

THE KEY CONSIDERATIONS WHEN DEVELOPING YOUR WORKPLACE STRATEGY

Workplace paradigms are consistently changing, and workplace strategies do not look like they did five or ten years ago. With the global workforce continuing to navigate a post-pandemic world comes a need for suitable, attractive workspaces that retain efficiency.

With a lot to consider, here we outline the key considerations when developing or evolving a workplace strategy.

WHAT IS A WORKPLACE STRATEGY?

A workplace strategy is a thorough plan, developed to optimize workspaces, including considerations around office layout, technology, HR policies and the needs of employees. An effective strategy will drive productivity, increase collaboration, and enhance employee engagement, while helping an organization achieve its purpose and grow.

We're going to focus on the physical office space here - a core part of any workplace strategy. But it's worth considering how this aligns with other elements of your strategy – including people and processes.

OBJECTIVE SETTING – WHAT DO YOU WANT TO ACHIEVE?

There are numerous reasons why companies might be rethinking what their workplaces should look like or how they should function.

Perhaps an office lease is ending soon, creating opportunity for change. Maybe an organization is growing, therefore more space is needed. The emergence and implementation of hybrid work might mean shifting to a less conventional office space. Maybe there's a need or desire to enhance sustainability credentials or decarbonize operations. Perhaps an organization is investing in new technology, requiring consideration towards integration. Or, possibly, the existing office layout is hindering productivity.

It's essential that those driving this strategy are clear on the objectives, expectations, and desired outcomes, as this will help make it stronger and in turn deliver the right workspace.

So, what role does the physical environment have to play and what might form part of the considerations?

THE NEED FOR A PHYSICAL SPACE – TO MOVE OR REFURBISH?

Depending on the limitations or potential of an existing workplace, a full relocation might be best; if a company has or is planning to grow substantially, increase headcount, or if the purposes of your workplace are expanding, more space may be needed.

Such a significant undertaking requires careful planning in its own right. Budgeting considerations are critical here, including interior solutions and design, furniture, communication with staff, IT and data servers, and connections. Read more about this <u>in an article by our U.K. experts</u>.

Shawn Wood, Regional Manager for Workspace in UAE explains: "People [are now] rightsizing depending on the needs of their company. We're finding a lot of refurbishments to create flexi-space, and it seems that upsizing is more common, but it really is company-specific. Cost is definitely one of the key drivers; the rental market has gone mad and commercial spaces are in short supply."

It might prove more cost effective refurbishing existing space, particularly if the building's lease isn't due to expire soon or if the location is ideal for staff and clients. Reconfiguring office space to accommodate growth, or appropriating space for hybrid working, is becoming increasingly popular. Office relocations can also be disruptive, whereas refurbishments can prove more manageable.

This additionally offers the ability to enhance employee experience, injecting elements of or reinvigorating company culture. Optimizing space is critical when embarking on a refurbishment project, and utilization metrics can help track the success of any given strategy. Typical utilization techniques include providing appropriate storage facilities, or investing in digital, cloud-based storage systems for documents. A tech-heavy office may benefit from clearing away cables with trays or under-desk baskets, avoiding clutter and limiting health and safety hazards. And don't neglect wall space – cupboards and shelves can declutter desks, while mirrors can give the impression of a larger workplace.

HYBRID AND FLEXIBLE WORKING

Hybrid working has become the most prevalent trend impacting workplace strategy, with new policies developed following pandemic social distancing.

This seismic shift in office operations has touched all corners of the globe, with vast swathes of the EMEA workforce retaining a degree of home working. Indeed, Germany's Labor Minister, Hubertus Heil, announced legislation for a permanent right to work from home last year. Research by CBRE highlights that just six-per-cent of EMEA companies currently insist a full-time return to the office. Hybrid working is less popular in the APAC region; one in five business leaders expect employees in the office full time, with China and Japan leading global demand for office space.

Jacqueline Bird, Head of Moves and Change Management for Workspace UK&I highlights that the luxury of hybrid means returning to the office full-time is likely to be something of the past. "People just don't want to come back, certainly not five days a week, so [offices] need to recreate their spaces so that coming to the office offers something different - and that's really difficult." she said. Consequently, in a bid to increase employee engagement in a hugely competitive labor market, workplace strategies are changing, as offices shift to become more like social hubs; a place for teams to gather regularly, to meet face-to-face, rather than sit at rows of desks as they did in a pre-Covid world.

To combat this, Jacqueline says: "Give your staff something they can't get at home: One-to-one interaction with colleagues and peers. Create free breakfast days for staff where the whole team will be in. It's not about going to work to get work done, it's about connecting, which working environments can facilitate via more collaborative spaces or areas where people can gather away from their desks, like break-out areas, game zones."

"Hybrid's here to stay - it may adapt and change, but I can't see that being anything major."

SUSTAINABILITY

Internationally, organizations are developing strategies to reduce carbon emissions and address wider environmental impacts, such as water consumption, biodiversity, and air pollution.

Jacqueline suggests that, nowadays, sustainability considerations start before employees enter the workplace. "When choosing a career, especially for younger generations, [sustainability] falls part of the selection criteria. If a company doesn't have the right green credentials, it's possible employees won't want to work there. Employees will come to the office, once or twice a week, in the greenest way possible...A lot of decision-making will be around sustainability.

Crown have been actively educating clients, supporting them in working towards their net zero targets. It isn't easy, and companies might not know where to start, so we always encourage clients to discuss this with us."

Europe's determination to reduce carbon emissions has encouraged positive initiatives, including accelerations in renewable energy sources, and the Corporate Sustainability Reporting Directive (CSRD), whereby businesses must report on their environmental and social risks, opportunities and impacts, becoming law in January 2023. Positive steps are also taking place in APAC - LinkedIn's Global Green Skills Report highlighted a 30% rise in green job recruitment since 2016, with New Zealand and Australia on par with the rest of the globe.

Depending on industry, a workspace may be a significant source of emissions. A good place to start to address these is through transitioning to renewable energy tariffs and installing renewable energy sources including solar panels and heat pumps. Data is critical when setting and achieving net zero targets, and understanding current energy usage by reviewing utility bills is a great starting point. Simple measures to reduce energy consumption include installing LED lighting, light sensors and encouraging employees to switch off electronics when not in use. Yet, while transitioning and implementing energy efficiency is essential, the Ellen MacArthur Foundation highlights this only addresses approximately 55% of global emissions. The remaining 45% comes from the embodied carbon in products used every day, meaning considerations towards production and consumption methods through the development of a circular economy – removing waste and pollution, ensuring the longevity of resources used, and regenerating natural systems - are necessary.

Within workplaces, this may look like using less, sharing more, and confirming materials used have been sourced sustainably and have potential to be reused, repurposed, or recycled. For example, can existing furniture be upcycled or donated? Can you lease furniture or buy used? Crown Workspace offer services for reusing or recycling office furniture and IT, reducing waste and providing cost-effective solutions which companies implementing a refurbishment or move of any nature might benefit from.

Perhaps a fundamental thought is the ability to enhance employee wellbeing. Limit overtime and offer fitness and mental health resources, perhaps yoga classes or access to private health care, to encourage a healthy work-life balance. Enable flexible working arrangements with flexible working hours to facilitate this. And, for when staff do come to the office, think to introduce greenery which can increase air quality, reduce stress levels, and boost productivity. Education is equally important, so provide sufficient, accessible resources for staff - maybe make carbon awareness and employee wellbeing mandatory parts of training. These elements may require investment and therefore become an important consideration in a long-term workplace strategy.

SUMMARY

While there is no one-size-fits-all solution for developing a workplace strategy, there has never been a more important time for companies across the globe to take stock and rethink their approach. Identifying whether current spaces align with overarching goals can steer office size and layout decisions, outlining necessary assets that will foster collaboration, productivity, and effective space optimization. A surge in hybrid working, contributing to a fall in occupancy levels, brings reconsiderations on the purpose of office space, prompting identification of popular office areas and whether businesses should encourage workplace attendance or facilitate working from home. An emphasis on sustainability has led companies to reflect on their own efforts, with considerations towards buying used or reparing furniture, and transitioning to renewable energy sources to aid decarbonation efforts.

If you're rethinking your workplace setup, we can help guide you through the different steps. Whether looking to relocate or reconfigure space, speak to our experts today.

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