MANAGING THE NEW OFFICE ENVIRONMENT

How to deploy prop-tech to
optimise space utilisation
and wellbeing

BY TONY BOOTY
Abintra, technology pioneers in flexible working

abintra

MANAGING THE NEW
OFFICE ENVIRONMENT

How to deploy prop-tech to optimise space utilisation and wellbeing

By Tony Booty

Abintra, technology pioneers in flexible working

Abintra Consulting Ltd

MANAGING THE NEW
OFFICE ENVIRONMENT

How to deploy prop-tech to optimise space utilisation and wellbeing

By Tony Booty with Duncan Hopwood MCIPR

Book design by Hopwood PR & Communications

ACKNOWLEDGEMENTS

CONTENTS

APPENDICES

"Any organisation making critical real estate decisions without having accurate data to support them is quite frankly mad, irresponsible or both."

- FACILITIES MANAGER AT A MULTI-NATIONAL FIRM

INTRODUCTION

There have been numerous books written about the office of the future, and many of their ideas have become common practice.

One such concept is flexible working.

This is often assumed to refer to flexible working hours (what used to be called 'flexi-time') or the opportunity to work from home, both important for employee wellbeing.

Yet the fully flexible working business incorporates another concept, agile working, which is about enabling businesses to be nimble and adaptable to thrive on change. Agile includes ideas such as fluid teams where employees move between specialist groups to focus on specific challenges thereby boosting productivity.

Much has been written about these ideas, and now they have gained significant traction, driven partly by the business response

to COVID. Office spaces will need to be adapted if new practices are to be implemented successfully.

But until now there hasn't been a book about how to deploy property technology (prop-tech) to make the agile office work.

That's why we've written *Managing The New Office Environment*. We hope it inspires and helps you to make your office space work for you and your employees better than ever before.

SEEING THE BIG PICTURE

BE CRYSTAL CLEAR ABOUT WHY YOU'RE REVIEWING YOUR WORKPLACE

If you work in a large corporation, the chances are your office real estate is the single biggest overhead after staff. It's also quite likely that you have one team responsible for your workforce and an entirely separate one for your building management. This is not ideal because, of course, people and places are closely intertwined. Corporations will struggle to get the best out of their people and their real estate assets if they don't look at their organisations in the round. This is why when it comes to reviewing how you use your office real estate, the first step is to see the big picture. It's number one on our list of best practice in office utilisation for a reason.

There are several reasons why a real estate review might come up. An organisation may be expanding and feel that it needs more space or vice versa. It might be opening in a new location or downsizing one. Perhaps someone has decided that the existing premises need a revamp, or gloomy economic predictions may have put real estate costs on the FD's agenda. Add to this the COVID effect which forced even the most traditional of businesses to experiment with working from home, raising

questions about how much and what kind of workspace is now required.

All of these are to a greater or lesser extent linked to the bottom line, and there is no getting away from the fact that Grade A offices are big ticket items. Abintra's 2018 study 'Wasted Space' revealed that major organisations in the UK were collectively wasting £10 billion in under-utilised office real estate (see panel).

More and more corporations see the potential to make space savings. Having worked with more than 100 organisations worldwide, we have proven that the scale of those savings can be quite astonishing, typically identifying at least 30 per cent of space that is wasted or could be significantly improved. As the report highlights, the cost savings alone can be tremendous.

" Responding to the new world of work should be mission critical for any major corporation. "

That is not the whole story, however, and some organisations have used the opportunity to do things differently, studying vital data and insight about their office utilisation and using it to reimagine their workspaces. The way we all work is always changing, and more than ever, people want to work in places that are adapting to new ways of working. In order to recruit

and retain the best people, corporations are realising they have to satisfy the demand of a new, agile generation of workers. For several years now we have seen customers switching to flexible working - to move away from the one-person-one-desk-and-a-shared-meeting-room norm, freeing up space to introduce new areas to facilitate and encourage collaboration. A novel example is the introduction of in-house franchised coffee shops.

It seems fair to say that responding to the new world of work should be mission critical for any responsible corporation. After all, flexible and agile working are undoubtedly hot topics in business, and the related area of smart buildings is also hitting the headlines. These new approaches to office and people management offer bottom-line benefits in recruitment, retention, productivity and efficient use of space.

Yet many organisations are failing to unlock the potential, and this is especially true for large, well-resourced corporations who stand to gain the most. Too often it seems that a big picture either isn't in the frame or doesn't have the drive from the top behind it to make it happen. We see it manifested in organisations failing to get to grips with flexible working or opting for low-cost real estate reviews that provide too little reliable data. Why does this happen?

The challenge is that implementing this kind of cultural change takes a business-wide approach. Without it, corporations will fail to implement flexible working properly and will miss out on the advent of smart buildings.

That means senior management needs to champion a holistic approach to reorganising the workplace. It shouldn't be just the preserve of the real estate or FM team. It needs to be communicated across the whole business. HR should be fully involved to help to create an improved environment, and IT too has a crucial role to play.

So, management should be driving change. After all, the benefits are going to help you to deliver on corporate objectives, such as improved efficiency and better recruitment and retention. To make it happen will take more than delegating responsibility to a single team. We need to bring teams together on an enterprise-wide mission.

> **"By monitoring the office environment and how and when it is being used, we can create adaptable workplaces that address all users' needs."**

Advances in smart buildings add new emphasis to the need for a well-rounded approach to workplace design. We now have the technology, not only to enable flexible working but also to monitor and control the environment as never before, right down to the individual desk level. As smart buildings gain traction, it's crucial that teams work together to reap the rewards, looking beyond

energy savings and towards creating a better, more productive work environment, one that contributes to employees' health and wellbeing.

By monitoring the office environment and how and when it is being used, we can create adaptable workplaces that address all users' needs, from physical comfort and wellbeing to how the environment supports them to do their job effectively. While COVID remains a threat, the ability to work safely is another important reason to collect and understand environmental data.

An increasing number of businesses want to overhaul their working environments. Employee wellbeing is rising up the corporate agenda.

Recruitment and retention are massive priorities for major corporations, and this is naturally leading to more of them reviewing their working environments.

Unfortunately, many are making mistakes by failing to bring teams together to implement change. It's also vitally important to involve the workforce in the process.

It all relates to organisations valuing their number one asset - their people, and leveraging their second biggest overhead, their workplace, to develop environments that address these key factors.

DRIVERS FOR A REAL ESTATE REVIEW

- An expanding operation needs more space
- Management suspects organisation has more space than it needs
- Opening in a new location
- Downsizing due to economic pressure
- Existing premises need changing or replacing
- Gloomy economic predictions have put real estate costs on the FD's agenda
- Flexible working: More people working from home or other environments
- Distributed workforces where central HQs are downsized in favour of regional hubs
- Flexible office hours
- Agile working: Changes in working practices require different kinds of spaces
- COVID and workplace health: Need to ensure a safe working environment

BUSINESSES BLOW BILLIONS ON WASTED OFFICE SPACE

Big businesses in England and Wales are squandering £10 billion a year by failing to get to grips with under-used office space, as our study shows.

The report *'Wasted Space: The colossal cost of under-used office real estate'* draws together data from our work with more than 100 corporations worldwide with figures from government and the property industry to put hard numbers on the issue for the first time.

In London alone, the cost of office space being under-utilised at the time of the study was more than £4 billion annually, with large firms in other regions collectively squandering billions more.

Big employers with large office spaces are likely to benefit the most by addressing the issue and switching to flexible working strategies such as desk sharing. This is where Abintra's workplace monitoring systems and our specialist consultancy expertise would typically find an extra 30 per cent or more of space.

However, we don't necessarily expect the findings to stimulate a rush to smaller premises. Of course, it's possible to take the data and decide to downsize and reduce cost, but often businesses

choose to use their newly-discovered space to enhance the workplace, for example by introducing new agile working areas, such as in-house coffee shops and informal meeting spaces. These have proven benefits for productivity as well as recruitment and retention, so being able to accommodate them without having to take on extra space is a huge advantage.

Clearly, information about the amount of space a business actually needs in a given location is critical for planning future real estate decisions. It can also be deployed by risk managers to ensure sufficient space is available to keep mission critical operations running if there is a disaster within a building or at another nearby company location.

The report reveals that large office-based firms with 250 or more employees in England and Wales were together spending £10,158 million on unnecessary total occupancy costs – that's rent, rate and associated costs of running a workspace and related office functions.

What's more, the issue is probably on an even bigger scale than the report's conclusions, since our calculations are based on modest estimates of the amount of space saving possible and the number of people who work in offices.

ABOUT ABINTRA

Abintra is the leading specialist in flexible working technology. We pioneered sensor-based utilisation, releasing the first practical solution in 2009. More than 100 corporations worldwide have used Abintra's survey and permanent management solutions. Working with those customers, Abintra has developed in-depth knowledge of the benefits of space utilisation technology and how to implement flexible working programmes based on the data it provides.

Abintra develops its solutions for utilisation and environmental monitoring and management in-house, allowing it to develop bespoke systems to meet corporate enterprise requirements. Based in London UK and Boston US, Abintra's clients include Aon, Société Générale, Johnson & Johnson and other major corporations in the world of finance and business.

TONY BOOTY

As a co-founder of Abintra, the pioneer of flexible working technology, Tony helps organisations to understand and manage their corporate office real estate through effective space utilisation. His built environment experience covers more than 30 years and ranges from domestic architectural and interior retail department design to experience in corporate planning appeals and the implementation and development of Computer-Aided Facilities Management.

DUNCAN HOPWOOD

Duncan is a writer and consultant in the UK property and construction sector. Originally a journalist, he has been advising clients on communications and marketing for 30 years. He is an Accredited Practitioner of the Chartered Institute of Public Relations and an Ambassador of the London Chamber of Commerce and Industry.

As managers grapple with hybrid working, this book sets out how to deploy prop-tech to optimise space utilisation.

Author Tony Booty of flexible working specialist Abintra lifts the lid on the pros and cons of different technologies for managing the changing workplace.

He answers challenging questions for organisations navigating the new hybrid workplace including:

• Who should be involved in workplace transformation?

• What steps do you need to take to manage change successfully?

• How do you win over employees to the idea of agile working?