2020: A cataclysmic event in workplace strategy

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When we think about a workplace that works, we think about the need to be able to be responsive in the moment.

— MATT HARRIS, HEAD OF WORKPLACE TECHNOLOGY AT ENVOY

2020 was a catalyst for the new workplace. It proved that companies can support remote work and that employees can be productive from home.

This realization makes it more challenging to understand how space is used. Traditional methods like **square-foot estimates**, **badge data**, and **space studies** aren't reliable when your employees don't spend eight hours a day in the office.

And while companies adopted a remote mindset during COVID, most employers don't intend to be 100% remote forever. They still see the value of an office — as do their employees. Yet, most employees aren't ready to go back to the office full time, either.

84% of office workers surveyed by GitLab say they can accomplish all of their tasks remotely right now.[1]

70% of U.S. office workers report wanting to return to the office for three days a week or more[2]. 70% of employees support a hybrid work schedule.[3]

Density

Study after study suggests that flexibility is the future. Data compiled by CBRE shows that before COVID-19, only 37% of employees wanted flexible work benefits; that number is now 56.0%[4].

In other words, the new workplace is agile. People aren't coming to the office because they have to. They're coming for a specific purpose — and that purpose can vary greatly.

As a result, ideas like activity-based work and hybrid offices are getting broad mindshare among executives across every industry. It's the best of both worlds — the office remains relevant, and employees maintain a level of flexibility.
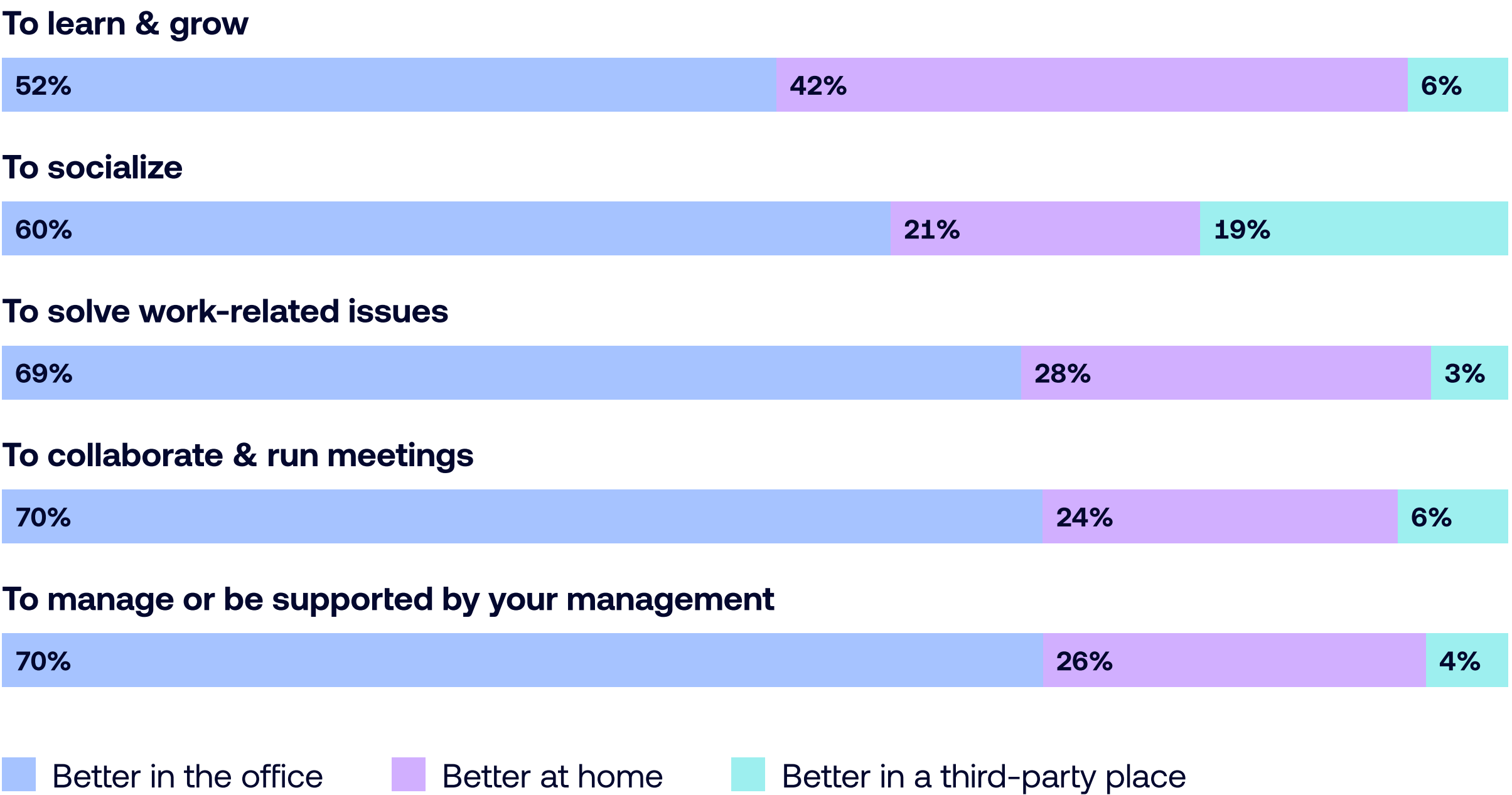
Before COVID-19, only 37% of employees wanted flexible work benefits. That number is now 56%.

PRE-COVID

37%

NOW

56%
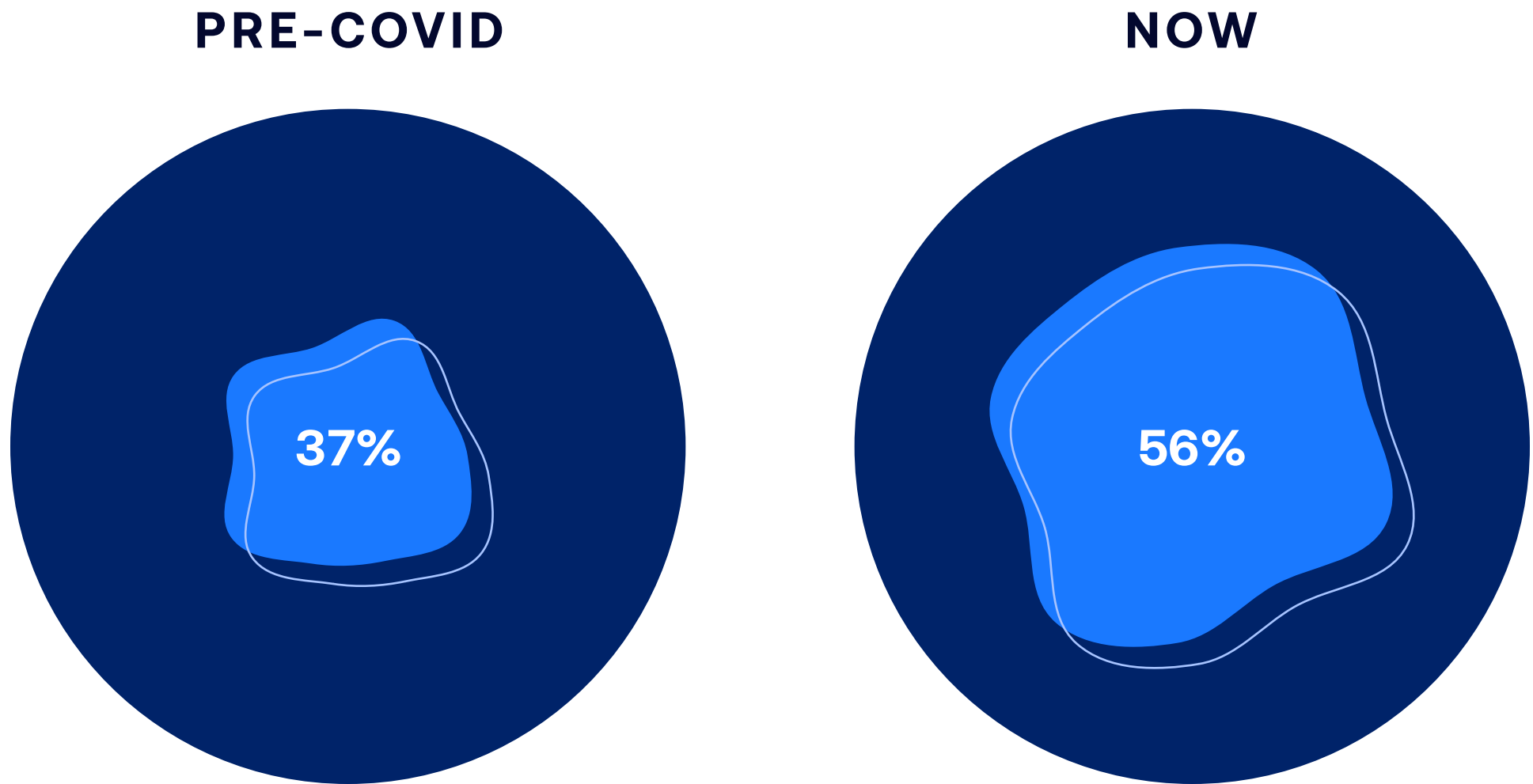
The good news: many workplace teams spent the past 5-7 years innovating on agile approaches and, as a result, have frameworks and answers to many of the challenges presented by the post-COVID return to work.

The missing component is reliable data and insights to re-establish utilization baselines and enable a data-driven approach to defining this new working model. Many of the tools companies use to gather data and make decisions can't keep up with this new and agile normal. So what do we do? Well, to understand what it takes to move forward, we first have to look backward.

After your recent homeworking experience, where would you prefer to do the following tasks in the future? At home, in the office or in a third-party place?

To learn & grow

| 52% | 42% | 6% |

To socialize

| 60% | 21% | 19% |

To solve work-related issues

| 69% | 28% | 3% |

To collaborate & run meetings

| 70% | 24% | 6% |

To manage or be supported by your management

| 70% | 26% | 4% |

■ Better in the office   ■ Better at home   ■ Better in a third-party place

Data reported by JLL: Global Research | November, 2020

Square feet calculations

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We understand when people come in [to the office] they're coming in for a purpose, and we need to address those needs.

— IZZY SANCHEZ, HEAD OF GLOBAL WORKPLACE AND REAL ESTATE, TWITCH

Density

For decades, calculating square foot per employee seemed to accurately measure the average space employees use (and need). But the new workplace is far more dynamic than in the past. Employees from the same teams work remotely and collaborate across departments. Many employees don't come into the office every day — if they come into the office at all.

Some employees spend their days in and out of various buildings connecting with numerous teams. Others visit clients and track down sales prospects in the field. Employee behavior is unpredictable. The average office employee's work schedule looks far more flexible today than ever before.

A simple calculation no longer suffices — even for companies with an office-first culture. One customer we work with had an office-first culture pre-COVID. They've always used square footage to make space decisions and were in the process of reducing their space demand from 175 square feet to 125 square feet per employee.

But the pandemic shifted their office-first culture. The CEO now realizes his workforce can work remotely — calculations using headcount can no longer identify their actual space needs.

Some companies are providing new flexibility options to their employees. How appealing are they to you?

Choosing my working hours, having flexible schedules

| 15% | 71% | 14% |

Switching to a 4-day working week

| 18% | 74% | 8% |

While in the office, being able to choose the most suitable space for specific tasks

| 31% | 57% | 12% |

Working from a coworking facility close to my home, at least 1 day a week

| 51% | 43% | 6% |

■ Not really appealing   ■ Appealing   ■ I already benefit from this option

Data reported by JLL: Global Research | November, 2020

Badge swipe data

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The 9-to-5 workday is dead, and the employee experience is about more than ping-pong tables and snacks. This isn't just the future of work; this is the next evolution of our culture.

— BRENT HYDER, PRESIDENT & CHIEF PEOPLE OFFICER, SALESFORCE

We've asked hundreds of workplace strategists over the years how they use data to assess space needs. Many say they use badge data. On the surface, this makes sense. Many companies already have a badge system set up to restrict access to spaces. So, they choose to use it to count people as well. But things get interesting when we ask these strategists to explain their process for getting this data. We diagramed a common (and painful) process to the right. By the time the workplace team gets usable data, it's 30-60 days in arrears. The data is no longer relevant or trustworthy. Yet time after time, workplace managers admit they go through these steps — just to say they're doing *something*.

Even if the process was less painful, badge data is incomplete. Badge data doesn't tell you how long an employee stayed in your space or what they did when inside. It doesn't discern from the engineer who's there for 8 hours and the salesperson who stopped in for a quick call. This has always been a problem with badge data. That problem is even more profound in the new, agile workplace.

It's no longer just salespeople using offices as pitstops. A bulk of work can and will be done at home. Employees are more likely to come to the office for meetings and social purposes only. Badge data is best for what it's designed to do: Restrict access. Most companies know this, which is why many have historically commissioned manual workplace studies to triangulate the badge data. But not even workplace studies can keep up with the flexible future of our industry.
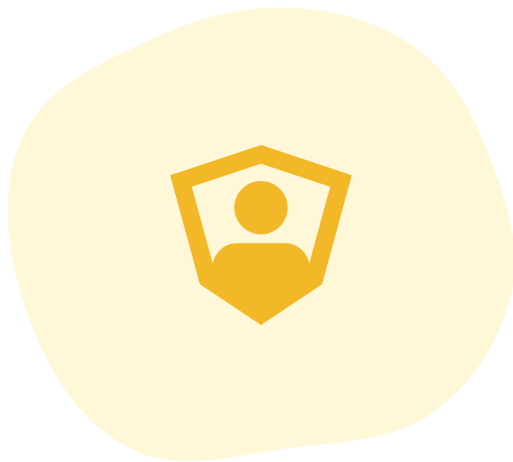
Email the security team with the request

Security team has to scrub the data of personally identifiable information (PII) before sharing it

The workplace team is given the newly scrubbed spreadsheets

Most of the time, the data isn't broken down properly (like by region), so the workplace team makes a new request to the security team

Manual workplace studies

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When the data is six months old, we know it's not totally accurate. It's a moment in time, so it's limited.

— FORTUNE 500 CUSTOMER

Density

A globally recognizable company we work with spends $750,000 every year to conduct quarterly workplace studies at just one location — and they have nearly two dozen locations worldwide.

Despite this investment, our client knows the data from these studies is faulty — it doesn't age well. Don't get us wrong — there is value to these reports. They provide qualitative insights hard to acquire elsewhere (example: "Three individuals stayed in a conference room for approximately 15 minutes after a meeting had concluded to socialize and finish their coffee"). But in the new, agile workplace, data from these workplace studies can be inaccurate and outdated.

This snapshot in time doesn't capture the versatility of the new workplace. Workplace study observers witness a small amount of activity at a given time. Static observations don't offer comprehensive insights into how buildings, floors, rooms, and areas are used and adapted over time. The accuracy of this data can also be affected by human behavior. People act differently when they are watched. It's human nature and has a name — The Hawthorne effect.

The Hawthorne effect occurs when people behave differently because they know they are being watched. A study of hand-washing among medical staff found that when the staff knew they were being watched, compliance with hand-washing was 55% greater than when they were not being watched[5].

Medical personnel were monitored in 2 periods. In the first period, the personnel had no knowledge of being observed. During the second observation period, medical personnel were informed that they'd be observed.

NO KNOWLEDGE OF OBSERVATION

29%

**KNOWLEDGE OF OBSERVATION**

45%

Density
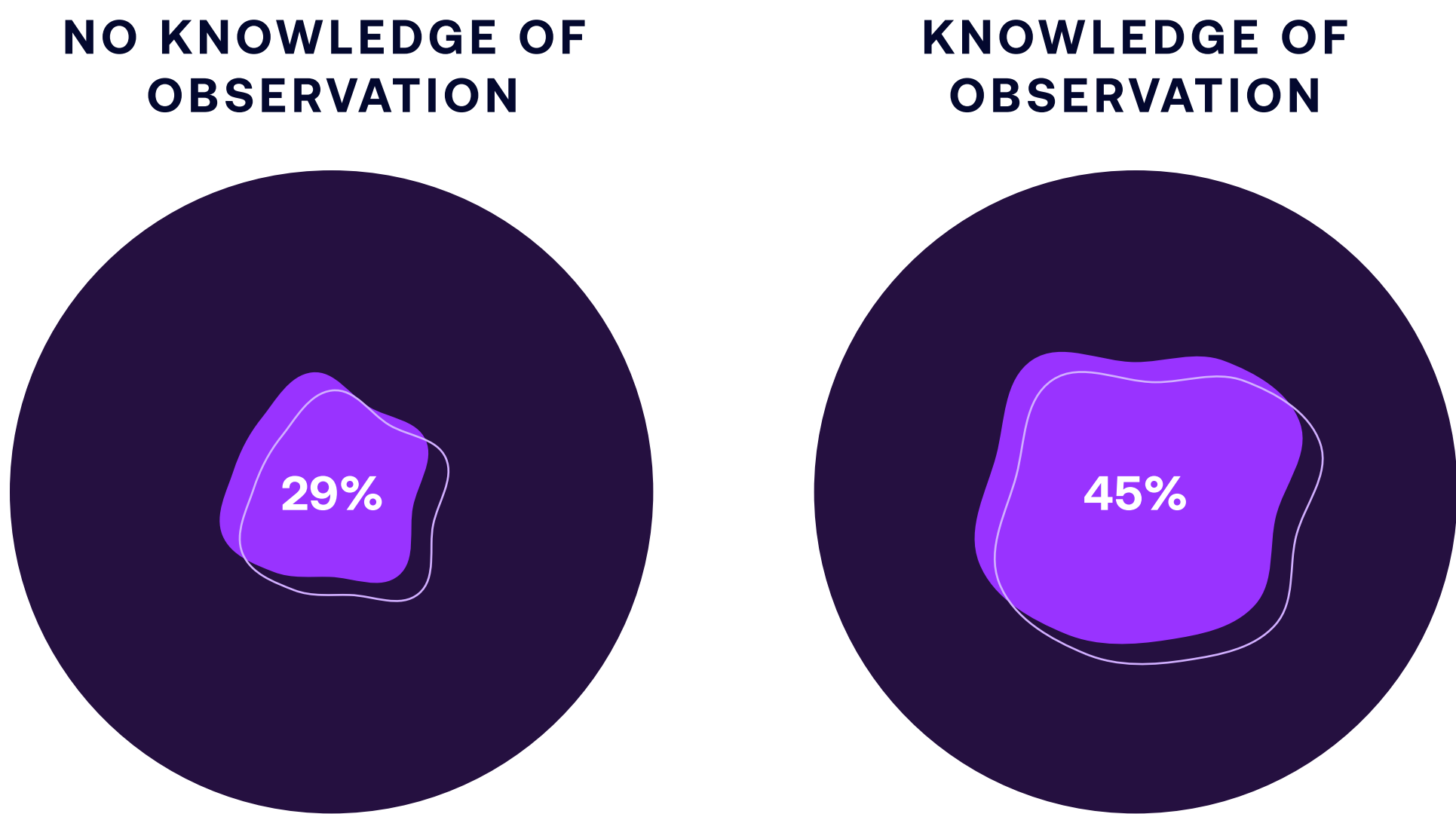
Now imagine if you know your dedicated space is at stake. Would you act differently? Clients have told us stories of how employees show up early in the morning or sit at their desks more than usual during these studies. The employee who usually takes up a 12-person conference room for an hour opts not to for fear of retribution.

This ability to manipulate perception is a flaw in manual studies. Manual studies rely on human observations. Humans literally walk through your workspace, counting the number of occupants and jotting down activities people are doing during the observation. But what does *occupied* mean? Does a jacket on a desk mean that someone's using that desk? Or could the owner of the jacket be at meetings for most of the day?

When it comes to making million-dollar decisions, getting this data right matters. Employees are less likely to alter their natural behavior patterns if they know the data you capture is anonymous. Density sensors are not cameras, so they don't create visual images that identify personnel. Our GDPR-compliant sensors provide a real-time data set of the number of people in any individual space while maintaining 100% anonymity.
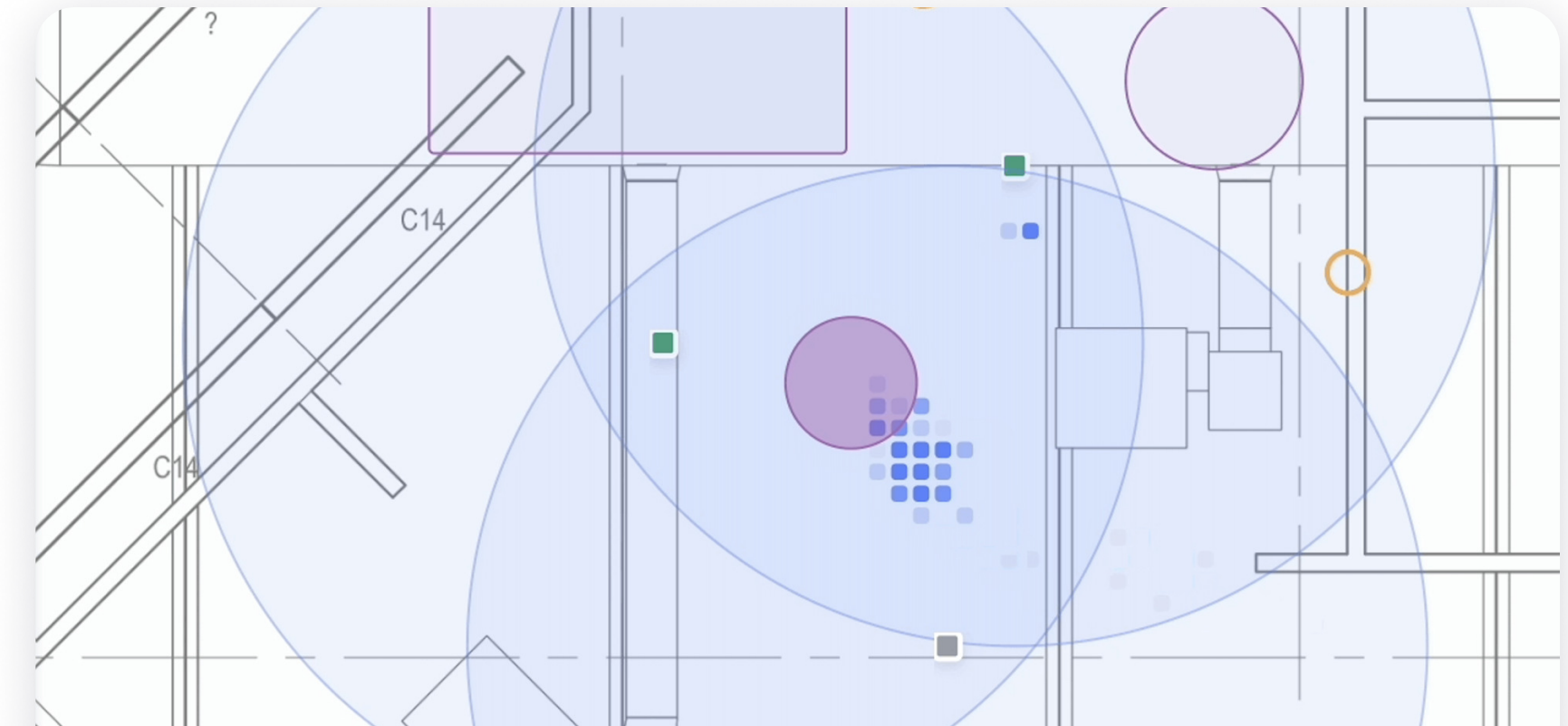
Density floorplan software and heatmaps
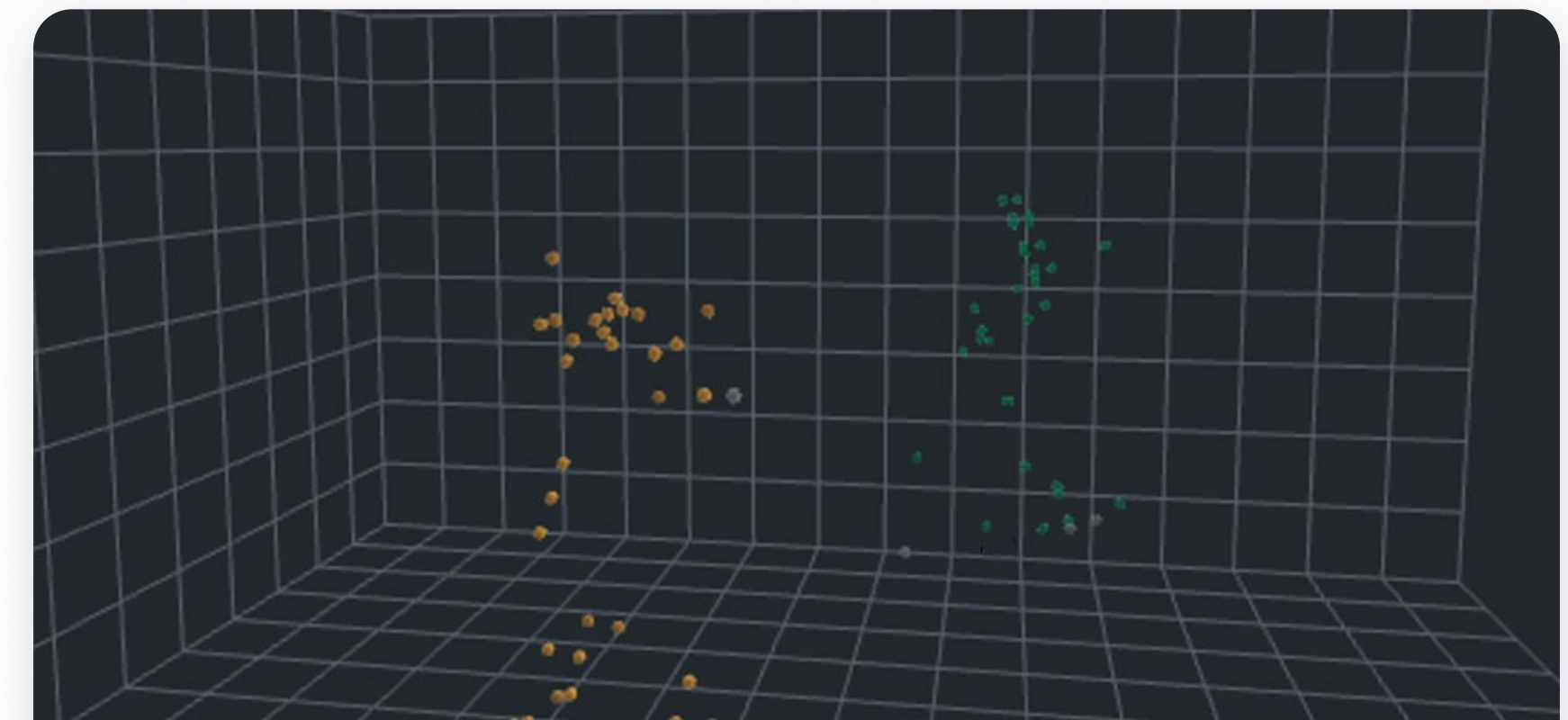
This is what Density's Open Area sensor sees

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Covid is like dynamite. No one is ever going to work in the same way again.

— MARK DIXON, CHIEF EXECUTIVE OF IWG

Density

Employees are now in the driver's seat. They dictate the where of work. If companies don't respond by leaning into their employee preferences, they'll be left behind. In the near-term, that means adjusting your workplace to address employees' safety concerns. Many employees expect their companies to maintain specific social-distancing protocols even after the pandemic passes.

But the new workplace has long-term implications as well. The office is evolving into a social hub for in depth-collaboration and learning opportunities. At the same time, many employees still want the choice of using private spaces when needed. How do you know what your employees want and need? You observe how they interact with your space and adjust accordingly.

Real-time, continuous data is the keystone to enabling an agile workplace. When it comes to data, the longer you can capture it, the more accurate it is. Continuous data makes it easy to not only identify trends but to justify decisions. Employees will be less likely to think politics is behind a workplace decision.
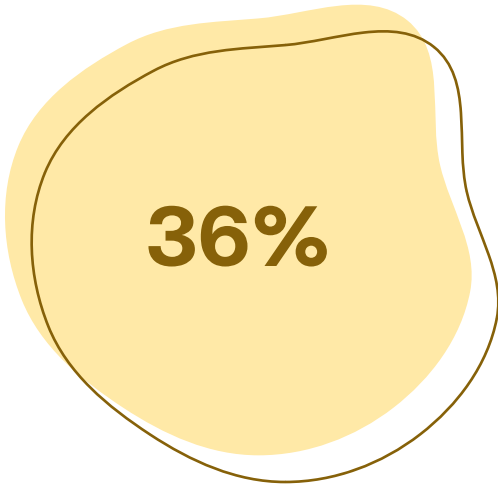
Capturing data over the long-term leads to better long-term company-wide decisions, like *do you need more conference rooms? Do you need a bigger kitchen? Do you need less space?*

Which new habits & routines will remain crucial for you after COVID-19? I expect my company to continue with …

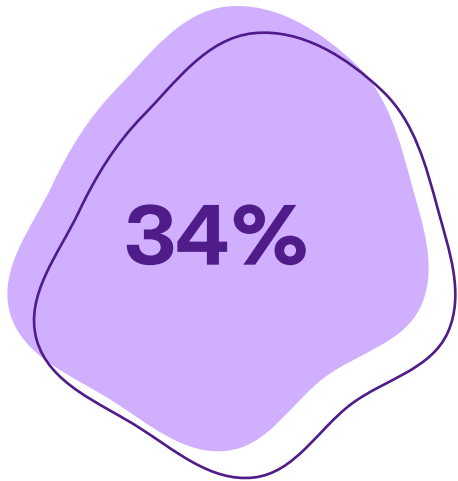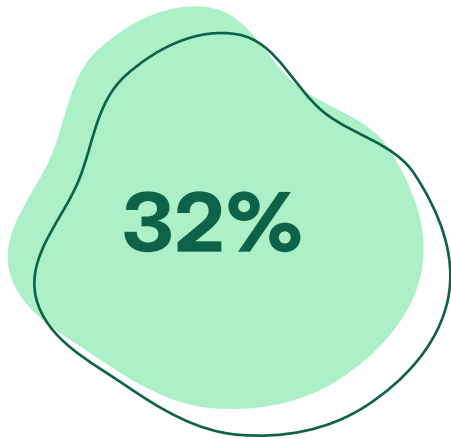**Less dense work environments**

36%
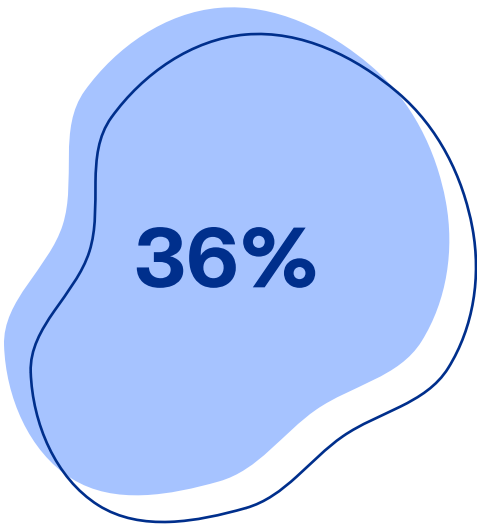
Digital interactions when possible

36%

No large in-person meetings

34%

Physical space separation within the workplace (desk partitions, etc.)

32%

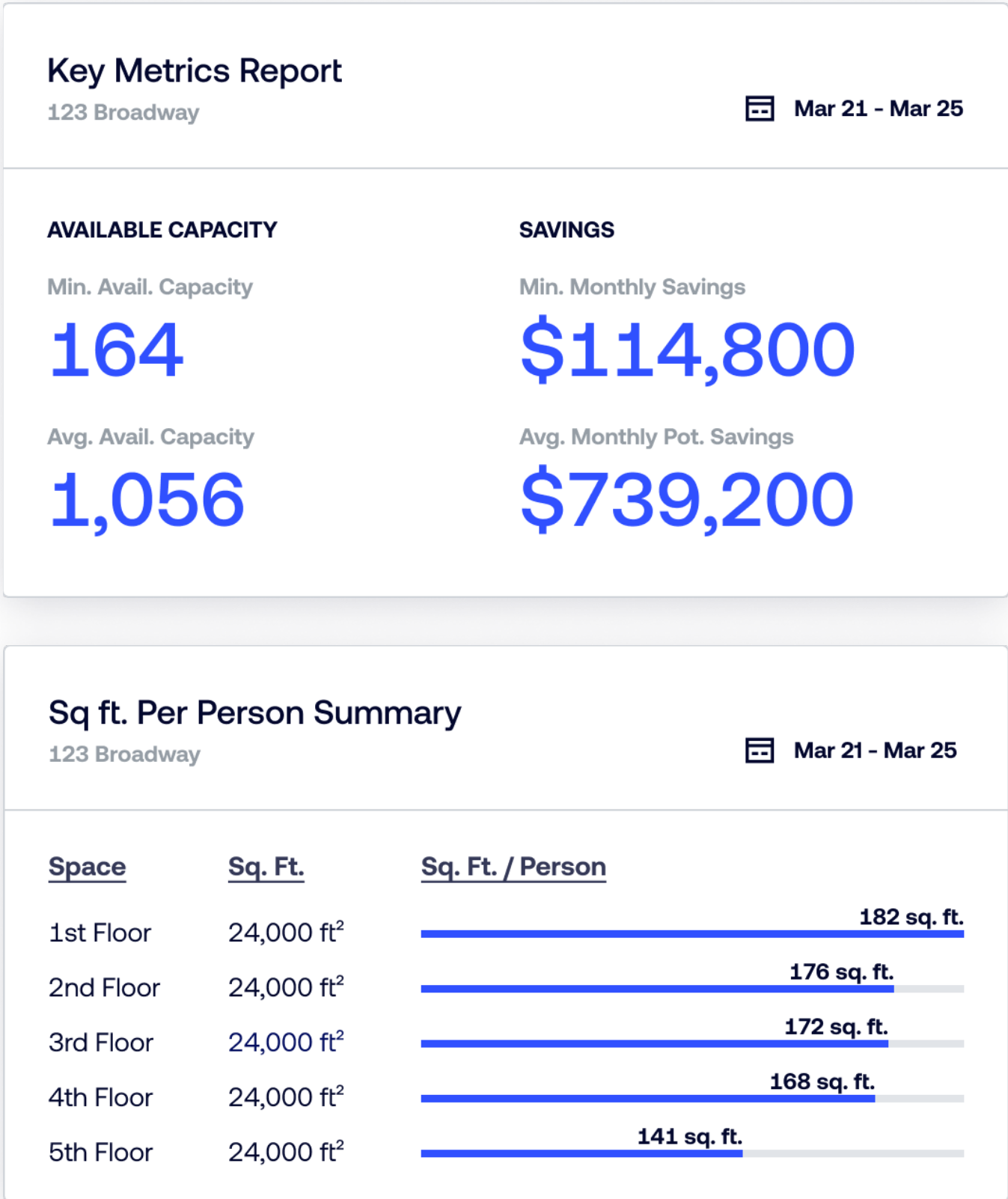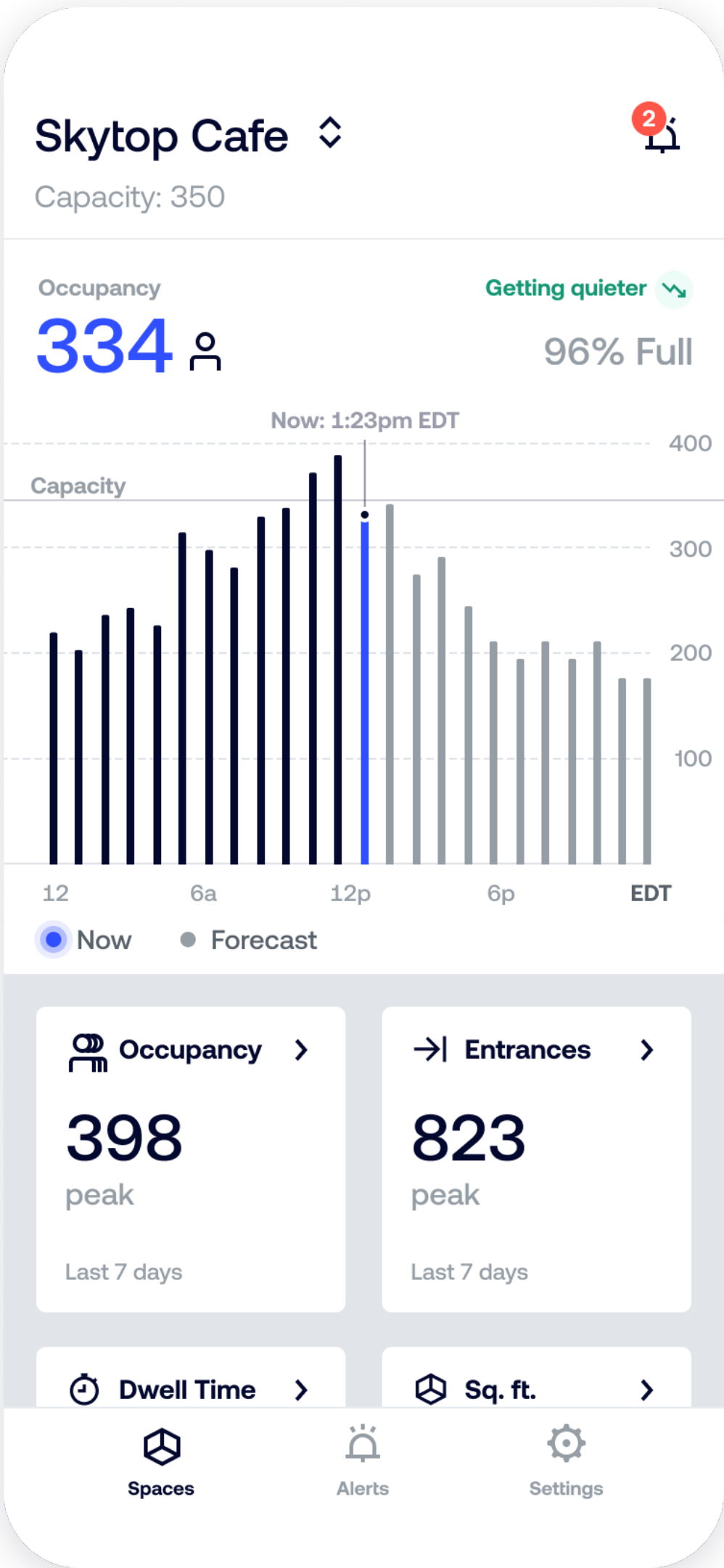Data reported by JLL: Global Research | November, 2020

Density

One of our customers has over 30 offices around the world and employs more than 6,000 people globally. They initially got Density to help them reopen safely in response to COVID-19. But the real-time, continuous data Density sensors capture have helped various teams across their organization make better-informed decisions.

The real estate team uses Density's historical data to evaluate space monthly and quarterly and validate their investments. Density helps them measure the success of these spaces by providing reliable aggregate usage data in easy-to-digest reports over time.

The workplace team uses Density data to ensure offices don't exceed safe capacities, food doesn't get wasted, and cleaning crews know where to service.

Their security teams rely on Density's real-time data for emergency preparedness. In case of an emergency, Density's data can identify exactly where people are so the security team can dispatch personnel appropriately. This feature removes the guesswork in moments when every second counts.

Skytop Cafe
Capacity: 350

Occupancy
334 👤

Getting quieter
96% Full

Now: 1:23pm EDT
400
Capacity
300
200
100

12   6a   12p   6p   EDT
● Now   ● Forecast

Occupancy ›
398
peak
Last 7 days

Entrances ›
823
peak
Last 7 days

Dwell Time ›
Sq. ft. ›

Spaces   Alerts   Settings

Key Metrics Report
123 Broadway   📅 Mar 21 - Mar 25

AVAILABLE CAPACITY

Min. Avail. Capacity
164

Avg. Avail. Capacity
1,056

SAVINGS

Min. Monthly Savings
$114,800

Avg. Monthly Pot. Savings
$739,200

Sq ft. Per Person Summary
123 Broadway   📅 Mar 21 - Mar 25

Space	Sq. Ft.	Sq. Ft. / Person
1st Floor	24,000 ft²	182 sq. ft.
2nd Floor	24,000 ft²	176 sq. ft.
3rd Floor	24,000 ft²	172 sq. ft.
4th Floor	24,000 ft²	168 sq. ft.
5th Floor	24,000 ft²	141 sq. ft.

Another customer, Envoy, got Density long before the pandemic, as a way to gather data that would predict employee needs. Initially, Matt Harris, the Head of Workplace Technology at Envoy, was drawn to Density because of its design. "You can really imagine it in your space," he explained. But what he loved most about Density is our sensors are easy to install and don't capture PII.

Harris and his team were so impressed with the accuracy of Density's data that they're now moving our sensors into smaller spaces (like conference rooms) so they can A/B test space designs for better optimization. (Envoy also integrates with Density — allowing companies to pair Density's anonymous occupancy data with Envoy's employee and visitor logs).

The return to work signifies a paradigm shift in space planning. No one knows how employees will behave six months from now, let alone two years from now. Adopting an agile mindset is a good start to responding to employee needs. But you also need agile tools to help you make real-time decisions at scale.
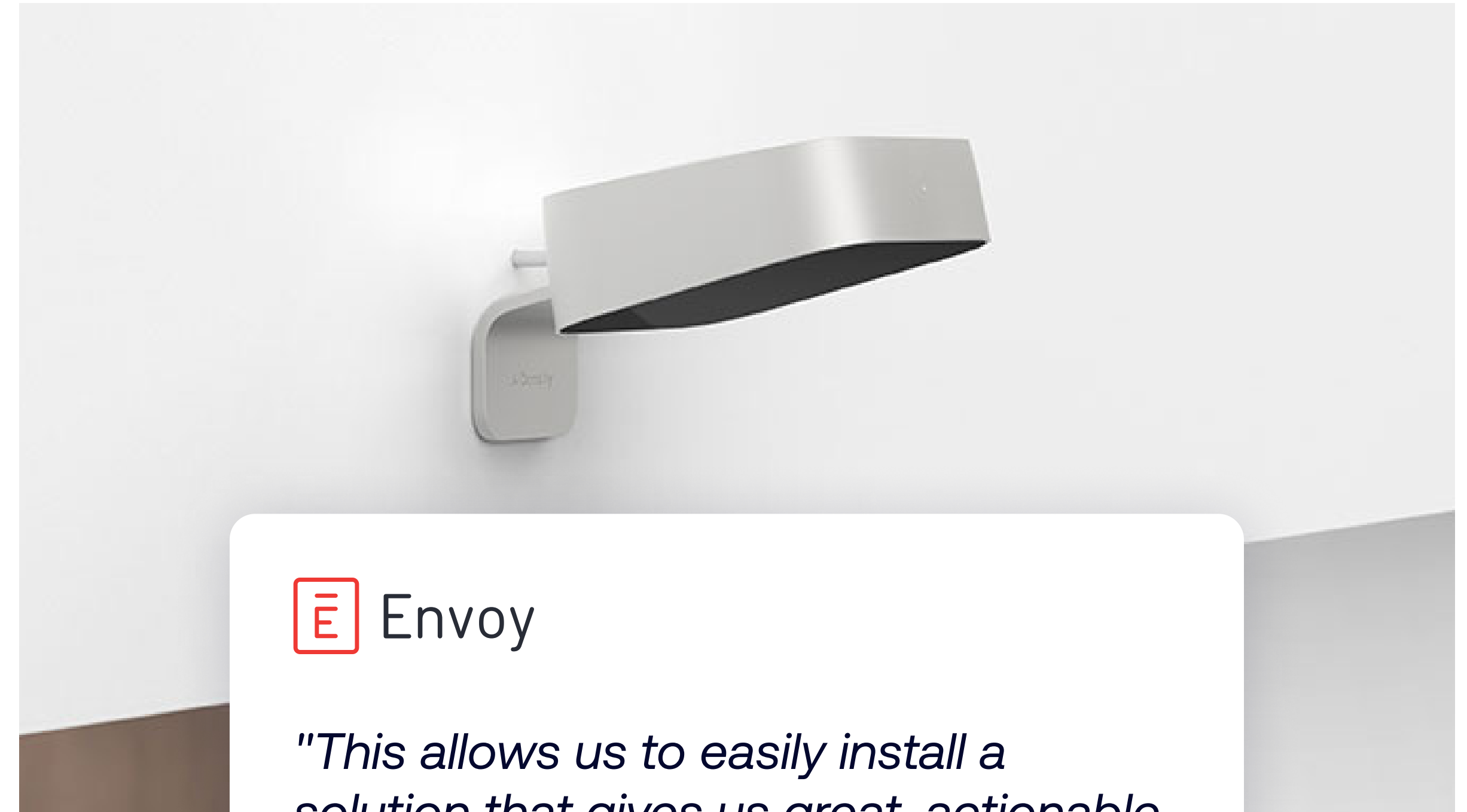
Ⓔ Envoy

"This allows us to easily install a solution that gives us great, actionable information, and we don't have to worry about privacy in the way you do with other solutions."

— Matt Harris is the Head of Workplace Technology at Envoy

⅄ Density

See how real-time, continuous data will prepare you for the new workplace.

REQUEST A DEMO

Density

Research

[1]GitLab. (March, 2020). The Remote Work Report by GitLab: The Future of Work is Remote.
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[2]Gensler. (2020). U.S. Work From Home Survey 2020.
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[3]JLL. (2020). Reimagining Human Experience.
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[4]CBRE. (2020). How the Hub & Spoke Model Could Evolve into the Office of the Future.
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[5]Catalogue of Bias. (2021). Hawthorne effect.
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