Team Topic and Number: Space Utilization & Metrics

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CORENET HACKATHON: SPACE UTILIZATION & METRICS

THESIS
Employee Choice
This generation of workers will forever be changed by this experience. Choice will be part of the new normal—certainly until the discovery of a vaccine. A more resilient workplace model is needed in response to this and future pandemics, or other yet unknown environmental issues, to mitigate risks to business.

Additionally, remote work has gained acceptance and it's difficult to imagine going back. Technology-enabled effective WFH (Working from Home) tools have evolved along with new work habits. Think of WFH as a sudden experiment with far-reaching impact: Employees can and will work remotely from the office. Businesses will ask, "Why have an office?" Yet, we also know a workplace is critical and this notion of the workplace as a human-centered, impactful business tool has never been more important.

This premise is important because going forward, it speaks to how we will redefine the structure of organizations as well as the type and volume of required space. These dynamics will drive the "new normal" – what we will develop beyond the short-term, crisis-driven, workplace workarounds.

UTILIZATION
Question One: Why Go to the Office?
In this New Normal, there are five drivers for the necessity of office space:

- **Robust Collaboration:** *Small groups, monitors, white boards, brainstorming, and paper output.*
  Access to tools and technology for this kind of work is simply unavailable remotely. Small groups can be safely and effectively accommodated.
- **Effective Solo Work:** *Specialized tools, equipment, highly confidential, and resources.*
  Certain solo tasks require access to special tools, unique equipment, individual work areas, or specialized equipment that is simply unavailable remotely for unique solo work.
- **Mentoring, Coaching, and Informal Collaboration:** *Career development, teaching, and training.*
  Close physical proximity enhances learning and collaboration as ideas are exchanged and informal conversations are shared, or simply overheard. This kind of collaboration is currently impossible in a WFH situation where almost all collaboration is structured and scheduled.
- **WFH Limitations:** *Size, ergonomics, families, loneliness.*
  For some individuals, home settings have unavoidable distractions with small children, pets, shared spaces, or simply unergonomic workspace or limited connectivity. All these undermine productivity.
- **Company Culture:** *Purpose, mission, values.*
  The ability of management to more effectively create and promote an organization's unique culture is significantly amplified by person to person interaction only available in the office.

Question Two: What Will the Office Be?

People will return to work in three broad timelines. These phases are driven by time, an organization's readiness to move from one step to the next, and outside influences—most importantly, the ability to create an effective vaccine, or a satisfactory way to mitigate the virus' impact. Smart planning should enable an organization to move from one step to the next without "blocking their kick" or otherwise making changes in one step that would have to be discarded in the next.

The three Return to Work timelines are:
- **Pre-Vaccine, Immediate Actions:** Communication of policy changes and protocols without requiring modifications to the built environment. This is the respond to the crisis mode and get the office up and running again.
- **Pre-Vaccine, Interim Actions:** This phase may see modest adjustments—primarily limited to furniture—with continued evolution and enforcement of protocols and policies. Spread over a longer period of time as the impact of the virus ebbs and flows, this phase will move an organization closer to their new normal.
- **Post-Vaccine, Long Term Actions:** New normal scenarios will emerge; likely be characterized by greater capital investment and physical change in the facilities. Solutions will reflect the reinforced importance of the workplace as the headquarters of the company's culture and values. And a generation of office workers, having seen the impact of this global pandemic, will not hesitate to seriously plan for the next one. The new normal will be more impactful and more resilient.

STRATEGY SHIFTS
Organizations will address two main shifts in their workplace strategy: Specific changes to the physical space itself and broader approaches to overall real estate strategy.

Facility strategy
WFH Impact
The workplace will reflect a shift to new WFH situations including equipping employee's homes with better technology, equipment, and ergonomics. Look for development and use of remote or neighborhood hubs more central to employees' homes.

Social Distancing
Distancing requirements may have more long-term impact than we might imagine. Certainly, during this return to work phase and the subsequent steps on the way to a new normal, the six-foot rule will be institutionalized. While it may fall away over time, the reality that all this could happen again will never be entirely removed, so a resilient office will be better prepared to immediately revert to safe mode when necessary. Four quantifiable characteristics will be affected:
   a. Reduction in meeting room capacities will support more effective small group settings. We have learned larger groups can be better accommodated virtually so the need for large meeting rooms may be reduced.
   b. Larger circulation paths and one-way directions to allow six-foot passage will inflate circulation factors, increase the perceived quality level of the workspace, and redefine area efficiency targets.
   c. Increased spacing of desks, tables, and all primary work points to maintain a six-foot buffer, will define area requirements for the smallest spaces. Spaces that can be engineered as either open or closed using flexible building systems, will make the workspace flexible and robust.

d. Screens or partitions between desks will allow seats to be closer than six-feet, but the impact on the need to create a compelling, human-centered workspace remains challenging.

Common Space Use

Common spaces within the tenant envelope and landlord-provided building common spaces and amenities will have an impact on space usage. The need for new space types or larger spaces to accommodate distancing requirements will be a driver of overall space requirements. Consider which spaces can be better accommodated by the building if appropriate.

- Larger building lobbies and reception areas to screen visitors and employees
- Food and drink service as a building amenity, not a tenant-provided service
- Use of common work areas in building lobbies or on shared amenity floors

A number of factors may affect space utilization and need to be considered in overall planning. While these do not necessarily have a direct impact on space metrics, they can affect quantities and arrangements of spaces and how spaces are used and by whom. These factors may include:

- Continuing protocols and policies
- Reconsideration of building material
- Cleaning protocols
- Increased attention to building systems and landlord controls
- Building certifications promoting health and wellness

Real estate strategy

The development of a real estate strategy will be different for every company based on the size and type of business, where the company is in the business and real estate cycle, whether they lease or own the real estate, and the budgetary requirements. These considerations include:

- Business conditions
- Lease vs. own
- Impact on lease cycle
- Budget

METRICS

Two broad categories of space types have been affected by our response to the pandemic and particular attention to new paradigms is required.

Individual Seat Requirements

Solo seats, whether assigned or shared, remain an important driver of overall space utilization. The very smallest spaces need to be analyzed keeping the six-foot distancing requirement in mind. Individual seats smaller than six-foot in any one dimension will require vertical separation, for instance.

Four critical figures drive the number and size of individual solo seats:

- FTE count
- Seat count
- Seat sharing ratio
- Minimum area per individual seat with six-foot rules

Collaborative Seat Requirements

Meeting and conference seats, team areas, workrooms and other group settings require careful analysis. Consider the impact on the need for large groups that may now meet virtually instead of face-to-face.

Areas for small groups are affected by distancing requirements and integration of technology and other productivity tools but will be one of the most important elements in an office where many individuals will work remotely some of the time. These technology-rich small group settings will be one of the reasons employees will come to the office.

Consider the factors that will drive the number and size of group settings.
- Identify meeting spaces and sizes
- Emphasis on small groups
- Minimum need for large group settings
- Settings that can maintain impact of six-foot rules

New Hierarchy
Historical benchmarks for space usage will be reevaluated and either updated or simply discarded. Consider how efficiency will be measured relative to space utilization and new paradigms for measuring and evaluating workplace effectiveness.
- SF/Seat increases while SF/Employee decreases
- $/Seat increases while $/Employee decreases
- Enhanced flexibility of workspace
- Workspace defined by human value (safety, effectiveness, compelling) vs. operational value (efficiency, utilization, code minimums)

Conclusion
The world has changed! While fundamentals of space metrics and utilization remain similar to our pre-pandemic approach, questions like how much, how many, and how big will be answered using new assumptions and changed paradigms. The impact of new work models and the requirement of a workplace to truly be a compelling place for humans will create bold new approaches to space use in our new normal.