Moving Forward

Lessons and Considerations from
Knoll's Manhattan Relocation

Knoll

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Office relocations are often borne out of a moment of compression for an organization. The lease is expiring. The office is bursting at the seams. A functioning space no longer inspires or represents the brand.

No matter the driver, a move is a deeply layered affair, intertwining financial, operational, human, and brand considerations. But out of this urgency lies an incredible opportunity. A move is a once-in-a-great-while moment to remake an organization's physical presence, reshape its environs to match evolved work styles, and refresh its brand message to stakeholders.

For Knoll, a New York office move presented a particularly unique moment. As a company that has been at the forefront of space planning and workplace design for more than 75 years, a chance to implement its own experience and expertise was a defining opportunity.

Background: The Knoll Move

New York City, where Knoll was founded, is home to an office housing the executive and design teams, the regional sales force, the marketing and communications group, and the company's flagship showroom.

In 2004, Knoll moved into its Ninth Avenue office at the crossroads of Chelsea and the now-trendy Meatpacking District. "The under-developed neighborhood was an inexpensive, edgy location with vast floor space," says Knoll CEO Andrew Cogan.

After nearly ten years and the expiration of a non-renewing lease, Knoll packed up its loft-style Ninth Avenue office and relocated to a glass-and-steel mid-century modern office tower in the heart of Midtown Manhattan's bustling Sixth Avenue, also known as the Avenue of the Americas.

Moving Offices: 3 Key Workplace Decision Drivers

As any organization prepares to relocate, three key drivers—**financial and organizational priorities, shifting work styles,** and **changing technology**—begin to shape decisions around when to move, where

Framing the future for Knoll

to land, and how to build. For its own business, Knoll examined these drivers through business analysis, employee surveys, and general observation:

1. Financial and Organizational Priorities
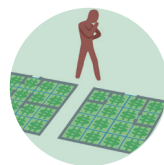
The cost of real estate and building out a new space is a significant factor in selecting a location that meets an organization's needs. And as a long-term investment, a new space needs to reflect the organization's culture, vision and values, represent its brand, and serve employees, clients, and other stakeholders.

▶ *Implications for Knoll*
Financial considerations led Knoll to reassess its spatial needs and geographic priorities. "The real estate market had changed immensely since 2004, so we

Executive Summary
When preparing for an office relocation, a number of key considerations come into focus. Examining (1) financial and organizational priorities, (2) shifting work styles, and (3) rapidly changing technology are critical to successfully crafting a high-performing workplace:

Financial and Organizational Priorities

▶ Today's real estate markets are challenging, making smaller square footage a trade-off to meet functional needs

▶ Post-recession organizations have discovered that slimmer physical space can still sustain productivity

▶ In an era of dispersed workforces and more employee churn, the office becomes an even more important cultural and brand marker

Shifting Work Styles

▶ Work has increasingly shifted from individual, heads-down 'cubicle' work to more group, collaboration work; creating various informal work spaces is key to increasing productivity

▶ Meetings have evolved from infrequent, formal, large-group occasions to frequent, casual, and breakout-style brainstorms; office layout should reflect this need for collaboration space as well as refuges for concentration

Rapidly Changing Technology

▶ Furnishings must be a flexible platform for employees to connect and display their technology and be a neutral platform for adapting future technology

▶ Workflow now includes document collaborating, videoconferencing, and cloud computing, all requiring fluid access to power and data

▶ Implementing familiar hardware and software systems across the office increases the usage of technology investments

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widened our search across the city," Cogan says. Knoll weighed how the space would work with its multiple stakeholders— employees, clients, designers, partners—as well as its image to a broader consumer audience. Functionally, Knoll searched for a convenient location with potential for building a high-performance workspace. And on a brand level, Knoll sought a space that was a fit for the company's DNA—modern, innovative, and energetic—to create a home for years to come.

2. Shifting Work Styles

The nature of an office's work may evolve over the years between moves, requiring a holistic rethinking of office programming to best plan for the current and future ways its people work.

▸ Implications for Knoll

A decade doesn't seem like a long time when it comes to a subject as existential as how we work. However, "the conventional, boilerplate office programs and spaces with which most of us are familiar," featuring numerous individual offices, sizeable cubicles, and spacious, formal conference rooms, "were never intended to support the more interactive, collaborative, social work styles of today," says Michael O'Neill, senior director of workplace research for Knoll.

The cubicle office has transformed into the coffee shop office, and the resulting shifts from individual work to more group work, from formal meetings to more informal, frequent collaboration has led to new workplace design solutions. Knoll employees found themselves with a lack of spaces meeting their demands, including areas for huddling with two or three colleagues, places for casual team meetings, rooms to take phone calls in or have confidential conversations away from open plan desks, and other zones of a more informal, collaborative nature.
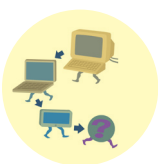
3. Rapidly Changing Technology

Technology's cycle of change often outpaces office design, a misalignment that often causes workplace friction.

A new office is an opportunity to not only update the environment but to build a neutral, flexible platform that adapts to future needs.

▸ Implications for Knoll

In a very short time, technology has untethered the office in revolutionary ways. "Ten years ago, we had many of the same underlying technologies we have now, but not the mobility," O'Neill says. The previous Knoll office was built when technology was less on-the-go and more built-in. Conference rooms had embedded presentation and videoconferencing systems and informal spaces around the office were built as more formal lounging areas, not technologically agile zones for working away from one's desk.

Now, laptops and tablets are commonplace and bulky monitors are extinct species. "What was once a hardware solution is now, as often as possible, a software solution," with greater portability, says Matthew Ezold, associate principal at acoustic, audiovisual and technology consultancy Cerami & Associates, who helped plan the technology footprint in Knoll's new space. Today's technologically diverse ways of working—including screen sharing, document collaborating, videoconferencing, cloud computing, and tablet presenting—rendered the

previous office program frequently inefficient and inflexible.

In Action: Decision Drivers at 1330 Avenue of the Americas

Knoll's evaluation of organizational, work style, and technological decision drivers provides a template for tackling office move considerations today. To create an optimal space at 1330 Avenue of the Americas, employees, a project committee, architects, technology consultants, and other stakeholders collaboratively found solutions to the three key areas:
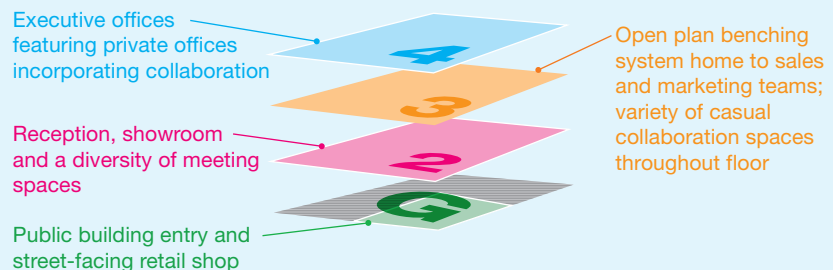
1. Financial and Organizational Priorities

As with most companies, the executive team led a deep dive into the state and needs of the business. In selecting a new space, priorities included:

▸ Determining the appropriate balance between cost of space and organizational needs particularly in a challenging real estate market

▸ Building a space that exudes the company's brand identity and supports its business goals

▸ Crafting an office plan that increases interactions between departments

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At A Glance: The 1330 Avenue of the Americas Office

Knoll chose a space that would best meet its challenges and position the company for its next chapter. "We selected 1330 Avenue of the Americas, a building that offered some unique opportunities for Knoll," says Cogan. Some of the winning features included over 29,000 usable square feet spread over three floors, street presence through a ground floor retail shop opportunity—a first for the company—and proximity to clients and designers.

Executive offices featuring private offices incorporating collaboration

Open plan benching system home to sales and marketing teams; variety of casual collaboration spaces throughout floor

Reception, showroom and a diversity of meeting spaces

Public building entry and street-facing retail shop

In the space, the second floor serves as the official entrance and includes a meandering showroom and a formal conference space. The densely populated third floor employs a contemporary benching desk system to house the sales, marketing, communications, and facilities teams and offers numerous informal meeting spaces. The fourth floor is home to the Knoll design and textiles teams alongside executive offices, which showcase a modern take on private office design.

Determining the appropriate balance between cost of space and organizational needs, particularly in a challenging real estate market. Moves are frequently a time of business reflection, given the resources required and the long-term investment being made. For Knoll, rising costs meant that to achieve all of the new office's goals would include a downsizing of square footage—upwards of 20%. In addition to a floor plan that allowed for increased collaboration space and a separate space for a flagship showroom, 1330 Avenue of the Americas offered bonus street level visibility through a retail shop presence. And not only did the Midtown space provide key transportation links for employees, but also many of Knoll's clients and designers are located nearby.

Building a space that exudes the company's brand identity. Creating a 'magnet' space that brings alive the organization's personality is key for all stakeholders. In addition to being convenient and commuter-friendly, the new Knoll office space "is dramatic in its feeling of New York City," says Benjamin Pardo, Executive Vice President of Design. "There is an energy that both our clients and our employees can appreciate." Within the space, Knoll's broad material palette and furniture portfolio were employed to create a multitude of spaces with rich color, texture, and dimensionality. The result draws an increasingly dispersed workforce back to the physical office.

Crafting an office plan focused on increasing interaction. At face value, losing square footage seems like an immediate disadvantage, but both the Knoll team and the project architects seized the opportunity to create a better working office plan. "We were forced to edit the story down to its essentials," says Pardo, "which for any enterprise is a worthy exercise."

Kim Yao, principal of Architecture Resource Office, the project architect, concurs. "A reduction in square footage can actually improve working relationships, create interactions, and introduce new adjacencies within the office." Specifically, the architects created stairwells that punctured the three-floor office space in separate areas, encouraging spontaneous interactions as people pass through the space. "Sometimes the best, most productive conversations happen when you're walking past people and facilitating those 'collision zones' was incredibly important," O'Neill adds.

Total Usable Square Footage

-22%

Old
37.4k sf

New
29.4k sf
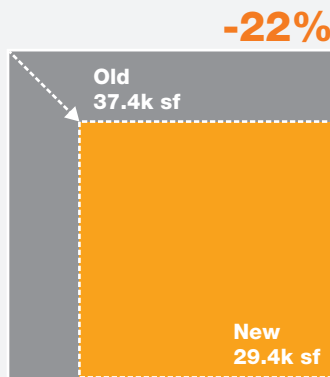
With less usable square footage, Knoll was still able to achieve key programmatic goals, such as creating a vibrant showroom floor and increasing informal activity and meeting spaces for employees.

Square Footage, Activity Spaces

+66%

New
2.6k sq ft

Old
1.5k sq ft
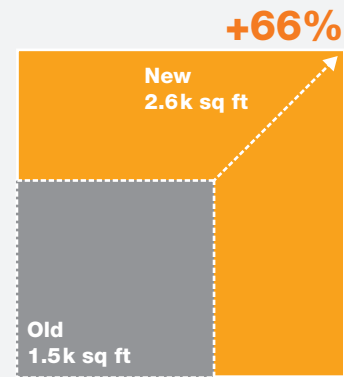
Based on direct feedback from employees, the variety of activity spaces increased greatly in the new office. The doubling of enclave, refuge, and community spaces aligns with today's work styles.

Third Floor, Sales and Marketing

The third floor, the primary work floor, includes extensive open office space and a series of open and closed activity spaces for personal or small group concentration and team collaboration. Three private offices are home to sales leaders, but are also used as swing spaces for visiting colleagues.

- Activity Space
- Open Plan
- Private Office
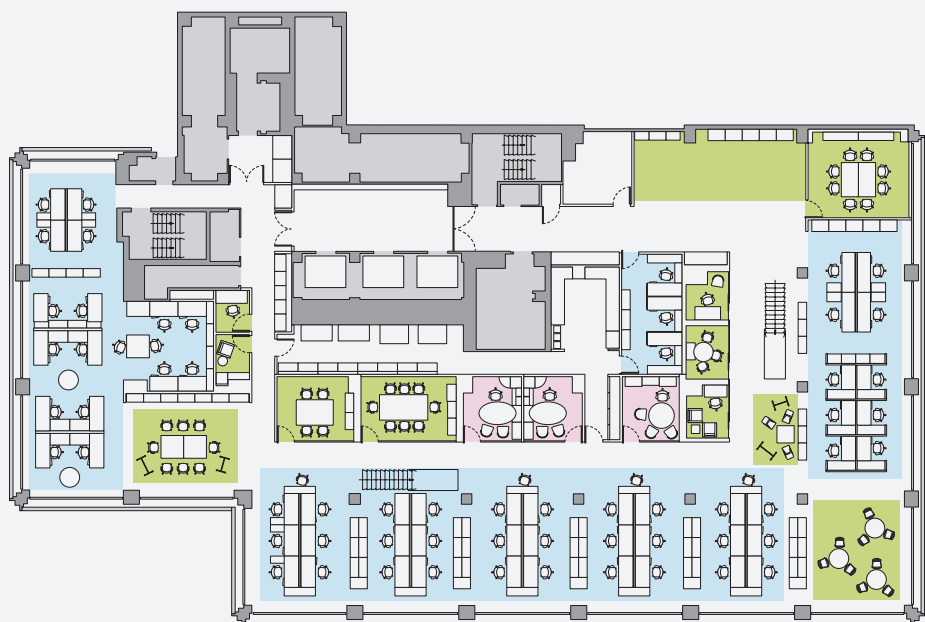
2. Shifting Work Styles

Knoll conducted a survey of its New York employees to better understand how their work had changed over the previous decade and influence the project's direction. The results revealed that the office's three generations of employees agreed about key shifts and needs including:

▸ Recalibrating the balance of individual versus group space

▸ Creating informal, 'magnet' spaces of varying sizes beyond personal workstations

▸ Planning flexible community and assembly spaces for larger gatherings

▸ Updating private offices as hubs for collaboration alongside their traditional individual function

Recalibrating the balance of individual versus group space. Individuals are working less at their desk all day. "Less personal desk space is fine—people just want somewhere to go that supports the type of work they are doing. Changing venues can lead to spontaneous interactions and increased productivity," says Doug Militzer, Regional Manager for New York.

Slightly scaling back personal desk space created huge gains in amenity spaces throughout the office. "While the overall office size decreased, collaboration space doubled from 4% to 9% of total usable square footage. The amount may still seem small, but "the gain in amenities for everyone is a rich, wonderful thing" that increases both employee performance and satisfaction with the workplace.

Creating informal, open 'magnet' spaces of varying sizes beyond personal workstations. 'Magnet' spaces—coveted places to work flexibly beyond personal desks—are designed for casual gathering and convenient collaboration. Knoll greatly added to its roster of these intermediary spaces in the new office. Examples of these open areas include:

▸ A media enclave, where four to six team members can work together on a large, shared screen

▸ A standing bar height table for six to eight, for a brief perch or quick meeting

▸ Areas with mobile whiteboards and lightweight chairs for active, impromptu brainstorming sessions

The Distribution of Work

Primary Workspace
53%

Building
17%

On Campus
6%

Within Community
12%

Outside Community
12%
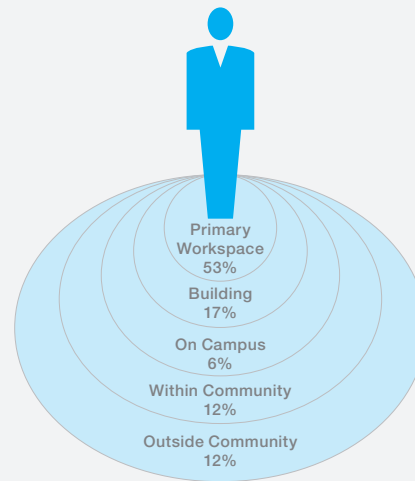
The average employee spends nearly half of his workday away from personal desk space, a shift that shows the importance of considering the entire office as a workspace and the role the physical office must play in drawing workers to it.

Square Footage per Person

113 sf

88 sf

Old   New
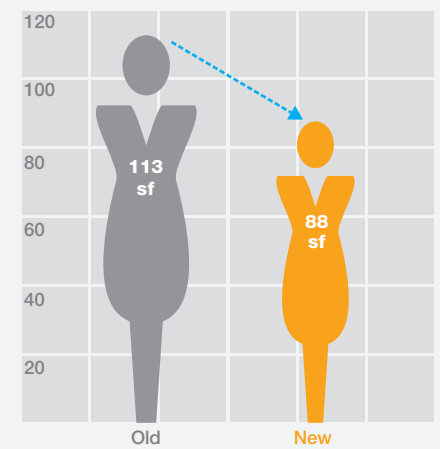
For Knoll's large sales and marketing teams, individual workspace square footage decreased in the new space. Partly attributed to rising real estate costs, the shrinkage is also in step with smaller technology footprints, less paper, and reduced time spent at desks.

In Knoll's research, smaller meeting rooms have higher utilization rates than large ones. In the new space, team meeting rooms are adjacent to the groups they serve, a key indicator of usage potential.

▸ Lounge areas with accessible power and data connections, enabling work away from desks

▸ Unassigned tables at the end of open plan benching desks, for quick conversations with colleagues

For work scenarios requiring privacy—especially true in offices with open plan desks—Knoll introduced a series of refuge and enclave rooms. Such spaces are commonly used for:

▸ Taking conference or personal calls

▸ Concentrating on individual work away from the desk

▸ Small group meetings and breakout sessions

▸ Privacy for new mothers

"It wasn't uncommon to see employees pacing hallways on cell phones or seeing two people huddled over a speakerphone in a conference room built for ten," says O'Neill,

With the appeal of natural light and street views, community spaces draw employees for impromptu gatherings and casual meetings.

The addition of small group meeting space in private offices frees up meeting rooms in other areas of the workplace and allows the private office to serve a diversity of functions.

about the previous office. Adding a number of these multiuse spaces vastly increases the function of the office.

Planning flexible community and assembly spaces for larger gatherings. Community spaces, where employees can informally gather for lunch, coffee, or end-of-the-day chats are important cultural zones. After noticing where such pockets naturally occurred in the Ninth Avenue office, these spaces were made a formal part of the plan at 1330 through carefully placed lounge areas.

Offices are also more open than in past years, with organizations hosting industry meet-ups, talks and lectures, cocktail parties, and other events that bring outside stakeholders in. Open 'assembly' spaces were included that allow furniture to be easily rearranged or added to accommodate events.

Updating private offices as hubs for collaboration alongside their traditional individual function. Knoll revised traditional executive suites by adding collaboration areas within each for team meetings or use when the primary occupant is traveling.

Combining a private office's typical individual workspace with group work zones frees up meeting space in other locations in the office. "People in private offices are just as prone to collaboration as others, if not more so," says Militzer. So increasing their utilization, much like a car pool lane on a highway, was a goal of the new space.

3. Rapidly Changing Technology

The modern office's technology requirement centers on creating a neutral platform that allows employees to connect, display, and work flexibly across the office on a variety of hardware and software products. Knoll implemented an adaptable, user-friendly technological feature set to meet both

immediate usage patterns and adapt to future needs through:

- ▸ Creating a universally connected office by introducing power access and displays throughout open spaces
- ▸ Utilizing new technologies to further 'untether' the office
- ▸ Employing familiar technology to ensure maximum usage

Creating a universally connected office by introducing power access and displays throughout open spaces. Collaboration in the modern office almost always involves connecting devices and displaying screens. With work extending beyond individual spaces, providing power and screen access throughout formal meeting spaces and informal magnet spaces is paramount. Knoll ensured all areas were adequately powered with either floor outlets or Interpole, a floor-to-ceiling conduit pole built to easily

Enclave spaces, with large screens and ample power sources, support today's collaborative and connected work styles.

In an energetic open office, enclosed refuge rooms provide privacy for focus work, private conversations, and phone calls.

A benching-style table provides an efficient use of space for individuals' primary work settings. For Knoll, a series of big tables encourage connectivity within the sales team and allows a greater allocation of square footage to alternative work settings. Large storage islands create buffers between tables and additional space for project activities.

provide connectivity in a variety of workspaces. Displays, like in the media enclave or in casual meeting rooms, allow employees to plug in or log in anywhere to access files.

Utilizing new technologies to further 'untether' the office. While cords still remain a reality, technology is further untying employees from home bases. Knoll implemented a handset-free, wire-free phone system to maximize freedom and flexibility. Users can login to their phone account through Voice over Internet Protocol (VoIP) software anywhere across the office. Strengthening software-based cloud computing further deepens the unchaining of technology — especially important for organizations like Knoll with multiple offices, distributed workers, and traveling employees.

Employing familiar technology to ensure maximum usage. Well-designed technology systems should be intuitive to learn and use, especially important when employees are accommodating to unfamiliar surroundings. Technology consultants Cerami & Associates introduced PC-based controls in conference rooms, which feature the Windows environment Knoll employees were used to. They also integrated existing room scheduling software into the new space's technology program. Introducing as few new systems, new screens, and new interfaces as possible goes far in encouraging use — and maximizing the return on technology investments.

Today's Considerations for a Successful Office Tomorrow

Even amidst today's highly digital workplace and fluid workstyles, the physical space remains a crucial element for any organization. When planned optimally, a space not only provides a home for the organization, but also encourages productivity, fosters collaboration, and creates connections.

While a relocation can often conjure up hassles, concerns, and costs, it is nevertheless an exciting opportunity for an office to catch up to change, create new opportunities, and build the next phyical chapter in an organization's life.

Examining the key financial, work style, and technological shifts that have changed since a previous relocation is key to successfully planning a move and building a higher performing office to meet today's needs and tomorrow's demands. ■

3 Tips for Planning Technology in a Move

Planning technology systems for a new office — which involves simultaneously correcting current shortcomings, introducing new systems, and thinking forward to future needs — can be a daunting task. Knoll tapped acoustic, audiovisual and technology consultancy Cerami & Associates to help plan the technological footprint of the new 1330 Avenue of the Americas office. Cerami associate principal Matthew Ezold shared three key tips to planning technology in a new office space.

Start planning early

Often, technology is thought of as an engineering discipline and bucketed with the mechanical, plumbing, and HVAC systems. But, technology is highly user-facing. Start planning technology early by surveying employee needs, specifying solutions, and integrating them with architects and other project consultants. The earlier technology is considered the process, the smoother and more flexible it can be integrated, and the more economical future changes can be.

Avoid completely foreign user experiences

Employees are used to certain interfaces in an office — perhaps their Mac or Windows operating system, mobile and tablet devices, and often specialty software used by the company. When introducing technology controls for elements like presentation systems in conference rooms, the less deviation from these recognizable platforms, the better. For employees, simplicity and familiarity means maximized use and minimized head scratching.

Choose scalable technologies

Selecting systems that provide both hardware and software-based options allows scale in both size and capability from desktop and mobile platforms up through dedicated solutions for larger conferencing spaces. Scalable systems provide flexibility in design and a more consistent user interface.

Including the same capabilities in all conference and collaboration spaces facilitates fluid movement from huddle rooms to larger meeting spaces. And as an added benefit, choosing scalable systems will make trial runs of new technologies more cost effective.

Communicating with Employees

Discussions around a new office often focus on the physical changes—rooms, offices, desks, floor plans, and other tangible elements. Yet, a critical part of planning a successful move is considering the move's impact on employees. Gathering input, communicating clearly, and involving the office in the process can result in not only a smoother transition, but also a better final product. Knoll followed five steps to manage workplace change in its move.

Key Steps	What Knoll Did

Create the Big Message

Outline the key organization and employee benefits of a move and reinforce them in all communication around the relocation.

- ▶ Created a steering committee in charge of planning and communication around the move
- ▶ Outlined positive outcomes to Knoll, such as street presence, proximity to clients, and financial and brand benefits
- ▶ Noted benefits to employees, including better collaboration spaces, more technological flexibility, a convenient commute, and better building amenities

Take the pulse of the organization

Through a formal survey and informal conversation, learn what is and isn't working in the current space and what desired outcomes for a new office might be.

- ▶ Conducted a workplace assessment and change readiness survey to gather feedback for the new space's program and to gauge attitudes around moving
- ▶ Organized company-wide meetings to constructively start a dialogue and gather input for the move
- ▶ Worked with architects/space planning team to communicate the needs of employees

Deliver the message

Create a communications plan and disseminate the message in a variety of modes—verbal, email, live presentations and tours—to share the progress and decisions surrounding the move.

- ▶ Created a communications plan that included regular emails and verbal updates
- ▶ Conducted a kick-off, pre-construction event for employees at the new location
- ▶ Shared floor plans, pictures of construction progress, and mockups of new individual workstations

Support the move

In the weeks leading up to a move, provide guidance and time for purging, packing, and planning the physical move. And in the new space, appoint knowledgeable staff to quickly resolve issues.

- ▶ Offered support in disposing unnecessary papers and packing individual and group spaces
- ▶ Created etiquette guidelines for the new space, as a chance to reset habits
- ▶ Planned move-day activities and celebrations and supplied materials on the new neighborhood (lunch spots, client dinner suggestions)
- ▶ Hosted a series of orientation events on move-in week, touring and demonstrating new spaces and systems

Evaluate the process

After several months, survey employees to determine if the process—and the new office's solutions—is meeting needs.

- ▶ Collected information after 90 days (enough time to get situated) to see how the new office was performing
- ▶ Made adjustments as necessary to ensure the move's goals have been solidly met

For more on this topic, refer to Managing Workplace Change: A People-Based Perspective, Knoll 2012.

Through research, Knoll explores the connection 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

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