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Redefining place

The boundaries of the modern workplace are blurring as more and more work becomes uncoupled from the traditional place. In fact, two-thirds of work now takes place outside corporate offices. What does this mean for corporate real estate leaders and their portfolios?

In this paper, Jones Lang LaSalle examines the connection between current trends and the future workplace. We outline three important types of workplaces on the horizon and provide advice on rethinking your strategy to support employees regardless of when or how they work.

Major trends are driving changes in the workplace:

- **Distributed workforce** – Workers are increasingly mobile yet employees are only beginning to deal with support issues.
- **Global urbanization** – People, especially knowledge workers, are clustering together for increased innovation and to be with like-minded people.
- **Multi-generational workforce** – Four generations are now in the workforce, each with differing needs and expectations.
- **Environmental sustainability** – Today's workers are attracted to organizations that actively incorporate green initiatives and demonstrate social responsibility.
- **Web 2.0** – Increasingly, knowledge work is collaborative, not individual. This is enabled by technologies such as social networking, blogs and wikis.
- **Mandate for choice** – Workers are demanding flexibility in work arrangements and choice in work settings.

These trends are ushering in major changes in the way people work and the nature of the workplace. The workplace of the future will not be represented in just one place, but three:

1. The virtual place
2. The third place
3. The experience place

The virtual place

Not all workplaces are physical places; some exist only digitally. Remote network access and collaboration software provide opportunities for people to work anywhere, anytime. Virtual work requires changes in several aspects of work practices and processes. We are only beginning to realize the opportunities technology provides for promoting new ways of working.



David Coleman, a management consultant who helps companies with technology, has stated that only 15 percent of Fortune 1000 companies use collaboration tools like instant messaging and web conferencing programs to help people get work done across distance.

Even with collaboration tools available, often employees are not aware of these tools, are unclear about their benefits, or are unsure how to use them. You can lead by acknowledging and supporting new technology adoption as part of an overall workplace strategy. One way is to use tools like Microsoft's SharePoint to share data through the web and facilitate distributed work. As collaborative tools become commonplace, the fear of losing connectedness is diminished.

The third place

Third places, such as coffee houses, hotel lobbies, airports—places available to the public—are centers where work happens today. They are functional places that provide greater flexibility and choice. Twenty million people worldwide are already using third places for part of their workweeks. And, according to researchers at The Future of Work, many individuals will be spending as much as 25 to 35 percent of their total work time in these locations.

New models are emerging for third places. Co-working centers, essentially office-sharing clubs, are springing up worldwide, populated by like-minded people who thirst for community. Co-working differs from rent-an-office business centers in a couple of ways: less expensive and more fellowship among users.



There are lessons from the co-working model you can apply to the corporate office environment. While co-working offers traditional corporate functionality, such as conference rooms and desks (although unassigned), to meet basic office requirements, it tends to include significantly more public space. And the public areas that reflect the primary draw—providing community and networking opportunities. In addition, such places often have club-like or residential characteristics comfortable, casual, and friendly. Combined with a sense of energy and vitality, these places encourage personal interactions.

The experience place

Does this change to virtual and third places portend the “death of the office?” Not at all. Face-to-face work is not going away. People come into the office to be with others, work with their teams and attend meetings.

The office is reinventing itself, morphing into the experience place. What will this new place look like? It will be more organic and less structured in response to the need for more flexibility and reduced hierarchy. It will serve four primary functions, which mirror the variety of spaces employees need in their working life:

Space for collaboration. Today, 70 percent of the work produced is through collaborative efforts and is expected to grow to 80 percent by 2010. In the past, individual space often accounted for three quarters of the space in corporate offices. Now, in progressive organizations, we frequently see a 50/50 split between individual and shared space with shared space increasing.

Space for socialization. We go into the office to see people and forge and maintain relationships. To accommodate this need, we foresee a continued expansion in worksettings analogous to gathering places in the home—living room, den, kitchen table and backyard patio.

Space for concentrated work. People still need areas for heads-down work. We can learn from the university library model, where people occupy an open environment with protocols that maintain a quiet atmosphere.

Space for getting away. People need areas for rest and reflection. Spaces such as nap rooms, exercise areas and gardens can serve this function. Studies have shown that taking short breaks during the day can yield increased effectiveness.

Examining lessons from virtual, third and experience places indicates that choice and variety are key elements. Many employees have a need for several work settings in a typical day. When companies provide a range of spaces, they help workers be more effective and make the office a destination.

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