

THE FUTURE OF WORK(PLACE)

Intersection and Innovation of Proptech, Change Management, Real Estate and HR

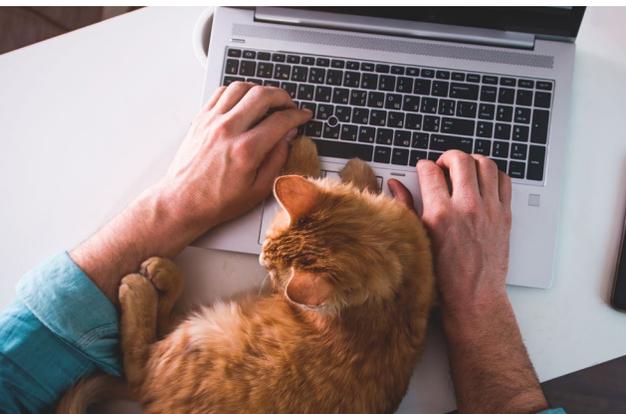


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For years before COVID-19 entered our lexicon, flexible work arrangements were becoming more commonly accepted. This workplace trend took hold in the 1990s when companies like AT&T [empowered 32,000 employees](#) to work from home. Later in the decade, [accounting and consulting firms](#) followed suit, eliminating assigned seating as they recognized their employees spent the majority of their time in meeting rooms or offsite with clients. These organizations understood that by changing the role the office played for their workforce, they could yield massive cost savings and improve the employee experience.

Despite the obvious benefits to employees and the company's bottom line — flexible schedules, working where most productive, maximizing the employee:desk ratio — many remained hesitant to take the plunge. The widespread adoption of formal flexible work programs remained slow. It took technology to catch up to enable remote work for this to change, and a global pandemic to empower companies to disrupt their own workplace experience.

Pre-pandemic, organizations sought ways to maximize expensive real estate largely by minimizing the amount of space per employee. Cubicles were exchanged for open concept furniture. And while most companies remained largely focused on assigned seating, hot desking/hotelling and desk reservation systems emerged. All in, companies recognized their offices weren't optimized and, with rising real estate costs, they looked at new designs and processes to maximize their investments. Deloitte, for one, discovered at any point in time, [up to 50 percent](#) of their office space sat vacant. [InnerSpace](#) clients have on average reported at least 27 percent of their office space as underperforming.

It seemed that flexibility would become the cultural norm. [One study from 2018](#) indicated that more than half of corporate execs planned to prioritize unassigned worker seating within three years. Yet even at the beginning of 2020, flexibility remained the exception. The office largely remained: the office. A destination for work, 9-5, with assigned seating, and routine embedded in workplace culture.

*In March 2020, everything we believed about the office, our workplace, and how we approach work, **was about to change.***

COVID-19: The catalyst for a new approach

While COVID-19 forced every large employer to rethink operations and the role of the office, it also broke any lingering stagnancy around adopting new technology. Companies around the world shifted into high gear to deploy technology at rapid speed to enable people to work from home.

As a result, new digital solutions have come to market at lightning speed and adoption has outpaced projections. These include now-familiar innovations (e.g. laptops, mobile VPNs, video conferencing) and some that will become more familiar as we return (e.g. [Microsoft Teams Rooms](#), occupancy sensors, [AI-driven automation](#), indoor location analytics). One of InnerSpace's investors shared they had conducted nine years worth of Zoom calls during the pandemic months of 2020. They're not alone: according to a [McKinsey Global Survey](#) of executives, companies have accelerated their adoption of digital products by seven years.

In turn, rising demand led technology companies to step up and meet the needs of its customers. According to Alan Nicholas, CEO of [Vada Digital](#) and InnerSpace partner, companies that sell collaborative technology say that what was a 10-year trajectory for their tools to gain widespread adoption is now just a one-year window.

It is important to keep this newfound acceptance of new technological solutions as economies reopen and companies drive into the future.

Speeding toward a new model of work

Moments of sea change are the ones to seize, to transform how business is done, and how employees are empowered to do more. Working from home is, we learned, indeed possible. So now the question becomes what role will the office play when we return?

The elements necessary to transform the workplace – policies, resource allocation, modernization, technology investments, and growth strategies – are not unfamiliar. Before the pandemic, they largely existed in siloes or as independent programs. HR, Operations, Facilities Management, IT were compartmentalized and tethered to their own objectives, meaning that true workplace transformation remained out of reach for most organizations.

Now, we must take the opportunity to rethink what work actually means to our employees and the business. How should it happen? Where should it happen? How can we change to radically transform our business, culture and bottom line? The intersection between proptech, change management, real estate and HR holds the key.

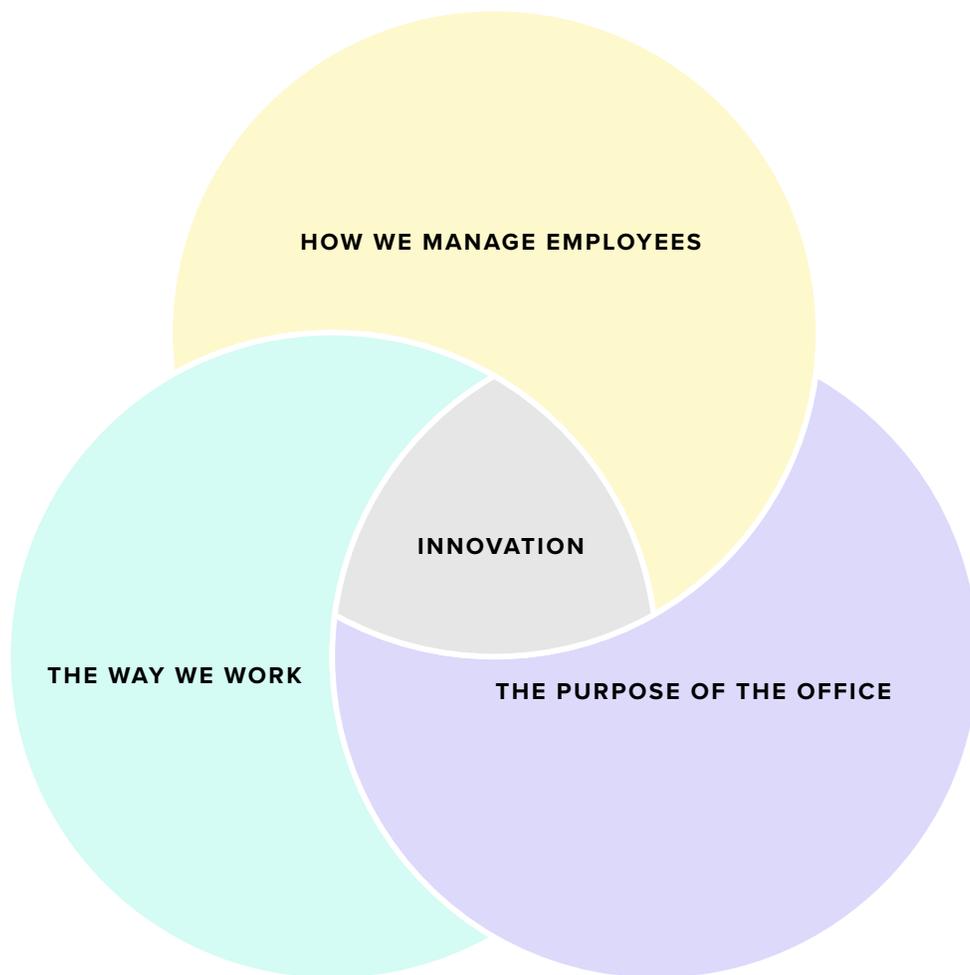
“Our work habits, from commuting to an office and plugging away for 50 hours a week, are gone,” says Nicholas. “The pandemic lasted long enough to make a permanent impact on our working life. It will be very difficult to go back to the way it was.”

THE INNOVATION INTERSECTION

The intersection of proptech, change management, real estate and HR has never been more important. As we look to optimize our businesses so that we can recover, understanding how these core functions can be leveraged to best suit your people and support your bottom line is critical.

Companies who do this well, will rebound faster, transform their workplace and lead their industry.

There are three key areas of dramatic change ahead.





THE WAY WE WORK

The pandemic has taught us that the ability to work without an office is a requirement for both business continuity and the economy at large. We've also learned that many employees can function in a variety of flex-work situations. Expectations from both business leaders and employees have changed, and extend far beyond health and safety concerns wrought by COVID-19 into how people can simply work better. Flexibility in location and schedules must, and should, evolve.



HOW WE MANAGE EMPLOYEES

A first for many, managers shifted quickly into a performance-based management style or relied on employees to be self-directed. For companies that already had clear plans, deliverables and a sense of accountability, this was not an issue. But much like a new dynamic is here for where we work, there's also a new dynamic in how we trust our teams with the flexibility provided. This will fundamentally change how we define roles, set expectations, conduct work, and recognize employees.



THE PURPOSE OF THE OFFICE

The purpose of an office is forever changed. It is now not only a place to perform work, but a place that fosters collaboration, productivity, and serves specific needs by specific employees. It's a physical space that must also support health and wellness for both workplace wellness initiatives, but public health scenarios as well. What these spaces look like, zone to zone, conference room to conference room, desk to desk, pod to pod, will be unique and expected to evolve to meet changing needs as new workplace models emerge.

The integration, intersection and collaboration between HR, Real Estate, and Technology will enable fundamental shifts in the core elements of work. Let's take a deeper look...



THE WAY WE WORK IS CHANGING

According to our research, and the conversations we've had with leaders of large-sized companies, significant change is afoot in terms of when, where and how we will work.

When is no longer defined

Nine to five is in the past: without an office defining when work happens, employees can choose to work at times that make their lives easier and/or meet personal obligations. Gone is the expectation of being in the office at a specific time. Employees will visit the office because they need to do so for specific reasons such as meeting a client, to access resources and equipment, or to brainstorm with their team. It also means that the immediate availability of an employee between the hours of 9-5 is no longer, and that planning ahead will be both a need of the individual employee but also managers and office administrators. Communication and transparency will be a differentiating skillset. And trust will be established between employee and employer based on deliverables met rather than measured by time worked.

Where we work is changing

Technology is the great enabler here – laptops, VPNs, and accessible WiFi makes it easy to work from nearly anywhere. With the flexibility for

employees to choose when to be in an office, they will also choose where to work when they aren't. That can mean not only in their home office, but in coffee shops and any touch-down space. For those days when working beyond the office walls isn't ideal, yet commuting to HQ isn't either, new as-a-service offices will meet employees where they are.

We had already seen the rise of hybrid office models with the explosive growth of flex work spaces such as WeWork and Industrious. Now, as trends toward hybrid offices take hold, companies are looking to such spaces to support their return to work. A [2020 survey of 80 global companies](#) by CBRE revealed that large corporations are digging into flex space: 86 percent of respondents are seeking to grow that particular aspect of their real estate footprint.

Sign of the times: Standard Charter Bank goes all-in on flex

This UK-based bank is spending 2021 allowing any of its 95,000 employees to work out of 3,500 flexible workspace locations around the world. Standard Charter Bank is making an effort to improve their experience, build a fully employee-centric culture, and provide office accessibility closer to their homes.

This isn't only about working from home – it's about having more spaces to go to. Companies tend not to have 3,500 offices, so this is a move toward creating a genuine network of space, altering where people work. (They're not the only bank either: HSBC, JP Morgan Chase and Deutsche Bank are considering permanent changes toward flexibility.)

Beyond workspaces available outside of the office, where we work inside the office is changing too. Microsoft's new campus designs provide a wide variety of collaboration, hotelling, quiet spaces, lounge areas, and meeting spaces to give employees choice. AirBnB is also [focusing on alternative spaces](#) with team hubs, duck-in spaces for acoustic privacy, and free-desking to connect people across the office. Meanwhile, Deloitte, Ernst & Young and American Express are all companies that have embraced hotelling, moving employees from assigned desks to shared spaces to increase efficiency and collaboration.

Even the feds are embracing change: the U.S. General Services Administration used hotelling to reduce office space, increase efficiency, and boost collaboration. This flex model has meant that its headquarters is home to [3,400 employees](#) – a building that previously only housed 2,200.

How we work is changing

Desktop computers gave way to laptops. In-house servers are moving to the cloud. Company systems

are accessible anywhere, on any device. Bring-your-own-device started to take hold – especially noticeable when [employees replaced BlackBerries](#) en masse with their own iPhones or Android phones early last decade.

The pandemic forced companies and employees alike to shift gears quickly and adopt the technology and tools that would support their new workflows and workspaces. Microsoft Teams [surged ahead in 2020](#). With more than 75-million daily active users, eclipsing Slack's 12-million. Collaboration tools like Miro enabled virtual brainstorming, MURAL hosted online workshops, and Asana managed projects.

How we work is changing because the tech is there to do so. Employees are embracing new systems and tools, and will often adopt new technology before there's a company strategy in place. Companies must stay ahead of the curve, providing all the rope they need to work in a manner they want, and are accustomed to.

This shift was already happening

Mark Lang, a leading HR expert who helped launch major flex work models at both TELUS and Capital One, notes that employees are hyper mobile even when at the office. He has advised dozens of organizations, and told us he has rarely seen a utilization rate in physical office space higher than 40 percent. Flip that around: the majority of seats are often empty. This is because people were already working from home one day a week, finding quiet spaces to work, or moving from meeting to meeting.

“Companies tend to resist substantive change because it feels like a trend that will pass,” Lang says. “But it already happened. We just weren’t measuring it in order to see it.”

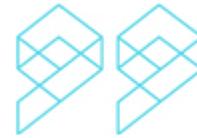
Lang says people still want to use offices, but not every day. “Going to the office ‘just because’ is an arbitrary construct that doesn’t make sense in the modern world.”

The way forward: give people choice

To fully embrace the shift in when, where and how we work, employees must be given choice. Not everyone wants to work the same way. As teams return to the office, and for all future hires, progressive companies will allow their employees to choose how they’d like to work:

- + Resident worker – in office
- + Mobile worker – in office half the time
- + Teleworker – mostly out of office
- + Home-based worker – never in office

This was Lang’s approach in building the successful TELUS [“Work Styles”](#) program that gives employees



“20 percent of teleworkers shifted back to in-office work. Few people want to be fully virtual in their day-to-day activities”

— TELUS Work Styles

the freedom of choice as well as the tools they need to be successful. TELUS created open-concept offices designed for flexible work and removed assigned seating. As a result, Work Styles improved both productivity and employee satisfaction scores. TELUS reports that employee engagement rose from 53 to 85 percent.

The program also proved that the office is a desired workplace. TELUS was surprised to find that 20 percent of the teleworkers actually shifted back to a more in-office role after a month or so. Few people want to be fully virtual in their day-to-day activities. At the one-year mark of the pandemic, stats showed that a rising number of workers are ready to return to downtown offices, when safety measures are in place.

It also demonstrates the value of knowing how your space is being used on an ongoing basis, since the preferences of employees will shift over time. This is where always-on, data-driven insights can inform decisions over months and years. (See our indoor location technology section later in this guide.)

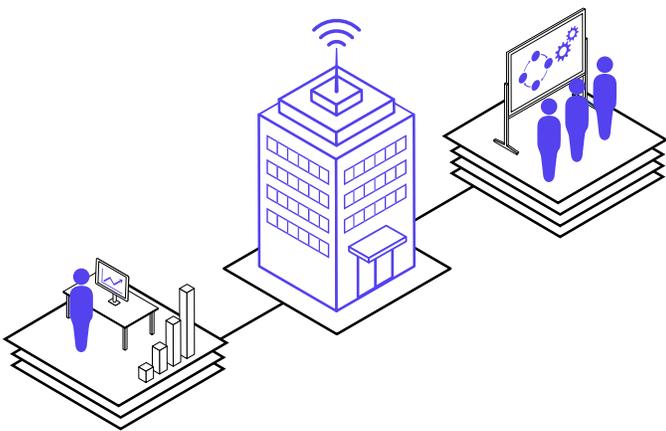
HOW WE MANAGE

EMPLOYEES IS CHANGING



As the nature of work changes, companies must adapt to new styles of measuring employee performance.

Historically, this has been rooted in visibility: managers see staff during office hours, therefore work is considered performed. As we work remotely, we need to shift to a management framework built on trust and performance, whether employees are in-office or not.



The pandemic blurred the lines around when a workday starts and ends with many employees increasing their time worked each day. Productivity while working at home can't be measured by time. Working long hours does not mean an employee is productive. And being absent mid-day does not equate to work being incomplete.

Flexible work requires a shift in accountability and expectations. Employees must be managed on their performance against quantifiable objectives. This requires a cultural shift, and a departure from traditional ways of management.

We think that this shift in how we manage employees must not be treated like an experiment. It should be a permanent element of any adoption of a flex work model. [According to Gallup](#), this evolution must include agile goals, ongoing feedback, flexible metrics and incentives for employees.

Plan and design a revised system

The tools must fit the model by ensuring performance appraisals are based against objectives. Existing programs should be reviewed in this new work paradigm to build new appraisals that respect the new flexibility and are adaptable themselves as conditions change. (Any static or outdated performance review-goal-feedback cycles weren't great before COVID, and are less so now.)

Next, HR leaders will need to secure executive buy-in, which will then cascade to all teams. Everyone must be willing to manage in this way. This guide contains change management tips toward the end, which touch on executive buy-in, but safe to say any HR leader will know what typically gains traction: flex work and management creating a positive relationship between the [employee experience and business sustainability](#), including cost reduction in certain areas.

“It can take a while for executives to approve a workstyle and management shift,” Lang says. “It takes education and takes success in the field to convince them it is the right thing to do. Buy time to pilot the new system so they can see that productivity doesn't wane and workplace satisfaction rises.”



Trust is earned and given

For this performance-based system to work, it must be supported by a culture of trust. Trust must flow both ways: *given to employees* for the freedom to pursue flex work, and *earned by employees* by meeting their objectives.

Clearly managers must be able to trust that employees, who they cannot see, are performing to expectation. Trust that work will get done on schedule, that meetings will be attended, that they will give sufficient attention to complete tasks successfully. As the chips fall, managers will begin to see whether someone is succeeding as remote staff or perhaps needs a different arrangement.

Trust and performance-against-objectives culture are symbiotic. One determines the other. Lang has seen in many companies that mobile workers tend to commit to their job at higher levels. Companies that trust employees to design their own workstyles to be productive and effective, are the ones that in return are most rewarded by the efforts of those employees.

HOW WE DESIGN AND USE OFFICES HAS CHANGED

Expect real estate landscape to change

Commercial real estate is an industry not known for its innovation. Hence the excitement around the rise of flex companies like WeWork. That change was the *real-estate-as-a-service* model.

David Cairns, Senior Vice-President, Office Leasing at CBRE says this new service-focused model, combined with flexible lease terms, has meant office real estate can now offer value far greater than simply the space inside.

While companies have understood that they need to deliver a better experience for some time, the pandemic and the new workplace dynamic have put more pressure on landlords, employers, and workspace-as-a-service providers to now provide a truly differentiated workplace environment. Companies everywhere now want more out of their real estate. This has led to an escalating demand for quality, high-end space that is precision built for specific needs. Fact: in Q4 2020, nearly three quarters of new corporate leases in Manhattan leases were for these so-called [“trophy spaces.”](#)

“In this landscape, and because of the changing nature of work, businesses must take a hard look at what utilization means to them – and what their unique purpose is – in terms of the space they occupy,” says Cairns.

Whether operating a large campus, full towers or multi-office sites, square footage needs may be lower than pre-COVID. As companies drive toward purpose-built spaces for collaboration and team building, flexible real estate strategies are a prime consideration.



“All the big brokerage firms are predicting somewhere between 15 to 30 percent of their inventory will be flexible by 2030”

— David Cairns, CBRE

The flex leasing approach

Prior to the pandemic, if someone asked: “where’s your business going to be in five years,” most business owners wouldn’t know the answer. Yet many were forced into traditional 5-10 year leases that didn’t necessarily map to their growth trajectory. Now this is changing as “many will no longer accept being forced into a paradigm that doesn’t align with their business objectives,” says Cairns. This, in turn has forced landlords and workplace-as-a-service providers to “move where the puck is headed” with flexible or [hybrid leasing](#) strategies.

“In fact, all the big brokerage firms are predicting somewhere between 15 to 30 percent of their inventory will be flexible by 2030,” Cairns says.

Consider this scenario: the strat plan forecasts needing 800,000 sq ft eight years from now. But today, a company can commit to only 300,000 sq ft. To solve this challenge, Cairns says companies are increasingly turning to flex space operators as partners. Will landlords have to facilitate this outcome directly for their customers? Cairns says yes – and some already are.

A better plan: agree upon a layout that the flex space operator can sell to the market when the company isn’t leasing it – but only with little renovation so that when the company returns, that layout hasn’t been compromised.

A key advantage of this approach is that flex leases are, ultimately, cost effective. That’s because in a traditional office lease, full rent is owed on the full square footage, even if only 25 percent is occupied. In flex offices, a company avoids paying for dormant space and instead takes the space as and when it’s needed.

The rise of coworking spaces of course brings an opportunity to conceive a distributed office model that allows growing companies to think beyond leasing more floors downtown or in an adjacent tower. With coworking spaces ready-made and available in smaller communities companies can create an office ecosystem. In turn, suburban employees can access these spaces as-a-service, saving enormous amounts of time and boosting productivity. This idea is a natural extension of the flex work model, now commonly referred to as the “Work from Anywhere” movement.

Reimagining its space: ANZ bank builds ‘Partner Centres’

In New Zealand, Nicholas from Vada helped one client, a major bank, design a new eight-story building. They were keen to be innovative in how they approached their space requirements. With Vada’s help, the bank reconfigured four floors for their own use, and turned the other four floors into “Partner Centres” – flex work spaces that the organization has now rolled out across the country for other companies to use. They include many different types of spaces, equipped with video conferencing, WiFi and interactive, collaborative technology.

Mold your real estate to suit the new demands of your teams

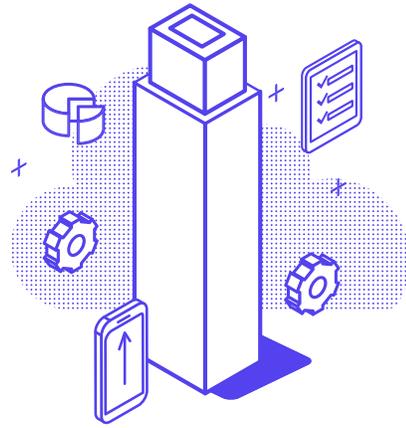
Pandemic lockdowns didn't kill the office but wave goodbye to that famous *Field of Dreams* line, "if you build it they will come". The office experience must now be tethered to specific employee needs. Employees will drive the new office order, because in an era of flex work, they will visit the office for particular reasons. While over time, over time, it may be possible to trim real estate (and/or broaden to a network of WeWork spaces), it will at first require a fully reimagined way of working.

That's because employee habits have changed. Their expectations have changed. And offices must change with them. In a January 2021 [U.S. remote work survey](#) by PwC, well over half of employees responded that they expect to be able to work remotely at least three days a week, permanently. "By design or default, most U.S. companies are heading toward a hybrid office workweek," PwC writes.

According to Nicholas from Vada, people are accepting a permanent shift to the office's role. "What's driving this is the fact that people don't want to go to work to use a room designed to give them nothing much more than their own laptop could."

All the experts InnerSpace spoke to agree that significant changes in the way we work will drive what the office becomes – wherever that office may be.

"If the pandemic showed us anything, it's that location is increasingly becoming a choice along both a physical and digital continuum," says Cairns. "So in order for a building to be the chosen 'tool,' it has to provide more service. There's just no way around it."



It's best to think of offices no longer as simply destinations, or vessels to house employees each day. Instead, they can be purpose-built resources, providing services and opportunities for collaboration that people want and need, when they need them.

Ahead of the curve: Georgia-Pacific embraces flex office approach

For its 2,700 employees, Georgia-Pacific's Atlanta HQ was home. But company executives knew that many of those employees were often working remotely or at different facilities. When they renovated a 1980s-era building in 2018, they shifted from the traditional office-cubicle model to one that featured hotelling desks. And they broke up their conference rooms built for a dozen people into a field of "focus" rooms for quiet work, "huddle" rooms for impromptu collaboration, and more meeting rooms of reduced sizes. They equipped all with the technology to connect remote workers through Skype. Tip: before they renovated, Georgia-Pacific built a small area in the existing office that was a pilot for employees to inspect the project and test technologies being considered.

Work together to rationalize your space

In order to reap the benefits of new workstyles, create productive workplace cultures, and to transform operations, HR, real estate, facilities, and IT teams must work together to implement the data, technology and services needed to understand the office and design it so it serves the needs of the people.

Architect and design firms around the world are now trying to figure out new designs for collaboration, wellness, quiet zones for people to work – and how to make spaces work for people who have very different workstyles.

Lang advises to build a strategy based on a certain portion of employees adopting each work style (remote, mobile, etc). Then use tech, HR programs, and real estate footprint to model the office and experience around this.



Practical tips on how to get going, for the groups who must devise the new strategy:

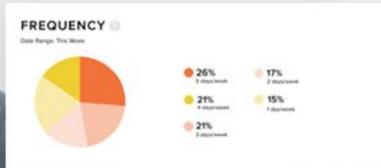
- + **Dedicated seating is no longer useful.** People are moving around more, so why keep space set aside for people who aren't there? Only a small fraction of your real estate footprint should be set aside for dedicated seating – if any at all.
- + **Collaborative space will be everything.** Space for one-on-ones, space for larger meetings, space for virtual meetings, space for any form of collaboration. At least 70 percent of your office could be non-dedicated space.
- + **Rooms must be versatile.** Offices must be reimaged around rooms that can do more by adjusting to different needs and sizes. Moveable furniture, innovative whiteboards, and other tech to facilitate collaboration will be key.

Your implementation strategy must come down to what your company needs – and to determine that, you must first capture and analyze the right data to figure it out.



TECHNOLOGY

CONNECTS THE DOTS



Trust spurs productivity. Technology empowers it

Technology is at the center of this shifting paradigm. It will help build better businesses by moving forward how we work, manage employees, and use office space. Tech is the instrument leaders can use to roll out a strategic, tactical transformation.

“Companies can consider new technologies as they reimagine their spaces,” Nicholas says. “Until now, technology solutions have largely been done in isolation or piecemeal. The goal is now to connect the dots and create useful data.”

In the new office paradigm, artificial intelligence, predictive analytics and responsive solutions are necessary to grow the right way and to ensure your employees are getting what they need. A good place to begin connecting the dots amidst dynamic change, and generate useful data: indoor location technology.

Technology connects the dots for everyone involved, covering communications, information, collaboration, and decision making. Consider for insights one, two and three that:

- + To embrace flexible models of when, where and how we work, you need solutions in place to empower employees to achieve high productivity.
- + To manage teams by performance, you need a modern system designed around accountability and measurement – not time-in-seat.
- + To redesign the office space, you need digital solutions to measure and support how that space is used.

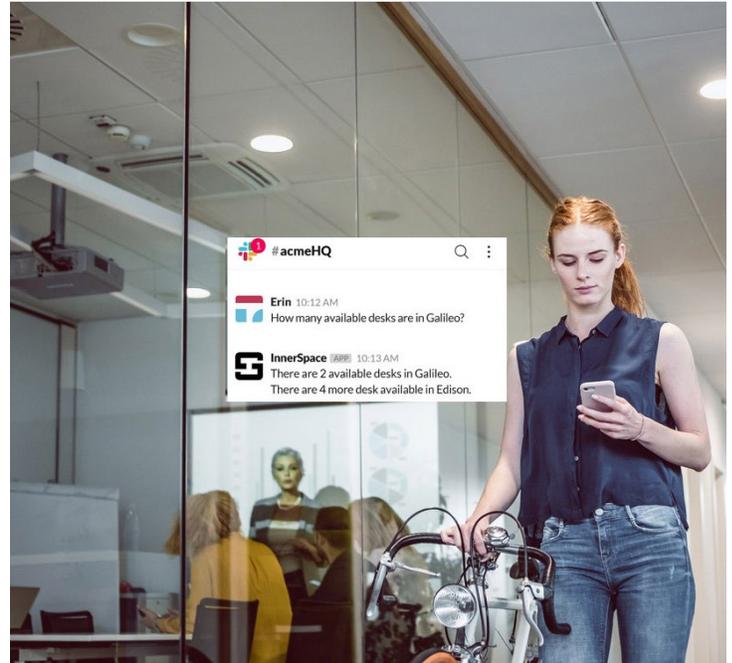
Indoor location technology informs and supports key decisions

In its simplest form, indoor location data identifies where people or things are within a building. By understanding how many people enter a space, where they spend time, for how long, and how often, we capture a rich dataset of people analytics.

This information brings clarity and certainty to companies that seek to analyze the performance of their real estate. Using this intel, they can comply with occupancy policies, understand exactly how employees are using the workplace as they return to offices, and measure the performance of the resources available. Without investing in software to capture this information, it is impossible to gauge precisely how investments in office space and facilities map to a company's desire for growth and the needs of its employees.

This data, captured in real time yet able to be analyzed over long periods of time, reveal trends in use that can drive new strategies to help reconfigure the office and rationalize the portfolio, ultimately empowering employees and meeting their needs.

“If you're looking to redesign how people work post-pandemic, indoor location data is a prime place to start,” Nicholas says. “Deploy sensors, start the journey and collect the data that architects and designers can use to understand occupancy and then create an ideal working space.”



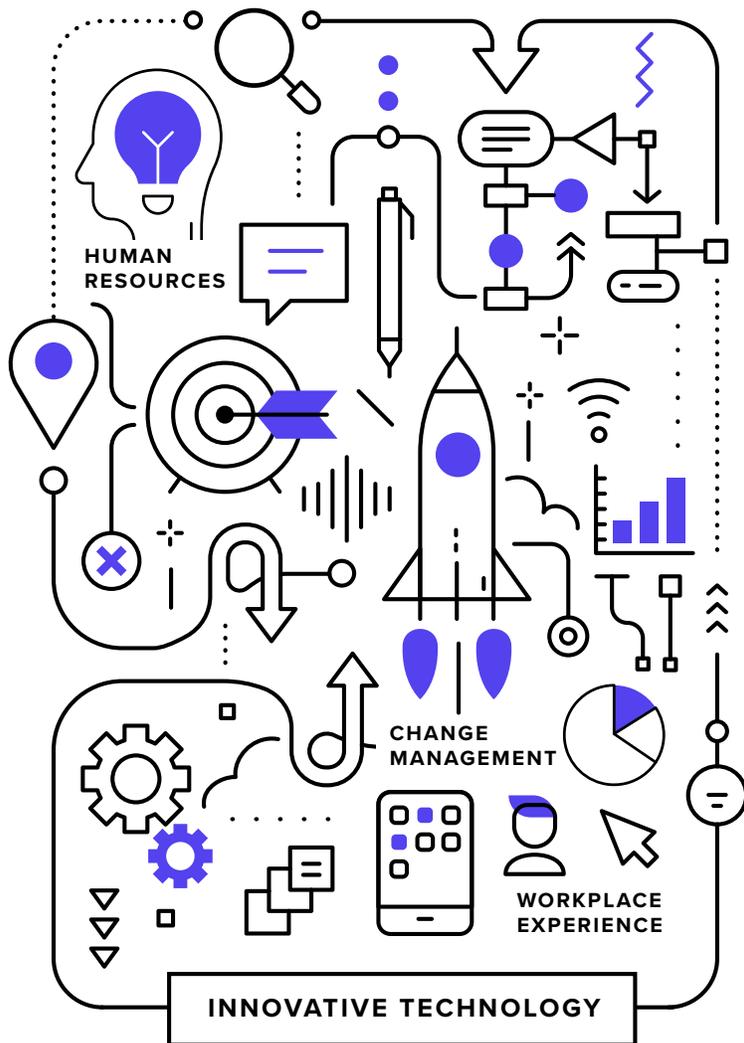
Step beyond occupancy data alone

Indoor location data goes far beyond measuring occupancy, which can only count the number of people in a space at any given time. Indoor location data measures the signals of smart devices including laptops and mobile phones to understand how employees use the office space. The anonymous information is used to expand upon occupancy at a floor or building level, to provide richer insights into employee behaviors.

Understanding not just the number of people in a space, but how they use a space is an essential tool for the new office paradigm. Insights such as how often employees frequent the office, which areas are used most and for how long, and the levels of interactivity between employees provide a rich tapestry to design the office, assign resources, inform policies, and eventually, rationalize the overall portfolio.

LEVERAGING TECHNOLOGY TO CREATE A DYNAMIC OFFICE

Indoor location technology is just one part of the tech toolkit required to build a truly dynamic office. With a full range of solutions, companies can empower employees, support HR leaders and help reimagine real estate. Here are a few considerations:



SUPPORT HR LEADERS

- + Occupancy and utilization data
- + Understanding how spaces are being used
- + Think full flexibility
- + Achieve equity
- + Avoid unwise tech investments
- + Deliver a digital experience
- + Deploy communications platforms

REIMAGINE REAL ESTATE

- + Indoor location data
- + Connect HR, real estate and operations data
- + Understand what your data is telling you
- + Coordinate planning
- + Versatile meeting rooms

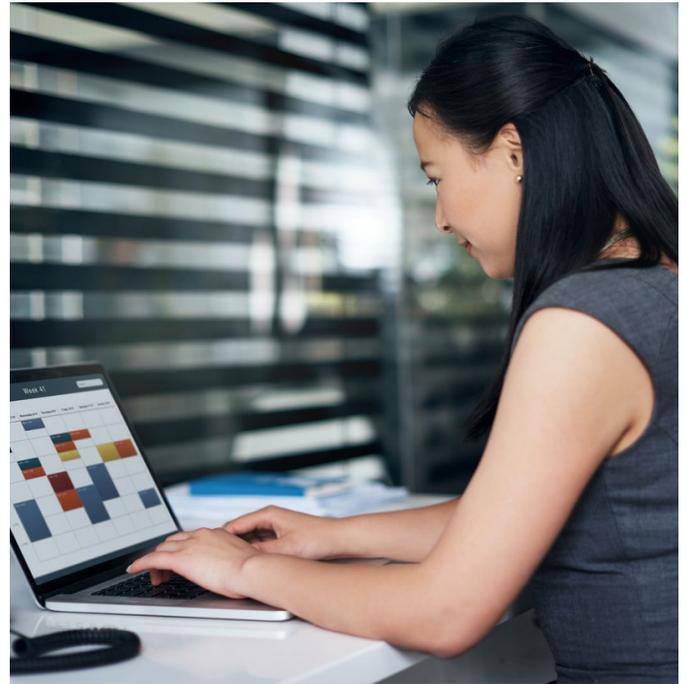
EMPOWER EMPLOYEES

- + Frictionless experience and maximizing productivity
- + Concierge-like services
- + Booking systems
- + Employee experience app
- + Office available at any time
- + Digital signage and real-time data
- + Collaboration tools
- + Virtual administration tools

HR INCREASINGLY LEADS TECH & DATA

No longer are technology and data analytics the domain of IT. HR leaders have evolving and critical roles to play in leveraging key insights for a truly optimized, flexible workplace experience.

- + Occupancy and utilization data provides rich insights into how employees use key spaces, zones and rooms. It can surface how resources are used and which office designs are ideal for the employee population as it evolves.
- + Understanding how spaces are being used enables managers to shape the future of the workplace to meet employee needs while also assessing the ROI of key spaces.
- + Think full flexibility in a workplace experience. While you can plan for 25% capacity, it isn't the same 25% of employees each day. You are still serving most of the employee population – so don't go all-in on a strategy for certain workers or teams. That office will still have to serve everyone.
- + Achieve equity among employees by outfitting everyone with the same laptops and mobile devices – a move that Mark Lang says not only levels the playing field but makes everyone fully flexible and productive.

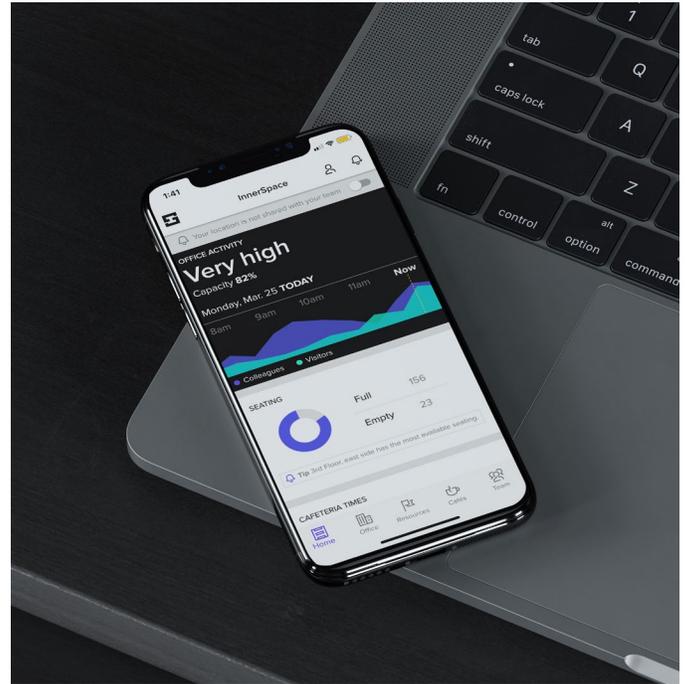


- + Avoid unwise tech investments that stray from the atmosphere of trust and performance management you are building – such as laptop activity software and seat sensors, which are inadequate methods to actually manage employees.
- + Deliver a digital experience and real-time connectivity for employees working anywhere, by rolling out cloud-based technology.
- + Deploy communications platforms – such as Zoom, MS Teams/Rooms, Cisco, Blue Jeans and Kumu – into the office space. Nicholas says these standardized tools, which can be linked to such tech as smartboards and direct booking systems, offer full flexibility for people to visit the office anytime and immediately connect to all the systems they need. He in fact calls this the tech “utopia” for workers.

DIGITAL FIRST EXPERIENCES EMPOWER EMPLOYEES

The same indoor location data that informs office design and workplace policy can empower employees to make decisions based on their ideal workflows, creating a frictionless experience and maximizing productivity.

- + Concierge-like services help employees find answers to common concerns quickly with automated support.
- + Booking systems allow anyone to reserve a specific resource, but by showing availability in signage and mobile apps, complex reservation systems aren't always necessary, as employees can be directed to available space.
- + An employee experience app helps get the most out of every office visit. It enables them to plan in advance and answer questions like: Where can I work safely? What meeting rooms are free? Where's my team? What is the best day to visit the office?
- + By making the office available at any time, with key resources located (and bookable) at every location, employees can work where and when they want.

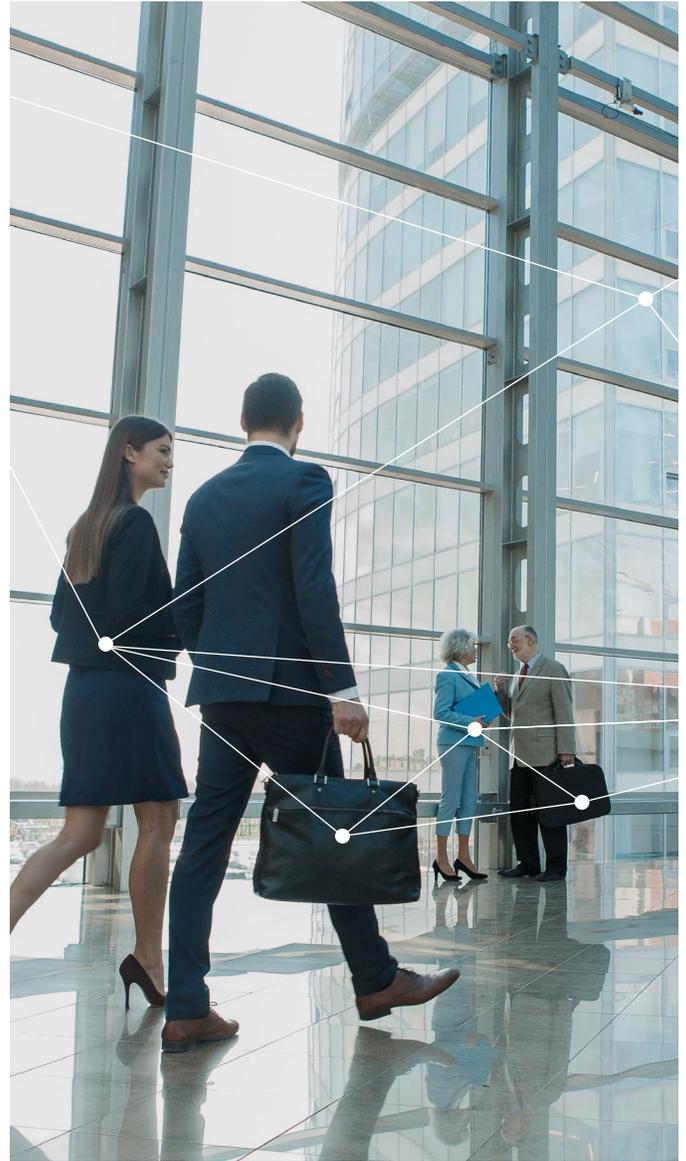


- + Providing digital signage and real-time data communicates occupancy and resource availability to empower employees to make decisions about when to visit the office, enabling them to plan collaborative sessions with specific teammates.
- + Equip employees with the collaboration tools they need to work and communicate from anywhere. “Companies who build software to enable collaboration say that trends they expected to unfold over the next decade are all happening right now,” Nicholas says.
- + Virtual administration tools can help employees organize time and concurrent projects.

REAL ESTATE BECOMES FLEXIBLE WITH TECH

Uncover important insights using indoor location data to immediately see if your real estate footprint – and expensive outfitted conference rooms – are worth the ROI.

- + Embrace IoT across the business and connect HR, real estate and operations data to get a true picture of the office all within a single dashboard.
- + Understand what your data is telling you by leveraging inexpensive yet powerful tools like tags and sensors that leverage tech already built into your infrastructure, such as WiFi and up-and-coming 5G. “Sensors and analytics that show how a space is utilized will be at forefront this decade and beyond,” says Nicholas.
- + Coordinate planning amongst architects, design firms, property and business leaders to enable smart design, maximized space, greater collaboration, opportunities for wellness, and a mix of zones designed to support the different ways your employees prefer to work.
- + Versatile meeting rooms can serve a wide range of needs with virtual whiteboards, video conferencing solutions, document sharing, and other collaboration tools built right in. This is a key change to consider as a lot of meeting room technology has served primarily voice calling for decades now.



“Our digital world is very powerful. The question now is, how do we apply that to the physical world? That’s the trick, and that’s the future.”

— Alan Nicholas, Vada Digital



HOW DO YOU IMPLEMENT THIS VISION?

Success will rest with careful change management to pull these programs together, initiate change and propel companies forward. For a ship to change course after decades of doing things the traditional way, you need everybody on board, from entry-level employees to the C-suite.

There are three stages to this implementation:

1. Return to work post-COVID.
2. Rationalize what real estate you have and how to use it.
3. Transform the workplace, permanently.

We spoke with change management expert Martin Hofmann, of [Oversea Strategies](#), to understand how to design and implement change that can feel dramatic.

“Change management has to be planned purposefully and strategically to help uncover pain points and opportunities, generate proof points to sway executives, get employees on board, and then ensure the plan works as intended,” Hofmann says. “You can devise the office of the future – but you have to get people to that future. That requires data, not just good intentions.”

EMPOWER INNOVATION AT THE INTERSECTION WITH CHANGE MANAGEMENT STRATEGIES

To develop a successful short- and long-term strategy, you must source information, engage employees, and design and test along the way. That is the road to travel for pandemic-level change management. Here, according to Hofmann and our other experts, are key questions to ask along the way:

What does my company actually need?

There isn't one brush for every canvas. The first step is to understand where your business is heading. When it comes to existing office space: you can avoid new costs by not needing to expand, reduce costs by cutting your footprint, or you can completely change how you operate and not change the amount of space you have. This is an important, up-front reflection.

Is my strategy people-centric rather than company-centric?

Those most affected by change are often left out of strategic discussions. Kill siloed departments and get middle managers on board early, as they are closest to the employee base. This builds company-wide trust and guards against collapsing morale. An advisory board comprising employees from all levels could help plot the new approach; meanwhile, workplace experience managers can unite departments around key technology, workplace and operations decisions, leveraging data being captured.

How do you define productivity?

In the re-entry to the office, companies must re-define productivity. We've learned from the virtual office experience that it's not solely about time spent in front of a computer. In a flex world, it's ideal to pursue a performance-based approach in understanding productivity levels – a subject of clear interest to the C-suite.

What data do I need to influence change?

To develop and defend new change management strategies to executives, you need data. Indoor location technology can inform how people use a space, and thus can inform decisions on that space. Decide what metrics will be most important to prove the case that a new workplace is needed – and likely to work. Lang says that once you appreciate that you regularly operated at around 40 percent occupancy already, it's an opportunity cost to ignore the facts. Decide what data you will need to secure your executive buy-in on how the nature of work and office life needs to change.

Can you run a pilot?

Whatever capacity the office is at, it's never too early to test new ideas. In an earlier example we mentioned that Georgia-Pacific carved out space to test a new layout and technology for employees to get used to. In this vein, start gathering preliminary data on how people best use the space. Are there safety issues around bottlenecks? How long do people spend in certain zones? Where do employees seem to favor working? Where are resources most used? A pilot gets answers and directs the way forward – while engaging employees in the change.

What evidence do I have to prove the case?

Executives will react most strongly to quantitative data that demonstrates an imperative to change. Data-driven results from the pilot can work. This may take a little time, but indoor location data can demonstrate how employees are actually engaging and working in the office, and managing to stay productive while mobile. So: capture the data, see what's happening, present the case, act accordingly.

What is your long-term strategy?

You can't pandemic-proof the business but you can build a thoughtful plan for the future. Here is where HR and workplace experience managers guide the way, making sure all teams know how to adopt and use new technologies and new office configurations to their advantage. Circle back to the people-centered strategy tip. Keep it focused on people. "If you build it..." – maybe we can get to the *Field of Dreams* language after all.

How can you monitor the new plan?

"Managing change is a program, not a one-off project," says Hofmann. It needs to be monitored and measured over time. It is important to set it up in a way that captures and analyzes data on occupancy, productivity, and the many elements that will define success. This enables you to course correct along the way, in the months and years to come.

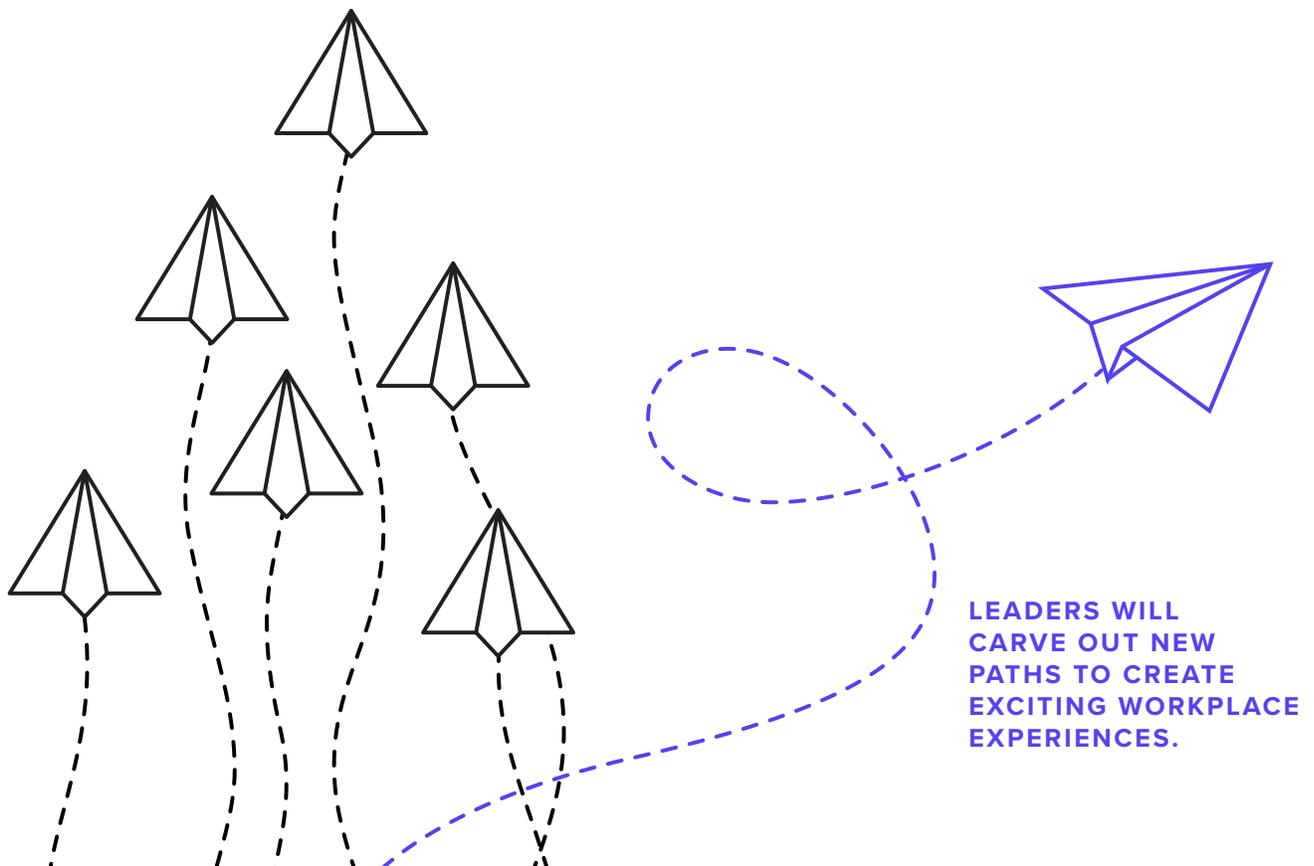
TIPS ON PLANNING AND MANAGING A CHANGING WORKPLACE	
ENGAGE EMPLOYEES	<ul style="list-style-type: none">+ Use surveys and polls to capture employee input+ Assess desired frequency in office+ Assess expected resources needed+ Use open ended questions and avoid assumptions
INTEGRATE TEAMS	<ul style="list-style-type: none">+ Break down department silos between HR, real estate and IT+ Inform middle managers early to facilitate communication+ Create an advisory team to champion the initiative
DECODE DATA	<ul style="list-style-type: none">+ Identify data points needed make your case+ Assess existing data, identify new sources needed+ Set methodology and cadence to capture data
TEST IDEAS	<ul style="list-style-type: none">+ Create pilot scenarios with employees+ Gather preliminary utilization data+ Gather evidence on possible bottlenecks+ Assess communications strategies for clarity
GAIN EXECUTIVE BUY-IN	<ul style="list-style-type: none">+ Use quantitative data demonstrating financial incentive+ Use pilot scenarios to validate strategy+ Share always-on people analytics to defend anecdotal feedback
IMPLEMENT STRATEGY	<ul style="list-style-type: none">+ Include pilot team in shared success+ Look to HR and workplace managers to guide the roll out+ Ensure employees can adopt and use new technologies
GAIN OUTCOMES	<ul style="list-style-type: none">+ Translate data and observations into tangible results+ Use a performance-based approach to scenarios+ Focus on productivity, collaboration, and resource availability+ Understand employee sentiment and comfort levels
SUCCESS!	

HOW BLURRING THE LINES ACHIEVES CLARITY

The pandemic wrought untold hardships on businesses and people around the globe. Yet it also presented us with an opportunity to reset how we structure the office environment – and seize a defining moment in time.

Importantly, each business has a newfound responsibility to unshackle itself from siloed departments. It's time to think holistically, and unite previously disparate functions within an organization to fully integrate and co-create new workstyles, new office designs, new approaches to work.

Returning back the way we came would be a mistake. The intersection and innovation of proptech, change management, real estate and HR is an opportunity to decode how your organization and its culture can remain nimble, progressive, and aligned for whatever the future may bring.



**LEADERS WILL
CARVE OUT NEW
PATHS TO CREATE
EXCITING WORKPLACE
EXPERIENCES.**

ABOUT INNERSPACE

InnerSpace helps businesses return to work safely and effectively while supporting productivity and collaboration. Delivering the world's most accurate WiFi-based indoor location data, the company gives clients unparalleled insight into how people use their space. The scalable and cost-effective platform includes an easy-to-use API, out-of-the-box analytics, and workflow initiation solutions. The company's Fortune 500 clients use InnerSpace to create innovative solutions that drive revenue and improve operations in their Smart Buildings. Innerspace.io

ABOUT OUR EXPERTS

Mark Lang, HR & Flex Work Strategist

[Mark Lang](#) is a senior executive leading organizations through strategic planning, development, growth, revitalization and global market expansion. He is an expert in defining vision, developing strategies and executing tactical plans with strong and profitable results. He is exceptional at influencing, facilitation, relationship management and presentation skills. Mark is credited with delivering substantial productivity and earnings growth.

David Cairns, CBRE

[David Cairns](#) is senior vice president of office leasing at CBRE and is a thought leader within the commercial real estate industry. Working alongside his team, David's focus is on working with high growth companies in the tech sector, Space as a Service Operators (#SPaaS), and with financial services firms on a local, national and global level. David also leads a partnership with Deloitte on their Technology Fast 50 program, advising many of Canada's fastest growing technology companies on their real estate requirements. He is the co-founder of CBRE Forward, a platform designed to showcase the fastest growing tech companies in Canada.

Alan Nicholas, Vada Digital

[Alan Nicholas](#) is a technology expert and entrepreneur focused on building interactive experiences in living spaces. He is founder of Vada, a digital experience agency that supports a variety of companies from its base in Auckland, N.Z. Vada helps companies integrate emerging technologies such as interactive screens, digital twins, touch tables and other future-focused solutions that improve everyday life and work. They use proven research outcomes and data analytics to help envision and deliver more purposeful indoor spaces.

Martin Hofmann, Oversea Strategies

[Martin Hofmann](#) is curious about the human side effects of rapid technology innovation and business transformation. He is a communications and marketing strategist who focuses on change management and brand evolution consulting. His communications consultancy, Oversea Strategies, helps organizations build better business-to-business relationships, create more meaningful engagement with people, and successfully manage change and transformation.