Exploring the radical change of the Workplace

Data is the new Black

Everyone has data now. The world is awash with it. The proliferation of sensors and sensor technology is driving the development of the Internet of Things (IoT), providing the raw material for countless innovative applications. But it's important to remember that data is not the same as information. For decision makers, data can be meaningless, even misleading without context and tools to make sense of what the data is telling them.

Data analytics (DA) is **the process of examining data sets to find trends and draw conclusions about the information they contain**. It is often done with the aid of specialized systems and software, and can appear opaque to non-experts. But used correctly, the results of data analysis will provide the intelligence necessary to inform, educate and guide users, helping them to formulate more effective strategies and make better decisions.

This white paper looks at the role of data analytics in the workplace. Following the upheaval of the pandemic, all organizations are wrestling with the emergence of hybrid working and what it means for their business, their employees, and their future workplace strategy. Decisions must be made, but everything is uncertain. We are in uncharted territory.

Data, of course, is available in abundance, from surveys and research studies and statistics. The media is full of opinions and commentary, often contradictory. What is needed is a process for cutting through the noise, mining the mass of data for the patterns and trends that make the best sense and point the way forward. We call this process workplace analytics.

The post-pandemic Workplace

Prior to the pandemic, workplace debate focussed on facilities and design with a view to recruiting and retaining top talent and maximizing productivity. The role of data was to analyse the use of space and determine the effectiveness of different office layouts. Post Covid, that debate has shifted. Now it is all about what people need to do their jobs effectively. If employees can work productively at home – and are happy to do so – then where does that leave the traditional office?

The pandemic has fundamentally changed attitudes and assumptions about the workplace. A few years ago, most people could only dream about the idea of flexible working, with control over where and when they carried out their tasks. But thanks to Covid, hybrid working is now a reality. Anyone visiting the City of London will find that it is almost empty on Mondays and Fridays as people adapt their working patterns to make the most of their weekends.

Will this transformation last? Research towards the end of the pandemic restrictions suggested that both employers and employees expected flexible working to become permanent. A survey of business leaders by the CBRE (2020) found that 73% believed it would be part of their long-term workplace strategy. In a study by Smith & Samen (2020), more than half of office workers said they wanted to continue working from home a few days a week. A 2021 Gartner report (Zuech, 2021) found that almost all HR managers expect home working to carry on in their organizations.
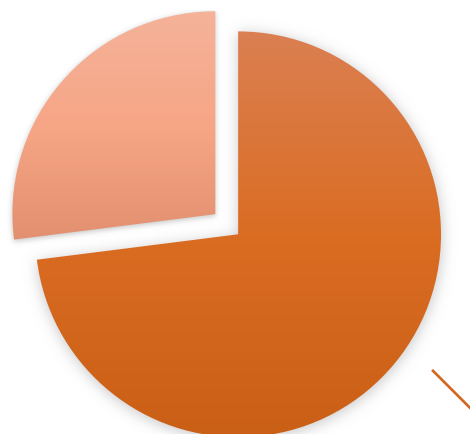
73% Believe that Hybrid Working will be part of their long-term office strategy

Home versus Office

All indications are that the hybrid work model is here to stay. Even before the start of the pandemic, Meutia and Mauliza (2019) found that hybrid work increases the life balance, productivity and job satisfaction of employees, while reducing work-related stress. A post-pandemic report by Babapour Chafi et al. (2022) indicated that the pandemic has fostered feelings of freedom, creativity and spontaneity.

After two years of practical implementation, hardly anyone can imagine going back to the old ways. Organizations planning to mandate physical attendance, perhaps to gain value from existing facilities or retain a measure of control, should consider carefully. Hybrid working is no longer something optional – it is necessary to recruit and retain personnel, and maintain a competitive position in the market.

> But this new reality makes strategic planning very difficult. Employers have many questions to consider. How much freedom should they allow their workers? Should they mandate their people to return to the office for a specified number of days? If it is left to employees to choose, why would they choose the office? In the new era of hybrid working, what does an effective workplace look like?

Rather than order employees back to the office, a better approach would be to provide a workplace that supports people so well they want to use it. In order to do this, organizations need to gain a better understanding of their people's needs, wishes and perceptions and why they make the decisions they do. For example, why are people so reluctant to leave their homes now that the main reason to do so has gone?

The Leesman Index (2022) tracks employee satisfaction with their working environment, providing valuable pointers to the factors that influence their decisions. Its ongoing home working survey asks employees how their home is impacting their productivity, wellbeing, and ability to perform their roles. As such it's a useful corrective to many of the assumptions that tend to be made about people's experience of working from home.

Leesman data from March this year suggests that overall, employees working from home feel their experience is positive. Most agreed that 'my home environment enables me to work productively' (84.8%), and 'when I work from home, I am able to share ideas/knowledge amongst colleagues' (79%).

I am able to share ideas/knowledge amongst colleagues — 79%

My home environment allows me to work productevly — 84,80%
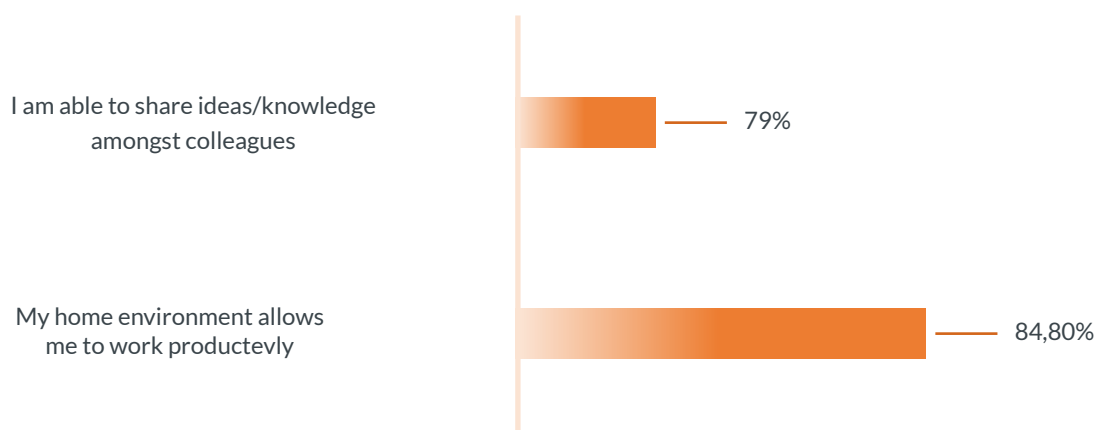
But surely the office scores when it comes to interpersonal activity? According to Leesman, there is high satisfaction even in regard to activities that one might assume are best conducted in person. Employees feel well supported by their organisations in facilitating planned meetings (94.4%), collaboration (82.7%) and informal meetings (74.7%). Technology has been a great enabler: most (89.9%) believe videoconferencing is well supported, and are satisfied with their WiFi connectivity (78.3%).

All of which brings us back to the central question – why would employees wish to return to the office? Assuming they are not mandated to do so, what would persuade people to spend time and money on making the journey with all the accompanying hassle – the early start, the need to dress smartly, the busy roads, the crowded trains, the difficulty in finding a parking spot?

While home working has undoubtedly proved successful for many, there are indications that the flight from the office has not been entirely positive. Something important has been lost along the way.

60% Of Employers Struggle to maintain morale
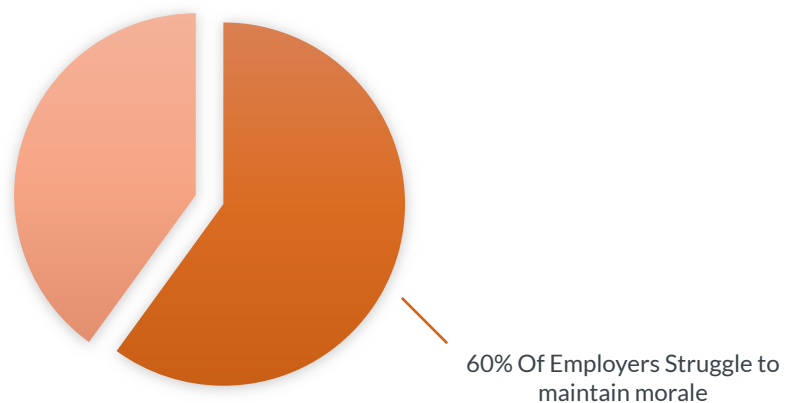
A study reported by Forbes (Brower 2021) found that over 60% of employers struggle to maintain morale, and more than 30% struggle to maintain company culture, when most of the work is done from home. Yang et al. (2022) reports that spontaneous and interdepartmental collaboration have become more static and fewer bridges are built between departments that do not normally collaborate daily. These effects make it more difficult for employees to acquire and share new information across the network.

36% of Hybrid workers don't feel connected to their colleagues
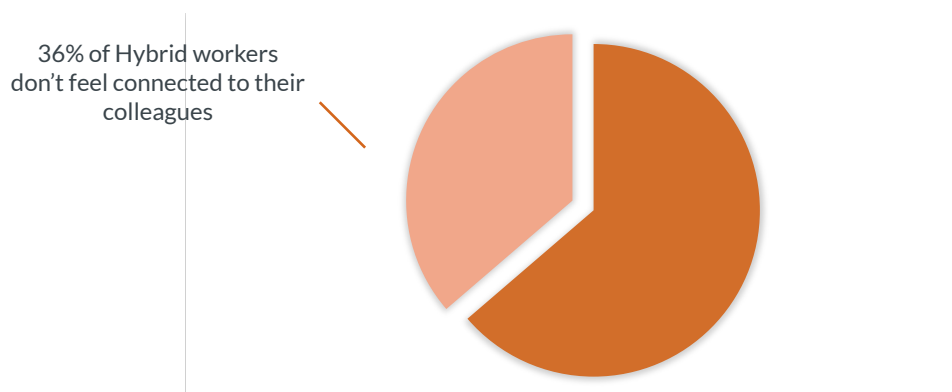
Even Leesman's generally positive picture slips a little when employees are asked about feelings of connection. In the home working survey, a smaller proportion (67.5%) felt connected to their organisation, and only 63.7% felt connected to colleagues. Similarly, while 84.1% of respondents believe that thinking and creative thinking are well supported by their organisation, fewer (69.5%) feel the same about collaboration on creative work.

Videoconferencing might be the great enabler of remote working, but some research indicates a downside. A study by Carnegie Mellon (Gaskell 2021), for instance, suggests that use of Zoom and other video platforms is reducing the collective intelligence of teams. The authors argue that most organisations attempt to replicate traditional meetings online, which has not been particularly effective. They say that people are less able to synchronise verbal and non-verbal cues on video.

'We found that video conferencing can actually reduce collective intelligence,' concludes the report. 'This is because it leads to more unequal contribution to conversation and disrupts vocal synchrony. Our study underscores the importance of audio cues, which appear to be compromised by video access.'

This is supported by a study from MIT (Engel, et al., 2014) suggesting that when we're conversing online, we struggle to work effectively as a team without the in-person cues that help us to understand and empathise with others (Theory of Mind).

How Data Analytics can help

The strength of the workplace is in providing a supportive environment within which to bring people together, enable them to connect, and reinforce a sense of belonging. Designers, office planners and facilities managers need to focus on ways to build collaboration and social inclusion, while allowing the corporate culture to flourish. Organizations that can transform their office spaces to meet these needs will have a greater chance of motivating employees to return, and in the long run strengthen culture and overall results.

Getting it right will pay dividends (literally). As Brooke Weddle (Hancock, B. et. al., 2021), observes:

> *"What we see in the data is convincing: companies with healthy cultures have three times greater total return to shareholders. We have also looked at causation and have seen a positive relationship, were health drives performance. And vice versa: 70 percent of transformations fail, largely because of human and cultural challenges. It's a sobering figure."*

To avoid failure, it's important to understand how existing space is being used. Wireless battery-operated sensors are easy to deploy and can run outside the IT infrastructure. They collect accurate, granular real-time data about the precise utilisation of every single resource throughout the day, all of which is invaluable for back-office teams – FM, HR and IT as well as the estates teams. Data analytic tools can extract the vital lessons from this data stream, pinpointing what aspects of the office design work and which do not.

In addition to improved workplace design, this information can be used to develop apps helping employees make more effective use of the office and its facilities. This might include connecting with a specific individual or team, booking a meeting room, or finding a quiet place to make calls or work.

> Technology is not a magic wand. Modern technology is limited in its ability to develop social capital and provide opportunities for the quick and informal meetings that strengthen corporate culture (Brophy 2021).

But the right systems can allow employees to choose when to make the best use of the physical office to benefit from connections, collaboration or to share creativity.

'Bad' technology and Surveillance Creep

As with CCTV, widespread use of sensors has raised concerns about surveillance and privacy which could be counterproductive. Is Big Brother watching?

It's understandable that the introduction of remote working has come with the development of tools to keep track of what employees do. Research from Harvard Law School (Katsabian 2020) advocates using 'smart surveillance tools' to monitor people's work activities, using the data to help people work more effectively. However, there is a risk such tools will be used punitively, or as a form of control, leading to a breakdown of trust.

A recent analysis by the European Commission's Joint Research Council (Ball 2021) warns about the creep of surveillance tools in the workplace. It suggests that the growth in workplace surveillance is a result of the way work has become 'datafied' in recent years and advises that such tools be used openly and transparently to empower workers.

> Part of the problem is growing suspicion of technology and how it is used by governments and corporations. In the dotcom era, there was a profound sense of optimism around new technologies that seemed to promise to transform society. However, just as trust in established institutions and corporations has declined, so the public has become distrustful of the impact tech is having on society.

This matters as technology is becoming more and more pervasive in our daily lives. If we lack trust in either it or the developers behind it, this will significantly undermine its potential. For instance, research from the University of Warwick (Cannizzaro, S. et. al., 2020) found that consumers fundamentally distrust smart home technology, possibly fuelled by Black Mirror-style stories of privacy invasion and abuse of tech.

So, while workplaces are about technology, it must be the right technology – systems and processes that support physical and digital connection and collaboration. Good tech is the thing that runs in the background, the unsung hero of the workplace that allows its occupants to be as creative and productive as possible. Total transparency is required to reassure employees that they are not being monitored and controlled.

The radical change of the Workplace

As radical change sweeps through the workplace, organisations must determine the best way forward for their business and their people. One thing is certain – those that take the time and trouble to gain an in-depth understanding of how their people use a workspace, how they benefit from hybrid working and their feelings and sense of wellbeing are the most likely to design a workplace that is both satisfying and successful.

As a key enabler, data can be part of that process.

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