The Workplace in an Age of New Markets Workforce Responsibility
From the start, workplace design has been the heart of Gensler’s practice. The firm’s success is grounded in a clear understanding that, when approached as a means to organizational performance, an office can be more than just a nice place—it can be a dynamic workplace environment with the power to enhance a company’s business goals.

Through 40 years of practice, our work has aligned with the cutting edge of management strategy—always finding unique ways to support organizational drivers that address our clients’ needs.

Today, we are witnessing the birth of a new age in business. A thriving knowledge and services sector is now at the heart of the U.S. economy, with strong demand for smart, skilled, and creative professionals. It is an age of new markets, a new workforce, and new responsibility.

New Markets. Globalization is connecting nations, companies, and people and creating new market opportunities. Technology has empowered work to happen everywhere, and employees are working remotely—from different cities, from airports and hotels, and from client sites. To adapt to the new demands and realities of global business, companies must develop strategies to maximize culture, collaboration, and workflow.

New Workforce. The forces creating new markets have also brought into daily contact a workforce of unprecedented diversity. People from different cultures, countries, races, and religions are working together. Adding to the mix is the fact that the workplace now hosts four generations of people. Organizations must offer a range of workplace options to meet the needs of different groups of workers.

New Responsibility. We are seeing the advent of increased social consciousness in the business world. This consciousness is acutely focused on sustainability and extends to our collective use of the Earth’s resources. Sustainable environments are no longer an option, but a mandate, both to realize energy savings and to provide a healthy workplace and a healthy planet.

Recognizing this context of new markets, a new workforce, and new responsibility, we must ask: What is the new definition of success for business, and how does workplace design play a role?

We decided the best way to answer that question was to take the pulse of the U.S. workforce to see what was important to them. In March 2006, we surveyed more than 2,000 Americans who work in offices.

What we found provides a new and deeper understanding of the role the workplace environment can play in support of more competitive companies and more engaged, collaborative, and creative people.

Most significantly, 90% of the survey respondents believe that better workplace design and layout result in better overall employee performance.

The study indicates that companies can gain enormous benefit when they think of the workplace as an integral investment in the real value of a business—its people.

Diane Hoskins, AIA
Executive Director

The U.S. Workplace Survey

Ninety percent of American workers believe better workplace design and layout result in better employee performance.
The design of the workplace has always paralleled what is happening in business. When we look at past changes in the workplace, we look at what’s changed with work itself.

Moving forward, human potential must be maximized. With Gensler’s U.S. Workplace Survey, we took a simple yet fundamental move in that direction: asking workers what they think about their environment.

The Evolution of Workplace Design

The 1980s

Form follows process. Professional and upscale

- People—talent recruitment and retention
- Performance Focused—maximize human capital
- Brand—communicating mission and values
- Interactive Space—collaboration aimed at innovation
- Mobility—distributed work settings
- Openness—emphasizing access and visibility

Process

In the 1980s, the workplace was seen as a tool to support company process. Spaces were formal in their arrangement and feel. Process flow and efficiency metrics were introduced as workplace success measures.

Characteristic design elements

- Linear Process—workplace as organizational assembly line
- Standardization—organizations sought control through uniformity
- Hierarchy—status reflected by workspace
- Cubicles—the open vs. closed environment debate

The 1990s

Flexible design. Casual, less refined, impermanent, everything on wheels

- Linear Process—workplace as organizational assembly line
- Standardization—organizations sought control through uniformity
- Cubicles—the open vs. closed environment debate

Process + Technology

The 1990s brought radical changes in workplace approach. Increased emphasis was placed on technology, with workplace environments moving beyond process and actually enhancing the ways work was conducted. Strong focus was placed on technology as a means to achieve business goals.

Characteristic design elements

- Technology—environments focused on digital tools
- Dynamic Process—less linear and more networked
- No Hierarchy—everyone equal
- Flexibility—design that adapts to change
- Amenities—focus on attracting talent
- Hoteling—introduced to enable mobility

Today

Transformative design. Branded, connected, diverse

- Technology—environments focused on digital tools
- Dynamic Process—less linear and more networked
- No Hierarchy—everyone equal
- Flexibility—design that adapts to change
- Amenities—focus on attracting talent
- Hoteling—introduced to enable mobility

Process + Technology + People

Today, process and technology have leveled the field of business, and people alone create the strategic competitive advantage. By fully supporting them, design has the potential to enable organizations to leverage their human capital more effectively.

Characteristic design elements

- People—talent recruitment and retention
- Performance Focused—maximize human capital
- Brand—communicating mission and values
- Interactive Space—collaboration aimed at innovation
- Mobility—distributed work settings
- Openness—emphasizing access and visibility
Research Methodology

The survey included more than 2,000 participants at all staff levels, representing eight industries with equal distribution across the continental United States.

The U.S. Workplace Survey was commissioned by Gensler and performed by D/R Added Value, an independent research firm. D/R Added Value was responsible for all aspects of the survey, including questionnaire design and testing, data processing, and tabulations.

More than 8,000 workers were initially solicited, with a final qualified respondent sampling of 2,013. The margin of error based on the total sample is +/- 2 percentage points at a 95% confidence level. At no time was Gensler identified in the survey process, nor were Gensler clients specifically targeted.

The survey is comprehensive, covering eight industries, with equal regional representation across the continental United States.

Gender

Female 53%
Male 47%

Age

14% 18 - 29
32% 30 - 39
29% 40 - 49
15% 50 - 59
9% > 60

Workplace Environment

Office environment with other staff 96%
Telecommute 4%

Office Size

22% 1 - 20
18% 21 - 50
15% 51 - 100
15% 101 - 250
11% 251 - 500
9% > 501

Staff Levels

C-Suite 7%
Upper Management 16%
Middle Management 37%
Staff 40%

Years at Current Job

10% < 1
25% 1 - 3
25% 4 - 6
15% 7 - 10
24% > 10

Business Scope

International 20%
U.S. Only 59%
Global 20%
Unsure 1%
Seventy-four percent of the average work week is spent in the office.

The U.S. Workplace Survey results allow us to paint a picture of the contemporary American office worker.

The average American office worker is 42 years old and has been at her job for 6.3 years. She works in an office with 210 employees for a company with 3,711 total employees. The company’s annual revenues are $354 million.

The average office worker feels that he has less time to think than he did five years ago due to increasing pressure and expectations. About 14.5% of his social time involves work and work colleagues. On a scale from 1 to 5, with 5 being most satisfied, he would rate his current job satisfaction as 3.6.

More than 80% of workers felt that technology has enhanced their workplace environment. Technologies used include:
- Desktop Computer 86%
- Mobile Phone 46%
- Laptop Computer 38%
- Wireless Access 28%
- Teleconferencing 26%
- Video Conferencing 17%
- Mobile E-mail Device (PDA) 13%
Key Findings  Workplace quality makes a difference.

In overwhelming numbers, U.S. office workers say that well-designed work settings clearly contribute to individual and organizational performance.

When asked if the quality of the working environment is very important to their work, 84% of respondents said yes. Twelve percent cited working at home, 2% cited while traveling, and only 1% cited other venues.

When asked where their best ideas are developed, 49% of respondents said at their desk. Sixty-seven percent of respondents felt they were more efficient when working closely with co-workers.

The survey results indicate that businesses can directly impact worker productivity through workplace design. When asked if they would be willing to work an extra hour per day if they had a better working environment, 49% of respondents said yes.

We asked C-level/upper management to quantify how a better physical working environment could impact the amount of work their company performed. The average estimate was 22.4%. And 88% of upper management/C-level respondents said that the increased productivity would have a positive impact on their company’s bottom line.

But the survey also indicates there is a strong disconnect between the value placed on the workplace environment and perceptions of what drove their current workplace design: just 1/3 of respondents believe that creating a productive workplace is a priority at their company.

Only half of the U.S. workforce feel that their environment empowers them to innovate (see graph at right). American businesses may be missing an important opportunity to increase innovation.

As competition for talent continues to increase and as employers are forced to explore more and more ways to attract and retain employees, the workplace can be a key tool not only to keep employees, but also to keep them productive and engaged.

The U.S. Workplace Survey
Client Research Events

Outside factors have fundamentally changed the ways in which we work.

At more than 15 events across the United States, Gensler gathered a diverse spectrum of clients and guests to present and discuss the U.S. Workplace Survey findings.

Overwhelmingly, participants focused on the potential their workplace environment offered them to impact productivity, collaboration, and competitiveness. There was genuine enthusiasm about the finding that the workplace environment is one of the strongest tools to support their human capital.

Given this consensus, discussions turned to the outside factors that have changed the ways in which we work: globalization has opened up new markets and has brought differing cultures into close contact, while technology and mobility have led to changed work processes and a more distributed workforce. In this new age of business, how can workplace environments support these dynamically changing situations?

The New Drivers

Gensler’s Workplace Task Force held a summit to merge the discoveries of our client research events.

One of the strongest tools to support their human capital is the new framework—focused on people and the ways they work together and individually—is the key to creating the right workplace environment to meet the unique needs of each organization.

Event Attendees

ConocoPhillips
Corporate Design Foundation
DELTA Partners
Crescent Real Estate Equities Co.
DRI-Red hat_vals
Deloitte Touche Tohmatsu
Dixon Stiponis LLP
Discovery Communications
EDS Real Estate
EL Paso Corporation
Ernst & Young
Fidelity Investments/FMR Company
Frisl-Law
Galler and Wittenberg
Gensler
Halliburton Real Estate Services
Hewlett-Packard
Hill & Holliday
IBM
Jackson Walker LLP
Jones Lang LaSalle
JP Morgan Chase
Kirkpatrick-Clark
KPMG LLP
Lehman Brothers
Lerner Enterprises
Lever 2 Solutions
Lexus Drug Stores Corporation
Lutron Electronics, Inc.
Mary Kay
The McGraw-Hill Companies
McKesson Corporation
Mullen Advertising
Navistar
Novell, Inc.
Optix Public Relations
O’Melveny and Myers
One Apco & Partners
Portals
Plains All-American Pipeline, LP
Plains Exploration & Production
Prouty, Law & Associates Ltd.
PROS Revenue Management
Raytheon
Reliant Resources
Ropes & Gray LLP
Roseland Companies
Rubin Postauer and Associates
Safeway
Sage Software
Schulman, Inc.
Sheil Real Estate Services
Shields, Jr.
Southern Union Company
Sovereign Bank
Sprint
SunTrust Banks Inc.
Sultan Partners LLC
Toyota Motor Corporation
Trammell Crow Company
Transport National Group
Transwestern Commercial Services
United Airlines
Vinson & Elkins LLP
Vodafone Americas, Inc.
Walter P. Moore & Associates
Western Asset Management
Williams & Connolly
Willkie Farr & Gallagher LLP
WPP
YWCA of Metropolitan Los Angeles

DIVERSITY DISTANCE WORK MODE RESPONSIBILITY CODE

The Gensler Design + Performance Index

The Gensler Design + Performance Index
At one time, diversity was simply a factor of race or gender; it is a far more complex and nuanced situation today. Within the contemporary U.S. workplace are women and men spanning four generations and representing ethnicities and cultures from around the globe.

Compounding the situation is the speed at which companies leverage technology, physically or virtually bringing into contact previously distributed groups.

The workforce also has a wide spectrum of talents and skills, technological literacy and comfort levels, physical capabilities, languages and communication styles, lifestyles, and learning preferences.

As technology shrinks distance, differences persist and are even amplified.

The new character of diversity offers an opportunity with revolutionary potential. Diverse viewpoints and approaches can take creativity to new heights. A workplace that supports the unique skills and perspectives of a multigenerational, multicultural workforce can help a business to reach its performance goals more effectively than ever.

Yet there is a paradox facing workplace design moving forward: we are designing for populations, not individuals, but individuals are the ones who do the work. How do companies achieve the economies of workplace standards and systems and still support a diverse workforce and its attendant workstyle preferences?

By managing diversity as an asset and social equality as a tool for commercial growth, the workplace environment can create a sense of belonging and shared culture that appeals to workers of different ages and backgrounds.

People used to work for companies, but now they expect companies to work for them—to provide dynamic office settings that help them to be more productive and creative.
Distance  Connect people.

The typical office worker used to live within a few miles of the office. Cities grew, suburbs were born, and commutes lengthened. Now companies are spread out across the country and around the world. They tap into a workforce that is mobile and remote. Along with physical distance, a diverse workforce brings with it cultural, behavioral, and emotional distances.

As the workplace grows in complexity, it has never been more important to bridge the distance, to empower people to work together and to support each other.

The competition for employees’ hearts and minds is intense. Companies are looking for a virtuous cycle: people’s sense of belonging helps retention, retention aids mentoring, mentoring builds expertise across the company, and that expertise fuels innovation. With a dispersed workforce, the office can become the place where this happens.

As work spreads out, organizations that are fluid and flexible—functioning more as networks than hierarchies—have a competitive advantage. People on teams need “face time” at certain points, but virtual interaction is the rule today. Given that, the office is increasingly a meeting point that supports collaboration of all types. (New-generation video conferencing rooms, such as HP’s Halo concept, reinforce collaboration.)

When real and virtual blend like this, it often falls on the workplace to make work progress visible. In a world of distributed work settings, people crave an effective workplace to come together to get their work done and achieve a sense of community.

Half of the survey respondents listed organization/layout as the primary way their work environment could be improved. This included more space, more privacy and personal workspace, more filing/storage space, and a more efficient overall office layout.
Today, work is delivered through a multitude of approaches. By work mode, we refer to the ways and means that people engage and perform their work. Work mode includes ownership, interaction, concentration, and creation. It involves process, technology, environment, and infrastructure. Some work modes are individual and some are collaborative, but most are a combination of the two.

The new workplace must accommodate a wider variety of work modes than ever.

As with diversity and distance, work mode is an element of the workplace that can be understood and leveraged. Through a careful analysis of the various work modes utilized—by individuals, by teams, by units, by companies, and by regions—a company’s business goals can be facilitated and enhanced.

Workers need a variety of different settings to suit different needs at different times, depending on their personal style as well as the nature of their tasks. Work environments should provide places for individuals to think and work quietly, places for groups to gather and exchange ideas, places for people to meet—which may be formal, informal, scheduled, impromptu, or face-to-face—and places for teams to set up long-term projects. People also need places for just dropping in.

Supporting work modes requires a balanced allocation of owned and shared settings, all designed to respond quickly to people’s changing needs.

Community and collaboration spaces are needed, but so are retreats where people can unplug, do focused work, and have private conversations. Smaller meeting spaces are also desirable, as most face-to-face collaboration involves only two or three people.

When the right work mode balance is reached, workers thrive, interacting with each other and their environment in ways that enhance the quantity and quality of the work they deliver.

There is a striking discrepancy between the high valuation of workplace design and workers’ perceptions of how it is valued by their own companies. Close to half of office workers—46 percent—feel that their employers do not see providing a high-performance workplace as a priority, and two-thirds see minimizing costs or maintaining the status quo as the main goal behind the design of their own office.

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Beyond just making a profit, a business must act ethically, support its employees, and respect the environment to be viable in this new era. Often referred to as the "triple bottom line," these expectations are the result of increased scrutiny of business and heightened levels of awareness about the depleting of natural resources and the enormous impact we have on the environment.

There is a growing awareness of the role businesses should play in sustaining the planet we share. Businesses must act responsibly.

When fully embraced, responsibility can reap enormous rewards. A company that makes its values evident in the workplace gains increased commitment and enthusiasm from its employees. This common ground can unite a company. In an age of distributed work settings, this increased trust factor is critical for performance success.

Responsibility is a mandate—from clients, customers, and employees. But it’s an investment with enormous returns.

The case for sustainability becomes progressively more important. Buildings significantly impact land, air, and water pollution and deterioration. More than half of all energy use is attributable to buildings. Sustainable design provides the opportunity to make significant savings in energy consumption and its attendant costs.

Beyond stewardship, Gensler’s experience and research indicates that healthy working environments can aid in recruitment and retention, reduce absenteeism, lower churn costs, increase productivity, and improve employee morale.

Through simple, cost-effective measures, sustainable design can support human performance and workplace flexibility. Responsibility has never been more important or more appealing.
A company is more than just a list of employees, titles, processes, and outputs. A company has a unique nature and personality—a cultural code.

That code is as unique and specific as the DNA of a human being. No two businesses have the same employees, perform in the same way, or face the exact same challenges.

A thorough analysis of a company’s cultural code can reveal its strengths and weaknesses, opportunities and dead-ends, patterns, and possibilities—what’s needed, what’s just fine, and what has to be improved.

When looked at through the lens of a company’s unique code, deeper understanding can be reached on the unique challenges it faces in terms of the four drivers of diversity, distance, work mode, and responsibility.

Innovative design is not a checklist of design elements. It’s not an open workspace, bright colors, bean bag chairs, hoteling stations, or high-tech conference rooms. Innovative design is more than a one-liner, more than a sleek space or a new layout. In fact, what is innovative for one company may be disruptive for another.

The key to unlocking innovation is analyzing a company’s cultural code, capturing that knowledge, and translating it into authentic, user-centered, and client-focused design solutions.

Innovative environments function well. They endure. They empower. They inspire. They leverage people to be creative and innovative in their work. They release the full measure of the potential of human beings.

By understanding a company’s unique code, we can arrive at design solutions that fully leverage the workplace as a transformative tool to support client goals.
Credits
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Nick Merrick/Heinrich Blessing: page 6, top
Atsushi Nakamichi/Nacasa & Partners: page 5, top right; page 24
Brian Pobuda/Gensler: page 14
Timothy Soar: page 17
Sherman Takata/Gensler: page 20; pages 22-23; page 26
Peter Vanderwarker: page 16
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Toshi Yoshimi: page 6, bottom

About Gensler
Gensler is a leading international architecture, interior design, planning, and strategic consulting firm. For over 40 years, Gensler has been a pioneer in creating great places that enhance the quality of work and life. Gensler employs over 2,400 people (564 LEED® accredited) with offices in 30 cities.

www.gensler.com

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