“The once”
ALTERNATIVE WORKPLACE STRATEGIES

Fifth Biennial Global Benchmarking Study 2018
Originated by New Ways of Working, 2008-2014

Additional support provided by Workplace Evolutionaries
ACKNOWLEDGEMENTS

This study was conducted and made possible by:

Advanced Workplace Associates (AWA), a multi-disciplined and independent management consultancy that helps large organizations get the most from their workplace investments, practices and management. Founded in the UK in 1992, AWA’s global clients include Morgan Stanley, Ernst & Young, Willis Towers Watson, AXA, Royal Bank of Scotland, Mintel, Asda, the Home Office, The UK Border Agency, and Lloyds TSB.

Haworth, Inc., a global organization that enriches spaces with award-winning furniture, interior architecture, and technology solutions to help create beautiful rooms and achieve business goals by supporting collaboration and innovation. Research, knowledge, and design are at the center of the company’s strategy and foster a deep understanding of built environments, culture transformations and agile workplace needs. Headquartered in Holland MI (U.S.), the company holds over 400 patents. Their net sales totaled USD $2 billion in 2017.

Global Workplace Analytics, a research and consulting organization that helps public and private sector employers establish workplace change goals and quantify the impact of workplace flexibility, mobile work, telecommuting, activity-based working, well-being initiatives, and more. Based in San Diego CA (U.S.), Global Workplace Analytics has collaborated on thought leadership projects with some of the world’s largest providers of architectural, design, and strategy services.

Additional financial support was provided by:

Workplace Evolutionaries (WE), a high-energy community within the International Facility Management Association (IFMA) dedicated to improving our understanding of the workplace, provided financial support for the analytics, assistance in distributing the survey, and a platform on which to share the results.

Research and Production Team
The team of experts who collaborated on this study included (see page 65 for full biographies):

- Chris Hood, Director of Consulting EMEA, Advanced Workplace Associates (AWA)
- Dr. Gabor Nagy, Research Program Manager, Haworth, Inc.
- Kate Lister, President, Global Workplace Analytics
- Dr. Jay Brand, Professor, Andrews University

Greg Dziuban (Haworth) was lead graphic designer of this final report. Marcia Davis (Haworth) and Kate Lister provided copyediting.

Respondents
We are especially thankful to all the people and organizations who responded to our survey. We welcome your comments, especially your advice, for improving the 2020 Alternative Workplace Benchmarking Study.

Worth Noting
In keeping with the spirit of the study, the team met entirely virtually using teleconferencing and online collaboration tools.
SURVEY HIGHLIGHTS

More people are coming back to the office... but as internally mobile employees.

Organizations are now focused on people over saving money

Top drivers of workplace change now include productivity, collaboration, and work/life balance; sustainability is off the radar

Assigned seating ratios have changed little over the decade

Despite concerns to the contrary, alternative workplace strategies have not decreased productivity

Internal mobility nearly doubled since 2009; external mobility remained flat

Trend toward involving employees in planning has reversed
Survey Highlights – Expanded

KEY FINDINGS

- Although increasing productivity and saving money are still the primary alternative workplace program drivers (p. 24), human capital impacts are now the most valuable measure of success (p. 57).

- The top drivers for formal programs are saving money, improving collaboration, attraction/retention, health/well-being, and productivity. For informal programs, productivity, work/life balance, attraction/retention, agility, and health/well-being are the top drivers (p. 26).

- Internal mobility has more than doubled since 2009 (from 9% in 2009 to 21% in 2017). External mobility is down one percentage point since 2009, now at 16% (p. 18).

- Nearly half of employees (48%) still have a dedicated seat, a decrease of just five percentage points from 2009 (p. 20).

- Nine out of 10 respondents dispute the frequently-voiced concern that AW programs will decrease productivity (p. 50).

- Employee involvement in the planning of AW programs is down sharply from 64% in 2009 to 36% in 2017 (p. 46).

OTHER HIGHLIGHTS

- Sustainability as a program driver fell from 25% in 2011 to just 2% in 2017 (p. 24).

- Following a decline in program formality from 2009 to 2013, formal programs are up 27% since the last survey (p. 22).

- Paradoxically, while productivity is the top driver (p. 24), less than a third of respondents (30%) use it as measure of success (p. 52).

- CRE/FM is now responsible for running and managing a full 33% of AW programs, compared to 24% for HR, and 11% for Executive Leadership (p. 36). This represents a reversal in a significant trend away from CRE as the program manager.

- Executive endorsement of AW programs more than doubled between 2009 (7%) to 2017 (17%) (p. 38).
This report summarizes the findings of a survey fielded in 2017. It represents a continuation of a study initiated by an organization known as NewWOW (New Ways of Working) in 2008. With support from Haworth, Inc., similar surveys were fielded by NewWOW again in 2009, 2011, and 2013. The purpose of the survey, from the beginning, has been to benchmark workplace strategies and practices and monitor trends.

NewWOW disbanded in 2016, but Chris Hood, one of the original members of the group, couldn't fathom abandoning the rich longitudinal data that had been collected over the years. He enlisted Dr. Gabor Nagy, from Haworth, Inc., the original sponsor of the study, as a co-conspirator and Kate Lister, also a member of NewWOW, also joined the team, So, with permission from the founder of NewWOW, the triumvirate set about to re-field the survey and produce this report.

**Alternative Workplace Defined**
An ‘alternative workplace’ (AW), per the original 2008 survey, is defined as the combination of non-traditional work practices and settings and locations that supplement or replace traditional offices. Of course, some of what were once considered ‘new’ or ‘alternative’ have since become mainstream. Thus while some of the survey questions seem a bit dated, they have intentionally been kept as they were to ensure the integrity of year over year comparisons.

**Data Access**
We are committed to open sharing of the data we collect. We will therefore honor requests from anyone who would like to access the raw survey data. Before doing so, we will anonymize the responses to remove the names of individuals or companies. Industry information and the size of organizations will be preserved in the data sets.

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**2017 SURVEY STATISTICS**
142 companies completed this year’s survey; 91% (130) reported they had some sort of alternative workplace program (formal or informal) in 2017.

These 130 companies employ a total of approximately 2.3 million employees (a 30% increase over the 2013 survey).

Except where noted, percentages stated herein use just those companies with AW programs as the denominator.

Where possible, the 2017 data is compared to results from the 2008, 2009, 2011, and 2013 surveys.

Commentary was added by Hood, Nagy, and Lister.
ABOUT THE SURVEY

A web-based survey was conducted between July 1 and August 2, 2017. Participants were invited based on satisfying at least one of the following criteria:

1) They had participated in the previous benchmarking survey
2) They were members of Workplace Evolutionaries
3) They were suggested by members of the core team (Hood, Lister, Nagy).

With the help of the Workplace Evolutionaries group (Kate North, Glenn Dirks, et al.), a significant number of organizations belonging to the International Facilities Management Association (IFMA) participated in the survey.

It is worth noting, there were some significant differences in the nature of the responding organizations in 2013 and 2017. They include:

**Number of respondents:**
A total of 142 respondents completed the entire survey on behalf of their organization in 2017 compared to 225 in 2013. However, that difference is mitigated by the fact that a much larger percent of 2017 respondents indicated they had an AW program in place than in 2013 (99% and 75%, respectively).

**Sector:**
This year’s survey included a greater representation from tech companies, manufacturing, healthcare, pharma, education, government and energy. There was lower representation in architecture, professional services and banking/finance/insurance.

**Geography:**
The 2017 sample was more global than in prior years. While US organizations still represent almost half the sample (47%), participation from South America, Asia, and Australia/Pacific Islands increased significantly. And, for the first time in the history of the survey, Africa was among the respondents.

**Organization size:**
The number of smaller organizations participating in the survey (fewer than 200 employees) declined from 50% in 2013 to 37% in 2017.

These differences are explained more fully in the pages that follow.
ABOUT THE SURVEY

BUSINESS SECTORS

Q. To what business sector does your organization (entire company) belong?

The 2017 results represent well-diversified input from across the whole spectrum of business and commerce. The following comprise more than 75% of the survey sample.

• Architecture & Design/Construction/Real Estate (24%)
• Banking/Investment/Insurance (13%)
• Communications/Computers/Telecom/Information Systems (12%)
• Manufacturing (9%)
• Professional Services (9%)
• Healthcare (6%)
• Pharmaceuticals (5%)

Relative to the 2013 survey, there was a lower participation from (expressed in percentage point change):

• Architectural & Design (-3)
• Professional Services (-3)
• Banking/Investment/Insurance (-3.7)

There was also increased participation from:

• Technology Manufacturing (+9.1%)
• Healthcare (+6.1%)
• Pharmaceutical (+5.3%)
• Technology (+3.4%)
• Education (+3%)
• Government (+3%)
• Energy (+3%)
ABOUT THE SURVEY

BUSINESS SECTORS

Q. To what business sector does your organization (entire company) belong?
ABOUT THE SURVEY

GEOGRAPHIC DISTRIBUTION

North America: 76%, 73%, 64%, 76%
South America: 17%, 9%, 4%, 9%
Europe: 5%, 2%, 5%, 4%
Africa: 73%, 4%, 12%, 18%
Australia & Pacific Islands: 30%, 2%, 8%, 4%
Asia: 12%, 4%, 4%, 5%
### ABOUT THE SURVEY

#### SIZE OF PARTICIPATING ORGANIZATION & SAMPLE PARTICIPANTS

<table>
<thead>
<tr>
<th>Size Range</th>
<th>2017</th>
<th>2013</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;100,000</td>
<td>3%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>50,000 - 99,999</td>
<td>9%</td>
<td>15%</td>
<td>20%</td>
</tr>
<tr>
<td>10,000 - 49,999</td>
<td>16%</td>
<td>20%</td>
<td>24%</td>
</tr>
<tr>
<td>5,000 - 9,999</td>
<td>9%</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>1,000 - 4,999</td>
<td>9%</td>
<td>13%</td>
<td>7%</td>
</tr>
<tr>
<td>500 - 999</td>
<td>10%</td>
<td>22%</td>
<td>23%</td>
</tr>
<tr>
<td>200 - 499</td>
<td>36%</td>
<td>52%</td>
<td>86%</td>
</tr>
<tr>
<td>&lt;200</td>
<td>52%</td>
<td>86%</td>
<td>86%</td>
</tr>
</tbody>
</table>

**Sample of participating organizations:**

- Action for Children
- ADP
- AECOM
- Avison Young
- Boston Consulting Group
- Comcast
- BWBR
- Colliers
- Epsilon
- Government of British Columbia
- Kimball
- Manulife
- Microsoft
- Modus Group
- Motorola Solutions
- Planon
- RDG
- Renault
- Royal Bank of Scotland
- Sickkids Hospital
- Tesco
- Smith Group
- UK Home Office (Government)
- Unisource IT
- Willis Towers Watson
## ABOUT THE SURVEY

### SIZE OF PARTICIPATING ORGANIZATIONS AND SIZE OF AW WORKFORCE

Q. What is the total number of employees (including housed contractors) at your organization?

<table>
<thead>
<tr>
<th>Total organization size</th>
<th>Number of participating organizations</th>
<th>&lt;200</th>
<th>200-499</th>
<th>500-999</th>
<th>1,000-4,999</th>
<th>5,000-9,999</th>
<th>10,000-49,999</th>
<th>50,000-99,999</th>
<th>&gt;100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;200</td>
<td>30</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>200 - 499</td>
<td>16</td>
<td>56%</td>
<td>44%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>500 - 999</td>
<td>6</td>
<td>33%</td>
<td>33%</td>
<td>33%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,000 - 4,999</td>
<td>22</td>
<td>41%</td>
<td>27%</td>
<td>9%</td>
<td>23%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5,000 - 9,999</td>
<td>12</td>
<td>25%</td>
<td>17%</td>
<td>8%</td>
<td>42%</td>
<td>8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10,000 - 49,999</td>
<td>27</td>
<td>0%</td>
<td>15%</td>
<td>11%</td>
<td>33%</td>
<td>22%</td>
<td>19%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50,000 - 99,999</td>
<td>7</td>
<td>14%</td>
<td>14%</td>
<td>0%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>&lt;100,000</td>
<td>7</td>
<td>0%</td>
<td>0%</td>
<td>14%</td>
<td>0%</td>
<td>14%</td>
<td>44%</td>
<td>14%</td>
<td>14%</td>
</tr>
</tbody>
</table>

A large percentage of mid-size organizations remain in assigned seating. This group was also the most likely to indicate they did not track this data.
ABOUT THE SURVEY

SIZE OF PARTICIPATING ORGANIZATIONS AND SIZE OF AW WORKFORCE

Q. What is the total number of employees (including housed contractors) at your organization?

Observations
Mid-cap firms are mostly still in pilot mode and have not ventured into broad programs. It is possible they lack the resources to create fully developed programs, they lack mature/sophisticated operational practices, or that they are not as well understood by these organizations.

Recommendation
Mid-cap businesses appear to be fertile grounds for further support and assistance. Perhaps the industry could develop a small/medium business model to deliver results in a less costly and resource-intensive way.

![Graph showing the percentage of employees in assigned seats across different size categories of organizations. The highest percentage is observed in medium size businesses (200-499 employees), indicating lower participation in AW.](image-url)
Q. Do the following departments within your organization participate in the alternative workplace program (formal or informal)?

In this question, participants were asked to highlight those departments (from a list) that participated in their workplace program.

The most commonly mentioned departmental participants in the workplace program were:

- Marketing (79%)
- Logistics (76%)
- IT (73%)
- Sales (71%)
- Admin (71%)

The lowest participation was among Customer Call Centers but, even there, participation was noted in 45% of participants.

Also mentioned in smaller proportions were:

- Admissions and Faculty (Education)
- Directors
- Field Services
- Legal and General Counsel
- Project Management
- Video and Photography
- Public Outreach
- Interns
- Meet/Greet Function
- Gig Economy Staff

It was also interesting to note that several organizations made special mention as to whether their executives were in the program. By a 7:1 ratio, the responses confirmed that their leaders were included in the program, although in one case it was made clear that everyone except the senior executive team was involved.
Q. Do the following departments within your organization participate in the alternative workplace program (formal or informal)?

Virtually all departments reported some level of participation in AW.
ALTERNATIVE WORK APPROACHES
# ALTERNATIVE WORK APPROACHES

## TYPES OF ALTERNATIVE WORKPLACES OFFERED

Q. What types of alternative workplaces does your company offer and provide for employees? *(Note: This only relates to what is offered to all or some employees, not utilization of the option.)*

### Employers increasingly provide unassigned on-site spaces

<table>
<thead>
<tr>
<th>Types of Alternative Workplaces Offered</th>
<th>2017</th>
<th>2013</th>
<th>2011</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home-based work environment – employee works from home some days/weeks</td>
<td>85% (90%)</td>
<td>87% (90%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>On-site unassigned or public spaces (e.g., flex/drop-in/touchdown spaces)</td>
<td>85% (79%)</td>
<td>79% (77%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coworking (such as at coworking centres / spaces or serviced offices, such as WeWork, Regus etc.)</td>
<td>15% (28%)</td>
<td>40% (37%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satellite Office – drop-in space on the employee side of the commute (a.k.a. distributed workspace, office hotel center, satellite office, telework center, co-working center)</td>
<td>25% (26%)</td>
<td>26% (26%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>4% (9%)</td>
<td>10% (7%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Observations**

The survey asked respondents about the kinds of spaces they offer employees (regardless of actual usage). The only option that appears to have expanded between the 2009 and 2017 surveys was on-site unassigned or flexible spaces (now offered by 85% of respondents, up from 82% in 2009).

The offer of coworking spaces fell 25 percentage points from its high of 40% in 2013. Satellite offices fell 10 percentage points from its high of 35% in 2009. And the offer of home-based work fell 5 percentage points from its high of 90% in 2011.

**Takeaway**

There seems to be a growing understanding that bringing people together in one place has value, but that mobility and remote working is now a way of life. With fewer people in the office at any given time, organizations are opting for smaller desk numbers and employing unassigned and social spaces to accommodate mobile and remote workers when they are present.

**Recommendation**

Think mobility within and outside the organization’s places of work.
**ALTERNATIVE WORK APPROACHES**

**TYPES OF ALTERNATIVE WORKPLACES OFFERED**

**2017 AW Offered by Size of Company (# of employees)**

<table>
<thead>
<tr>
<th>Number Of Employees</th>
<th>Home-based</th>
<th>Onsite Unassigned</th>
<th>Satellite</th>
<th>Coworking</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;100k</td>
<td>86%</td>
<td>57%</td>
<td>29%</td>
<td>29%</td>
<td>6%</td>
</tr>
<tr>
<td>50k-100k</td>
<td>75%</td>
<td>25%</td>
<td>25%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>10k-50k</td>
<td>79%</td>
<td>11%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>5k-10k</td>
<td>85%</td>
<td>15%</td>
<td>23%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>1k-5k</td>
<td>77%</td>
<td>9%</td>
<td>0%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>&lt;1k</td>
<td>91%</td>
<td>9%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

% That Offers This Choice To Some Or All Employees

**Home-based work and coworking more common among largest employers**

**Observations**

Large employers (those with over 100,000 employees) are more likely to offer home-based work than smaller ones, although the reduction is not linear.

Onsite unassigned spaces are most common with mid-size employers (5,000 to 50,000 employees) and least common among the smallest ones.

Coworking options are most common among the largest employers and those with between 10,000 and 50,000 employees (offered by 29% of both groups). They are least common among the smallest employers.

Because larger organizations comprised a larger portion of this year’s sample, one would expect the coworking numbers to have gone up, but instead they went down 15 percentage points from 2013. Perhaps since coworking among corporate users often accommodates transient or temporary needs, we might expect greater year-to-year swings in the numbers.

**Takeaway**

The steady increase in on-site flexible and public spaces may indicate a move toward an internalization of the coworking concept and a move toward more activity-based working.

**Recommendation**

If you have not tried coworking or home-based work options, now is the time to experiment so you’ll be ready when the next economic downturn or crisis occurs.

Not all options work for all people. Physical location, cost, personality type, and community make-up all impact individual choice and preference of alternative solutions.

Work to understand how a choice of workspaces and places can positively impact employer, employee, and community outcomes.
ALTERNATIVE WORK APPROACHES

COWORKING UTILIZATION

Q. What value are you getting out of the utilization of third-party coworking spaces?

- Innovation: 40%
- Cost Reduction: 40%
- Easy, Non-Commitment Enter To New Markets: 40%
- Experimentation: 30%
- Networking With Outside Peers: 25%

Observations
Given the prolific increase in the number of coworking centers and the size of entities such as WeWork, it is perhaps surprising to see that 110 (85%) of the 130 respondents are not using it.

The comments submitted to this question suggest users see value beyond coworking as a real estate option. Some of the strategic implications mentioned were: “Easy non-commitment way to enter new markets,” and “Allows acquisition/retention of talent in non-primary markets.”

Takeaway
Of the 20 companies that used coworking spaces in 2017, nearly all (99%) plans to expand its usage.

Recommendation
Ignore the hype. Know what you want to get out of your program and do what is right for you. Measure the results.
ALTERNATIVE WORK APPROACHES

TYPES OF ALTERNATIVE WORK OPTIONS USED

Q. Please select any other alternative work options utilized in your organization. (Note: This is not an indication of how widely the options are used, just that they are used by some.)

Use of flexible work hours shows slow but steady growth

Observations
Work flexibility can take many forms. The use of flexible hours increased eight percentage points between 2009 and 2017 while job sharing fell nine points. Part-time work reached a utilization high of 57% in 2011, a low of 48% in 2013, and bounced back up to 52% in 2017.

Takeaway
The research shows that flexibility in working hours helps employees better manage work/life conflict. We are seeing that in the numbers here with the option for flexible work hours up eight percentage points since 2009. Eager to attract and retain talent, employers are increasingly being flexible with employee schedules. The recent uptick in part-time utilization may reflect an increase in economic uncertainty.

Recommendation
Offer employees a range of flexible workplace options. Although utilization may be low among some offerings, research shows that simply having a choice can increase employee satisfaction, even if they don’t use it. To the extent possible, work to make options available to everyone equally and make sure people understand what is offered.
ALTERNATIVE WORK APPROACHES

DISTRIBUTION OF EMPLOYEES PARTICIPATING IN WORK CATEGORIES

Q. Please indicate the percentage of the total employees in the organizational unit using each of the categories below. Include all part-time, full-time, temporary, and contract employees, as well as employees with more than one assigned workspace.

Little change in assigned seating; internal mobility up; external mobility down

Observations
Respondents indicated that less than half of employees had assigned seats in 2017, down just 5 percentage points since 2009, but steady since 2011.

Internal mobility more than doubled from the first survey year, now at 21%. External mobility, which grew steadily across the last three surveys, fell nine percentage points from last survey (from 19% to 10%).

Regular home-based work (three to five days a week), which held steady at 9% between 2011 and 2013, fell to 6% in this year’s survey.

Takeaway
The move toward internal mobility and away from external mobility may be the result of a concerted effort by organizations to improve their workspaces in ways that make people want to work there. The lackluster migration away from assigned spaces is no surprise. It’s one of the hardest sells. People are happy to be mobile, but they still want a place to call home.

Recommendation
Strive to understand where your people are working and what tools and training they need for support.

Be intentional about what works best for your organization and your people. Don’t just let it happen, make it happen.

Use mobility and flexibility in attracting talent.

Establish goals and measure results.
ALTERNATIVE WORK APPROACHES

LENGTH OF PROGRAM

Q. How long has the group been using the alternative workplace program?

**Observations**
More than one in ten AW programs (13%) are less than one year old. Another 29% are less than two years old. The pool of organizations with programs three to 10 years old retracted since the last survey (down collectively from 53% in 2013 to 48% in 2017). The percentage of those with programs 10 years or older has stabilized at 10% across the last two surveys.

**Takeaway**
The presence of mature programs is an indication of their sustainability. The decline in the 3-10 year categories and the absence of an increase in programs more than 10 years old may be an indication that as programs become fully integrated, they are no longer considered “alternative”—they are just the way people work.

**Recommendation**
There is much to learn from organizations with older, more established programs. New adopters should seek them out and learn from their successes.

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2011</th>
<th>2013</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>18%</td>
<td>11%</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>1-2 years</td>
<td>27%</td>
<td>31%</td>
<td>25%</td>
<td>29%</td>
</tr>
<tr>
<td>3-5 years</td>
<td>35%</td>
<td>36%</td>
<td>33%</td>
<td>30%</td>
</tr>
<tr>
<td>6-10 years</td>
<td>11%</td>
<td>18%</td>
<td>20%</td>
<td>18%</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>9%</td>
<td>4%</td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>
Q. What is the status of the group’s alternative workplace program?

**Giant strides toward formalization**

**Observations**
Prior survey years showed a steady upward trend in informal/ad hoc programs and, though not as dramatic, a downward trend in formalization. Both did a big flip in 2017. Since the last survey in 2013, formal programs are up 31% and informal ones are down 26%. Formalization of programs in some subgroups increased by 20% and pilot programs remained stable.

More than half of programs (56%) are now supported with policies, tools, and technologies across some or all of the organization. Twelve percent are in the pilot phase, 28% are informal, and only 2% had no program.

**Takeaway**
Ad hoc approaches rarely contribute to better space utilization. Nor do they fully realize the attraction and retention, engagement, productivity, collaboration, innovation, and other benefits of formal programs. Informality can lead to security risks, employee conflict (e.g., have’s and have not’s), abuses, and more.

**Recommendation**
Those with formal programs in some groups should share what they’ve learned with others. Those with informal programs should begin to develop policies and practices around AW.
Q. What is the status of the group's alternative workplace program?

- **Formal Program in Place (e.g., including policies, tools, and technologies)**
  - 2017: 38%
  - 2013: 33%
  - 2011: 35%
  - 2009: 29%

- **Formal Program in Some Subgroups, and Program Under Development in Others**
  - 2017: 18%
  - 2013: 19%
  - 2011: 15%
  - 2009: 28%

- **Informal, Ad Hoc Practice (e.g., no policies, but services and technology may or may not be centrally provided)**
  - 2017: 38%
  - 2013: 35%
  - 2011: 28%
  - 2009: 18%

- **No program (formal or informal) in place**
  - 2017: 2%
  - 2013: 4%

- **Other**
  - 2017: 2%
  - 2013: 3%

- **Practice/Program Under Development (e.g., policies, tools and technologies under construction)**
  - 2017: 12%
  - 2013: 12%
  - 2011: 12%
  - 2009: 13%

---

**Practice/program under development (e.g., policies, tools and technologies under construction)**

**Other**

**No program (formal or informal) in place**
ALTERNATIVE WORK APPROACHES

BUSINESS DRIVERS – Trends

**AW drivers change dramatically from year to year**

**Observations**
What drives AW projects has varied substantially over the survey years. On the heels of the recession in 2011, Cost Savings and Business Agility were at the top of the list (each cited by 72% of respondents). Just two years later, Employee Productivity and Employee Work/Life Balance took the lead (included in the top five by 73% of respondents), while Cost Savings dropped a full 34 percentage points (to 39%) and Agility fell five points. In the most recent survey, Cost Savings regained 24 percentage points and was second only to Employee Productivity by one percentage point.

Attraction/Retention as a driver has changed little since 2011 and Work/Life Balance fell 20 percentage points since the last survey. With all the talk about talent shortages, we would have expected to see different trends.

The answer may lie in the nature of the people in our sample. Other research has shown a mismatch between what drives the C-suite and what drives Real Estate/FM decisions. The former is clearly focused on people as a path to prosperity, reputation, and the ability to innovate. Though they report to the C-Suite, many real estate executives confess they don’t know what they can do to influence people outcomes. Nor do they feel they can measure people impacts. It’s easy to see a couple of floors of space go away, but the effects of better work/life balance or even productivity are seen as too soft to measure.

The downward trends in Agility, Continuity, and Sustainability as drivers is troubling, but humans are programmed to ignore big risks. It’s only when a disaster occurs, recession hits, or resources become noticeably scare that we jolt to attention.

**Takeaway**
The ebb and flow of drivers generally reflect economic conditions. In a down economy, people drivers tend to take a back seat to hard-core business drivers. As the economy improves and labor markets tighten, the focus returns to people.

**Recommendation**
The big increase in Cost Savings as a top driver may be an indication of the economic uncertainty surrounding the change in presidential administrations (particularly as the survey was fielded in mid-2017). The best advice is to embrace AW strategically rather than tactically as a solution to the problem de jour.

The industry needs to adopt new measures of success—measures of the impact of workplace design and work practices on the people they are built to serve.

Note: Two new drivers were introduced in 2017: Engagement and Well-Being. They are not included in the chart that follows for the sake of consistency.
### ALTERNATIVE WORK APPROACHES

#### BUSINESS DRIVERS – Trends

Q. What business driver(s) led your organization to implement an alternative workplace program?

<table>
<thead>
<tr>
<th>Business Driver</th>
<th>2017</th>
<th>2013</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee Productivity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cost Savings, Including Space Optimization/Increased Capacity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employee Attraction/Retention</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Improved Collaboration</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employee Work/Life Balance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Business Agility</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Access to Customers, Colleagues, and Coworkers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Business Continuity (e.g., Natural Disasters, Pandemics, Terrorist Attacks, etc.)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sustainability/Eco-responsibility/Reduce Carbon Footprint</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ALTERNATIVE WORK APPROACHES

BUSINESS DRIVERS – Formal vs. Informal Programs

Top drivers vary widely between formal and informal programs

Observations
For those with formal AW programs, Cost Savings is the top driver by a wide margin (named among the top five drivers by 76% of respondents, 10 percentage points more than any of the others). The next four drivers are Improving Collaboration, Attraction/Retention, Health/Well-Being, and Productivity.

For those with informal programs, Cost Savings is third from the bottom as a driver (cited by 28% of respondents). Productivity, which is ranked number five by those with formal programs (cited by 52%), is the number one driver for informal programs, scoring among the top five by a full 86% of respondents. Work/Life Balance, which didn’t make the top five among formal programs, is number two among informal ones.

As programs mature and become more formal, it is likely that they become more closely aligned with organizational, rather than sponsor-specific goals.

Takeaway
Expect your drivers to change as you begin to formalize programs. Be flexible enough to respond to new priorities.

Recommendation
Work to integrate organizational goals into your program as early as possible to make the shift between informal and formal more streamlined. Be sure to establish measurable goals at the start of your program and check your progress regularly.
Q. What business driver(s) led your organization to implement an alternative workplace program? (formal programs only)

### Top Five Business Drivers: Organizations with Formal Programs Only (2017)

- **Cost Savings**: 76%
- **Collaboration**: 66%
- **Attraction/Retention**: 58%
- **Health/Well-Being**: 56%
- **Productivity**: 52%
- **Work-Life Balance**: 44%
- **Engagement**: 40%
- **Business Agility**: 34%
- **Access to Customers**: 30%
- **Sustainability**: 22%
- **Continuity**: 22%

### Top Five Business Drivers: Organizations with Informal Programs Only (2017)

- **Productivity**: 86%
- **Work-Life Balance**: 72%
- **Attraction/Retention**: 61%
- **Agility**: 53%
- **Health/Well-Being**: 53%
- **Collaboration**: 47%
- **Access to People**: 36%
- **Engagement**: 36%
- **Cost Savings**: 28%
- **Continuity**: 22%
- **Sustainability**: 6%
Q. Does your organization deem the following components important in regard to maintaining a successful AW program?

The right technology, tools and training are critical

Observations
Easily the most important factor of success is the availability of technology, tools, and resources. For all the importance conveyed to softer issues, the IT platform has to be well delivered. The other most critical factors are the setting of clear desired outcomes, robust and open team communications, and proper training.

Takeaway
The most important implementation factors are those that allow employees to be self-supporting and effective no matter where they are. As long as they have an effective technology platform, a clear understanding of what they are expected to do, are properly trained on various aspects of their work, and they know how to connect with other team members, they feel capable of contributing in valuable ways.

Recommendation
Given the importance attached to tools and technology, is it not time to reframe the IT vision of success? Installing the technology platform is not enough. Employees need to be comfortable, knowledgeable, trained, and demonstrate creative use of the power of their platform. Work with IT and HR to make this happen.
Q. Does your organization deem the following components important in regard to maintaining a successful AW program?

**ALTERNATIVE WORK APPROACHES**

**IMPORTANCE OF VARIOUS IMPLEMENTATION FACTORS**

*2017 Data*

- Employees learn and understand each other's work and cultural context: 10% Much more important, 41% Somewhat more important, 40% About the same, 8% Less important
- There is a process in place to deal with personal conflicts: 10% Much more important, 30% Somewhat more important, 54% About the same, 6% Less important
- Employees are appropriately trained: 37% Much more important, 36% Somewhat more important, 24% About the same, 3% Less important
- Employees have technology, tools + resources: 63% Much more important, 18% Somewhat more important, 18% About the same, 4% Less important
- Group members are recognized for achievements + mutual support: 21% Much more important, 32% Somewhat more important, 42% About the same, 4% Less important
- Social activities are often held: 13% Much more important, 27% Somewhat more important, 39% About the same, 22% Less important
- Group is held together by social glue + commitments to each other: 29% Much more important, 35% Somewhat more important, 25% About the same, 11% Less important
- Knowledge is shared freely by the group: 32% Much more important, 35% Somewhat more important, 30% About the same, 3% Less important
- Managers share outcomes with group members: 23% Much more important, 39% Somewhat more important, 32% About the same, 5% Less important
- Robust + open group communications are encouraged: 40% Much more important, 37% Somewhat more important, 23% About the same, 20% Less important
- Clear expectations about desired outcomes + performance: 46% Much more important, 34% Somewhat more important, 20% About the same, 20% Less important
ALTERNATIVE WORK APPROACHES
STANDARD EQUIPMENT AVAILABLE TO EMPLOYEES

Q. What are the standard equipment/services provided and paid by your company for employees with assigned or unassigned workstations (mobile/home-based)?

Observations
In many ways, the technology platforms for the modern office are becoming more simple. The predominant technologies include laptops (94%), ubiquitous Wi-Fi, smart phones (64%), VOIP (53%), and multifunction devices (MFD) to handle printing and scanning needs.

In some cases BYOD predominates but this was not part of the early question sets and is not part of the 2017 study.

Takeaway
There are still organizations that are operating with outdated/inflexible technology. It is not clear whether they are introducing newer technology into their programs or whether they are attempting to implement older technologies (mobile phones and desktops). What is clear, however, is that technology is the most critical to successful implementation. (See page 29.)

Recommendation
In the same way that the different components of the workplace are studied and evaluated in terms of their effectiveness to perform certain tasks, a similar approach accounting for the value of various technologies relative to productivity and task performance would be an important step in helping assign the right investment to technology.

Additional items mentioned:
• Flat screens
• Bluetooth headset
• Soft phones
• Dual screen
• Docking stations
• Mouse
• Keyboard
### ALTERNATIVE WORK APPROACHES

#### STANDARD EQUIPMENT AVAILABLE TO EMPLOYEES

Q. What are the standard equipment/services provided and paid by your company for employees with assigned or unassigned workstations (mobile/home-based)?

<table>
<thead>
<tr>
<th>Equipment/Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laptop computer</td>
<td>95%</td>
</tr>
<tr>
<td>Smart phone</td>
<td>65%</td>
</tr>
<tr>
<td>VOIP</td>
<td>54%</td>
</tr>
<tr>
<td>MFD</td>
<td>43%</td>
</tr>
<tr>
<td>Follow-me phone</td>
<td>30%</td>
</tr>
<tr>
<td>Tablet computer</td>
<td>28%</td>
</tr>
<tr>
<td>Desktop computer</td>
<td>25%</td>
</tr>
<tr>
<td>Mobile phone</td>
<td>18%</td>
</tr>
<tr>
<td>Landline phone set</td>
<td>17%</td>
</tr>
<tr>
<td>Scanner only</td>
<td>2%</td>
</tr>
<tr>
<td>Printer only</td>
<td>1%</td>
</tr>
</tbody>
</table>

**Additional items mentioned:**
- Flat screens
- Bluetooth headset
- Soft phones
- Dual screens
- Docking stations
- Mouse
- Keyboard
ALTERNATIVE WORK APPROACHES
STANDARD FUNCTIONALITY AVAILABLE TO EMPLOYEES

Q. What are the standard equipment/services provided and paid by the company for employees with assigned or unassigned workstations (mobile/home-based)?

<table>
<thead>
<tr>
<th>Standard offering as a % of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowed to rearrange one's desk</td>
</tr>
<tr>
<td>Allowed to choose one's chair</td>
</tr>
<tr>
<td>Ability to personalize one's space</td>
</tr>
<tr>
<td>Support in setting up one's home office</td>
</tr>
<tr>
<td>Greater personal control over environment (noise lighting, temperature, etc.)</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

**Organizations address personalization needs by providing choices of work settings rather than making everything customizable.**

**Observations**
The important point to observe is that very few companies are actively engaged in supporting high level adornment, choice, and customization by employees. Not addressed in the survey, but increasingly apparent, is that modern work settings are becoming highly adjustable (chair height, posture, desk height, etc.), but individual control over lighting and mechanical conditions is still quite rare.

**Takeaway**
Mobility is used to allow choice. Smart designs include a range of settings with different amounts of privacy, formality, mood, functionality, privacy, etc. Individuals can thus choose where they wish to work based on what they need to accomplish. The repercussions of this free-address environment are to downplay personalization of workspaces as this would impede the free-flow of people and teaming configurations for many.

**Recommendation**
The urge to provide customized solutions seems to have been tempered by the excessive cost of doing so. Install standard space components and technologies from which individuals can self-select those that work best for them.
ALTERNATIVE WORK APPROACHES

PROGRAM NAME

Q. What term / name does your organization use to describe your alternative workplace program?

Use of special program names are becoming less common

Observations
The 2017 survey showed a shift away from special program names with about half (49%) of respondents saying theirs had no name at all. Among those who did name their programs, names that included the words telework, work from home, and alternative, all lost ground in this round. The word “agile” was new to the scene.

Takeaway
As what were once thought of as “alternative” or “new” ways of working are becoming mainstream, the need to call them something special has waned. As one respondent stated, “Work, it just is how we work. We work with mobility, have no assigned space, and are always on the go.”

Recommendation
Do what feels right for your organization. Branding new initiatives and even giving them regional identities can help socialize concepts. Try to avoid pigeon-holing your programs with names that could limit their expansion. The word “agile,” for example, could encompass many different strategies, as compared to “work from home,” which is very specific.
Q. What term / name does your organization use to describe your alternative workplace program?
MANAGEMENT OF ALTERNATIVE WORKPLACE PROGRAMS
MANAGEMENT OF AW PROGRAMS

DEPARTMENTS OR BUSINESS UNITS RUNNING/MANAGING THE AW PROGRAM

Q. Who runs/manages the alternative workplace program? Please select the department/function with primary responsibility for developing and managing your alternative workplace program.

**Big swing toward AW programs being run by CRE/FM**

**Observations**
In the 2013 survey, we saw sharp declines in the percent of programs being led or run by RE/FM (down 33 percentage points between 2009 to 2013). Across the same period, programs being run by:
- Executive Leadership: were up 13 points
- Other: were up 8 points
- HR: were up 6 points

That trend has now significantly reversed. In the 2017 recent survey, CRE/FM gained 10 percentage points over the prior survey, HR gained one point, and Executive leadership lost nine points. The “Other” category includes responses such as: shared, individual managers, all of the above, etc. The scattering of programs being run by other functional areas showed little change.

CRE/FM is now responsible for a full 33% of programs, compared to 24% for HR and 11% for Executive Leadership. This shift toward CRE/FM may explain the increase in focus on cost reduction over people outcomes discussed earlier.

**Takeaway**
Organizations are increasingly handing control of AW over to real estate and FM functions, but as other slides will show, success is increasingly being measured by people outcomes.

**Recommendation**
Real estate teams have an opportunity to gain a place in the C-Suite if they can develop a cogent story about how workplace can act as a catalyst to positively impact a wide range of business outcomes. Collaboration with other functional units is critical.
MANAGEMENT OF AW PROGRAMS
DEPARTMENTS OR BUSINESS UNITS RUNNING/MANAGING THE AW PROGRAM

Q. Who runs/manages the alternative workplace program? Please select the department/function with primary responsibility for developing and managing your alternative workplace program.

- Real Estate & Facilities Management (FM): 33% (2013: 23%)
- Human Resources: 24% (2013: 23%)
- Executive Leadership: 20% (2013: 16%)
- Other (please specify): 19% (2013: 16%)
- Sales: 4% (2013: 2%)
- Administration/Communications/Public Relations: 3% (2013: 2%)
- Engineering/Design: 2% (2013: 2%)
- Operations/Production: 6% (2013: 2%)
- Research & Development: 2% (2013: 2%)
- Finance/Accounting: 1% (2013: 2%)
- Marketing: 1% (2013: 2%)
- Information Systems (IS)/Information Technology (IT): 1% (2013: 2%)

2017 data is compared to 2013 data for reference.
MANAGEMENT OF AW PROGRAMS

DEPARTMENTS/FUNCTIONS PROVIDING EXECUTIVE ENDORSEMENT FOR AW PROGRAMS

Q. Which of the following departments/functions provide executive endorsement for the organization's alternative workplace program?

**Cross-functional endorsement has increased significantly**

**Observations**
Eight out of ten programs had executive endorsement across the last two surveys.

While the last chart indicated CRE/FM is driving the bus, the other functional areas are increasingly on board.

In 2017, 17% of Executive Leadership provided endorsement, as did 15% of HR leadership, 13% of CRE/FM, and 11% of IT. The largest gain since 2009 was in Executive Leadership endorsement (from 7% to 17%).

**Takeaway**
Silos are coming down, particularly among CRE, HR, and IT. More and more, they are giving way to holistic solutions.

**Recommendation**
Continue to work to gain the cooperation of other functional areas. Given the importance of technology in being able to work anywhere, it is critical they be involved early in program development. Get executive endorsement and make a wide range of advisors/collaborators your partners. Work together to elevate the conversation to one that’s strategic, rather than tactical.
MANAGEMENT OF AW PROGRAMS

DEPARTMENTS/FUNCTIONS PROVIDING EXECUTIVE ENDORSEMENT FOR AW PROGRAMS

Q. Which of the following departments/functions provide executive endorsement for the organization's alternative workplace program?

- Executive Leadership: 7% (2017), 17% (2013), 20% (2009)
- Human Resources: 15% (2017), 17% (2013), 23% (2009)
- Information Systems (IS)/Information Technology (IT): 1% (2017), 4% (2013), 11% (2009)
- Administration/Communications/Public Relations: 2% (2017), 7% (2013)
- Finance/Accounting: 1% (2017), 7% (2013)
- Marketing: 1% (2017), 5% (2013)
- Sales: 5% (2017), 4% (2013)
- Engineering/Design: 2% (2017), 5% (2013)
- Operations/Production: 2% (2017), 4% (2013)
- Customer Service/Call Center: 1% (2017), 3% (2013)
- Procurement/Purchasing: 3% (2017), 3% (2013)
- Other (please specify): 2% (2017), 11% (2013), 19% (2009)
- Research & Development: 2% (2017), 2% (2013)
- Logistics: 1% (2017), 1% (2013)
BARRIERS TO PROGRAM DEVELOPMENT & EXPANSION
BARRIERS TO PROGRAM DEVELOPMENT & EXPANSION

BARRIERS

Q. What are the top five major barriers that deter the development/expansion of the alternative workplace program?

Cultural barriers still dominate

Observations
The biggest barriers to AW in 2017 were:
• Organizational culture (entitlement, trust): 59%
• Manager concerns: 57%
• Resistance/fear of change: 56%
• Executive buy-in: 52%

Lesser, but still significant barriers included:
• Staff concerns over losing assigned seat/location: 36%
• Lack of IT infrastructure/support: 32%
• Staff concerns over loss of contact with manager/others: 31%
• Security concerns: 22%
• Lack of expertise to implement a program: 21%

While many of these were the same barriers noted in the first year of the survey, one factor that has increased as a barrier is ‘lack of expertise to plan/implement. This was not even mentioned in 2008 or 2009, but has grown steadily since 2011.

Takeaway
While barriers still remain, many are moving in the right direction. Concerns about funding are down 38 percentage points from 2008. Manager concerns (though still second to the top) are down 24 points. Security concerns are down 19 points. Organizational culture issues (though still the top concern) are down 16 points.

Recommendation
Critically, get executives on board to both talk the talk and walk the walk. Train managers to manage by results. Provide the tools, technology, and training people need to collaborate across distances. Showcase successes, both your own and those of others, to help your people envision what could be. If you don’t have the expertise internally, look to outside advisors for help.
**BARRIERS TO PROGRAM DEVELOPMENT & EXPANSION**

Q. What are the top five major barriers that deter the development/expansion of the alternative workplace program?

<table>
<thead>
<tr>
<th>Barrier</th>
<th>2017</th>
<th>2013</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Culture (entitlement trust)</td>
<td></td>
<td></td>
<td>59%</td>
</tr>
<tr>
<td>Manager Concerns</td>
<td></td>
<td></td>
<td>57%</td>
</tr>
<tr>
<td>Resistance/Fear of Change</td>
<td></td>
<td></td>
<td>56%</td>
</tr>
<tr>
<td>Executive Buy-in/Endorsement</td>
<td></td>
<td></td>
<td>52%</td>
</tr>
<tr>
<td>Staff Concerns Over Losing Assigned Seat or Location</td>
<td></td>
<td></td>
<td>38%</td>
</tr>
<tr>
<td>Jobs Ill-suited for Alternative Work</td>
<td></td>
<td></td>
<td>35%</td>
</tr>
<tr>
<td>Lack of Information Technology Infrastructure/Support</td>
<td></td>
<td></td>
<td>31%</td>
</tr>
<tr>
<td>Staff Concerns Over Loss of Contact with Managers and Other Staff</td>
<td></td>
<td></td>
<td>30%</td>
</tr>
<tr>
<td>Security Concerns</td>
<td></td>
<td></td>
<td>21%</td>
</tr>
<tr>
<td>Lack of Expertise to Plan or Implement the Program</td>
<td></td>
<td></td>
<td>19%</td>
</tr>
<tr>
<td>Insufficient Office Coverage</td>
<td></td>
<td></td>
<td>18%</td>
</tr>
<tr>
<td>Provisioning (for mobility devices, connectivity fees, office supplies, furniture, and other ways of supporting workers)</td>
<td>6%</td>
<td>16%</td>
<td>21%</td>
</tr>
<tr>
<td>Not Certain They're Working - Oversight</td>
<td></td>
<td></td>
<td>15%</td>
</tr>
<tr>
<td>Not Fair to Everyone</td>
<td></td>
<td></td>
<td>12%</td>
</tr>
<tr>
<td>Ergonomic/Environment, Health &amp; Safety Concerns</td>
<td></td>
<td></td>
<td>13%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td></td>
<td></td>
<td>11%</td>
</tr>
<tr>
<td>Staff Resources Available to Support the Program</td>
<td></td>
<td></td>
<td>19%</td>
</tr>
<tr>
<td>Complexity of Labour/Tax Laws/Codes</td>
<td></td>
<td></td>
<td>11%</td>
</tr>
<tr>
<td>Funding</td>
<td></td>
<td></td>
<td>14%</td>
</tr>
<tr>
<td>None</td>
<td></td>
<td></td>
<td>13%</td>
</tr>
</tbody>
</table>
ORGANIZATIONAL CHANGE AND EMPLOYEE INVOLVEMENT

PREPARING FOR CHANGE

Q. How is the organization helping employees in your group prepare for the change involved in the alternative workplace program?

Significant increase in support of program implementation

Observations
Successful change management necessarily involves a well thought-out communications program. This can be in many forms, depending on the organization, its culture, and preferences. As programs mature, organizations gain a better understanding of the effort it takes to get people to change. This is evident in the fact that virtually all types of communication have significantly increased since the 2013 survey:
• Written communications, +29 percentage points
• Group presentations, +47 points
• Smaller focus group discussions, +17 points
• Use of websites, +28 points

Meanwhile, the amount of one-on-one coaching has dropped (-25 points) as it lacks scalability.

Takeaway
This provides growing authentication of the fact that such programs are not implemented successfully without a special effort to help employees embrace the change. The survey covers only a few of the more common measures taken by organizations, but beyond this are an extensive range of change management activities that can and should be used.

Recommendation
Provide change management support through a broad range of communication channels and activities to address the range of cultural, knowledge, and communication barriers that inhibit adoption of new ways of working. On Day One, employees should have a good understanding of the why?, who?, what? and how? Issues that drove the workplace transformation.
ORGANIZATIONAL CHANGE AND EMPLOYEE INVOLVEMENT

PREPARING FOR CHANGE

Q. How is the organization helping employees in your group prepare for the change involved in the alternative workplace program?

- Written communication (newsletter, memos, email):
  - 2017: 53%
  - 2013: 41%
  - 2011: 53%
  - 2009: 58%

- Group presentations (town halls):
  - 2017: 50%
  - 2013: 34%
  - 2011: 39%
  - 2009: 36%

- Smaller group discussions (focus groups, group meetings):
  - 2017: 48%
  - 2013: 41%
  - 2011: 46%
  - 2009: 49%

- Group participation in the planning, implementation and/or evaluation processes:
  - 2017: 43%
  - 2013: 39%
  - 2011: 41%
  - 2009: 35%

- Project information website with project information: rationale, schedule, impacts:
  - 2017: 32%
  - 2013: 29%
  - 2011: 35%
  - 2009: 42%

- Project social website, with discussion forums:
  - 2017: 27%
  - 2013: 18%
  - 2011: 12%
  - 2009: 21%

- One-on-one coaching:
  - 2017: 24%
  - 2013: 18%
  - 2011: 20%
  - 2009: 18%

- No help preparing for the change:
  - 2017: 18%
  - 2013: 19%
  - 2011: 18%
  - 2009: 24%
Q. How are employees involved in the planning, implementation, and ongoing evaluation of the alternative work program?

**Less collaboration with employees in terms of planning the program**

**Observations**
It is interesting to note that as programs have increased in size and maturity, the level of engagement with employees has decreased. This is perhaps due to the increased complexity to roll out such programs, as well as trying to centralize decisions and standardize programs. Nonetheless, it is somewhat of a paradox that many of the programs designed to offer more choices to employees are actually consulting them less.

**Takeaway**
While organizations seem to still value employee feedback and ongoing evaluation, they are involving them less at the planning stage.

**Recommendation**
Though involving employees in the planning phase may seem burdensome, especially as programs grow in size, such involvement can make or break the outcome. There are ways for a “few” to connect to “many.” It might be wise to set up “champion groups” to enable an efficient and effective way of embracing employee input and feedback.
MANAGEMENT POLICIES AND WORK PRACTICES
MANAGEMENT POLICIES AND WORK PRACTICES

MANAGEMENT POLICIES

Q. How important are the following management policies for the organizations using alternative workplace programs as compared to those not using the programs?

<table>
<thead>
<tr>
<th>Employees evaluated based on results, not on how they work</th>
<th>Much more important</th>
<th>Somewhat more important</th>
<th>About the same</th>
<th>Somewhat less important</th>
<th>Much less important</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees given the choice of where they work</td>
<td>34%</td>
<td>28%</td>
<td>23%</td>
<td>5%</td>
<td>3%</td>
<td>7%</td>
</tr>
<tr>
<td>Employees given the choice of when they work</td>
<td>24%</td>
<td>29%</td>
<td>27%</td>
<td>6%</td>
<td>4%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Trust and choice are key pillars in AW programs

Observations
The 2017 results are almost identical to those in our last survey. The vast majority of organizations (76%) reported that it was somewhat, or much more important, to evaluate employees in AW programs based on results, not on how they work. This, of course translates to trust. Sixty-two percent of organizations reported it was important to give employees the choice of where they work, and 53% reported the same for the choice of when employees work. Needless to say, when implementing AW strategies, these two concepts are key.

Takeaway
The choice of how, where, and when to work mostly lies in the hands of employees. Such trust or freedom is key to successfully implementing AW strategies. And, as we will see on the next section, AW employees are at least as productive as their “traditional” counterparts, if not more.

Recommendation
Don’t just implement the concept of giving employees the choice of how, where, and when to work, make sure to support, reinforce, and measure how it’s working.

Train managers to measure by results and develop trust-based practices and policies.
MANAGEMENT POLICIES AND WORK PRACTICES

COMMON PROBLEMS

Q. What are the common problems organizations experience in alternative work programs?

Worries about lower productivity among AW employees fell to dead last in concerns. Overworking is now the most common problem.

Observations
In past years, line-of-sight management worried that remote employees would be less productive. That worry has clearly been overcome. Only 5% of 2017 respondents indicated lower productivity among AW participants. The new problem, however, is overworking. Fifty-six percent of respondents indicated a concern about employees working more hours when they work remotely. This is not a new problem as past surveys have shown. The fact that it has risen to the top in this year’s analysis may relate to general increase in attention to people factors we have noted throughout this report.

While most of the other common problems have changed little over the years, this survey revealed one notable exception: the percentage of respondents who indicated “difficulty getting feedback from their managers” doubled since the 2013 survey (54% agreed or strongly agreed vs. 27% in 2013).

We speculate that the reason for this might be that the managers themselves have also gone remote, adopting the alternative workstyles.

Takeaway
While line-of-sight management is now clearly in the past, this also means that not only the employees, but also their managers, are now—for better or worse—out of sight.

Recommendation
Stop worrying whether your remote employees are actually working. Like everyone else, they should be measured by results and outcomes.

Be vigilant about gathering continual feedback and addressing concerns that arise with AW practices. Out-of-sight management doesn’t have to be more difficult, but it is different. Train managers and employees about the differences in working and managing in an AW environment.
MANAGEMENT POLICIES AND WORK PRACTICES

COMMON PROBLEMS

Q. What are the common problems organizations experience in alternative work programs?

<table>
<thead>
<tr>
<th>Common Problem</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees actually work more hours each day in lieu of reduced/eliminated commuting time</td>
<td>13%</td>
<td>43%</td>
<td>30%</td>
<td>11%</td>
<td>3%</td>
</tr>
<tr>
<td>Employees have difficulties getting feedback from their managers</td>
<td>15%</td>
<td>39%</td>
<td>16%</td>
<td>23%</td>
<td>7%</td>
</tr>
<tr>
<td>Employees are perceived as not being as engaged as those who come to the office</td>
<td>12%</td>
<td>32%</td>
<td>18%</td>
<td>29%</td>
<td>9%</td>
</tr>
<tr>
<td>Employees are overlooked by their peers and do not always get important notices</td>
<td>4%</td>
<td>30%</td>
<td>24%</td>
<td>31%</td>
<td>11%</td>
</tr>
<tr>
<td>Employees do not get sufficient recognition from their managers and are less likely to be promoted</td>
<td>4%</td>
<td>24%</td>
<td>33%</td>
<td>30%</td>
<td>9%</td>
</tr>
<tr>
<td>Employees cannot get important technology upgrades or changes without coming into the office</td>
<td>7%</td>
<td>18%</td>
<td>17%</td>
<td>44%</td>
<td>14%</td>
</tr>
<tr>
<td>Employees have difficulties keeping in touch with others</td>
<td>4%</td>
<td>15%</td>
<td>28%</td>
<td>40%</td>
<td>13%</td>
</tr>
<tr>
<td>Employees are more dissatisfied with their work-life balance</td>
<td>17%</td>
<td>28%</td>
<td>41%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>Employees have difficulties getting surface mail (letters) delivered</td>
<td>4%</td>
<td>13%</td>
<td>38%</td>
<td>32%</td>
<td>13%</td>
</tr>
<tr>
<td>Employees are less productive</td>
<td>5%</td>
<td>18%</td>
<td>55%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Employees have difficulties getting their assignments done on time</td>
<td>5%</td>
<td>21%</td>
<td>47%</td>
<td>26%</td>
<td></td>
</tr>
</tbody>
</table>
VALUE AND BENEFITS

METRICS FOR MEASURING SUCCESS

Q. What metrics does the organizational unit use to measure the success of your alternative workplace program?

**People issues are now the most commonly measures of success**

**Observations**

After a period dominated by efficiency metrics, organizations appear to be understanding the importance of AW on employee performance. This year’s top measures of success included a balance of organizational and people metrics:

- **Organizational metrics**
  - Footprint efficiency (cited by 36%)
  - Productivity (30%)
  - Cost reduction (36%)

- **People metrics**
  - Employee engagement (42%)
  - Employee satisfaction (53%)
  - Health and well-being (19%)

Across the years there is a consistent 10-20% of respondents who report they do not measure the success of their AW programs at all. For some, this may be a factor of not knowing how. Others may be newer organizations that have no “old ways of working” as a comparison. And still others may be adopting AW because they believe it is the right thing to do.

**Takeaway**

This series of surveys has seen an ugly recession and a strong recovery, but reducing costs have continually been among the top measures of success. Perhaps this is due to the realization that good times will not last forever.

Nonetheless, it is somewhat ironic to see that while people cost 12 to 15 times more than the buildings they occupy, such a large focus remains on reducing the cost of the latter.

No measure of efficiency is worthwhile if it serves to disengage or demotivate employees. A happy, engaged workforce is critical for business success.

**Recommendation**

Many of the metrics of success currently in use are of limited value; chosen out of convenience rather than for the light they shine of business performance.

The industry must invest in building better, more creative, and more science-based measures of success.
Q. What metrics does the organizational unit use to measure the success of your alternative workplace program?
VALUE AND BENEFITS

METRICS FOR MEASURING SUCCESS - TRENDS

Q. What metrics does the organizational unit use to measure the success of your alternative workplace program?

This chart tells the story of slowly, but steadily increasing emphasis on soft (employee) issues as measures of success (depicted by the red lines), as well as the slowly, but steadily decreasing concerns on hard (cost) measures, depicted by the blue lines.
VALUE AND BENEFITS

MEASURING EMPLOYEE PRODUCTIVITY

Q. What are the top three ways in which employee productivity is measured in your alternative workplace program?

| Self-reporting is the most common measure of employee productivity |

Observations
Employee satisfaction feedback (presumably via surveys) are without a doubt the most broadly used measures of success for AW programs (indicated by 47% of respondents). This is followed by management appraisal against business performance targets (39%). It would interesting to see whether these are data-driven efforts or merely opinions based upon perceptions of individual managers. Employee self-reported assessments of productivity (30%) figure prominently, but are typically very subjective and not very useful.

Interestingly, while increasing productivity is the top business driver, (60% of teams chose it as the most common driver), only 30% or organizations actually measure it.

Takeaway
There is no magic bullet. One senses that there is a growing demand to value the efficacy of investments in AW solutions, but organizations are struggling to do so. This will be an area of real focus over the next few years. We are already seeing a proliferation of software, big data, sensors, and other innovations designed to measure results through access to commonly available business data.

Recommendation
This is a wake-up call for leadership to focus on and measure the impact of how, when, and where people work on people, business, and societal outcomes. Most of the measurement techniques currently being used are flawed. Perhaps the best method, for now, is to utilize a combination of techniques toward measuring progress against commonly agreed goals.
VALUE AND BENEFITS

MEASURING EMPLOYEE PRODUCTIVITY

Q. What are the top three ways in which employee productivity is measured in your alternative workplace program?

- Employee satisfaction with workplace and systems
- Management appraisal of achievement of performance targets
- Employee self appraisal of productivity
- 360 degree management and employee appraisal
- Organization or group bottom line
- Improved (or impaired) work processes, practices, behaviors
- Meeting budgets/schedules
- Interviews of employees using free-form process
- Knowledge sharing of the employees with others
- Observations of employees by experts
- ROI per employee
- Social network analysis of relationships among employees
- Structured interviews of employees using specific set of questions
- Focus group assessment with help of experts
Q. Please rate from 1 to 5 the value of your alternative workplace program (1 being very important and 5 being not important)

Human capital impacts now the most valuable measure of success

**Observations**
In terms of the value organizations see in AW programs, saving money trumped people outcomes by a wide margin during the recession. This year, it fell to number five behind work/life balance, attraction and retention, and employee satisfaction.

As the memory of the recession has waned, labor markets have tightened, and the long-predicted talent shortages have become real, employers increasing look to the value people impacts over saving money.

**Takeaway**
Though the recession is well behind us, it has left its mark on people as well as organizations. Continually being challenged to do more with less in an increasingly “always-on” world, has taken its toll. AW programs, when properly implemented, have been proven to help reduce work/life conflict and stress, and increase employee satisfaction and engagement.

**Recommendation**
Avoid knee-jerk reactions when the next recession comes. Continue to focus on the value of people and the business outcomes will follow.

In these times of rapid change and uncertainty, it is more critical than ever for corporate real estate, facilities management, IT, risk management, sustainability, and other key players to work together toward optimizing outcomes for employers and employees.
Q. Please rate from 1 to 5 the value of your alternative workplace program (1 being very important and 5 being not important)

- Employee work/life balance
- Attraction & retention of employees
- Increased employee satisfaction
- Increased employee productivity
- Real estate flexibility
- Cost savings, including space reduction
- Space reduction
- Reshaping of business groups’ processes
- Emergency preparedness/business continuity
- Sustainability - smaller ecological footprint

- 2009
- 2011
- 2013
- 2017

Sustainability - smaller ecological footprint
Emergency preparedness/business continuity
Reshaping of business groups’ processes
Increased employee productivity
Real estate flexibility
Cost savings, including space reduction
Space reduction
Reshaping of business groups’ processes
Emergency preparedness/business continuity
Sustainability - smaller ecological footprint

June, 2018 | Page 58
VALUE AND BENEFITS

IMPORTANCE OF BENEFITS

Q. Please rate from 1 to 5 the value of your alternative workplace program (1 being very important and 5 being not important)
Although Cost Savings continues to top the list of program drivers, there is clearly momentum for AW to impact more strategic elements of the business: increasing productivity, reshaping business processes, and increasing portfolio flexibility. These will be critical for weathering the next economic cycle.

While space reduction may be essential to fund workplace improvements, in and of itself, cost reduction is not the end goal.
VALUE AND BENEFITS

BENEFITS OF AW PROGRAMS - SUMMARY

Q. Top five assessments of value of AW program year over year

<table>
<thead>
<tr>
<th>Ranking</th>
<th>2009</th>
<th>2011</th>
<th>2013</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cost savings/ space reduction</td>
<td>Cost savings/ space reduction</td>
<td>Employee attraction and retention</td>
<td>Work/life balance</td>
</tr>
<tr>
<td>2</td>
<td>Real estate flexibility</td>
<td>Employee attraction and retention</td>
<td>Work/life balance</td>
<td>Employee attraction and retention</td>
</tr>
<tr>
<td>3</td>
<td>Increased employee productivity</td>
<td>Work/life balance</td>
<td>Increased employee satisfaction</td>
<td>Increased employee satisfaction</td>
</tr>
<tr>
<td>4</td>
<td>Work/life balance</td>
<td>Increased employee satisfaction</td>
<td>Increased employee productivity</td>
<td>Increased employee productivity</td>
</tr>
<tr>
<td>5</td>
<td>Attraction + retention of employees</td>
<td>Increased employee productivity</td>
<td>Cost savings/ space reduction</td>
<td>Cost savings/ space reduction</td>
</tr>
</tbody>
</table>
Our Alternative Work Pilot has remained small because there is no executive buy-in other than a handful of people who voluntarily participate. It is a reaction to cost-cutting only at this point. Time will tell that if the cost constraint is removed, people will opt for going back to "owning" their own office as well as working from home when they feel like it.

We have had a "telework" program for 10 years, but only in the last five have added on a more robust flexible work program where we look at changing the spaces and technology that people use.

Throughout there is reference to an AWP—this as such doesn’t exist in this manner. What has been put in place is giving everyone the tools to be able to select how they work and encouraging people to think more flexibly—do they need to come into the office, for example. As in all things, some managers are more enthusiastic to encourage flexible working than others. What hasn’t changed much is the shape of occupancy through the week. We’ve seen a bit of a drop-off on Monday and a bit of an increase on Thursday, i.e., the week is flatter, but we still are around 65-70% occupancy Mon. – Wed., dropping to 60% Thurs. and below 50%.

We are expanding to a new area of the building with limited area for staff so these alternative options came into view. We do a few things already but are looking to expand on it in a more official capacity.

The legal industry is very unique in its perspective to space sharing and working from home. There does seem to be a lack of work/life balance (having come from higher-ed and non-profits).

We are working this way since 1995 so it’s not new, it’s just “normal” except for new employees who need some months to get comfortable with this (and sometime never!).

Space reduction was a key driver but by relocating and renovating space, expected to see employee attraction and retention.
CONCLUSION

Saving money remains the top driver for those with formal AW programs, but people impacts are now the primary measures of success. The potential for cost savings might kickstart the program, but along the way leaders begin to see how making work better for people can deliver far more than they thought.

Those organizations that “get” the strategic value of workplace and work practices are already reaping the benefits. They have formalized their programs and are working across their organizations to maximize outcomes that align with their mission. Others are passively letting change happen, rather than making it happen. In doing so, they are leaving much on the table in terms of the potential benefits to people, planet, and profits.

Mobility, both inside and outside the office, is here to stay. Organizations that expect to thrive in the coming years must take steps to create workplaces and work practices that support the work people are doing, regardless of where they are. They must develop agile frameworks, both real and virtual, that are responsive and adaptable. They must develop metrics that matter and continually iterate based on the results they see, ignoring the latest fad and avoiding knee-jerk reactions to economic, technological, and societal change.

Our hope is that this report will inspire organizations to embrace change, to do all they can to help their people be the best they can be, and to share their journey with others who are just embarking on the journey.
GLOSSARY

A

Ad-hoc practice
A practice that is not documented, measured, or managed.

Alternative workplace (AW)
The combination of nontraditional work practices, settings, technologies, and locations that supplement or replace traditional offices.

Assigned employees
Employees with assigned workspaces.

Assigned workspace
A workspace dedicated to one worker.

C

CRE
Abbreviation for Corporate Real Estate.

Coworking
A style of work that involves a shared workplace, often an office, and independent activity.

D

Drop-in space
An unassigned workspace, also known as a touchdown space.

F

FM
Abbreviation for Facility Management.

 Formal program
An AW program, supported with policies, tools, and technologies.

Free-range worker
Worker who is not tethered to an assigned work area.

H

Hoteling
A method for reserving touchdown spaces. See Reservation system.

HR
Abbreviation for Human Resources.

I

Informal program
A collection of ad-hoc practices (example: no policies, but services and technology).

IT
Abbreviation for Information Technology.

M

Mobile-internal worker
Employee works in/around company building, but with no assigned workstation. Also called “campus mobile.”

Mobile-external worker
Employee works outside company building with no assigned workstation within the company offices.

O

On-site flexible space
Has unassigned seats that are available on a first-come, first-serve basis.

R

Reservation system
Similar to hotel reservations, so that a workstation can be booked in advance.

S

Satellite office
Drop-in space on the employee side of the commute.

T

Third place
Workplace other than home or company-provided office. Examples: café, customer site, library, hotel lobby, etc.

Touchdown space
See Drop-in space.

U

Unassigned employee
Employee without assigned workspaces.
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Trained, and qualified as an Architect, Chris Hood, has often moved outside his formal training, and certainly outside “the box” in order to seek bold, innovative solutions in the field of Corporate real estate. He has written articles, presented papers at major events, holds a US patent for furniture design, is a past winner of the CoreNet Global Innovation Award, and is an active in a number of leading industry thought-leadership and advisory groups. He was a co-founder the Workplace Communities at both CoreNet and IFMA (The Workplace Evolutionaries), and is a published author, notably contributing to the IFMA Foundation sponsored award-winning “Work on the Move” books. Following a 30-year career at HP, and a very happy stop at CBRE for five years, Chris is now Director of European Consulting at Advanced Workplace Associates, a specialized advisory group helping organizations though the process of transforming the way they work. He has recently returned to take up residence in the UK after a 38-year business trip to the Colonies….and beyond!

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Gabor leads research and client advisory engagements targeting innovation, collaboration and organizational culture to develop high performing workplaces. His research has investigated how to best design for focus work; how to accommodate for various generational differences; how workers’ health and well-being affects organizational performance; and how national and organizational cultures affect workplace design. He has also conducted global research on how organizations can leverage corporate coworking as innovation driver. Gabor’s passion has also led him to focus on Organizational Network Analysis (ONA), using infrared and laser technology to collect big data and map value networks for the benefit of increasing performance at client organizations. His past achievements further include the development of Haworth’s LENS™ client consulting toolkit, as well as a Collaborative Innovation Network (CoIN) system. Gabor has two patents granted in multiple countries, is a frequent speaker at international conferences and the author of several publications and a research book. He resides in San Francisco CA.

**Kate Lister**, President, Global Workplace Analytics, Kate@GlobalWorkplaceAnalytics.com
Kate is president of Global Workplace Analytics (GWA), a research-based consulting firm that helps organizations quantify the impact of workplace change on productivity, employee well-being, engagement, attraction and retention, and more. GWA’s work is informed by a proprietary digital library of over 4,000 reports, case studies, and news items. Its customizable ROI calculators and templates for collecting pre- and post-change data from across organizational silos make its offerings unique. A 2016 congressional report recommended GWA’s Mobile Work Savings Calculator™ for use throughout government stating it was “comprehensive and thoroughly researched.” Kate collaborates on thought leadership content with some of the top design and strategy firms in the world. She is an active member of the Workplace Evolutionaries’ leadership and research teams. Kate has written or co-authored five business books, numerous white papers, and scores of articles. She is regularly quoted by publications including the *New York Times*, *Wall Street Journal*, and many more. Kate resides in San Diego CA and charges clients extra if she has to travel anywhere that’s too cold, too hot, too humid, or too buggy.