

Creating high-performing workplaces that deliver a productive and happy employee experience

Executive Summary of the discussions at Burlington House
London – Thursday 15th November 2018

Main Conclusions

- 1. Every employee deserves a fantastic workplace. Delivering one makes a big difference to business performance as well as employee productivity, wellbeing and pride in the organisation**
- 2. The employee experience delivered by the workplace is central to winning the war for talent**
- 3. Companies who don't stay agile, constantly re-evaluate and fine-tune their workplaces, will lose their talent to those that do**
- 4. The employee experience needs to be at the heart of office design if organisations want the workforce to be super-productive**
- 5. While technology can help you optimise how the employee experience is delivered, human interaction is more influential than technology**
- 6. Every workplace should be like a permanent 'beta trial'. Involving employees in workplace evolution will ensure continuous improvement and an energised and engaged workforce**
- 7. Think of your workplace as '*space as a service*' so you match the workplace experience to the special needs of differing job roles**
- 8. Adding employee engagement to the traditional KPIs of space utilisation is critical to delivering an excellent employee experience**
- 9. Frequent one-on-one communication is vital for delivering productive workplaces**
- 10. There are 13 key factors – '*Super drivers*' - that, in combination, generate the highest levels of productivity in the workplace.**

“It ain’t what you do it’s the way that you do it!”

Workspaces are vital to winning the battle for talent

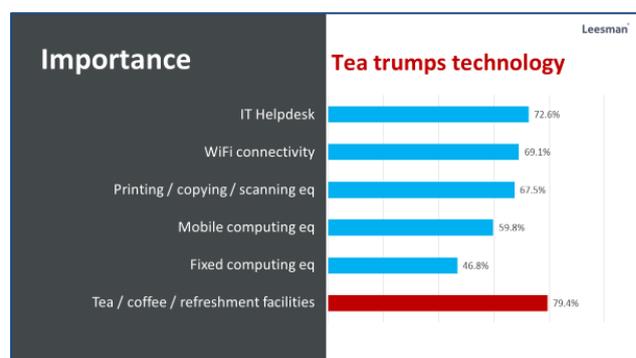
Summary of a presentation by Tim Oldman, CEO and Founder, [The Leesman Index](#).

Tim Oldman presented the key finding from an eight-year study into employee experience in the workplace. This draws on responses from over 458,000 employees from over 3,375 workplaces. It identifies 13 ‘Super drivers’ of employee sentiment that influence productivity and pride. A copy of the report can be downloaded [here](#).

Six key points for consideration by occupiers were highlighted:

1. **Embrace change and build a workplace that is participatory, immersive and personal** – Brands like WeWork are thriving due to the fact that they deliver an employee experience that is participatory, immersive and personal. They are enjoying significant growth because they design their experience around the consumer and are constantly changing and updating the way they work based on feedback about the user experience. This restless ‘always-on’ approach is what your employees now expect of the workplaces you provide.
2. **Keep up with the new era of Employee to Employer Expectation** – B2C brands (e.g. Amazon) that are used outside the workplace now directly influence how the employee to employer relationship is measured and benchmarked. For example, an employee can have a video collaboration meeting with their smartphone in seconds, but it may take the IT team hours or days to provision something similar. The workplace provided to employees needs to match up to the outside work experience or organisations risk losing talent.
3. **Half of employees say their workplace doesn’t make them productive or proud** - Almost half (48%) of employees surveyed are not proud of their workplace. The negative psychological impact of feeling this way will contribute to higher absenteeism rates, higher staff turnover, higher recruitment costs and significant falls in productivity. In fact, a similar number (42%), felt that their workplace did not enable them to work productively. This ‘divide’ in employee experience shows how the workplace is now centre stage in organisational and personal effectiveness.
4. **Tea trumps technology when it comes to drivers of employee sentiment**

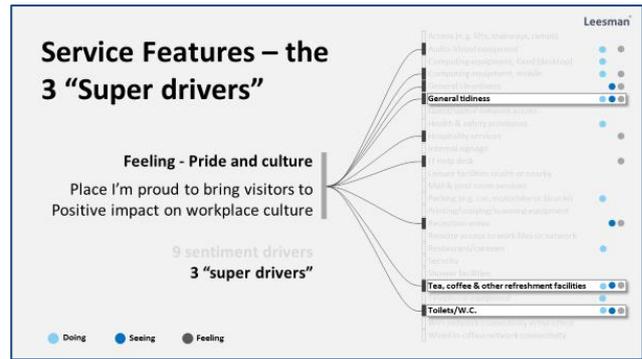
New technology, and the data it captures, is obviously transforming property utilisation and management. But the Leesman Report shows that personal factors and interaction are more important when it comes to driving sentiment about the workplace. In fact, the study uncovered that ‘manned’ IT Helpdesks outscore general IT provision, but that is outscored by the quality of the coffee provided.



So, thinking about the services that underpin the employee experience is essential to getting the best return on investment from your workplace.

The top three Service Features that are Super drivers of employee sentiment are:

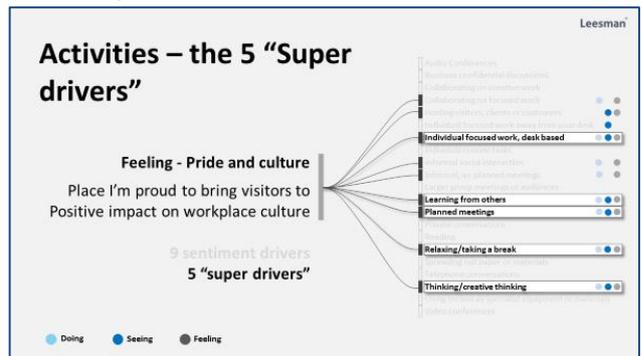
- Toilets/ W.C
- Tea, coffee and other refreshment facilities
- General tidiness.



5. From focused work to relaxation – the five Activities Super drivers

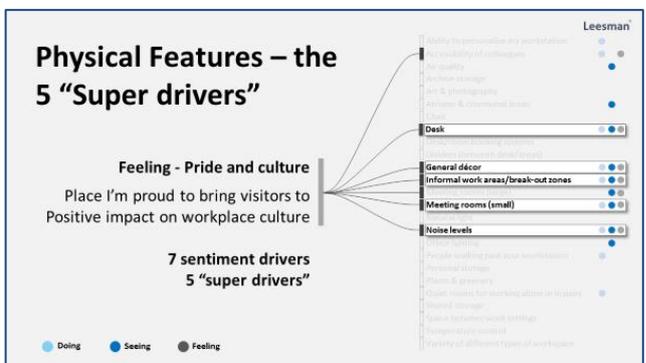
The Report shows that employees really care about being able to focus on their work at their desk. But they also want to be able to think creatively, learn from others and relax. Ensuring your workplace supports the five activity Super drivers is therefore essential to driving productivity and pride. These are:

- Individual focussed work, desk based
- Learning from others
- Planned meetings
- Relaxing/ taking a break
- Thinking/ creative thinking



6. The desk trumps everything – the five Physical Features Super drivers

The Physical Super drivers are consistent with the activity and service super drivers. For example, employees want small meeting rooms. This is in line with the desire to learn through one-on-one coaching and the desire to think creatively. They also want informal/break-out zones which is consistent with the desire to relax, think creatively and feel a sense of community.

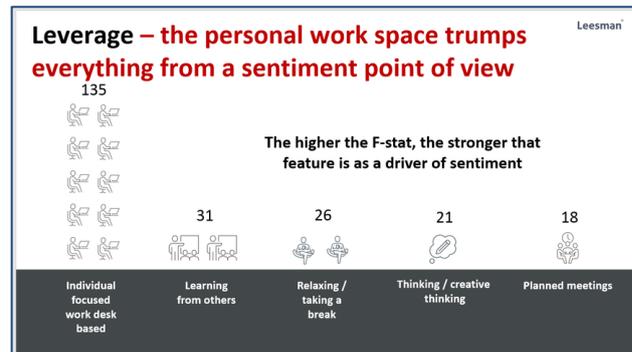


Being able to focus on one’s own work at – one’s own desk – is most important. That’s why noise levels are a Super driver. In fact, noise levels are the highest driver of dissatisfaction. The importance of desk space comes up as a “Super driver” not only for activities but also physical features.

The Top 5 sentiment triggers for physical features that impact on employee sentiment are:

- Noise Levels
- General Décor
- Desk
- Meeting rooms (small)
- Informal work areas/ break-out zones

Hot-desking has become a major trend as organisations seek to optimise space utilisation. While this may be more efficient, the Leesman Report indicates that it may not be more effective. In fact, being able to focus on their work at their own desk is important to 93% of employees. The level of importance can be seen from the chart opposite. It shows that desk-based work has over four times the importance (an F-stat of 135) of the next driver (an F-Stat score of 31).



You can download Tim Oldman’s full presentation [here](#).

“The Future of Flexible Work!”

Summary of a presentation by Ben Samuels, Director of Enterprise Business EMEA & APAC, WeWork.

Three key points for consideration by occupiers were highlighted:

- 1. The need and desire for the flexible workplace is growing** – Flexible space is a structural shift driven by the war for talent and the need to be more nimble with property decisions. Flexible workspace has been growing at over 23% per year in the UK and this is set to accelerate. While this growth has been driven by small and medium sized businesses, larger organisations are now turning to flexible workplaces to solve workspace challenges such as:
 - **Forecasting** – 61% of executives are unable to predict their labour costs three years from now so need more flexible space provisioning
 - **Talent** – 57% of talent recruiters cited competition for talent as their top challenge. And, CEO’s around the world gave their ability to attract the best talent their [second lowest confidence rating](#).
 - **Engagement** – 85% of employees are not engaged in their job
 - **Productivity** – 47% of respondents agree that their workplace does not allow them to work productively.
- 2. Space as a service**

Ben reinforced the Leesman findings by saying that organisations should see workplace provision like delivering ‘space as a service’. The way flexible workplaces such as WeWork are making a difference to employee experience and productivity, is by providing the immersive, participatory and personal experience highlighted by Tim Oldman. This includes:

 - **Hospitality** – dedicated community teams to make each employees and guests feel valued and welcomed
 - **Community** – Common areas for hosting private or public events
 - **Flexible support** – Support operations and maintaining an efficient and functional office space that drives individual and team productivity
 - **Technology** – an integrated set of applications to enable employees to efficiently engage with the space.
- 3. Revolutionise the world of work and employee experience to win the battle for talent**

With the UK experiencing near full employment – and major talent shortages in key disciplines - the workplace needs to be taken seriously as a contributor to attracting and retaining the best talent. If employees do not feel that the workplace supports personal productivity and engenders pride, they are less likely to join an organisation and more likely to leave it.

You can download Ben Samuels’ full presentation [here](#).

Summary of the Panel Debate

The following panellists: Tim Oldman, CEO & Founder, The Leesman Index; Ben Samuels, Director, WeWork; Tony Oxford, Principal, Avison Young, discussed the key issues for consideration and answered questions from the floor. The Panel was chaired by Iain Rackley, Principal, Avison Young.

Six key points for consideration by occupiers were highlighted:

- 1. Workplace as a community** – Employees want to be able to focus on their work. BUT they also want to feel part of a community. That's why the provision of refreshments is so important. However, it's not just about access to coffee, it's also about access to human interactions that makes the workplace more enjoyable. In fact, in one study, employees preferred to pay \$2.00 for a coffee than the free coffee provided for them in an economically challenged part of the world, because of the experiences they had while buying the coffee at the coffee shop.
- 2. The move to a predictive workplace** – If organisations take a user-focused view of workplace provisioning, it will be possible to create predictive workplaces. By combining data from workplace sensors with user feedback, and analysing this with the aid of artificial intelligence, it will be possible to identify which changes will deliver the most productivity and pride. Predictive workplaces will be a powerful tool in delivering competitive advantage.
- 3. Call for the 'Chief Experience Officer'** – Employee Experience has become vital not only to ensure productivity but also in order to be able to compete in the war to attract and retain talent. Organisations need to appoint Chief Experience Officers to drive the right employee experience and to ensure the highest levels of employee engagement.
- 4. The workplace has to stay in 'beta'** – Organisations must constantly observe how spaces are being used and create responsive, organic infrastructures rather than fixed assets. It's particularly important to allow the workplace to evolve to meet the needs of each generation in the workplace.
- 5. Organisational blind spots** – These massively detract from employee experience. Investing in smart systems that alert issues such as temperature, Co2 levels and noise are quick wins for improving workplace satisfaction and making sure to meet employee expectations. For example, having a building management system that shuts off air conditioning at a set time, when people are working late, is exactly the sort of thing that retards productivity and generates negative sentiment about the workplace.
- 6. Measuring employee engagement is essential** – Because the employee experience is so important to business success, it is vital to measure employee engagement levels. And, because workplaces need to evolve to meet changing employee expectations, measuring employee engagement cannot be left to an annual HR survey. It needs to be a KPI that is produced at least three or four times a year.

Round Table Discussions

The summary of the Round Table debates from Tables 1-6 were presented by the Forum's attendees: Louise Rushmer, Virgin Money; Rob Lucas, Thales Missile Electronics; Rupert Barron, Avison Young; Richard Muller, BUPA; Iain Rackley, Avison Young

Four key points for consideration by occupiers were highlighted:

- 1. The pace of change is accelerating** – Organisations need to keep up with the pace of change in the outside world. How a workplace is used, and the facilities that are needed, has massively changed in the last five years and this trend is only set to continue.
- 2. Evaluate the employee experience to remain competitive in the battle for talent** - Getting the right metrics in place for measurement is essential. Metrics include:
 - Employee Engagement Surveys – not just an engagement score but the drivers behind the score
 - Employee turnover – and the drivers of turnover
 - Year on Year trend analysis
 - Productivity measurement
- 3. Employees as customers** – The concept of 'space as service' will gather support. Providing services that support wellbeing as well as productivity will be essential. Central to this will be the need to match services to different employee groups. Some will need to work quietly while other will need to collaborate and create with others.
- 4. Employee engagement and how you manage it is centre stage** – Employee engagement and employee experience are the main drivers that allow organisations to compete in the battle for talent. It is accepted that both these things are important but measurement and management of both tend to be outdated in larger organisations. Surveys and results are only valuable if organisations prove they are listening by linking actions to the feedback received. Switching to an always on, constant re-evaluation of both is essential to the success of businesses.

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Event run by



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The Property Directors Forum (PDF) is an exclusive, invitation-only community that was created to provide Occupier Property Directors with a stronger VOICE in the market. Since 2013, we have run two successful and well-attended events a year, with industry-leading speakers and experts on the most current topics affecting the occupier community. Each event has used participants' contributions to create value-add content on the topics concerned.

The Property Directors Forum provides Occupiers with:

- A collective VOICE
- FORESIGHT to identify current trends and challenges
- NETWORKING, COLLABORATION and KNOWLEDGE SHARING opportunities
- Access to INDUSTRY-LEADING EXPERTS

"I find the Property Directors Forum really well organised, with topical issues on the agenda supported by well-informed external presenters. This coupled with the presence of Property Directors across various sectors leads to good insights and debate." David Fry, Head of Property, Vodafone Limited

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For more information about – or to join – the Property Directors Forum please contact Gail on 020 7041 9991 or gail.wickes@propertydirectorsforum.com

The next Property Directors Forum will be held on **Thursday, 13th June 2019**. We look forward to seeing you there.