From Guessing to Knowing:
The Facility Manager's Guide to Using Data in the Hybrid Workplace

Ebook

SPACEWELL
A NEMETSCHEK COMPANY

The Hybrid Workplace:
Key Points

The hybrid workplace offers employees greater flexibility, but also brings **new challenges for real estate teams**.

Hybrid workplace solutions (technology, data, and analytics) enable businesses to adapt their workspaces to the hybrid world of work.

Key objectives include optimizing **space performance** (footprint and configuration) and the **employee experience**

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The Hybrid Workplace:
a New Challenge for Corporate Real estate

As a result of the pandemic, many companies are re-assessing their workplace needs.

A hybrid workplace refers to an office concept that enables employees to work **both in the physical office or remotely**. Hybrid working isn't new, but its popularity has been turbocharged by the pandemic and the subsequent massive WFH experiment. While employees want it, the hybrid work model also creates **new challenges for real estate and workplace leaders**.

Hybrid workplace solutions (comprising software and technology, data & analytics) can help them implement a successful hybrid workplace. One that works for people as well as profits the business. Beyond the obvious challenge of determining **how much office space** is still needed, another essential question is **what kind of space** employees will require so that they can make the most of their in-office experience.

77%

of large companies anticipate adoption of hybrid working practices*

*source: CBRE EMEA Occupier Survey 2021

Technology to Support Hybrid Workplaces

In a hybrid office setup, occupancy becomes less predictable. It also tends to vary more widely during the week. Under these circumstances, **smart workplace technologies** – and the data derived from them – provide much-needed support.

- They help organizations quickly **identify and adapt to new work patterns**.
- They help **employees navigate the flexible workplace environment** thanks to IoT real-time data.
- They **inform hybrid workplace (re)design strategies**, enabling companies to create workspaces that support people's well-being as well as their productivity

In short, smart workplace technologies and **analytics** support businesses to effectively shift from pandemic workplace disruption to post-pandemic flexibility and resilience.

> *"In a hybrid office setup, occupancy becomes less predictable and varies more widely during the week."*
>
> – Rob van Gemert, Sales Director Spacewell

Managing space in a hybrid office

One of the conclusions many companies have drawn from the pandemic is that focused work can, for many employees, be done just as well – if not better – from home as in the office. Many types of collaboration and socialization, on the other hand, are better suited to face-to-face interactions. Particularly when they involve new employees. As a result, many companies expect to dramatically increase the availability of conference rooms, huddle areas, and other collaboration or flexible spaces to accommodate new ways of working.

But even if the office becomes a collaboration hub, there is still considerable uncertainty around how much of each type of space will be needed. How intensely this space will be used. And how much employees' need for space has been changed by social distancing.

The best way to answer those questions isn't to theorize about the future of the office but to put in place the technology that allows space managers to:
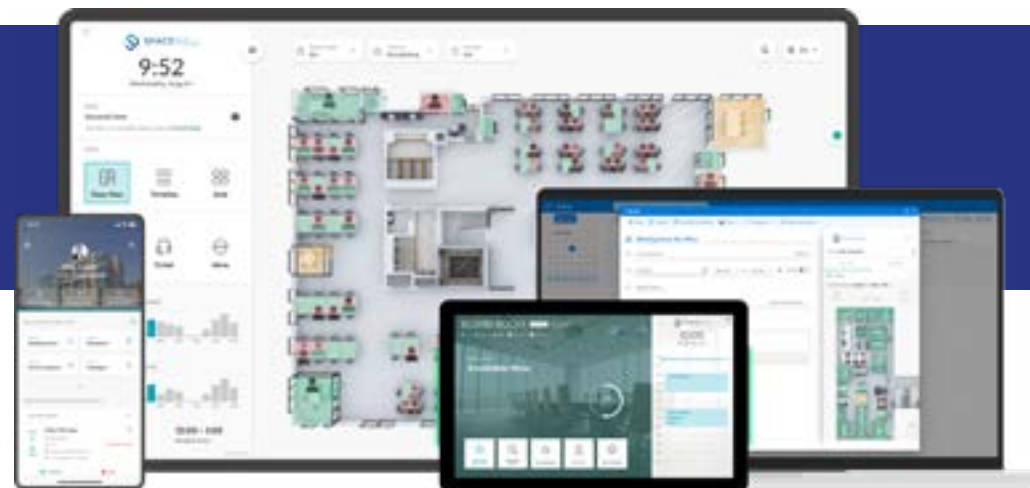
Employee experience in a hybrid workplace

Beyond optimizing the configuration and amount of space, another concern for many workplace managers is how to **create a healthy, employee-centric environment**.

One approach taken by many companies has been to deploy workplace apps that allow building users to make reservations, find colleagues, book services, request cleaning and maintenance, and visualize indoor air quality metrics for their space.
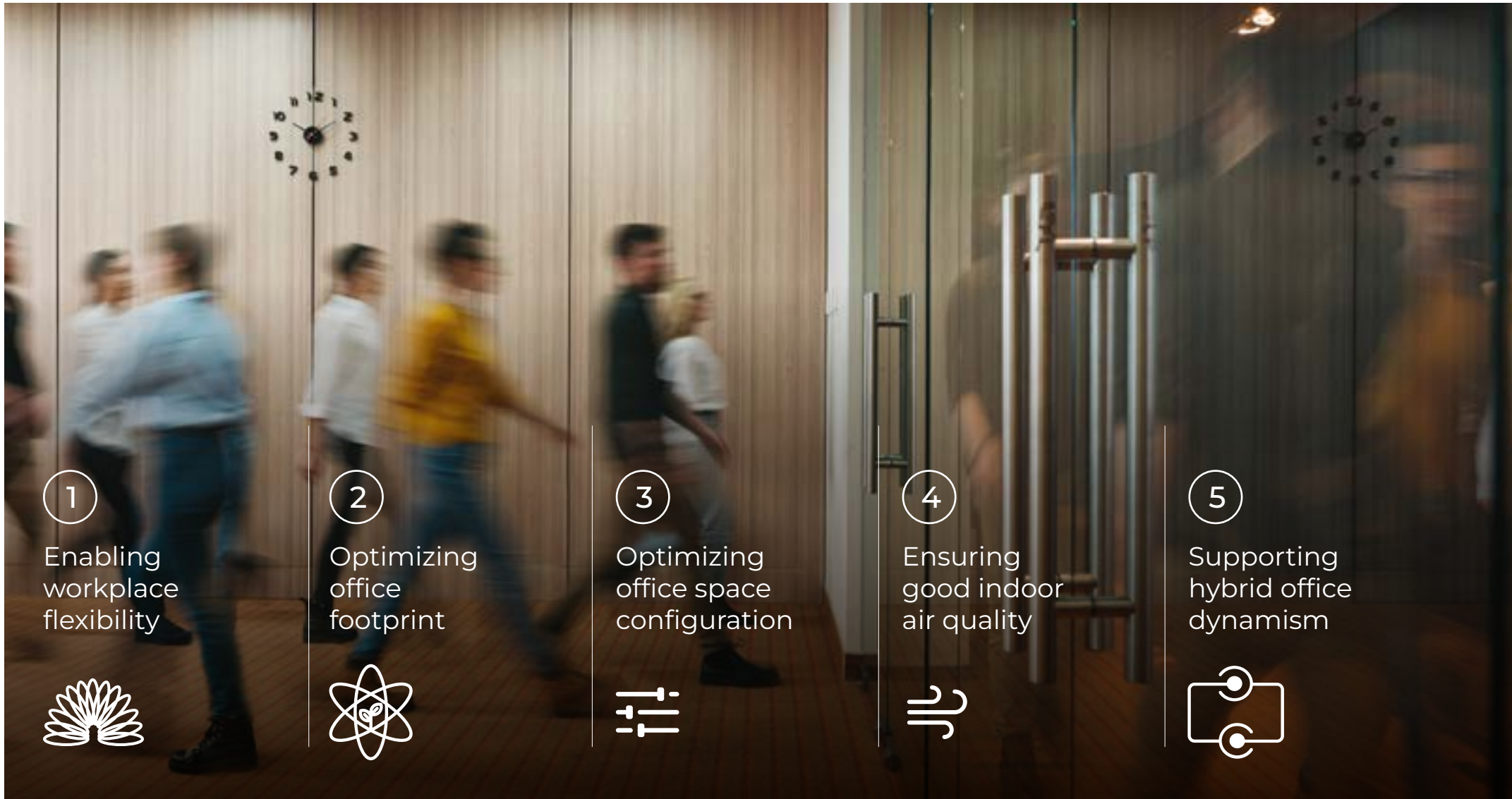
By sharing information and streamlining processes, these apps make the workplace experience more pleasant and productive. They can also give employees a greater sense of control as they transition back to the office.

> *"Beyond optimizing the configuration and amount of space, another concern for many workplace managers is how to create a healthy, employee-centric environment."*
>
> – Carlo Van Der Steen, SVP Direct Sales at Spacewell

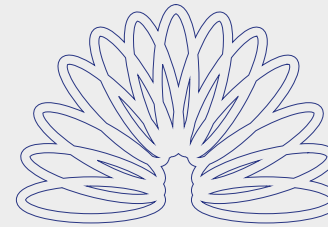# 5 Key Objectives
for Hybrid Workplace Solutions

1 Enabling workplace flexibility

2 Optimizing office footprint

3 Optimizing office space configuration

4 Ensuring good indoor air quality

5 Supporting hybrid office dynamism

Enabling workplace flexibility

One of the leading predictions for the hybrid workplace is that this new model will embrace flexibility in all its forms – including around seating. When only a portion of your employees comes to the office on any given day, assigned seating quickly reveals itself to be a highly inefficient practice. The anticipated growth of unassigned or flexible seating to reflect new ways of working will mark a significant shift.

Whereas assigned seating was employed in the majority of U.S. workplaces prior to the pandemic, **surveys** – such as CBRE's 2020 Global Occupier Sentiment Survey – **suggest that flexible seating is likely to become the new norm**.

What's different about hybrid flexibility?

Everyday frictions around flexible seating already existed well before the pandemic. However, the hybrid office adds an additional layer of complexity to the flexible workplace.
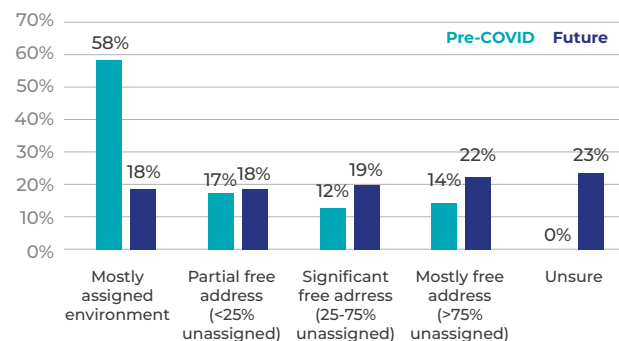
First, **in a hybrid work environment, the benefits of flexible seating arrangements increase dramatically**. Each day (or part of a day) at which an employee is working from home represents a vacant workstation when seating is assigned. In high-rent areas, the cost of vacant seats can be substantial. Workplace managers can avoid this cost by making the space available to someone else, eliminating it, or repurposing it for collaboration.

Second, **there is a need to account for and engage employees who are not at the office**. This increases the importance of reservations as a tool for connecting people. Workplace apps can use reservations data as a basis of a people finder feature, which makes it easy to find out who is in the office and where they are sitting. All without tracking employee movements.

Finally, there are likely to remain **some employee sensitivities around safety at the office** for some time. Workplace leaders can measure and share information about crowdedness in the office using live sensor data. This can be a valuable complement to reservations systems. Because it helps employees choose spaces in areas that are more or less crowded depending on their comfort level.

Compared with pre-COVID, what is the future of seating assignments in your real estate portfolio?
(source: CBRE 2020 Research)

	Pre-COVID	Future
Mostly assigned environment	58%	18%
Partial free address (<25% unassigned)	17%	18%
Significant free adrress (25-75% unassigned)	12%	19%
Mostly free address (>75% unassigned)	14%	22%
Unsure	0%	23%

"I was surprised by the low occupancy rate while the perception was that we didn't have enough space. Sensor-based space monitoring demonstrated incorrect use of the flex workplace, rather than a lack of space."

– Sam Dils, Facilities Associate Manager and Health and Safety Lead, Accenture Belgium
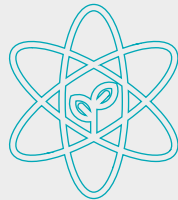
2 Optimizing office footprint

Most companies expect to see changes to ways of working that could significantly shape office space needs. But many of the trends are pulling in opposing directions. Under these circumstances, the best way to plan for and adapt to workplace changes is to collect and analyze high-quality data about how the office is actually being used.

Various types of sensors can **track true occupancy and utilization of spaces**, revealing patterns such as:

- Which collaboration spaces are most popular and which are empty
- Whether workstations are truly a thing of the past; or whether employees treat the office as a place to get away from distractions from home
- If the choice of working from home or the office is affected by seasons, with some choosing to shift entirely to the office to have access to better air conditioning or heating
- Whether or not hybrid work trends are the same across all locations

Sensor options range from **basic motion sensors** that tell you when a space, desk, or seat is occupied to **more sophisticated headcount sensors** that you mount on the ceiling and that can really tell you how many people are in a specific space and where they are. Here it is crucial to note that sensors themselves are only a partial solution. The ability to make informed portfolio decisions ultimately depends on the quality of the analytical tools and on the ease of translating raw data into useful insights. In other words, choosing the right analytics platform is just as important as choosing the right sensor.

Reassessing Space Needs

For some years now, forward-looking corporates have been using sensor technologies to monitor and benchmark occupancy for space planning. COVID-19 has raised the stakes. Due to the rise of hybrid working, the potential waste of space has become even more substantial.

According to Gensler research, 83% of corporate real estate executives rank space utilization as the most important metric for making effective workplace decisions, while a recent CBRE survey found that 80% of occupiers expected to reduce their office footprint over the next 3-5 years.

To support real estate and workplace leaders in rightsizing their office footprint, Spacewell has created the Opportunity Simulator dashboard that dynamically simulates space optimization scenarios and calculates space savings. Contact us if you'd like to know more.

80%
of occupiers expect to reduce their office footprint over the next 3-5 years*

*source: CBRE

3 Optimizing office space configuration

Crafting an office configuration strategy

Rather than redesigning offices to respond to forecasts about dramatic changes to the office, another approach to office configuration is to **focus on data trends**. Some immediate office reconfigurations certainly make sense. But companies may also benefit from a more gradual approach in which they monitor both occupancy and utilization of different types of spaces available in the office. That way, they can align supply and demand for space over time.

The objective of such a strategy would be to identify spaces that are over- or underperforming on either **occupancy** (whether or not spaces are being used), **utilization** (how close to capacity they are being used), or both. In this way, managers can **identify which spaces are being under- or over-provided**. And make adjustments over time to optimize the way space is being used.

83%

of corporate real estate executives rank space utilization as the key metric for making workplace decisions*

*source: Gensler
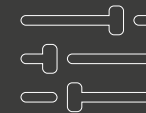
This deliberative approach:

- ⊘ Provides greater transparency about decision-making

- ⊘ Ensures that companies are not rushing into significant investments that might not reflect their workforce

- ⊘ Allows for tailored space strategies to develop across different locations, reflecting the specific needs of those offices.

Air quality is invisible, which is why building managers have tended to ignore it, focusing more on a comfortable temperature or on saving energy. The pandemic, however, has heightened people's awareness of the indoor environment and brought a new focus on air quality.

Employees want to be confident that the air in their workspaces is clean when they return to the office. And employers are realizing that **good indoor air quality is a business advantage**. Because poorly circulated air in buildings not only affects health and wellbeing – while also increasing the risk of airborne pathogens such as the coronavirus -- it also **impairs our cognitive function**: the ability to think clearly and creatively. So how do we know if the indoor air is clean?

IoT monitoring

These days small sensors in the workplace can **monitor many aspects of environmental quality**. From the presence of volatile organic compounds (VOCs) and radioactive radon gas to CO_2 concentrations, temperature, humidity, air pressure, particle matter, noise, and light. The measurements are ingested by an IoT platform that transforms them into accurate data. It then analyzes and visualizes the data on floor plans and dashboards, **providing insights to improve indoor air quality**.
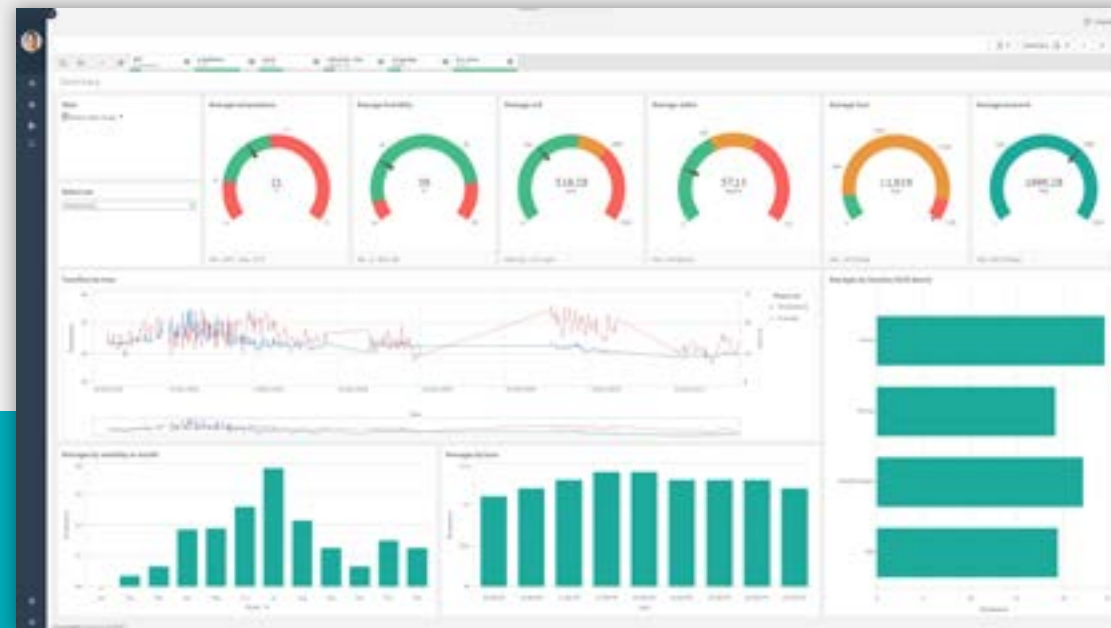
61% - 101%

higher cognitive scores in spaces with better IAQ*

*Cognitive performance among white collar workers improved 61-101% in spaces with better ventilation, CO2 and TVOC levels compared to a traditional control office in a 2015 Harvard-Syracuse study.
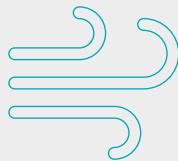
67%

of large companies view indoor air quality as a critical building amenity*

*source: CBRE EMEA Occupier Survey 2021

5 Supporting hybrid office dynamism

How does hybrid office dynamism present a real estate challenge?

The challenge of flexible working on a large scale is simply this: If employees' independent choices tend to be clustered on the same times and days, the result is likely to be highly inefficient from a real estate perspective.

One solution that has been proposed is to **schedule shifts or rotations** at the office. Specific teams or departments would be assigned to certain days and **office traffic will be largely predictable**.

This solution would likely be effective for space planning, with software scheduling and reservation tools used for easy assignment or reassignment. It **would, however, also diminish employee choice and flexibility** and reduce chance encounters between employees assigned to different rotations. In organizations with fluid teams, it could also result in unpredictable schedules, **undermining some of the personal benefits of flexibility**.

Addressing the challenge through monitoring

However, it may not actually be necessary for every organization to set such strict policies to make hybrid working effective. The preceding scenario is simply one hypothetical and **employees might naturally fall into different patterns**. Parents, for example, might choose to build their office schedules around children's pick-up and drop-off times, coming in to work part of the day every day.

Other employees might set their office schedule according to the choices of their team or manager or might follow different schedules depending on the stage of their project. Young or new employees might choose to go to the office more often in search of mentoring and networking opportunities. **Aggregated across an entire office, peaks, and troughs in utilization might be far less extreme than in the previous hypothetical** – or they might vary wildly across different offices.

Why Invest in Hybrid Workplace Solutions Now?

> Investing in technology for the physical office at a time when we are seeing fewer people in the workplace may seem counterintuitive.

> Why spend money monitoring a space that only half of your employees will use? But for space managers who want to know just how much of their lease they can give up or repurpose and how best to reconfigure their space, data will be essential.

> While it may be tempting to follow the trends of what a "typical" post-pandemic office might look like, we believe that basing decisions on your own utilization data will be key to success.

"*Basing workplace decisions on your own utilization data will be key to success.*"

– Wouter Hartemink, COO at Spacewell

Meet Spacewell

Learn how to use user-centric smart tech to create productive, safe, hybrid, future-ready workplaces.

Contact us to explore more or request a demo with a friendly product specialist.

Spacewell Named a Leader in IoT for Smart Buildings.

(Verdantix, Green Quadrant: IoT Platforms For Smart Buildings 2022, January 18, 2022)

Trusted by 2 million users around the globe.