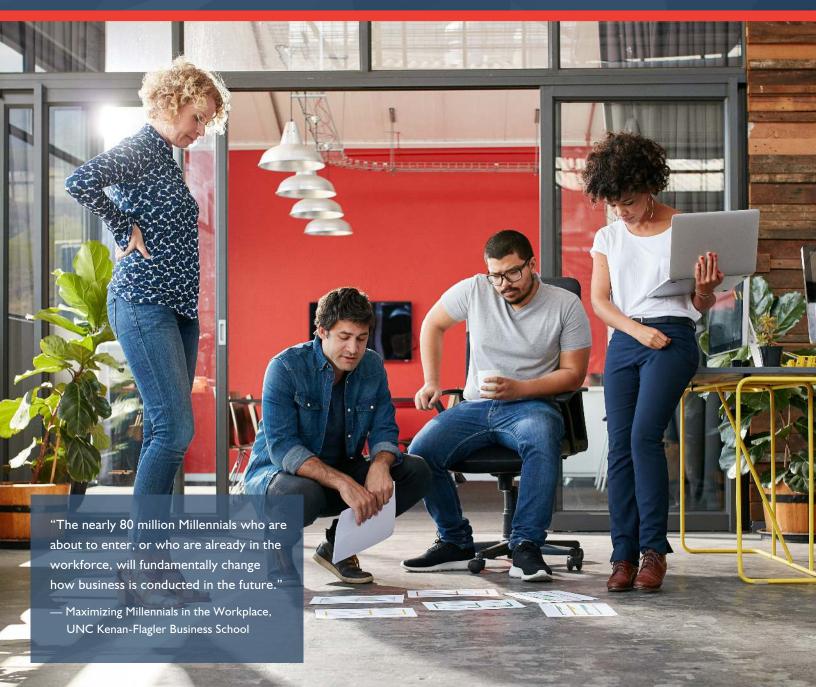


COLLEGIATE DESIGN:

The New Driver for Workplace Design

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PROLOGUE

In 2012, authors Jonathan Webb and Brett Shwery launched into a research project with this hypothesis:

Corporations should address today's work styles by taking design and workspace planning cues from institutions of higher education because of the influence these learning environments have had on a newly graduating workforce.

The first published results in 2013 (included herein) were intended to inspire corporate audiences to strongly consider the ways in which this hypothesis might apply to their work environments. How might this concept serve as an effective catalyst for change and improvements in current workplace programs? How might it lead to greater productivity and collaboration for both newly hired graduates and the existing company workforce?

Following an initial survey of companies regarding collegiate design as influencers in workplace design, the next logical step was to take corporate representatives into collegiate environments. That experiment could determine whether simple observations and dialogue would further validate our hypothesis.

This updated white paper incorporates both phases of research: the 2012-2013 surveys and findings, along with the 2015-2016 campus observations and findings. It also includes vital recommendations based on research-to-date for integrating collegiate design concepts into corporate workplace environments.

INTRODUCTION

In a world where securing top talent is a competitive business advantage, employers spend many waking hours devising ways to attract and retain an exceptional workforce.

Human Resource professionals claim that two of their top three biggest challenges over the next 10 years will be recruiting and rewarding the best employees (59%) and creating a corporate culture that attracts the best employees to their organizations (36%).

The race for talent is on.

"The thing that keeps me up at night is the ability to attract top talent in the future."

---CEO of a top communications company

"The thing that keeps me up at night is going to sit in my cubicle farm on Monday morning."

-First-year analyst at a top communications company





Well over half (67%) of U.S. employers plan to hire recent college graduates in 2016. But as companies look to recruit the best and brightest from college campuses, they are overlooking the one brilliant recruitment strategy that's theirs for the taking—the campus design itself.

By incorporating campus design concepts into the workplace, companies may obtain a stronger foothold in talent recruitment and employee retention. Campus design also supports evolving work styles and enhances productivity. We set out to examine the reasons behind these missed opportunities and to identify what factors may influence the continuous evolution of workplace design. Our research was conducted by studying and comparing the work styles found in higher education versus those in corporate environments.

We discovered Collegiate Design is the new driver for Workplace Design.

It sounds logical. Incorporating campus design elements into work environments would attract and would appeal to young professionals who have spent the last four to six years learning, growing and working within the campus environment.

Unfortunately, taking design cues from higher education environments isn't even on the radar of most corporations. In stark contrast, today's college graduates strongly scrutinize potential employers based upon the environments.

Therein lies one paradox among many:

Despite the fact that many companies often describe their places of employment as "campuses," most corporate environments used for training and collaboration fail to resemble today's dynamic campus environments. Nor do they support the preferred work styles of recent graduates; styles cultivated in highly responsive, higher education environments.

In other words, maybe organizations just aren't ready for new graduates. But what if business environments were more like college campuses?

Could corporations attract greater numbers of top talent? Would newly hired graduates get up to speed faster, thrive sooner and become organizational leaders earlier in their careers?

What kinds of competitive advantages do corporations that support new employees' preferred work styles gain?

Surely industry research would provide some good answers. Problem was, we couldn't find any.

This gap highlighted another paradox: While there exists many academic studies on how students prefer to learn and how campuses support those preferred styles, there is a dearth of studies on how employees prefer to work and why meeting such needs is beneficial to both employees and organizations.

Clearly it was time for some research in this realm.

We launched into a research project with this original hypothesis:

Corporations should address today's work styles by taking design and workspace planning cues from institutions of higher education because of the influence these learning environments have had on a newly graduating workforce.



Because learning environments have played an important role in shaping and supporting the work styles of the newest workforce, collegiate design may influence the next evolution in workplace design. Corporations competing in the race for talent should borrow design and workspace planning concepts from institutions of higher education.

We sought support for the hypothesis and initially embarked on a year-long research project. The project examined and compared the work styles and work environments typical of corporations with those common to higher education. This primary research was then followed with a string of eye-opening campus visits whereby corporate clients were invited "back to college" for a firsthand look at collegiate design and to observe the different work styles students use daily.

During both the primary and secondary research efforts, interviews were conducted with Fortune 100 companies. The interviewees spanned a range of industries including technology, entertainment, manufacturing, finance and advertising. Some of the answers and results received weren't altogether unexpected, and revealed a significant disconnect between today's workplaces and the expectations of both soon-to-be and newly hired employees.

"Hmmmm...we haven't intentionally looked at that." — Fortune 100 technology corporation's response to addressing the preferred work styles and environments of recent college graduates

On the other hand, the study did reveal a few significant surprises. Three key unexpected and enlightening findings

surfaced:

- I. Recently hired graduates are "lost in transition."
- There is limited research being conducted by organizations on the recently graduating workforce and their work style preferences.
- 3. Current workplace design does not respond to the needs of recently hired graduates.

"You have this maze of cubicles and each one is isolated from the other."

-Nation's largest metropolitan planning organization

LOST IN TRANSITION

When making the jump from collegiate to corporate environments, recently hired graduates are often "lost in transition." Not only are new hires baffled by the relevance of their physical space ("cube farms"), but also by the work styles expected of them.





This fact held true for the great majority of companies interviewed.

Given respondents' acknowledgement of this fact, we were surprised to learn that only 16% of the companies interviewed actually offered workspaces that responded to the preferences of new workers.

The impact of this disconnect may manifest serious repercussions for corporations. "Lost" employees translate into lower retention rates. Such turnover is both an important metric and an expensive disbursement for organizations.

When companies stop to consider the learning environments from which their new workforce has emerged, they would be wise to emulate these environments in the workplace. Companies can benefit from providing similar workspaces several ways:

- Creating workspaces that foster coaching and mentoring supports ongoing training and development, opportunities new hires seek.
- Workspaces that leverage technology and support e-learning provide a crucial tool the recent graduates are accustomed to and have come to expect.

Providing comparable corporate environments gives organizations an edge in talent recruitment and retention. These environments lessen the shock for recent graduates as they enter the workforce, reducing the "lost in transition" affect.

LOST IN TRANSITION BREAKDOWN

89%

89% of companies experience new hires "lost in transition" (6-12 months average adjustment period cited)

16% of companies try to provide responsive spaces

(Research conducted by Webb and Shwery)

16%

An engineering professional at a major aerospace company shared this first-hand account of how "lost in transition" can impact a business:

"In mid-2000, 1 in 5 graduating engineering students in the country listed our company in the top three places they'd like to work. At the same time, upwards of 40% of new college hires turned over in the first three years of working for our company. Part of reason for the turnover was dissatisfaction over the physical workplace/ environment and the fact that it was not conducive to young professionals."

> -Engineering Professional, Global Aerospace Company



A recent college graduate expressed a similar concern regarding today's workplace expectations.

"Professors give me assignments and deadlines. How I complete those tasks is entirely up to me. They don't say, 'You will write this paper between 9 a.m. and 5 p.m. while sitting at this assigned library table."

-Recent college graduate and new hire

INSUFFICIENT RESEARCH

How do new hires like to work? Most employers aren't sure because they aren't asking.

There is a lack of research being conducted on work styles and on the connection between collegiate design and workplace design. Ironically, while most companies have campus recruitment campaigns to hire the best and brightest from universities, only a third bothered to ask soon-to-be graduates how they prefer to work.

Clearly, corporations are missing an easy opportunity to gather valuable information about their workforce.

Even simple questions such as, "What do you look for in your physical work environment?" and "Do you sit, stand, or lie down to be most productive while working?" were omitted on career day interviews. The answers to such questions can provide businesses with important insights into the work styles they must eventually manage.

Moreover, when businesses were asked whether collegiate design could impact the layout of their workspaces, 75% said yes. Despite this realization, none of the companies had formally studied the physical collegiate learning environment to determine how it might apply to their workplaces and needs of a new workforce! All were missing out on the valuable opportunity to learn from learning environments.

What can be learned from learning environments?

We invited corporate clients from a wide range of industries on a series of campus visits. To ensure diversity, visits were made across the country to various state schools and private schools alike, both large and small, and one technical school.



Campuses visited: Emory College, Madison College, University of Southern California, University of Texas Arlington, University of Kansas

Each campus visit shared the same goal: Allow corporate clients to simply observe the different work styles students use every day. Participants were awestruck at the many ways and places students worked.

Among the key observations:

- Students work everywhere—park benches, soft seating, stairwells, hallways, wide-open areas, noisy environments, quiet confines.
- Exterior spaces are maximized and utilized for work/study. Exterior spaces are truly part of a



college campus' overall planning strategy—planning that is far greater than building architecture and scale. The impact campus planning has on students' ability to use exterior spaces is remarkably evident.

- Work/study and social interactions/ technology occur simultaneously. College is a 24/7 intersection of work and social interaction. They both occur at any time and constantly shift easily and instantly. In that regard, it could be noted that the cultural beginnings of work/life balance start here. Clients were quick to recognize this intermingling of work and social. Many stated their organizations were not equipped to support similar practices.
- Central building and core spaces are the primary collaboration, communication and interaction spaces found within collegiate buildings. Corporate clients discovered the clear intersection between different types of workstations. Lobbies, circulation spaces and corridors are all used to support student work styles. They are not merely conveyances between individual workspaces, as is often the case in corporate layouts.

This led to one of the most central observations made during the visit: At college, 1st spaces are corporate's 3rd spaces, and vice versa. Put another way, corporations are focused on designing 3rd spaces for their employees to use as escape from their personal workstations. In college, however, 3rd spaces ARE personal workstations. Additionally, workstations can change every hour of every day, depending on what students must accomplish and with whom.

In other words, the true distributed workforce is the college student, for that is how students are accustomed to working.

• Technology is an integral and seamless part of students' work styles. During a tour, a client marveled at a student who was working in a technology lab and asked to take her photo. The reason? He was astounded by how much technology she was using at a single time. She, like many others, was engaged with no fewer than four technology devices—an active desktop, a MacBook, a tablet displaying content, and of course a smart phone for music and texting, all while studying.





This use of multiple devices is not at all unusual for today's students. According to one report, they often multi-task across five screens throughout the day. Additionally, using devices for concurrent personal and "professional" purposes is common and done without hesitation.

With students' quick and nearly instantaneous adoption of new technology, software platforms, and apps, and a penchant for Apple products, along with an attraction to the latest and greatest tech, our clients recognized potential issues ahead as they require new employees to appropriate into primarily PC cultures.

• Campus collaborative spaces are more highly used by students (in multiples) than corporate collaborative spaces are used by employees (individuals). This realization is truly a result of both space design and culture. Campus planning must functionally support distributed work styles to allow students ample choices in where to work and with whom. Spaces must accommodate groups of all sizes because as research indicates, 100% of recent graduate hires prefer to work in groups, and working in close proximity to others is preferred.

Corporate cultures that focus on individual spaces may face challenges in retaining newly hired graduates because they don't offer adequate spaces to accommodate preferred work styles.

• The definition of the words "group" and "team" are different from the student point of view. While touring campuses, corporate representatives repeatedly used the words "group" and "team" interchangeably. However, students perceive a clear difference in the two terms. Understanding that difference may be a key nuance collegiate design addresses and the corporate world misses.





In simplest terms, the noun "group" is defined as a number of people or things classified or located close together. The noun "team" however is defined as a group of people who work together. To students, each is clearly different than the other.

Group work for college students may involve individual study/work while co-locating with a similar group, small group pairings (2 or 3) where students do individual work but then sporadically collaborate with one another, and large group settings (like classrooms) where again, sporadic collaboration and interaction occurs. In most cases, group work is still individual goal-oriented.

On the other hand, team work for college students is more specific to a group that is assigned to work together (not individually in any way). Two or more individuals work together for a common outcome in which they share. Teams often have hierarchies and structure, as well as tasks and responsibilities assigned to individuals with a shared outcome to achieve a common goal.

Both recently hired graduates and seasoned working professionals can benefit from creating workplace environments that address the nuance of "group" and "team."

"No wonder we can't get anyone to come work for us." —Fortune 100 VP of Facilities and Real Estate Solutions

Corporate representatives recognized an obvious disconnect.



78% of clients polled indicated there are NO SIMILARITIES in how students on campus achieved their daily tasks versus how recently hired graduates work in their respective companies.

91% of clients polled indicated there are NO SIMILARITIES in the students' work styles on campus versus the work styles recently hired graduates use in their respective companies.

Another key data point to emerge was this: 90% of corporations have tried to integrate specific spaces that, in their collective opinions, mimic a collegiate environment, however, none of them had fully integrated their workplace design to truly mirror the collegiate environment holistically. As a result, corporate comments such as, "We created a social hub but no one uses it," were common.

The problems with such one-off spaces are primarily twofold. First, they reflect a lack of holistic design. It would seem organizations often try to "force feed" their ideas of what collegiate design is, such as creating various third-space settings, contrived lounge configurations and multi-purpose spaces in hopes that employees will use them. But without the support and integration of surrounding concepts, such as change management, success may be elusive.



Secondly, most employees still have their own personal workspaces provided by their employers (cubes, desks) and are still expected to occupy them. Combine this with the general rule that company cultures do not typically promote an agile workforce, and it's easy to see why such "collegiate" spaces go largely unused.

"Collaboration is a shortcut to getting your job done." —Fortune 100 Facilities Supervisor

Are there any clues within the industry?

Looking for extensive research on a topic that's rarely discussed, we turned to industry research to see if we could make a "reverse connection" to our premise. Could we identify a link between current corporate design trends and their potential relativity to recently hired graduates and environments?

In IFMA's 2010 Space and Project Management Benchmarks Report #34, trends in workplace design were derived from industry data. Three trends stood out as clear "connectors" between collegiate and workplace design:

1. Increased adoption of Distributed Work Strategies Classified as a way of distributing work based on tasks and responsibilities, it is often simply defined as a "work anywhere, work anytime" policy. In the workplace, that often means accommodating a variety of work styles and tasks—heads-down, concentrative work, collaboration, offsite and mobile, etc. Thinking about this strategy in the context of today's university students, it is evident that they have "worked" (studied, produced) in a "distributed" manner for years. Perhaps university planning established this anywhere/ anytime design trend long before the workforce created the distributed work strategy.

- 2. Less for me, more for my team. The need for individual workspaces has diminished in corporate environments, while the need for more shared spaces has multiplied. Companies are allocating more square footage for collaborative, conference, support and amenity spaces. The premise that more shared space is required for everyone, while less is needed for the individual has long been a hallmark of university planning. Students and even faculty have limited individual space so that the bulk of campus space can be shared among everyone.
- 3. A higher degree of worker choice and control improves results. There is a corporate notion that's becoming prevalent in many industries. By allowing workers to have a higher degree of choice with regard to their workplace, greater productivity will result.

The parallel of this flexibility trend to collegiate design demonstrates that students always choose how they complete assignments and where they will be most productive. They maintain control of time and space, and produce the necessary results to complete tasks. While workplaces have only recently placed more emphasis on this approach, students have long been accustomed to it.



INADEQUATE RESPONSE

36%

25%

100%

"They're finding that their workspace isn't the most effective space."

--Fortune 100 global manufacturer and distributor on recently hired graduates

When it comes to the work styles of new graduates, businesses are making some observations.

36% of clients recognize that recent graduates carry collegiate work styles into the workplace

25% feel new hires like to work "everywhere"

100% of clients agreed that newly hired graduates like to work in groups

To further gauge their understanding of employee needs, we then supplied interviewees with a list of the top five physical workspace priorities valued by recently hired graduates. The survey revealed potential hires ranked two priorities—technology and community/collaboration spaces—as being the most important elements relative to their potential workplace.

The response to this insight, however, was practically nonexistent.

Only 5% of companies said they actually consider attributes of collegiate design when designing their work environments.

This was a stunning revelation.

So, while organizations are beginning to recognize that recent graduates may prefer to work in a more open, collaborative environment, they are either unwilling, unable or unprepared to alter the physical workplace in order to accommodate those evolving work styles.

"The nearly 80 million Millennials who are about to enter, or who are already in the workforce, will fundamentally change how business is conducted in the future."

> — Maximizing Millennials in the Workplace, UNC Kenan-Flagler Business School





5 RECOMMENDATIONS FOR ADOPTING COLLEGIATE DESIGN

Corporations must first understand the influences and drivers of collegiate design in order to inform their workplace programs and strategies. These top five recommendations are a path to a successful integration of collegiate design concepts into corporate workplace environments.

VISIT OBSERVE PLAN IMPLEMENT TRACK

Visit

Companies intent on refreshing or developing new workplace strategies and environments should strongly consider the value of "going back to school" by visiting higher-education campuses. Through multiple, structured campus visits, organizations give themselves time for constructive observation that helps build a greater understanding of the similarities between students learning and employees working. Our suggestions include:

- Target schools from which your company hires.
- Also target schools that stretch and challenge your company as it relates to talent, growth, vision and culture.
- Select two to three schools that meet the above criteria and set aside a half day for visiting each.
- Bring a cross-section of your human resources, design, facilities, real estate and department leaders.

We further discovered that selecting schools with a mutual desire to learn from our corporate observation days enhanced the overall experience. It led to a greater sharing of ideas and robust dialogue over how college environments might translate to effective workplaces.

Observe

It is important to observe students during a school's active periods (while in session) in order to capture "typical" learning activities. Be sure to record anomalies and scenarios using photographs or video. When observing:

- Compare and contrast college work styles and environments with that of your organization.
- Don't miss the opportunity to look at non-traditional environments. They can greatly inform your workplace plans.

Plan

Given the extensive variety of design directions that are possible, creating a plan that incorporates the right observations is a considerable challenge. Start by identifying those observations that are most compatible with your company's culture, goals and vision, and migrate them toward a plan. That's not to say that all other observations should be excluded. We recommend testing new observations and divergent ideas as a regular part of your workplace program.

Here are additional insights for effective planning:

- Remove the silos. Group work knows no boundaries. Challenge your organization to break barriers in departments and segments, and cross-integrate for more dynamic exchanges and environments. Allow employees with different jobs ("majors") to interact.
- Plan holistically and authentically. As previously mentioned, it is critical to consider all aspects of your environment when testing new ideas. Doing so will go a long way toward avoiding the potential for



failure with one-off ideas that aren't supported by surrounding concepts.

- Consider central core concepts. The central core is a guiding principle in most campus spaces. Much of what was observed in physical environments emphasized a central core layout or hub—a gathering place for an entire building. These spaces are high in energy and interactivity, yet facilitate both collaboration and quiet concentration.
- Maximize external space. As we observed, external spaces were maximized at every opportunity and capitalized for their use in accommodating groups of all sizes. While some spaces were highly designed for specific use, we often found that students created their own ways to use exterior spaces to interact, study/work, socialize or enjoy private time.

Implement

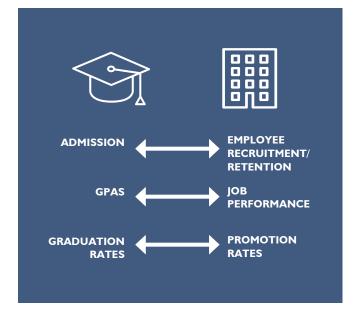
Implementation can take various forms. The following insights can help smooth any process:

- Initiate pilot programs. Given the merits of "testing" ideas, try piloting design ideas that are backed by proper research (campus visits, observations, surveying new graduates and recruits, etc.).
 However, any pilot program must also be holistic in keeping with the rest of your environments, reflective of corporate values, and authentic to the organization.
- Address the convergence of bring your own devices and imbedded technology in the workplace. Define connectivity needs and establish protocols for personal device use. Be prepared to support a range of work styles with technology.

Track

Tracking productivity, collaboration and other metrics resulting from a workplace strategy program that incorporates collegiate design will be paramount to understanding the return on investment (ROI).

One possible consideration is to correlate collegiate design ROI to workplace design ROI. Campus facilities contribute to a college's ROI as measured in admission rates, student retention rates, graduation rates, and grade point averages. Likewise, the corporate ROI can be measured in recruitment rates and recruitment cost effectiveness, employee retention rates, job performance and satisfaction, and promotion rates.





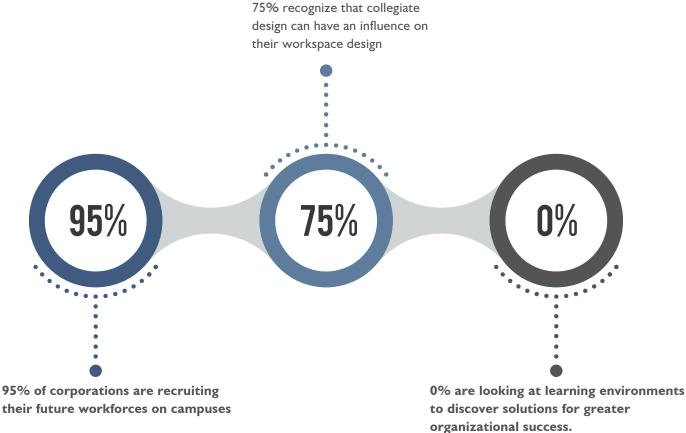
IS BACK-TO-SCHOOL THE FUTURE OF WORK DESIGN?

When reviewing our overall research, we're left with this final picture:

95% of corporations are recruiting their future workforces on campuses

75% recognize that collegiate design can have an influence on their workspace design

0% are looking at learning environments to discover solutions for greater organizational success. (Research conducted by Webb and Shwery)



(Research conducted by Webb and Shwery)



SUMMARY

As companies begin to recognize the need, value and benefits of accommodating the work styles of the newest generation of employees, few know how to take the next steps.

The design community and furniture manufacturers with higher education expertise will play a critical role in helping companies meet a new workforce's preferences, successfully evolving their corporate environments. Those companies that recognize the significance of collegiate design will leverage valuable insights for designing more effective, relevant and productive workplaces.

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