WORKING THEORIES

What employees want from the future workplace

FOREWORD

This whitepaper looks at worker attitudes, requirements and priorities in relation to the office of the future, following a period of unprecedented global change and upheaval. As the "new normal" adopts firmer shape, what lasting changes have already taken hold and how can enterprises and facility managers best leverage the opportunities such changes afford? Their response must define and deliver a working environment that addresses employee priorities and concerns.

INDEX

1. EXECUTIVE SUMMARY

> *The major difference is that employers delivering flexible models will no longer be able to cast themselves as progressive; hybrid working is now expected.*

In an incredibly short time frame, Covid-19 wrought unprecedented changes to global working practices.

Across geographies, industries and disciplines, enterprises were compelled to pivot to work-from home models almost overnight. With offices in major cities across the world sitting empty, workers were forced to adapt to remote working, as enterprises scrambled to ensure employees were still able to carry out their functions without interruption. This was not a time for long-term strategy; the immediate priority was overwhelmingly focused on maintaining, as opposed to transforming, operations.

However, as restrictions are lifted and the hitherto much hypothesised "new normal" takes form, one thing appears overwhelmingly clear: things will not return to the way they were before.

Trends vs transformation

While much of the talk is about transformation, in many cases, Covid-19 merely accelerated trends that were taking hold prior to the pandemic. Flexible and hybrid working models, for example, had already become somewhat normalised, especially among a younger generation of enterprises and employees. The major difference is that employers delivering flexible models will no longer be able to cast themselves as progressive; hybrid working is now expected as standard. This,
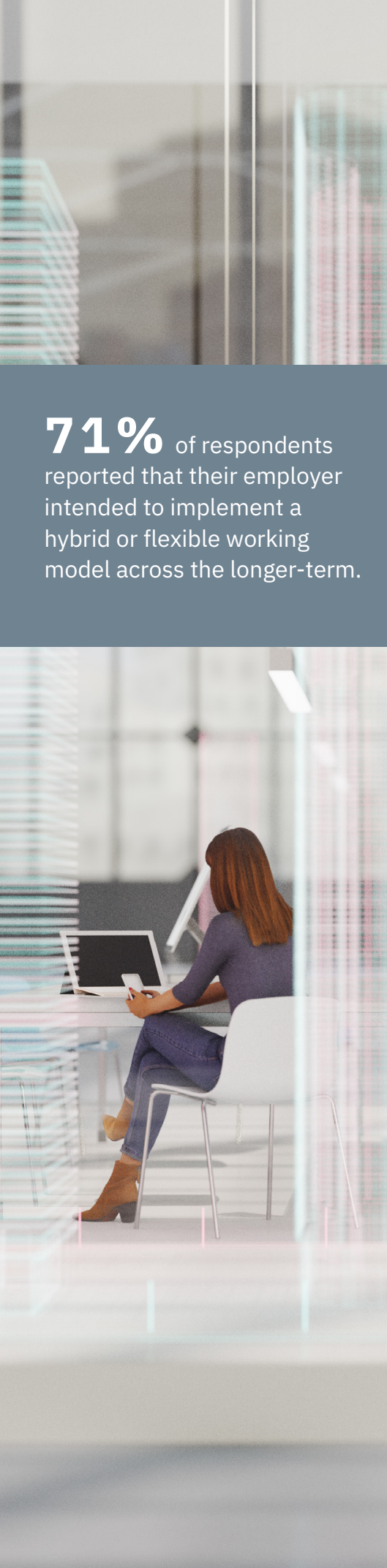
in turn, means major changes for the role and function of the office – and the use of technology to connect digital and physical working environments.

For *Working theories: What employees want from the future workplace*, New Statesman Media Group, in partnership with Siemens Smart Infrastructure, polled 221 office workers around the globe. 71% of respondents reported that their employer intended to implement a hybrid or flexible working model across the longer-term. That figure rose to 80% among those working for enterprises of 5,000 employees or more.

But intention is one thing, execution quite another. Of that 71%, only a little over a quarter (27.1%) had defined and implemented strategy, including a technology platform to manage it. Over one-third still had no formal strategy in place. While employers clearly recognise the need for new working models, it would appear many are struggling to define exactly what their model should look like.

What was found

But it is clear employers have the overwhelming support of their employees in their pursuit of answers. *Working theories: What employees want from the future workplace* found that a significant majority of employees value the enhanced work-life balance a move to hybrid working entails.

71% of respondents reported that their employer intended to implement a hybrid or flexible working model across the longer-term.

They are excited by the greater levels of flexibility such a model can unlock. In turn, what they require from the office is changing, both in form and function.

The fact that many enterprises are still trying to formalise new working strategies presents challenges, but also opportunities: they can truly listen to their workers and gauge priorities, fears and misapprehensions.

An overwhelming concern around hybrid working remains a lack of social interaction. The office therefore needs to be a social space – of all office typologies, meeting rooms were cited as being either important or very important by the largest proportion of respondents, with individual desks ranking lower. It is safe to say this would not have been the case pre-pandemic.

Health and well-being
At the same time, our experience of Covid-19 has placed greater awareness and emphasis around health and well-being.

Environmental performance also features high up the employee agenda. Employers and facility managers must find a way of balancing these priorities.

In order to meet these shifting requirements, digital solutions have a fundamental role to play. Of those polled, more than half (55.2%) were found to be happy to use a workplace app, leaving 44.8% unwilling or unsure.

There also appears to be a lack of consensus around where value might be derived. Clearly some education is still required within this space.

Defining and executing a successful hybrid working strategy – and delivering a digital office environment that optimises and empowers its users – must be a collaborative, technology-driven process that involves listening to one's workforce.

*Working theories: What employees want from the future workplac*e should serve as a good place to start. ◾

2. DEFINE THE PRESENT: ENTERPRISES MUST CREATE A LONG-TERM STRATEGY NOW

36.8% of organisations committed to moving to a hybrid model are yet to define a cohesive strategy.

The overwhelming majority of employers that were able to switch to work-from-home and hybrid working during the pandemic intend to keep such a model in place across the longer-term.

The case for doing so is manifold. First and foremost, it has been proved to work. A series of reports and surveys consistently show no negative impact on employee productivity – in fact, quite the opposite. Furthermore, there is clearly significant appetite among the office workforce for the greater flexibility and control they have found such a model to afford.

Reductions and savings

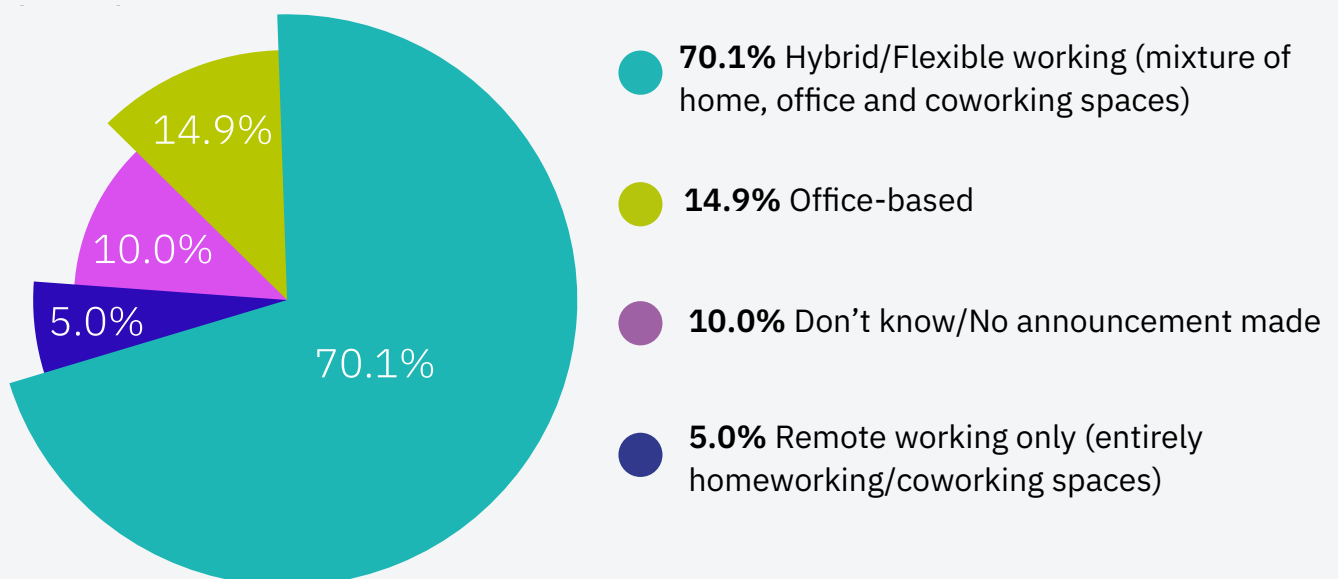There is also a financial argument to be made. A successful hybrid strategy potentially enables employers to reduce their physical footprint and make serious real estate savings without impacting headcount.

However, despite many enterprises having first had to dramatically alter working practices as far back as March 2020, there remains a surprisingly high level of uncertainty around what form a longer-term strategy will take. Employers have articulated an overwhelming intent to move to a permanent hybrid working model (70.1%) – with only 10% yet to make their intentions clear and 14.9% returning to full-time office work – but the majority of those moves remain works in process.

By the numbers

Of those moving to a hybrid model, 36.8% have implemented some technologies, but are yet to have a cohesive strategy in place.

What working model does your company plan to implement post-pandemic?

- **70.1%** Hybrid/Flexible working (mixture of home, office and coworking spaces)
- **14.9%** Office-based
- **10.0%** Don't know/No announcement made
- **5.0%** Remote working only (entirely homeworking/coworking spaces)

A similar proportion (34.2%) have defined strategy and tech requirements, but are yet to implement.

Only 27.1% have completed the journey to a new hybrid model, though even they cannot afford to rest on their laurels. "The Covid-19 pandemic has been a catalyst for accelerating the trend towards new working models, but for many businesses, uncertainty means they are struggling to define their future of work," acknowledges Dave Hopping, CEO of Siemens Smart Infrastructure Solutions & Services.

"Changing employee expectations, office use and workspace design mean it's important for companies to create a long-term, data-driven strategy for hybrid working, which suits their people and business. The future of work will be a flexible, iterative process; not everyone will get it right first time, and it will need to be adapted and updated."

Start now
One thing is clear: if firms are to create hybrid workplaces that attract and retain talent, foster collaboration and provide safe, sustainable and cost-effective offices, they must begin putting the building blocks in place now.

Enterprises that first adopted the hybrid model by necessity in the wake of pandemic now need to take a long-term, strategic approach. ■

What progress has your company made towards implementing a hybrid working model?
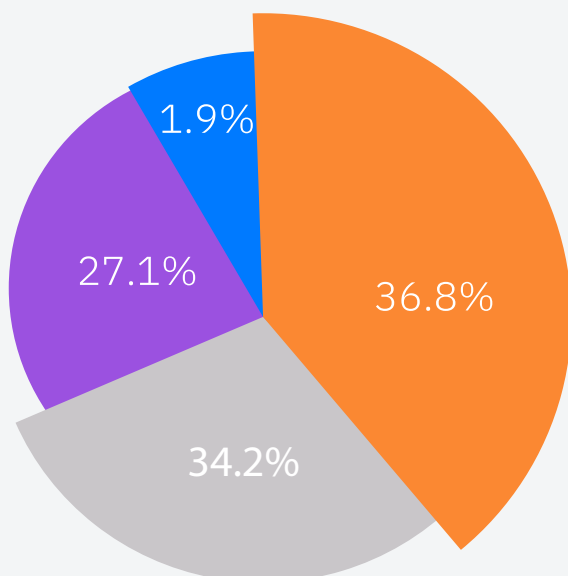
● **36.8%** Some technologies implemented, but no cohesive strategy for hybrid working

● **34.2%** Fully prepared with a strategy for hybrid working, including technology, ready to implement

● **27.1%** Hybrid working model fully implemented, including a technology platform to manage it

● **1.9%** No steps taken yet

3. WORKERS UNITED:
EMPLOYEES VALUE THE HYBRID WORKING MODEL

Asked about the major benefits of the hybrid working model, respondents overwhelmingly cited improved work/life balance:
73.8%
and flexible working hours:
59.7%.

While a high proportion of enterprises and facility managers still try to define their hybrid working strategy, they do so with one incredibly valuable asset in play: the overwhelming support of their workforce.

The normalisation of hybrid working in the wake of the pandemic has been a hugely popular development among employees, providing office workers with a degree of flexibility and control over their own time that will not be given up easily.
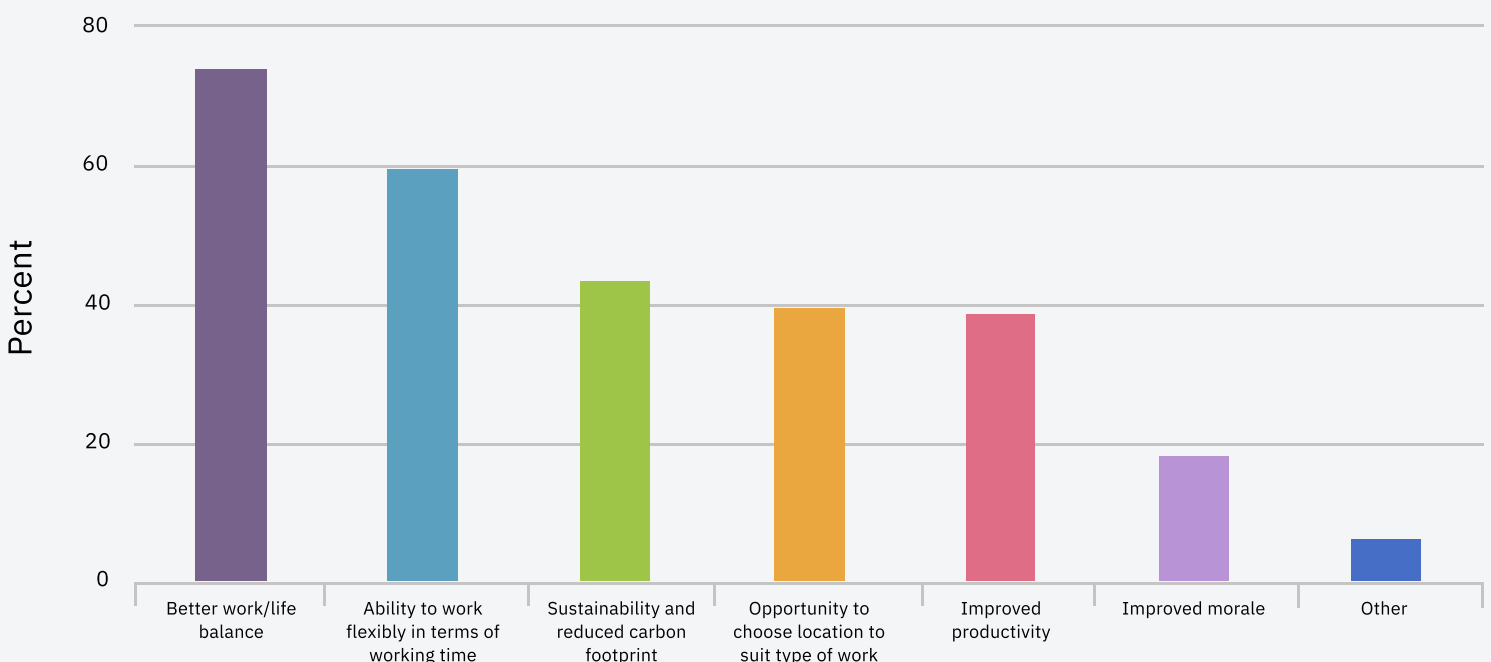
Asked about the major benefits of the hybrid working model, respondents overwhelmingly cited improved work/life balance (73.8%) and flexible working hours (59.7%). The opportunity to spend greater amounts of time with family and devote fewer hours to the daily commute has been transformative and will remain prized assets, even as employees become increasingly expected to spend some time in the office environment.

A shift in priorities
The digital workplace must ensure that it retains the levels of flexibility and individualisation that have become normalised during this unprecedented period. An emphasis on healthier workspaces and the office's environmental performance demonstrate that priorities have shifted and facility managers must deliver on emerging well-being and sustainability requirements.

What do you see as the three main benefits of a hybrid working model?

Failure to meet these requirements poses a major HR risk, in terms of morale, retention and recruitment.

"It's clear that everything will not be the same as before Covid-19, and I firmly believe that such changes represent enormous opportunity for many," says Judith Wiese, Chief People Officer, Chief Sustainability Officer and Managing Board Member of Siemens AG.
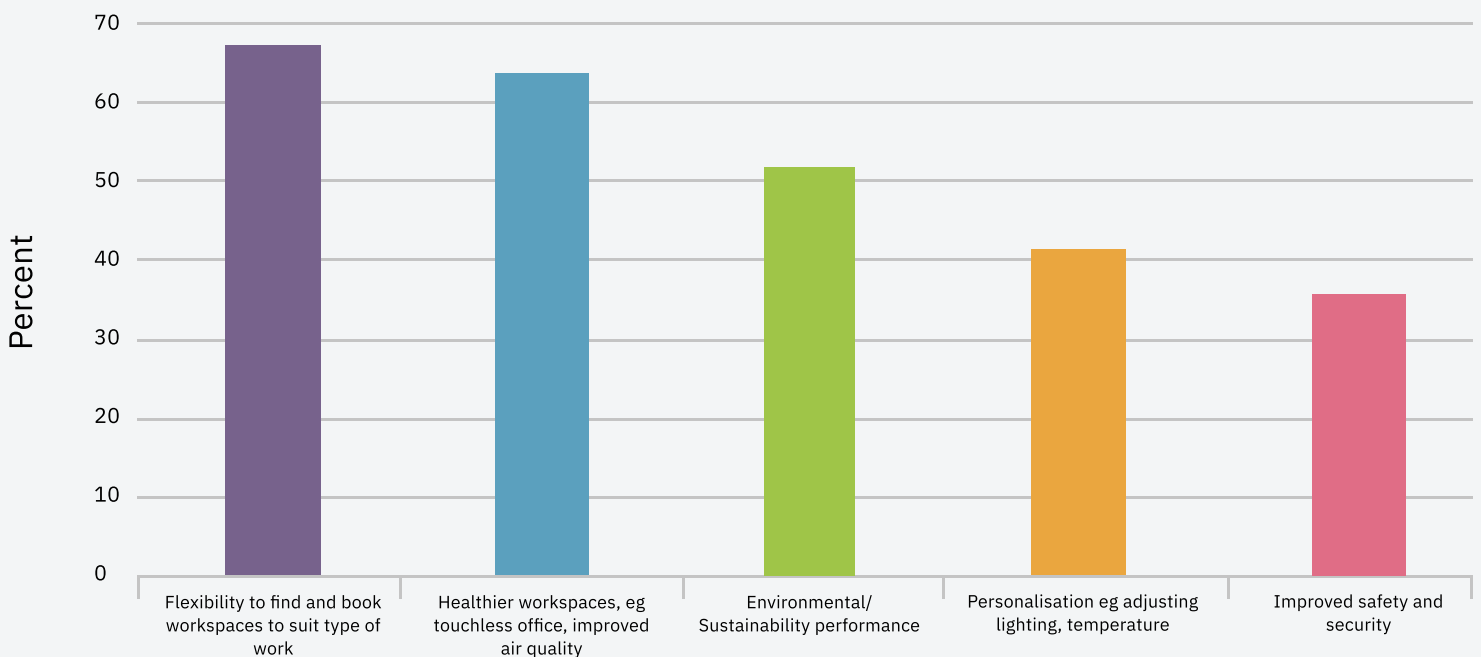
"At Siemens, we have established mobile working as a permanent option for over 140,000 of our people worldwide. In doing so, we are trusting them to choose the workplace where they can be most productive and we understand that it's results and not presence in the office that count.

"While mobile working is proving remarkably effective, it is not an 'either/ or' in our view. The office will continue to play a role in the future, as a place for collaboration, creativity and celebration; it is the mix that will be essential to ensure a sense of belonging and inclusion.

"We also believe that the culture of trust and empowerment within this model, alongside our people's openness to flexibility, are essential for the continuous transformation and sustainable success of our company." ▪

Which aspects of a digital workplace experience are most important to you?

Percent

| Flexibility to find and book workspaces to suit type of work | Healthier workspaces, eg touchless office, improved air quality | Environmental/ Sustainability performance | Personalisation eg adjusting lighting, temperature | Improved safety and security |

4. HUMAN FACTOR:
EMPLOYERS MUST ADDRESS REQUIREMENTS FOR PERSONAL CONTACT

While there is clearly an overwhelming desire for hybrid working models to remain in place across the longer-term, it would be disingenuous to claim that there are not also concerns among employees that will need to be addressed as a matter of priority.

Workers have enjoyed the flexibility and personalisation hybrid working has afforded but, in many cases, it has come at a cost. There are qualities and values that office life affords that are either difficult or impossible to fully recreate in the work-from-home environment.
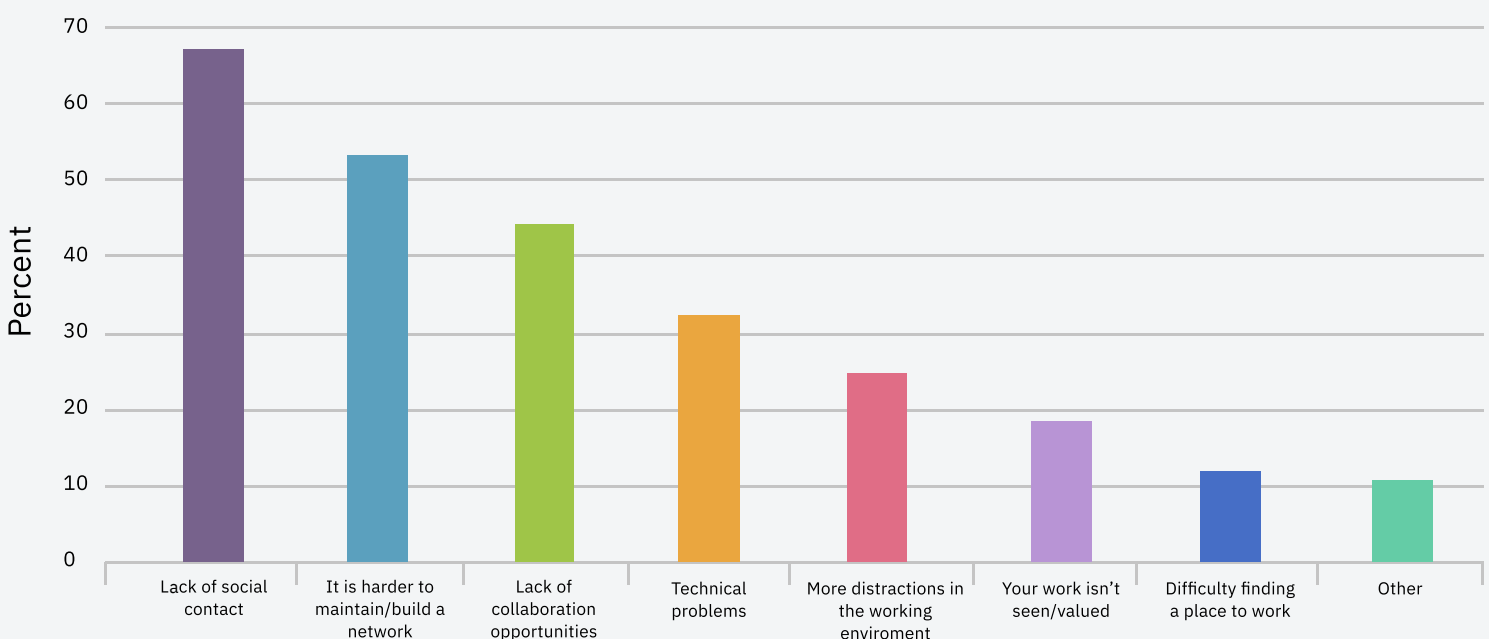
It would seem that these are the areas those reassessing the role of the physical office must ensure that they are still able to deliver.

Social aspects

When asked about the main drawbacks of the hybrid working model, a majority of respondents cited a lack of social contact. In fact, all the top three responses were related to human interaction, with those questioned also pointing to the difficulty of building and maintaining a network, and a lack of collaboration opportunities.

Addressing these concerns will play a key role in defining the future of the workplace, with employees now clearly seeing the office as a place for collaboration and networking, as opposed to getting on with individual work. When asked what office spaces they would prioritise, a majority of 65.6% cited meeting rooms as important or very important.

What do you see as the three main drawbacks of a hybrid/flexible working model?

The role of the physical office

It is likely that for many organisations, the office will continue to play a key role, emerging as a social, collaborative hub within the hybrid working environment, requiring employers and facility managers to rethink how physical space is defined and divided.

Digital solutions should play a key role in helping to deliver and support long-term responses.

Room to grow

"As more businesses look to implement hybrid working models, it's important they consider the challenge of maintaining community and culture in their workforce," says Elisa Rönkä, Siemens Smart Infrastructure's head of digital market development for Europe.

"Technology can play a key role by improving the employee experience and connecting them through a common platform; for example, by allowing them to book office spaces as a team to enable better collaboration. Innovations such as touchless technologies also allow employers to provide safe physical spaces where employees can meet in person, build their networks and work together, and be confident in their well-being." ▪

5. SPACE TO THINK:
UNDERSTANDING BEHAVIOUR SHOULD DEFINE OFFICE PRIORITIES

> " *A data-based approach to adapting offices will ensure the right spaces are available to employees at the right times, increasing productivity, office usage and well-being.*
>
> **– Alexander Senn**
> Head of People & Organization,
> Siemens Smart Infrastructure

Defining the future of work must be a collaborative process, in large part driven by the shifting desires and requirements of one's workforce.

However, much as many employers are still to define exactly how their new hybrid models will be delivered, many employees are still unsure about exactly what they require from the workplace of the future. In fact, when asked about what types of spaces they would require upon their return, the picture respondents painted did not look too dissimilar to the traditional office pre-pandemic.

As previously mentioned, meeting rooms came out on top, cited as important or very important by 65.6% of the 221 respondents. Below that, however, no overarching priorities emerged, with retreat/break/relaxation areas (61.5%), private booths (57.9%), single occupancy desks (56.5%), and open plan/ collaboration areas (52.1%) all viewed as important or very important by a majority of respondents.

Interestingly, single occupancy desks were cited as being "unimportant" by the largest number of respondents (14.9%), but this was still far from being a majority view.

With a number of enterprises reducing their physical footprint, it potentially begs a question as to how employers can continue to accommodate all personal requirements and priorities.

"Hybrid working is all about choice, and that is also the case in the physical office," says Alexander Senn, Head of People & Organization, Siemens Smart Infrastructure. "Businesses will need to provide different types of spaces for the different needs of employees, necessitating a redesign of office space.

"Workplace technology plays an important role here; collecting and analysing data on the types of spaces employees use the most, enabling businesses to better understand how and when their people are using office space.

"This data-based approach to adapting offices will ensure the right spaces are available to employees at the right times, increasing productivity, office usage and well-being." ■

In a hybrid/flexible working model, what type of office space would be most important to you?

	Not important 1	2	3	4	5 Very important
Single occupancy desks					
Count	33	32	31	46	79
Row%	14.9%	14.5%	14.0%	20.8%	35.7%
Private/soundproof desks/booths					
Count	26	28	39	39	89
Row%	11.8%	12.7%	17.6%	17.6%	40.3%
Open plan/collaboration areas					
Count	31	29	46	47	68
Row%	14.0%	13.1%	20.8%	21.3%	30.8%
Meeting rooms					
Count	18	19	39	50	95
Row%	8.1%	8.6%	17.6%	22.6%	43.0%
Retreat areas/break/relaxation areas					
Count	16	27	42	59	77
Row%	7.2%	12.2%	19.0.%	26.7.%	34.8%

6. DIGITAL EDUCATION:
ARTICULATING TECH'S POTENTIAL TO EMPOWER EMPLOYEES

63.8% value the possibility of a healthier environment in the digital workplace

Digital solutions should not only play a role in informing employers and office managers about priorities when it comes to restructuring the office environment; they also have the potential to empower employees and enhance the working experience, linking the virtual and the physical, and simultaneously serving the individual and the collective.

With workers now prioritising flexibility, well-being and environmental performance, it is essential that they have the tools at their disposal to fully harness the potential of hybrid working to deliver on these elements and maximise value of time spent in the office.

However, while the use of apps has become a standard part of our daily lives, used for everything from banking to food delivery, the workplace app may be a new experience for a large proportion of employees. Some education about the value of such a solution will be required.

Is there an app for that?
Still, there is a degree of reticence or uncertainty on the part of office workers. When asked whether they would be happy to use a workplace app to manage their office environment, 44.8% of respondents were either unsure or unwilling.

Finding and reserving desk spaces was cited as being an area where they would derive most value from such an app (67.4%), followed by locating colleagues (48.9%), with no other functionality ranking above 30%.

This suggests a disconnect between what workers want from a digitalised office environment and how they see it being delivered, with flexibility, healthier workspaces and environmental performance all being cited as among the three most important aspects of the digital workplace experience by over 50% of those questioned.

With 43.9% of respondents pointing to a lack of human interaction as the greatest concern about hybrid working, there is great motivation for leveraging technologies to return to the office.

However, there remains hesitancy about being monitored by one's employer (17.6%), potential poor user experience (14%), the impact of technology failure (13.6%), and data security/privacy concerns (10.9%). Any solution would have to take these concerns into consideration.

Technology will play a vital part in optimising the hybrid model, but it is clear that employees must be engaged and educated on its value from the very start of implementation.

The need for new tools
"Workplace apps will play a fundamental role in the future of work, allowing us to interact with each other, services and infrastructure in real time," says Stefan Schwab, CEO of Comfy/Enlighted.

"From room and desk booking to finding colleagues in the office for collaboration, new tools are essential to a seamless workplace experience for the future of work. Additionally, a robust change management strategy will be crucial to ensuring that employees embrace the new digital tools.

"The data provided will also give businesses the intelligence required to adapt to changing behaviour patterns and ensure their workplace designs continue to offer safe, healthy and productive spaces for their people." ▪

7. CONCLUSION:
THERE REMAINS WORK TO BE DONE

The world of work has changed forever, but a significant proportion of employers are still trying to define precisely what that change will look like over the longer-term. Office workers are clearly enjoying the benefits of flexibility and work-life balance that working from home has afforded, but also miss human interaction.
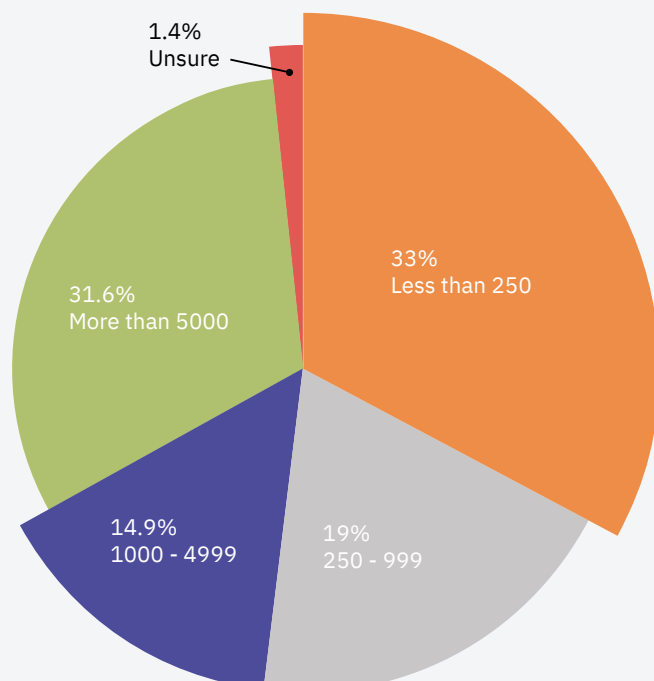
They need to be engaged in the process of defining and executing new working models so as to have the best of both worlds. Technology platforms will play a fundamental role in delivering this change and linking the two environments, but the workforce must be educated as to their purpose and potential.

i. METHODOLOGY AND FURTHER INFO

Learn more about workplace technology innovations at:

www.comfyapp.com
www.enlightedinc.com
www.siemens.com

In producing **Working theories: What employees want from the digital workplace**, New Statesman Media group, in collaboration with Siemens, executed an online survey consisting of ten questions.

The survey garnered 221 completed responses from across 40 countries, with the largest number of respondents coming from the UK, the US and Germany. The size of companies represented also varied widely, with just under 50% of respondents working for enterprises of 5,000 employees or more.

How many employees work for your organisation?

- 1.4% Unsure
- 33% Less than 250
- 19% 250 - 999
- 14.9% 1000 - 4999
- 31.6% More than 5000