THE MODERN WORKPLACE

PEOPLE, PLACES & TECHNOLOGY

CONDECO

01

INTRODUCTION

The workplace is where most people spend the majority of their time. How they respond to that environment has a significant impact on their productivity, job satisfaction and wellbeing. Get it right and people's jobs are easier, more satisfying and more effective. A company that gets it wrong, will struggle to attract and retain the best people.

The stakes are high but the idea of considering how employees work best when designing a workspace is a relatively new one. For a long time, it seemed as if companies expected employees to be at their best regardless of their environment, instead of creating a workspace that made success more likely.

In this report we examine the state of the current workspace, identify trends that are changing our working environments, consider the issues surrounding meeting management and look at the rise of agile working.

The report is drawn from a survey of 500 workplace leaders, managers and senior executives in six countries: The United Kingdom (UK), the USA, France, Germany, Australia and Singapore. This was supplemented by eight in-depth interviews with senior executives within those countries. All have strategic responsibility for their company workplaces. Their roles were as follows:

- European COO of a global financial institution
- Executive Director, Property, of a major French bank
- COO of an international branding agency
- Country head, HR, of a global FMCG company
- COO of an Asian Healthcare group
- COO of a large health and fitness business
- Head of Marketing for a large US retailer
- COO of an international tech company

The findings are synthesised into the following four chapters:

Chapter one investigates the present state of the workspace. Increasingly, employers have started to understand that the workspace is crucial to talent acquisition and retention, as well as employee engagement and productivity. This realisation has led many businesses to rethink their approach to their working environment. Sector and growth stage are significant factors in determining workspace design but other factors, such as geography and company size play a role too.

Chapter two addresses some of the forces driving change within the workspace. These range from a greater need for collaboration and cross-functional working, which is leading to more open plan workspaces, hot-desking, hoteling and flex space, to the different needs of Millennial workers, who do not view work in the same way as previous generations.

We are seeing a growth in flexible working, where employees are more likely to be working from home or on the move, and entirely remote working, where employees seldom come to the office at all. Chapter three looks at how this change is being managed and highlights employer views on both the benefits and pitfalls.

With more people choosing to work remotely, having a structure in place to ensure that everyone has the information they need, is even more important. Chapter four looks at meetings. Often contentious for staff, the meeting is nevertheless a cornerstone of a successful business. However, they can often be handled better, particularly when it comes to the provision of rooms and technology.

The culmination of the report then reveals what it is that companies should be focused on today and what is needed to raise their profile and return on investment in the future.

The companies that adapt to these changes most successfully will see a competitive advantage through being able to attract and retain the most talented staff, harness their productivity, creativity, and engage with clients more effectively.

THE STATE OF THE WORKPLACE

The modern workplace is the frontline in the battle for talent management, employee engagement and productivity, Getting the environment right is crucial to business success, encompasses everything from desks and chairs to decor and coffee facilities. The choice sends a message about how the company views its brand, its staff and its customers. But the right choice for one company can be the wrong choice for another.
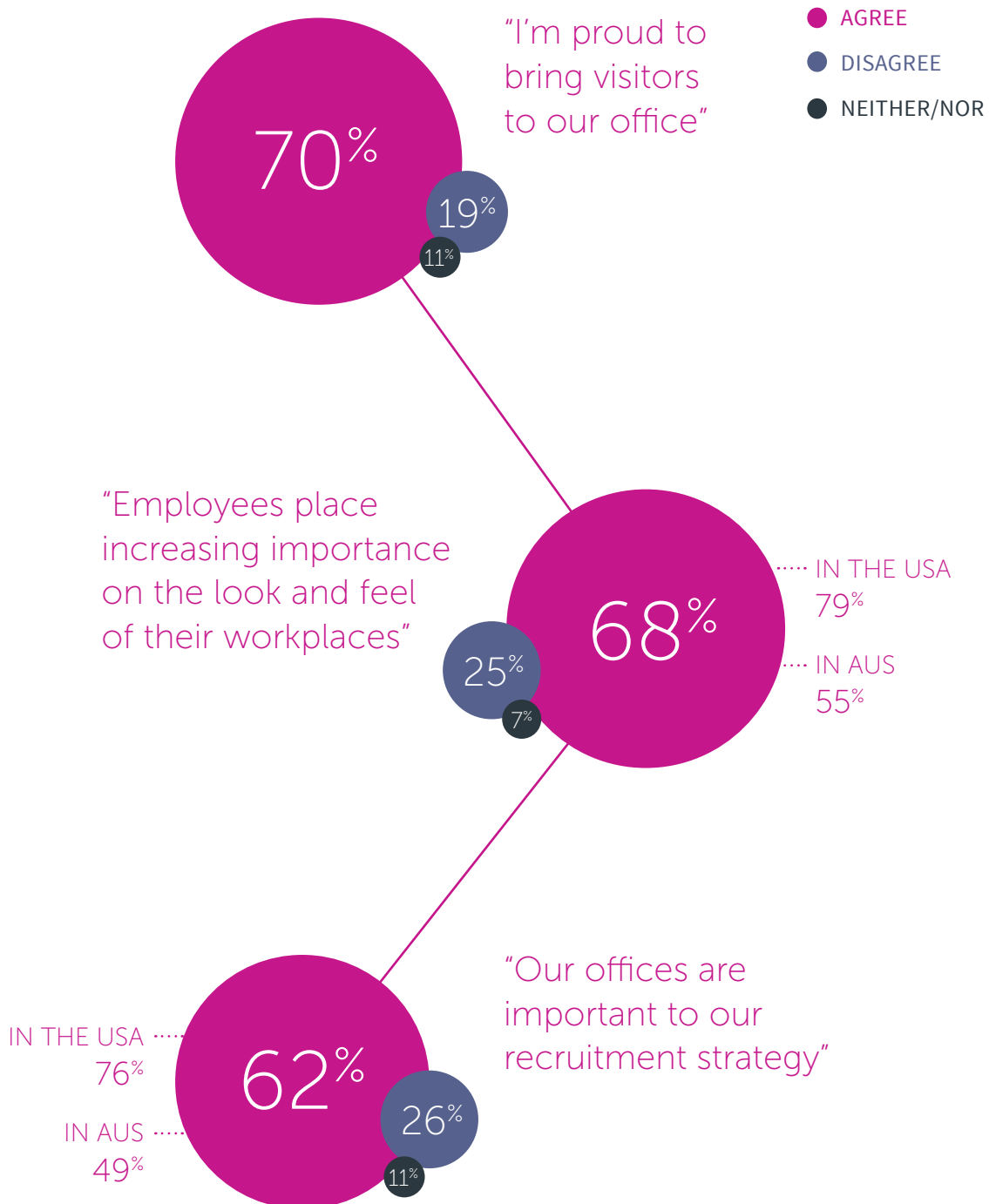
The fact that employees are at work every day makes it a key part of their relationship with the company. Two-thirds of business leaders agree that employees are placing a growing importance on where they work (see Table 1). A similar proportion (62 per cent) regard their offices as a key component of their recruitment strategy. One UK banking executive said that this had been clearly indicated in employee feedback: "In our most recent engagement survey it was one of the most important things for staff, it was one of the things that gives them the impression that we care."

If the workplace isn't right then employees often won't raise the problems, they will simply go elsewhere. This makes it important to get their opinions on the workplace when possible. A senior figure at an Australian health and fitness firm said they had learned from exit interviews that "if the vibe isn't right" then people will leave. They added: "It also helps us find people – a lot of people contact me interested in working here because they hear the vibe is exciting."

PERSPECTIVES ON THE WORKSPACE

To what extent do you agree or disagree with the following statements?

- ● AGREE
- ● DISAGREE
- ● NEITHER/NOR

"I'm proud to bring visitors to our office"

70% 19% 11%

"Employees place increasing importance on the look and feel of their workplaces"

25% **68%** 7%

······ IN THE USA
79%

······ IN AUS
55%

"Our offices are important to our recruitment strategy"

IN THE USA ·····
76%

IN AUS ·····
49%

62% 26% 11%

INFLUENCING FACTORS

Many factors influence workspace design, from business sector and location to company size and growth stage. The type of employee a company has - or hopes to attract - is an important consideration too, as is the culture it hopes to create.

The most important factors identified in our research were sector and growth stage. Employees and customers alike have certain pre-conceptions about what workspaces should look like in their industries. What works for a hip and trendy tech startup would look disastrously out of place for a centuries-old bank, for example, and vice versa.

Growth stage also has an effect. Younger companies can adopt rough and ready workspaces out of necessity - and these, ironically, often become trendy as a result, while firms that are dominating their sectors often opt for a grand, statement headquarters (HQ) building. Once, the trend was for these to be imposing buildings in city centres, like the vast, 1920s New York Life Building on Madison Avenue, while these days firms lean towards out-of-town campuses, like Apple's 2017 260,000-square foot, 'spaceship' HQ in Cupertino, California.

"Open plan spaces and hot-desking are growing trends"

When business is bad, chairs might be allowed to get a little more worn, the computer hardware left for longer without being updated and the workspace itself might go longer without being refreshed. But workspaces can also suffer during times of growth as the company finds itself needing to squeeze in new hires.

"We have taken over a new floor of the building – when we moved in we had 55 staff here, we now have over 100," an executive in a US design firm told us. "Before we added the extra floor, it was very cramped, staff found it stressful, there were too few meeting rooms and breakout areas, you couldn't get enough headspace. Now it is much calmer, we work better together."

Even allowing for those differences, however, our research found that open plan spaces and hot-desking are the growing trends for all businesses - something we will examine in more depth in the next chapter.

GLOBAL VARIATIONS

Attitudes to work differ across the world, as Table 2, shows. One senior executive from a UK technology firm explained that they had found attitudes to work in New York to be different from those in London, partly because America's 'at will' contracts mean that employees can leave – or be dismissed – without serving a notice period: "Although it's a great environment, people aren't as sticky, and they have less of an emotional bond with the business."

The extent to which employees are satisfied with their workplace varies considerably, depending on country. Americans are significantly more positive than the global average, while Australians were much more negative. The UK was much closer to the average, though tended to be slightly more negative.

Americans were much more likely than average to say that their offices communicate their brand effectively, that their workplace inspires collaboration and that their workplace fosters innovation and creativity. In contrast, Australians were much less likely than average to believe those things. Sentiment in the UK, meanwhile, was closer to the global average.
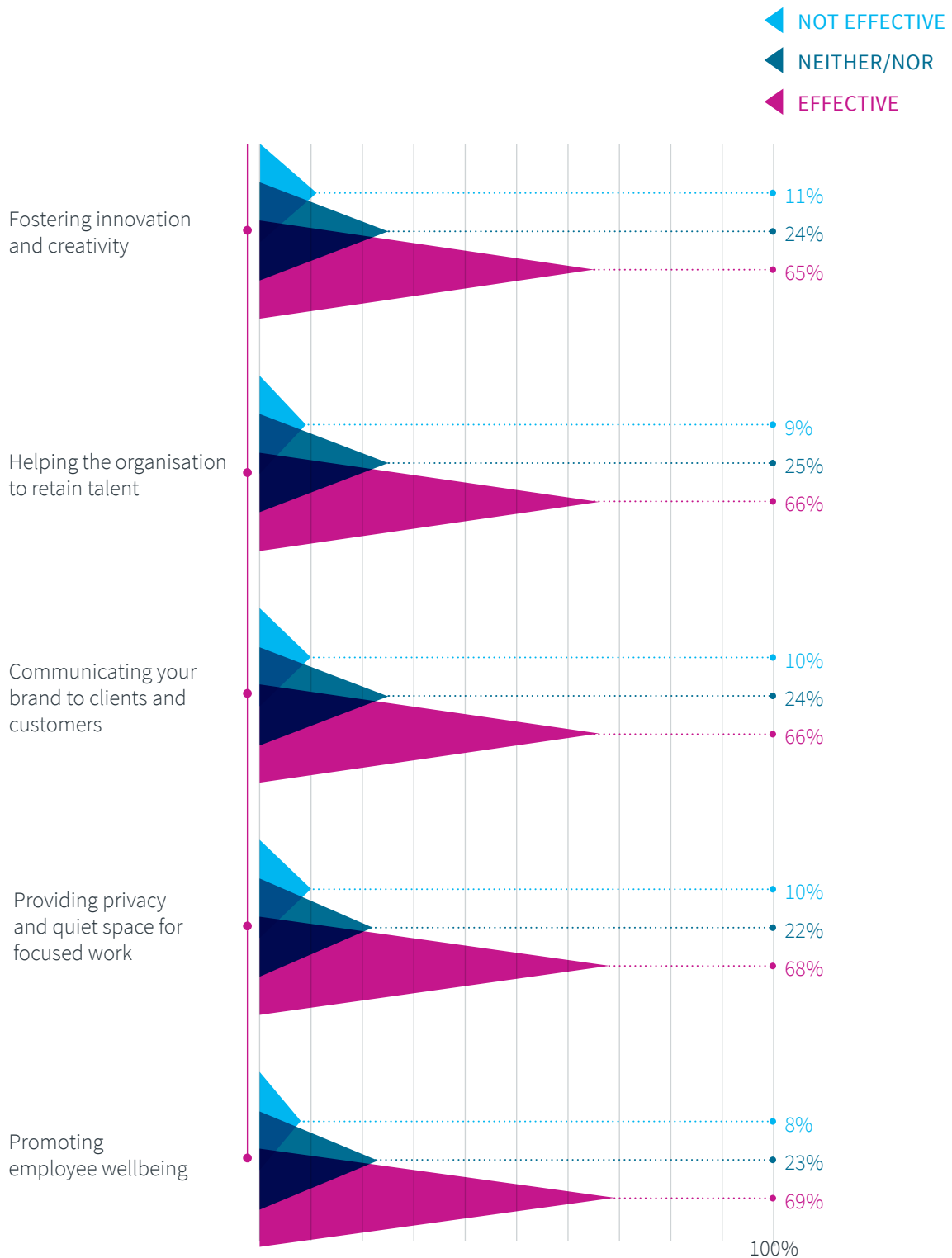
It's possible that Americans have largely got it right when it comes to workspaces and Australians have mostly got it wrong. However, the consistency of the responses raises the possibility that Americans are, culturally, more likely to be positive about their workspace and Australians more prone to be negative.

The idea that Americans have less of an 'emotional bond' with the business might, paradoxically, explain why they are more positive about the workspace. An employee who feels no obligation to the company will stay only as long as they are having a positive experience. If they are not, then they will feel no qualms about moving on. Naturally then, one would expect most Americans to be positive about their workspace, otherwise they wouldn't be there. More research would be needed to draw a definitive conclusion, but this is an interesting possibility.

Whatever the explanation, the difference in global attitudes demonstrates that companies cannot adopt a 'one size fits all' approach to workplaces in different countries. What works in one region will not necessarily work in another.

WORKSPACE EFFECTIVENESS

Thinking about your organisation's offices overall, how effective are they in...?

◄ NOT EFFECTIVE

◄ NEITHER/NOR

◄ EFFECTIVE

Fostering innovation and creativity
- 11%
- 24%
- 65%

Helping the organisation to retain talent
- 9%
- 25%
- 66%

Communicating your brand to clients and customers
- 10%
- 24%
- 66%

Providing privacy and quiet space for focused work
- 10%
- 22%
- 68%

Promoting employee wellbeing
- 8%
- 23%
- 69%

100%

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Base: 500 online surveys (Condeco Software, February 2018)   TABLE 2   9

VARIETY MATTERS

The modern worker has different needs at different times. Though open plan spaces are ideal for collaboration and informal discussions, they are no good for meetings. Formal meetings tend to require a closed space, while informal ones can use a 'break-out area'. Whatever the circumstance, a modern workspace has to be flexible enough to cope. "Our workplace now reflects that, we want to give them choice and not box them in," said an executive from a US retailer.

Variety is important but there are significant differences in how effectively employers are providing it. Half of those surveyed said that their workplace offers a great deal of variety and half took the opposite position. In Singapore, where the working culture tends to be more hierarchical, just a quarter say that their workspace offers enough variety. In Australia, where working environments are typically more open, the figure rises to 68 per cent. The UK and France are slightly below average, with 41 per cent and 44 per cent respectively. The USA and Germany are slightly above average.

The results suggest there is considerable room for employers to improve, particularly in those areas where significant proportions say they have little or no variety in their workplace – in France that's almost a quarter of employees; in the UK, about a fifth. Worldwide, roughly one in six say that their workplace offers little or no variety.
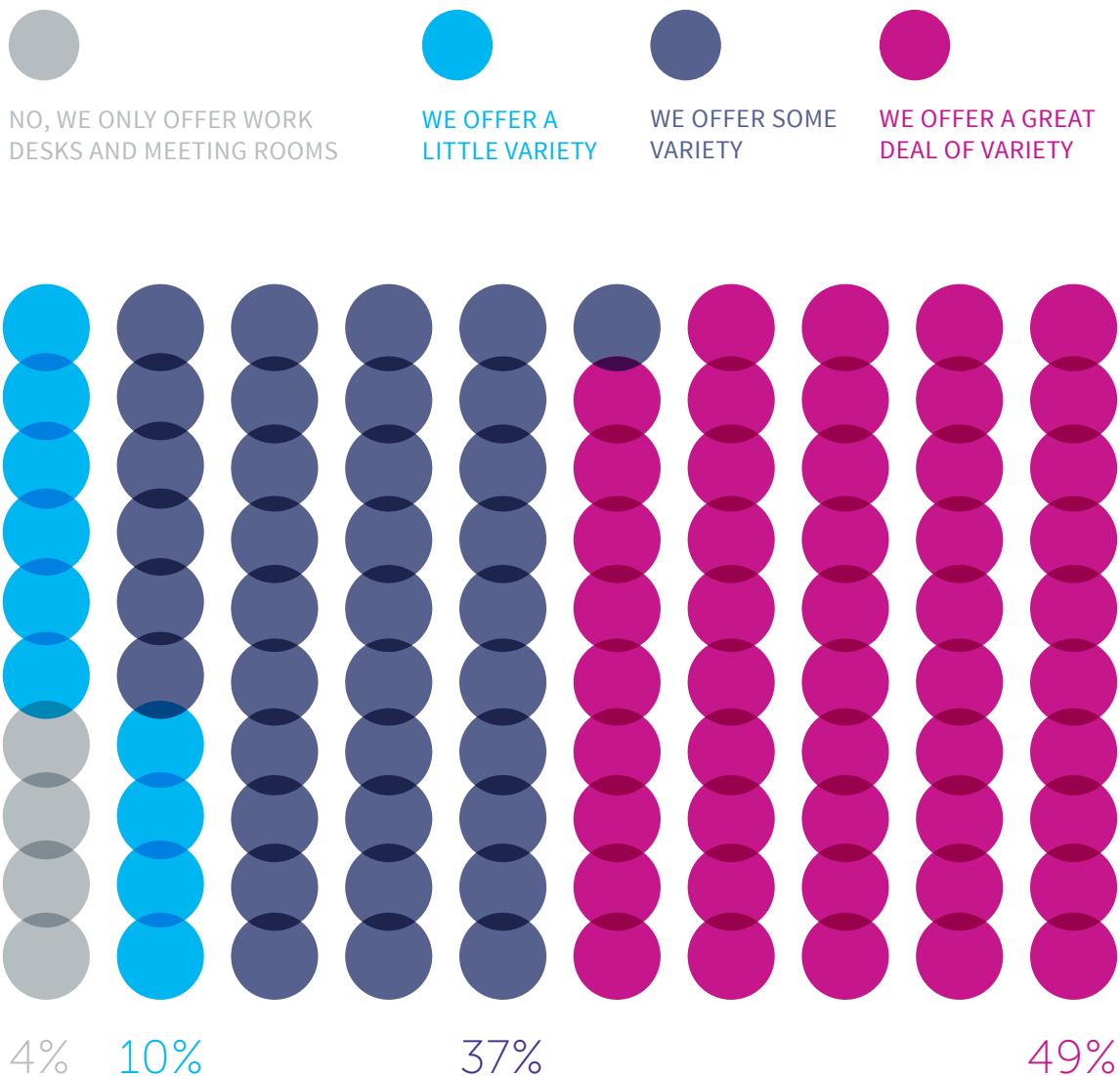
Around two thirds of business leaders say their workspaces effectively promote employee wellbeing and retention. A similar proportion regard their workspaces as effective in providing quiet spaces. It should, however, be noted that around one in ten say their workspaces are ineffective in these vital areas - as well as in promoting the brand, fostering innovation and productivity - and a further quarter are neutral and therefore unconvinced as to the effectiveness of their workspaces.

The majority of business leaders - around 7 in 10 - feel proud to bring visitors to their workspace, which is encouraging. Overall, between two-thirds and three-quarters of employees feel positive about their workspace. There is room for improvement but grounds for optimism too.

VIEWS ON VARIETY

Do your offices offer a variety of workspaces for employees to use depending on the type of work they are doing?

(e.g. lounge areas and café style seating for informal collaboration, and quiet spaces for focused work)

NO, WE ONLY OFFER WORK
DESKS AND MEETING ROOMS

WE OFFER A
LITTLE VARIETY

WE OFFER SOME
VARIETY

WE OFFER A GREAT
DEAL OF VARIETY

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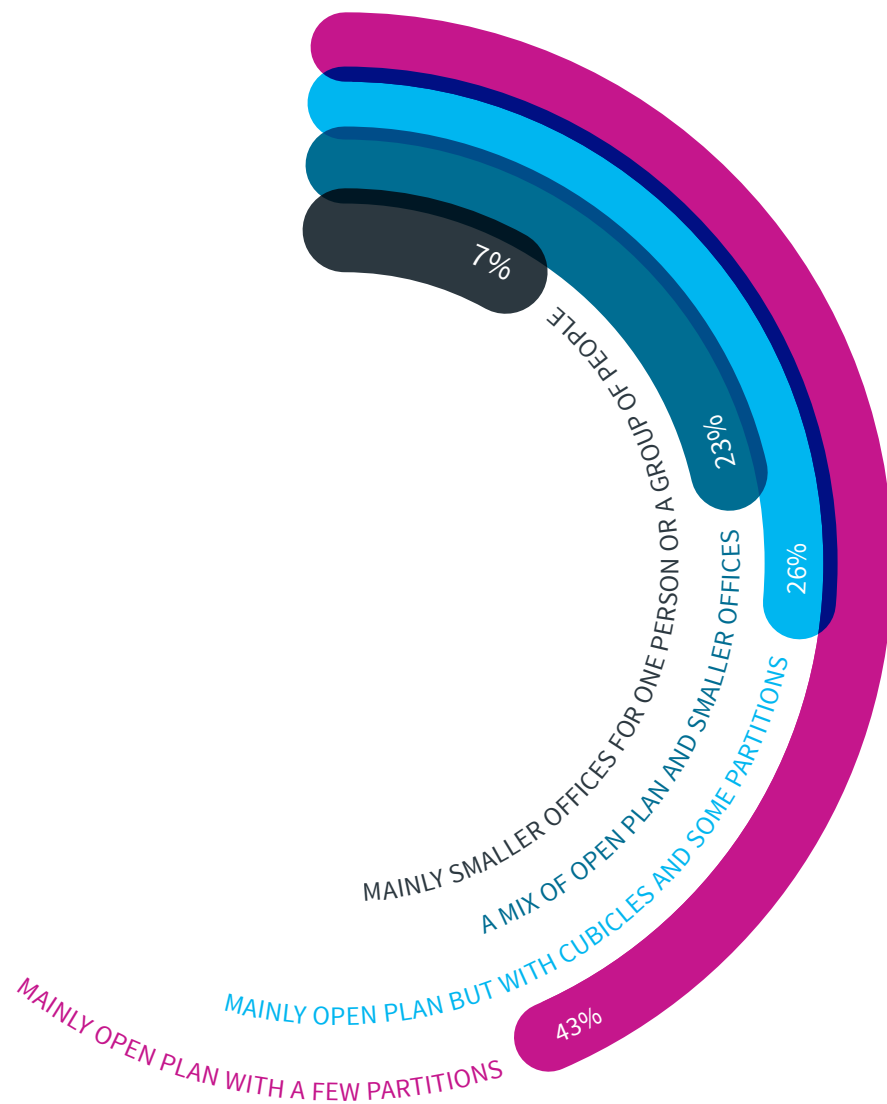

4%   10%   37%   49%

03

THE WORKPLACE SHIFT

Flexible, open spaces are the new normal for most workers. Companies have typically adapted their offices to boost collaboration and productivity by eliminating physical boundaries, such as partitions, cubicles and offices, to make cross-functional working easier. This is bringing about a transformation in workplaces – the offices in which people work – and workspaces – the desks and other areas where individuals do their work.

The Chief Operating Officer of one UK technology firm said that they had found integrated teams to be more effective so, as part of an attempt to create a more open and collaborative environment, every team except sales works cross-functionally. "But we encourage people not to become too rooted in a team, so we mix these teams up regularly, often on a quarterly basis."

WORKSPACE TYPOLOGY

Which of the following best describes your organisation's workspaces?

7%

23%

26%

43%

MAINLY SMALLER OFFICES FOR ONE PERSON OR A GROUP OF PEOPLE

A MIX OF OPEN PLAN AND SMALLER OFFICES

MAINLY OPEN PLAN BUT WITH CUBICLES AND SOME PARTITIONS

MAINLY OPEN PLAN WITH A FEW PARTITIONS

The modern workplace is increasingly open plan. Of those surveyed, 69 per cent said their workplace is mostly open plan with some partitions or cubicles (see Table 4). Just under a quarter (23 per cent) have workspaces that are a mixture of open plan and small offices, while seven per cent are in workspaces with mostly smaller offices.

The goal of these new, open environments is improved flexibility and agility. A senior UK banking executive said: "The open plan call centre style office with rows and rows of single desks is history."

This flexibility means more than just moving people to new desks and grouping colleagues into 'pods', it's also about ensuring that the right technology is available to get the job done. A French property developer told us that their company's reorganisation of the workplace was driven by a need to work in a more agile way and to provide technological solutions, such as "video call and conference technology and being able to print from every printer."

Do staff have their own fixed desks or do they share desks (hot desk)?

EVERYONE HAS A FIXED DESK

MOST PEOPLE HAVE A FIXED DESK

55%

34%
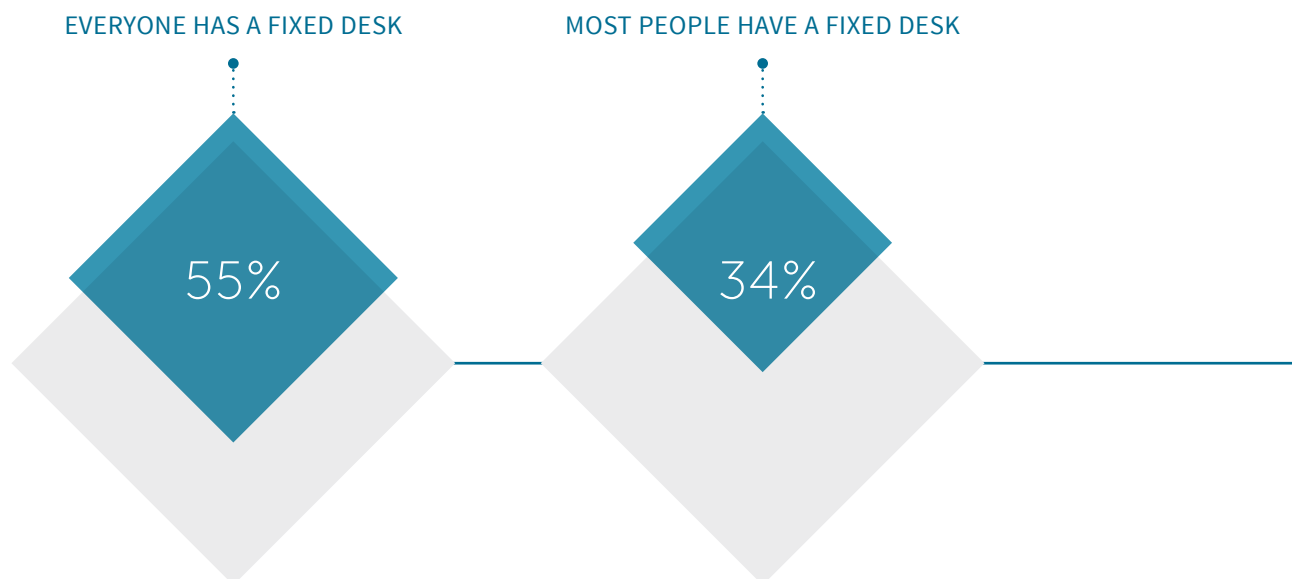
The majority (55 per cent) of employees work somewhere where everyone has a fixed desk (see Table 5). In contrast, hot-desking (where nobody has a fixed desk – a system sometimes known as hoteling) is the norm in 10 per cent of businesses. However, some companies are adopting radical solutions. A UK banking executive told us how their company had done away with the "call centre" type of workplace with a large open space and few offices or meeting rooms.

They added: "In fact, we have fewer desks than the number of workers, so that is a risk." The result is a workplace that "looks like an airplane lounge than a call centre, although it is more EasyJet than Emirates, so quality is an issue."

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MOST PEOPLE SHARE DESKS

EVERYONE SHARES DESKS

9%

2%
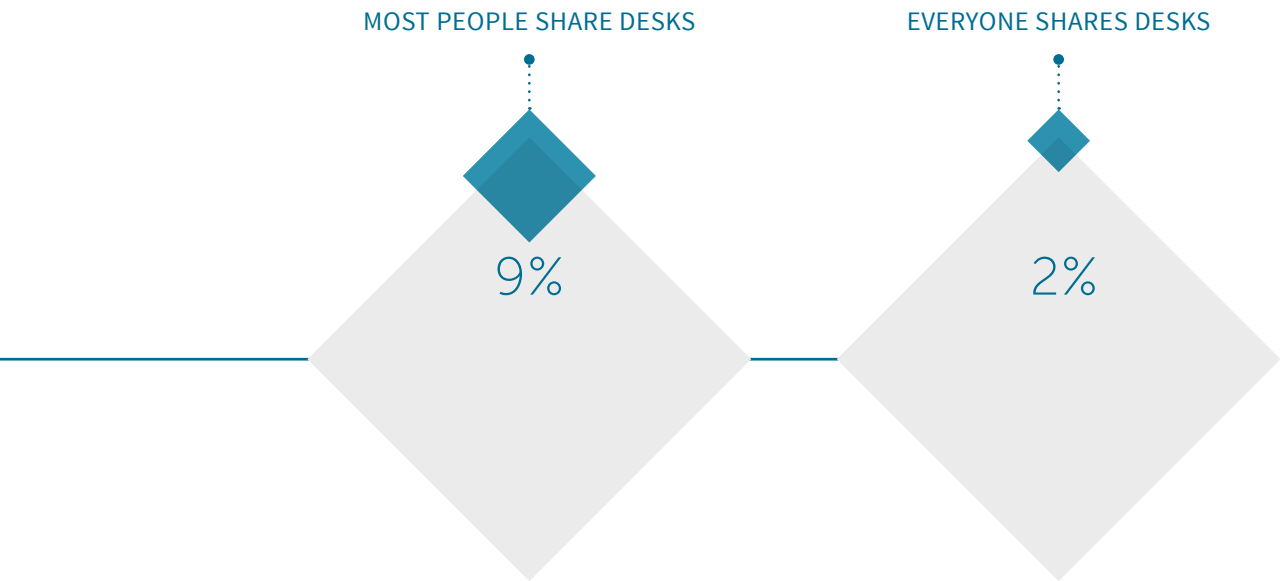
GLOBAL DIFFERENCES

Though different regions generally share similar productivity and agility goals, there are noticeable differences in how they are trying to achieve them. Among the countries we surveyed, Australia was most likely to have embraced open plan offices, for example. "When I joined two and a half years ago there was no vibe, so I made it more open - I removed all the booths and barriers," said a senior executive in an Australian health and fitness firm.

Hot-desking is far more common in France (23 per cent - about twice the global average) and much less so in Germany (3 per cent). Singapore and Germany were least likely to have moved to open plan offices.

Singapore is more traditional and hierarchical, in general, with separate offices and cubicles being seen as a mark of status that many employees do not want to give up. Indeed, a prospective employee might well reject a job offer if they won't get their own office, especially if they have one in their current role.

"Hot-desking is more common in France than in Germany. Singapore and Germany are least likely to have move to open plan offices "

A US design firm executive told us that they had structured their Singapore office to deliberately break down the traditional hierarchical barriers, which has proved helpful in attracting international talent. But whether you follow hierarchies or challenge them, it is important to be aware that they exist. The design executive said: "In the US, they are more hierarchical than in the UK, job titles mean more. In the UK people are less bothered about job titles except in relation to their own progression."

MILLENNIAL SHIFTS

Workspace trends also seem to be driven by the needs of younger workers – particularly the Millennial generation, those born between the early 1980s and the early 2000s. They are seen as more demanding workers, who want more flexibility in how and where they work, a greater sense of purpose and a more engaging working environment. To attract the best of this generation, companies are having to adapt.

"We have worked on making our workspaces more comfortable and more sexy, as employees are increasingly concerned with how it looks. This is driven by millennials," said an executive at a German fast-moving consumer goods (FMCG) company. "They come to work to have an experience – to meet people, to experience an enjoyable environment and to network."

Unlike previous generations, Millennials do not expect to spend the bulk of their career at one company. Several of our interviewees said that employees of this generation are quick to leave if they see a better opportunity elsewhere or if their current employer is not meeting their needs. This brings an element of competition; if one company has created a workspace that is very appealing to younger workers, then others must improve their environment if they are to retain their employees and attract new ones.

In certain sectors – design, technology and leisure, for instance - it is especially important to provide 'cool' surroundings that reflect the company's values and generate the right 'vibe'. Related to this, 'Google-isation' is a growing challenge as some say employees have developed unrealistic expectations of what companies can offer.

This desire to attract younger workers can unsettle and irritate older staff, who see their preferred way of working swept away. A French banking executive who had been used to having an office found the new working environment to be a shock because it was "distracting and noisy". They added: "It was interesting to see younger people, millennials who seem to be happy working in a noisier environment but for me it is awful."

As part of creating an environment that offers an enjoyable experience, some companies allow music in the office, but this can alienate those who prefer to work in a quiet environment or those who prefer a different style of music, especially with diverse teams.

"

Workspaces are becoming sexier as employees become increasingly more concerned with how they look.

"

GATHERING FEEDBACK

Companies take seriously the need to ensure that employees are satisfied with their workplace. All large employers – and some smaller ones - use surveys to gauge staff views on their working environment. And, whilst take-up of technology such as sensors and wearables to monitor employee behaviour and habits is relatively low, the area of workplace analytics is expected to mushroom.

The Chief Operating Officer at a UK technology firm said they have an employee culture committee that meets quarterly, and HR carries out an employee satisfaction survey twice a year. "We started off very open plan and collaborative with no dividers between desks, but the survey said this was too noisy, so we reconfigured it. The next survey said we need more quiet spaces especially for client calls and more meeting rooms, so we changed the balance between open and quiet areas."

The Internet of Things will increasingly play a role in workplace monitoring. Some firms have begun using sensors at desks to determine how the workspace is being used and whether there is sufficient capacity. Increasingly, analytics software is being used to monitor communications and task loads, sometimes using artificial intelligence to assess whether teams are working efficiently and identify potential bottlenecks. This is a new area but one that analysts expect to grow over the coming years.

"The area of workplace analytics is expected to mushroom"

However, though almost every company wants to know how its workspaces are being used, some draw the line at passive employee measurement using technology because they feel it is intrusive and runs against the ethos of their business or the sector in which they operate.

For example, an executive at a UK design firm said: "Lots of staff have Fitbits and Apple Watches but I don't see us using that sort of technology in our industry, or tech to monitor seat usage. That wouldn't be appropriate or necessary in a creative environment."

ENVIRONMENTAL CONSCIOUSNESS

There is a growing awareness that the success of the working environment must not come at the cost of the environment at large. All respondents considered it important that their workspace be environmentally friendly. For some, this was driven by a desire to control costs, but others were responding to the demands of employees and clients.

"In Singapore there is an emphasis on the environment. We are a green hospital with automated lighting and temperature set to 23°C and we have water efficient fixtures in the bathrooms and so on," an interviewee at a healthcare company in Singapore said.

Digital transformation will help with environmental concerns such as wasted paper, as more communications are carried out electronically. Video conferencing software and better meeting technology can also help the environment by reducing the need for employees to travel, whether that's to visit a client in a foreign country or to come into the office on a day when they should be working at home.

The Internet of Things can help here too. For example, by using sensors to automatically turn off lights in rooms or sections of the office that are not in use or monitoring employee movements to determine how much of the building needs to be heated at a given time.

Many businesses have adopted green policies as part of their Corporate Social Responsibility (CSR) programmes, while others have found that Requests For Proposal (RFPs) from prospective clients now ask about the company's energy policy. Some businesses that we talked to had adopted an annual carbon audit, for example. Others had deliberately chosen a location for their HQ that minimised the need for employees to drive to work or to drive somewhere at lunchtime.

This is likely to be a trend that continues to drive workspace evolution in the future.

"

Digital transformation will help with environmental concerns such as wasted paper, as more communications are carried out electronically.

"

M	T	W	T
		1	2
6	7	8	9
13	14	15	16
20	21	22	23
27	28		

AGILE WORKING

The days of the 9am-to-5pm, or more routinely structured workday, are history for many people and organisations. Employers, knowing that employees are connected to the office via their smartphones, have become more relaxed about staff working flexibly, whether to accommodate the school drop-off and pick-up or just to avoid a crowded commute. Other employees have caring responsibilities or other priorities that make a rigidly structured workday difficult.

Likewise, many employees are now able to work remotely - having the job they want while also living where they choose. This is different from the occasional day working from home; one interviewee said that remote workers in his company are required to return to the office for one week out of every six.

GETTING FLEXIBLE

Nearly all business leaders that we surveyed welcome and support flexible working practices and believe that it represents a growing trend. It reflects a wider shift towards acknowledging a need for a better work-life balance and giving people more control over their working lives. The occasional day working from home can be productive enough, thanks to the lack of interruptions, that many employees can accomplish more than they would in the office. When they are back in the workspace, they can devote their time to meetings and catch-ups.

Working flexibly at least some of the time is the norm for the majority of staff in around a third of businesses (40 per cent), as the Table above shows, but this figure is higher in the US and Australia.

In the UK, 37 per cent of companies said that at least half of their staff work flexibly at least some of the time. However, a significant proportion (30 per cent) said that fewer than a quarter of their staff work flexibly and 10 per cent of companies don't offer flexible working at all.

We're likely to see shifts to flexible working from companies that currently don't offer it and improved access to flexible working from those companies that do. For some companies, flexible working might never be practical, but for many it will become the norm. As we have seen, younger employees are quick to leave in search of a better working environment and there's every reason to expect that they will be just as demanding when it comes to working flexibly.

"10% of companies in the UK don't offer flexible working"

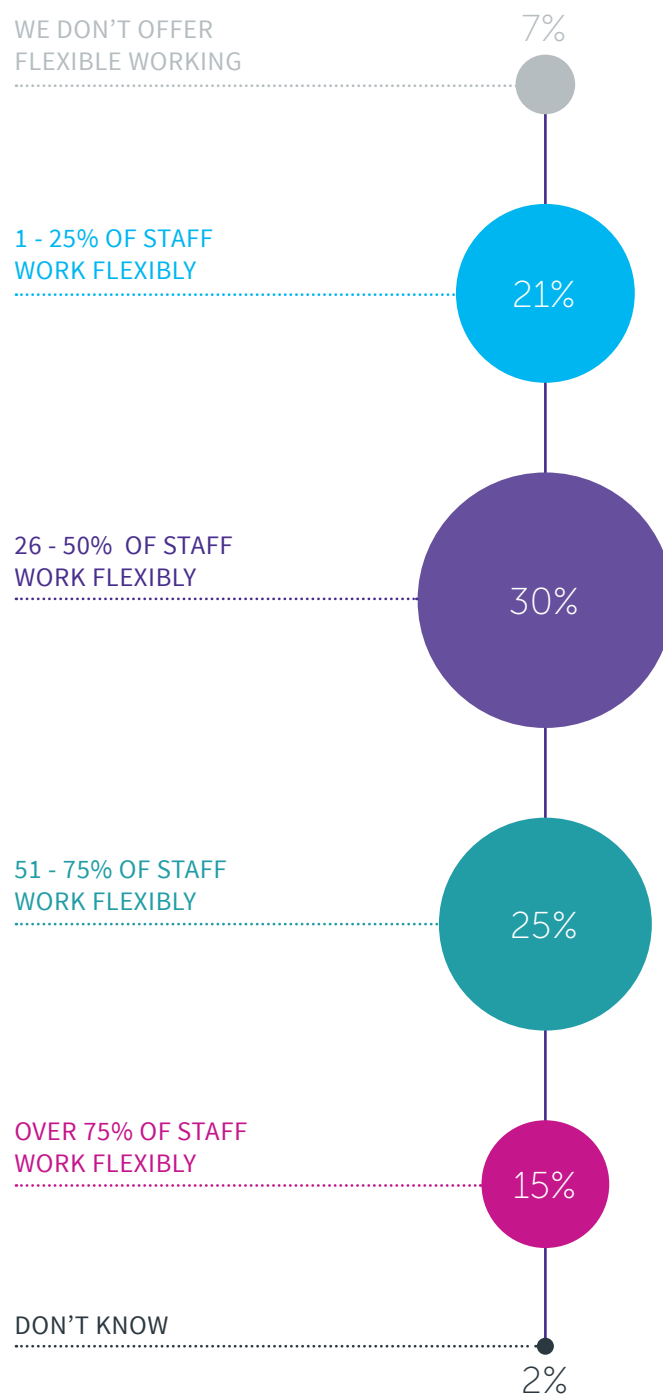In France, which is relatively inflexible, 64 per cent said they expect to see this way of working increase a little or a lot, while 58 per cent of those in the UK expect flexible working to increase a little or a lot in the next decade. Australian business leaders are significantly less likely than average to believe that flexible working will increase, while their counterparts in the USA are significantly more likely to believe that it will increase.

FLEXIBLE WORKING

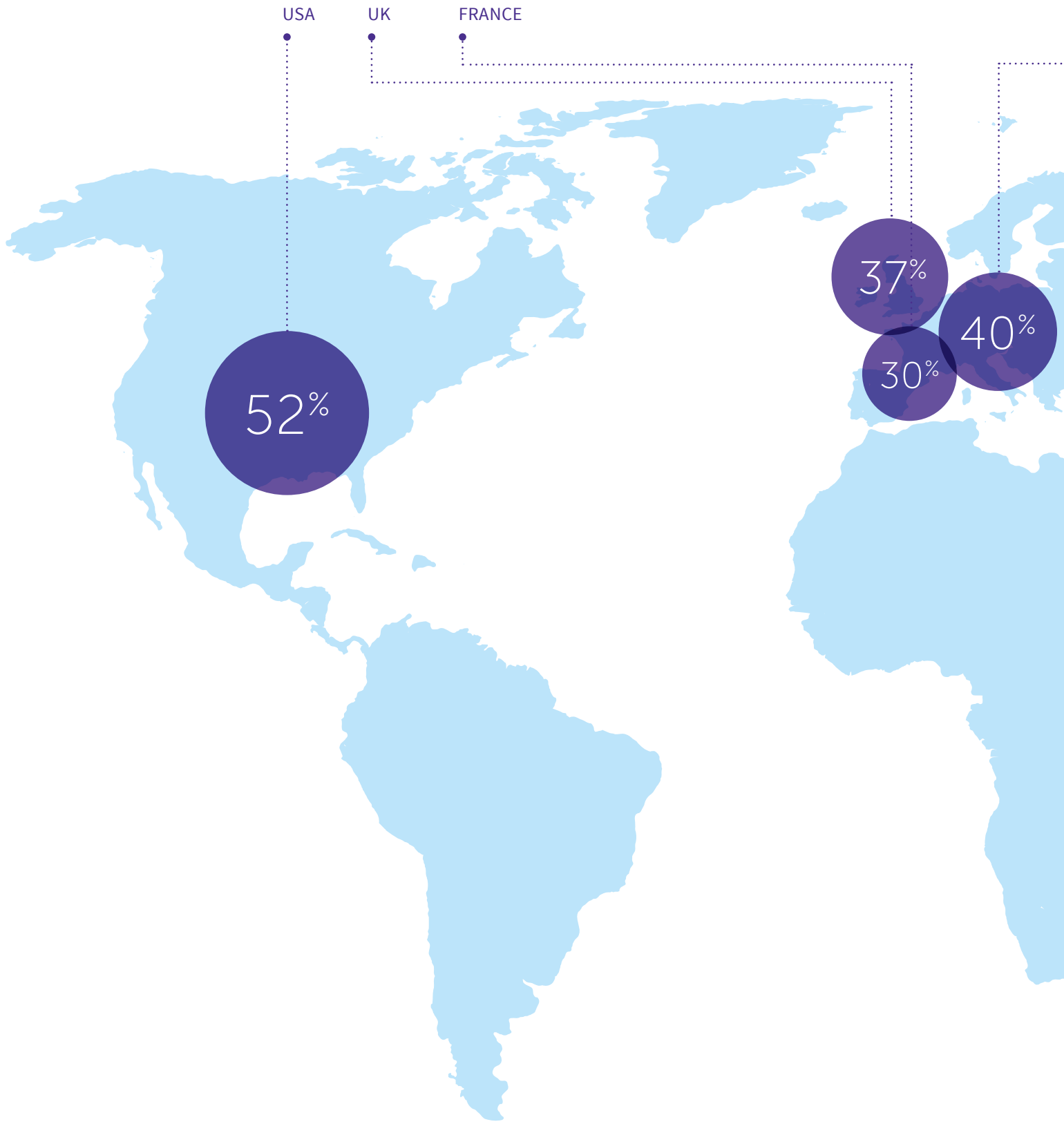# What percentage of your staff work **flexibly**?

(i.e. they can decide where, when and the hours they work at least some of the time)

WE DON'T OFFER
FLEXIBLE WORKING 7%

1 - 25% OF STAFF
WORK FLEXIBLY 21%

26 - 50% OF STAFF
WORK FLEXIBLY 30%

51 - 75% OF STAFF
WORK FLEXIBLY 25%

OVER 75% OF STAFF
WORK FLEXIBLY 15%

DON'T KNOW ....

2%

Countries in which over half of staff work **flexibly** at least some of the time

USA UK FRANCE

52%

37%

30%

40%

GERMANY   SINGAPORE   AUSTRALIA   OVERALL
40%

31%

43%

TABLE 7   29

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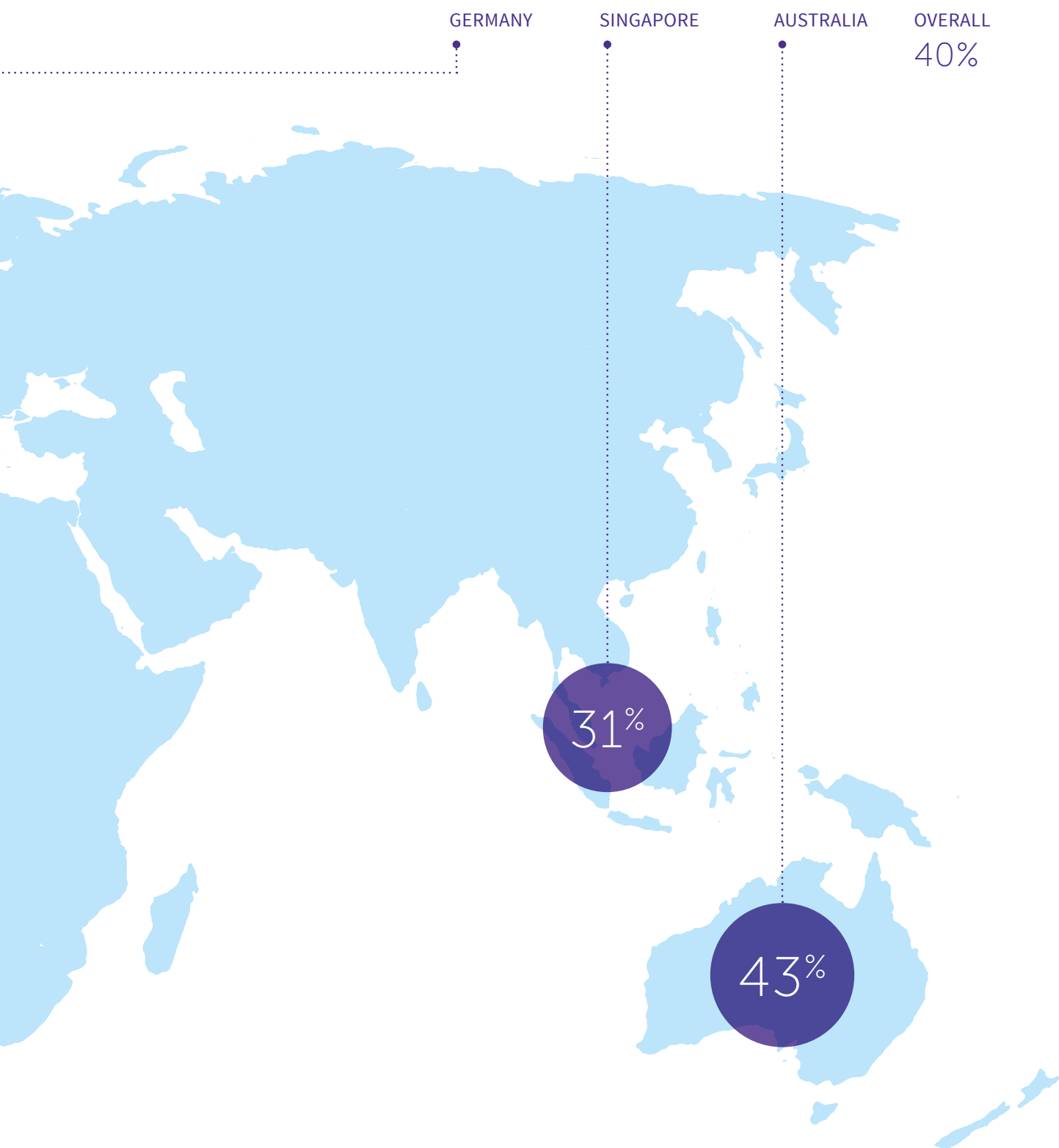
What is the impact of flexible working on...?

POSITIVE

NEUTRAL

NEGATIVE

48% AUS

Collaboration
59%

29%

12%

32%

Office costs
60%

8%

45% AUS

Communication
61%

25%

14%

28%

Productivity
64%

8%
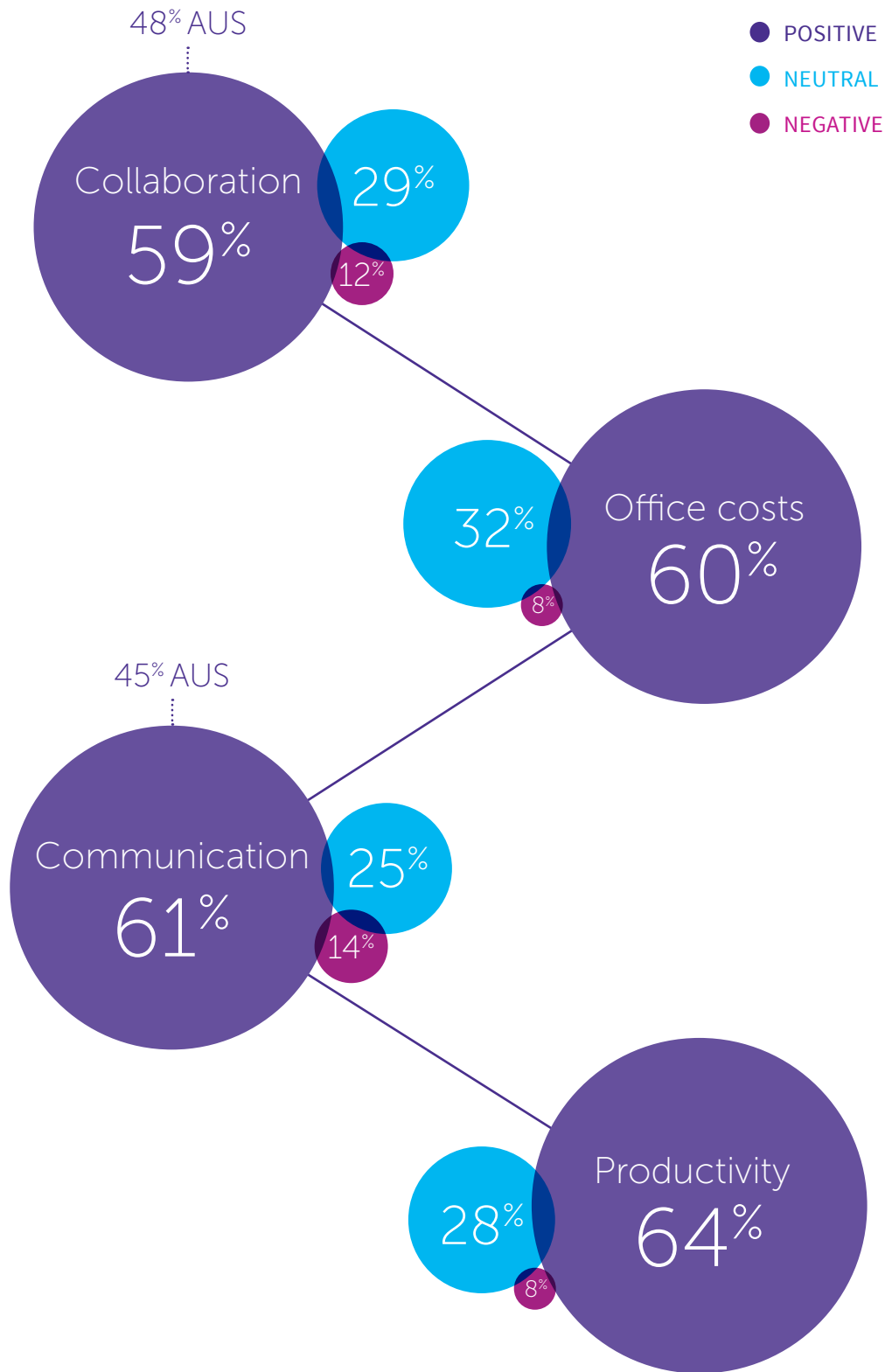
" Give employees options "

For the majority of those surveyed, the benefits of flexible working are clear (see Table 7). It has a positive effect on office costs, productivity, communication and even, perhaps surprisingly, collaboration, according to our survey. Across all four areas, only around one in ten believe it has a negative impact and most of those surveyed expect it to increase. It is, however, worth noting that a further quarter or more are neutral in relation to flexible working - they are by no means sold on its benefits.

"Our motivation for enabling people to work flexibly and remotely are the cost benefits, as we need less space at the end of the day," a senior executive at a UK banking company said. In addition to saving space for the company, flexible and remote working also means less commuting and more efficient working for staff.

Another aspect of flexibility is giving employees options, such as empowering them to customise their workspaces and providing a range of services and amenities to choose from to support their wellbeing and lifestyles. For example, an executive at a French property development firm said: "We try to help by providing amenities such as fitness centres, and areas where they can pick up parcels and packages, plus childcare centres."

REMOTE CONTROL

While views on flexible working are mostly positive, views on remote working, where staff are not based in the office at all and might visit only every few weeks, are more mixed. Increasingly, for a lot of companies, particularly those in the knowledge economy, most work can be handled by remote workers who can access the data they need from cloud-based systems, teleconference with the office when they need to 'meet' with colleagues and use collaborative messaging tools, such as Slack, to manage projects and exchange quick messages.

Employers save on office space; employees gain the flexibility of working where they want, at whatever time suits them. Remote workers do not even need to be in the same country as their company.
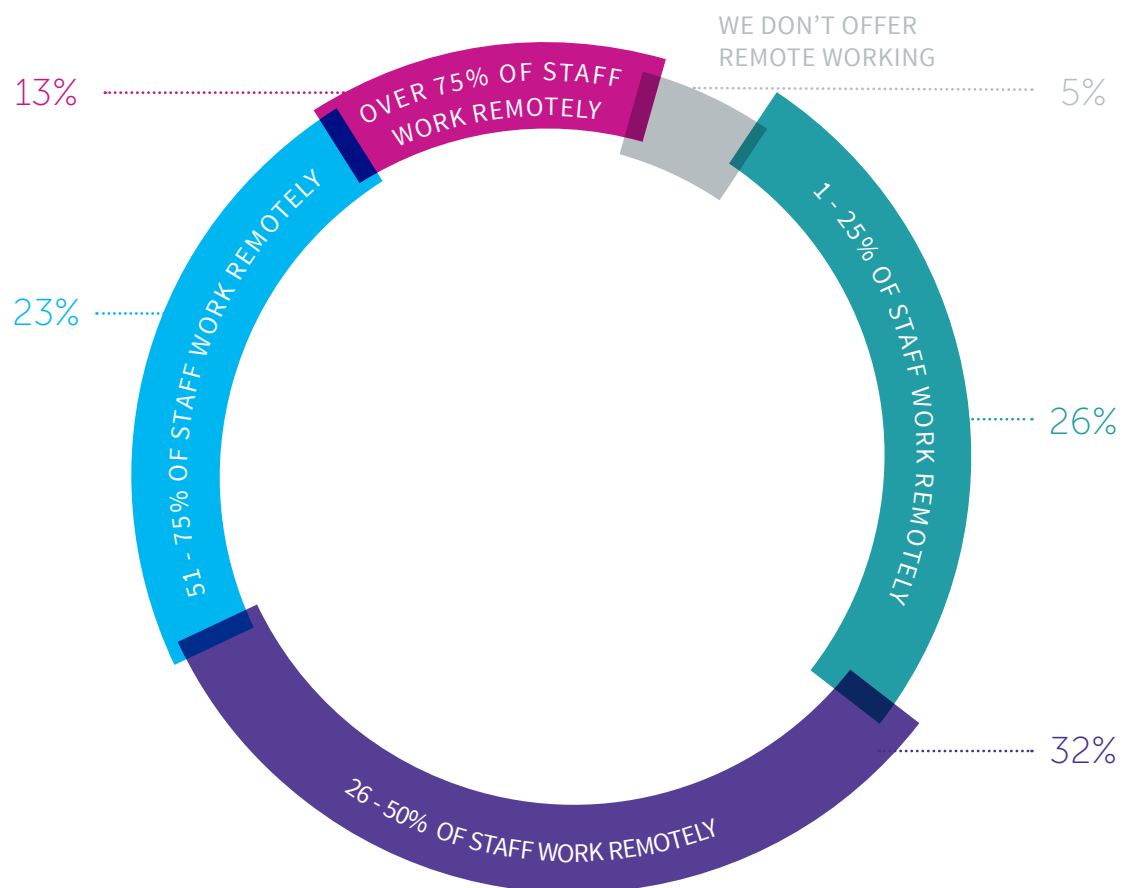
Remote working is least common in the UK, where the largest proportion of respondents (38 per cent) said that less than a quarter of people in their company are remote workers, and France, where 34 per cent said the same. The global average is 26 per cent. However, even in the UK, 35 per cent of companies said that more than half of their staff work remotely at least some of the time, as Table 8.1 shows. In France that figure was 30 per cent.

"But what about the lack of "watercooler moments"?"

It was most common for 26-50 per cent of employees to work remotely in Germany (44 per cent) and the USA (30 per cent). In Australia, 40 per cent of respondents said that 51-75 per cent of workers in their companies work remotely at least some of the time.

WORKING REMOTELY

What percentage of your staff work **remotely** (i.e. outside of the office) at least some of the time?

WE DON'T OFFER REMOTE WORKING

OVER 75% OF STAFF WORK REMOTELY

1 - 25% OF STAFF WORK REMOTELY

51 - 75% OF STAFF WORK REMOTELY

26 - 50% OF STAFF WORK REMOTELY

13%

23%

5%

26%

32%

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Base: 500 online surveys (Condeco Software, February 2018)

TABLE 8.1

A business leader from a US retail company expressed uncertainty about remote working, saying that people function better as part of a team and that video calls do not entirely close the gap. They said: "It reduces our ability to build personal relationships. So, we require some office attendance from remote workers, for example spending one week in six in the office."

Others expressed concern about the lack of "watercooler moments", when people come together unexpectedly and find themselves stumbling across a useful idea. A well-designed workplace can also be more efficient and effective than remote working, where people might be squeezing themselves onto the kitchen table to get things done.

Nevertheless, trends like the rising cost of office space, expensive and crowded commutes as well as improved connectivity and technology for working remotely mean that it is something more employees will want to do. Successful companies will be the ones that are able to maximise the effectiveness of a remote team, combined with a centralised team based in the office.

Countries in which over half of staff work **remotely** at least some of the time

USA UK FRANCE

46%

35%

30%

30%

TABLE 8.2

GERMANY   SINGAPORE   AUSTRALIA   OVERALL
36%

31%

46%
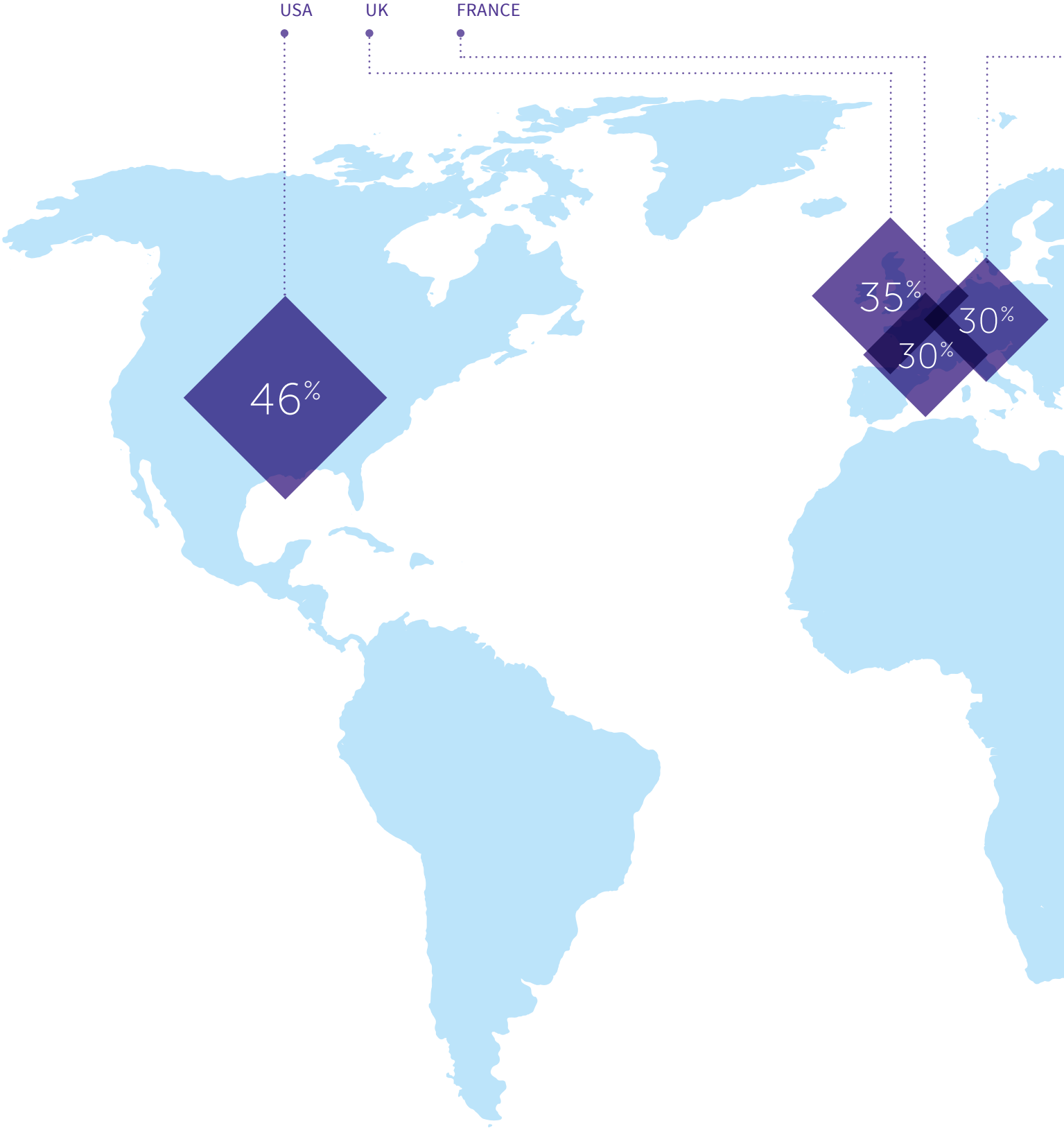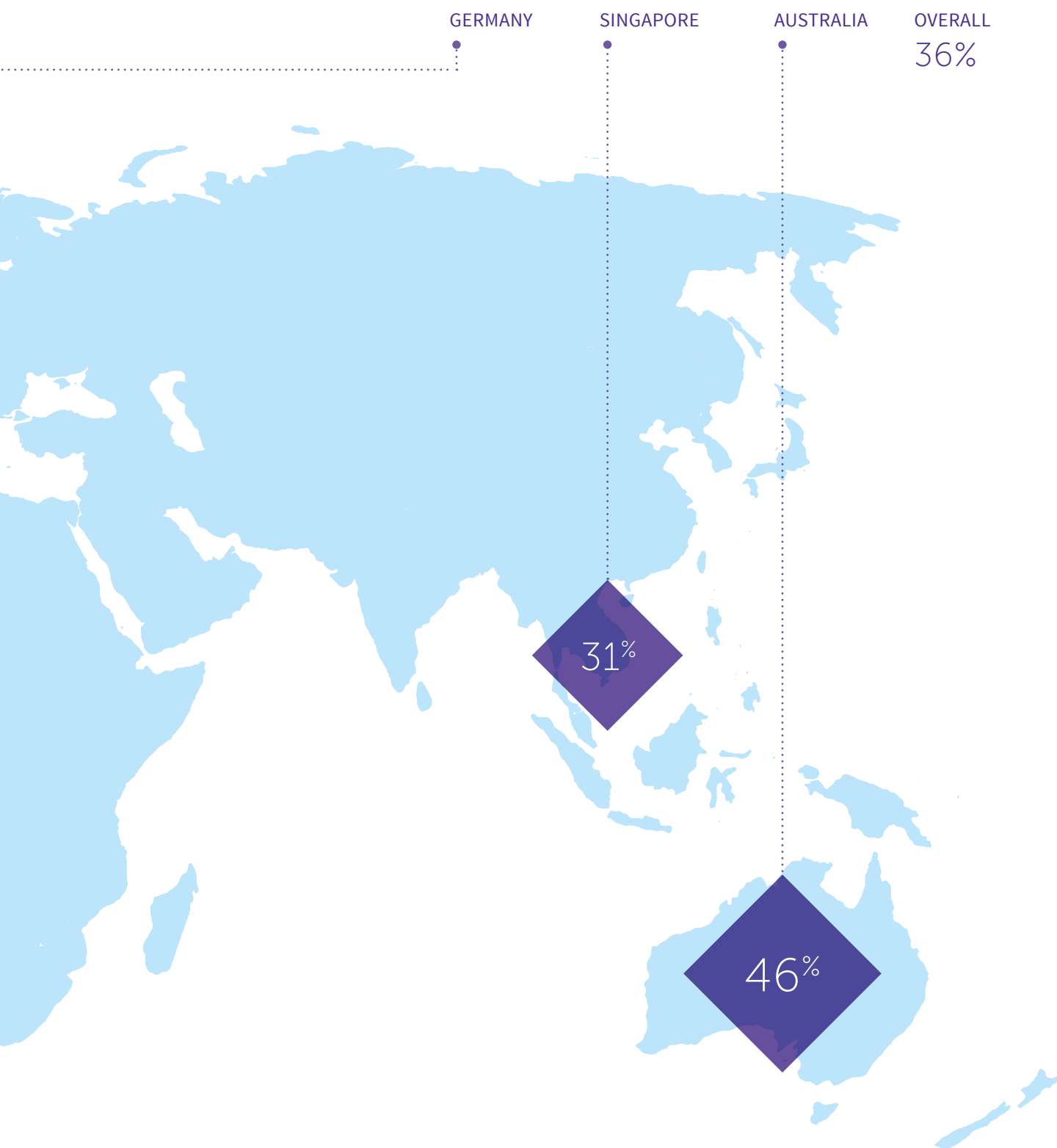
Base: 500 online surveys (Condeco Software, February 2018)

05

MAKING MEETINGS WORK

Meetings are a perennial cause of friction in many businesses. For some staff, there are too many; for others, not enough. When a meeting is necessary there isn't always a room available, or the rooms lack the required equipment. How much space to devote to meeting rooms is a challenge: too much is wasted space and too little could hamper productivity and collaboration.

Fortunately, only a minority of companies surveyed said that they have too few meeting rooms. Most meet demand by ensuring that a range of options are available. Conference rooms and boardrooms are offered for more formal meetings, such as those involving a client, while lounge spaces, breakout areas and meeting tables in open areas are provided for more ad hoc gatherings. Flexible spaces, which can be made into smaller rooms using folding doors are common.

An executive in a French property development firm said their company suggests a rule of thumb of 10-15 per cent of floor space being devoted to meeting rooms.
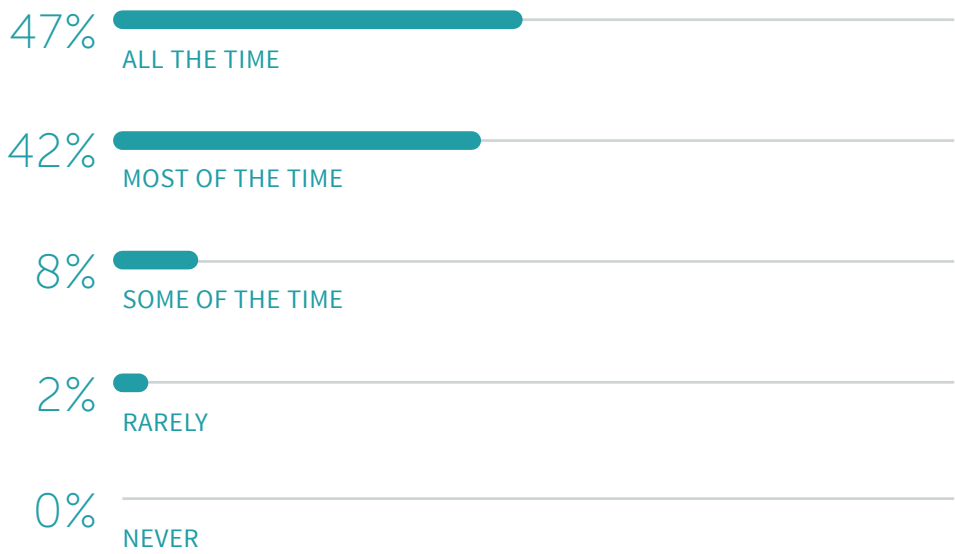
Nearly half of companies "always" have access to the right type of meeting room for their needs, which suggests that they have managed their space needs appropriately (see Table 9). That response was much more common in Australia (66 per cent), Germany (53 per cent) and the USA (51 per cent). Below average were France (40 per cent), the UK (38 per cent) and Singapore, where just a third of respondents (34 per cent) said the right type of meeting room was always available.

In one in ten businesses, employees are poorly served by their meeting rooms, saying they have access to them only some of the time or rarely. The situation is worst in the UK, where 14 per cent only have access sometimes or rarely. In Germany, the figure is just seven per cent. An executive at a UK banking firm underlined the problem: "There are never enough meeting rooms. That's one of the reasons why we provided a range of casual areas that you don't need to book."

MEETING ROOM AVAILABILITY

Do employees in your organisation generally have access to the right types of meeting rooms when they need them or not?
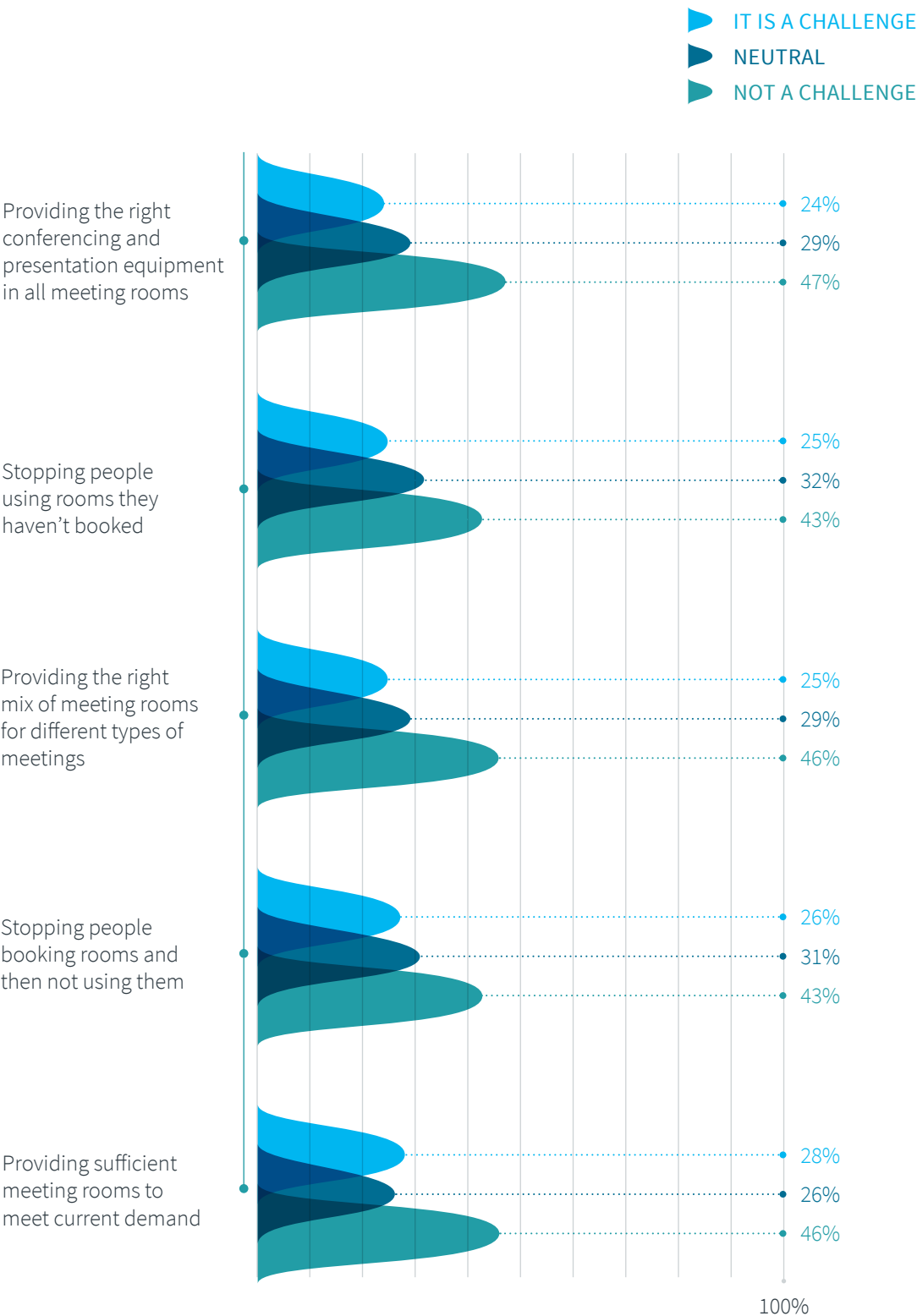
47%
ALL THE TIME

42%
MOST OF THE TIME

8%
SOME OF THE TIME

2%
RARELY

0%
NEVER

THE MODERN WORKPLACE REPORT 2018

How much of a challenge are each of the following to your organisation…?

▶ IT IS A CHALLENGE
▶ NEUTRAL
▶ NOT A CHALLENGE

Providing the right conferencing and presentation equipment in all meeting rooms
- 24%
- 29%
- 47%

Stopping people using rooms they haven't booked
- 25%
- 32%
- 43%

Providing the right mix of meeting rooms for different types of meetings
- 25%
- 29%
- 46%

Stopping people booking rooms and then not using them
- 26%
- 31%
- 43%

Providing sufficient meeting rooms to meet current demand
- 28%
- 26%
- 46%

100%

Globally, 28 per cent of those surveyed said that providing sufficient meeting rooms was a challenge (see Table 10). That figure climbs to 36 per cent in France and 35 per cent in the USA. There are far fewer problems in Germany, where just 12 per cent say that providing sufficient meeting rooms is a challenge. Combining those figures with the answers on whether the right type of room is always available gives us a picture in which Germany typically has enough meeting rooms and little trouble providing them, while the US has enough rooms, but finds it a challenge to provide access to them. In France, it is difficult to provide enough meeting rooms and employees have noticed: the majority say that a meeting room is not always available.

Another significant challenge is stopping people using meeting rooms that they haven't booked. A quarter of respondents (25 per cent) said this was an issue in their business. In the US, 35 per cent of respondents said it was a challenge. Again, Germany was lowest, with 16 per cent.

"

There are never enough meeting rooms. That's one of the reasons why we provided a range of casual areas that you don't need to book.

"

BOOKING SYSTEMS

As Table 11 shows, most of those surveyed say they use Outlook, Google Calendar or iCal to book rooms - although human assistants are often involved to varying degrees - and they find the process broadly satisfactory. Therefore, in many instances there are a variety of booking options available, so that staff can choose the one that suits them best, whether electronic or by contacting a PA or receptionist.

Reasons why some staff still call a person to book a meeting room include confusion about how the electronic system works or lack of trust in the system's reliability. One UK banking executive said the electronic system had failed in his company because people didn't know how it worked and fell back to calling a PA or receptionist. Meeting room booking systems can solve a lot of the problems around meetings but only if people know how to use them and are confident doing so.
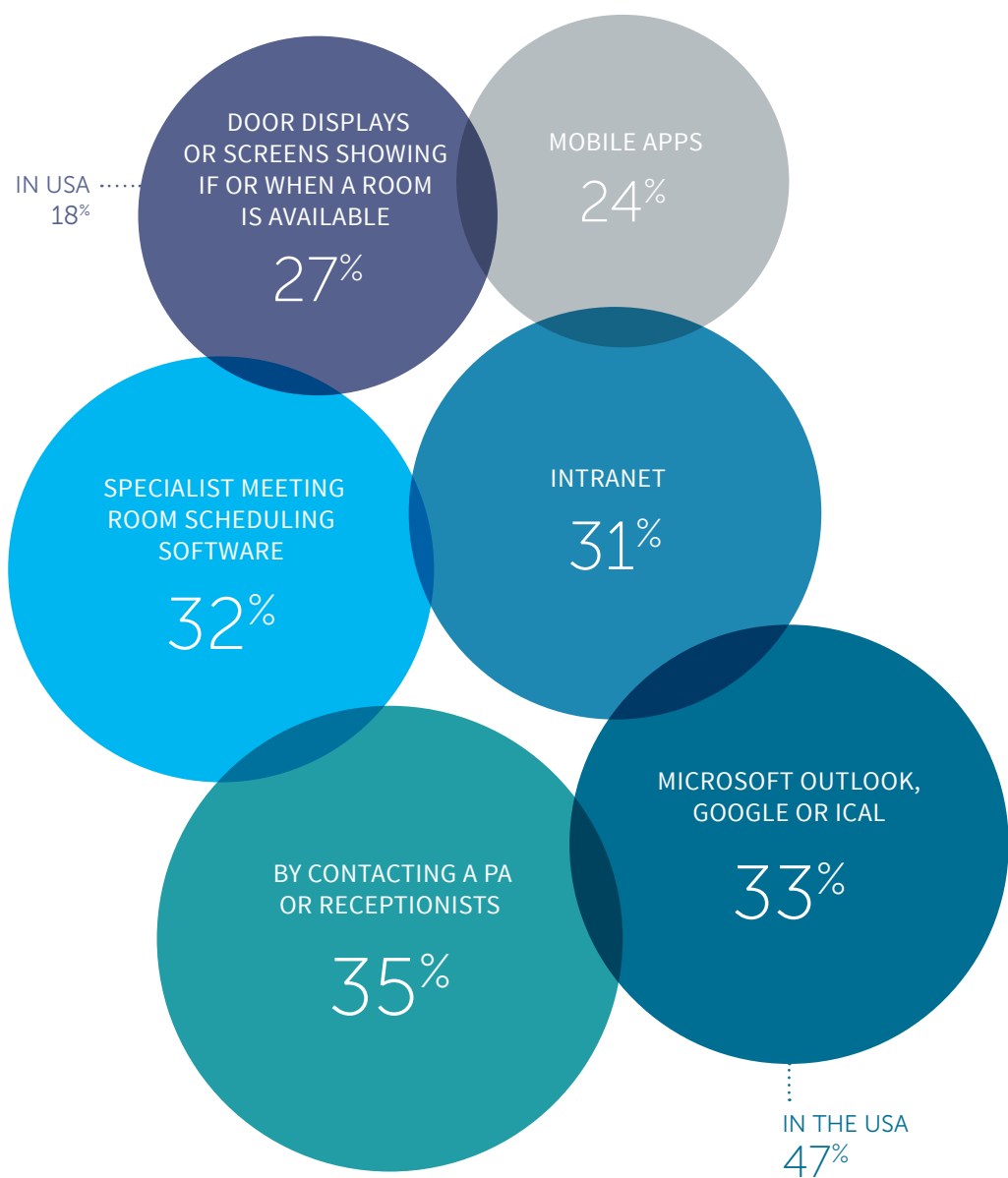
Some companies have iPads or touchscreens on the wall outside the meeting room, which display the booking status for each room, although this technology is not yet present in the majority of workspaces.

BOOKING METHODS

How do people book meetings in your organisation?

DOOR DISPLAYS OR SCREENS SHOWING IF OR WHEN A ROOM IS AVAILABLE
27%

IN USA
18%

MOBILE APPS
24%

SPECIALIST MEETING ROOM SCHEDULING SOFTWARE
32%

INTRANET
31%

BY CONTACTING A PA OR RECEPTIONISTS
35%

MICROSOFT OUTLOOK, GOOGLE OR ICAL
33%

IN THE USA
47%

VIDEO CONFERENCING

Two fifths of business leaders report an increase in the number of video conference calls, compared with nearly a third who say that the number of face to face meetings has increased over the past three years (see Table 12). Around half, however, say that there has been little or no change in frequency.

To facilitate that, screens are ubiquitous in boardrooms and large meeting rooms, and increasingly they are available in smaller rooms and breakout spaces too. This trend is driven by increased video content sharing and the need - often from clients - to reduce travel budgets. As we saw in the previous chapter, there has been a rise in remote in flexible working, which has also had an effect on video integration within meetings and the number of video conference calls. Increasingly, staff members are attending internal meetings via video conference.
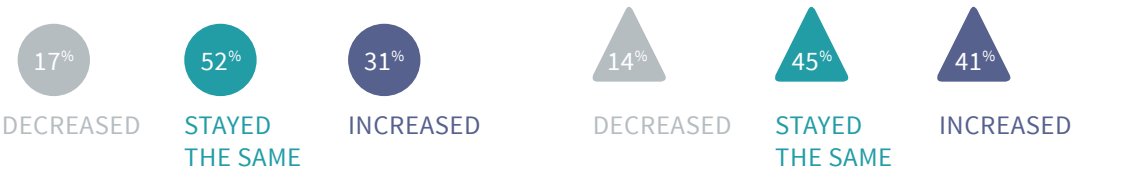
The technology is now of a standard that conversation is easy. As one executive at a French bank put it: "the quality is incredible, it is high definition with great sound, you feel like you are in the room with other people." An executive in a US design firm added: "A lot of clients have had budget cuts, plus they are global and face travel bans or restrictions, therefore it is important that your video conference is of a top standard."

The need to cut down on travel is especially important for countries like Australia, where any foreign clients or business partners are a long way away and even travel between domestic cities can involve a long flight. A senior staff member at an Australian health and fitness company said: "Our use of Google Hangouts has reduced the number of flights across Australia that our staff are taking for meetings. We've halved the air travel people make as a result."
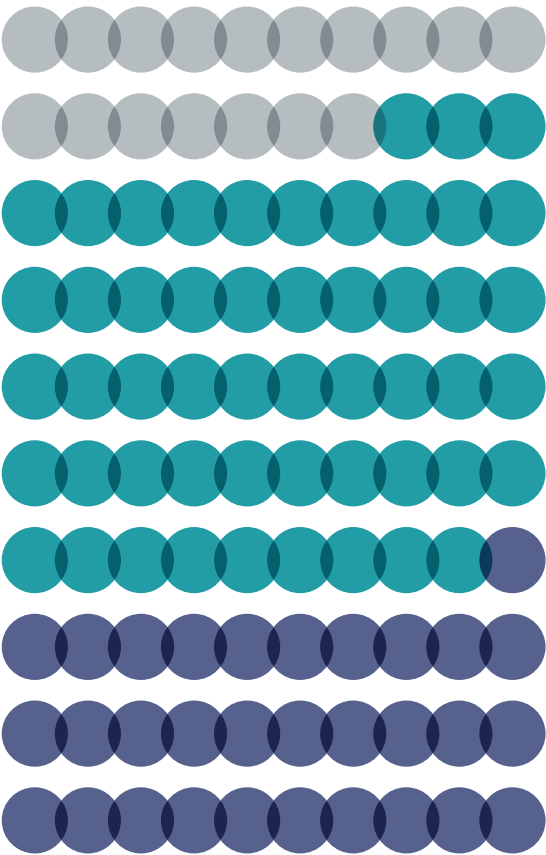
The technology isn't perfect, however, and 12 per cent of our survey respondents said they were dissatisfied with video conferencing. That rises to 21 per cent in Australia, where perhaps employees rely on it more, for the reasons mentioned above, while the figure in Germany was just 6 per cent. In the UK, 11 per cent of respondents were dissatisfied.

CHANGE IN MEETING FREQUENCY

Over the last three years would you say that the number of **face to face meetings** / **video conference calls** has increased or decreased in your workplace?

17% DECREASED	52% STAYED THE SAME	31% INCREASED	14% DECREASED	45% STAYED THE SAME	41% INCREASED

FACE TO FACE MEETINGS

VIDEO CONFERENCE CALLS

THE MODERN WORKPLACE REPORT 2018

“

Our use of Google Hangouts
has reduced the number
of flights across Australia
that our staff are taking for
meetings. We've halved the air
travel people make as a result.

”

QUALITY AND QUANTITY

Many business leaders commented that both the quantity and quality of meetings in their organisations were not optimal, resulting in staff frustration and unnecessary cost (see Table 13). Most have attempted to address this through training, guidelines and empowering staff to turn down meetings. Adopting a more agile work culture and integrating teams were also seen to reduce the need for formal meetings.

NUMBER OF MEETINGS

Overall, would you say that people have too many or two few meetings in your organisation?
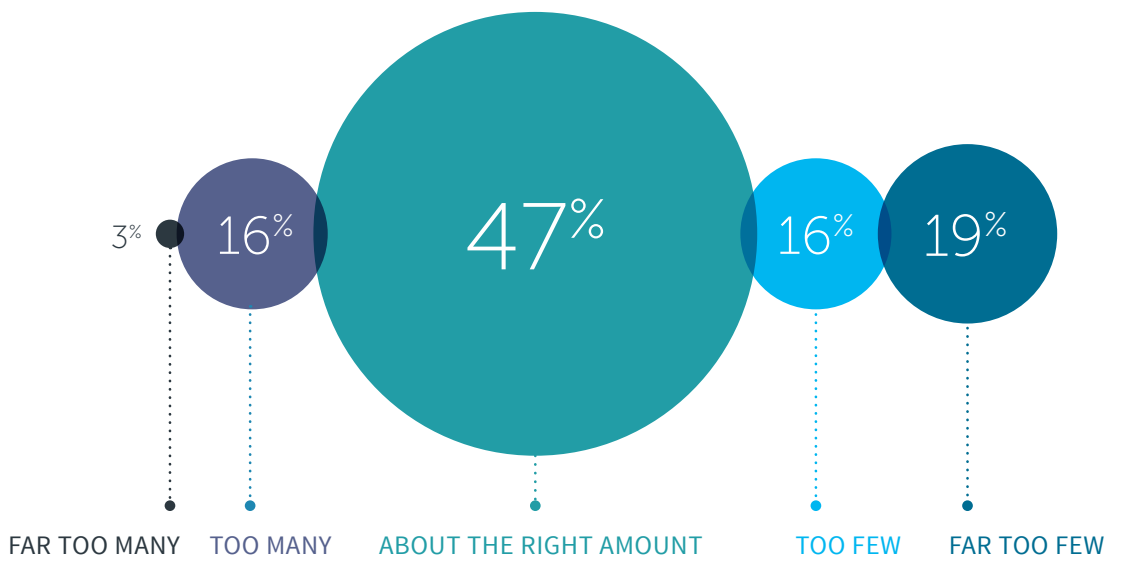
3%

16%

47%

16%

19%

FAR TOO MANY   TOO MANY   ABOUT THE RIGHT AMOUNT   TOO FEW   FAR TOO FEW

TABLE 13

SATISFACTION WITH MEETINGS

Overall, how satisfied or dissatisfied are you with…?

SATISFIED   **NEITHER/NOR**   DISSATISFIED

The impact of meetings on organisational performance
61%
26%
13%

The quality of meetings held in your organisation
64%
24%
12%

The quality of video conferencing facilities in your meeting rooms
64%
24%
12%

The ease of booking meeting rooms
67%
24%
9%

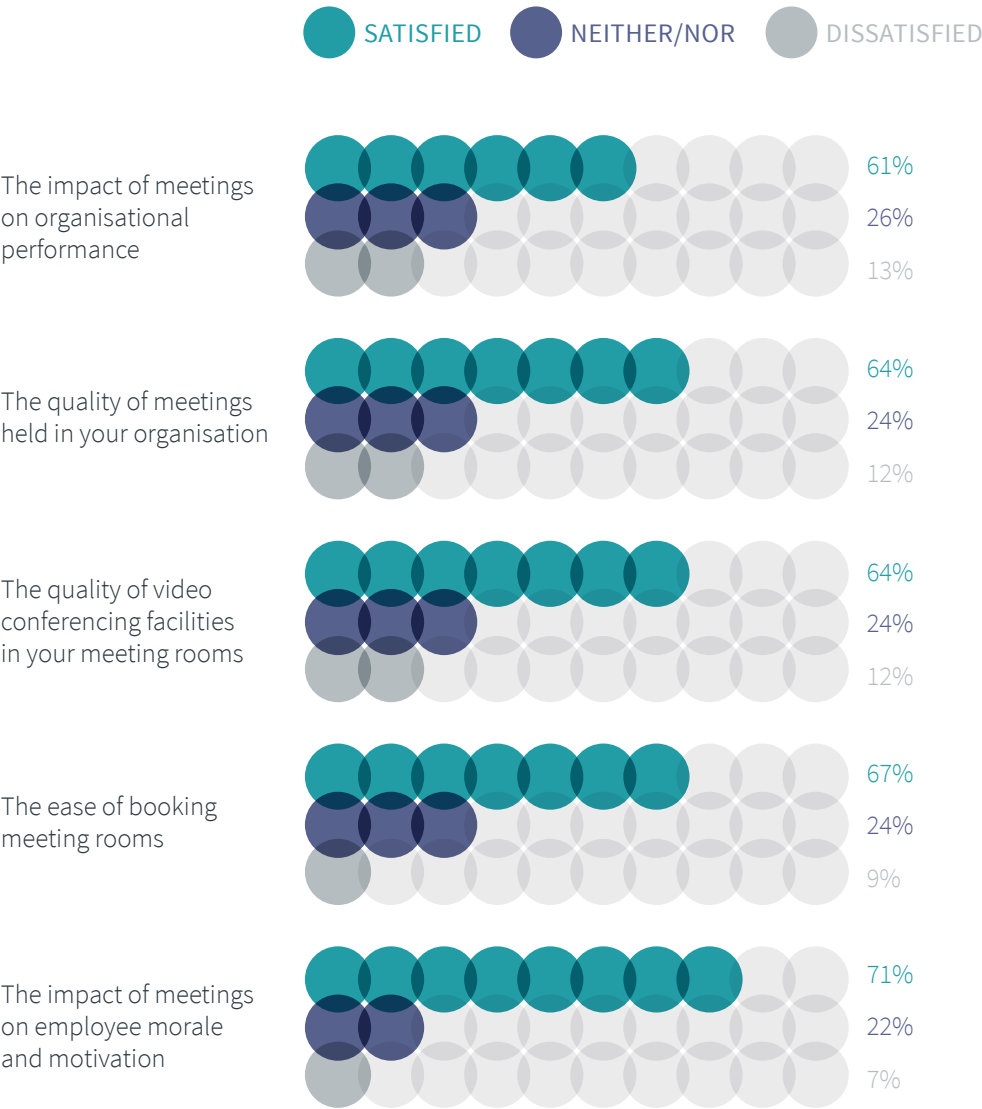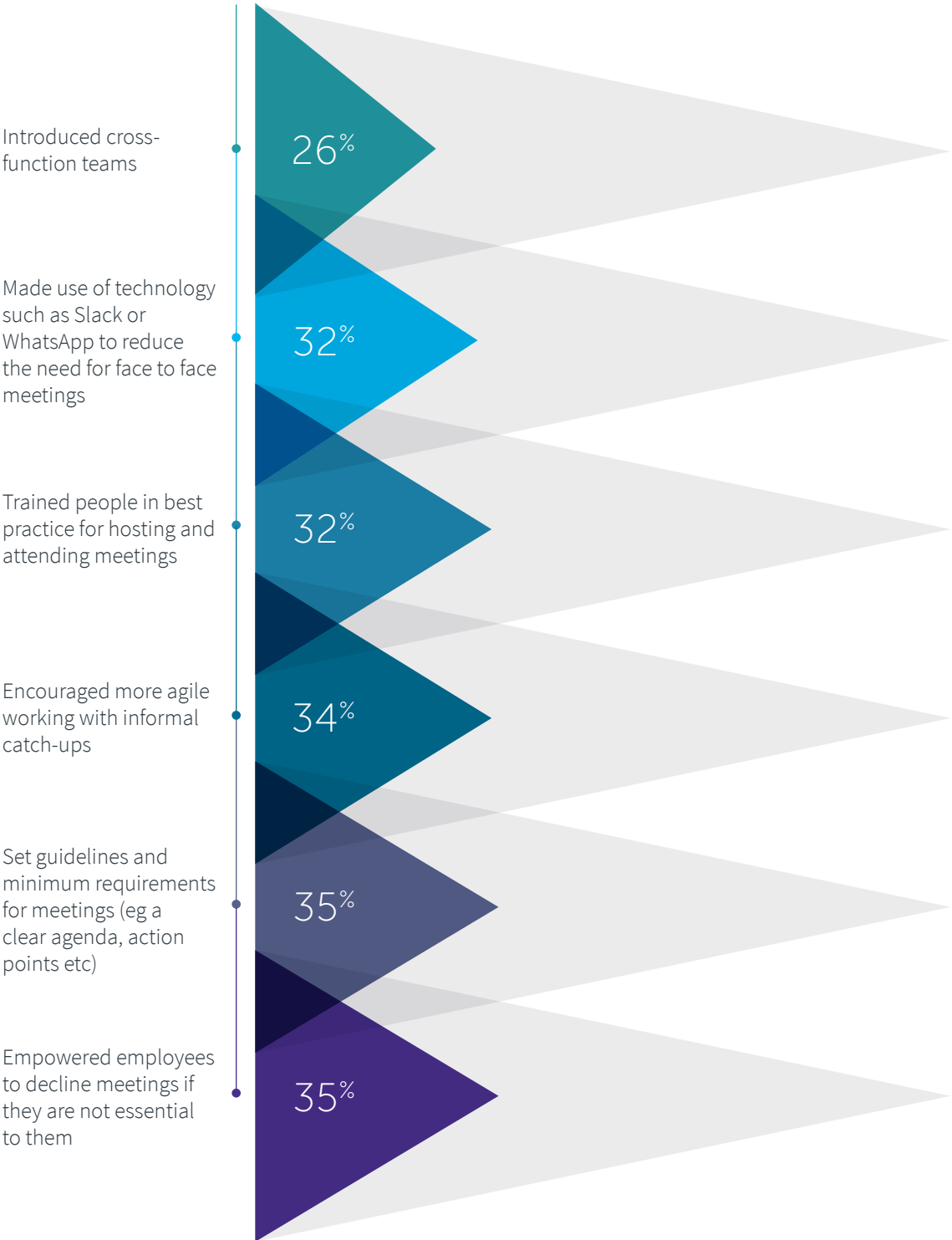The impact of meetings on employee morale and motivation
71%
22%
7%

TABLE 14

In the ideal workplace, everyone would be satisfied with the quality of meetings because everyone would go only to those that were relevant and they would be organised so that they shared and received the information they need. That isn't reality, of course, as Table 14 shows, and some people are dissatisfied – on average, just over one in 10, rising to one in five in Australia. These are not large numbers but if you consider that in every meeting of 10 people, at least one will not come away with what they need, there is clearly a need to improve.

Base: 500 online surveys (Condeco Software, February 2018)

Has your organisation taken any of the following actions to improve the quality of meetings and/or reduce the frequency of meetings?

Introduced cross-function teams

26%

Made use of technology such as Slack or WhatsApp to reduce the need for face to face meetings

32%

Trained people in best practice for hosting and attending meetings

32%

Encouraged more agile working with informal catch-ups

34%

Set guidelines and minimum requirements for meetings (eg a clear agenda, action points etc)

35%

Empowered employees to decline meetings if they are not essential to them

35%

"Empower staff to turn down meetings, blocking meetings and ensure that meeting summaries are widely circulated."

The two factors most critical to the success of a meeting, according to our survey, are a clear purpose or agenda and time management (see Table 15). In both cases just over a third of respondents (36 per cent) said that these were critical factors. These were significantly ahead of the next factor listed, presentation technology, which was mentioned by 28 per cent of those surveyed. Asked what steps their employer could take to improve the quality of meetings, roughly a third of respondents said empowering employees to decline non-essential meetings (35 per cent), while the same proportion suggested guidelines and minimum requirements for holding effective meetings.

Perhaps unexpectedly, the proportion of business leaders who claim that people have too few meetings (35 per cent) in their organisations is higher than the proportion claiming there are too many (19 per cent). That said, more still are satisfied that there are about the right number of meetings. These findings are consistent across all countries with the exception of Australia, where business leaders are more likely to feel that people are not having enough meetings.

Other techniques companies are using to reduce unnecessary meetings and make existing ones more effective include empowering staff to turn down meetings, blocking meetings between 9am and 4pm and ensuring that meeting summaries are widely circulated so that people do not feel that they have missed out.

Some respondents have found that cross-functional teams help to reduce the number of meetings because information is being exchanged regularly. An executive in a UK technology company said: "We still have too many internal meetings, but we are getting better at it and more disciplined – I always say to people don't invite me unless I'm needed."

Smart companies can learn from these results by measuring employee satisfaction with meetings, trialing some of the measures suggested above and then measuring satisfaction again. Certain measures might work for some types of worker but not others. Finding the right balance will be key to managing successful meetings.

06

CONCLUSION

The changing workplace is the result of a perfect storm of forces: increasing demand for flexibility from a younger workforce that has the option to go elsewhere in search of a better environment; the growth of communications technology that makes remote working and collaboration easier; an increase in the complexity and pace of modern work that makes cross-functional teams desirable; and a growing pressure, internally and externally, for a more environmentally friendly workspace. The expansion of the Internet of Things and the growth of artificial intelligence will see more of the functions of the workplace automated and allow for more flexibility and personalisation in how workspaces are organised.
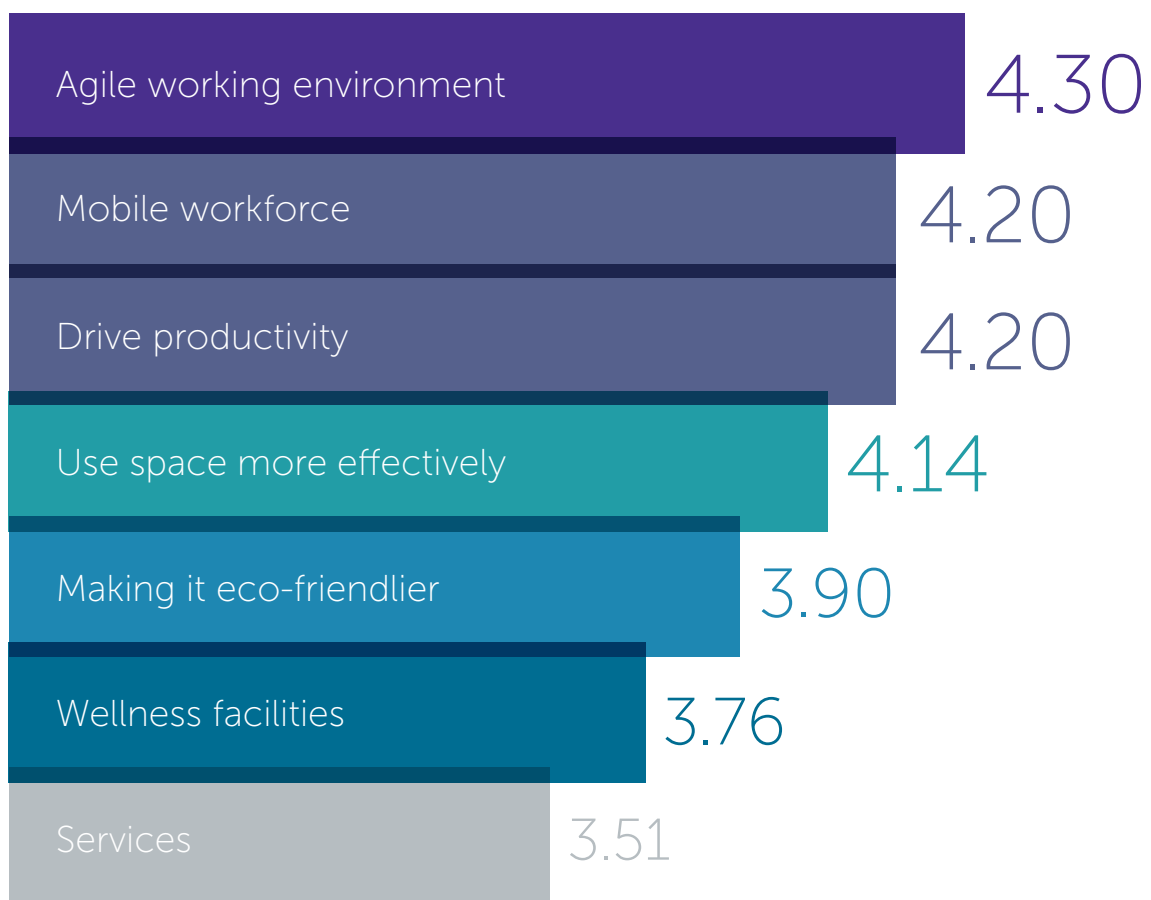
These factors have been key to driving the changes described in this report and our research suggests that companies that have not yet embraced these changes will soon need to do so.

PRIORITIES FOR CHANGE

As the workplace evolves, the focus will be on organisations and their leaders to set their priorities, not just for the coming years but for today. Increased agility, new technology and the provision of more services for employees are among the options they will need to assess.

What workspace developments should your organisation prioritise in the coming years?

Agile working environment	4.30
Mobile workforce	4.20
Drive productivity	4.20
Use space more effectively	4.14
Making it eco-friendlier	3.90
Wellness facilities	3.76
Services	3.51

The most common priority was to create a more agile working environment, one in which there are different areas available for different styles of working and where staff have the freedom to work where and when they want. This was a particular priority for people in the UK and Singapore, two countries that are currently below average in terms of agility. In contrast, in Australia, already quite agile and open, agreement levels were the lowest.

The second highest priority for business leaders was taking advantage of new technology to drive productivity. This means things like sensors to monitor how the workplace is being used: how many desks are occupied and for how long, which areas of the office are the most heavily trafficked, how meeting rooms are used and so on. It could also mean using artificial intelligence to monitor workflows and determine where they are inefficient, where bottlenecks are and whether there are problems looming.

Technology to improve productivity was rated as a high priority in Singapore – a country where strict rules on behaviour are common – and less so in the UK and France. Both the British and the French were more positive about technology that is used to manage space more effectively.

That said, concerns were voiced around the potentially intrusive nature of technology that monitors staff activity in order to improve performance or to use space more effectively.

Some of those we spoke to felt that this could negatively affect morale, others were just unsure about its effectiveness. A senior executive from a UK technology company said: "It perpetuates negative management styles. In fact, it is the exact opposite of our culture – we trust people to do the right thing."

However, our survey suggested that companies will at least have to explore the possibilities that this technology offers for understanding employee performance and needs. How the technology is deployed is likely to be crucial here. Employees will not respond well if they think it is being used as a punitive tool or to 'spy' on them but if they understand that the aim is to improve how the workplace works for everyone then there is a good chance they will accept it.

Finally, technology that facilitates mobile or remote working was a high priority across all respondents. This includes video conferencing and other 'telepresence' tools that allow people to maintain a virtual presence in the office by featuring them on a personal screen or as a holographic presence. Also, mobile or desktop-based collaboration tools that allow easy communication, file-sharing and collaboration. The ongoing growth of cloud computing technologies is expanding the range of what is possible in this area and that will continue in the near future.

LOWER PRIORITIES

Perhaps surprisingly, eco-friendly measures were not a major workspace priority for business leaders. It was rated at 3.9 out of 5 globally - only Australian respondents scored it above four (4.27). It may be that respondents feel that current measures are sufficient. However, we expect this trend to become more significant, rather than less.

Increasing the wellness facilities on offer to employees was another low priority (3.76 globally), with no country scoring them above four out of five. Likewise, adding more workplace more services, such as dry-cleaning drop off points or food delivery, was also seen as a low priority and scored 3.51 globally.

Though these are lower priorities, both are likely candidates for improvement using technology. Workplace monitoring technology will reduce energy waste in the workplace, for example, through things like turning off lights in parts of the office that are unoccupied and reducing the need for documents to be printed with greater cloud sharing. The spread of telepresence solutions will continue to reduce the need for travel, particularly costly and pollution-heavy air travel.

"Eco-friendly measures are not a major workspace priority for business leaders"

More and more employees now wear connected devices of some kind and companies are increasingly exploring ways to make them part of wellness schemes. In future these could be the basis for improved services and benefits for employees, particularly for the health-conscious Millennial generation.

TRENDS

The trend towards open plan and flexible workspaces is one that is set to accelerate, as it is a clear priority for business leaders. Even in Singapore, which is relatively rigid and hierarchical, we can see moves towards flexibility. However, the most flexible countries still have some way to go. In the UK, for example, a fifth of workers (18 per cent) still say that their workspace offers little or no variety.

We see some scepticism around flexible and remote working but, once again, the trend here is moving only in one direction, and many business leaders embrace the inevitability and buy into the benefits of a more flexible workforce. Indeed, as the leading businesses offer their employees more autonomy and flexibility, those that don't risk losing their best staff.

Meetings will continue to cause friction for as long as people have to work together. Some people work best with lots of meetings, other prefer fewer. Nevertheless, meetings remain essential and we see a trend towards offering a variety of spaces that suit different kinds of meetings. Though the spaces might vary, all of them need to be technologically equipped to meet the needs of the modern worker.

We began this chapter by mentioning the forces driving workspace change. There is one above all that leads us to believe that the trends identified above will continue and that is youth. As the 'office generation' - the Baby Boomers - retire, power shifts to the 'cubicle generation' - Generation X - and the bulk of the workforce will be made up of Millennials - the 'open plan generation'.

"Open plan and flexible workspaces are set to accelerate"

It is the needs and expectations of this last group that will shape workspaces for the next decade and beyond, at least until Generation Z arrives in significant numbers. And perhaps they will be the 'remote generation'? Time will tell.

Between now and then, employers have to focus workplace improvements on a workforce that is increasingly demanding and more than ever, focused on flexibility. The workplace is the new frontline in the fight for talent and the shaping of the corporate message.

The workplace is changing, it's not just a building, it's a new way of meeting and collaborating. Since 2005, Condeco has been revolutionising the way we interact with our business environment, combining progressive workspace management technology with future foresight. Through extensive research, industry insights, and workspace leadership we evolve the digital workspace with a our global reach.

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