



Six Questions You Need to Answer

Before You Start
Workspace Utilization
Analysis

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Introduction

Labor and real estate are the two largest expenses for any organization, and some companies today have realized a misalignment in Workplace Strategy is causing a lack of optimal space usage and productivity.

As a result, many Corporate Real Estate (CRE) leaders are beginning to evaluate new strategies for the workplace which more effectively fit the working styles of their employees.

Workspace utilization data is key in understanding deficiencies in the current state of Workplace Strategy, how to model and the benefits of a future state, and to future-proofing Future Workplace Strategy through dynamic planning.

What is workspace utilization data?

And why is it necessary for portfolio planning in commercial real estate?

1

To reduce
real estate costs.

2

To optimize
and rationalize
workspaces.

3

To improve
employee
experience and
productivity.

4

To create,
implement and
operate more
effective Workplace
Strategy.

So, you know that understanding workspace utilization is important, but how do you go about getting the data?

The most powerful data comes from real-world usage patterns of people. It comes from answering the question, how do your people use the space provided to them? Data proves its value by helping you identify more effective strategies – like implementing flexible workspace arrangements – which result in better optimization and productivity. What if your legacy model leaves huge sections of space underutilized?

Understanding how space is used helps organizations identify huge efficiencies, while also improving experience and productivity. That's where workspace utilization data comes in.

Why is Workspace Utilization Analysis Important?

Organizations that strive to control costs want to optimize their workspaces while balancing the need for increased collaboration, productivity, and satisfaction. Combine that with a growing mobile workforce and accurate utilization data becomes crucial.

Globally, office space utilization is hovering around 50% yet at the same time, the costs associated with commercial real estate are going up. Workspace utilization analysis is key to understanding the most effective methods for achieving an optimal, productive workplace.

Making important decisions about your workplace strategy without accurate utilization data is risky. But insights gained from workspace utilization data are not helpful unless you act on them. The 'set it and forget it' model of space planning rapidly depreciates both optimization and user experience. Many organizations today are addressing Workplace Strategy programmatically by identifying and validating new workplace programs, and dynamically operating and optimizing overtime.

The good news? Smaller, more agile, planning cycles need only a fraction of the initial budget and provide greater returns. Continuous evaluation of workspaces future proofs Workplace Strategy with dynamic planning which flexibly adjusts to change. This ensures optimal, productive and satisfying workspaces for the long term.

By incorporating continuous evaluation, some leading companies today have adopted workplace programs which are proactive about change versus reactive to problems. Precise, granular workspace utilization data enables better decision-making for short and long-term real estate decisions. It's also a foundational tool for effectively planning and operating workplaces incorporating flexible and varied workspace arrangements, as well as removing friction for employees with applications that ease transition. In the end, workspace utilization is a key to unlocking corporate real estate's most daunting challenge: improving cost control and employee experience simultaneously.

But before you can move forward with workspace utilization analysis, there are **six important questions** you need to answer first.

Six Questions You Need to Answer Before You Start

1. Which types of workspace floorplan design do you employ?

The best starting point is to understand what type of workplace seating you are currently using. For example, traditional one-to-one assigned seating; flexible, unassigned seating; or a mixture of both.

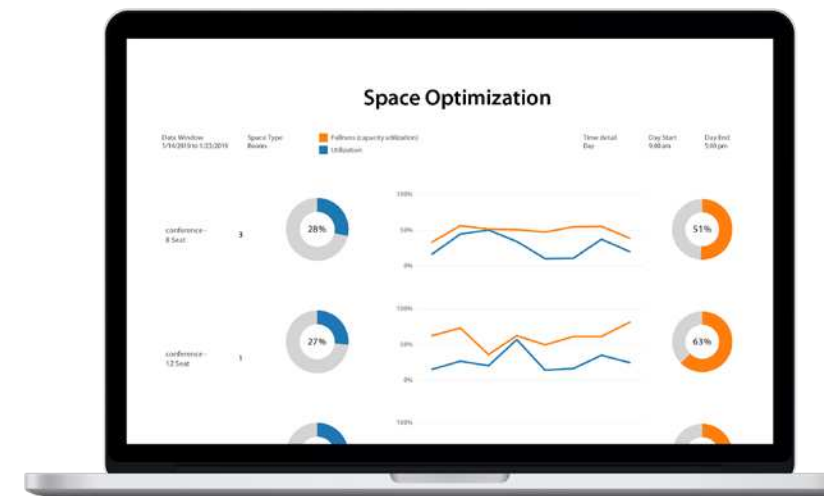
The state of your workspace floorplan design informs which types of insights are most important for your organization. In terms of space optimization, these arrangements will determine which types of utilization to focus in on, the kinds of changes you're able to implement and how to benchmark for the future.

Here are some examples:

Space Optimization in Traditional Space

Since traditional spaces are typically all one-to-one seating, you won't be able to add more people flexibly to the space in the event of underutilization without at least minor adjustments. By understanding the types of utilization, you can begin to make an assessment on how to improve it:

- **Dwell and Churn:** By assessing the dwell and churn rates of workstations, we can start to understand which types of adjustments would work best. For example, if you find that there's an employee persona who comes in for days at a time and needs a workstation for the entire day, you might implement "hoteling" – a stock of bookable workstations for employees not based in the location. Another example would be a scenario of high-churn: let's say you find some employees are moving around frequently and only using workstations for 60 minutes or less at a time. In this scenario, you might implement "touchdown seating", like a harvest table, where employees can quickly sit, do their individual tasks, and move on to the next meeting.



Sharing Ratios in Flexible Spaces

In flexible spaces, there are varied arrangements of unassigned seating. This means you can assign more people to the space than there are workstations, and you've broken the one-to-one ratio of headcount-to-desks (we identify this as the sharing ratio). But how do you know how many people to assign to the space?

- **Desk Utilization:** Measurements of utilization on individual workstations will give you an idea of the space which is available, and how it trends over days, weeks and longer time periods.
- **Space Rationalization:** When considering headcount, it's important to take all of the workspaces into account. Space rationalization measures and compares utilization across space types so that you know, for example, workstations may be underutilized, but meeting rooms are at capacity. In this instance, you may not add to headcount, but you may repurpose open office areas into collaborative spaces.

2. Do you have the right technology?

Before you decide what technology to use for your workspace utilization analysis, make sure you have a thorough understanding of the business needs you are solving for.

The right technology will supplement your processes and work in parallel with them. It will provide you with the accurate data you need to make forward-looking and well-informed decisions. Make sure you carefully evaluate the proposed technology, so you have comfort in knowing it's right for your specific use cases. Space utilization tracking technologies should be easy to install, easy to use and be able to rapidly produce the data needed to optimize your workspace.

Technology choice is primarily going to come down to data accuracy and use cases going beyond historical analysis. It will be important to note the level of granularity you're looking to achieve, and an understanding of which technologies serve your use cases best. Examples include:

- **Capacity of a Building:** In this scenario, you'd only need something broadly identifying how many people are going into the building. Consider badging data, people counters and/or wifi.
- **Desk Utilization:** In order to capture utilization on individual workstations, you would need a sensor-based technology. This is typically the most granular measure of utilization.
- **Zones:** Measuring utilization zonally can be done by a few different measures, in order of accuracy: WiFi, GPS, Beacons, Sensors.
- **Fullness of Rooms:** Measuring fullness of rooms can be done by a few different measures. In order of accuracy: WiFi, GPS, Beacons, Sensors.

3. Do you require multiple solutions?

Your use cases may call for multiple solutions. The resulting data sources could include utilization-gathering systems as well as other relevant systems, like reservation data, depending on what you're solving for. In this case, it's important to either engage with a provider having data science and aggregation acumen, plan for this type of data management in-house, or look outside of utilization system providers and into the analytics market for a broader-level BI and analytics tool.

4. How will you use more accurate and timely data to support your current real estate strategy?

As with any project, make sure you know your objectives for workspace utilization. Are you hoping to renovate your current workspace? Will higher resolution data and metrics help you build a stronger business case for change? Are you transitioning to a flexible workspace design? Will it help you better measure the results of workspace design renovations? Your company should be realistic about its objectives and ask the right questions about its needs and wants.

Start with the outcome in mind to help you decide the technology that fits best.

5. Do you have the analytics talent on your team to understand the workspace utilization data?

Implementing data-centric strategies and data tracking technologies is great. But, without the required analytics talent to apply the data, it becomes problematic. How can you know what the best next step is if you can't properly evaluate the data?

You need a team that is capable of transforming data into actionable insights when considering new data driven strategies.

6. Are your personnel prepared for your workplace visibility technologies?

Privacy and transparency need to be top of mind. Data can always be anonymized to remove a person's identity, but this may not be enough. Be prepared for some level of internal resistance from management and/or employees. Remind those providing resistance that data collection is not about monitoring individual employees. Instead, reinforce that it is about monitoring workplace effectiveness and not employee effectiveness.

This perspective can help alleviate any important privacy concerns employees may have. Check in with HR and prepare a detailed communication plan. Explain how the technology works, what data will be collected, and how the data will then be used.



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Trusted by top Corporate Real Estate professionals who need to make data-driven business decisions to inform their real estate strategy and measure impact. Our flexible workspace analytics platform, data insights, and domain expertise are proven to transform the workplace experience. We're always looking for the next innovation in CRE technology, leveraging a decade of CRE and analytics expertise to help you understand and plan your space. **We're ready for the future. Are you?**

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