RELOGIX

How to Effectively Transform Your Workspace in 3 Steps

Make a Successful Transition from Assigned to Flexible Seating

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Introduction

You know that there's under-utilization of desk and office space in your workplace. But how do you objectively measure and quantify it? Even more importantly, what do you do about it? The latest trend and way to save a considerable amount of money is desk-sharing. But, how do you get there? How do you know it will be a good change for your workspace?

Maybe you're picturing an office like **Google** with bright colors, social and gaming spaces, couches and flexible workspaces. Maybe you're thinking of transitioning from an assigned desk workplace to flexspace. But how do you make such broad changes without taking a huge risk?

This is where understanding what utilization and occupancy are and how the two relate to each other becomes important.
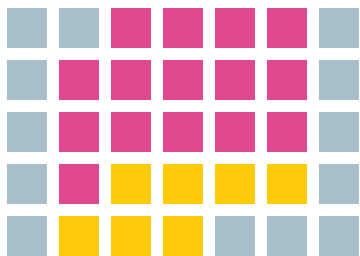
What is Occupancy?

Occupancy is the percentage of days where an employee shows up to use the space. We calculate this by taking the number of days occupied divided by the total work days.

Occupancy Percentage Calculator

    Number of days occupied

÷   Total work days

x   100

Occupancy Percentage

JULY

For example: In July, there are 22 work days. If an employee shows up for 15 of those work days, their occupancy would be 68%.
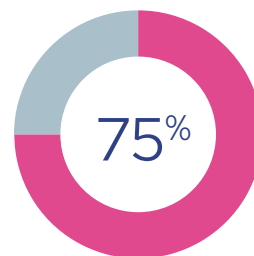
What is Utilization?

We define utilization as the percentage of time a space is in use during a specific period. We calculate this as time in use divided by total time. Total time is typically defined as working hours during weekdays (excluding any holidays).

Utilization Percentage Calculator

    Time in use

÷   Total time

x   100

Utilization Percentage

75%

For example: Someone at their desk for 6 hours during an 8-hour work day would have 75% utilization for that day.
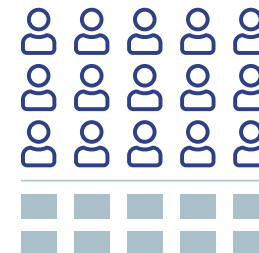
What is a Sharing Ratio?

We define sharing ratio as the ratio of people to desks in a shared workspace. Sharing ratio depends on how employees work. Employees that are mobile and collaborative are at their desks less often, which allows them to accommodate a high sharing ratio. However, employees who are assigned a desk will have a 1.0 sharing ratio – 1 person, 1 desk.

Sharing Ratio Calculator

    Number of employees

÷   Number of desks

Sharing Ratio

For example: If you have 15 people assigned to 10 desks, their sharing ratio would be 1.5.

Three Easy Steps to Effectively Transform Your Workspace

1. DISCOVER

In order to start a workplace transformation, you first need to understand the way the space is currently used and the unique needs of your employees.

Capture Objective Data

There are tools at your disposal that will help you collect and understand objective data. Methods could be anything from a simple employee survey to clipboard observation studies to more advanced technologies like sensors. However, some of these methods can be biased. An employee survey captures how employees feel they use their space but may not paint an accurate utilization portrait. Sensors can be more accurate and provide truly objective data at the space level.

Set the Baseline

When you start to transition, you'll need to show the before and after results of your transformation. Having a baseline of where you started will illustrate your successes. Your key metrics are average occupancy and average utilization. These will provide the baseline you use to measure improvements or changes you make from a workspace performance or ROI perspective.

For example, if you're thinking of transitioning to a desk sharing program where multiple employees use the same desk, meeting rooms and collaboration areas should be studied as well. How meeting and collaboration spaces are used provides insight to the patterns seen at desks.

How Much Data is Enough?

Our experts recommend spending at least 3 months collecting before conducting a full analysis. Throughout the data collection period, you can start to study the data on a monthly basis to form hypotheses and determine if additional data sources would complement the data. You can include data sources like booking systems, door badges, or employee surveys.

2. ANALYZE

Now that you have your data, take the time to study and understand what it means. This is where you can best identify hidden opportunities that you can incorporate into a brand-new workplace strategy.

Let's dive into an example!

You have an office space with 170 assigned desks, 30 assigned offices and several meeting rooms of various sizes that can be accessed via a booking system. Your company is rapidly expanding, and you want to understand how to best accommodate your growing workforce in a cost-effective way.

Your Baseline

After collecting data for 12 weeks, you determine that, although occupancy is relatively high at 70%, the overall utilization of desks and offices is only about 30%. This means that while employees are often in the office, they don't spend much time at their desks. This is despite a recent survey where 90% of employees reported "being in the office and using their desks" most days.

The next step is to segment the data based on a combination of occupancy and utilization data.

Occupancy and Utilization Data

	Low Occupancy	High Occupancy
Low Utilization	x 45 *Mobile*	x 85 *Collaborator*
High Utilization	x 40 *Flexible*	x 30 *Resident*

Segmenting the data reveals several interesting trends which help to understand exactly how the space is being used:

Resident employees are almost always in the office and don't spend very much time in meetings. They fall in the **High Occupancy/High Utilization** category.

Collaborator employees are in the office at some point during the day, but spend a lot of time in meetings. Sometimes these users will work from home in the morning or the afternoon. They fall in the **High Occupancy/Low Utilization** category.

Flexible employees don't come into the office very often, but when they do, they are at their desk the majority of the time. They fall in the **Low Occupancy/High Utilization** category.

Mobile employees don't come into the office very often, but when they are in the office, they spend a lot of time in meetings. They fall in the **Low Occupancy/Low Utilization** category.

Once the data is categorized, you can better understand employee work style and allocate desks and workspace based on how people use it:

Resident employees get an **assigned space** since they are in during office hours and spend most of their time at their desk.

Collaborator employees use **shared desks** (perhaps in "neighbourhoods" organized by department) so they can access desks, as necessary. High density seating (such as harvest tables) is also set up to accommodate irregular surges in demand.

Flexible employees use a **reservation system** such as Microsoft Outlook to ensure they have dedicated space when they are in the office.

Mobile employees use either **bookable** or **non-bookable shared space**, depending on their needs for the day.

Employee Work Style According to Occupancy and Utilization Data

	Low Occupancy	High Occupancy
Low Utilization	*Mobile (Sharing/Booking)*	*Collaborator (Desk Sharing)*
High Utilization	*Flexible (Desk Booking)*	*Resident (Assigned)*

3. TRANSFORM

So now you have discovered how your space is used, analyzed the data and decided where you want to go and how much of your space you want to transform! Now it's time to assemble an action plan for transformation – whether that be a pilot that is gently rolled out by floor or department, or a phased approach.

Here are some things to keep in mind:

Q. Will employees be seated based on work style or other classifications such as department?

A. Some employees may collaborate often and need to be seated together while others can be distributed among many floors. The unique culture of your company will often dictate what will work best for your team.

Q. When designing pools of shared space, will they be shared between a department or between a larger population, such as a floor?

A. The larger the pool, the more efficient the space can be. Nonetheless, departments may want to have control over a pool of seats even if this means slightly less efficiency overall.

Q. What solutions can aid the roll-out of shared space?

A. Using technology, like desk level sensors, will aid your transformation and save money and time in the long run.

Q. What other data sources can complement the desk level sensor data?

A. Remember, use all the data sources available, such as booking systems, badge data and employee surveys.

Q. How will change be communicated to employees?

A. All employees must be informed and involved in any kind of change process. You'll also need to get each department head on board so they can provide useful input and help drive change within their team.

Occupancy and Utilization Data

	Low Occupancy	High Occupancy
Low Utilization	x 45 *Mobile*	x 85 *Collaborator*
High Utilization	x 40 *Flexible*	x 30 *Resident*

Returning to our example above, let's say you're transforming one whole floor which is allocated to one department. Of the 30 Resident employees, 2 are executives who wish to keep their assigned offices. For the rest, they're assigned two groups of 16 to accommodate them and future growth.

For the 40 Flexible employees, a further study determines how often they're in the office. The data shows a range of anywhere from 5 to 15 people are in the office daily, although sometimes that number will be more like 35. Surveys confirm that company events resulted in everyone coming in together and inflated the numbers.

To accommodate these surges, you propose 2 options:

1. Add high-density harvest tables which can serve as unassigned collaboration space, as necessary.

2. Ensure meeting space is available during these special events.

Ultimately, your team goes with option 1, since meeting rooms are in high demand during company events. For the 85 Collaborator employees, further analysis will determine an optimal sharing ratio. You need to learn how long people dwell at their desks and how long they spend in meeting rooms or other shared spaces. Through this analysis, you find that your optimal sharing ratio is 2:1 or 2 people for every 1 desk.

In this scenario, you predict that 99% of the time there will be enough desks for the Collaborators that need it. For the remaining 1% there are overflow harvest table seats. To be conservative – and to better utilize the available space – you choose a sharing ratio of 1.5 with the understanding that, as the space expands, this ratio can safely increase. In total, you assign 52 desks and 8 offices to the Collaborator employees on an unassigned basis and set up a booking tool for those spaces.

Lastly, you determine that you only need to add on 10 additional unassigned spaces to accommodate the needs of your 45 Mobile employees.

MIXING BOOKABLE AND NON-BOOKABLE DESKS

You can mix bookable and non-bookable space into a general pool of shared space. The challenge lies in doing so in a way where people will only book when they need a space for the whole day. You will also need to denoted reserved and unreserved desks.
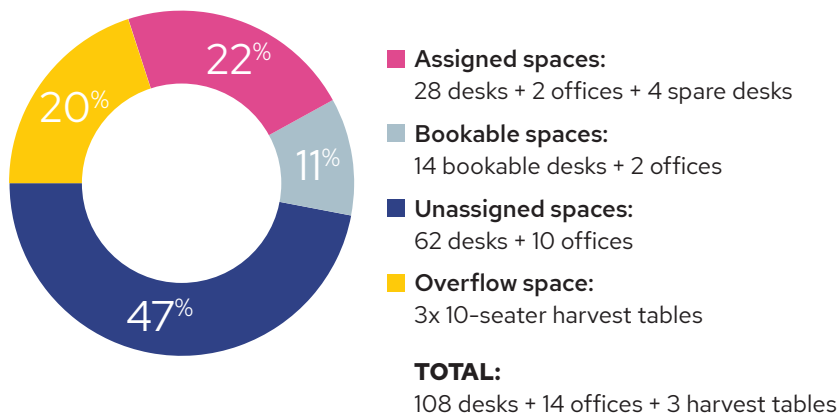
Typical solutions include visual indicators such as raising a flag when the desk is "taken", or switching on a light when the space is "taken" or a panel where the desk can be booked for as long as required.

TECHNOLOGY SOLUTIONS

Booking: To aid with bookable spaces, reservation software is recommended that could either follow the regular booking system (such as Outlook) or a dedicated desk booking software. This should be in a format where data is easy to export and correlate with other data sources, such as sensors

Real-time kiosk: To aid with finding a space in real-time, kiosk-based solutions show which spaces are available and display on a mobile map or TV screen scattered around the floor. These kiosk systems tie into both the booking system and policy to ensure they reflect the most up to date availability.

Space Analysis Summary

- **Assigned spaces:**
  28 desks + 2 offices + 4 spare desks
- **Bookable spaces:**
  14 bookable desks + 2 offices
- **Unassigned spaces:**
  62 desks + 10 offices
- **Overflow space:**
  3x 10-seater harvest tables

TOTAL:
108 desks + 14 offices + 3 harvest tables

With this plan, the existing space accommodates the workforce's current utilization habits and leaves ample room for future growth.

Given the availability of space, you decide to leave 150 desks and 25 offices available for the various groups to accommodate growth.

Your team allocates 5 of the offices to convert to closed collaboration areas and convert 30 desks into additional meeting space to accommodate harvest tables and additional meeting space.

To reduce demand on offices for taking calls in the unassigned space, your team plans to bring in free-standing phone booths.

Long-term monitoring

Over time, people's way of working will change. It's important to continuously monitor the workspace to look for additional improvements. You'll need to protect the gains you've made and identify additional opportunities for the future.

For example, moving from a sharing ratio of 1 to a sharing ratio of 1.5 represents a huge opportunity to maximize space and save money. But, by continuously monitoring, you can increase your sharing ratio even further, perhaps even to 2 people per desk! Long-term monitoring will also help you make sure your team is adjusting well to the new workspace change and address any concerns that may come up.

Conclusion

Your next step will be to determine a floor or department to transform! Based on our experience helping large corporate real estate organizations make the transition from assigned to flexible seating, it's best to start with a small pilot project, learn from the results and then start scaling up to larger transformations.

Once you have experience implementing a workspace transformation using the three step process we have outlined in this ebook, you will find that you can speed up the roll out throughout larger spaces in your organization.

Start by expanding to other floors, then buildings and finally, your entire real estate portfolio. Just remember that you should always be monitoring your workspace utilization, communicating with employees to elicit feedback and adjusting your strategy as the needs of your workforce may change over time.

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