The future of IT-facilities management and the digital workplace experience
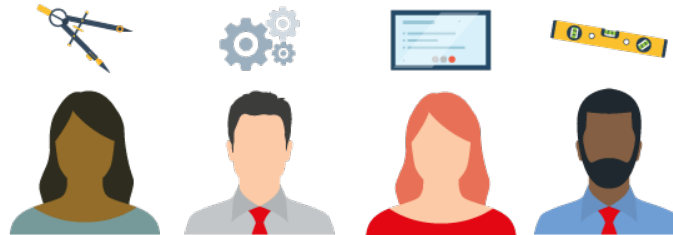
What's inside

What to expect

Digital innovations are changing the way we work

The workplace is now a connected system of digital services and physical spaces

Digital innovations have changed the way we interact with each other, and those changes are affecting the way we work. These new paths to collaboration have delivered valuable new data and insights.

As a result, companies are seeing a convergence of the digital environment, traditionally owned by IT, and the physical office environment, owned by Facilities. And as a result of tremendous overlap, a new role is being a born, one that covers both the digital and the physical. Their skill sets not only include keeping the lights on and the internet connection secure, but answering questions critical to the organization's success.

"Telecommuting" was the buzzword of the late 1990s, when the first companies began experimenting with letting workers connect and work from home. That has largely gone by the wayside, as winning firms demonstrate the value of physical connection.
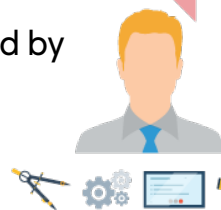
Instead, what's emerged is a network of well-defined physical locations, each with cohesive identities and teams, connected by digital systems. Organizations are reaping a strategic advantage in talent acquisition.

The digital workplace must be as seamless as the physical one

In many companies, it's rare for a meeting not to include at least one remote person. As a result, video and audio conferencing providers are focused on building tools that bring team members as close as possible to physical interaction, including improved audio and video quality.

The new facilities / IT manager sits at the center of valuable data and insights

Much as social networks and internet searches created valuable new streams of data into consumer interests and intentions, digital collaboration tools have provided valuable new streams of data on how we work.

A handful of providers are turning that data into insights, which the converged manager of facilities and IT will use to improve the way companies innovate and execute. Individuals, themselves, are tapping into these data streams, learning about the way they work best and exploring new work habits.

Who owns this new set of responsibilities?

The path to adopting a converged Facilities and IT management is varied. At some organizations, it starts with perceptive volunteers filling an emerging need; at others, it is a top-down directive, reflected in the organizational structure.

Why you should take our word for it

Because it's not "our word" per se. It's the word of some of the most prominent people and companies in tech, design, and finance. We interviewed CEOs, IT and facilities operations managers, program directors, designers, and more at companies like Herman Miller, BlueJeans, Pendo, Alchemista, etc. to guide the direction of this resource, and to provide you with from-the-front-lines insights and experiences. Our ultimate goal is to help save you some time and avoid a pitfall or two. If you happen to develop a fondness for Robin along the way, all the better.
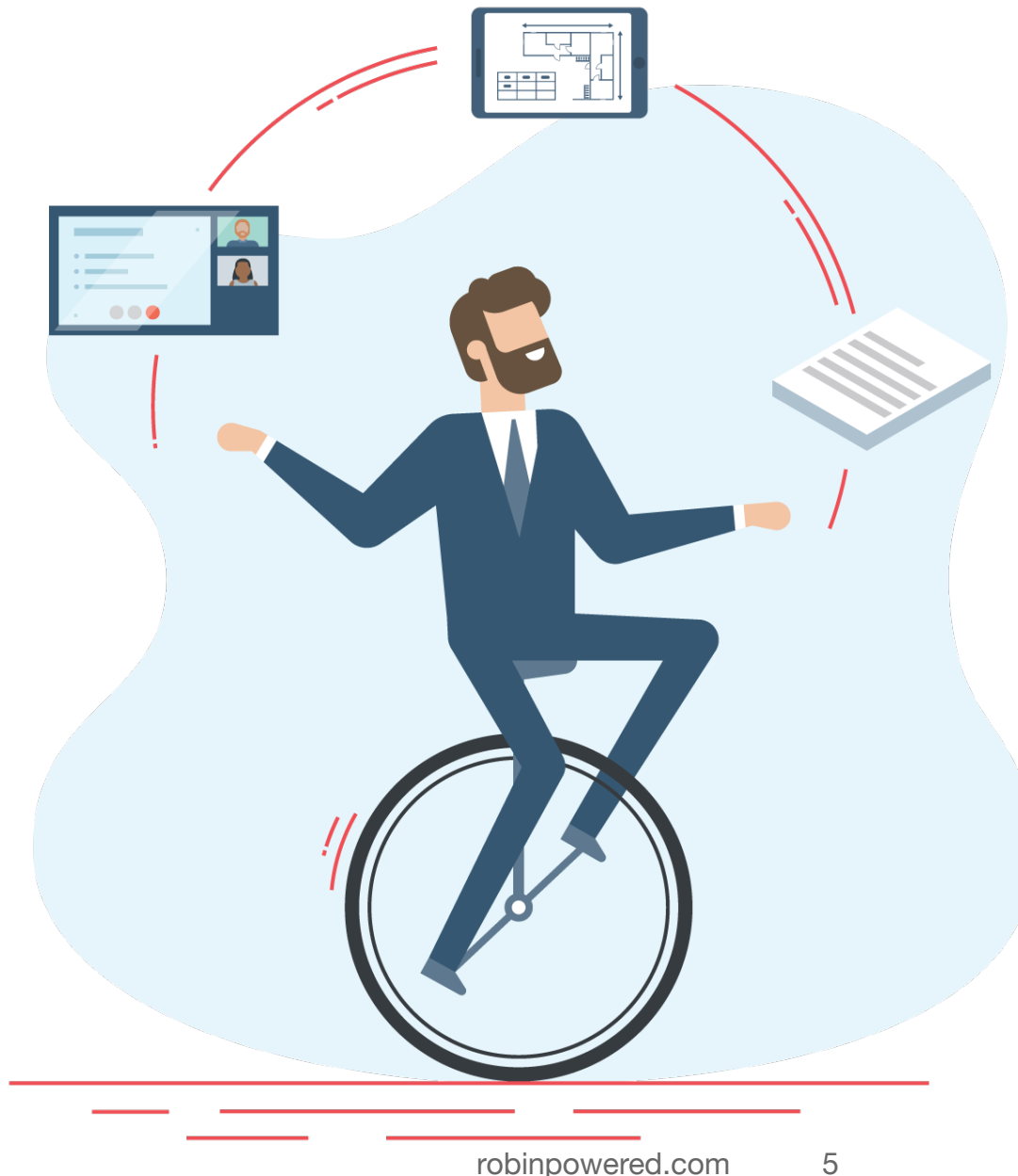
Introduction

The role of facilities manager emerged in the 1960s, along with a forerunner to the office cubicle. Until then, most workers shared space, occupying desks in large open rooms. The inventor Robert Propst developed a layout he called the "Action Office" for the office furniture company Herman Miller, with movable walls and modular furniture. It was designed to provide, at a small sacrifice in square-footage efficiency, the benefits of improved focus and wellness.

A facilities manager, as Probst and others saw the role at the time, was needed to maximize those benefits through adaptive arrangement of the modular, flexible floor plan.

Unfortunately, the benchmark for office space has always been efficiency, usually measured by the number of people or desks per square foot. Managers looked at Propst's concept for the Action Office and realized that they could make floor space more efficient by this measure. And so the cubicle farms of the comic strip Dilbert and the movie Office Space were born. Propst recoiled, calling this adaptation of his invention "monolithic insanity."

Technology and changing work habits have brought to the 21st century office a level of workplace efficiency that the cubicle farm managers could not have imagined. Benchmarks have dropped from 200 square feet per person down to 150. And, in many organizations, the number of people who need that square footage on any given day is lower than the company's headcount. Exploring the extreme edge of that trend are companies like Buffer, a social media management platform.

Buffer closed its offices in 2015 (at the time it was a 50-person company) to achieve cost savings to prove a point that there is no difference between work from home and work from work. Many other companies have taken less drastic advantage of digital collaboration. They're using scheduling, document sharing, instant message and other digital services to open offices in far-flung locations and allow personnel more time on the road with clients and remote teams. Individuals are benefiting from the ability to choose where they work, based on what's best for their personal wellness, their productivity and for the small teams

that are becoming the organizing unit of corporate structure.

Maintaining these collaboration tools has brought about a convergence between Facilities and information technology (IT): often, the quality of the work environment depends as much on functioning digital environments as it does on comfortable physical environments. The data running through this combination of the physical and digital worlds has placed the combined manager of facilities and IT at the center of a new web of strategic insight. This new approach to facilities truly is a converged function that brings together information technology and facilities in one role.

In this ebook, we gather research and speak to experts and experienced operators. We have collected these insights and presented them here, along with some of our conclusions as to where these trends are heading and how we should think about them today.

The future of IT and Facilities

The modern workplace

The digital tools we use have changed the way we work: instant messaging services like Slack, project management applications like Trello and Basecamp; high-fidelity video conferencing applications like BlueJeans and Zoom; meeting space and desk schedulers like Robin Powered. These have stretched the boundaries of collaboration beyond the conference room and into a variety of settings, often spread across multiple places. And yet, the most successful organizations still emphasize the need for nearness. For fast-growing organizations, digital collaboration means the ability to quickly expand into new geographies, establishing cohesive satellite offices that can tap local talent pools to meet fast-changing staffing needs.

"The buildings we go to everyday haven't changed as much as have the tools we use to get work done," wrote researchers Ben Waber, Jennifer Magnolfi and Greg Lindsay in Harvard Business Review in 2014. The researchers measured worker activity and collaboration by deploying thousands of sociometric badges in the offices of pharmaceuticals, finance, software, and health care companies. What they found points to the strategic importance of an understanding that spans both digital tools and physical spaces.

"Merging digital communication patterns with physical space can increase the probability of interactions that lead to innovation and productivity."

Harvard Business Review, 2014

Physical workspace

In the late 1990s, early views of telecommuting envisioned major enterprise workforces dispersing to work from home.

If that vision had borne out, we might have seen the work of the facilities manager turn purely digital. Twenty years later, it's become an article of faith in Silicon Valley (and everywhere that Silicon Valley culture holds true) that to succeed as an innovative company, you must have smart people working on well-organized teams in the same physical space.

Physical proximity, it turns out, is important. In 1977, MIT organizational psychologist Thomas J. Allen demonstrated that communication between engineers drops exponentially as the physical distance between them increases. This phenomenon is known as the "Allen Curve." Researchers at the MIT Media Lab recently demonstrated that the Allen Curve holds true today. Even with the availability of a growing and sophisticated toolset for remote

collaboration, people communicate more when in close physical proximity.

"I'm still looking for a really big company that reached its potential with a distributed team," said James Currier of NXT, a venture capital firm, on a recent podcast. "WordPress could have been so much bigger. I think Homo sapiens has a lot of synaptic matter that is dedicated toward very delicate signals and I think these technology companies are dependent on the humans involved."

Organizations that share Currier's belief are investing in their workspaces as a critical tool for their success. Offices are designed to facilitate collaboration and "casual collisions," like Google's "Googleplex" headquarters in Mountain View, Calif., completed in 2013.

And yet, Google is one of the companies leading the effort to establish far-flung engineering centers. Many firms are following suit. In 2016, a real estate firm documented the rapid rise in the number of national tech companies opening Seattle engineering offices, following Facebook and Google, which established an

engineering presence there years ago and have grown those offices to thousands of local employees. These offices aren't outposts: they include the same type of comfort and culture as their respective HQs. Work inside these organizations takes place in a mesh of physical and digital environments that must be overseen by a team that pulls its knowhow from both facilities and IT.

Digital workspace

BlueJeans Network, a video conferencing service, has 500+ employees with a shared mission to make video communication as ubiquitous as audio. Most of the collaborative space in their offices are networked for videoconferencing, and are also bookable on location and remotely, using conference room scheduling software. Steve Weinstock, director of business development and integration, describes what that's like for employees.

"It's being able to on the fly grab a room because I'm lazy, I forgot, or something just came up. The calendaring system shows the meeting on the screen

outside the room, but I also have the ability to walk right in and literally fire up the meeting right away. When I have that mobile app open, the conference room equipment around me recognizes me and it will say something to the effect of, 'Hi, Steve, do you want to start your scheduled meeting here?'"

Pendo, a customer engagement software company in Raleigh, N.C., is another example of the digital and physical workplaces converging. Jeremy Smith, IT and Facilities Manager at Pendo, now oversees an iterative process the company designed to open new offices and grow them to match Pendo's company culture. At Pendo, it's rare that a meeting doesn't have at least one remote participant.

"If you're having a 30-minute meeting, and you have to spend more than 2 minutes getting the remote conference system to work, that's a waste of time," Smith said.

BlueJeans, meanwhile, works to make the quality of a remote meeting match the quality of in-person conversation. Recently, the company replaced an audio stack it had built seven years ago

with one provided by Dolby Laboratories, a London audio technology company. Meetings with BlueJeans technology now include background noise cancellation, as well as a feature called spatial audio, which changes the right-left balance of the audio signal to reflect where in the conference room a speaker is sitting or standing.

If someone is walking from his seat to the whiteboard, for example, "you hear him if you have a headset on, coming from a different perspective depending on where he is," said Weinstock,

"It's a more natural, normal experience, like if you were in the meeting room yourself."

BlueJeans' latest innovation are hot walls. A wall-mounted monitor links BlueJeans HQ to another office passively. When Weinstock, or anyone else, wants to call over to a colleague in another city, all he has to do is shout, much like he would call out to a colleague across the room. With this modern innovation, though, comes necessary technical and physical management. Hot walls are usually placed in break rooms and open areas, and volume is kept relatively low.

"I'm pretty good at tuning out the chatter of my coworkers who are five feet from me having a conversation," Weinstock said, "but there's something about the audio coming from a TV with speakers that is harder to tune out."

The manager who oversees facilities and IT has the ability to adapt the workspace to people's emerging needs. The new categories of data that digital systems provide are critical components of this kind of adaptation.

Sidebar: Rise of a new kind of manager at Pendo

"Before becoming manager of IT and facilities at Pendo, I was just normal IT," said Jeremy Smith. As in other cases of convergence, the change wasn't driven from the top down. It began with people seeing a need and beginning to look for ways to fill it.

In 2018, Pendo moved its Raleigh headquarters to prepare for a wave of hiring, expanding from 10,000 to 45,000 square feet. This coincided with expansion into new geographic areas via satellite offices. The move took place during the same week as a company all-hands meeting: 60 people from remote offices joined 140 Raleigh-based employees trying to find their new desks. Pendo had 270 employees as the end of 2018 approached. By end of 2019, it projects it will have 420.

"I was helping the operations side with a headquarters move, starting in August 2017 until we moved in Feb 2018, just naturally providing feedback and here's what you need to know from IT side." Very quickly, that work bled over into other areas and Smith found himself with a new collection of

responsibilities.

There has been both a project and product management component to the move. Smith spends a lot of his time learning what his fellow employees want. "I use the sales team a lot," he said. Sales representatives are always traveling, always in meetings and they use the company's collaboration tools heavily. Smith often enlisted them to find out what other teams need.

"They'll give the elevator pitch and the sales people I've developed a relationship with, they just funnel that request to me," Smith said.

From the nuts and bolts up to more strategic decisions, Smith's newly created position at Pendo sits at the center of much that's critical to Pendo's success.

"It's recognition that an organization's physical workspaces are critical tools, as well as a person or team who can understand and improve how they're being used."

Jeremy Smith, Manager of IT and Faciltiies at Pendo

Analytics and insights in the hands of a new role

Much as social networks and internet search created valuable new categories of data about users' interests and intentions, remote collaboration tools are creating valuable new categories of data about how people work. Led by merged managers of facilities and IT, organizations are beginning to capture insights to improve their teams' ability to innovate and execute.

Interpreting data

Data generated on facility usage is useful not only in the beginning stages of building out a space, but continuously as digital innovations affect employee behavior and processes.

For example, collecting data on how meeting rooms are used, whether some are constantly booked while others go underused, is helpful as you modify your floorplan over time in order to ensure your employees get the most out of the spaces provided while also spending on square feet that's actually being used.

Example categories include:

- Room utilization - how many rooms are being used

- Peak hours - what are the most rooms booked

- Space matching - are events and spaces matched

- Frequency - how many meetings are one-off versus repeating

- Recapture - how many rooms were re-booked after being freed

BlueJeans offers a "Command Center" that includes data on what hardware configuration meeting participants are using, what operating system they're logging in from, and the quality of their Wi-Fi connection. BlueJeans Command Center allows IT and Facilities staff the ability to remotely log in to troubleshoot problems.

Asking questions

Understanding what people want and how they're using a workspace is important, but it's only one piece of the puzzle. It's critical to understand what type of company culture is coming down from senior management and practiced among the rank and file.

A workplace that's out of step with the company culture can be worse than one that has no thought to design at all, says Christine Marcus, CEO and co-founder at Alchemista, a corporate catering company. "If you have a game room but it's an 80-hour-a-week company and people look down

on you for playing ping pong, what's the point?" Marcus pointed out. "People see through that."
Authenticity is the most important factor in figuring out what kind of workplace people need.

CultureAMP is an employee engagement tech company with about 1,800 customers, from small businesses to the largest companies in the world. To hear the company's chief growth officer, JD Peterson, talk about it, you would think that culture isn't just an important thing, it might be everything.

"Culture is where people work, who they do their work with, when they do their work, how they do it, and how they feel about doing it," he said.

"Design of the office impacts all these different pieces. Ultimately that drives engagement: how connected, how committed are they to the goals of the company?"

JD Peterson, Chief Growth Officer at CultureAMP

In understanding these dimensions of the work experience, surveys are valuable tools. A survey may not seem like the most innovative approach, but by collecting feedback directly from the people who will be using the space the most, management will quickly learn what about the workplace needs improvement.

One of the key components to surveying employees, Peterson describes, is limiting them to things the organization can really take action on. "If you ask people what they want, but don't act on it, it can do more harm than good," he said.

"People don't have 'survey fatigue,' what they have is fatigue over lack of action."

JD Peterson, Chief Growth Officer at CultureAMP

Sidebar: CultureAmp Sample Survey

There are several ways to understand your company's culture better: listen to what people tell you in passing, at company events, or over the lunch table, observe which conference rooms get used most, and which ones never get used at all, and then, of course, follow up on surveys.

CultureAMP has spent a lot of time making the employee engagement survey better. Here are some of the questions they ask. In the right hand column are benchmark rates of "positive" response, meaning respondents said they "agree" or "strongly agree" with the statement.

Question	Positive response rate
Our physical workspace is enjoyable to work in	73%
We are genuinely supported if we choose to make use of flexible working arrangements	78%
I am able to arrange time out from work when I need to	86%
I believe my total compensation (base salary+any bonuses+benefits+equity) is fair, relative to similar roles at other companies	52%
I have access to the things I need to do my job well	75%
The information I need to do my job effectively is readily available	70%
We have enough autonomy to perform our jobs effectively	82%
At Hooli there is open and honest two-way communication	64%
The leaders at Hooli demonstrate that people are important to the company's success	70%
Most people here make a good effort to consult other staff where appropriate	74%
Other departments at Hooli collaborate well with us to get the job done	62%

Quantified self

Technologies that allow more choice and flexibility in a person's workday have also supported the move of managerial functions down to the individual level.

Productivity tools track how and where time is spent and provide insights directly to the individual. Examples of this include Harvest, TSheets, and a host of other time-tracking software. Forward-thinking developers of other critical workplace software have included these analytics in their products as well. Slack, for example, tells individuals which teams and team members they communicate with most frequently. Individuals who use Facebook, LinkedIn, Twitter, Medium, or Mint are used to seeing these kinds of analytics as well. A smaller subset of individuals are power users of this kind of information, adopting activity monitors, sleep monitors and other tools that provide intensive individual metrics.

As these habits migrate into the workplace, their transformative qualities are only just beginning to be understood.

Conclusion

The way we work is changing. It should come as no surprise that the existing job descriptions related to supporting and improving the way we work are shifting. Software hasn't taken over the world (yet), but digital trends are shaping it--and at the same time the digital tools we use are evolving to meet new demand. Out of this comes a convergence of Facilities and IT, focused on how these existing disciplines combine to shape the experience of people in the workplace at the modern organization.

Arm IT and Facilities with insights and analytics to grow your company.

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