Activity-Based Working: 
BOOSTING EMPLOYEE SATISFACTION, PRODUCTIVITY, AND THE BOTTOM LINE

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From cubicles to open floor plans, office layouts have changed over the years. Most recently, organizations have been debating the merits of open spaces versus closed spaces. But the reality is that employees need options — options that accommodate the various types of work they do on a daily basis and their most productive working style. Leesman®, a company that studies the relationship between employees and their physical space, found that employees participate in 21 workplace activities every day, from focused work to video conferences to creative thinking and everything in between.¹

But what’s crucial to employee productivity — and business’ bottom lines — is a flexible working environment and the ability for the employee to choose where to work.

Today, all of these activities are typically expected to be performed in a single location, whether that’s in a cubicle or in an open floor-plan environment. But what’s crucial to employee productivity — and business’ bottom lines — is a flexible working environment and the ability for the employee to choose where to work. This idea of working in a space that best reflects the task at hand is known as Activity-Based Working (“ABW”) and it can have tremendous impact on a business, if deployed correctly.

The notion of employee experience is an increasingly huge area of concern and focus for organizations around the world, as it’s directly tied to employee productivity, engagement, and retention. Based on forthcoming research that author and keynote speaker, Jacob Morgan, conducted on more than 250 global organizations, employee experience can be comprised of three distinct environments: the cultural environment, the physical environment, and the technological environment. Each influences how an employee feels at work; their relationship with their coworkers, their physical and hierarchical place within the organization, their physical surroundings, and the tools they utilize to get their job done. Together, the physical and the technological environments contribute to 60% of the employee’s overall experience. When comparing employees who work within an activity-based work environment versus those who don’t, design and architecture firm M. Arthur Gensler Jr. & Associates, Inc. (“Gensler”) found that employees with choice rank higher on innovation, job performance, job satisfaction,
and workplace satisfaction. Once employees work in an environment better suited for the work they are doing with access to the tools and technology that will enable them to work in more productive ways, organizations will see a more engaged workforce.

In thinking about a flexible work environment, it’s helpful to think of an organization much like a house. Each room serves a unique purpose and is equipped with the relevant technologies to meet that purpose. The following are some spaces found in today’s modern office spaces:

- The Big Room – A front office space where clients can come in and gather, rather than being greeted right away by a receptionist.
- Enclaves – Quiet spaces where employees can focus and work.
- Huddle Rooms – Small spaces that can accommodate small groups of people (4-6) and are fully “teched” out to enable digital collaboration.
- Casual Meeting Spaces – Somewhere for a department to go for informal meetings, usually with lounge-like seating and walls painted to be written on. It’s a place for co-workers to share screens, plug in laptops and smartphones, brainstorm, and whiteboard.
- Conference Rooms – A more formal meeting space.
- Lounges – Environments where employees can take a break and relax.
- Snack rooms or cafeterias – They’re often stocked with healthy food options, and employees can eat lunch and socialize with co-workers.

Cooperatively owned dairy company Fonterra Co-Operative Group Limited (“Fonterra”), based in Auckland, New Zealand, recently made the decision to shift to Activity-Based Working, which meant designing new spaces and equipping those spaces with flexible technologies. Now, their physical environment caters to many work styles and offers café-like environments, lounge areas, collaboration spaces, and quiet isolation areas. It’s designed so that employees can move around all the time instead of remaining stationary at a desk. The transition resulted in a dramatic increase in their employee satisfaction rating — 96% of their employees surveyed said they would not go back to a traditional way of working and would prefer to stay with an ABW environment.

Activity-Based Working within an office leads to better team collaboration, more innovation, and more knowledge-sharing while decreasing office space costs.

In a study commissioned by electronics giant Samsung Electronics Inc. (“Samsung”) of 424 IT and business decision-makers, Activity-Based Working has seen employee productivity jump by 16%; 61% of the surveyed IT and business decision-makers say that real-time customer engagement has been enhanced by implementing this approach. Samsung’s results line up with Leesman’s findings, “Our research overwhelmingly shows employees who work in an activity-based way, in environments that support that work style, see significant personal and organizational benefits.” Incorporating these types of spaces that allow for Activity-Based Working within an office leads to better team collaboration, more innovation, and more knowledge-sharing while decreasing office space costs.
It’s Not Just About Space

While this level of in-office workplace flexibility can have a dramatic impact on the employees and the organization, it’s not possible to have in-office flexibility without technology that facilitates it — the tools that enable employees to work. With super-fast Internet speeds, global connectivity, the proliferation of mobile devices, and software and hardware enhancements, it’s never been easier to take advantage of new ways of working.

During its shift, Fonterra replaced most of its desktops with laptops. They also deployed Targus universal docking stations so that regardless of the device used or where they chose to sit, employees could connect their laptop to all of their peripherals with only one USB connection. Since many employees used dual-monitors, Targus also created Targus Monitors, a software utility which allowed an employee’s preferences to be stored versus being reconfigured every time a new employee used a docking station.

Like with Fonterra, the proliferation of mobile technology is forcing organizations to rethink the traditional models of “getting the job done.” So what should organizations do and think about when it comes to deploying flexible technologies inside the organization?

1. **UNDERSTAND THE OBJECTIVE**

Simply saying that your organization wants to become more flexible by switching to Activity-Based Working doesn’t really mean much. There needs to be an objective for making this shift. Many organizations have an implied hierarchy that can be seen by looking at the size of someone’s desk, the material it’s made out of, the size of their office, or where their office is located. This can oftentimes stifle collaboration and communication.

2. **PARTNER WITH HR**

To accomplish such flexible working spaces, start-ups and modern businesses are adopting the use of IT to empower the organization through the use of technology outside of an employee’s workstation. As a result, IT acts as a strategic business partner. Traditionally, the role of HR has been focused on the people aspects rather than on technology. But today, HR and IT teams are seizing the opportunity to work together so that IT leaders learn more about how employees work and their needs to get their work done rather than supply a checklist of technology needs.

3. **DEFINE THE NEED**

Once technologists forge the relationship with HR, they can truly understand the needs of employees and how they work, such as those 21 workplace activities that employees participate in as identified by the research firm Leesman. In 2013, commercial real estate firm CBRE transformed their LA-based headquarters to focus on becoming a paperless office and incorporated spaces for 16 ways of working which include everything from collaboration spaces to focused environments to a Zen garden! Their goal was to “incorporate leading edge workspaces designed to support the way employees work through enhanced flexibility, mobility, technology, wellness, and productivity.” The objective: to create a better environment that reflects new ways of working and to create a physical...
space where people genuinely want to show up to work. The result: 83% of CBRE employees reported that the company’s new office space made them feel more productive and 92% said the space had a positive impact on their health and well-being and would not go back to the old way of working.8

Once employee activities are nailed down, IT professionals must understand what tools are required for those various activities. If unstructured team collaboration is a core workplace activity, then these team members need mobile solutions that allow them to quickly get together in a specific location.

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If employees need more focus or isolation time then they need quieter spaces to work. If employees engage in hot-desking and hoteling then the office layout and tech tools must be addressed. IT should play a vital role in the design process of an office layout since they can provide valuable feedback and ideas around how to technologically enable the different types of spaces for a seamless transition between locations for employees.

4. **ESTIMATE THE BUDGET & ROI**

When looking at implementing an Activity-Based Working environment and the budget that comes with it, it’s crucial to look not just at the investment but also the return. For example, investing in Activity-Based Working and flexible technologies are likely to reduce real estate costs while dramatically increasing productivity gains. Employees will also be more engaged, leading to reduced turnover and costs associated with training and recruiting new employees. Ultimately, investing in these emerging spaces and technologies usually pays for itself. In their study, Samsung found that the return on investment among companies that adopted Activity-Based Working, 25% experienced a return in less than 12 months, and 66% saw payback within two years.8

5. **PICK THE RIGHT TECHNOLOGY FOR THE JOB**

Once the needs and budget are defined the next step is for IT professionals to determine the technologies that are required. Internal social networks connect people and information, digital displays and video conferencing solutions enable collaboration at scale, docking stations allow employees to “set up shop” where they need to, and digital conferencing reservation solutions make it easy for employees to secure spaces that they need to work. No organization has exemplified this better than Cisco. In many of their offices employees don’t have assigned desks and their contact information can be networked to whatever devices they happen to be using.10 Office lighting and temperature is automatically adjusted to employee preference: which resulted in a better sense of well-being and comfort by 78% of the occupants in the office. As a result, Cisco saw a potential of $2 million in annual productivity gains from lighting and temperature controls alone.11
Looking at the multiple options listed above, a technologist might immediately think of the following questions:

- How many outlets or CAT 5 jacks are required?
- What’s the best way to improve the WiFi signal to make sure connectivity is 100% everywhere? How many access points are required?
- Where do we need docking stations, LED displays, or video conferencing solutions?
- How many and what kinds of peripherals, like keyboards and mice, will be required? Will employees need an IP Communicator Tool utilizing VoIP for communication via phone or through laptop?

Similar to Cisco, dairy company Fonterra helped meet their technological needs by rolling out Lync Enterprise and follow-me printing which allows employees to walk up to any device to print. They also shifted to a single employee ID system that made it easier for employees to access facilities and devices. As a result of these changes, Fonterra decreased its paper and printing usage by an initial 25%. But by moving to an agile work environment decreased that figure by another 22% — for a total savings of more than $1.5 million per year.12

6. PLAN FOR THE FUTURE

IT professionals face the challenge of planning for today while thinking about the changes that are coming tomorrow. It’s a never-ending journey. So it’s up to IT professionals to maintain a constant pulse on the organization and make changes and updates as needed. A partnership with HR will help make the transition to an Activity-Based Workplace a much easier process. Today, an employee’s ability to work in a space that reflects the type of work they’re accomplishing at the moment is key. As a result of all of the changes at Fonterra they have seen a 98% satisfaction rate from employees who are using the new space.13 Fonterra is a great example of an organization that blends flexible working with flexible technology.

The Bottom Line

The research is in and “overwhelmingly shows employees who work in an activity-based way, in environments that support that work style, see significant personal and organizational benefits. But large numbers of employees are failing to adopt the behaviors necessary to realize the potential benefits of these surroundings,”14 according to Leesman.

Activity-Based Working is here. It has a measurable impact on your employees and business, but is something that takes careful planning and partnering with others in your organization. The changes required are not just structural but also cultural. The successful implementation of Activity-Based Working will reap tremendous rewards — a boost in employee satisfaction, productivity, and the bottom line.
ABOUT JACOB MORGAN

Jacob Morgan is a best-selling author, keynote speaker, futurist, and co-founder of The Future of Work Community. His latest book, *The Employee Experience Advantage: How to Win the War for Talent by Giving Employees the Workspaces they Want, the Tools they Need, and a Culture They Can Celebrate* (Wiley, March 2017) analyzes over 250 global organizations to determine how to create an organization where people genuinely want, not need to show up to work. Jacob’s work has endorsed by business leaders including the CEO of Whirlpool, Global Chairman of KPMG, Owner of the Golden State Warriors, CEO of Schneider Electric, and dozens of others.

FOOTNOTES

5. (Leesman Ltd. 2016)
8. (Kirk 2015)
9. (Telsyte n.d.)
14. (Leesman Ltd. 2016)

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About Targus

Since creating its first laptop case more than 30 years ago, Targus has been a leader in the mobile computing accessories category for businesses and end users alike. Today, Targus continues to advance the category with innovative, productivity-boosting solutions that enable an ever-changing workforce to perform at their best—anytime, anywhere. Targus’ wide range of products—bags, cases, docking stations, and computer peripherals—designed with its industry-leading, patent-protected technologies deliver the protection and connectivity essential for today’s connected world.