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A **COVID-19** Virtual Ideation Experience

Team Topic and Number: SPACE UTILIZATION & METRICS - TEAM 30

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PROBLEM STATEMENT

We will forever remember COVID-19's brutal disruption to every aspect of our lives. We fear challenging times ahead when change is involved. The fear of unknown can be almost paralyzing. While there will be challenges with change ahead, the priorities and goals we set for ourselves pre-pandemic, especially in business, will likely hold true post-pandemic. With forethought and planning, we can turn many of these challenges into opportunities to work in a cleaner, safer work environment.

Within the multi-faceted work environment, no element may be more important than the physical space itself that not only houses workers and supports business functions but helps create the

workplace experience. That's why utilizing space in the most efficient way will continue to be a priority for businesses, especially since utilization metrics serve as the business case for justifying dollars spent to improve the real estate.

So, how does the COVID-19 crisis impact the way we use workspace and measure workplace performance? Will workspace and metrics permanently change or only temporarily shift our focus, altering our expectations? The following examines the impact of COVID-19 on space utilization and the metrics to measure success.

THOUGHT PROCESS

Considering the influence of the pandemic, we looked across three periods of time, void of actual time durations. They are PreCOVID-19, the Transition Period, and the New Normal.

- Pre-COVID represents the time preceding the stay-at-home orders. With this time period, we considered both how space was being predominantly used and the trends in that direction.
- The Transition Period marks the time between working from home through returning to the office, a time of coping and adjusting to the potential virus spread.
- The New Normal is defined as the time we foresee feeling safe and settled in our work environment having addressed the issues caused by a pandemic in more permanent ways.

Following this linear line of thinking, we linked the two major forces that form a business culture – the organization and its employees – to their impact on the workplace. In each time period, our brainstorm centered around what workers want and need from their employers, what goals an organization will use, and the key metrics within each period.

As we deciphered business goals and employee demands, several overarching aspects of today's environment, as well as what we know about human behavior, played an integral part in foreseeing probable outcomes related to the future workplace. They are as follows:

1. Competition for business and for human resources is fierce across the world
2. Changing human behaviors is difficult and takes time
3. Our global economy could be facing some form of recession

PRE COVID-19

Prior to COVID-19's global disruption, managing company expenses, increasing productivity, and attracting and retaining talent were key business initiatives. Organizations understood the impact of their culture on the employee and client experience. Much focus was put on creating a highly interactive, collaborative work environment consisting of a variety of shared spaces. There was a growing demand for flexible working, giving employees more of a work/life balance. Many companies were beginning to implement work-from-home (WFH) programs on a limited basis. And the importance of sustainable design and WELL buildings began to prevail.

Key Metrics: Because real estate was considered primarily an expense, key metrics were centered around workplace cost and density. In the last few years, however, the workplace began taking on a bigger role in supporting the company mission and vision and was considered more of an asset than a liability.

TRANSITION PERIOD

As the 'crisis aspect' of the pandemic begins to lessen a bit and organizations bring their office space back into the fold, top of mind will be the health and wellbeing of the workers. Preparing the space and preparing the employees will require much forethought, planning and communication. Company's priority will be to instill confidence and trust in all through much communication and visually apparent actions. How a company handles this transition will greatly impact their employee retention.

Companies will be 'reopening' to a slowed economy where people spend less and business transactions go on hold or fully stop. While business continuity is the priority for organizations, managing company costs will be top of mind. Budgets will drive how office space accommodates new protocols around physical distancing, circulation and cleanliness. A range of workspace solutions will emerge including companies that work around their existing layout by removing excess seats to minimize density, and others that reconfigure furniture, add divisions and implement some level of renovations. Shift work and WFH programs will play a critical role in occupancy planning during re-entry. While working from home lends itself to balancing work and life, employees will give up some flexibility during this transition as they will have to schedule time in the office to ensure there is a safe work seat.

Until anxiety around spreading germs lessens, work environments will need to be less dense with less interaction. Shared and open collaborative spaces will be converted into work seats. And features like cleaning stations and isolation rooms that help mitigate the spread of disease. New protocols, such as clean desk policy and smaller meetings, will require some behavioral changes. Until there is a vaccine, companies need to stay agile, ready to adapt and respond. Even in workplace environments that have reopened, new exposure concerns have arisen. Companies will establish appropriate protocols, if necessary, to reinstate full or partial WFH regimes at a moment's notice.

Key Metrics: Having been forced to utilize mobile technology to work from home, many companies are already finding increases in productivity and plan to carry on with some form of a work-from-home program. Companies can use this 'transition' time to test how virtual they can actually be— 25%, 50%, 80% of workers? Measurements of productivity will be a key indicator of success for both working from home and working in the 'newly-accommodated' office.

NEW NORMAL

Organization's goals will continue to focus on managing expenses, increasing productivity and innovation, and attracting and retaining talent. Though our fear today of getting sick from human interactions has taken us to the point of isolation, the need to collaborate and connect in business will not decrease. As competition for work and talent intensifies, innovation becomes even more critical. And innovative thinking requires collaboration.

The desire to balance work and life is strong in today's world. Mobile technologies and programs like WFH provide employees with the flexibility needed to balance life's priorities. Challenging times breed innovation and ingenuity. Our workplace of the future will be designed to mitigate the spread of disease. Better ventilation and air quality and more digital infrastructure that monitors employee contact will be the standard. New building materials are being developed that incorporate anti-microbial coatings with self-cleaning properties. Emerging technologies such as sensors for hands-free functions and to measure employees' health are already in place in larger corporations.

Key Metrics: As our work environment evolves to meet our changing needs, many important workplace initiatives and strategies developed in the last decade or so will not only continue moving forward but will likely be expedited in their implementation. The movement toward WELL and Smart buildings will gain more traction. We will shift our focus from measuring density to measuring adaptability. The case for adaptable, flexible workspaces that accommodate quick and easy change, as well as for WFH programs is once again validated as we manage business continuity throughout this pandemic.

IN SUMMARY

In the last few years, there has been a heightened awareness of health, safety and wellbeing in the business world. Individuals have begun taking over more responsibility for their own health. With this pandemic, we will see companies develop an even deeper commitment to employee health. Presenteeism (when an employee is present but ill) will likely be measured, not only for its impact on productivity, but for its effect on company-wide health.

Cost metrics such as Total Occupancy Cost and cost per employee will continue to be important considerations for running a company. While density metrics (SF/person, peak occupancy, utilization of individual space types) will remain useful, we will tone to adjust expectations of their relative priority.

Metrics that will vary throughout our three time periods include workplace density, total amount of real estate square footage in portfolios, and cost per employee. By implementing work from home programs, shift work, and the hiring of consultants, companies will not be in constant search for additional real estate. Many companies will even be able to downsize their portfolio. Cost per employee will fluctuate until WFH programs become more standardized and as emerging technologies become prevalent.

High workplace density with high interaction and connectivity were trending characteristics prior to the pandemic. During the transition period, spatial distancing measures will greatly lower densities and levels of interaction. However, in the long run, density will creep back up given the ongoing need to collaborate and socially connect with one another, coupled with advancements for preventing the spread of germs. It will not likely go back to 200 SF/person but will settle in with mid-range density.

As we continually learn to adapt to a changing world, we will become more cognizant of individual needs and the importance of agility in our response to challenges. Business decisions will no longer be considering workplace metrics in siloes, but holistically, leading to more comprehensive solutions. Companies and industries previously accustomed to operating within an established norm will be compelled to reevaluate their practices and real estate strategies to ensure support for the human experience, while reconciling these changes with their bottom line. Staying nimble, to not only react but preempt the unexpected, will be imperative to long term success.