Design for the Experience: Proceedings & Workshop Summaries

On July 14 – 15, 2016 on the Nike Campus in Portland, the WE and CREC¹ communities collaborated to design a unique, experiential conference that would engage participants around the challenge of Designing for the Experience. The intent of the conference was to spark a dialogue to address various forms of disruption – digital, customer demands, finance, worker preferences – facing our industry and their impact on how we can design workplaces to meet evolving demands. Seventy designers and strategists, planners and facility managers attended.

These notes document the conference proceedings and outcomes reached in the Day Two Workshops, compiled by the organizing team and the workshop moderators. Four disruption sessions and twelve workshop topics were addressed. The workshop topics were chosen by the conference attendees using the OpenSpace approach and in and of themselves show us the key topics workspace and corporate real estate professionals feel are current and unresolved.

Videos of the disruption panels are available on YouTube; search for Designing for the Experience. For further information please contact members of the WE or REAL communities or the editor, David Slight at David.Slight@QuoraConsulting.com

¹ Now renamed REAL, the Real Estate Advisory & Leadership community. See http://real.ifma.org/
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What we learnt

Silos Everywhere: HR and FM must work together, WE and REAL must work together, IT FM and HR must work together. We must strive to break down the silos that have been so-long established in nearly every corporate organization.

Measurement: Education, tools and understanding of business measurement approaches is needed. Many attendees did not feel knowledgeable or equipped to talk about business impact in any meaningful way.

Change Management: This needs to be a core competence and used in everything to ensure stakeholders get the outcomes and experience they are looking for. While we must Design for the Experience, we must also drive change execution to ensure the design is delivered and experienced.

Roles are Changing: New skills and competences are needed to be part of this new business aligned, outcome driven world; many feel ill equipped. A long-term development plan is not sufficient due to the pace of change being faced now. Greater awareness, more cross-organization communication and collaboration and open team working everywhere is required. FM cannot continue as a silo.
102: Technology & Digital Disruption

Ragnar A. Lifthrasir, IBREA, Arnold Levin, Smith Group JJR and Miloš Jovanović, CEO SpaceView outlined three example technology disruptions and discussed the direct effect these will have and the expected timeframes. Always hard to predict when a technology enters mainstream or any stage of predictable usage.

As examples, VR and Blockchain are already disrupting the design relationship and the role of brokerage respectively. So how do see the disruption coming? We already see Liquid Space, co-working, …

First it is important to remember you are not designing for the same organization as you did one year ago; organizations are changing very quickly.

Using the Sigmund Curve, the panel suggested that when thinking about the Workplace Of The Future or the Future of Work, these will be disrupted by forces we are not really aware of yet; another example of Rumsfeld’s unknown known’s, that is to say, things that you think you know that it turns out you did not. VR is driving the democratization of design; we no longer need a technical person to explain the older 2D representation (elevations and plans) to the client.

An acceptance of change is fundamental as change is not as painful as you think. The barrier to change is actually the organization and not the people. So what will an architecture firm, furniture supplier or a real estate or brokerage become in the future?

We see that FM and workplace has not evolved as fast as IT and HR are being forced to move. Reaching out and working with technology and HR colleagues will be critical to get early insight into the changes and challenges others are already facing. For too long the functions of HR, IT and FM have acted separately and digital disruption respects no such organizational boundaries.

Thank goodness the hole’s at their end!
103: Disruption from Organizational Dynamics

This panel explored disruption from the organization perspective and included Nancy Harris, DisruptHR, Dr. Sally Augustin, Design With Science and Dr. Gus Gustafson, Carter, Inc. and was moderated by Jim Ware.

Sally talked first about how things in the physical world affect personality and culture (quick tip: use green walls for your home office). Our brains are the same and work in the same way as they have always done and will continue so in the future, so millennials have the same brains as us and there is no difference in cognitive ability across the generations.

Secondly, the emergence of the gig economy, shorter contracts across multiple employers, results in less bonding and allows for homogenization of process and environments; fortunately, it is then easy for a company to distinguish itself and attract talent.

There is a significant bifurcation underway in the workforce; a highly paid vs low paid split, that also reflects a split across the knowledge hierarchy. People with knowledge about why clients buy, how products work need space that facilitates creative thinking (especially color & materials) so they can think broadly and solve problems. This will be the focus for space design in the future.

For people lower in the knowledge hierarchy, with less insight or expertise and on less pay, space design has become tactical. Tactical space design focuses on getting a straightforward job done and is often quite oppressive with the worker on view by, and in earshot of, other humans. Interestingly, we find these people taking refuge in bathroom stalls so they can have a break from being visible; they need time to order their thoughts. And when they learned that bathroom stalls also have fewer distractions, people are retreating and working in the stalls (although the wifi is often poor in these locations!)

Many of these low knowledge jobs are being eliminated by software and learning machines (AI talk on CharlieRose.com) Many jobs will be eliminated, probably 10-40% of white collar so again space design in the future will focus on the high-knowledge workers; while cubicle and structured desk furniture may not have a future.

From an HR perspective, Nancy suggested much has stayed the same. While organizational change and the future of work has been talked, we have not seen any changes. But change is coming, “ready or not, here I come”. Nancy hopes HR can be the person leading change otherwise the HR function is headed for the BlockBuster graveyard. HR needs to align and connect with other functional areas (space, technology, etc.)

With technology as the main disruptive driver to workforce planning, as we can now work anywhere, how does HR respond and design for the pace of technology changes? We see the rise of a gig economy with at least 20% contractor or contingent staff; how much and what quality of space do we
provide for people who are not part of the company? And a majority of the new millennial workers do not expect to work in a traditional 9-5, desk-based office environment; over 70% said no.

How do we intend to work together and collaborate and for HR, how do you manage distributed teams? There are no obvious answers.

Gus focused on how to grow leadership capability and capacity, how to grow and develop and cultivate talent. Organizations are over managed and under led so there is a growing need for leaders. This situation is well studied, but least understood. There used to be periods of stability between waves of change but we now seem to be in “permanent whitewater”, change is constant.

As Sally mentioned, growing appreciation that stereotypes, eg millennials are not helpful. A recent study (How Millennials Want to Work and Live, GALLUP) concluded that millennials will profoundly change the world, they will change and disrupt the way we communicate, altering social fabric through their lack of attachment to institutions and their disengagement with traditional work.

Gus suggested six key levers:

1. Working for a paycheck to working for my purpose: in the past fulfillment was outside or after work. One of the best-selling books of all time is Purpose Driven life.
2. My satisfaction to My development: they don’t want pool tables or a paycheck, focus on care and nurture.
3. From boss to Coach: clarify their expectations regularly, ask them and listen
4. My annual review to My ongoing conversation: engage every day, lift them up
5. My weaknesses to My strengths: weaknesses never really become strengths, so focus on improving strengths where there is infinite growth and potential
6. My job to My life: make it a 360 degree experience

There are a few “new-style” organizations (holocracy, transparency, technology); we see three categories:

- Traditional, usually large organizations: slowly failing or splitting up
- Small startups: high growth and high failure rates
- Mission drive organizations: attracting top talent

In conclusion, diversity and the small group ultimately matters, so we must work with each other, collaborate and build relationships.

104: Disruption to the Future of Work Space and Acquisition
This panel, moderated by David Karpook, looked at the forces disrupting the way we acquire space and included Karl Heitman, Heitman Architects, Melissa Marsh, CEO Plastarc, Ragnar A. Lifthrasir, IBREA and Phil Kelloff, CBRE.
Gus outlined how technology is changing architecture practice; how visualization of data allows for transformative change, helps us understand current reality, the baseline and helps non-technical decision-makers have those a-ha moments of insight and understanding. With 99% of the buildings we deal with already existing, laser scans, aerial LiDAR, Photo Stitch and augmented reality allow board members and decision makers to get involved. Architecture and engineering are focused on first cost but operational cost over 15 years can be orders of magnitude more. Getting to grip with operational cost data will start to affect design and change the focus on first cost.

Phil outlined the changes coming with FASB, new lease accounting standards for lease administration. All leases will be reported on the balance sheet bringing full transparency in new standards. The first challenge is to find all the leases, not just real estate but everything that is leased. CBRE found that 68% use a spreadsheet today. This brings transparency as Finance, Accounting and Treasury are now interested with a concomitant impact on deal strategy. And technology (the blockchain again) supports verification and notarization. Private keys allow scrambled information to be recovered. Ownership, size, price as data can be scrambled and secure the information. So we see a reduced need for intermediaries such as Title Insurance, Escrow and Brokers.

Melissa focused on the Human Occupant experience; the difference between art and architecture is that architecture is occupiable. We need to include how occupants change the space. The best example is co-working as a free market concept; the individual choice rather than a corporate decision so that co-working can inform corporate strategies. Such disruptive innovation (re Clay Christensen, The Innovator’s Dilemma) changes the model AND the market around it, the context.

Once people were exposed to third places (by mobile technologies) they found that this other place was better than the tradition beige cubes and beige buildings.

We see an acceleration for co-working demand because it serves both the up-economy and the down-economy cycles, it serves both the people model and risk mitigation model and it serves both the individual and corporate entity. We see corporate occupiers shifting up to 20% of capacity to this model.

In the Q&A, the panel was asked what are we doing to make the built environment more reactive to change such as 5G by 2018, the people and organization changes we have discussed. The timeline is still three years to commission and design, two years to build and then a 25-year life. We need to separate the technology from the building, more of a loose fit architecture, operable windows, high ceilings, a move from systems furniture to more movable hackable furniture that is managed by the occupant.
105: Disruption driven by the End-customer Experience

Chris McGoff CEO of The Clearing and Chris Hood, now with Advanced Workplace Associates, led an interactive discussion, challenging the audience about change, focused on what doesn’t change: the voice of the end customer or user. What is important to the end customer experience?

Co-working is community, belonging, something you have elected to pay for. The best coffee, the comradeship rather than the $2000 office chair?

The market is not the Starbucks or Regus workers but rather the mainstream Enterprise organizations which are changing as we have seen. No longer a rounding error but more than half the users are mobile, outsourced and contracted, managed by a much smaller permanent team.

Everyone is overwhelmed? Is it linear and a series of events we have never seen before? Or is it cyclical and there is nothing new. From Solomon onwards, nothing is changing, for example, Bitcoin is just like anthracite coal, there is nothing new.

However, executives responsible for P&L test propositions against:
- ask someone outside your box
- who are out customers, what do they need and what value will they place on a service or solution

Budget, org structure, the physical work space, the incentive system and the culture must all focus on, be designed around and reflect the customer.

201: Design Thinking

Jim Ware and David Slight provided a short introduction to scenario analysis and the importance of storytelling as tools to support the workshops so participants would have an approach to fall back. The moderators were also trained on and aware of this approach.

When business needs to design user experiences and business models, business analyzes the past to produce a reliable, low risk solution based on current knowledge. Whereas, designers start by thinking about unknowns and are open to risk. Ideas are welcomed.
Sorting potential disruption by impact and probability is one approach that allows different scenarios to be considered.

- What do we not know today, that if we knew, would make tomorrow manageable?
- What are the two most critical uncertainties we face?

In this way, we can create four stories about possible futures.

For example, here are four possible future roles for a corporate human resources organization.

When we come to describe the four scenarios, we can use stories to make the scenarios real. Many people refer to The Seven Basic Plots: Why We Tell Stories, a 2004 book by Christopher Booker, who suggested there are a limited number of basic plots to use.

- Comedy
- Tragedy
- The Quest
- Voyage and Return
- Overcoming the Monster
- Rags to Riches
- Rebirth

In fact, there are several such lists; a longer list of 36 was created by a French writer, Georges Polti. See Wikipedia. Whatever the history, it is a useful device to characterize and communicate the different scenarios we are considering.

210: Managing the Future Workplace with Multiple Generations

Questions raised included:

- How do we produce places for experience and choice with multiple personas and audiences?
- How do we build in choice to meet a variety of needs boomer/millennials, introvert/extrovert, job function/activity based?
- How do you engage with effectively manage millennials without sacrificing the needs and priorities of other groups?
- What will define workplaces in five years?
As we look at planning for future workplace and workforce, how do we bridge the gap with the current workforce and the ideal workspace?

After much discussion, our topic shifted to incorporate a much broader perspective.

- How do we design a flexible space that is tolerant of different tasks, personalities, activities and roles to include the next gen workforce?
- How does one deal with a high touch millennial workforce that demands constant attention (when we are also very busy)

Designing for the future workplace should not focus on one generation but will be designed around changes in technology, how people get work done (i.e. introvert vs extrovert) and demographic shifts (which could be anything from generational shifts, gender, global, etc.). The important takeaway was to have a flexible work place that can adapt to individual needs and future changes in how and why people work.

211: Pros and Cons of Unassigned Space

Questions raised included:

- Are unassigned policies a fad or are they here to stay?
- What are the pros and cons of unassigned workspace / workstations?

Participants created lists of both Pro’s and Con’s:

- Leverage flexible demand
- Allows for flexibility
- Maximize workforce
- less real estate costs
- less MAC (moves, adds, changes)
- higher retention
- higher recruitment – get the best talent no matter where they live
- higher productivity
- lower relocation costs
- More sedentary working from home, less movement
- Does the work stress rub off on family?
- Miss out on ad hoc conversations and opportunities for collaboration
- Lose corporate culture
- Lose the opportunity for promotion
- Contractors are often not allowed to work from home
creates more trust
supports a shift in culture
less commuting
more exercise
more well-being and choice
more WLB

Union wants proof workers take breaks – but how is this measured even in the office
Exempt vs non-exempt
Time tracking using devices
Labor laws (complexity, OSHA, Work from home)
What happens when I want to come back in and there isn’t room

NB: waiting on summary to follow from moderator

212: Change Management Best Practices
Questions raised included:
- What is a best practice around changing culture?
- How to incorporate CHANGE MANAGEMENT into the workplace process?

NB: waiting on summary to follow from moderator

213: The P&L Mindset
Questions raised included:
• How do we educate users into thinking in a P&L mindset?
• Monetizing the workplace for managing to a P&L model?

Why should we focus on P&L
– Business must prioritize how they spend money
– Space and its use costs money
– Education of the end users about their effect on P&L can be very effective in creating change
– Business leaders focus on the bottom line. You must make the business case

Reviewing the topics discussed, outcomes are needed:
– we want more metrics
  o where are they
  o IFMA Knowledge Center?
– How do we keep this conversation going
  o monthly discussion group?
  o rotating topics & lead
  o IFMA to arrange?
– We want tools to tell the "SO WHAT" story
  o How do I make that pitch to a CFO?
  What is the lingo I should know?
  o IFMA partner with educational institutions about providing high quality education on this topic?

220: Misalignment between the pace of change for tech vs built environment
Questions raised included:
• What are the new space types of the future and what will they replace?
• How will VR + AR and the actual workplace blend define the workplace experience?
• Calibrating / navigating the various speed of change in tech culture and the built environment?
• How do we future proof new building technologically for 10+ years?
221: How do you effectively manage a distributed work force

Questions raised included:

- How do you effectively manage a distributed workforce?
- What does the future workplace look like with transient workforce and flexible workspace?
- Percentage of flex and non-flex?
- How can we keep teams effective / innovative?
- How does one deal with hi touch millennial workforce that demand constant attention and we are also very busy?
- How to manage a remote workforce and how does the remote workforce stay connected?

The focus was on how to be effective with hi-tech cross-generational staff. We want all generations to be results-orientated so we manage by results, measure by results, keep reporting up-to-date and of course use web-based conferencing and other collaboration tools where possible.

Our group talked about how when selling the concept, we should talk about how it can change the culture and thinking patterns of management. After much discussion, we decided that as an outcome the following is the most important:
- Leveraging technology
- Costs?
- How do we use? Establish do’s and don’ts
- Training
- Managing a distributed team
- Working in a distributed team
- How to use technology
- Training for the FM
- How to support a distributed team
- How to lead a distributed team
- Stay human – importance of being human
- Create a social contract and sign with the team
- Understanding of the culture
- Data Collection and utilization
- Align with HR to develop, create, clarify and communicate WFH policies/union/letter
- Be clear: this is How we work and this is the norm

222: Measuring Success and Innovation

Questions raised included:
- How are you being innovative in your workspace today?
- How do you measure success?
- What really makes a great facility / workplace?
ANECDOTES
Open Skype channel
Open Seating -> Benching

RESOURCES
DesignCouncil.org.uk
Center for the Built Environment
Library of Benchmarks

RULES OF THUMB
One size misfits all
Time -> short term vs long term

WORKPLACE(S)
Work gets done
Productivity
Relevance

MEASURES
WHAT:
Connectivity
Lighting
Air Quality
Engagement
Group/individual
Perceived Control
Social Network Analysis
Links to Brand

NEXT QUESTIONS
Link workplace attributes to individual behaviors
Workplace design -> Activities
Measure how people work today
Validity of self-reporting
What instruments are already out there?

223: Measuring workplace efficiency
Important to test your existing workspace for efficiency and at what rate should change be made
MEASURING WORKPLACE SPACE EFFICIENCY
- How to test your existing workspace for efficiency and ...
- At what rate should we change

The key is to understand expectations and drive transparency of costs, impact and decision making.

We know the effective use of space is affected by its function, the task being completed and factors such as noise.

It is necessary to understand WHY we are measuring before we identify what we measure and how we measure. We must also allow for both subjective (the quest for value) and objective measures (including the data driven approach).

Start with a simple understanding of the business (for example a Porter Value Chain) and understand the impact space has on the various value chains that contribute to the organizations purpose.

230: Data and Measurement
Questions raised included:
- Like to see more data about the items that are being valued or paid for by users of co-working spaces - intrigued by statement that assigned desk has a 20% premium
• A means to gather and assimilate how holistic data that may be siloed by function but which can be best users to advance the goals of the broader org
• How do we collectively entice startup to create better tools for gathering and measuring our data?
• Big = bigger question What are we measuring, why are we measuring it and what are we going to do with it?
• Human factors in data collection and interpretation - know the source, data science cherry pick results, providing consistent value
231: Future organization shape and role of FM leaders
Questions raised included:
• As we focus on Experience, how will the role of FM change Will they/we become more like a community manager
• Workplace management community management - greater HR driven management of the workplace
• What organization structure best enables an organization to deliver exceptional employee experience
• What skills and competencies will be essential for future workplace / CRE leaders
• And how can we develop those leaders?

232: What is the future of the Real Estate profession
Questions raised included:
What is the future role of CRE (tech, process, brokers, etc.)
What is an organization’s best response to the proliferation of workplace options
233: When will Corporates use shared space?

OUTCOMES
COWORKING/CORPORATE
- are there metrics / FAQs that make the case for and / or help decide to use CO-WORKING
- myth busters?
- FAQs that define co-working & its many "flavors" / options
  - what kinds of co-working are there
  - physical manifestations
  - pros & cons
- How will the ways we work change corporate workplaces in 5 years
- how are corking models changing What is the future of co-working?
What we heard

Comments from participants during the closing session:
- OpenSpace exercise is really engaging
- Eye opening
- More similarity than differences
- Best conference I have been to in a long time
- Really enjoyed this conference
- Well that's something you don't see every day on a campus tour
- Learned more at this conference in one day than a whole year of ...
- Like the un-conference approach
- Do it again

Appendix: OpenSpace Approach to Participant-driven Meetings

An unconference, also an Open Space conference, is a participant-driven meeting.

The agenda is created by the attendees at the beginning of the meeting. Anyone who wants to initiate a discussion on a substantive topic can ask for time and space. Unconferences typically feature open discussions rather than having a single speaker at the front of the room giving a talk, although any format is permitted. This form of conference is particularly useful when the attendees generally have a high level of expertise or knowledge in the field the conference convenes to discuss.

The aim of an Open Space meeting is for every issue of any importance, with someone willing to take some ownership for it, gets announced to the community and those interested can support and collaborate to bring the issue to a conclusion. As work progresses, notes and pictures are posted so the wider community is also kept abreast of developments so they can comment or join in as appropriate.
Further detail for OpenSpace moderators is available from opespace.org website and includes key elements such as:

**Four Principles**
- Whoever comes is [sic] the right people
- Whatever happens is the only thing that could happen
- Whenever it starts is the right time
- When it's over, it's over

**The Law of Two Feet**
- If at any time you find yourself in any situation where you are neither learning nor contributing, use your two feet and move to some place more to your liking

**Proposing topics**
- **Participant Voting**
- **Agenda construction and Publishing**

Finally, each workshop had several attendees with an assigned role to ensure an outcome was reached. These included:

**Proposer**: the person who proposed the topic and who feels strongly enough about solving an issue, who outlines the topic and gives a short introduction at the workshop (scope, outcome)

**Moderator**: supports the proposer, someone knowledgeable on the subject who has enough context and skills to keep the workshop on track towards an outcome (an idea, a solution, a proposal)

**Note taker**: real-time digital note taking, photo’s, tweets etc. shared during and after the meeting so those in the room AND those not in the room can follow progress.

**All other attendees**: contribute to the discussion, take notes and collaborate on the outcome, remember to be in the moment to contribute and respect the discussion. Or leave according to the law of two feet above.