

# Implementing Integrated Work to Create a Dynamic Workplace

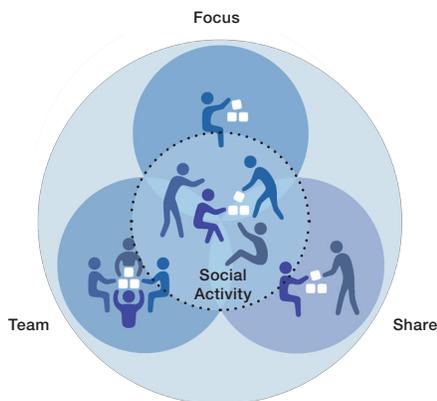
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## Introduction

Even a casual observer of work life today would note that work styles are rapidly evolving both in terms of how work gets done, and the breadth of work locations in which it occurs. We know that the future office must embrace the dynamic, fluid nature of work. Successful companies will create a diversity of space solutions that support the flow of work within, and between, locations. Organizations are increasingly using the workspace to meet both their strategic business goals and to constrain costs.

Over the past several years Knoll has addressed questions related to the changing nature of work through an ongoing research program. We developed and subsequently investigated a model of Integrated Work both in terms of confirming the model and understanding its effects on employee performance. A new research project has extended our knowledge about the tactical and strategic objectives that managers are tasked with, and how companies are actually implementing Integrated Work concepts and programs to achieve these goals.



**Fig 1. The model of Integrated Work has three work modes and a social component**

*In good Integrated Workspace design, the furnishings, layout, technology and work policies support the seamless flow of work and people between the work modes*

### What We Found

- + **Work styles are increasingly fluid.** Work is becoming more interactive, and the geography of work is expanding.
- + **A broad range of goals is driving workspace strategy,** extending from the strictly tactical (health and safety, ergonomics) to highly strategic (attraction and retention, collaboration).
- + **Integrated Work programs are broadly implemented,** providing a diversity of workspace solutions that better support strategic goals while still helping companies attain their cost targets.

### Review of 2009 Research: Design for Integrated Work

In order to bring coherent design solutions to the complex intersection of work and workspace, Knoll developed a model of “Integrated Work” which includes the notion of individual and group work modes (focus, share and team work), social activity, and a dynamic component, the flow of people and work between the work modes (see Figure 1).

The model established that ease of movement of people and flow of work between work modes enhances organizational effectiveness (O’Neill and Wymer, 2009). Thus, good “Integrated Workspace” refers to the degree to which the design of space supports the dynamic flow of work.

We explored the Integrated Work model through a research program that involved two projects. We confirmed this model by interviewing 40 facility and real estate professionals across eight industries. These participants provided a rich context for how the nature of work is evolving.

In a parallel effort, we surveyed more than 52,000 office workers to gather detailed workspace assessments, and collected quantitative human resource and financial data. The analysis demonstrated that Integrated Workspace design positively influences outcomes such as employee retention (and related replacement costs) and the ratio of facility costs to revenue (O’Neill and Wymer, 2009).

# Implementing Integrated Work

## Purpose

Through a subsequent study, we sought to learn about the evolving nature and geography of work, and how these issues and broader business realities influence how Integrated Workspace concepts are actually realized—the real-world application of these ideas. This research program used both in-depth interviews with real estate and facility managers, and case studies of completed projects. This provided “big picture” insights on the topic of Integrated Work as well as best practices for these programs.

### Table 1. List of participating industries

*Financial*  
*Higher Education*  
*Energy*  
*Consulting*  
*Healthcare*  
*Retail*  
*Technology*  
*Government*  
*Legal*

## The Study

### Participants

Forty-five real estate, facility management and design leaders from nine industries, with five companies per industry, participated in structured one-hour interviews (see Table 1). The interview process included plenty of time for open-ended comments and qualitative discussion. The typical respondent was a director or vice president level facilities or corporate real estate professional with responsibility for an average of 10,000 employees in North American and international locations. On average, participants had greater than 20 years of experience in their profession.

These are the same industries we included in our 2009 research, with the addition of the legal profession (O’Neill and Wymer, 2009). About 80 percent of the forty companies from the 2009 study participated in this project.

## Research Questions

As part of this project we explored the drivers of change in the workspace and how companies are responding to the need for change through Integrated Workspace programs and concepts. The research themes included:

1. How evolving work styles and locations are leading workspace change
2. Business goals that are driving workspace strategy
3. Breadth and depth of Integrated Work programs, and challenges to implementation
4. Impact of Integrated Work programs on achieving business goals

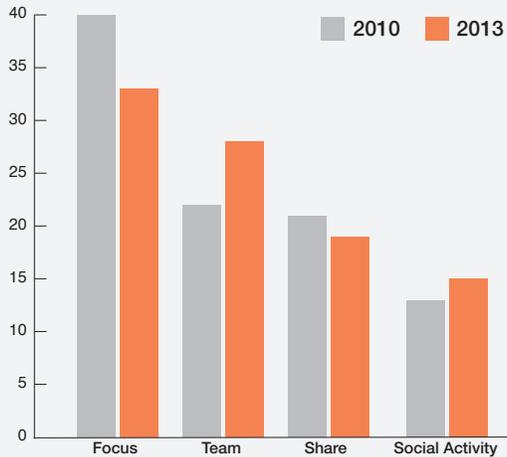
## What We Found

### 1. Work styles are increasingly fluid. Work is becoming more interactive, and the geography of work is expanding.

We asked participants to provide information on the current proportion of time their employees spend in the focus, share and team work modes, as well as the social component of work. We also asked participants to speculate on these proportions three years in the future. Further, we collected information on the proportion of time spent in various locations within and outside the office.

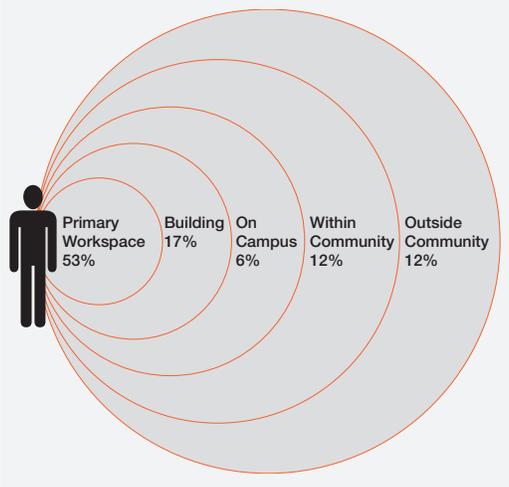
**Fig 2. Current and future proportions of work modes and social activity**

*Today, most time is spent in focus mode—but work is shifting to more interaction*



**Fig 3. Proportion of time spent in various work locations**

*Almost half of all work occurs outside the primary workspace*



*Like office spaces, higher education facilities are also being designed to support the shift to collaboration and learning that takes place in a broader range of locations than in the past.*

Currently, across all industries in our sample, focus work is the most typical work mode, comprising about 41 percent of all time spent (see Figure 2). However, participants felt the proportion of focus work would decline to about 33 percent by 2013.

For this sample, team work constituted 23 percent of all work, and participants predicted team work will increase to 27 percent of the total by 2013 (Figure 2).

Participants reported that share work mode was 22 percent of the total and that it will remain flat over the next three years. They also stated that social activity behavior will increase from 13 percent to 16 percent of the total proportion of work by 2013 (Figure 2). Overall, this analysis shows a shift away from individual work, to group work.

Additionally, it may be that the nature of focus work is changing. The interviews revealed that technology is permitting more collaboration as part of focus work; thus people are collaborating more, but through electronically facilitated means—not in the traditional face-to-face manner.

We also found that work occurs in a wide geography of spaces. Almost half of all work (47 percent) occurs outside the primary workspace (see Figure 3). Another significant proportion (17 percent) occurs at other locations within the primary office building. A lesser proportion occurs on the campus but in a different building (6 percent). And the remaining 24 percent of work is equally divided between other locations in the community (home office, Starbucks, etc.) and other locations outside the community.

**2. A broad range of goals is driving workspace strategy, extending from the strictly tactical (health and safety, ergonomics) to highly strategic (attraction and retention, collaboration).**

For this research, we developed a list of business goals that real estate and facilities professionals typically address in their work. Participants added to this list over the course of the interviews.

Figure 4 shows the final list with the goals ordered on a range from tactical to strategic. Several of these goals are related to our previous discussion of changing work styles and the wide geography of work (in particular, effective work process, collaboration, and maximizing space use).

Each participant was asked to rank the five most important goals to his or her business. The overall top five rankings across the 45 companies are listed in Table 2. Three of the goals are strategic: “support collaboration,” “support effective work process,” and “attract and retain employees.” The two tactical goals are “minimize cost” and “provide good ergonomics.”

*“To reduce costs we are looking at workplace entitlement policies that stipulate tighter standards for qualifying for that private office.”*

*- Director of Facilities, Government*

**Fig 4. Participants ranked the importance of eleven business/facilities goals**

*A broad range of goals is driving change to the workplace*



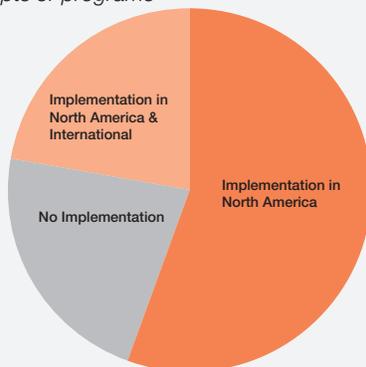
**Table 2. Top five business goals**

*Participants identified five primary workplace goals, a mix of both tactical and strategic needs*

1. Minimize cost
2. Support collaboration
3. Support effective work process
4. Provide good ergonomics
5. Attract and retain employees

**Fig 5. Breadth of implementation across industries**

*More than eighty percent of companies in our sample have implemented Integrated Work concepts or programs*



Overall, minimizing cost was the most important issue, ranking without exception in the top three for every organization, regardless of industry. Participants commented that the need to save money is more keenly felt in this current economic climate, but there is a sense that utilizing space in a cost effective manner has always been, and will always be, an important goal.

Supporting collaboration and work process were ranked second and third and are both closely related to effective business performance. Providing safe, ergonomic workspaces has long been the purview of facilities and was ranked fourth.

The strategic goal of attraction and retention of key employees was ranked fifth most important on the list. Over the years, business leads have become more aware of the role that the design, look and feel of the workspace plays in attracting new hires and retaining key performers. Our discussions indicated that workspace professionals have embraced this goal as an explicit part of their responsibilities.

**3. Integrated Work programs are broadly implemented, providing a diversity of workspace solutions that better support strategic goals while also helping companies attain their cost targets.**

More than half of the companies in our sample implemented some form of Integrated Work in North American locations (see Figure 5). In addition, over a quarter of all the companies in our sample implemented Integrated Work in both North American and international locations. Thus, more than 80 percent of the companies in our sample (37 of 45) said they have implemented some form of Integrated Work program or design and management concepts (see Figure 5).

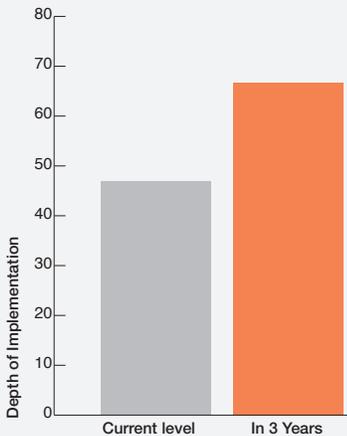
However, a variety of challenges affect Integrated Work implementation.

Organizational and social culture can be stumbling blocks. Participants frequently mentioned culture as a major obstacle to implementing Integrated Work programs. For instance, we found that companies in Europe have long been using Integrated Work approaches and, thus, managers see few problems in expanding these programs in those locations.

In Asia and the Middle East, on the other hand, organizations have a difficult time letting go of traditional approaches to office space, especially in the way office space has been used to reflect the seniority or status of employees.

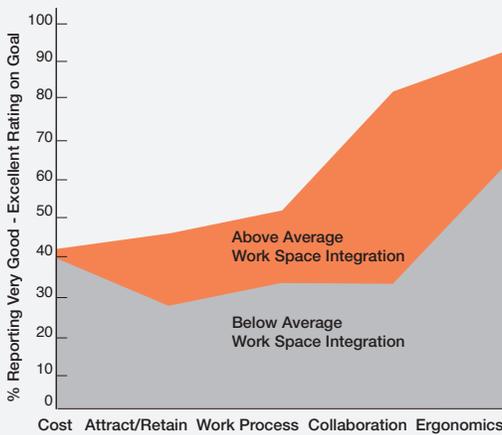
**Fig 6. Depth of implementation**

Depth of implementation is expected to increase by 20 percentage points in 3 years



**Fig 7. Business goals**

A greater proportion of companies with “above average” Integrated Workspace programs are high performers on their business goals, than those with “below average” programs



In both North America and overseas, other frequently mentioned obstacles include:

- + Outdated technology and facility infrastructure
- + Lack of a convincing business case
- + Programs that get stuck in “pilot” mode
- + Real estate and facility leads have limited influence on large scale change

*“Culture has a lot to do with it; in the county we work in, we always have indigenous employees that work with us as well, and we have to be very aware of what their culture requires. Like our office in Tripoli has to have a prayer room ... and hierarchy is extremely important, so the chief has got to be in this big office by himself with doors and an admin / secretarial as well...” — VP Real Estate, Energy Company*

Research interviews revealed that depth of implementation is not simply about square footage, but its overall reflection in policies, technology, management approach, etc. and participants’ intuition as to how deeply the philosophy is embedded throughout their facilities. Thus, we used a qualitative definition of “depth of implementation” of Integrated Workspace programs.

In order to quantify depth of implementation, we asked people to estimate how far they are from full implementation (20%, 30%, etc.). On average, participants viewed their organizations as being almost halfway to full implementation of these concepts and programs. Across industries, participants believed depth of implementation will increase another 20 percentage points by 2013 (Figure 6).

In Figure 7, the red area shows companies that report doing an “above average” job of implementing their workspace integration programs. The gray represents companies that report doing a “below average” job of implementing workspace integration.

The horizontal axis shows the top five business goals discussed earlier in this study. The vertical axis is the percentage of companies reporting “very good” to “excellent” ratings on attaining a particular goal.

Overall, Figure 7 shows that companies with good Integrated Workspace are more likely to reach their strategic goals than companies with below average quality of implementation.

Moreover, we found no difference in ability to meet cost targets between companies with good, versus below average, workspace integration. This suggests that a good workspace integration program does not cost any more to implement than other workspace strategies.

## Best Practices

The research we discussed in the previous section showed that work styles, work location and broad facility goals are drivers of change towards the Integrated Work model. In addition to the in-depth interviews for this research, we also conducted case studies (see next section). Taken together, this information yielded best practices around design, technology and program implementation.

### Design and Technology Elements

Our research and case studies suggest that four elements of Integrated Workspace design—alignment, choice, connection and efficiency—are required for a successful Integrated Work program.

**1. Ensure alignment** of workspace design with business needs by supporting complex individual and group work styles, and flow of work.

*"[To align the space with their work] we've got to be able to provide the spaces for them to do their jobs ... it makes them faster. They have done things in record time ... because they could work well as a team."*

— Director of Facilities, Energy Company

**2. Increase employee choice** through programs that provide the workforce with control over time and location of work. These include planning concepts that promote flexibility and office furnishings that employees can configure to their needs.

*"Part of this approach is to use the workspace and technology to provide employees with the greatest choice possible in selecting their time and location of work. This helps to promote the seamless flow of people between work modes."*

— Workplace Strategist, Healthcare Company

**3. Provide a sense of social connection** between employees and the organization by creating engaging, energetic workspaces and technology. Spaces should attract people to work and provide an interactive experience.

*"Employees were upset at first because the space is more open. Now people love it; they are happier and have a better attitude. The meeting spaces and technology created interest and attracted new users."*

— Facility Manager, Healthcare Company

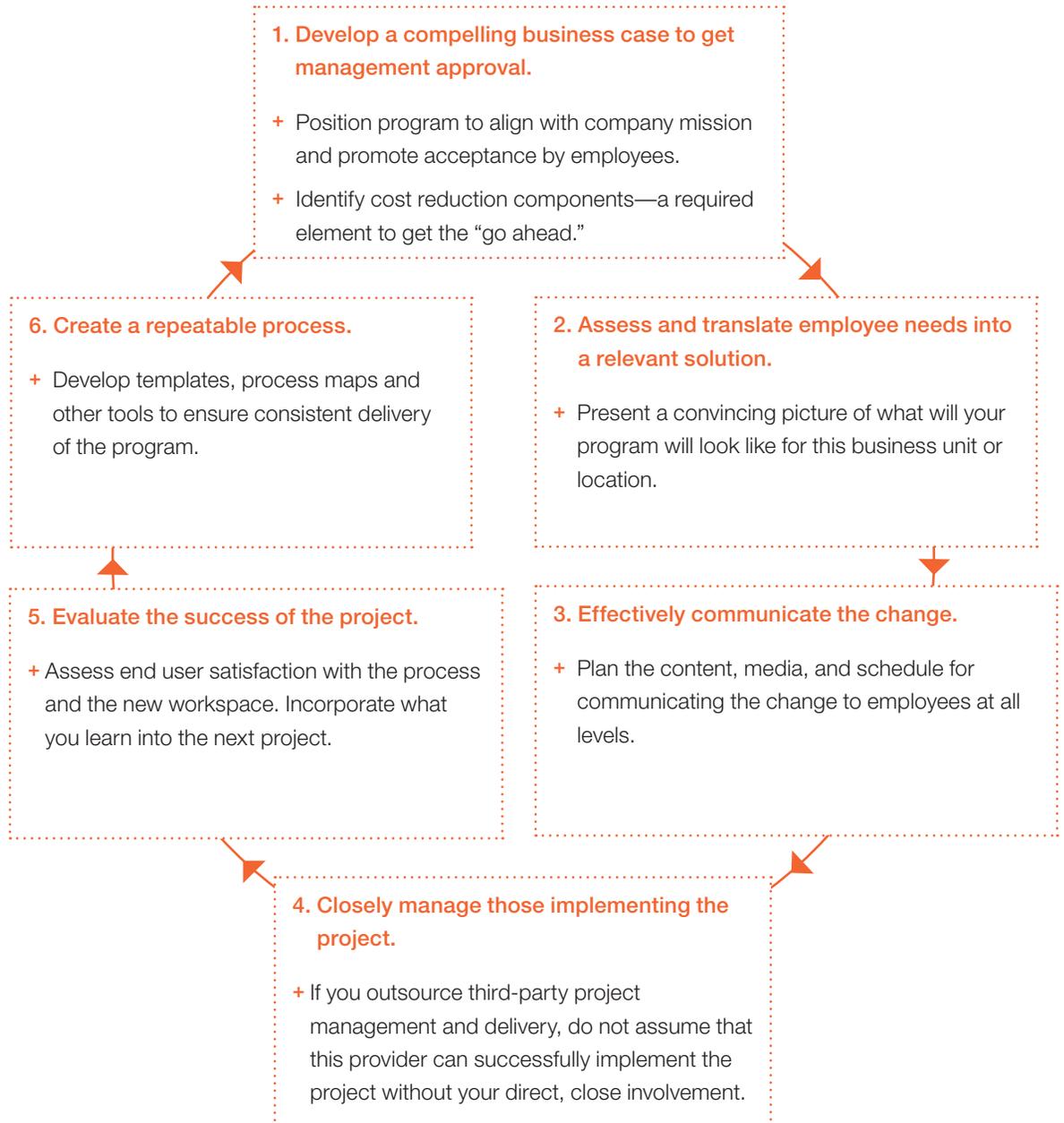
**4. Enhance efficiency** by maximizing space use and minimizing costs, being good stewards of company resources—which also support environmental sustainability.

*"We were able to provide a variety of work settings—in less overall space/cost than our traditional model. We eliminated 150,000 square feet and created \$3.7 million total annual cost savings."*

— Facility Manager, Technology Company

## Program Elements

In addition to design elements, a successful Integrated Workspace program must also have well thought-out programmatic and process elements, summarized here.



## Case Study: A Healthcare Technology Company Implements Integrated Work

### Context

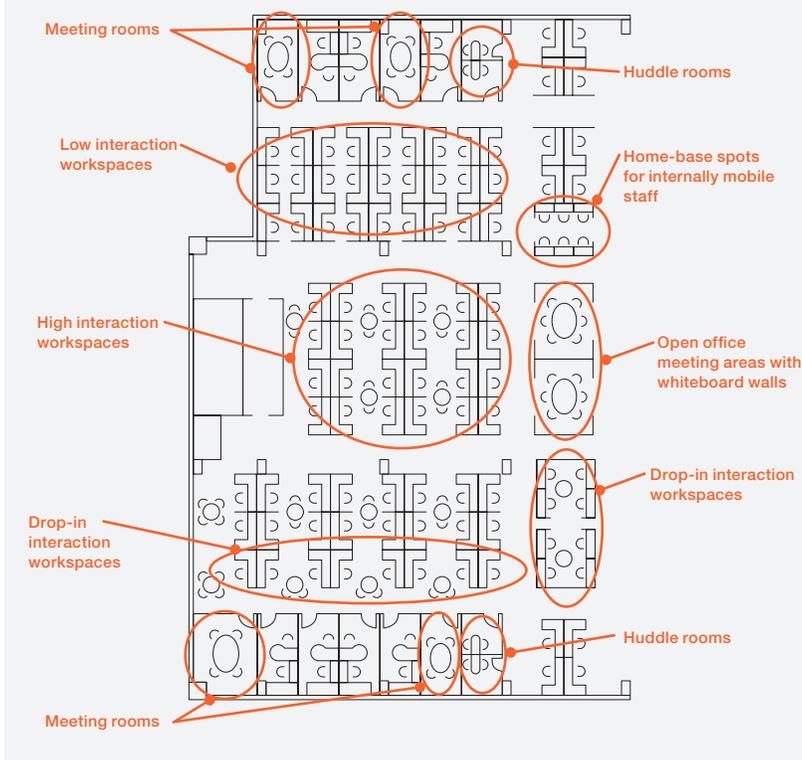
With a 40% utilization rate of their office space, the facilities team wanted to eliminate underused space and reduce cost. Strategic considerations also drove this project. The facilities team wanted to support “horizontal workflow”—to improve the efficiency of employees moving between locations—and thus their work effectiveness. Due to the dispersed locations of people, the facilities team recognized the need to keep employees connected to each other—and to the organization—by providing spaces and technology that engage employees.

### Strategy

Assigned and unassigned individual and group spaces were created to support focus, share and team work modes central to the Integrated Work model (see Figure 8). These spaces consist of huddle rooms (small casual meeting spaces), team meeting rooms, focus/share work spaces located near larger meeting rooms, and “drop in” individual work spaces designed for either higher or lower levels of interaction (share work mode). The adjacencies between these spaces were also carefully considered in laying out the space.

**Fig 8. The new space supports key strategic and cost goals**

*Conceptual floor plan illustrates the spaces that support focus, share and team work modes—and spaces for the social component of work*



### Outcomes

As a result of this program, the team reported several key benefits related to meeting cost and strategic goals:

1. The new layout helps people move smoothly and efficiently between geographically dispersed locations. Technology and space design helps team members connect more effectively.
2. Unassigned focus/share work areas foster a pleasant experience and minimize disruption as employees move between work spaces within the building.
3. A variety of work settings was created while reducing space and costs:
  - + 150,000 square feet avoided or eliminated
  - + \$3.7 million total annual cost savings

## Case Study: An Online Leader Leverages Integrated Work

### Context

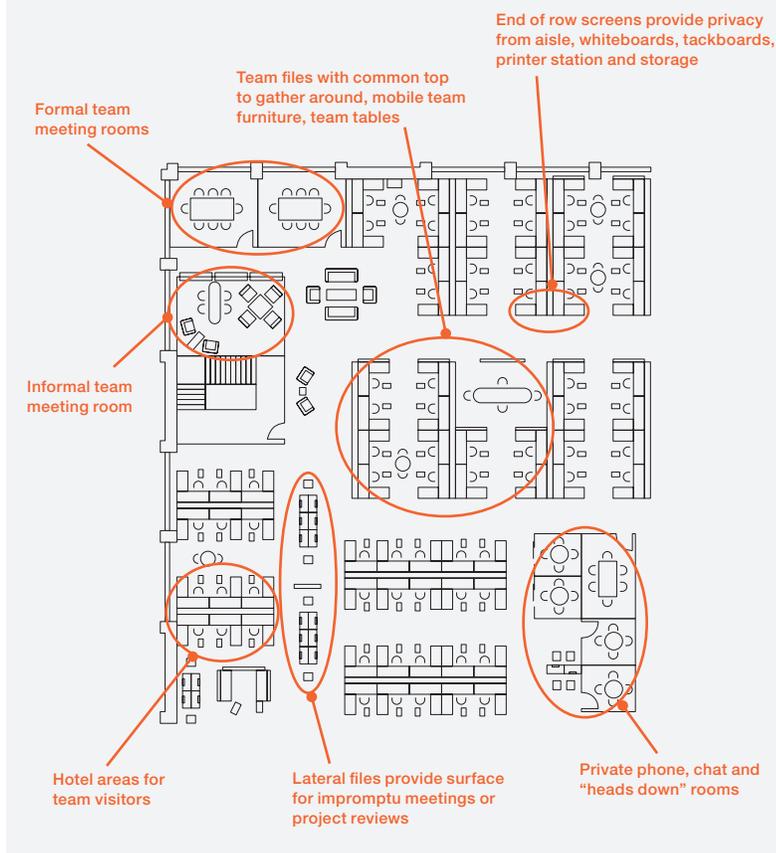
The company's "Great Place to Work" initiative drove the need for new workplace solutions (see Figure 9). Corporate leaders wanted a workspace that appeals to all generations; offers flexibility and ready adaptability; provides an open environment for sharing ideas; and allows teams to scale the space to their needs.

### Strategy

Team workspaces were designed to be flexible and scalable, allowing teams to change and move elements themselves (Figure 9). The workspace includes collaborative areas for teams, hoteling, projects, privacy, alcove chats, and storage. The design encourages collaboration and communication while supporting individual and team work.

**Fig 9. The new space supports the company's "Great Place to Work" initiative**

*Conceptual floor plan illustrates flexible, "scalable" furnishings that teams can modify to fit their needs, hoteling spaces for visitors, and spaces for "heads down" focus work*



### Outcomes

As a result of these changes, the organization realized cost benefits and better support for team work:

1. Initial furniture investment is lower than the old standard.
2. Teams can modify the workspace to meet their needs thereby reducing cost of "moves, adds and changes."
3. Modular components are used across business units, lowering warehousing needs.
4. Hoteling and visitor spaces allow people to sit with their own teams, eliminating dedicated real estate.
5. Natural light reduces cost of lighting for half the year.
6. Furniture materials are renewable, recyclable and built with sustainable methods.

## References and Additional Reading

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*Knoll research investigates links between workspace design and human behavior, health and performance, and the quality of the user experience. We share and apply what we learn to inform product development and help our customers shape their work environments. To learn more about this topic or other research resources Knoll can provide, visit [www.knoll.com/research/index.jsp](http://www.knoll.com/research/index.jsp)*