



Unified Work

How better experiences can deliver business benefits.





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Chapter 1 Introduction



Introduction

The global pandemic has proven the viability that people can work productively away from the office. This has prompted the emergence of a new model for work where flexibility and choice take precedent over office efficiency and presenteeism. For the first time, the office is challenged to rethink its approach amid a new context in which employees start to expect more from their workplace experience.

A pulse study conducted by Future Forum, Boston Consulting Group, MillerKnoll and MLT found that hybrid working has become the dominant work model for knowledge workers around the world (1). The latest results found that of the 10,000 knowledge workers from six different countries surveyed, 78 percent wanted flexibility in where and when they work, and 95 percent wanted flexibility in their schedule. As remote and flexible working patterns become more established in organisational policies, employees will increasingly exercise choice and autonomy in where and how they want to work. This means that the office will have to compete with a spectrum of alternative workspaces to stand out and be chosen by employees. Offices now have to deliver experiences that are superior to the ones employees can get working elsewhere.

Even before the pandemic, trends were paving the way for an entirely different set of expectations for many office workers. Three areas in particular were accelerated by the impacts of COVID-19: flexibility, choice and autonomy, and enhanced experiences. Software company Density posed the question, 'how do you compel employees to come to the office, even when they don't have to?' to a series of workplace managers in 2021. Most interviewees concluded that there are two factors that create an environment employees want to be a part of - incredible experiences and employee choice (2).

A survey by Gartner supports the idea that employees expect superior workplace experiences (3). It found that of 5,000 employees, 56 percent agree with the statement 'I expect to have the same quality experience at work as I do as a customer'. This calls for a different and more dynamic approach to workplace experience as organisations aim to create a workplace that employees gravitate to out of choice.

This report by HqO, in partnership with WORKTECH Academy, explores the key areas shaping the new world of work and the importance of developing a unified approach to enhancing the workplace experience. The office is under increasing pressure to prove its value. Creating a great experience is critical to revitalise the office in the hearts and minds of employees returning after the pandemic.

Great workplace experiences need to be seamless, convenient, and comfortable in order to spike engagement between the employee and the organisation. This is driving the need for one integrated strategy from employers which encompasses the physical environment, employee comfort and experience, and access to the right tools and technology.

We have a name for this strategy: Unified Workplace Experience. A unified approach to workplace experience considers how people, place, and technology can work together to create a holistic environment for all employees where they feel physically and psychologically comfortable and can conduct their best work from any location.

> Previous, Right, and Top: Employees are encouraged to work in their preferred environement, which can be a fixed desk space, a couch, or from their home.





Chapter 2 Optimising the Workplace Experience



Optimising the Workplace Experience

The creation of a great workplace experience is complex and requires cross-functional collaboration between the HR, real estate, and IT teams. People, place, and technology should be viewed holistically. For a long time, this way of thinking has proved difficult for many organisations to achieve.

Now, more evidence is emerging about the potential benefits of a great employee experience on satisfaction, engagement, and productivity. Organisations are starting to recognise the business value. According to a study by Willis Towers Watson, the link between commitment to employee experience and organisational success is strong (4). Its study found that organisations who offer strong employee experiences consistently beat competitors in their sector by an average of two to four percent.

Organisations are also developing new roles such as Head of Workplace and Chief Experience Officer (CXO) to focus specifically on creating better workplace experiences. McDonalds and Google, for example, have each appointed a Chief Happiness Officer (CHO) whose job is specifically dedicated to maintaining and improving employees' experience and company culture. These new roles signal the unification of those once-siloed people, place, and technology departments to create superior employee experiences across a distributed workforce.

People, workplace design and technology as the ecosystem of experience

The process of curating a successful employee experience depends on a complex ecosystem of interlocking elements. People, workplace design, and technology need to work in tandem to meet the rising demands and expectations of employees.

At a recent WORKTECH webinar, Scott Hazard, global head of real estate and workplace experience at software company Atlassian, said that we need to create '3D' experience journeys where organisations shape the entire personal and professional journey for employees to help them do their best work (5). The 3D experience is supported by a dynamic team of decision-makers to ensure employees needs and expectations are met.

The HR Exchange Network outlines the key elements of the employee experience that a company can influence (6). The research identifies seven key elements: physical environment; performance management; tools and technology; company culture; diversity and inclusion; emotional responses; and professional development.

Overall the research shows that great employee experience is connected to better business performance, higher employee engagement, greater employee happiness and satisfaction, and higher levels of productivity.

To set the context for the next generation of workplace experience, organisations need to create one unified workplace approach to technology, people, and workplace design. Below are some of the ways organisations can optimise the experience for their employees.

INFLUENCERS

OUTCOME



Source: WORKTECH/HqO

Tools and Technology

The tools and technology employees have at their disposal will shape much of what they experience in their work. Much like the consumer-grade technology many employees use in their personal lives, they want their workplace technology to be both powerful and user-friendly.

Research from employee experience expert Applaud identified hyper-personalised employee experiences as a key emerging trend in 2022 (7). The report, based on insights from nearly 200 HR leaders across different industries, defines hyper-personalisation as leveraging artificial intelligence (AI) and realtime data to deliver more relevant content, product, and service information to each user. This creates increasingly engaging experiences between organisations and employees, which will ultimately help develop a more productive and motivated workforce, and reduce attrition.

To keep pace with modern employee needs, employers are recognising the benefits of workplace apps to enhance workplace experience and communication channels between employees. Employees who have on-demand access to services – such as workplace amenities, access control, resource booking, communication with colleagues – through a single app will be able to perform at their best in the workplace. This is because they will have the right tool to facilitate a convenient, time-saving experience which promotes choice and efficient working.

When all tools are in one place, employees can work better without wasting time switching apps or missing out on information or resources. Effective technology and tools should address the challenges employees face and make their jobs easier. This part of the equation is vital to create a positive employee experience – regardless of where work is taking place.

This is one of the key considerations in the development of tools such as HqO's Workplace Experience App for employees which features room, desk, and service bookings through one app. The app serves to keep employees engaged by sending them important building communications, enabling them to collaborate with colleagues, and checking in with their mental health and general wellness through access to online classes and resources.





Employees may find they work best using technology to communicate with their peers.

Communication and Culture

Authenticity and integrity are important elements of the employee experience. The overall company culture will shape how engaged and satisfied employees are – and how they experience their work. Corporate culture can be described as a set of shared assumptions and values that guide what happens inside organisations – a way of working and a set of behaviours that permeate from the senior management to more junior staff (8).

A strong workplace culture is a powerful tool to attract and retain talent which is essential now as organisations battle against the 'Great Resignation'. HR expert Kevin Mulchy, co-author of The Future Workplace Experience, believes that 'people don't leave jobs, they don't leave people – they leave behaviours' (9).

Gallup found that companies with strong cultures outperform competitors by up to 33 percent (10). This is because they can engage with top talent, communicate with them effectively, and create a community where people can thrive. This is supported by findings from a comprehensive study of 1,400 US CEOs and CFOs conducted by Forbes. The study found that more than 90 percent said that culture was important at their firms, and that they believe that improving their firm's corporate culture would improve the value of the company (11). Half of the leaders who participated in the study recognised that corporate culture influences productivity, creativity, profitability, and growth rates, yet only 15 percent said their firm's corporate culture was where it needed to be.

Strong company culture is critical to building a positive employee experience, but it needs to be present right across the hybrid workforce. Leaders need to effectively communicate the values of the business to employees across a distributed landscape of work – this means they need to depend on both the physical work environment and technology and tools to build a strong, omni-present culture within their hybrid teams.

Right and Top: Employees may find they are able to communicate best with their peers when speaking face to face.





Design of Physical and Virtual Space

The idea of being able to work from anywhere, at any time, requires a seamless experience irrespective of where an individual is located. This means the workplace experience needs to transcend the office building into every work setting whether that be a coworking space, satellite office, public space or an employee's home.

While the office remains a vital portal into the workplace experience, the pandemic has demonstrated that it is just one portal of many. There is now an opportunity for organisations to rethink and reimagine the purpose of the office space. Research by global real estate company CBRE found that the primary reasons for employees wanting to return to the office were for team connections and community engagement, to collaborate face-to-face, and for access to tools, technologies, and space that facilitates their work (12).

As more research surfaces around the reasons why people want to commute into the office, organisations can make informed decisions around their workplace experience. Ensuring that decisions are rooted in the needs and expectations of their employees will be critical to securing a positive employee experience.

A research report published by Australian developer Mirvac called 'The Rise of the Omni-Channel Worker in the Digital Age' found that organisations can use their real-estate portfolio as 'a platform to provide a range of services and experiences for omni-channel workers' and that buildings can be designed to be adaptable to meet changing corporate needs (13).

Workplace leaders can take learnings from the hospitality industry to design experiences which are fundamentally human-centric. Corporate Real Estate typically focuses on the core physical elements of workplace experience that focus on efficiency. But the key question now is: how is the workplace experience making everyone who works here happy and more productive every day? There is an opportunity to learn from the hospitality and customer service world and apply it to workplace experience. Workplace leaders need to have a clear understanding of who their employees are and what they want in order to provide the tools and services to enable them to have the best experience. By identifying the needs and expectations of employees across different work settings, organisations can focus on designing human-centric experiences for their employees. This will allow them to build culture and technology tools to bridge the gap between employees in different locations.



The workplace experience may include office amenities such as bicycle storage or a break room.

Chapter 3 Measuring Experience



Measure Experience

Organisations are now measuring the quality of employee experience as a whole instead of individual aspects such as employee satisfaction, engagement, and productivity. This is because the quality of employee experience is generally indicative of these areas and represents a more holistic approach. However, measuring experience across different channels of work presents its own set of challenges.

Historically, the baseline employee experience was centred around the physical environment. Organisations measured space efficiency, utilisation, and optimisation as a sign of productivity and workplace success. The rise of flexible work has shone a harsh light on this metric. Workplace experience now needs to be monitored and measured through metrics such as employee comfort, productivity and feedback, in tandem with workspace data.

Measuring the comfort of employees

Measuring employee comfort may seem like an intangible metric, but it is a strong indicator of how an employee feels about their workplace experience. Within office design, environmental psychologist Dr. Jacqueline Vischer's model of environmental comfort is a wellestablished framework – this presents three different levels of comfort (physical, functional, and psychological) which relate to worker experience and productivity (14). High levels of comfort indicate positive employee experiences, whereas low levels of comfort suggest poor employee experiences.

Vischer's concept of environmental comfort can be expanded for the new era of work, and can be adapted as a useful way of organising and exploring the knowledge we are acquiring in relation to employee experience. Levels of physical, functional, and psychological comfort can be measured and give an insight into occupant satisfaction and wellbeing as well as task performance and effectiveness (Figure 2).

Traditionally, organisations have focused on the physical comfort of employees in an office environment and they have generally been successful in creating spaces in which employees can feel comfortable, safe, and unthreatened in the most basic sense (not too cold or dark, not too stuffy, not too noisy, etc). This level focuses on design aspects such as lighting, ventilation, acoustics, and temperature.

However, employers can no longer solely rely on the physical office to provide comfort to employees who are working in a hybrid model. In this scenario, organisations need to depend more on providing functional and psychological comfort to get a sense of the quality of employee experience. Functional comfort is about more than being safe – it is about being able to do the work you need to do, with the right tools and settings at your disposal.

Within the office, that means creating an environment closely aligned to the type of work being undertaken (whether focused or collaborative work). Beyond the office, it depends on the access to the right tools and technology. Before the pandemic, organisations paid scant attention to functional comfort beyond the office. Now, employees expect to be always connected to each other, to their workplace, and to their tools.

Psychological comfort goes beyond safety and beyond simply getting the work done – this focuses on the degree to which employees feel like they belong in an organisation, their sense of identity and autonomy, their relationship with colleagues and the company culture, and their overall wellbeing. While these aspects were creeping into the corporate agenda before the pandemic, now organisations are wide awake to the vital importance of positive mental wellbeing for employees. According to a study by researchers at Warwick University, happy employees are 12 percent more productive at work than unhappy employees (15).

As organisations start to focus their attention on the functional and psychological comfort of employees, they will look for the tools and technology which can best facilitate and enable the right experiences for the workforce. Tools which provide access to the building, colleagues, resources, communication and services will be prioritised – but they will also have to be peoplecentric in approach to enhance psychological comfort in employees.

Tools like HqO's Workplace Experience Platform can help employees do their best work and build stronger connections with the organisation because employees can fully engage with their workplace through one all-encompassing app. Employees can take ownership of their own experiences and effectively manage their work schedules in the palm of their hands. This enables them to use their time more effectively and productively. Here, we start to see the true unification of work where place (physical), technology (functional), and people (psychological) come together to give employees a more holistic work experience.

Aligning with data

The value of data also plays a role in understanding how employees are behaving in their work environments, and how spaces and resources are being used. Data has become essential to understanding work behaviour and business performance during the pandemic. Although for many organisations the process of data collection and analysis is still in its relative infancy, its importance in defining the workplace experience of the future is rising.



Functional E.g. Access to tools, technology, and work settings in a secure and safe way

Physical E.g. Physical environments: lighting, temperature, desks

Source: WORKTECH/ HqO adapted from Dr. Jacqueline Vischer's model of environmental comfort.

Data can become a powerful tool for workplace experience leaders, corporate facilities managers, IT executives, Real Estate directors and HR teams to manage the employee experience through a consolidated administrative portal. Data-driven insights can help organisations understand how workstations, resources, and meeting rooms are used – from who uses them to how often they are booked and whether they are being utilised effectively.

Deeper analytics of space utilisation data can reveal who uses different spaces, how often these spaces are booked, and ultimately whether the spaces are used effectively. This information is important because it provides insights to the employer so they can adapt the work environment to maximise productivity. The employer can also use this information to 'rightsize' the space to ensure that space is being used effectively and efficiently with minimal waste.

Data analytics can be applied to the workplace experience because the data can indicate which spaces are most successful. This allows employers to adjust the space to prioritise spaces which employees like to work in.

Therefore, organisations need to install systems which can effectively collect data to build their databases and start to understand the patterns of workplace usage and employee behaviour. In time, this data can be used to make future predictions of occupancy and utilisation. Predictive analytics is the use of data, statistical algorithms, and machine learning techniques to identify the likelihood of future outcomes based on historical data. This becomes a powerful tool for workplace decision-makers who are building spaces for an increasingly unpredictable occupancy flow in the office.

The predictive analytics global market is projected to grow from US \$7.2 billion in 2020 to US \$21.5 billion by 2025, according to Research and Markets (16). As companies come under more pressure to create outstanding employee experiences and meet employee expectations, having insight into the future will be a critical tool for any organisation.

Right and Top: HqO's Workplace Experience platform provided employees the tools they need to be their most productive self either on-site or remote.





Chapter 4 Unified Work



Unified Work

Workplace experience can be helped or hindered by the physical, digital, and social environment that any company provides. As employee needs and expectations continue to evolve, and organisations forecast further into the future, the curation of workplace experience will need to become more dynamic and responsive. For this to happen, organisations need to take a unified approach to shaping and monitoring employee experiences.

The office can positively influence an employee's experience, but only if it is supported by access to the right tools. Providing a functionally comfortable environment that allows an individual to physically or virtually connect with their colleagues will additionally create psychological comfort – employees feel a sense of autonomy and belonging.

Ultimately, a high level of psychological comfort will be the catalyst for a positive employee experience, giving the company a platform to improve its talent attraction and retention.

Organisations who are looking to improve, maintain or monitor the next-generation workplace experience should:

» Unify workplace teams – Workplace experience isn't a siloed operation. It requires decision-makers from real estate, HR, FM and IT to come together and take ownership of the entire process. The introduction of workplace experience leaders combines elements of real estate, HR, IT and hospitality. This requires constant communication between teams to create a unified approach.

- » Unify the tools Employees require choice to have a positive experience, but too much choice can inhibit productivity and quickly become overwhelming. Understand what tools employees need to access and consolidate that access into one app. This means there is one mobile app which delivers the capabilities for employees to access and plan their work experience anywhere, anytime.
- » Unify the messaging When it comes to how an individual views their company, their role, and their experience, the most important element to keep them engaged is communication. Communicate the culture, values, and experience through clear and effective messaging. This could be through a combination of workplace design, leadership messaging, or alerts on a workplace app to keep employees up to date.
- » Unify the data Use employee feedback data and workplace data to create a complete picture of employee experience. Create a strong feedback loop in which it is easy and engaging for employees to quickly provide feedback on their experiences and marry that information with the knowledge gleaned from workplace data dashboards.

If you'd like to learn more about the strategies for and implications of Unified Work, <u>schedule a</u> <u>consultation today</u>.









Resources

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HqO is transforming how people connect with each other and the places they work. The HqO Workplace Experience Platform makes it easy for companies and commercial property teams to create modern workplaces through world-class amenities and services that allow people to thrive and produce the best results. Active in over 250 million square feet in 25 countries, 57% of the Fortune 100 rely on HqO to enhance their workplace experiences, improve employee satisfaction, and drive operational excellence. For more information, visit www.hqo.com.

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