AWA
Changing the World ... of Work

THE UTILISATION OF THE OFFICE - REPORT
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WHAT WE DO

We provide services to support organisations in making the transition to the new world of work

**STRATEGIC ADVICE**
We work with you to develop the best strategies to bring about the changes you want to make.

**EVIDENCE BASED DESIGN**
We use science and creativity to design holistic workplace experiences sympathetic to your desired culture.

**CHANGE MANAGEMENT**
We work with you to create programmes with the power to deliver lasting change.

**RESEARCH AND DEVELOPMENT**
We provide Leadership Development and ground-breaking research through our Workplace Performance Innovation Network (PIN).
WORKPLACE UTILISATION – INTRODUCTION
AWA has for many years been helping clients apply agile concepts to help them get more from their people and workplace assets. Our prime focus is enabling people to be as effective as possible, aided by the right combination of culture, leadership, working practices, behaviours technologies, and spaces....consistent with the clients economical drivers.

One aspect of our studies involves the assessment of how the workplace is actually used (as opposed to how people think it is used. Our report is the result of a review of our Workplace Utilisation Studies undertaken over the last few years. We hope it helps to provide a base of data to those seeking to open a discussion about new workplace thinking!

This report sets out
Background to office utilisation, why it is important
Definitions of measurements
Average utilisation levels for desks and meeting spaces
Graphs showing typical utilisation over a 2 week period
Reasons for utilisation ‘leakage’
Mechanisms for increasing workplace utilisation without impacting on personal productivity
Comparisons on some of the above for London against the rest of the UK

AWA Managing Director
Workplace Capacity = Space and Time

The office has, for many organisations, been the primary (and sometimes singular) place where productive work is done. In many industries many millions of people have been coming to the office every day to work at ‘their’ desk since post industrial times. The size of a manager’s office and the position of the desk have in some organisations been a sign of power and status and many rituals and practices have evolved, which take as their basis the notion that everyone comes to work and ‘owns’ their own desk. Along with these rituals, attitudes to work and behaviours have grown up alongside out-dated conventional wisdom.

In this conventional world, the Real Estate professions (architects, chartered surveyors, property developers etc.) have considered workplace capacity in terms of square feet or metres and occupiers have measured space efficiency in terms of net internal area per workstation or per full time equivalent (FTE). For the last 20 years organisations, largely driven by cost pressures, have been improving the efficiency of their space by conventional means, introducing open plan accommodation and reducing the number and size of individual offices, reducing the size of desks and so on.

However, there is a limit to what can be achieved in taking this conventional approach to increasing building capacity.

For some time, enlightened organisations have recognised that the capacity of a building is measured not only in terms of space, but also in the time it is made available. Each desk, meeting room and ancillary space is available for occupation 24 hours a day, 365 days a year, yet in practice most buildings are unused at weekends or outside a 12 hour daily window. Worse still, our report shows that during the time when buildings are open for occupation, the desks and meeting spaces within them are only used for a fraction of the time they are available.

Traditional ways of working also bring with them substantial inefficiencies in the use of the full capacity of buildings. In today’s modern workplace there are many reasons why people are not at their desk on a given day. Most people are given 5 or 6 weeks holiday a year, most people may be off sick for up to 2 weeks a year, then there is training where people are often off site, add to this the fact that a great many people have jobs that require them to be in meetings for large proportions of their days or away from their base office, meeting clients, partners or colleagues on other company sites. For most people we would estimate that they may not be at their desk for 20% or more every year.
New Work World Needs New Thinking

Further inefficiencies come from the departmental ‘ownership’ of space in offices, where typically a department is allocated an area of the building or number of desks and it regards them as its own to do with as it wishes. Some departments will tend to be very crowded because their headcount has grown since their initial allocation of space and if there is spare space in adjacent departments, people do not feel they have permission to use that space, because it is ‘theirs’ (that is the adjacent departments) space. Managers in areas where there is an excess of space will often claim they are holding space awaiting the arrival of new staff or that space is needed for seasonal activities (e.g. auditors in April).

In addition to these inefficiencies, the way traditional architects and interior designers go about determining the number, size and type of spaces (which is largely on the basis of asking managers what they want) has led to further inefficiencies. Our research would suggest that meeting rooms are generally too large for the size of meetings that take place and poorly used. For example we will often find 2 people meeting in a meeting room that is sized for 6 people. In addition, cafeterias and restaurants are often very poorly used, being available for some 2 hours a day, sitting idle the rest of the time.

Over the last 20 years Information Technology has evolved enabling mobility of work. Initially laptops, wireless networks and mobile phones freed people up to work wherever people and their employers wanted to work. Most of these developments have been deployed for more mobile workers who work a substantial part of their time outside the office. In more recent time the development of Tablets, IP telephony, cloud computing, virtualisation and VDI have increased the opportunity for work mobility for all staff working in offices, which means that over the next 10 years, as organisations deploy these technologies that mobile working in and out of the office can become a reality for everyone who currently works in an office.
Work Where You Want

These technologies provide a ‘silver bullet’ in terms of space utilisation improvement because with these technologies anyone can potentially sit anywhere in an office building, which means that with some careful preparation and heavy engagement with staff, it is possible to introduce an Agile Working regime. In such a regime (which people sometimes refer to as free seating, unassigned desking or (unfortunately termed) hot desking), people come to an area in the office where their team is located and use available desks around what we call an anchor point. With this regime people still have access to their colleagues, papers, telephone calls, IT applications, electronic files and desktops.

Within this regime, we refer to ‘anchor points’ which mark the central point of occupation for a unit, team or department and instead of allocating space to a department we simply ask people to sit close to their anchor point and use space on a first come first served basis. This approach is entirely analogous to “Just-in-Time” manufacturing where resources are consumed as they are needed within a process, as opposed to having piles of resources tying up inventory and space.

The benefit from a space utilisation standpoint of this approach, is that all the unused ‘time slots’ of capacity are now usable and because we are not creating owned areas for each department, the ebbs and flows of each department’s occupancy can be accommodated within the whole of the space, as opposed to that which they previously ‘owned’ themselves, therefore enabling more efficient use of the whole building.
MEASURING SPACE UTILISATION
The Missing Dimension - Calculating Workplace Utilisation

In order to create the case for a change to a more Agile styles of working there is a need to assess and quantify the true utilisation of space through time, something we refer to as a Workplace Utilisation Study. This study is often used as part of a wider study to construct the ‘case for change’ and is used with Real Estate, Facilities Management, IT leaders and ultimately Business leaders to gain agreement on the need and path for a change in space, technology and behaviour.

At the present time the most commonly used approach to undertaking a Workplace Utilisation study involves a team of people observing and recording the use of workplace ‘objects’ (desks, hot desks, meeting rooms, informal spaces, quiet spaces and (on occasion) restaurants and cafeteria) at key times of the day over a period of weeks. Observations of either real occupation (people observed at their desk) or ‘In use’ (where there is evidence of occupation (PC turned on, jacket on chair, coffee on desk etc) are recorded on drawings and then transposed to a database for further analysis. AWA have developed a proprietary technique known as ‘white space’ which graphically aggregates unused spaces and allows analysis by departments, teams, floors, space types and any combination thereof.

In our experience and in general, we have found that the optimum time to undertake a Workplace Utilisation Study is over a 2 week period, with 4 observations a day taken at times when most people who are attending the office will be in occupation. A 2 week period is recommended for the study because it provides a more robust data set and establishes that one week or the other was not an unusual occurrence.

AWA usually work on 2 measures of utilisation:

% Occupied

% Occupied or in use

These are calculated by taking the sum of seats occupied (or for item 2 occupied or in-use) for a particular period and dividing by the total number of observations and multiplying by 100.
Calculating Workplace Utilisation

**Example**

1. A workplace of **1000 desks**
2. Study period **2 weeks (10 days)**
3. Observations **4 a day**

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<th>In Use</th>
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**Utilisation**

- **47.78%**
- **57.68%**
STUDY RESULTS
The Study Population

Geographical Distribution of Workplaces

Workplaces by Industry Sector

Base Data

Over the last 5 years AWA has undertaken many Workplace Utilisation Studies for major organisations in the UK. In total our studies have embraced some 75 buildings and 36100 desks, 542 hot desks and 728 meeting rooms (ranging in size 4, 6, 8 and 10 people)

The buildings within the population range from 20 to 3284 workplaces.

Number of Workplaces Per Building
**Study Results 2**

**Average Desk Utilisation 48%**

**Overall Utilisation**

**Desk Utilisation**

Taking our survey overall, the average utilisation of occupied desks is 48%, with a maximum of 74% and a minimum of 27%. The mode is 46% and the median is 47%.

For desks that we observed to be occupied or where there was some sign of occupancy we find that average utilisation is 59% with a maximum of 89% and a minimum of 35% with a mode of 62% and a median of 59%.

**Daily Utilisation**

There is typically a gap of 11% between where we saw desks actually in use and where we observed in use. This is interesting because it represents a notional 11% of the population that are in the office but not at their desks and therefore may be in meetings, taking breaks, working with others elsewhere in the building/campus.

**Daily Utilisation**

Looking at the daily occupancy, most days are similar apart from Friday which seems a favourite day for staff to take the day off or work from home.
Comparing London with the rest of the UK

Of our study of 75 buildings, 48 are in London and 27 are outside London. The graphs above show the comparison between desk utilisation in London with buildings in the rest of the country. From the data it would seem that space utilisation is higher in London, as opposed to the rest of the UK. This may be due to the pressure in London to increase utilisation because of the higher level of rent, as opposed to the rest of the UK, although when we look at the ‘Observed or in use’ figures we see much less difference.
Hot desks

Some organisations provide ‘hot desks’ for short term use by staff ‘dropping in’ to work on their emails or for access to the internet. We can see from the graphs that where Hot Desks are provided their utilisation is on average 16%, which is surprising given the nature of their supposed use. It would seem that traditionally hot desks are used as a last resort or for travelling/visiting staff.
Meeting rooms – Oversized and Underused  (Capacity Utilisation only 19%)

Meeting room Utilisation

Meeting room utilisation in most buildings is very poor with on average 39% of meeting rooms being used for the time they are available. This picture however becomes worse when we examine the degree to which the seats in meeting rooms (i.e. their total capacity) are used with 19% of meeting room capacity being used.

So, in general meeting space capacity is poorly used, but the worst used spaces are meeting spaces located in open plan areas where average utilisation falls to 9%. In our experience this is because those who could potentially use them are concerned they will either distract others or that their conversations may be overheard by colleagues.
Agile Working Boosts Workplace Utilisation and Capacity

Impact of applying Agile/Advanced ways of working

In 11 of the Workplace Utilisation Studies undertaken by AWA we had an opportunity to examine utilisation before and after the implementation of Agile/Advanced Working.

An example of the difference in utilisation before and after the implementation of Agile/Advanced Working in the office is shown in the graphs. At the outset of the journey to higher utilisation, it is normal to move to a 12:10 ratio of people to desks, however, in our experience this can be transitioned to 14:10 once staff have become used to the new way of working and can often transition further if some managed home working is introduced for those staff and jobs for whom it is feasible. At these levels, 80% desk utilisation is achievable without detriment to productivity.

From the graphs on the right we can see that typically, for the initial transition to Agile/Advanced Working we see an improvement in utilisation (occupied) on average of 7% based on a 12% reduction in workplaces.
Agile Working Leads to Better use of Space

Impact of applying Agile/Advanced Ways of Working

Comparison of Hotdesk Utilisation - Occupied

Comparison of Hotdesk Utilisation – Occupied or In Use

Comparison of Meeting Room Utilisation

Average % of Meeting Room Capacity Utilisation  (Seats)
CONCLUSIONS
Raising the Game

From our report it is clear that the office workplace is a poorly used asset. Offices are available for occupancy for 365 days a year, but only open 12 hours a day most days and unused at weekend. Even when office workplaces are open for occupation desks are only used on average 59% (occupied or in use) of the time and meeting spaces are used 39% of the time.

What can organisations do to improve the utilisation of their buildings?

‘What gets measured gets managed’. The first thing that organisations should do to understand the use of their workplaces is to carry out regular (if not continual) observations to assess the utilisation of space through time. This will draw management attention to new opportunities and can support consolidation of space or in a growth situation, avoidance of the need for more space. We would recommend that studies are undertaken once a quarter, as a minimum.

Analysis based design

The profile of use of meeting and support space is poor for all the reasons set out earlier in this report. Part of the over-provision of space emanates from architectural and interior design professions ‘data less’ approach to design, in which briefing concerns itself with what people want, as opposed to what is demonstrated to be needed through thorough analysis. We would implore architects and interior designers to adopt an evidence-based approach to briefing and design, so that a proper understanding of how people work and their use/need for different spaces is considered.

Virtualisation Information Technologies

Information technology is a key enabler in supporting mobility in and out of the office. Staff need to be able to make and receive calls and access their information and applications from anywhere inside the office and in some cases outside too. IP telephony and desktop ‘virtualisation’ are key technologies in supporting increased office utilisation. It is vital that Real Estate and Facilities Management Directors build good relationships and alliances with their colleagues in IT, to influence and support (sometimes financially) plans to create a platform for Agile working.

Evolve to Agile/Advanced forms of working

Many new, small organisations are able to adopt an Agile workplace model from their inception, because the leaders set out the model as part of the visions for the firm. For large organisations with large populations of office workers with engrained rituals, cultures and attitudes; the challenge is much greater requiring substantial, well resourced and well thought through behavioural change strategies. In our experience the transition to Agile/Advanced Working can be a substantial behavioural change challenge for large organisations.
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