Creating an Innovation Ecosystem

How does the physical workplace help employees innovate?

WHAT WE DID

Gensler’s U.S. Workplace Survey 2016 is the most recent installment in our 10-year Workplace Survey research effort. We surveyed a panel-based sample of over 4,000 U.S. office workers in 11 industries to understand where, and how, work is happening today, and the role design plays in employee performance and innovation. Our goal was to provide critical insight into how the workplace impacts overall employee experience, and to identify ways to leverage workplace design and strategy to unleash the power of the whole organization.

We conducted the survey using Gensler’s proprietary Workplace Performance Index® (WPI™) online survey tool, which is built upon a core set of validated questions gauging workplace effectiveness and functionality that we have used and refined over the past 10 years. Respondents represented all generations and roles in the workplace, companies of various sizes, and were geographically spread across the U.S.

THE CONTEXT

The nature of work and the places in which work happens are both facing significant—and potentially volatile—paradigm shifts. Unemployment has fallen since our last survey in 2013, but despite overall job growth, workforce participation is at the lowest levels since 1978. Over two-thirds of the workforce is disengaged from their work, and workplace stress is on the rise, afflicting 8 out of 10 workers. Companies are struggling to attract and retain good talent, just as emerging technologies and coworking trends empower more workers to step out of the corporate structure and become freelance consultants—40 percent of the U.S. workforce is estimated to be independently employed by 2020.

For the majority of the U.S. workforce, disengagement and stress are compounded by the physical work environment, which continues to challenge productivity and innovation. Smaller desks and less privacy are the norms for many at work today, at a time when continued urban migration is forcing many into smaller living situations as well. Other workplace trends are also compounding the issue—in particular, a rise in virtual or technology-enabled collaboration requires new ways of working that many organizations still struggle to support.

THE RESULTS

As workplace designers and strategists, we know intuitively the impact of workplace design on innovation. Our 2016 data uncovers a statistical link between the quality and functional makeup of the workplace, and the level of innovation employees ascribe to their companies. Respondents with a higher WPI score (Gensler’s aggregate measure of workplace effectiveness and functionality) also report higher innovation index scores (an average of six validated questions focused on innovation, leadership, and creativity).

Our analysis also helps to fit workplace into the broader picture of what truly matters to employee performance. At-work relationships, particularly with one’s manager, the level of meaning or purpose an employee sees in their organization’s work, and whether the workplace reflects that their company prioritizes collaboration are statistical predictors of organizational innovation. This need to prioritize collaboration must be addressed alongside the critical need to support focused work for today’s knowledge workers. Innovators report that they are five times more likely to have workplaces that prioritize both individual and group work.

By comparing employees with the highest innovation index scores—those in the top quartile or 25 percent—to those in the bottom quartile, we were also able to identify a broader suite of behaviors and spatial attributes that make the biggest difference for the most innovative employees in our sample.

Innovators have better designed workspaces of all types. Every office space we measure—from individual desks, to meeting rooms, common areas, and bathrooms—is rated significantly higher on design look and feel by the innovators in our sample. And not only is the design better, innovators are also leveraging the whole office to greater effect. Innovators spend less time at their desks, instead collaborating and socializing from conference rooms, open meeting areas, and café spaces. They also spend more time working away from the office, averaging 74 percent of an average week in the office compared to 86 percent for respondents with the lowest innovation scores.

Innovators have more choice in when and where to work. This speaks to both a management issue—they are more autonomous at work, better able to work in the places and ways that suit them best—and the variety of their spaces. Innovators have greater access to amenities in or near their office locations, and report using amenities twice as often. All of this adds up to more engaged employees, with a stronger connection to the organization. Innovators report more meaning and purpose in their work, have stronger relationships with their managers, and are more satisfied with their jobs.
WHAT THIS MEANS
How can design help employees innovate?
By identifying the key differentiators for employees with high innovation index scores, we developed a set of action items every organization should take to optimize the workplace and improve performance and innovation:

**Innovators have 2x more access to amenities.**

**Invest in the Individual**
Employees at innovative companies have better designed and more functional workspaces, no matter how open—and if those functional aspects are managed, an open office can be as effective as a private one.

**Diversify Group Work Spaces**
Innovators have access to, and use, a greater variety of workspaces in and out of the office, particularly for non-focus activities. They are also less likely to report having to work in the same space, and less likely to socialize at their desks.

**Empower the Whole Community**
The ability to work wherever is best for the task at hand shouldn’t be a perk just for leadership. Invest in strategies to increase autonomy, and connect every employee to the purpose behind their work and the broader organizational community.

WHAT’S NEXT
These ideas apply across organizations in every industry and geography, but the best solutions are project- and company-specific. Organizations must gauge their current state and opportunity across these factors to identify areas with the greatest need for improvement, and target workplace investment for maximum impact.

“When mounting evidence suggests that the habits encouraged by mobile technology—namely, talking in public to someone who is not there—are tailor-made for hijacking the cognitive functions of bystanders.”

Diversify Group Work Spaces

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<th>WHEN WE CONTROL FOR THE FACTORS THAT ARE MOST IMPORTANT TO INDIVIDUAL WORKPLACE PERFORMANCE, ANY SPACE TYPE CAN BE HIGHLY EFFECTIVE.</th>
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FROM 2013 TO 2016, CHOICE FELL AT EVERY LEVEL OF THE ORGANIZATION. SENIOR LEADERSHIP CONTINUES TO REPORT GREATER CHOICE THAN PROFESSIONAL OR ADMINISTRATIVE STAFF.

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About Gensler

As architects, designers, planners, and consultants, we partner with our clients on some 3,000 projects every year. These projects can be as small as a wine label or as large as a new urban district. With more than 5,000 professionals networked across 46 locations, we serve our clients as trusted advisors, combining localized expertise with global perspective wherever new opportunities arise. Our work reflects an enduring commitment to sustainability and the belief that design is one of the most powerful strategic tools for securing lasting competitive advantage.

Gensler’s Research Program supports research investigations important to our firm, our clients, and to the ongoing learning and development of Gensler professionals. Research projects are practitioner-led with involvement across the globe. Our teams bring thought leadership to the table as we seek to solve our clients’ and the world’s most pressing challenges by creating high-performance solutions that embrace the business and world context in which we work, enhance the human experience, and deliver game-changing innovation.

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