

SPRING 2011

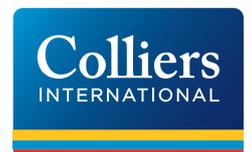
Activity Based Workplaces

Can it work for everyone?



Earlier this year, Colliers International looked at trends in workspace ratios and concluded that the next major driver in their reduction was the move by companies to Activity Based Workplaces (ABW).

Already, many major corporations have embraced this way of working. In this paper, Colliers International reviews the benefits and disadvantages of ABW and asks the question – Can it work for everyone?



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ACTIVITY BASED WORKPLACES – CAN IT WORK FOR EVERYONE?

The concept of Activity Based Workplaces centres on creating less hierarchical workplaces that facilitate collaboration, personal accountability and flexibility. ABW is a concept that recognises that for people to deliver their objectives and support good values and behaviours, they need to work in a number of different ways throughout the course of any day or week. ABW empowers individuals to genuinely find the best place for them to do their work by providing the freedom to choose different types of work settings to suit the objectives they need to achieve at that moment. It involves a new physical environment with innovative workspaces and various new technology tools to support mobile and collaborative working. Enabled by mobile technology solutions it has led to revolutions in property solutions and supportive work culture. ABW would not be possible without new technologies.

The workplace is designed to accommodate the various activities that office workers undertake rather than having a rigid allocation of space based on a person's status in the hierarchy of an organisation. It is a different type of work environment where workers are not assigned a permanent workspace, nor are they assigned a particular type of space based on status; rather, they choose the appropriate workspace for the activity undertaken. For example a worker may need a quiet and private location to complete a task and can choose an enclosed “quiet room” for this activity or they are working in a team on a particular project and will choose to locate in an open plan workstation environment or even a café with their other team members.



ABW is different from hot desking where employees share the same desks at staggered times. It is typically employed by accounting firms or organisations where employees spend most of their time out of the office. For example auditors generally work in their client's office and only need a hot desk occasionally when they check in to their “home” office.

The trend towards ABW is happening at the same time employers need to increase the utilisation of their real estate assets. Depending on the type of work and the way the system is managed, ABW has the potential to reduce the total area required to accommodate a particular number of workers. It allows more employees to be accommodated in a given number of workstations and, ideally, allow them to work together more collaboratively in less overall space than they did previously.

This paper explores the advantages and disadvantages of Activity Based Workplaces. It also outlines what could be done to strike a balance between its benefits and drawbacks. Finally, the question as to whether it can work for everyone is answered.



ADVANTAGES

There is no doubt that cost savings is a significant driver in the push towards ABW workplaces. ABW has the potential to reduce the total floor space occupied and therefore the amount of rent and outgoings that needs to be paid, reducing cost by up to 30% (Harris, 1992). The same resources required to support workers in a traditional office work environment can support more workers in an activity based work environment. Typically 15% of a workforce, on average, is not at work. They could either be on holidays, sick or away on business. A further percentage could be in a meeting, training, travelling, with clients or working offsite. There would be no office where individual desks are used 100% of the time. A recent study by NAB revealed that frequently almost half of all its workstations were not in use. A typical target reduction in space as a result of implementing ABW would be 15-20%. The GPT Group accommodated its 275 staff in just three levels from, previously, five. Furthermore it is capable of supporting a 30% increase in staff numbers (Perinotto, 2011).

It can also reduce the carbon footprint of an organisation. The reduced floor space would eventuate in lower energy consumption and reduced cleaning costs, while the reduced storage space will also eventually reduce printing and recycling costs. Since Macquarie Bank moved into One Shelly Street, there has been a 78% reduction in paper storage needs and a 53% reduction in printing paper (Clive Wilkinson Architects). Preliminary findings of another financial institution's pilot ABW project showed energy usage per person reduced by 16%, generation of waste decreased by 12%, a reduction in paper usage by 9% and a reduction of 23% in stationery usage. These are encouraging results indicating that the ABW concept is aligned with their sustainability aspirations to reduce the Group's carbon emissions by 2013.

The prerequisite that employees are not bound to a fixed desk enables employees from different groups to sit together depending on the task or project they are working on. The increased freedom of having more flexibility to work in a location and group that suits them for their task has the potential to empower workers and increase trust and staff interaction.

Collaboration and breaking down of silos between departments can be a major benefit of an activity based workplace. Relationships between employees are likely to strengthen due to the exposure to staff they wouldn't usually work with. It creates new conversations and encourages the exchange of ideas, often from a different perspective, yet in line with the wider focus of the business.

Personnel from various departments can also potentially increase their understanding and significance of their roles through communicating with staff members from other departments. Knowing about the impact of their contribution could lead to higher employee satisfaction and loyalty.

As no individual owns a desk, all personal items and documents are stowed away in lockers while they are away. The limited space minimises storage of printed materials. This could lead to a reduction of unnecessary printing, thereby saving printing costs and reducing an organisation's carbon footprint. Most documents will inevitably be stored electronically. Incoming mail at One Shelley Street are scanned and emailed to the respective recipients (Clive Wilkinson Architects).

“ The ABW may be seen as part of a **stronger focus on the financials of the business** and reducing real estate costs rather than a new way of working -- which may lead to a **perceived decrease of humanisation** in the organisation. ”

DISADVANTAGES

The lack of an individual home workstation could be a big cultural change for many employees. Physical personalisation of individual workstations is, unsurprisingly, not allowed. Employees see the need to personalise for various reasons. As more hours are spent in the office, employees will try their best to make themselves most comfortable. For some, this may involve creating a homely and comfortable environment, while others may use this to establish their identity in the workplace. This lack of opportunity to personalise their workspace may have an effect on morale.

From the employee’s perspective the move to the ABW may be seen as part of a stronger focus on the financials of the business and reducing real estate costs rather than a new way of working -- which may lead to a perceived decrease of humanisation in the organisation. Brunia & Hartjes-Gosselink (2009) found that “...the prohibition to decorate the space... gave people the feeling that (the) human being did not matter anymore. Personalisation helped them give the environment a more human feeling, in which people would feel comfortable and ‘home’ again”.



In some cases, employees are used to routine and may resist changes; hence they might not like the idea of finding a work space every day. There may be competition to secure the prime spots and people may choose to sit with their friends rather than colleagues appropriate for the task at hand. Employees who do not like changing workstations may subtly establish territories through personalisation, which defeats the purposes of having an ABW. Some might sit at the same desk every day or leave personal items to claim a spot.

Some employees can feel frustrated having to frequently readjust their workstation to meet ergonomic preferences. A system of booking workstations on a daily or fixed period basis and assigning “territories” for departments may be required to address these issues.

Managers may struggle with not being able to monitor their employees closely in addition to feeling that their authority and identity being undermined. A level of trust and empowerment in employees are required for ABW to work.

Although the company as a whole might benefit from the interdepartmental collaboration, team cohesiveness might be affected. Certain unnecessary non-productive measures might be undertaken such as scheduling team meetings to discuss certain issues where it is normally possible in a casual environment when a team sits closely together. Duplication of work or unhealthy competition among team members might also arise due to the lack of communication or cooperation amongst team members.

“ Mutual respect and trust from everyone in the organisation is required for an ABW to function as intended. ”

WHAT'S REQUIRED?

A variety of spaces must be provided to accommodate the various work settings envisaged in ABW. These include: quiet areas are required for work that requires high levels of concentration; formal and informal meeting areas a diverse range team activities; visually private areas for tasks that are confidential; and “bump” spaces for informal meetings. Careful analysis of an organisation’s work style must be undertaken to ensure the right types of spaces are provided. Food and coffee areas combined with informal meeting spaces provide such a setting.

Since workers do not have a permanently assigned workspace, storage for personal technology and other personal items need to be provided. Typically each person is allocated a storage locker in their “home territory”.

Trust and mutual understanding is also vital to ensure success in the ABW environment. As managers can’t physically see their subordinates, work performance should be measured by output instead of presence/hours worked. Employees have to be self-motivated to generate output within the given timeline. Managers can undertake training courses to adopt a management model where their identity/authority is reassured. Mutual respect and trust from everyone in the organisation is required for an ABW to function as intended.



Appropriate technology must be in place to enable the ABW workplace to function. At a minimum, wireless technology should be in place to enable workers to move freely about the workplace and locate according to the activity undertaken. A virtual desktop where workers are able to extract their personal phone/computer setups such layout of computer desktop, internet favourites, convenience settings and speed dials is essential. “Soft phones” that allow workers to make and receive internal and external calls on their laptops for even greater mobility are another technology that allows this increased mobility. There also needs to be a significant investment in a move towards a “paperless office”.

A careful design strategy is required, where it integrates an analysis of the work style of an organisation, its strategic goals and technology in a creative way that provides an environment that is truly activity based. It is not possible to simply take away designated desks and hope for the best.

Finally a change management process championed by senior leaders and cascaded down to all staff must be put in place early on in the process to prepare workers for a fundamentally new way of working.



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CAN IT WORK FOR EVERYONE?

There can be immense benefits for an organisation in terms of an increased potential for collaboration, flexibility, breaking down silos between departments and empowerment of employees. ABW won't work for every organisation and is probably best suited to knowledge workers with a high degree of mobility. Businesses that have a combination of creative thinking and collaborative working styles, in which ideas could be freely shared, interrogated and then quickly put into place, are best suited to ABW.

Some types of organisations would find it very difficult to embrace ABW. For example very few law firms are ready for ABW. They have an entrenched culture of paper reference material at hand, acoustic privacy and the need for prolonged focussed work that requires extended periods of concentration and contemplation. The same would apply for other industries where most workers spend their day in concentrated computer screen time such as architect and engineers. However ABW hasn't been tested yet for some of these business groups. An analysis of the work styles of each would be required and maybe a modified version may work.

Organisations need to strike a balance between the benefits and shortcomings of ABW and its impact of employees and carefully analyse whether it can work for them.

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Other people who have contributed to this whitepaper with valuable editing advice include colleagues David McEwen, Joanna Gordon and Nerida Conisbee.

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