



News

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Survey: Commitment to Alternative Workplace Strategies is Being Driven by Current Economic Landscape

Microsoft and CoreNet Global survey takes a closer look at the rise of Alternative Workplace Strategies

DALLAS – 27 April 2009 — Within the current economic landscape, corporations are going to continue to cut expenses. With current workforces becoming further geographically spread along with the introduction of new technologies, alternative workplace strategies (AWS) present opportunity that can potentially save on salary cuts and freezes. Still, the largest challenge continues to be a lack of support from senior management, according to a recent survey of CoreNet Global Dallas Summit registrants.

Microsoft with CoreNet Global continued their effort on an international survey examining the successes, challenges and drivers of AWS. Microsoft and CoreNet Global last partnered for a North American study in October at the Orlando Global Summit. The current survey specifically examines registrants to the Dallas Global Summit with 71% representing large scale, global operations. An international survey was also distributed at the Macau Global Summit as well.

The economic landscape has ushered in a more mobile workforce at a faster pace with an overall shrinking corporate footprint. In fact, 55% of survey respondents agree that the commitment to the overall AWS strategy has increased significantly to support current economic conditions. Sixty-one percent of respondents report having a greater commitment to their AWS programs. Whether working in open office settings, satellite offices or other remote locations, employers are becoming more flexible with the technologies used to match the people and places where the work is being done.

This survey of international workplace and corporate real estate executives (CRE) continued in line with findings from the other international findings that not only are AWS programs going to grow, but 76% of the respondents report the presence of these programs within their organization already. An interesting difference that we see specific to Dallas is of those companies that already have programs in place, 71% have been in place for at least two years. The early adopters, those programs that have been in place for less than two years, are much fewer, at 29%. We're seeing a slight difference in the number of employees within corporations embracing these programs. At the Orlando Summit in November, over half of the companies surveyed reported less than 10% of employee participation. For Dallas we see, we see almost one-fifth of companies reporting between 10-20% participation with 47% of companies forecasting a slight change over the next three years.

“From our global survey we have consistently seen two main reasons corporations are implementing existing AWS. The first reason is about people - the ability to attract and retain talent and provide a better work-life balance by enabling employees the flexibility to work remotely. Second, improving productivity and collaboration. Cost, whether right sizing the portfolio or overall cost cutting, were also important, but less than the people issues,” said Katherine Randolph, Director, Unified Communications for Microsoft. “Empowered by the latest realities in mobile technology, Corporate Real Estate is working closer with IT and Human Resource departments build a joint vision for the best possible workplace and make it a reality within the current global economy.”

Companies are currently looking to reduce operating expenses wherever possible with 62% of respondents agreeing that current conditions are likely to continue through 2010. Travel is the highest area of reduction followed by hiring freezes, staff reduction and bonus/salary reduction.

Fifty-seven percent of companies state that AWS strategy of Telework is a component to the reduced travel policy. Within Telework, Email continues to be the number one form of communication. Web conferencing is used by 80% of respondents companies, and instant messaging, voice over IP and video conferencing are all being utilized.

While we see regional trends in rolling out AWS programs, North American and European operations are further along in development of AWS programs. All other global regions have ample room for growth and adoption. Top regions that are actively rolling out, are in the processing of piloting, deploying or have completed the rollout include:

- North America – 96%
- Europe – 65%
- Other Asia/Pacific Rim – 48%
- India – 46%

Momentum is clearly growing around the world, despite challenges. Similarly to Orlando’s 45%, we see 48% of Dallas registrant’s largest challenge as being a lack of sufficient support from senior management, followed by lack of middle management support (40%).

“The economy has dealt our members many business challenges over the past year. As an industry, CRE is adopting new practices including flexible programs such as alternative workplace strategies, which will ultimately lead to much smarter business decisions,” said Dr. Prentice Knight, CEO of CoreNet Global.

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About CoreNet Global:

CoreNet Global members manage US \$1.2 trillion in worldwide corporate assets consisting of owned and leased office, industrial and other space. With 7,000 members representing large corporations around the world, CoreNet Global (www.corenetglobal.org) operates in five global regions: Asia, Australia, Europe, Latin America and North America, including Canada. Visit www.corenetglobal.org for more information.

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