



PRESENT



A **COVID-19** Virtual Ideation Experience

Team Topic and Number: **Space Utilization and Metrics 22**

Team sponsor/chapter (if applicable): **HOK**

Team Lead: **Kay Sargent**, Director of WorkPlace, HOK

Team Members:

1. William Lee – Corporate Real Estate Strategy and Planning, Bank of America
2. AnnLouise White -Global Lead, Workplace Experience, Verisk
3. Ben Waber – President and Co-Founder, Humanyze
4. Bryon Sutherly – Senior Project Architect, Hixson Inc.
5. Chris Joyner – President, Fischer
6. Doug Sharp – CRE Advisor, Sharp Advisors

Input your submission below. Please remember that you have 1500 words to share your insights. (1,460 words)

What did you do with the time you had?

Scene 1: White House Briefing Room

End User Statement: *William Lee Bank of America, Plano, TX*

“Space utilization will be impacted by COVID-19. This is an opportunity to rethink things and for many, it is will be more about people and their safety, security and what works for them. Many are rethinking the purpose of the “office”. Remote/distributed work will be part of the ecosystem, but companies need to assess who should work from home and how often. Therefore – how the office will be used will evolve. Companies are looking to rework the space to enable physical distancing, future flexibility and focusing more on gathering spaces since remote work will be part of the solution.”

Scene 2: Reporters Question: *“This Pandemic started to hit us all hard mid-March. What did you do with the time you had to address how space utilization and metrics will be impacted going forward? What do we really value?”*

End user Response: *AnnLouise from Verisk in Boston, MA*

“We value our people, and their health and safety are our #1 concern. We strive to strike the right balance between being fiscally responsible while insuring we are creating a great workplace experience across the board. Without specific targets and metrics this becomes more difficult, but one size does not fit all. It’s more important to us to be flexible so we can accommodate and address the unique needs of each group, and nuances of each market, rather than applying a blanket approach across the organization.”

Scene 3: Reporters Question: *“How will space be used going forward? Will COVID-19 reverse the trend of reducing square footage per employee?”*

A&D Response: *Kay Sargent from HOK in Washington, DC and Bryon Sutherly from Hixson Inc. in Cincinnati, OH*

“An opportunity exists to amend the trend and focus more on the “outcomes” and how the design enables higher value(s) for the organization. Cost will be a factor, but it will also be more about the behaviors the space will create, both from a performance and health perspective. The desire to provide physical distancing will result in a reduction of densification in the workplace, but we will likely see an increase in remote working as well. So, while the square footage per work point will likely increase; the square footage per employee might stay the same because there is likely to be fewer of them in the office at any given time. I think we need some new definition of how we measure space use as well.

- Static UR, Utilization Rate – square feet / work points assigned to the space
- Dynamic UR, Utilization Rate – square feet / people assigned to the space

Scene 4: Reporters Question: *“Are metrics important and if so, why?”*

PM Response: *Chris Joyner from Fischer in Dallas, TX*

“You can’t manage it if you can’t measure it.”

Scene 5: Reporters Question: *“What metrics has your company (or your clients) used to determine the status and success of your real estate and your space? And how does that relate to your company’s mission or values?”*

Architects Response: *Bryon Sutherly from Hixson Inc. in Cincinnati, OH*

“CRE metrics are mostly related to square foot/person and density. Focus has shifted to the occupants. Design tools including the WELL Building Standard & the Leeman Index help answer questions about how buildings, systems and space get designed and safely support people and what they are there to do. Clients desire a positive assessment & honest reflection of a:

- Safe & Healthy workplace with an
- Engaging workplace design that
- Promotes the Corporate culture and reflects
- Corporate initiatives (Environmental sustainability, Diversity, Gender Equity, etc.).

It appears that the metric(s) are becoming a bit more people-centric.”

Scene 6: Reporters Question: *“Do you believe those metrics are still relevant and/or how do you think they will shift?”*

End User Response: *Doug Sharp from Sharp Advisors in Sullivan’s Island, SC*

“Cost-centric metrics for managing space typically assume that space is a liability. But once we can move beyond that we can start to assess the value side of workforce abilities where space becomes an asset and a powerful business tool which enables people. We have an opportunity to do both AND hold both at an EQUAL level. CRE is BOTH an expense and an investment (in innovation, opportunity & growth).”

Scene 7: Reporters Question: *“What things should be measured if we want to focus on Human-centric factors?”*

Designer Response: *Kay Sargent from HOK in Washington, DC*

- “Ability to successfully conduct activities the business values
- Ability to work creativity and ideate as a team / Ability to share ideas
- Ability to achieve preferred work profiles, solo, in pairs, teams
- Productivity / Revenue per person
- Retention and Attraction / Absenteeism / Presenteeism

- Ability to access needed spaces – just-in-time
- Proud of place / Preferred workplace and meeting location
- User satisfaction / Customer satisfaction rating
- Energized Environment / Ability to control distractions and interruptions
- Ability to work seamlessly - connect anywhere
- Speed of decision making / Time to market for new products
- Ability to access space that fosters ad hoc interaction
- Ability to find and access teammates and influencers
- Awareness of what others are doing
- Social cohesion / Trust / Perceived supervisory support
- Wellbeing
- Having options and choices to determine where to work that best suits the task at hand and your personal preferences.
- Employee engagement
- Pride of place
- Ability to work productively
- Enjoyable environment to work in
- Contributes to a sense of community at work

Scene 8:

Researchers Response: *Ben Waber from Humanyze in Boston, MA*

“Let me tag in here...This will mostly be behavior based. A short selection here:

- Focus minutes/workday (15 minutes or longer of uninterrupted, individual work)
- Core collaborators per square foot (pairs of people who interact on average more than one hour a week over a yearlong period)
- Significant collaborators per square foot (pairs of people who interact on average 15 minutes to one hour a week over a yearlong period)
- Loose collaborators per square foot (pairs of people who interact on average between 5 and 15 minutes per week over a yearlong period)
- Communication concentration – percent of time average employees spend with their top 5 collaborators
- Transition minutes/workday – how much people are interrupted on an average day
- Workday length
- Response time – on average how long does it take people to respond to messages
- Average time employees spend with direct manager/week
- Average time employees spend with people in other hierarchical levels
- Percent of time people spend in meetings

- Average distance between core collaborators
- Average distance from meeting rooms weighted by usage of specific person
- Network flexibility – what percent of an individual’s network changes on a weekly basis
- Cohesion – what percent of possible connections between employees in a space actually exist?

Scene 9: Reporters Question: “COVID-19 and the shut-down has hit the economy hard. Will companies place greater priority on reducing expenses?”

PM Response: *Chris Joyner from Fischer in Dallas, TX*

“Cost is always a factor, especially given the challenging economic times that lie ahead. But COVID-19 may be a catalyst to shift the POV to the people who occupy our CRE. The focus is on “the safety of our associates” right now. ADD the attraction and retention issues (that may only get more complicated), the need to continue to invest (educated, certify, etc.), etc. the scale MAY be tipping to a more shared-focus response. It is about creating a balance between creating an effective work environment and maintaining cost efficiency. a balance between HR and CFO. Upward focus vs. crisis mode. But for the foreseeable future health and performance will rank ahead of cost and that might continue beyond the coming months if organizations can prove ROI.”

Scene 10: Reporters Question: “Will the significant business disruptions and prolonged uncertainty ushered in by COVID-19 bring transformational change in companies’ leasing strategies?”

End User Statement: *William Lee Bank of America, Plano, TX*

“As companies continue to focus on their employees’ health and wellness, their leasing strategies will change as they realign their real estate portfolio with their employees’ and clients’ changing business and space needs. With an uptick in remote work, some may look to right-size their real estate portfolio while others may focus more on optimizing their labor market footprint.

Although it is even harder today to do long term planning, the upward trend towards using co-working space may pause, while companies explore alternative serviced office offerings such as opting for a furniture “membership model.” All these changes will increase the agility of companies to react to future pandemics. Though business impact from COVID-19 remain negative at an aggregate level, real estate leaders can enhance their portfolio agility by reviewing their footprint needs and ownership/leasing strategies in lock step with their companies’ evolving business needs in 2021 and beyond.”