



TOP 5 TRENDS IN WORKSPACE OPTIMIZATION 2018

Becoming the Modern,
Dynamic Business of Now

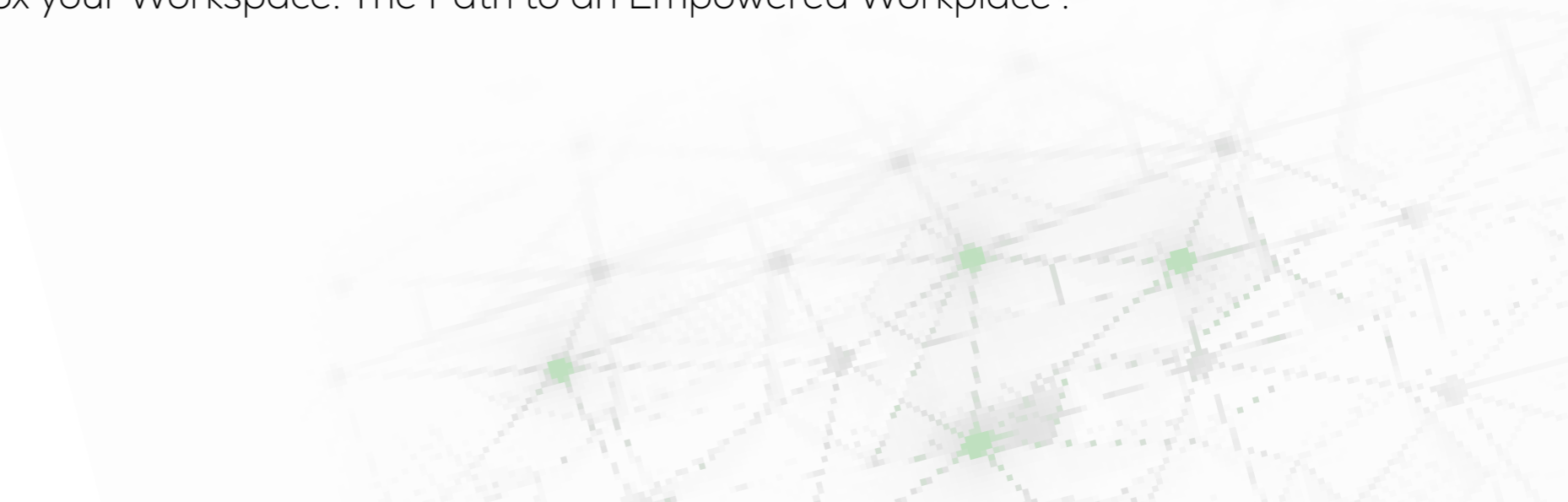
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While the need to optimize workspaces has increased, the technology to do so has not kept pace.

Companies need a frictionless, efficient workspace optimization solution, and the employees demand a better experience. Leading companies agree: a seamless, flexible and productive solution is needed, but how do we get there? Here are five trends to expect as we move forward.

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With these trends in mind, we’ll conclude this eBook by offering the EMS Software framework for workplace optimization, “Unbox your Workspace: The Path to an Empowered Workplace”.

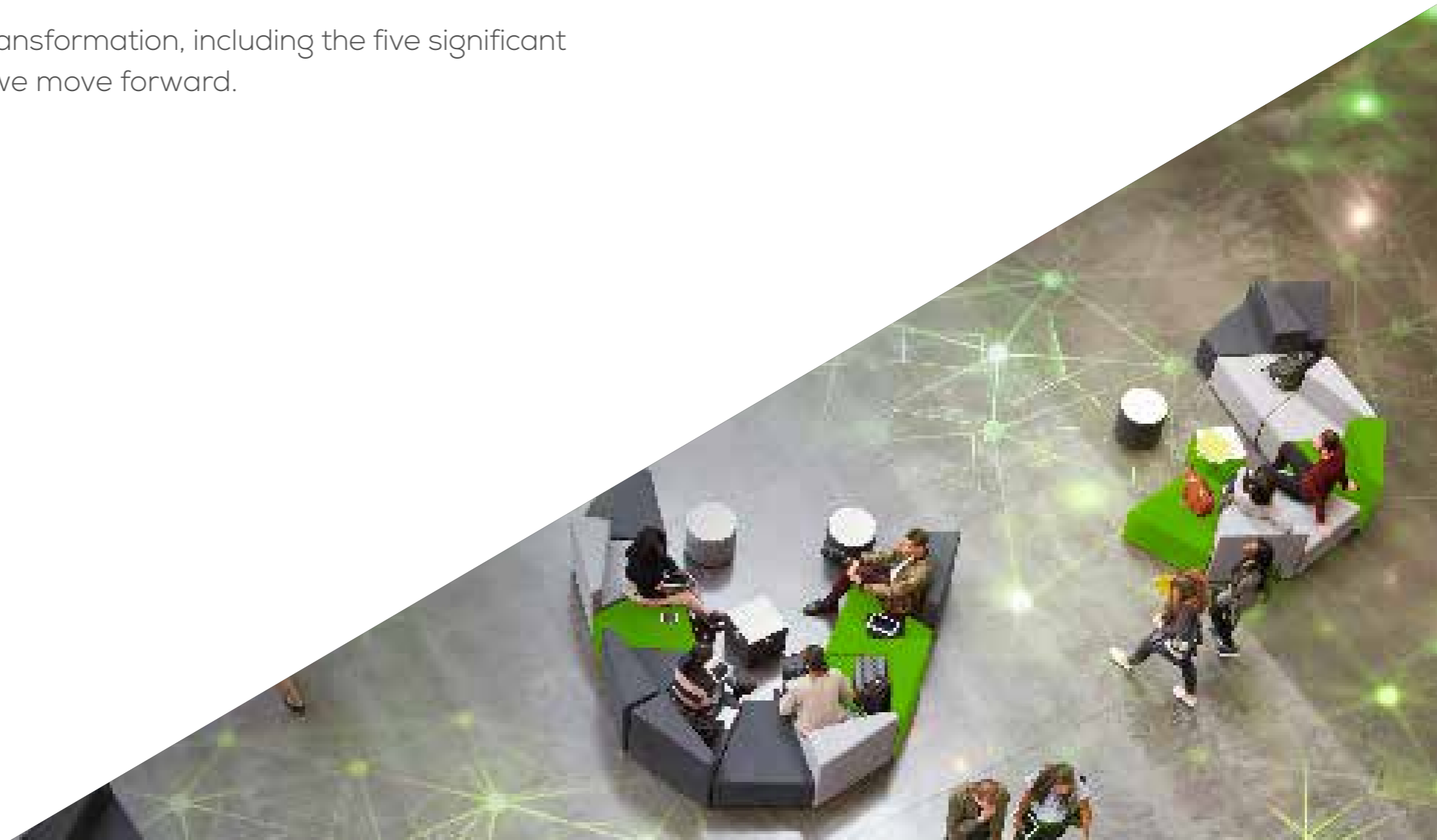


INTRODUCTION

The enterprise workplace has changed significantly over the past decade. We've shifted from fixed cubicles to dynamic neighborhoods, and have become a culture of work anywhere, anytime. Technological innovations and real estate pressures have caused a sea of change in how we think about space and what we mean by "the office."

At the same time, multiple generations comprise the workforce, each with distinct work styles and preferences. Organizations are facing new challenges on how to satisfy each group's expectations while attracting top candidates and are exploring new ways to empower, engage and connect their employees.

This eBook will explore this transformation, including the five significant trends we expect to see as we move forward.



#1: Workspace optimization will become a competitive differentiator

The workplace is changing – fast. Driven by evolving employee expectations, innovations in technology, and pressure from rising real estate costs, today’s “office” is very different from the office of a decade ago. The modern workplace values efficiency and flexibility in unprecedented levels.

Optimizing your workplace operations is now a critical requirement for success. Companies that fail to recognize the realities of today’s digital workplace risk falling behind, meaning a “business as usual” mentality could be costing you.

The good news is that a huge payoff awaits those who can successfully adapt and strategically grow in this new environment.

“Today, the old ways of running a workplace – annual reviews, forced rankings, outdated competencies – don’t get the intended results. Leaders must gain scientific insight into employees’ evolving wants and needs and learn how to build an exceptional workplace.”

– Gallup’s 2017 State of the American Workplace

It’s costing you productivity.

30-40%

of workspaces are underutilized on a typical workday¹

It’s costing you top talent.

87%

of people say flexibility is important or very important²

It’s costing you your bottom line.

\$8K-\$14K

annual cost of a single workspace³

¹ "Occupancy Benchmark, 2017 Occupancy Planning Annual Report," JLL, 2017.

² "Why Millennials Are Ending The 9 To 5," Forbes, 2013.

³ "Workplace Strategy" JLL, 2015.

#2: Welcoming environments will continue to drive employee experience

Today's workforce is a more diverse group. Baby boomers and those born before 1945 tend to be team-oriented and value face-to-face interactions. Generation Xers, as a rule, are self-sufficient and focused on results. But the largest group in the workforce, the Millennials (and the up-and-coming Generation Z "Nexters"), are technology experts who crave collaboration and technological connectivity. While this can be challenging to manage, it's also an opportunity for change in the workplace.

Employees today are tech-savvy, gravitate toward experience and collaboration, and value flexibility and mobility more than ever before. But too often the working environment doesn't meet these expectations and desires. Consider this:

- Only 11% of employees are completely satisfied with the workspace provided by their employer.⁴
- Roughly 70-80% of employees are "not engaged" with or are "actively disengaged" from their work.⁵
- 50% of Millennials would change jobs for a flexible working location with the option to work off-site part time, but only 33% of Generation X or Baby Boomers would.⁶
- 45% of Millennials would accept a lower salary for a flexible workspace.⁷

By not creating a more welcoming and collaborative office environment that appeals to evolving employee expectations, you could be missing out the best talent in your industry, no matter how well you pay.

"The next competitive frontier is employee experience (EX) and the signs indicate so strongly that EX will become the next priority that I'm calling 2018 The Year of Employee Experience."

- Denise Lee Yohn,
Forbes Contributor

⁴ Gartner, Crafting Workspaces That Enhance the Employee Experience, December 18, 2017.

⁵ "Time, productivity and value: Do you have the right working equation?" JLL, February 2015.

⁶ "State of the American Workplace," Gallup, Inc., 2017.

⁷ "Why Millennials Are Ending The 9 To 5," Forbes, 2013.

#3: Mobile-friendly, tech-infused workplaces will become “the new normal”

The digital revolution has changed the way we conduct our daily business, with employees, devices and data no longer confined to the desk or office. In a world of global corporations, employees are traveling around the world and working in different time zones. Technological innovations and an increase in mobile devices have allowed us to work from anywhere, anytime, and as a result, the old 9-to-5 model doesn't apply any more.

Mobility and flexibility have become the expectation for many employees, with 54% saying they would leave their job for one that offers more flexible work time, and 37% would do the same for a job that offered them the ability to work where they want at least part of the time.⁸

And as more companies offer remote work options, there needs to be a focus on helping employees stay connected, regardless of their location, to ensure they stay productive and engaged with their peers. This has made tools like video conferencing software a critical need in the modern office and companies are investing in these technologies at a rapid pace. Argon Research predicts that up to 50% of conference rooms will be video-enabled by 2020.⁹

We've entered a new age of office flexibility and those who fail to adapt will end up losing out on productivity and top talent to more mobile-friendly environments.

13%

increase in productivity when employees work from home.¹⁰

87%

of remote users feel more connected to their team and process when using video conferencing.¹¹

94%

of businesses that utilize video conferencing say it increases productivity.¹²

⁸ "State of the American Workplace," Gallup, Inc., 2017.

⁹ Lundy, Jim. "The Aragon Research Globe™ for Web and Video Conferencing, 2016: Video Powers the Digital Enterprise," Argon Research, 2016.

¹⁰ "To Raise Productivity, Let More Employees Work from Home," Harvard Business Review, 2014.

¹¹ "Why Millennials Are Ending The 9 To 5," Forbes, 2013.

¹² "End-User Survey: The 'Real' Benefits of Video," Wainhouse Research, 2015

#4: Real estate will be a boon instead of a burden

Today, real estate is typically the second or third-highest expense for any organization, according to commercial real estate and investment management firm JLL¹³, and the costs continue to rise at a rate of 10x+ per year.¹⁴ In the U.S., businesses pay upwards of \$150 per square foot, and in the U.K., those figures are even higher, on the order of nearly £1,350 per square meter.

At the same time, underutilization rates of this valuable resource remain startlingly high. On average, 30-40% of space is being underutilized each day.¹⁵ And 73% of meetings have just 2 to 4 people in them, yet 53% of

meeting room space is built for meetings of more than 7 people.¹⁶ Unused or misused space is costing companies money and impacting their bottom line.

But these days, companies are also experiencing a major shift in the way they view real estate investments. The savvy ones see real estate not as a cost but as a way to drive value. Multi-use spaces, hoteling or hot-desking, and open floor plans provide efficiencies, enabling companies to make the best possible use of their real estate footprints.

Office Real Estate Costs by the Numbers¹⁷

$$\text{\$196.46} - \text{\$43.61} = \text{\$152.88}$$

The average cost per square foot to build out an office in the U.S.

The average landlord-provided tenant improvement allowance per square foot

The average out-of-pocket cost per square foot tenants can expect to pay for new office space in the U.S.

¹³ "Real Estate is all about balance," JLL, accessed February 16, 2018, <http://www.us.jll.com/united-states/en-us/office-space-benchmarking>

¹⁴ "Office Space Across the World," Cushman & Wakefield, 2014.

¹⁵ "Real Estate is all about balance," JLL, accessed February 16, 2018, <http://www.us.jll.com/united-states/en-us/office-space-benchmarking>

¹⁶ "HOK Benchmarking Report Volume 1.0," HOK, 2014.

¹⁷ "Occupancy Benchmark, 2017 Occupancy Planning Annual Report," JLL, 2017.

#5: Companies will become ultra-empowered workplaces

So, what is an empowered workplace?

The modern workplace is optimized for efficiency, flexibility and inspiration. It values connectivity, collaboration and efficiency, and provides the best spaces for your workforce to be more efficient and engaged. This environment features three key characteristics:

- **Efficiency through intelligent workplace optimization**
In a “smart workplace,” all components work together to ensure your office runs as efficiently as possible, eliminating unnecessary costs and increasing visibility and control. The intelligent workplace reduces overhead costs with data-backed real estate decisions, while integrated hardware and systems exchange vital information and ensure smooth workplace operations.
- **Inspiration through an exceptional employee experience**
This impressive and modern workplace increases the quality and quantity of talent to choose from. Likewise, flexible work options, including improved mobile access and a variety of smart workspaces, can help you retain your best employees. Space-saving initiatives such as hoteling and hot-desking increase flexibility and mobility, and activity-based workspaces foster collaboration and teamwork.
- **Productivity through flawless daily execution**
An empowered workplace uses integrated services and resources to ensure streamlined meetings, impresses visitors and VIPs with “white glove concierge service,” and increases overall productivity with time-saving tools and technology.

In an empowered workplace, **key stakeholders** across all departments will benefit from office-wide optimization.

Chief Financial Officer

- Full realization of the value of workplace investments
- Improved pricing, invoicing, and financial reporting

Chief Technology Officer or Director of IT

- Easy adoption with simplified user experience
- Reduced support tickets for IT staff
- Improved company-wide security

Vice President of Real Estate/Facilities

- Smarter decision making through extensive utilization reporting
- Simplified workplace data collection

Vice President of Human Resources

- An edge in hiring top talent in a competitive environment
- Improved employee retention

Director of Unified Communications and Collaboration

- Integrated web, audio, and video conferencing technology
- Simplified scheduling process and improved meeting experience
- Increased visibility into resource utilization

Director of Conferences/Events

- Simplified meeting planning and management
- Automated reporting and invoicing

Workplace Strategist

- Improved office experience for employees
- Integrated technology that supports a more mobile, flexible workplace
- Increased workplace collaboration and productivity

Services Manager

- Greater insight and control over required meeting services
- Cost savings from reduced food and inventory waste

Unbox your Workspace: The Path to an Empowered Workplace

Strategic technology and real estate investments are key for transitioning your organization from a traditional, outdated office to a more modern, digital workplace. The value of these investments can be seen in three phases:

Digitize

Connect and integrate your complex organization in a single, highly configurable system that scales with you.

Prediction:

By 2020, 25% of organizations will have a catalog of smart workspaces maintained by IT, real estate and facilities management.¹⁹

Engage

Create an innovative, collaborative and inspiring environment that your employees adapt to with ease.

Prediction:

By 2020, organizations that support a “choose your own work style” (CYOW) culture will boost employee retention rates by more than 10%.²⁰

Optimize

Utilize key data insights to gain the visibility, control and insight you need to make smarter business decisions and drive value.

Prediction:

By 2021, the increase in the number of employees who prefer to work remotely will allow organizations to support 40% more workers in the same amount of space as they use today.²¹

¹⁹ Gartner, Crafting Workspaces That Enhance the Employee Experience, December 18, 2017.

²⁰ Gartner, A Maturity Framework to Advance Digital Workplace Programs, February 22, 2018.

²¹ Gartner, Crafting Workspaces That Enhance the Employee Experience, December 18, 2017.

Digitize – Work Empowered

The digital workplace connects employees with the right spaces, resources and technologies to enable them to be more productive and collaborative. Employees within an activity-based work environment are 16% more productive than those in traditional offices.²²

Real estate investments in flexible office spaces – think hoteling, hot-desking, and optimized conference and event spaces – and upgrades in technology to space and resource management platforms generate the following benefits:

- Full realization of the value of workplace investments
- Improved and streamlined workspace scheduling
- Higher efficiency through integrated calendar and software systems
- Simplified communication through video conferencing
- More productive meetings with coordinated resources, services and catering
- Error-free automated pricing and invoicing
- Time savings with simplified conference and event scheduling

²² "Flexible jobs = happy worker bees?" Forbes, 2011.

Engage – Work Inspired

To win the war for top talent, you must provide the office experience that employees expect. Employees want flexibility and mobility, and those who get it are more productive and inspired – giving you a hiring edge over your competition and leading to higher workforce retention rates.

By creating a modern environment that your employees want, your organization benefits from:

- Greater office flexibility with hoteling and hot-desking
- Improved collaboration with activity-based workspaces
- Increased visibility with digital desk and room signage
- Improved your visitor experience through kiosks
- Engaged remote workers with improved mobile access

Optimize – Work Elevated

Gaining visibility and insight into your workplace starts with gathering the right data. Through a seamless employee experience, you're able to easily collect data relating to day-to-day activities around the office. This can help you identify opportunities to reduce costs, and reduce your real estate and environmental footprint. And with a comprehensive understanding of your workplace, you can fully realize the value of your investments.

You'll be able to:

- Make informed business decisions with space utilization and optimization reporting
- Collect valuable workplace data with occupancy sensors and beacons
- Utilize advanced business intelligence with AI and HR system integrations
- Improve your environmental footprint with HVAC integrations
- Enhance the office experience for employees and visitors

And so much more.

CONCLUSION

Ask yourself: is your workplace driving value?

- ✓ Do you have insight into your actual space utilization?
- ✓ Does your office encourage collaboration with activity-based workspaces?
- ✓ Are your off-site employees connected, engaged and productive?
- ✓ Do your employees enjoy working in the office?
- ✓ Can you make real estate decisions based on data collected from workplace activities?
- ✓ Do you know if you losing productivity due to inefficient meeting and workspace scheduling?
- ✓ Are your services, resources and catering automatically connected to your room and meeting scheduling?
- ✓ Are you taking full advantage of your technological investments?

If you've answered "no" to any of these questions, you may be missing out on crucial opportunities to optimize your work environment and drive greater value for your business.

To learn more about how you can start optimizing your workspace, visit www.emssoftware.com.

ABOUT EMS

EMS Software removes the barriers to inspired work by connecting your people, tools and technology within a single platform.

AIG, Yale University, Accenture and thousands of other leading companies and universities in more than 75 countries rely on EMS Software's comprehensive, enterprise-class resource and space management solution to power their dynamic work and learning environments.

The EMS platform integrates with both hardware and software infrastructures to provide the visibility, control and insight needed to increase productivity, reduce costs, attract and retain people, and differentiate enterprise brands.

Attract and Retain People

Employees are hungry for the best office experiences and the latest innovations. Your ability to attract and retain top talent depends on your workplace environment.

Reduce Costs and Drive Value

Real estate is the second greatest expenditure for most organizations. Multi-use spaces, self-service booking provide efficiencies, but not when burdened with outdated tools and processes.

Increase Productivity

Employees waste millions of hours each year looking for collaboration space. EMS connects people with the right spaces, resources and technology to enable a more efficient, effective workplace.

Differentiate Your Brand

Your workplace is a physical representation of your culture. Through branded signage and a flawless, modern experience, EMS helps you stand out from the competition.



ABOUT EMS

30+

Years' Experience

2,000+

Customers

96%

Renewal Rate

75

Countries Served

Thousands of organizations trust EMS Software as their global space management provider:

accenture

citi

COX
ENTERPRISES, INC.

EY

gsk

TIAA

verizon^v

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