeste! **”**


Business leader

The business leaders evaluate transformation in their organisations as resulting in better or equivalent business performance whilst reducing cost. The following identifies successful transformation achievements on key performance indicators:

Making people's work life easier

Yes 50%
A bit 38%
No 13%



Enabling staff to get more done

Yes 57%
A bit 32%
No 7%



Enabling staff to get things done better

Yes 44%
A bit 38%
No 13%



Giving people a sense of added pride

Yes 50%
A bit 25%
No 19%



Promoting a sense of professionalism

Yes 69%
A bit 19%
No 7%



Enabling more collaboration with existing colleagues

Yes 82%
A bit 7%
No 7%



Prompting collaboration with people who didn't collaborate before

Yes 57%
A bit 25%
No 13%



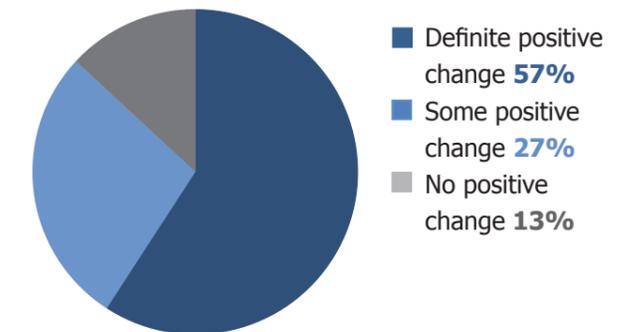
Facilitating a greener / more sustainable lifestyle

Yes 44%
A bit 32%
No 25%



This data shows business leaders' affirmation that workplace transformation in their organisations has delivered more than space efficiency, resulting in a rounded set of productivity benefits overall. In respect of these KPIs, the largest body of opinion judges the results of transformation to be definitely positive, with the next block testifying that the move has contributed some positive change. A small minority of responses reported no positive change in productivity. These results evidence the important scope of change programmes to achieve valuable gains from property efficiency, with additional performance improvements.

Average profile of response from Business Leaders on workplace transformation KPIs



The productivity question Can less space work operationally?

Productive performance: feedback from the coalface

Leaders have a strategic vantage point in their organisations – they direct change to meet a corporate vision. Typically, staff follow rather than lead the transformation process – thus their perspective is likely to be more focused on the impact of change on themselves.

Across the research with staff participating in these evaluations, 77% report that their transformed workplace conditions influence their productivity positively or make no difference. Of these, 16% report a positive impact, 61% report no difference to their productivity. This is important evidence for organisations seeking to capture the benefits of space contraction without compromising business performance.

It also points up the ongoing relevance of engaging with and learning from staff on what matters in designing and implementing workplace change, to achieve outcomes that align with both strategic and staff aspirations.



“ Added agility and the availability of a different range of spaces has a positive influence on productivity. Working flexibly means that more gets done. ”



How efficient space can look and work Case study: Birmingham City Council

Efficient workplace network based on agile work

The occupant research covers the ongoing experience of Birmingham City Council, whose transformation programme involves release of 71 buildings that no longer served the Council efficiently, and delivery of new and refurbished buildings to meet the organisation's needs. Space efficiency was pivotal to the business case and continues to be central to the programme.

The buildings researched

Lancaster Circus, central Birmingham

2010 refurbishment of an original cycle warehouse, constructed in 1950s, converted to offices in late 1960s.



Lifford House, Stirchley

Recycled 1970s building, stripped back to structural frame and fitted out for Birmingham City Council in 2010.



Woodcock Street, Aston

New build for Birmingham City Council, phased occupancy from January 2012.



Space metrics

Static density

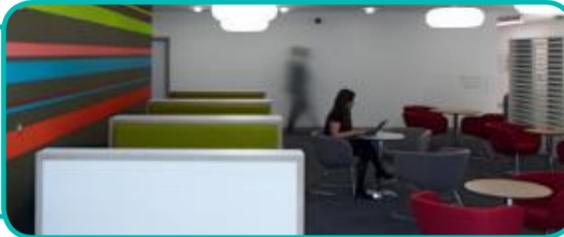
NIA / workstations

9.1 sqm Lancaster Circus ¹
7.5 sqm Lifford House
8.5 sqm Woodcock Street



NIA / person FTE

7.8 sqm Lancaster Circus
4.9 sqm Lifford House
7.0 sqm Woodcock Street



NIA / work settings, all seats

5.9 sqm Lancaster Circus
4.9 sqm Lifford House
5.5 sqm Woodcock Street



Dynamic density

Workstations / person

8.6 : 10 Lancaster Circus ²
6.5 : 10 Lifford House ³
8.3 : 10 Woodcock Street ⁴



Work settings, all seats / person

13 : 10 Lancaster Circus
10 : 10 Lifford House
14 : 10 Woodcock Street



¹ Occupancy limited by means of escape
² Principally back office

³ Principally Social Workers, with high levels of off-site work
⁴ Principally back office

Evaluating the outcome

Relative to benchmarks, the space efficiency in the transformed Birmingham City Council estate represents lean practice. The results compare favourably with Government Property Unit benchmarks, which target workstation provision at 8 sqm per full time employee (FTE) and desk sharing at 8 per 10 FTE.

However, the GPU measure of workstation per FTE combines space layout with space allocation, whereas the metrics used by Telereal Trillium unpack these measures, distinguishing between space layout and space allocation.

The research at Lancaster Circus and Lifford House demonstrates that these space efficient workplaces meet requirements for operational performance, positively or acceptably, for all or a very high majority of staff – 100% at Lancaster Circus and 87.5% at Lifford House*.

“ It’s conducive to getting work done. The ambience of the room has a positive impact on work. ”

Team member
Lancaster Circus

“ It’s a lot brighter and more open, it makes a big difference in terms of the ambience. The mood is generally better. ”

Team member
Lifford House

“ We all love it here. I had a choice to sit with the other managers but I sit with my team. ”

Team member
Lifford House

*The Woodcock Street building was not yet occupied when the research was done, but will be subject to Post Occupancy Evaluation.

Productive and sustainable use of a workplace network

Post occupancy data inevitably reflects a snapshot at a point in time. Birmingham City Council's transformed estate, predicated on a significant degree of agile working, now comprises workplaces in strategic city locations. Undertaken 11-21 months following occupancy, the research shows Birmingham City Council staff already harnessing the flexibility that the new workplaces offer, facilitating productive use of time.

By enabling staff to work in locations that reduce unnecessary travel, Birmingham City Council's strategic workplace supports the Council's environmental objectives, as well as delivering operational efficiencies and promoting staff productivity.

“ One objective is to reduce employee travel, for example, working remotely without having to go back to base. ”

Business leader
Lifford House

“ I've worked at home on occasion, when I need to read reports. Or I work at other sites, like Lancaster Circus if I'm on that side of the city – for example, if I've been at court. ”

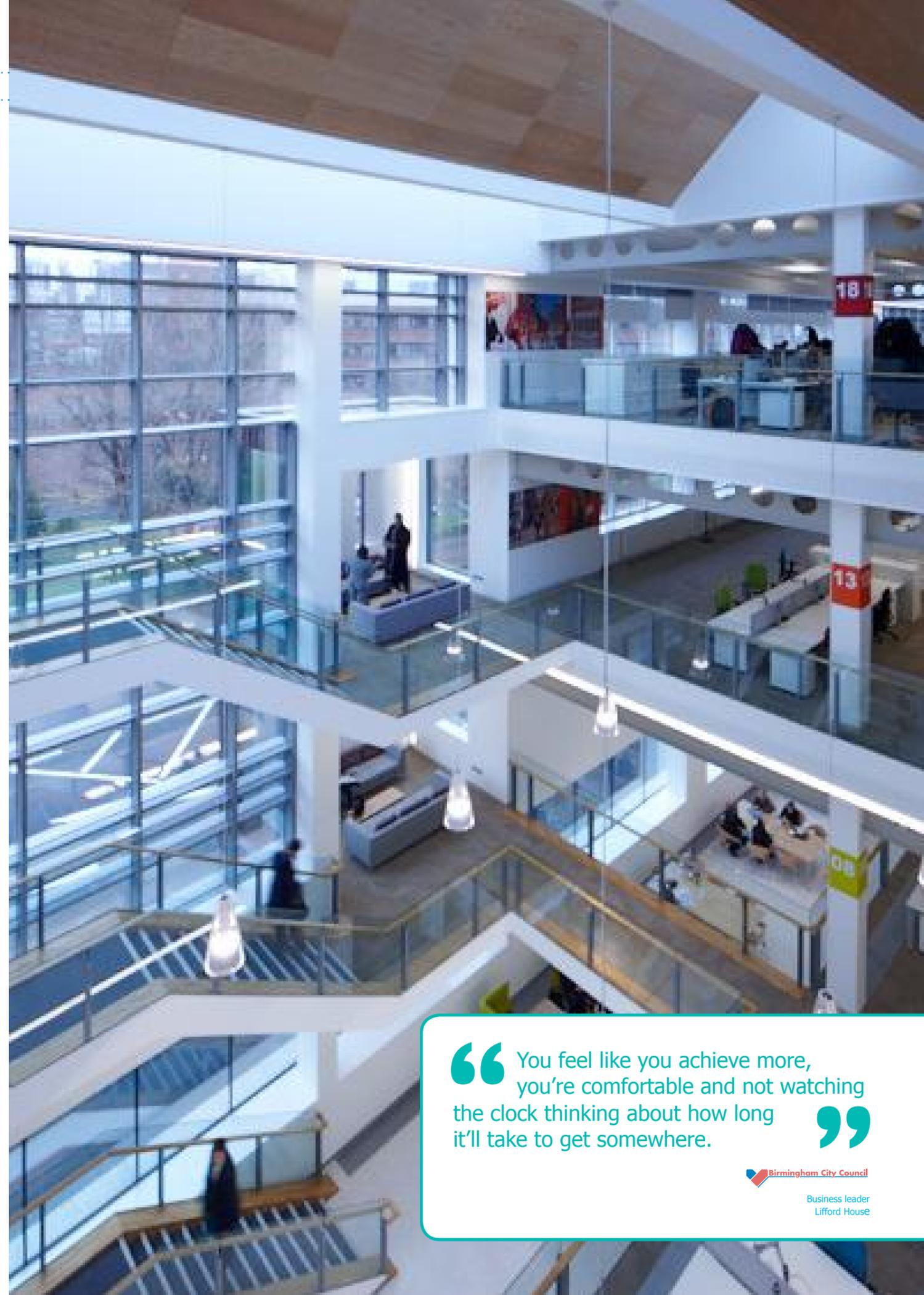
Team member
Lifford House

“ I work in other Council buildings as well, and very occasionally I work at home. For example, if I'm out at a meeting from 2:00pm to 5:00pm, I look at the time it would take to get back to the office, or to go home and work. ”

Team member
Lifford House

“ There's an element of personal choice. I live close to Lifford House so I like the opportunity to work there. There are long jams into the city centre and parking costs. On the times that I've worked at Lifford there's not been the stress and feeling of 'I've got to get in'. ”

Business leader
Lifford House



“ You feel like you achieve more, you're comfortable and not watching the clock thinking about how long it'll take to get somewhere. ”

Birmingham City Council

Business leader
Lifford House

How efficient space can look and work
Case study: BT



BT's challenge to industry gives
What staff value in the workplace

BT's strong focus on cost management has driven its programme of property contraction, based on significant release of recent Grade A office buildings in premium locations, and transition to accommodation selected on location and cost criteria – convenience for staff, lower cost than premium offices, and / or available capacity because operations supported in these buildings have contracted in their space use. The 'receive buildings' that staff have been moved to include offices, telephone exchanges and other technical buildings, adapted to current workplace requirements by modest but focused retro-fits.

Examples

The BT sites selected for the post-transformation research challenge prevailing 'givens' about the nature of workplace improvement. The contrasting nature of the before and after BT buildings poised the research to question the need for strongly imaged workspace and high end on-site amenities in order to win staff acceptance of space contraction.

From award-winning City Place, Gatwick with its distinctive on-site facilities including restaurant, café areas, hairdresser, gym and even music room.... to Crawley TEC, on an industrial estate.

From the lively mixed use and celebrated canalside environment of Brindleyplace.... to Midland TE, a central Birmingham podium and tower telephone exchange (TE), close to New Street Station.



City Place, Gatwick



Brindleyplace



Crawley, TEC



Midland, TE

Space metrics

Static density

NIA / workstations

7.9 sqm Crawley TEC
12.3 sqm Midland TE ¹



NIA / person FTE

6.7 sqm Crawley TEC
12.3 sqm Midland TE ²



NIA / work settings, all seats

5.2 sqm Crawley TEC
4.9 sqm Midland TE



Dynamic density

Workstations / person

8.5 : 10 Crawley TEC
10 : 10 Midland TE



Work settings, all seats / person

13 : 10 Crawley TEC
25 : 10 Midland TE ³



¹ 1960's telephone exchange with secondary office use
² Accommodating general 'back office' functions

³ Regional meeting hub, replacing meeting facilities lost through the vacation of the BT 'Workstyle building' at 5 Brindleyplace, therefore disproportionately large 'collaborative seating' provision impacting on 'static density' metrics

Evaluating the outcome

Inevitably, such moves impact on staff experience, though not necessarily in line with industry assumptions. The research is instructive in showing what really matters to occupants. It demonstrates substantial staff buy-in and even preference for their new work environment. Given the changes involved, the data on this positive evaluation is compelling:

Workspace meets requirements for operational performance

Crawley TEC

Yes 85%
OK 15%



Midland TE

Yes 65%
OK 30%
No 5%



Improves the scope for the work you do on an individual basis

Crawley TEC

Improves 5%
No difference 95%



Midland TE

Improves 11%
No difference 78%
Detracts 11%



Feel comfortable and 'at home' when you come to this workspace

Crawley TEC

Yes 80%
OK 15%
No 5%



Midland TE

Yes 65%
OK 20%
No 15%



Pleased with this new workspace in general

Crawley TEC

Yes / Mostly 50%
OK 35%
No 15%



Midland TE

Yes / Mostly 63%
OK 16%
No 21%



The new set up improves the scope for team work

Crawley TEC

Improves 20%
No difference 75%
Detracts 5%



Midland TE

Improves 11%
No difference 84%
Detracts 6%



Influence on productivity

Crawley TEC

No difference 90%
Negative 10%



Midland TE

Positive 11%
No difference 74%
Negative 16%



People's view Workplace community and team work

The qualitative data explains staff's endorsement of the transformed conditions. People value community and team work. They prefer a workplace that supports this, rather than a building that feels too big, under-utilised and anonymous. Their comments are very clear on the importance of conducive spatial scale and team spirit in productive work.

“ By virtue of its size, you can get people together more quickly here, and get a sense of what's going on, in contrast to City Place which was a bigger site. ”

Team member
Crawley TEC

“ It's better because it's smaller, which means it's a bit more personal. You know everyone you sit with and everyone around you, it improves team work in the office. ”

Team member
Crawley TEC

“ City Place was an aircraft hangar. Through size alone, you can say hello to more people here. ”

Team member
Crawley TEC

“ Our physical closeness means you can just ask a question as an aside rather than bellowing across several desks. ”

Team member
Midland TE

“ We're all in the same space here. Everyone I deal with is in this building on the same floor as me. I don't have to move about too much – it's ideal. ”

Team member
Midland TE

Big not always best

The research challenges the view that bigger buildings that can offer high end amenities will promote staff motivation and retention. In contrast, it highlights staff preference for compact workplaces that are socially more cohesive.

Occupants welcome a physical scale that enables them to reach their workplace more easily, facilitating simple entry, exit and circulation.

The data also challenges the belief that bigger buildings necessarily add value by increasing interaction between a wider range of work groups and teams. Interviewees question the relevance of co-locating entirely unrelated groupings that lack inherent synergy within a single workplace.

“ It's small which makes it quite intimate. It's a friendly place to work and you have that sense of intimacy with your own teammates and others. This is a small, compact, friendly office. ”

Team member
Crawley TEC

“ It's a bit easier because it's smaller, whereas the old building was so big. It would take a long time just arriving, parking in the car park and then getting into the building and to your desk. Here you're just in and done. It's also easier at lunchtimes to pop out; I go home because I live very near. ”

Team member
Crawley TEC

“ City Place on the other hand was just too vast. You didn't know the other people and faces changed all the time. ”

Team member
Crawley TEC

Fit for purpose More relevant than image and prestige

The occupant research endorses the appropriateness of the post-change workplaces with their relative simplicity. The staff inputting to these Post Occupancy Evaluations see their workplace buildings for what they are.

Their assessment of external image demonstrates an objective perspective, but they consider this marginal against what their workplace offers inside. They report the interiors as being broadly right, providing what matters to them at work, though – as in typical occupancy research – the study identifies aspects for improvement.

This result points to a useful refocus in workplace transformation, to knowledge, experience and focus, rather than deep pockets. The assumption that workspace has to offer bells and whistles to attract, retain and motivate staff is not supported by this research. Rather, the findings identify the relevance of workplace change that delivers fitness for purpose.

“ *It’s pleasing on the eye – you feel like you’re coming to a nice building rather than a dump. It’s not nice from the outside, but it’s an engineering building.* ”
Team member
Midland TE

“ *It’s done up very well in terms of desks and furniture – everything is very good.* ”
Team member
Crawley TEC

“ *We’ve gone from a sexy glass building to an old store building. But maybe in the business arena it shows that we’re looking after the money and not being frivolous with it.* ”
Team member
Crawley TEC

“ *It’s clean, bright and fresh inside – and not like an exchange building.* ”
Team member
Crawley TEC

“ *It’s a nicer environment internally. The desks are better, and I like the branding on the walls. It’s generally more cohesive here and it has a better layout too.* ”
Team member
Crawley TEC

Effective change leadership Promoting less as more

Knowing what really makes a difference to occupant experience and business performance is vital to optimise the value from workplace change. This informs effective project positioning.

The research shows that where business leaders engage in determining the scope of change and communicating its contribution to business viability, this further promotes staff support for the opportunities that transformation can bring.

“ *A primary driver is to reduce costs. A performance driver is to do so without detriment, and to harness property advantages other than just financial. People didn’t know about the costs that ensued with occupied desks. It was only when we started to apply rigor to the accommodation charge, explaining that it’s a) about paying for space we didn’t need, b) that we couldn’t afford, and c) about the space we’re moving into.* ”
Business leader
Crawley TEC

From plan to action Implementation and management

Overall outcomes depend on effective implementation, and proactive management following project delivery. The 'fresh and bright' that staff appreciate needs to be sustained, utilisation maintained or improved, and responses to channel shift, work style, technology and organisational shifts aligned and optimised. Successful workplace transformation calls for expertise with both space and people.



“ They’ve done a really good job on the decor and branding - it makes it feel like a good place to be. ”



Team member

Improved productivity at lower cost

About the author Ziona Strelitz



Workplace Strategist, Design Researcher and Founder Director of ZZA Responsive User Environments, Ziona draws on her rich knowledge of locations, buildings, work modes and lifestyles to inform sustainable strategies and effective building use. ZZA works with leading clients, providing systematic research and strategic advice to steer new value propositions: www.zza.co.uk

Ziona is Visiting Professor at University of Reading and serves on various public panels. She has extensive experience as a judge of national and international awards and frequently presents at international events. Recent publications include, 'Buildings that Feel Good' (2008), 'Liveable Lives: Addressing Dysfunction in 21st Century Work' (2010), 'Why Place still Matters in the Digital Age: Third Place Working in Easy Reach of Home' (2011), and 'Energy, People, Place, Sustainable Urban Paradigm' (2012).

About Telereal Trillium

We are experts in managing large, complex property portfolios and ensuring that accommodation supports transformational business change.

We have long-term partnerships with some of the UK's largest occupiers, such as BT and Department for Work and Pensions, and own a £6bn investment portfolio, which includes landmark buildings such as the Coutts Bank Headquarters on London's Strand.

By focusing as much on the needs of our customers and occupiers as we do on the buildings we own and manage, we have built a solid reputation for service, innovation and intelligent asset management.

We deliver our high standards of service through 900 directly employed people and a further 12,000 individuals who work for our long term service partners.



