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# 7 Experts on Workplace Transformation

Experts discuss the how and why of transforming the modern workspace



#### INTRODUCTION

As organizations quickly transitioned to a remote workforce in response to the COVID-19 pandemic, corporate real estate professionals have had to rethink how to reconfigure their workplaces and adapt. What are the challenges and opportunities they are discovering in this changed landscape?

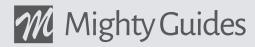
With generous support from Iron Mountain, we asked corporate real estate professionals for their perspective on how they are re-imagining the workplace.

Each participant named employee safety as a top priority, especially in the near term. Over the long term, however, several of the experts we spoke with expect to see a rise in flexible, collaborative workplaces. Technology will likely play a role in enabling employee productivity and safety in this new "hybrid" context.

The essays in this eBook offer practical strategies, advice, and examples to help you rethink your workplace. They explain how to evaluate your new priorities, how to create a plan the organization can support, and much more. Anyone wanting to get a glimpse of what the workplace of the future will look like can benefit from the wisdom shared by these experienced corporate real estate professionals.



Regards, **David Rogelberg**Publisher, Mighty Guides, Inc.



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Credible advice from top experts helps you make strong decisions. Strong decisions make you mighty.

#### ABOUT IRON MOUNTAIN

Moving locations or closing offices? De-densifying to reconfigure your space? Reducing your current real estate to save cost? Or supporting a growing number of remote employees?

Whatever your challenge, Iron Mountain's Clean Start® program can help you transform your workplace to maximize real estate efficiency and support a virtual workforce.

Before you begin a workplace transformation project, you must clean out the old to make way for the new. File cabinets filled with paper records and closets overflowing with old IT assets consume the space you need to move forward with a tech-enabled, collaborative workspace.

Keeping everything or destroying it all puts your organization at risk. Keeping your policies in mind, you need to evaluate all assets and figure out what you need to keep, what you can get rid of, and where everything left will be stored. That's a big job that requires a specific set of skills.

Fortunately, you don't have to do it alone. Iron Mountain Clean Start provides you with the confidence and support to clear a location of all materials – not just paper records, but servers, PCs and IT assets, office equipment, cabinets, furniture, and artwork – to free up valuable floor space and create a more efficient, innovative workplace.

Iron Mountain manages the cleanout process and provides services to facilitate the donation or secure destruction of materials and equipment you no longer want, and the temporary or permanent storage of items you do.

Iron Mountain professionals can further evaluate and improve your current business processes through active file management, on-demand imaging and digital workflow solutions. We can even help with the storage, disposal and repurposing of corporate art and historical artifacts.

Learn more about how we can help your organization clear a path for rethinking how you work at www.ironmountain.com/cleanstart.

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#### **CHAPTER 1**

## NEW PRIORITIES FOR CORPORATE REAL ESTATE PROFESSIONALS

Corporate real estate professionals are addressing several new priorities due to the pandemic. Employee safety is of paramount importance, of course, but so is the ability to make smart and cost-effective use of office space. We explored how businesses are addressing these challenges by asking our experts the following questions:

"What is currently top of mind for you and your peers in corporate real estate? How have your priorities shifted (e.g., due to COVID-19 and the shift to remote work) since last year?"



**Kay Sargent,** Senior Principal, Director of WorkPlace, **HOK** 

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"Preparing people for the workplace is actually going to be a much more complex scenario than anyone realizes."

I think the biggest priority right now is the safety of employees. Initially, we focused on making places safe for when people return. Organizations have realized that getting to the office can also be a challenge from a safety perspective. Once employees are at the office, it may be a challenge there, too. Preparing people for the workplace is actually going to be a much more complex scenario than anyone realizes. The number-one priority for most of our clients—and the reason most of them are taking a cautious approach—is making sure that their employees are safe.

Organizations are trying to make sure that people aren't exposed to the virus when they come together. When they do come together, they should be in environments that are clean and that provide the space they need. This whole "densification" trend of the past several years has really shifted. We've gone from strict measurements to more human-centric measurements, where we're really thinking more about how we make people feel safe and empowered to be effective. These new work environments may include enhanced heating, ventilation, and air-conditioning systems; creating touchless environments; and even enabling people to work remotely. When people do come together in person, it's important to create that physical distancing and the cleanliness needed to make people feel safe and secure.

## "Before the pandemic, not many companies had work-from-home policies."

COVID-19 is a big topic in the real estate world. From my vantage point, two major shifts are taking place. The first involves the safety of the workplace. Corporate real estate professionals are asking themselves, "Are we doing everything possible to ensure that staff feel safe in the office when they return to that environment?"

The other shift involves the prevalence of working from home. Before the pandemic, not many companies had work-from-home policies. For example, our company did not have a work-from-home policy formalized, and remote work was generally not well received until the pandemic hit. As we went into the pandemic and people had to work from home, I think our company realized that people continued to be productive. As a result, we have not had to shift our corporate priorities as much as we expected. That came as a bit of a surprise to us as a company.

Businesses are coming to the realization that people can work from home and are productive in that setting. So, in light of this temporary transition to a remote workforce, many of my peers are asking themselves, "What does the rise in working from home mean for our real estate footprint?"



Mark McCord, Vice President, Real Estate & Facilities, Seattle Genetics

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"Our immediate priority is ensuring the safe return to work of our colleagues, whatever that return to work looks like and means."

Our immediate priority is ensuring our colleagues' safe return to work, whatever that return to work looks like. In the longer term, we will really rethink our footprint, our portfolio, and that portfolio strategy. We will redefine the new purpose of our workplaces based on our experience with the pandemic. As we do, we factor in all the changes that we expect are taking place or that have become part of people's new behaviors.

Everybody is making assumptions about what the return to work will look like and how people will use the workplace in the future. Remote work has always been an aspect of our organization. The degree of remote work varies from person to person and from region to region. We anticipate and are planning for a significant, widespread increase in remote work, although we are not planning to move to an entirely remote work scenario. We don't believe that's the right thing to do. We're all, however, embracing a much greater level of remote working. We're determining what that means for us and how we will enable it.

"Priorities are certainly focused on the safety of the individual. Working from home is still an acceptable and even a preferred way of carrying on."

Priorities are certainly focused on the safety of the individual. The organization I've been working with for the past year has been keen not to reopen its offices too soon. There's an emphasis on giving everyone plenty of time to prepare for people returning to the office. Having said that, I think that many employers are struggling to determine the best solution. Many criteria come into play for those decisions.

Another priority is something we never expected: how we travel to work. Certainly in the United Kingdom, the government is not encouraging people to use public transport—not yet. The general government advice is still, "You don't have to go to work if you don't need to." Working from home is still an acceptable and even a preferred way of carrying on. The public transport issue is a big one, I think. How employers address that through their travel plans will be interesting. I haven't seen many travel plans come out yet.



Nick Booth, Transformation Wizard (Places and Spaces), Nick Booth Consulting Limited

Nick Booth is a freelance professional property expert who has decades of property-related experience and stories. He is a specialist in transformational and strategic approaches to creating places and spaces that enable people to work better in line with their own and the organization's values.





**Brian Holtze,** VP of Corporate Real Estate, **Change Healthcare** 

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"Knowing that our team members are doing well working remotely, we're rethinking the way we look at office space."

We have been working with our team members and our customers to ensure that we are aligning with their ever-changing needs and embracing their expectations in this environment. As a result we're definitely looking at our leases, and we're keen to see what the market does in terms of rental rates. We're exploring whether opportunities exist to drive down costs that way. We're also looking at our portfolio. Knowing that our team members are doing well working remotely, we're rethinking the way we look at office space. Typically, you know, we would have assigned seats, and team members would go in and sit in their seats. With COVID-19, we're going to be looking at a more collaboration-centered office, with more open seating and greater flexibility. We're going to need a space that team members really want to go into to be more productive in their job. I'm not sure ping pong tables or fancy coffee is going to cut it anymore. Instead, the focus is going to be on helping team members be more productive in their workday when they are in the office.



## "Before the pandemic, everything was about density, collaboration and connectivity."

For the past ten or more years, everything we've done in the real estate space has been about density and compression. As the result of COVID, we've quickly been forced to pivot to safety and prevention. Pre-pandemic, the focus was on density, collaboration and connectivity. Now, we must accommodate physical distancing and preventive measures to keep people safe.

From the standpoint of the products and services we support in our buildings, we've gone from a heavy focus on experience and amenities to one of safety and confidence. It used to be about the experience, and in a sense, it still is—but with a different emphasis. Right now, the experience is wholly focused on making sure that people are safe and have confidence in the safety of the workplace. We've spent a lot of time on strategy and strategic compression. That's quickly moving us into being extremely focused on hygiene going forward—at least in the near term.



**Christian A. Bigsby,** Vice President, Workplace Resources, **Cisco Systems** 

Christian Bigsby leads the Real Estate and Facilities organization, known as Workplace Resources, at Cisco. Before Cisco, Christian spent 25 years in pharmaceuticals, running a worldwide real estate and facilities organization from 2011 through 2017. In his three decades in the real estate industry, Christian has worked as an interior designer, a facility manager, and a real estate director.



"The COVID-19 pandemic has had a profound impact on corporate real estate. How much space do we want to retain in the overall portfolio, given the new ways in which we're working with COVID?"

The COVID-19 pandemic has had a profound impact on corporate real estate. As a result, the focus is on the notion of space. Corporate real estate professionals are asking themselves many questions that center on this issue. How much space have we taken in terms of leasing? How much space do we want to retain in the overall portfolio, given the new ways in which we're working? What will the return to the office workplace look like, and how soon are we really going to have the answers we need? So, in large measure, corporate real estate professionals are performing a careful assessment of their overall portfolios to determine whether they really need all the space they have.

Safety is also a concern for us right now. How can we reconfigure and repurpose the workplace so that we're keeping those employees who do come to the office safe in terms of physical distancing? Many of us are also doubling down on the partnerships we have with the security and environment, health, and safety teams we work with. That kind of strong collaboration will help us increase safety across the corporate real estate portfolio.



London Kemp, Global Real Estate Executive, Formerly with Netflix, Ingram Micro, NBCUniversal, and Walmart

London Kemp was most recently global head of Corporate Real Estate at Netflix. While there, she supported enterprise-wide corporate initiatives, providing overall management and strategic planning for Netflix's global real estate portfolio, including portfolio optimization, lease administration, and transaction management oversight.



#### **CHAPTER 2**

## CREATING A PLAN FOR TODAY AND THE FUTURE

In a time of considerable uncertainty, it can be challenging to craft a plan that addresses both current and future needs. And while most employees are currently working from home, that may not always be the case. We explored how corporate real estate professionals are navigating the complexity of the current moment by asking them the following questions:

"What factors should be considered in putting together a plan? What process would you suggest to create a plan that the organization can support?"



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"First, do some supply and demand modeling.
What is the demand? Who needs to be back in the workplace and when? Then, consider the supply."

We look at it as a four-step plan. First, do some supply and demand modeling. What is the demand? Who needs to be back in the workplace and when? Then, consider the supply. How many people can safely be in the space? The second step is to prepare the workplace design for everyone's return, whether it's physical distancing; one-way circulation; enhanced cleaning; heating, ventilation, and air conditioning; and so on.

The third step is to evaluate all the policies, procedures, and operational elements of how we manage both space and people. We need to ensure that, whether working on-site or remotely, we provide people with what they need to do their work and stay connected to their colleagues and the company.

The fourth step is to ensure we create something that's flexible and scalable because this is an evolving situation. What we are experiencing right now is different than where we were two months ago, and it will be different again in another two months. We need to think about what happens when there's a vaccine and what happens if there's never a vaccine. We have to factor in different scenarios so that we can create flexible, agile solutions.





"I set up interviews across the organization to understand what people like about working from home and what they miss about working in the office."

I can tell you what we're doing here at Seattle Genetics. While presenting a couple of real estate proposals in late May the Executive Team was asking questions about the real estate portfolio. Would we need as much real estate if people took advantage of the flexibility of working from home? I was tasked with looking at that. I set up interviews across the organization to understand what people like about working from home and what they miss about working in the office.

We used the feedback we received from across the business to develop design principles. A lot of folks said that they intended to continue to take advantage of working from home. Few people said that they'll be coming in every day. When they do come in, though, they will be coming in for a reason: to meet and connect with people.

So, we developed design principles that reflect the demand. It was less about creating individualized space and more about creating amenity-rich, dynamic seating that was bookable. The bookable piece is important because we still must manage densities and physical distancing in the near term. It also allows us to create a more efficient floor plan.



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"The immediate impact of the pandemic, from a facilities, real estate, and workplace perspective, is the change in behaviors."

The immediate impact of the pandemic, from a facilities, real estate, and workplace perspective, is the change in behaviors. These changes will drive people to use the workplace differently over time. They will use it in different ways. Attendance will change. The purpose of the workplace will change. So, our first priority is to redefine and reshape our working environments to meet these new behaviors and patterns of attendance.

We then develop our plan based on those changes. We expect a reduced physical presence in the workplace. We then make assumptions based on the implications of that change for our buildings. Then, expanding from the buildings toward the larger picture, we ask ourselves, "What does it mean to our portfolio and our portfolio strategy?" We are reimagining the workplace, then reevaluating workplaces in our buildings. Ultimately, we are rethinking our portfolio strategy. We are working on a different kind of portfolio strategy moving forward.



"Working out the future operating model is tricky. It depends on what the business is doing and the way it uses its offices."

First, an organization must assess its future operating model. That model may be the same one as before. In many cases, it is typical for around 80% of the staff to work in the office and 20% of the staff to work from home at any one time. In general terms, that ratio has been reversed, with technology largely enabling the shift. There's also been a change of attitude, with company leadership accepting that working from home is not only an acceptable but a preferable way of working.

Working out the future operating model is tricky. It depends on what the business is doing and the way it uses its offices. A lot of local authority work that I'm involved with deals with people, social work, and social care. Groups of people will go out into the field and carry out their work and interviews, mostly at other people's homes. There is a strong culture of regrouping back at the office—not just for instruction but also to download and debrief work. Many working patterns and cultures are being challenged. Until organizations have a clear idea of what their future operating model will be, it's going to be difficult for them to predict how much or what type of space they need to provide.



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"We may need to shift work schedules so that we don't have the entire workforce in the office at once."

Our top priority is the safety of our team members. In the wake of COVID-19, Change Healthcare acted quickly to implement a robust digital infrastructure to meet the needs of our customers and partners, keep our team members safe and embrace a virtual workforce in record time. When we go back into the office, we need to make sure that it's a safe environment for them. That means ensuring that we're physically distancing, which in turn means putting in the tools to make that happen. We may need to shift work schedules so that we don't have the entire workforce in the office at once. It's also important to follow local protocols and to provide masks and hand sanitizer. It comes down to making sure that the office is safe.

Real estate cannot be the only department or organization working toward this plan. It has to be a cross-functional effort. For example, ordering masks means involving procurement. It's especially important to build this cross-functionality in the early days, when safeguards such as masks and hand sanitizer are hard to get. You're also talking about following local legislation, so you have to have legal and employee relations involved. Then, the business must be involved. You must know who the most important team members to have coming into the office are and create a staffing plan that supports physical distancing. Crossfunctional representation is essential for an effective plan.



## "The nature of work is going to shift, but I don't think it's going to be as radical as people think."

I think we should all be careful not to overreact. The nature of work is going to shift, but I don't think it's going to be as radical as people think. I don't think the vast majority of businesses are going to say, "There's no need for a real estate portfolio anymore, so we're going to start slashing by 50 percent, 60 percent, 70 percent, 80 percent." Rather, we need to understand the changing trends in the marketplace and what has happened based on people's ability to work remotely.

The process starts with understanding what your company leaders are doing and thinking about for their people. How do you keep those inspiring moments when you can't physically connect with one another, when you can't look across the table, shake hands across the table, or work on a project on the same sheets of paper? What are leaders doing to bring their teams, their processes, and their products together?

We need to spend time with leaders, understand what's missing, and then figure out how we fill those gaps by bringing teams together for the right purposes with the right activities or even the right rituals. We shouldn't try to just surprise the business with a new solution. We must actually spend time helping redesign those experiences or those work activities that leaders are trying to embrace.



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"When preparing your workplace reentry plan, be sure to assess your employees' needs for mass transit to and from your locations."

The plan you create will depend on a range of factors, including the number of employees you have and your geographic footprint. If your headquarters is in California or New York, for example, you're dealing with a vastly different workplace reentry scenario than you would in Oklahoma, which may not have had the same level of impact in terms of the number of COVID-19 cases.

When preparing your workplace reentry plan, be sure to assess your employees' needs for mass transit to and from your locations. How are people getting around the city? For example, we would take a different approach for our Los Angeles office than we would for our San Francisco office because the typical commute looks quite different in those cities.

Everyone is using this time to rigorously develop their workplace strategies and scenarios. Corporate real estate professionals are working with cross-functional leaders to reimagine how the new workplace best aligns with their business. Many of them are also connecting with human resources to find ways to increase productivity and performance through digital and virtual experiences.



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#### **CHAPTER 3**

### DE-DENSIFYING AND RECONFIGURING YOUR REAL ESTATE PORTFOLIO

Prior to the pandemic, densification appeared to be a growing trend. Now, however, businesses are placing a priority on ensuring adequate social distancing between the employees that come into the workplace. This development, in turn, is motivating corporate real estate professionals to re-evaluate their real estate portfolios. We looked at how they are adapting to new safety requirements by asking them the following questions:

"What steps will you need to take to provide a safe environment for your employees and/or customers and make them feel comfortable and look forward to returning to the office?"



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"We need to evolve beyond a singular notion of "an office" to "reimagine an ecosystem of spaces" that truly address our needs, now and in the future."

The notion of "returning to the office" is a flawed concept.

A lot of things weren't working in our environments before—stress, lack of engagement, not having work-life balance. This whole notion of the office is broken because you can work anywhere. And if I can get rid of the term office, I would. We need to evolve beyond a singular notion of "an office" to "reimagine an ecosystem of spaces" that truly address our needs, now and in the future.

Organizations should consider what people need to do and what kind of environment best helps them get that done. Most people are doing work that includes some socialization, some collaboration, and some heads-down focus. Not all that work has to happen in the same place. You may have two or three days in which you work from home. You may go into the hub or a reimagined workplace that is now an innovation-gathering collective location in which clients come together. Such a space is the heart of the organization. It showcases the company culture—its philosophy, goals, and mission. We need to reimagine the true purpose of these spaces, and then make them as powerful as they can be so that people actually want to be there.





## "We are reconfiguring our offices to be bookable spaces."

We are reconfiguring our offices to be bookable spaces. There is a much higher density of work points where people can sit down and be productive that doesn't require a 100-200-square-foot offices, an 80-square-foot cubicle, or a 40-square-foot workstations. We have many small rooms that can accommodate one to two people; some can accommodate four to six people. Some are small telephone rooms that have bench seating. Different furniture solutions allow individuals to sit in a comfortable area and get work done. We also have larger, cross-functional meeting rooms.

These changes are in response to what we have heard from the teams that are coming in. They say, "I can work from home, but I'm choosing to come in because I need to connect with a colleague or members of my team, and we need spaces that we can use." It's essentially enabling us to "densify" our office space in a controlled way. We know that we can manage physical distancing through the next year by maintaining building density. Scheduling software will enable us to manage this work environment in a comprehensive way over the long term, but in the short term, it also helps us provide safe spaces.



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"We're enabling people to use technology to book spaces so that they can be confident that they're entering a safe workplace."

When people come into our premises and workplaces, they need to feel safe. Some of the measures we're taking are directly intended to guarantee safety. We're taking a hard line about screening and access control, putting in trackand-trace capabilities, and creating separation within the environment. We're moving much more quickly toward contactless and touchless surfaces, whether lift buttons or doors or bathrooms. We're also starting to rethink what the workplace looks like and creating more space. We're enabling people to use technology to book spaces so that they can be confident that they're entering a safe workplace.

One concern about using space in such agile and flexible ways is that it's much harder to control. On some days, you may actually have too many people in the office, for example. We need to put measures and controls in place so when you as an employee come into our office, you can check in like you would at a hotel. You have a workspace, you can book your meeting rooms, and you can book your lunches. It could all be done remotely. That really gives people a sense of confidence. When you arrive, you enter a well-controlled, well-organized, and ultimately safe environment.



"Any situation that would encourage social interaction, even within the workplace, have been removed."

We used to work based on densities—depending on the operation, from 8 to 10 meters squared per person. I suspect that we're probably going to be near 15 to 20 m2 per person now. Initially, my employer took away every other chair, taped across every other desk to discourage people from sitting there, removed keyboards, and provided everyone with his or her own laptop and cleaning materials. The kitchen areas now have a queue system so that no more than two people are in a kitchen at the same time. Instead of a café and restaurant, the company provides vending facilities. Any situation that would encourage social interaction, even within the workplace, have been removed.

We've also considered how we treat visitors and customers. When they come into the building, are they encouraged to stay? We don't want to be antisocial. The trend is to have as little interaction as possible. People come in, possibly with a mask on, do what they need to do, sign the document, and then leave. I did this the other day. I went into my lawyer's office because I had to sign a document. I was there for about five minutes. Typically it takes an hour and a half. All consultation on the advice was provided online. There's no "densification" at their office at all: It's empty.



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"In the longer term, we'll have to rethink the way our office spaces look and how they're used."

We are in the process of re-imaging what our workspace will look like to continue to be a more agile, nimble company and culture. I'm not sure that I'm sold on "de-densification," per se. In the short term, I think it's about putting the measurements in place so that the office isn't at 100 percent occupancy. You may end up saying, "OK, these seats can be occupied. Maintain six feet of physical distance." You may also come up with something like traffic flows for team members, in which you have one dedicated entrance and one dedicated exit. In the longer term, we'll have to rethink the way our office spaces look and how they're used. It's going to be more about collaboration and getting team members together.

When you think longer term—say, five to ten years down the road—there's another dynamic worth considering. You've got students now who are learning from home. When you think about those people coming into the workforce, they're going to have a much different mindset about when and how they get their work done than the people who came into the workforce before them. They're going to have a different opinion about where, how, and when they do they do their work. I think that's going to shape things quite a bit. It comes back to the fact that you've got to have office space that increases your team members' productivity.



"With physical distancing an expected norm for the near future, we must spend less time thinking about density and more time asking what we are using the space for."

For quite some time, density was a lever we could pull to create a level of financial efficiency in our floor plates. With physical distancing, an expected norm for the near future, we must spend less time thinking about density and more time asking how we are using the space. Is this space for an individual's heads-down, focused work? Is this space facility tethered, where an employee must be in a place because that's where the materials he or she is working with are located?

Or, is this about more ritualistic behavior—that is, about human connections, about how people collaborate and work together, how they eat together? If we can better understand how the space is being used, we can take steps to set it up appropriately and control it. Then, we can establish protocols to keep people virtually connected while physically separated.

As a peer and I were discussing the other day, it's probably going to be a compliment when someone tells you that your building smells like a dentist's office. Such a statement used to be applied to an institution, but now, you want your space to inspire confidence. People want to know that everything is being cleaned. We have a multisensory experience of a clean, safe building.



**Christian A. Bigsby,** Vice President, Workplace Resources, **Cisco Systems** 

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"It's important to create a positive and inviting experience. It's important to maintain a welcoming environment."

It's important to create a positive and inviting experience. As your employees and customers enter the building, the lobby experience will be different because you've implemented physical distancing rules. You still want to keep it friendly; you do not want to have people walk into a sterile atmosphere. It's important to maintain a welcoming environment.

Part of that welcome is to have the same people in the lobby who were originally responsible for being that first familiar point of contact. You should also demonstrate that you are taking your employees' safety concerns seriously. Make sure that you wipe down all surfaces in the space frequently and that sanitizing stations are prominently available.

In some instances, especially if you're a customer-facing business, you may be required to keep masks in stock. If you're in retail banking and your customer shows up at your bank, you don't want that customer to feel like he or she is not welcome in the building. That said, you want the space to remain safe. Consider having the security staff or the people staffing the front entrance give masks to your customers. That way, your customers will still feel welcome, and everyone who's there will feel that you're treating safety as a priority.



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#### **CHAPTER 4**

#### **CHANGING SPACE USAGE**

Corporate real estate professionals are now looking at creating workplaces that offer more flexible spaces and allow for proper social distancing. How can they arrive at the right design that supports new employee requirements for collaboration and productivity? To explore how they're addressing this challenge, we asked our experts the following question:

"What factors should be considered when coming up with a plan to change how to use your space?"



#### **Kay Sargent,** Senior Principal, Director of WorkPlace, **HOK**

Kay Sargent has more than 35 years of experience in the interiors industry. She has worked with multiple Fortune 500 companies on their global real estate strategies and designed workplaces of the future. Kay is a senior principal and director of WorkPlace at HOK; she also serves on the board of directors.

## "Think about what you need to do and the best environment in which to do it."

If you are going to do heads-down work that requires concentration, you don't have to commute an hour into the city to find a quiet place in which you will not be distracted. Think about what you need to do and the best environment in which to do it. We're going to see a lot less dedicated individual space in some of these areas because you can do that at home or maybe at a third location that's closer to your house. You don't have to go through that commute.

If you're coming to the office to engage your employees or your coworkers, then the space should be designed for that social engagement. When you're coming together with teammates or clients, the office may have more variety in terms of collaboration areas, with customer-focused areas that are nicer and better. If you have fewer work points, you're going to have better work points. It's about really understanding the true purpose of why you're going someplace, and then making it the best opportunity and the best space it can be.





"We plan to provide a range of space types, some of which need an anchor in the form of neighborhoods."

We need space for in-person collaboration. We also want to create opportunities for people to have spontaneous informal communication. In that sense, we are moving away from an individualized "I" space toward a "We" space that offers bookable, drop-in functionality. We are calling it the Cultural Café as a workplace design.

We plan to provide a range of space types, some of which need an anchor in the form of neighborhoods. We are not providing the neighborhoods in a one-to-one setting. There will be a touchdown space for groups to meet and connect. Each neighborhood team will also have full use of all the "We" bookable spaces on the floor plate. Not every meeting needs to be in an enclosed room, so how do we create open meeting spaces that are near a deli or a coffee shop, where people can work while they enjoy a sandwich or a drink?

We're also providing sanctuary spaces. If you're between meetings, you've got sixty minutes to compose an email, or you need a place where you won't be bothered, you don't have to book a space or an enclosed room to do that. Instead, you can drop into one of these sanctuary spaces, sit down, and get some heads-down work done.



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"When coming up with a plan, it must be based on what people will require. What is the purpose of your space?"

**Paul Youds,** Senior Vice President for Global Workplace Solutions, **Firmenich** 

Reporting directly to the CFO, Paul Youds joined Firmenich in 2014 as senior vice president for Global Workplace Solutions, responsible for the company's property portfolio and operational facility services to locations in more than 35 countries. Paul is also responsible for portfolio planning and all capital investments related to the company's extensive portfolio as well as providing global travel services.

When coming up with a plan, it must be based on what people will require. What is the purpose of your space? It used to be that you'd have a desk, you'd come in, you'd flip your laptop open in the morning, and you'd start doing your work. That's not what the workplace is anymore. If I'm going to flip my laptop open and go through my emails on a Monday morning, I'm going to stay home and do that. I'm going to avoid the potential risks that I perceive are associated with a lengthy commute. When I do go into the office, it will be to either collaborate or reconnect with the organization.

The workplace is becoming much less structured, much more intangible—and that's what we need to plan for. Simply having an office full of workstations isn't going to be sufficient anymore. The workplace also needs a much greater variety of spaces and places, including big meeting rooms, small meeting rooms, and sofas. The space should look and feel like a business lounge, where I am free to move around, do different things at different times, and socialize to a much greater degree than before at work. The purpose of the workplace is different now because my primary workspace is probably at home.



"Employees who are responsible for customer-facing activities obviously need to be in the office if customers are coming into the property or entering the building."

I think that it comes down to need. Traditionally, there was always a C suite, and directors typically had dedicated space in the building. They were seen as a priority when it came to providing office accommodation or facilities. That is likely changing now. Directors and executives are probably less likely to be in the office than the operatives. Again, it depends on the nature of the business, but I suspect that priority will be given to those who deliver services. Employees who are responsible for customer-facing activities obviously need to be in the office if customers are coming into the property or entering the building. For most other situations, that probably won't be the case.

I expect that we will probably see prioritization of perceived need. Over time, we will become used to the new rules and accommodate each other better. We have experimented, and we have seen some success with allocating different days of the week to each team. This approach has helped us keep densities down in certain areas of the office. One team will be allocated some office space on a Monday and Wednesday, for example. Those are their days. The rest of the time, they stay away from the office, and someone else will have a Tuesday and a Friday.



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"The future is going to be about flexibility and having the office be a place for people to go."

In the short term, again, I come back to safety and to aligning with team members' ever-changing needs and embracing their expectations in this environment. You've got to stay abreast of local legislation. You've got to keep up with trends in terms of the number of COVID-19 cases. Then, it comes down to how many team members or what percentage of the population has to be in the office. You have to work with other areas of the business in a crossfunctional way to properly understand that. With all that information in place, I think that you can come to a decision about how and when to reopen.

Ultimately, I don't expect most team members will want to go back to a place where they are going into the office five days a week. The future is going to be about flexibility and having the office be a place for team members to go. What we're hearing is that team members are missing that face-to-face interaction with others most of all. Longer term, I don't think that the office is going to be the place where heads-down work gets done. Instead, the office is going to be where you've got collaboration and team members coming together to work on things as a team.

"Until we really know that things are under control, we are not likely to see anything that exceeds 50 percent occupancy inside our buildings."

You have to be mindful that there are significant variations when it comes to specific regions and where they are on the pandemic curve. You also need to understand where certain cultures are in terms of their expectations of connection versus disconnection. Until we really know that things are under control, we are not likely to see anything that exceeds 50 percent occupancy inside our buildings.

During this period, we will continue to have sparsely occupied lobbies. We will meter the speed with which people can move through the elevator banks or stairwells, and so on. We're thinking about space use from a hygiene perspective. Where are the pinch points? How are meeting rooms used? How are restrooms used? How are entries and thoroughfares used inside our buildings?

We also have to completely rethink the nature of what used to be remote work. Before the pandemic, a remote worker was seen as a kind of second tier of worker—someone who didn't participate in the corporate activities in the center. Now that everybody's a remote worker, there is enough evidence that working from home can be done. Our current challenge is to make sure that remote workers feel the same connection to that physical workplace and their colleagues.



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"Consider your employees' perspective when you create the overall plan to change the use of the space."

First, from a business standpoint, assess who actually needs to be in the building, and make sure that they have priority when you're looking at the mix of who will work remotely and who will work in the physical space. Then, assess the situation from the employee standpoint. How do the employees feel about the mix of working from home and working in the office? Consider your employees' perspective when you create the overall plan to change the use of the space.

Also consider the risk in a particular location. For example, if I have a dense office building that has single-use elevators, I do not want ten people going up in an elevator at one time. Create new plans that you then communicate to employees before they're back in the office to address important safety questions. For example, how many people are allowed to take the internal corridor stairs at a time? How will we monitor that? How will we use the bathroom spaces? Do we need additional janitorial staff to help with that? These are some of the real-time questions we are asking across the business.



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### **CHAPTER 5**

# HOW DIGITAL TRANSFORMATION IMPACTS WORKSPACE OPTIONS

The COVID-19 pandemic forced many businesses to shift to a remote workforce almost overnight. As part of that transition, many businesses adopted collaboration tools that they hadn't used before. How will technology influence workspace options in the short and long term? To shed some light on the subject, we asked our experts the following question:

"How has the shift to remote work impacted your digital transformation plans?"



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"At first, everybody had to get online and figure out how best to work remotely. Everybody's tech IQ had to go up instantly."

At first, everybody had to get online and figure out how best to work remotely. Everybody's tech IQ had to go up instantly. How much it went up is another question. Physical presence is still important because 55 percent of communication is nonverbal. Even if I could see you, I may not understand your body language. I may not have built a rapport with you. I may not be getting the side conversations that take place before and after the meeting. We've learned to collaborate virtually, but it's not necessarily the end all, be all.

Once people start going back to the workplace, we need to think about how we sustain this equal footing we've all been on. Technology, including apps to create touchless environments, sensors, can empower people to have a more tailored experience. These tools can arm people with information about what area of the building is better suited to a given task or which work points meet their preferences, such as lighting levels, temperature and acoustics. We had the ability to create more sophisticated environments fueled by technology. COVID-19 has been a catalyst to push those plans forward.





## "We plan to continue this digital transformation through the scheduling app we are offering."

The shift to remote work has enhanced certain applications that people would not typically have used before. Staff have become comfortable reaching out to colleagues using tools such as Microsoft Teams. We have heard that few companies used Microsoft Teams before the pandemic. Now, people use it every day while working from home. We also use Zoom, and it's widely expected that when you're in a Zoom meeting, you will turn on your camera because you want to have that personal connection with the others in your meeting.

We plan to continue this digital transformation through the scheduling app we are offering. Ultimately, we would like to make it an internal networking app so that when users are booking space in our newly reconfigured buildings, they can be prompted to add people with whom they already have connections. If they join their meeting early enough, the app will connect them without a formal meeting set up. We want to connect with our European businesses in a similar way. Technology can play a part in opening portals between our locations consistently. We are still on that journey, but I think that the transformation has been positive for us.



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"The pandemic has accelerated our digital transformation plans at the highest level of the company."

The pandemic has accelerated our digital transformation plans at the highest level of the company. The digital enablement of working environments is a much higher priority than it was before COVID-19. In our new way of working, our workspaces are used more like hotel rooms, where you book in, check in, and organize things remotely and in advance. We cannot do that without technology.

I need to open my workplace app, book my desk the day before I go to the office, book my conference room, and order my coffees. I want to check with my colleagues to find out who will be in that day. All that information has to be available through a user interface on a smartphone because that's what everybody has.

The pandemic has also accelerated the flexible use of space. If the working capacity of your office is 25 people when you consider the need to ensure space and distance, you can't have 45 people turning up on Monday morning. We have to collect data, use it differently, and measure use in real time. For example, we have to be able to control access and address issues that occur within the workplace if we have too many people in the restaurants at any one time. We can accomplish these things only through technology.



"The use of Business Intelligence (BI) toolsis improving our ability to analyze and report on data."

We live in a digital world, and the importance of data continues to grow almost exponentially year by year. We've moved into a real, direct application of this data, and the use of business intelligence (BI) tools is improving our ability to analyze and report on this data. We can produce all sorts of fascinating images, dashboards, and statistics.

In our office, we're looking at BI tools to analyze data in the property asset management system, in the accounting system, and in the energy management system. In time, I think that we'll gain access to the human resources system, too. At that point, we ought to be able to run reports quickly and easily in real time on data specific to people, the cost of people, and the property costs that related to people.

For example, I'm running a report on the number of people who commute from a particular area to a particular office room so that I can understand the cost impact of that commute in property terms. Such reports will become easier in time, but at the moment, I have to access half a dozen data sources to run that report. The move toward BI is the trend that we'll see accelerate quickly over the next year or two.



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"Overall, we're using technology to create human interaction, as much as possible, without being truly face to face."

Early in the pandemic, we had to harden our infrastructure and technology to support all the team members suddenly working remotely. We acted quickly to implement a robust digital infrastructure to meet the needs of our customers and partners, keep our team members safe and embrace a virtual workforce in record time. It was just table stakes to make sure that we could handle that bandwidth associated with team members working from home. Now, we're focusing more on using video calls with Microsoft Teams. To help increase adoption, we've been encouraging leaders to have virtual team meetings and things like that. Overall, we're using technology to create human interaction as much as possible without being truly face to face. Our team members have embraced technology, whether for work or their personal lives, during the pandemic.

So overall, in terms of the role that digital transformation has played in all this, I can say that it definitely accelerated our move to Microsoft Teams. Our initial focus was on the digital transformation and having those essential collaboration tools in place, but then we also put a lot of effort into encouraging our leaders and team members to use it. The priority was getting the technology in place. Then, we focused on creating the environment to maximize its potential.

"We can have a call from any two places on the globe, but what we're missing is the context of everyone's well-being."

At Cisco, this is the business we're in. These are our core competencies, our core products, and our core services. Right now, we're exploring next-generation technology based on how we connect remotely. We can have a call from any two places on the globe, but what we're missing is the context of everyone's well-being.

How do people work remotely and still have time to get away from the screen, take a walk, have a meal, talk to a colleague, have a human connection? How do we start to read body language? Are the other people on that video call engaged? Are they multitasking? The challenge is how to figure that out without making people feel like they're being spied on.

We're trying to give people contextual well-being cues that may signify that it's time to take a break. If you saw my calendar before our call, you would know that I just came off of six straight hours of meetings. I would know that you just came off a three-hour business review. We would know that we're both going to be fatigued, and this context informs how we'll greet one another. We want to create a virtual experience that becomes closer to a real human experience.



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"The majority of the companies I've been talking to have accelerated their digital transformation plans."

The majority of the companies I've been talking to have accelerated their digital transformation plans. For example, a major retailer in San Francisco was looking to downsize its real estate footprint, but it was planning to do it over the next couple of years. Now, the company has laid out a plan for working from home in which it is sending secondary monitors, ergonomic chairs, keyboards, and mouse devices as needed to the remote workforce. Everyone in the company is going to be working from home full time, likely through January 2021.

Another example is a global company based in Redwood City, California, that has said it's going to be a late adopter because it is in the entertainment and gaming space. This company still has people who are working in its offices, but it will now have a partial work-from-home arrangement for the foreseeable future. It's employees may work one or two days a week remotely even after the pandemic ends. It is not making a major investment in terms of a shift. Rather, its strategy is to make the best of what it has right now because company leadership knows that employees will be returning to the offices in the long term.



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### **CHAPTER 6**

### THE WORKPLACE OF THE FUTURE

Now that businesses have realized their employees are often productive working from home and that technology can be a strategic asset in enabling this productivity, they are beginning to consider what the workplace of the future might look like. How will employees collaborate and get their work done? To get a glimpse at what the future might hold, we asked our experts these questions:

"What is your vision for the future? What will the office look like in a post-COVID world?"



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"If we address only the COVID-19-specific issues and not all those other elements that we know are changing, all the changes we've made will have been for naught."

There were many issues we weren't addressing holistically before COVID-19. There was a lack of mindfulness, a lack of sustainable initiatives, a lack of variety, a lack of any kind of control in creating great experiences, and a lack of work-life balance. If we only address the COVID-19—specific issues and not all those other elements that we know need to be addressed, all the changes we've made will have been for naught and there are many things emerging on the horizon that we also need to acknowledge. Whether it's biometrics or robotics or augmentation or holograms, we know that they are going to affect us within the coming years. If we don't address the technological changes now, it could be five or ten years before we have the opportunity again.

Most people change their real estate every five to ten years, but these emerging factors are already here. We need to cast the net wider and think about how we create spaces that truly address social inequity and climate change. We need to embody sustainable principles, wellbeing and incorporate biophilia without just putting a plant in the room and calling it a day. We need spaces that really address the acoustic issues we've been struggling with, address the gig economy and encourage silo busting and divergent creativity, and even address sensory intelligence and neurodiversity. Those are challenges that aren't going away.

"For me, it is about creating an environment in which the employees can get their best work done."

For me, it is about creating an environment in which employees can get their best work done. The best way to do that is to give them the choice of where they want to work when they need to come into the office. That is the best way the real estate and facilities organization can add value to the company. In doing so, we would move away from dedicating large swaths of our footprint to organizations and departments and instead give employees the choice and freedom of where they want to work during the day. We would also create an environment that is exciting and connects people while also giving them the option to have headsdown space.

A lot of what we are starting to do would have typically taken us years to implement. Because of the pandemic, however, working from home was forced on us. Finding out that we are effective in that setting and have not had to change has really opened leadership's eyes to the possibilities. Now, company leaders are asking those questions that the real estate team typically asks: "Do we need as big a footprint? Do we have enough flexibility? For our spaces, do we have enough agility in our leases to change with our business needs?"



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"I think that the workplace of the future will look like a business lounge in an airport."

I think that the workplace of the future will look like a business lounge in an airport. It will be a much more informal setting. We'll see coffee places, breakout points, and soft furnishings. All those things will be much more prevalent in the workplace because the workplace will be a much more social environment. The primary workstations will largely be elsewhere. There will still be some in the workplace, but in general, the environment will be much more social and collaborative. We will have a variety of meeting settings. They might be enclosed, large, or small; separated by space; or technologically enabled with Microsoft Surface devices, for example. The workplace of the future is going to be much more about socialization, reconnection, and collaboration. It will look like walking into a business lounge in Heathrow or Charles de Gaulle.

"This trend toward working from home is here to stay, certainly for the next few years or until the COVID-19 risk disappears."

We'll all get used to sitting in our own home offices. An individual's ability to do that depends very much on their circumstances. If you're living in a city center apartment with no open space and limited internal space, working from home may be difficult, especially if you've got children in the house. This trend toward working from home is here to stay, certainly for the next few years or until the COVID-19 risk disappears. Office space will gradually be redesigned to suit the needs of those who are using it. There will be a discussion about whether to give priority to different user groups from those we recognize now.

The "densification" or "dedensification" aspect is going to play through. We will see fewer people per square meter of space, and that will affect the way offices are designed. Conventional offices with rows and rows of desks will no longer be necessary and may even be counterproductive designs, but how we overcome this desire to be sociable is key. Whether the new office can create an environment that allows people to socialize in work environments in a safe way will, I suspect, be driven largely by whether a vaccine is discovered in time.



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Brian Holtze is vice president of Corporate Real Estate at Change Healthcare, where he is responsible for managing the company's owned and leased global office locations. Brian's background is in finance, but he began working in corporate real estate at Nielsen, where he was the global transaction leader, managing more than 600 locations in 100 countries. He enjoys working in corporate real estate because every day is different and brings new challenges.

"A lot of technology will become available to make things seamless and easy in the office of the future."

A lot of technology will become available to make things seamless and easy in the office of the future. We are actively working with our team members and our customers to ensure that we are aligning with their ever-changing needs and embracing their expectations in this environment. We are in the process of re-imaging what our workspace will look like to continue to be a more agile, nimble company and culture. This technology will support team members in a way that enables them to be more productive. It comes back to team members being more productive in the office than they are at home. The office has to have a draw to it. We'll need to convince team members that making an hour or more long commute is worth their time.

Technology will help make this possible. For example, team members could book workspaces before coming into the office. Simply being able to book a workspace or a conference room or even see who's booked the conference room would make a big difference. It goes without saying that having strong Wi-Fi throughout the floor plan will be critical, as well.

Businesses will want to be more resilient, too. Cross-functional teams must be ready to go—not only for a pandemic but also for a potential natural disaster.

Flexible remote work options will help your team members be resilient and better withstand future challenges. Internal collaboration will also be essential. Human resources, technology, business continuity, real estate—all those areas must come together to create a truly resilient organization that can continue regardless of whether team members are in the office.

"Flexible remote work options will help your team members be resilient and better withstand future challenges." "The design concept that I use in this scenario is more wheels, fewer walls."

You can get talent from anywhere in the world without requiring a domestic relocation. How do you attract the best talent in the world regardless of the markets they're in. Then, how do you connect those new employees to your culture? We used to use our buildings to connect people. How do we use more of our infrastructure, our technology, and our corporate culture to connect them?

People still need to get together with others regularly to collaborate and feel like they're part of something bigger than themselves and their jobs. We've tried to accomplish this with our corporate cafeteria and our conference centers, but we've never built in enough inherent flexibility to know how leaders and people could use them in different ways.

The design concept that I use in this scenario is more wheels, fewer walls. Everything's mobile, everything can be wheeled in, and you can move things at a day's notice to make sure that people can use it the way they want. The leaders are engaged to design the activities that bring people together. People can work from where they want, but they have a compelling need to go to a place because they want to be with other people—not because it's a great building but because there are great people to connect with.



**Christian A. Bigsby,** Vice President, Workplace Resources, **Cisco Systems** 

Christian Bigsby leads the Real Estate and Facilities organization, known as Workplace Resources, at Cisco. Before Cisco, Christian spent 25 years in pharmaceuticals, running a worldwide real estate and facilities organization from 2011 through 2017. In his three decades in the real estate industry, Christian has worked as an interior designer, a facility manager, and a real estate director.



"I think that we will have an increase in virtual working arrangements because of the uptick in productivity we've seen when people work from home."

I haven't yet seen companies making major moves toward a different office model for a post—COVID-19 world. I have not seen a dramatic shift yet in any companies making big bets when it comes to their IT, for example. They've been focused on measures such as creating a stipend (from a finance perspective) for people who may need additional router support at home. I haven't yet seen any other large changes in terms of an increase in headcount or a significant transition in terms of the way companies currently serve their employees.

I definitely think that the office will still have a major position in the life of the company. I don't foresee us going to a full work-from-home and remote scenario, per se. I think that we will have an increase in virtual working arrangements because of the uptick in productivity we've seen when people work from home. I expect that we're going to see a lot more workplace initiatives based on wellness—both in the office and in terms of how to manage working from home. I also think that that is really where the focus is going to be going into 2021 and beyond.



London Kemp, Global Real Estate Executive, Formerly with Netflix, Ingram Micro, NBCUniversal, and Walmart

London Kemp was most recently global head of Corporate Real Estate at Netflix. While there, she supported enterprise-wide corporate initiatives, providing overall management and strategic planning for Netflix's global real estate portfolio, including portfolio optimization, lease administration, and transaction management oversight.

