Tipping Perception: Overturning Convention

Sven Govaars
Dean Strombom
Welcome!

- Understanding the value of the workforce on the bottom line
- How place and technology work together to improve worker engagement and performance
- Ways to deal with resistance to change and perception
Tipping Perception
Overturning Convention
“The Office”
A revolution doesn’t happen when people adopt new tools, it happens when people adopt new behaviors.

Clay Shirky
Suspend your disbelief

Disrupt conventional thought of what you think about space

Salvador Dali
“The Persistance of Memory”
“Embrace looking outrageous. Many successful ideas begin by looking strange.”

-Joe Gebbia, Airbnb Co-Founder

1,000,000+ LISTINGS

AIRBNB : $20B
HILTON : $21B
Blue Apron

“WHAT BLUE APRON OFFERS IS MORE AFFORDABLE, BETTER QUALITY, AND BETTER FOR SOCIETY.”

-Matt Salzberg, Blue Apron CEO and Co-Founder

62%
LESS FOOD WASTED

$2 BILLION
MARKET VALUE
"This is a place of opportunity for anyone to make their thing happen, and it’s our job to be the stewards of it and to honor it."

-Yancey Strickler, Kickstarter CEO and Co-Founder

123,749 SUCCESSFULLY FUNDED PROJECTS
**History of Work**

1st Age **Hunter & Gatherer**
- Modern humans
- Basic tools
- Clan communities
- Became skilled hunters
- Gathered fruit, nuts, & vegetables

200,000 BCE

2nd Age **Civilization**
- Early civilization
- Food surpluses
- Sedentary living
- Population growth
- Craft specialization
- Social & labor classes

10,000 BCE

3rd Age **Industrialization**
- Radical innovation
- Natural resources
- Colonialism
- Industrial revolution
- Globalization

14th - 19th Century

4th Age **Information**
- Organization / control of massive amounts of information
- Personal computing
- Internet
- Smart phones
- E-commerce

20th Century

5th Age **Learning | Cloud Based**
- Seamless technology integration
- Fundamental / radical change
- Cloud based
- Disruptive
- Internet of things

NOW!

**Fifth Age of Work**
Andrew Jones
“MOST LIKELY TO SUCCEED”
TRENDS

1. Demographics
   New attitudes, expectations, and ways of working

2. Globalization
   No boundaries; It’s a small world; 24x7x365

3. Technology
   Shift to the cloud; Collaborative technologies; Big data

4. Mobility
   Work anytime, anywhere, on any device

5. Behaviors
   Shaped by social media, the internet, and technology

Jacob Morgan – The Future of Work
Also seen in trends from: Gensler, Steelcase, Price Waterhouse Cooper (PWC), Rethinking Workplace 2017 Gensler, Deloitte
Demographics

Millennials surpass Gen Xers in U.S. workforce

Millennials

53.5

44.6

52.7

3.7

Silents

Baby Boomers

Gen Xers

Millennials
80% of the global population will have access to mobile telephony by 2020.

67% of Americans are now smartphone owners, and for many these devices are a key entry point to the online world.
Technology

What happens in an Internet Minute?

Facebook
4,409,694 Likes

YouTube
7,963,281 Video Views

Google
3,280,855 Searches

Tripadvisor
4,191 Reviews

Netflix
38,977 Hours Watched

Instagram
3,086,799 Likes

Pinterest
10,287 Articles Pinned

WhatsApp
22,013,355 Messages

Airbnb
762 Bookings

LinkedIn
10,980 LinkedIn Searches

Twitter
460,502 Tweets

Tumblr
39,180 Posts

Skype
138,240 Calls

Tinder
19,050 Matches

Amazon
142,138 Money Spent

Snapchat
110,236 People Using Service

Dropbox
105,855 Files Shared

Uber
1,461 Uber Rides

Ebay
183,769 Searches

Email
128,201,398 Emails Sent
MOBILITY
# Behaviors

**Past to Present**

<table>
<thead>
<tr>
<th>Past Behaviors</th>
<th>Present Behaviors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work 9-5</td>
<td>Work anytime</td>
</tr>
<tr>
<td>Work in a corporate office</td>
<td>Work anywhere</td>
</tr>
<tr>
<td>Climb the corporate ladder</td>
<td>Create your own ladder</td>
</tr>
<tr>
<td>Pre-defined work</td>
<td>Customized work</td>
</tr>
<tr>
<td>Hoards information</td>
<td>Shares information</td>
</tr>
<tr>
<td>Relies on email</td>
<td>Collaboration technologies</td>
</tr>
<tr>
<td>Focuses on knowledge</td>
<td>Focuses on adaptive learning</td>
</tr>
</tbody>
</table>

*Jacob Morgan*
EMERGING FORCES

Emerging forces that shape how companies think about, operate, and allocate workspace.

- **Brand & Culture**
  Express the organizational identity through a unified purpose and values.

- **Attraction & Retention**
  Hire and keep the best and brightest talent and expertise across the industry.

- **Collaboration**
  Enable the transfer of ideas, knowledge, and experience between people.

- **Tools & Tech**
  Provide the right resources to enable productivity, both high and low tech.

- **Wellness at Work**
  Encourage holistic health and wellbeing measures through design.
Flow

Socialize

Focus

Rejuvenate

Collaborate

Learn

People
Cost of Highly Disengaged Employees

- disconnected
- lower productivity
- lower profitability
- hostile
- toxic

Benefits of Highly Engaged Employees

- outperform competition
- higher productivity
- higher profitability
- lower turnover
- less absenteeism
Only one in four U.S. workers are in optimal workplace environments.
80% of CEOs believe their product is differentiated. 8% of customers agree with them.
WHY DO WE DO WHAT WE DO?
CULTURE SHIFT

Rules  Norms  Tools

Social change
CONAN VISITS INTEL
Tech workplaces today
Coworking principles respond to a new way of work

Characteristics of coworking behavior foreshadow changes in corporations
There is a new desire to work independently, but there are few satisfactory options.
**Coworking Principles**

**Space should communicate a shared purpose**
- People/Team space
- Display space
- Social support
- Learning support

**Shift ‘Me’ space to become ‘We’ space**
- Hackable spaces
- Layered spaces
- Social support
- Great resources
- Transparency

**Virtual connections as important as physical ones**
- Remote access
- Good telepresence
- Wormholes
- Good ‘real’ experiences
CBRE 360

Transform culture
Innovative space
New ways of working
Increase utilization
<table>
<thead>
<tr>
<th></th>
<th>BEFORE</th>
<th>AFTER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>52 ksf</td>
<td>48 ksf</td>
</tr>
<tr>
<td>(needed 12 more)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Seats</strong></td>
<td>171</td>
<td>168</td>
</tr>
<tr>
<td><strong>People</strong></td>
<td>171</td>
<td>220</td>
</tr>
<tr>
<td><strong>Space ratio</strong></td>
<td>321 sf/person</td>
<td>218 sf/person</td>
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<tr>
<td><strong>Different workspaces</strong></td>
<td>3</td>
<td>15</td>
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</table>
Southwestern Energy Company

Transform culture
Innovative space
New ways of working
Increase utilization
SWN Metrics (Financial)

Gensler Productivity Calculator

- Turnover Rate: 6%
- Hours Worked Per Week: 37
- Participation Rate: 75%
- Sick Days: 2
- Days Worked Per Year: 240

Increase in Productivity: 10% From 0% To 5%
Reduction in Turnover: 50% From 6% To 1%
Increase in Effective Hours: 20% From 37 To 46.4
Reduction in Sick Days: 50% From 2 To 1

$7,356,000

Human Capital Increase Per-Year
Focus, balance, choice
Learning laboratory
User control
Inspire workers
Flexible environment
### Design Factors

<table>
<thead>
<tr>
<th>Design Factors</th>
<th>Air Quality</th>
<th>Acoustics</th>
<th>Lighting</th>
<th>User Controls Environment</th>
<th>Motivators</th>
<th>Activity</th>
<th>Nutrition</th>
<th>Ergonomics</th>
<th>Nature</th>
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<tbody>
<tr>
<td>Productivity</td>
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<td>Focus</td>
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<td>Attention</td>
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<td>Memory</td>
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<td>Fatigue</td>
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<td>Stress</td>
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<td>BMI</td>
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<td>Diabetes</td>
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<td>Asthma</td>
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<td>Cancer</td>
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<tr>
<td>Category</td>
<td>Features</td>
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<tr>
<td><strong>AIR QUALITY</strong></td>
<td>Air / Water filtration</td>
<td>Eliminating VOCs</td>
<td>Access to fresh air</td>
<td></td>
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<tr>
<td><strong>ACOUSTICS</strong></td>
<td>Visual privacy</td>
<td>interior acoustic performance</td>
<td>HVAC</td>
<td>Collaborative/Focus areas</td>
<td></td>
<td></td>
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<tr>
<td><strong>LIGHTING</strong></td>
<td>Color temperature/intensity</td>
<td>Daylight and Controls</td>
<td>Bright colors</td>
<td>Full spectrum lighting</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>USER CONTROLS</strong></td>
<td>Worksettings</td>
<td>Control of storage</td>
<td>Lighting/HVAC</td>
<td>Team/Individual personalization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ENVIRONMENT</strong></td>
<td>Music</td>
<td>View/sounds of nature</td>
<td>Texture/Color</td>
<td>Avoid neutral colored corridors</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MOTIVATORS</strong></td>
<td>Easy, fun choices (stairs, movement)</td>
<td>Communicate through environmental branding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>ACTIVITY</strong></td>
<td>Stand-up meetings</td>
<td>Open stairwells</td>
<td>Walking paths</td>
<td>Sit/Stand workstations</td>
<td>Play areas</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>NUTRITION</strong></td>
<td>Fresh water</td>
<td>Access/Availability of food</td>
<td>Cafe and vending machine</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ERGONOMICS</strong></td>
<td>Break-up sitting/standing</td>
<td>adjustable seating</td>
<td>Exercise</td>
<td>Posture</td>
<td>Work height</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NATURE</strong></td>
<td>Plants in the workplace</td>
<td>Possible access to outdoors</td>
<td>Quality views of nature</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
**G6 Metrics (Place)**

### Before

- **Level 3**
  - Workstations: 116
  - Offices: 12
  - Workspaces: 128

- **G6**
  - Workstations: 95
  - Offices: 0
  - Workspaces: 95

### After

- **G6 Scenario 1**
  - Workstations: 21
  - Offices: 36
  - Workspaces: 26

- **G6 Scenario 2**
  - Workstations: 34
  - Offices: 12
  - Workspaces: 12

### Alternate

- Total: 37
- Workstations: 254
- Workspaces: 284

### Calculation

\[
\text{sf/pp} = \frac{\text{20,000 sf}}{\text{# of people}}
\]

---

**Gensler**
G6 METRICS (FINANCIAL)

Gensler Productivity Calculator

**Discover the Value of Human Capital**

**EFFECTIVENESS**
- ANNUAL PERSONNEL COST: $650,000
- NUMBER OF PEOPLE: 170

**TURNOVER**
- TURNOVER RATE: 6%
- TURNOVER COST: $35

**HOURS WORKED**
- HOURS WORKED PER WEEK: 35
- SICK DAYS PER YEAR: 2
- DAYS WORKED PER YEAR: 240

**PARTICIPATION**
- PARTICIPATION RATE: 75%

**OPERATING MARGIN**
- OPERATING MARGIN: 20%

**HUMAN CAPITAL INCREASE PER YEAR**
- $1,054,000

**Increase In Productivity**
- From 10% To 0%
- From 50% To 0%
- From 20% To 0%

**Reduction In Turnover**
- From 0% To 7%
- From 6% To 5%
- From 35 To 2

**Increase In Effective Hours**
- From 36.0 To 1.5

**Reduction In Sick Days**
- From 1.5 To 0%

**Tap to hide**
**WPI score**
Exceeds top performing companies

**Workplace demographics**
Most born between 1978 - 1988

**Individual workspace**
Mobile & fixed workers exceed top performing companies

**Disruptions**
Mobile workers experience less disruptions

---

**Workplace Satisfaction**
Mobile workers more satisfied

**Disruptions**
Mobile workers experience less disruptions
Learning Laboratory

Sensors
Agilquest
Steelcase
Neighborhood
Flight academy
Fixed vs. mobile
Work mode flow
Ideation room
Mediascape
Project rooms
Focus rooms
Work cafe

Sensors Pilot Project
The universe is made up of **stories**, not atoms.

Muriel Rukeyser
TIPPING PERCEPTION

Overturning Convention
Thank you!

If you are interested in learning about or joining WE, please look for a Red Beret!