ORELOGIX



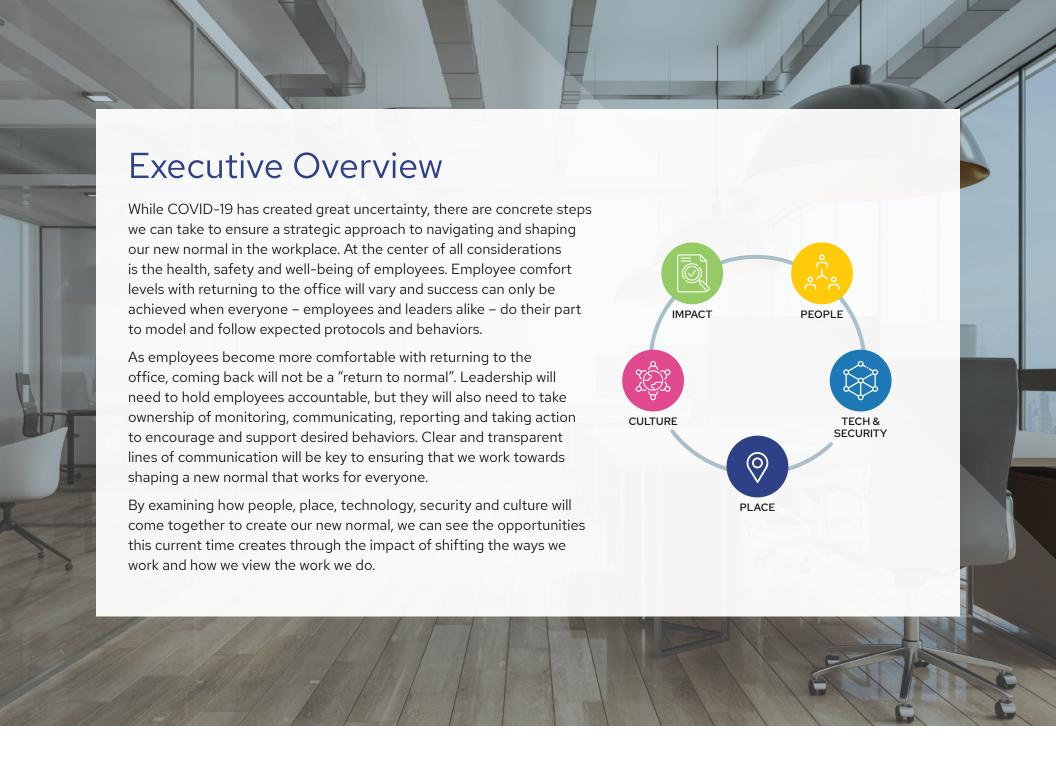


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Putting People First

"The writer George Saunders has a fitting analogy for the current Covid-19 moment: We've slipped on ice but haven't hit the pavement yet. We're caught in a suspended state between losing control and feeling the full impact.

The comparison points to a paradoxical tension that leaders must manage: providing direction, guidance, and reassurance while acknowledging that the path ahead isn't clear. Doing one thing without the other doesn't work. Both are needed to help people find the clarity and strength to move forward."

- Harvard Business Review



What do employees need to manage this change?

It's very likely that employees are experiencing a high degree of uncertainty, worry, and stress about their health and safety and that of their loved ones during the pandemic. This anxiety can disrupt their personal and work lives. During this time and moving into the future, it will be essential for organizations to address not only the physical health of their employees but also the inevitable emotional and mental toll of the pandemic on people. Understanding how to help employees cope with the anxiety they may be feeling about returning to work is understanding that this is not 'business as usual' and there is no 'one-size-fits-all' solution. There are, however, certain steps we can take to help employees manage this massive disruption.

PATIENCE

- Acknowledge that comfort levels for each employee will vary depending on circumstances with children, extended families, seniors, etc. in the household.
- Appreciate that anxiety, stress, fear, and uncertainties are at an all-time high and will affect the mental health of employees.
- Allow for an adjustment period to accept the 'new normal'.
- Encourage adaptability as suggested protocols, behaviors, and expectations change and continue to change.

UNIFIED MESSAGING

- Create a return to office committee representing a cross section of all lines of business for inclusive communications.
- Deliver consistency in messaging, approach, attitudes, objectives, and consequences.
- Train and support managers who lack the skills to manage people and teams remotely.
- Deliver communications via the CEO.
- Set the tone at the top and model messaging at all levels of leadership.

FLEXIBILITY

- Accept that in-office work hours may no longer support traditional 9-5 expectations.
- Be flexible and adaptable as employee needs and responses to COVID change.
- Support employees where transit and coordination of family situations at home need to be accommodated.
- Focus on supporting employees to achieve goals and manage deliverables, as opposed to clocking hours.



How can leaders respond to this disruption?

Our new workplace experiences will require that leaders engage in and promote different ways of thinking and working. While leadership will need to hold employees accountable for following new safety protocols, to lead in this time of uncertainty will also require that leaders take ownership of establishing and modeling desired behaviors. Employees need to know they can trust their leaders to set appropriate expectations to ensure their health and safety through clear and open lines of communication. By being approachable, informed, transparent and proactive, leaders can continue to build the level of trust required for talent to feel safe returning to what will be very different office spaces and new expectations.

BE APPROACHABLE

- Encourage employee feedback regarding experiences in the workplace and expectations tied to work schedules.
- Create an employee channel, e.g. live chat, to share feedback with clear parameters, i.e. not to call out or shame others.
- Create a separate way for employees to confidentially report colleagues who are not complying with expected behavior.
- Host daily virtual check-ins to share information pertaining to target occupancy vs. actual occupancy, updates on in-office employee clustering, etc. By keeping employees engaged in how new protocols are landing, they will be more likely to stick to them.
- Gamify the process to encourage the types of behavior you'd like to see to promote actions for the good of the collective.





How can leaders respond to this disruption?

BE INFORMED

- Take regular employee pulse checks to assess employee sentiment. Compare results weekly to understand how your talent base is feeling and how your organization is managing from the employee experience.
- Conduct weekly 20–30 minute calls chaired by the CEO. Share key metrics related to how the company is doing health-wise, e.g. zero cases of COVID, below target of 25% occupancy, 50% desk utilization, 20% meeting room utilization, which lines of business are high users of space, etc. Open reporting with positive stats such as 'big wins' and leave room for improvement to the latter part of reporting.

BE PROACTIVE

- · Anticipate concerns and questions.
- Create and frequently update FAQs to address concerns.
- Create multiple locations for important information to reside depending on how employees choose to access it.
- Post FAQs on a dedicated intranet page so talent can pull information but also consider sending FAQs via email in advance of an employee's return to the office.
- Check-in with employees to ensure regular communication and act before small issues become full-blown problems.

BE TRANSPARENT

- Share need-to-know information on a timely basis while the information is fresh and pertinent.
- Share the good, the bad, and the ugly as necessary, to encourage and discourage behaviors that impact the health and safety of employees.
- Guide individuals on changes in behaviors required and hold individuals and teams accountable to improve results.
- Position the tackling of success in returning to a healthy and safe workplace as everyone's business.
- Empower employees to be a part of the conversation of how to create a safe office environment.



Technology and Security

"Until recently, work happened in the office. We've always had some people remote, but they used the internet as a bridge to the office. This will reverse now. The future of the office is to act as an on-ramp to the same digital workplace that you can access from your #WFH setup."

- Wunderman Thompson



How do we merge online and offline worlds?

The return to office will be a gradual one with most companies beginning with a return to the workplace that constitutes approximately 20% of existing desk space. Considering this slow and methodical return and the fact that employees have already been working from home, it's clear that accessibility to files from anywhere is essential to ensure efficiency and productivity. Most companies will be looking to invest less in real estate and more in technology to enable business growth without real estate growth. Ubiquitous technology will be the great enabler, connecting everyone equally and leveling out inequities across what may otherwise be hierarchical structures in a company that often result in haves and have nots.

PRODUCTIVITY TOOLS

- Use communication tools like <u>Slack</u> and <u>Microsoft Teams</u> for instant communications.
- Virtual collaboration tools like <u>Zoom</u>, <u>WebEx</u>, and <u>Microsoft Teams</u> allow for video meetings, coaching and managing.
- There are often limits on electronic file storage and sharing – be aware of them and work to ensure they don't impede productivity.
- To avoid employee workarounds, ensure limits are adequate or enable FTP or file sharing services like <u>Google Docs</u> or <u>Dropbox</u>.

PAPER FILES

- Encourage in-office employees to question if printing documents is truly necessary.
- Minimize paper copies and encourage the use of digital files where possible.
- Encourage employees to create PDFs for digital files when printing can be avoided.
- Files requiring sign-off can use digital signatures and software such as <u>DocuSign</u> to reduce paper copies of signed documents.
- When paper files are necessary, establish a clear process for their retention, e.g. scan, upload and email.

SAVING

- When saving files, establish clear protocols for where to save on network drives and backup servers.
- Establish protocols for how often and where backups should be made to secure files.
- Restrict access to network directories depending on who requires access to discourage local saving and instead leave network files ready for backup.
- Create a corporate desktop image which includes standard tools employees will have access to including building, network, software and apps, etc.



PLACE

Shaping The New Normal

"Organizations must also use this moment to break from the inertia of the past by dispensing with suboptimal old habits and systems. A well-planned return to offices can use this moment to reinvent their role and create a better experience for talent, improve collaboration and productivity, and reduce costs. That kind of change will require transformational thinking grounded in facts.

Ultimately, the aim of this reinvention will be what good companies have always wanted: a safe environment where people can enjoy their work, collaborate with their colleagues, and achieve the objectives of their organizations."

- McKinsey



What can we expect from our new workplaces?

The workplaces that people will return to will be nothing like the workplaces they left. In fact, it's fair to say that the office as we knew it, is gone. Along with a reconfiguration of our physical spaces, returning to work is bound to be different now that companies have shifted business online where they once didn't consider this shift possible.

The return to the workplace may look vastly different from one employee to the next considering personal circumstances and interaction preferences in our new COVID world. Most important will be the need to instill a strong sense of trust in employees as they navigate big changes alongside their colleagues and leaders.

ELEMENTS OF THE NEW WORKPLACE

- 6 feet physical distancing with flexibility to change as requirements change
- · Staggered start and end work times
- · Alternating schedules
- Restricted or closed-off spaces
- · Absence, or reduced availability, of social spaces
- Increased virtual interactions taking place in the office
- Rotating seating assignments
- Decrease in, or lack of, serendipitous engagement
- Touchless surfaces and environments





A new workplace experience or a bigger workplace opportunity?

While COVID-19 has created many business challenges, it has also generated new opportunities. The disruption to our normal work lives has <u>accelerated technological advances and cultural shifts</u> that would have taken longer to adopt, had it not been for the sudden onset of the pandemic. Embracing these opportunities is essential to remaining competitive and to retain and recruit top talent. Using the data and information we have at our fingertips will help streamline processes and keep employees safe. It all begins with knowing your metrics and the intent of your employees as they return to the office.

KNOW YOUR METRICS

- Explore how much time was dedicated to meetings and collaboration in your organization pre-COVID. Where do opportunities lie to encourage collaboration? Increase efficiencies?
- Prior to making big changes, understand your people: how they work, what they need, and how to best support them to maximize productivity while driving efficiencies.

KNOW INTENT

- Have employees provide their intentions for all office visits to determine which interactions truly need to take place in person.
- Set limits on occupancy and when your limits are met. Have a waiting list ready.
- Establish clear protocols. When employees arrive at the building, have them sign in at reception, sanitize, get a mask, and be informed of their allotted seat location.





How can we plan for success?

For employees returning to the office because they miss social interactions, it will be important to plan occupancy and seating protocols – particularly how team settings and collaboration are handled if occupancy is exceeded. A clear communication plan will be key to ensuring employees know what to expect. In-office collaboration will likely be a combination of face-to-face and virtual meetings. Meeting rooms will require preparation for proper spacing and sanitization in addition to protocols for meeting duration and types (e.g. standing room only). Meeting spaces should also be equipped for virtual communication in cases where fellow employees or clients are uncomfortable with coming into the office and/or being in a meeting room. Workplace monitoring, reporting and clear communication is key to planning for success.

MONITOR

- Workspace monitoring through workplace analytics solutions offer a direct line of sight to the implementation, adoption and management of new and constantly evolving pandemic planning protocols.
- Through real-time anonymous data collection, leadership can get up-todate information on how the workplace is being used.
- Data collection includes valuable information including occupancy, utilization, humidity control, identification of safe seats, areas of clustering and density, and sanitization updates.

REPORT

- Through regular reporting, key performance metrics can be identified and posted for all employees.
- Data can be shared through virtual town halls, email updates and posted on the company intranet.
- Employees should also be encouraged to report concerns.
- Feedback could be tracked using a survey that is perpetual and allows multiple responses or using a support solution (e.g. Hubspot Help Desk & Ticketing Software).
- Make reporting available on a push/pull basis (e.g. email communication, text messages v.s. accessible on the company intranet site) so information is always handy when required and distributed regularly.

COMMUNICATE

- Global messaging to flatten the curve has been deeply ingrained in the public psyche.
- Takeaways from this lived experience can be applied to our new normal in the office where the goal is the same: control the curve.
- By sharing data with all employees such as how many people were in the office vs. expected occupancy, if some floors were busier than others, etc. will engage everyone and encourage cooperation across the board.
- Clear communication on expectations encourages desired behaviors.



Culture

"Avoiding the pitfalls of remote working requires thinking carefully about leadership and management in a hybrid virtual world.

Interactions between leaders and teams provide an essential locus for creating the social cohesion and the unified hybrid virtual culture that organizations need in the next normal."

- McKinsey



What does company culture look like when working from home?

Moving forward, with employees likely opting to alternate between working from home and the office, we'll begin to see the traditional centralized workplace shift to more of an <u>ecosystem of locations</u>. If that's the case, then the culture of a company can no longer be measured by the attractiveness or 'cool factor' of the office alone. In fact, it's possible that coworking spaces could become local satellite offices for employees as opposed to restricting work to one office. Consequently, tomorrow's competitive advantage will put more weight into compensation and benefits for talent over flashy workplaces.

TOMORROW'S COMPETITIVE ADVANTAGE

- Flexibility will matter more as offices become less of a driver for selecting where to work.
- A growing body of talent will look for companies with which they have alignment on core values.
- Talent will also look for more meaningful work where people and purpose come before profit.
- Employees will want to work for companies that display good corporate citizenship by contributing to the local economy and communities.
- Compensation and benefits will matter more when traditional office perks are no longer a driving factor.

COMPENSATION & BENEFITS

- If companies are perceived as making budgetary cuts to save on overhead and expenses, employees will want to see some of those savings return to them in some manner.
- Savings can be reinvested in employee needs, e.g. training, tools and technology, well-being initiatives, etc. Perks and subsidies are often the first to go in cost-cutting initiatives. By reinvesting in talent, you can create a mutually beneficial give/give culture.
- If working from home becomes a large part of an employee's experience, they're likely to be saving money on transportation and food costs but organizations will save exponentially more.
 Employees may be experiencing other hardships due to COVID so reducing pay isn't the answer.
- Offers the opportunity to reduce or eliminate inequities or a culture of haves and have nots by leveling the playing field.



What cost savings can be found in larger ecosystems of work locations?

With an evolving and expanding ecosystem of work locations, traditional head office settings can be replaced, at least in part, by off-site locations for those who find working from home challenging. Some employees may even take it upon themselves to find remote coworking spaces that are closer to home to reduce commute times. When exploring the cost of setting up employees to work from home or offering the use of coworking locations, there are clear cost savings to be had.

TYPICAL CLASS A OFFICE LEASE SCENARIO

- Organization XYZ currently has 100 seats in Class A building
- Annual lease costs for 200 sq ft per person/desk at \$45 per sq ft (assumes seats are 100% assigned)

APPROX. YEARLY TOTAL:

\$9,000 per person/desk regardless of desk occupancy and/or utilization

A 30% office occupancy with the remainder of people working from home would mean a return to office demand for space of 30 desks.

Comparing typical office lease costs to a work from home option and coworking desk rental option can paint a picture of the cost savings available when a hybrid of these scenarios make up an organization's ecosystem of work locations.

WORK FROM HOME SCENARIO

- \$1,000 one-time home office setup allowance for furniture
- \$50 for internet per month
- \$50 for phone per month
- \$50 for office supplies per month

APPROX. YEARLY TOTAL:

\$1,800 + one-time \$1,000 setup fee per person

AVERAGE COWORKING DESK RENTAL SCENARIO*

- New York, New York
 \$351 per person per month
- Austin, Texas
 \$288 per person per month
- Grand Rapids, Michigan
 \$289 per person per month

APPROX. YEARLY TOTAL:

\$3,400 - \$4,200 per person/desk

*Average coworking desk rentals based on 100+ sq ft open desk rental in coworking environment. Costs provided by <u>LiquidSpace</u>, the largest real time network for office space.



Impact

"The shift has happened in days, not months. Businesses may be able to learn how to move faster, acting in more agile ways, as a result."

- <u>Deloitte</u>



What can we learn and how can we transform?

The global pandemic has disrupted our lives and workplaces by greatly accelerating cultural and technological changes. While it has created an abundance of uncertainty, it has also paved the way for transformation. Employee and leadership resiliency will be key to the success of companies moving forward. Moving from response and recovery mode to resiliency and ultimately to thriving, will require smart planning and an open mind to accept the many changes that are coming our way. Shaping and navigating the workplace of tomorrow requires answering core strategic questions around people, tech & security, place and culture to make positive impacts on how we work and why we choose to do the work we do.

TECHNOLOGY IMPACTS

- The work from home experiment that COVID-19 has created has shown companies that employing remote and virtual technology is not only possible but offers many efficiencies.
- Companies are beginning to recognize that they can do the same amount of work spending less money on overhead and extraneous office expenses.
- Virtual work capabilities using tools and best practices can support collaboration and productivity.
- Collaboration tools and platforms support dynamic work locations. An agile mindset will become the norm and organizations will value adaptability over procedure.
- When most work is digitized and saved on a central platform through clear protocols, companies can avoid duplication of efforts and increase consistency of outputs.

CULTURAL IMPACTS

- As companies can do more with less, efficiency and optimization of processes increases and consequently, a portion of savings can be reinvested in employees and technology to encourage continuous learning, collaboration and innovation.
- Companies that shift their mindsets away from traditional working conditions will demonstrate themselves as good corporate citizens that support corporate sustainability, increasing their competitive value and ability to recruit and retain talent.
- By engaging talent and empowering them in the process of creating the new normal, companies create a caring and empathetic culture that focuses on well-being.
- A focus on employee experience will create a people-centric culture and workforce to drive satisfaction and productivity.
- Companies in crisis often return to their mission and values to drive the business forward.

Conclusion: How do you move forward?

Successful teams are comprised of diverse thinkers with diverse expertise. Considering the many aspects that need to be considered in shaping our new normal, putting together the right team to address the criteria of how to organize your office environment and continue to adapt as expectations change, will require a strategic approach to ensure the health, safety, and well-being of all office occupants. A smart game plan will leverage technology to collect, assemble, and analyze data to gain valuable insights into how your business can execute on opportunities, while increasing efficiencies and reducing risk. Hiring an expert to help you with planning your evolving office space will get you there faster by obtaining high quality data to support long term strategic decision-making.

THE ROLE OF DATA

- Your company can use the data you already have to guide strategy and communicate the right information, to the right people, at the right time. Having the data you need is important but knowing how to interpret that data is even more crucial to using it to your advantage.
- At Relogix, our mission is to turn data into valuable outcomes. Our technology can help you be better prepared to support the health, safety and well-being of your office occupants.





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About Relogix

Trusted by top Corporate Real Estate professionals who need to make data-driven business decisions to inform their real estate strategy and measure impact. Our flexible workspace analytics platform, data insights, and domain expertise are proven to transform the workplace experience. We're always looking for the next innovation in CRE technology, leveraging a decade of CRE and analytics expertise to help you understand and plan your space. We're ready for the future. Are you?

TALK TO US TODAY

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