



Next-Gen Office: The Future of  
**WORKSPACES**



# YOUR SECOND HOME

For employees, the workplace is a second home — which is why the design of an office environment is important. These elements influence the effectiveness and efficiency of employees, from the physical arrangement of a space to the personal and shared technology available. However, today's workforce is also being influenced by something much greater. Global trends are making waves across industries, forcing businesses to not only rethink their operations but also reinvent the way office spaces are designed. In this evolving, tech-centric and always-on age, how can the traditional office setup remain relevant?

It can't. Changing demographics, rapid urbanization, hyperglobalization and accelerated innovations are forcing the conventional office into extinction, and rightly so.

With the rise in millennials and Generation Z employees in the workforce, there is a greater expectation for the latest technology and flexible work environments. While those demands alone are enough to drive a shift in how offices are designed, downsized office spaces and increased global reach will further escalate the impending fall of stale office parks.

The good news is that updating an office to meet the call of global trends doesn't require a total overhaul. And by definition, evolution is incremental. Making small changes to today's workspaces is just the start of helping offices secure a smarter, innovative future for their employees. Here's what companies should consider in creating an office environment that elevates the future workforce and minimizes stagnation.



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# GLOBAL MEGA TRENDS AT A GLANCE

Workspaces and technology must evolve to accommodate the needs of younger generations, smaller and smarter offices, and companies looking to connect their capabilities across the globe.

**Younger generations will make up the majority of the workforce in the near future.** By 2020, millennials will comprise at least half of the global workforce, and Generation Z will make up 35 percent of the workforce.<sup>1</sup> These tech-savvy, digital natives will drive the way spaces are designed based on their desire for instant, always-on connectivity and their desire to take their work anywhere without restriction.

**Cities will continue growing.** Fifty-four percent of the global population lives in urban areas, and the United Nations expects that figure to jump to 66 percent by 2050.<sup>2</sup> Mega cities and mega corridors will attract people inward to denser city centers that feature the amenities and convenience not often found in rural areas. When this happens, businesses will struggle to find unique ways to make the most of the available space.

**Companies will be competing on a global scale.** Regardless of industry, companies are increasingly competing on a global scale due to a rise in interdependency among economies. This is anticipated to only intensify. As a result, incorporating office technology such as videoconferencing and telepresence will be imperative as the workforce is expected to seamlessly function anywhere in the world.



# SMALLER OFFICES

Office space has never been harder to come by. A thriving urban population means real estate will become more competitive. Companies have to be creative and smart about how to accommodate employees in smaller spaces.

Offices are already meeting this demand through open layouts equipped with space-saving solutions. Some of these solutions include bench desks (long tables that have capacity for several employees in a small space) and as-needed, stow-away desks and chairs.

## Average Cubicle Size<sup>3</sup>

1970

500 to 700 square feet



2017

151 square feet

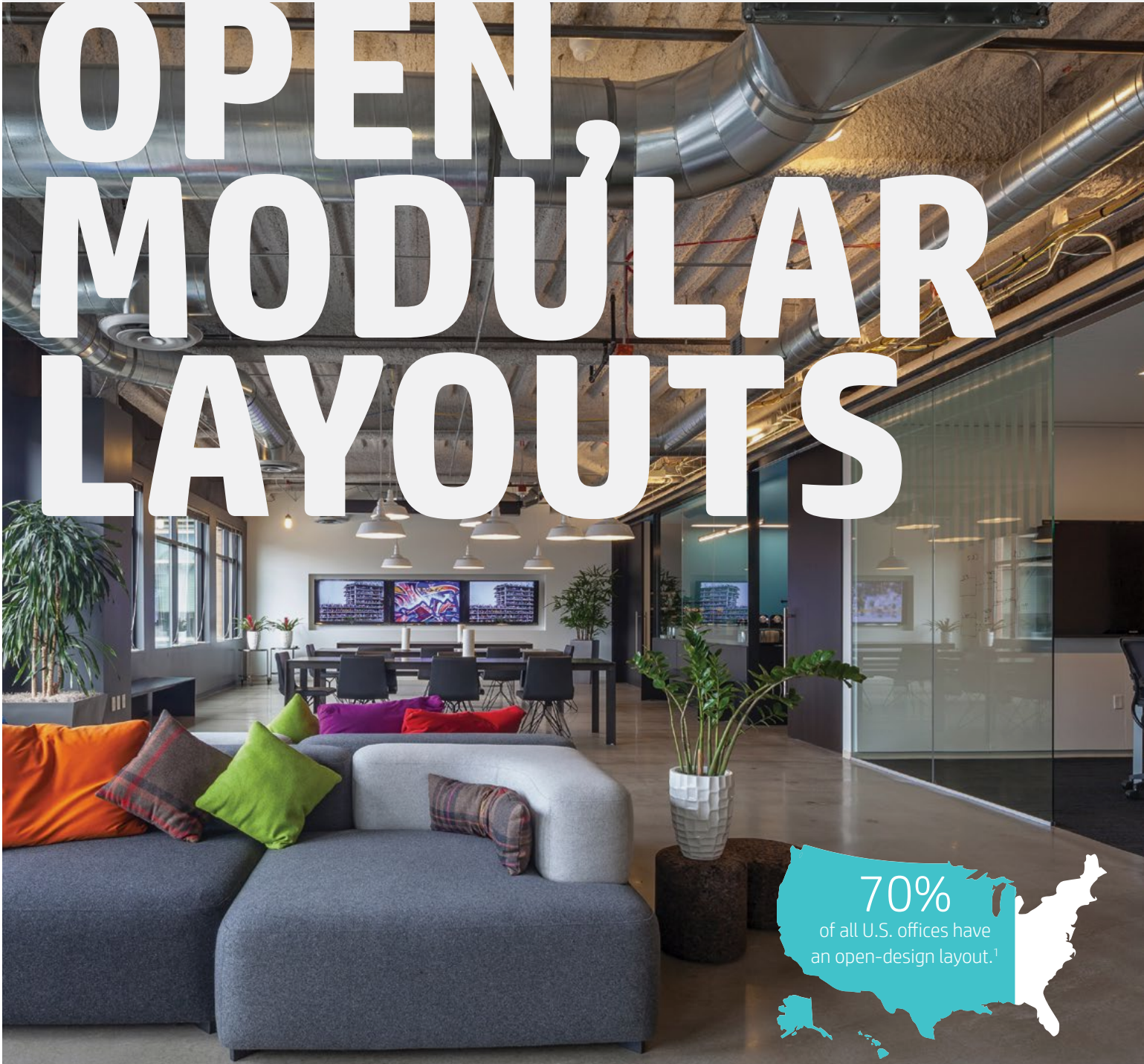


## Innovative Workplace: Zappos

Some companies are embracing smaller workplaces on purpose. Zappos.com, the online shoe and clothing retailer, built a smaller headquarters with the goal of encouraging employee interactions. These “collisions” would enable employees to freely collaborate and share information with one another. Thus, Zappos gave employees 100 square feet of space instead of 150 square feet.



# OPEN, MODULAR LAYOUTS



70%  
of all U.S. offices have  
an open-design layout.<sup>1</sup>

There has been much celebration (and criticism) around the idea of kicking cubicles to the curb — especially in a time where space is limited. Today, 70 percent of all U.S. offices now have an open design.<sup>1</sup> While less-siloed office plans aid in efforts to increase communication and collaboration, they can also pose a challenge for employees seeking greater privacy and fewer distractions.

## Offices of the future will mesh the best of both worlds:

**Open layouts** help expand smaller office spaces and provide employees the flexibility without physical limitations to easily connect with their coworkers.

**Modular optimizations** fit a variety of employees' needs through rooms and spaces dedicated to meetings, lounging, quiet time and even breaking a sweat.

Once these offices begin to adopt an “at home” atmosphere — with a mix of communal spaces and private studies — open, modular layouts are more accommodating, multifunctional and personalized than ever before, helping employees find the environments that best suit their needs.

## Three Ways to Optimize an Open Floor Plan

Organize workstations in pod formations — such as a cluster of four desks — or into long, narrow benches for larger companies, to keep high-traffic areas free of clutter.

Create smaller meeting rooms and lounges along the perimeter of the office to allow for private collaboration sessions while still maintaining an open feel.

Dedicate one or two rooms to client meetings and telecommunications.



## Innovative Workplace: New Lab

New Lab, a workspace for technology-based companies, describes its space as “a cathedral,” with 84,000 square feet housing over 50 companies. However big, the industrial setting doesn’t fall short of creating a space that offers both privacy and community. The open space comes complete with dining options, lounges and private studios, as well as meeting rooms and breakout spaces that can be reserved via an app.



# ANYWHERE HOTELING

Fifty-four percent of North American companies have implemented or are planning to implement hoteling in the next year.<sup>1</sup> Also known as “coworking,” this concept entails offering space to companies on an as-needed basis versus leasing or owning a designated office. And it’s not just a solid option for start-ups or temporary workers. It’s also a necessary solution for the burgeoning freelance market.

To wit, the freelance market is expected to grow to 65 million workers by 2020.<sup>5</sup> Through hoteling, these freelancers, as well as remote employees, can rent spaces or desks on a daily, weekly or monthly basis. Some spaces may even come with special amenities, such as free parking, kitchen use and gym access. Established offices could consider adopting this idea by ditching the assigned-seating concept — so when employees leave for a work trip or vacation, their desks will be offered to other workers seeking space.

Employees will continue to pursue further opportunities to work wherever and whenever they want — with 62 percent already working from more than one location throughout the day.<sup>6</sup> Hoteling offers a flexibility that future workspaces can initiate to attract employees looking for greater mobility and companies striving for increased agility.

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## Innovative Workplace: WeWork

WeWork is a company that creates collaborative workspaces for a variety of people, from coworking individuals to small businesses. Offering private offices for small workgroups and common spaces for freelancers looking for community, WeWork has a solution that meets a variety of business needs. Desk and office spaces are rented on a monthly basis and offer flexible options and accommodations, such as access to a conference room, printer or dedicated desk.





# AMPLIFIED COLLABORATION TOUCHPOINTS



agree that collaboration is critically important for work.<sup>7</sup>

One of the revolutionary ideas behind future workspaces is the notion that offices can be anywhere, and work can be performed outside a traditional setting or during typical 9-to-5 hours. This thinking is primarily due to companies expanding their borders with global business opportunities and office locations. From remote employees to those working at offices around the world, the need for seamless connectivity is flourishing. Greater collaboration without limits, and in real time, matters — 94 percent of those surveyed agree that collaboration is critically important for work.<sup>7</sup>

Offices of the future will keep offering dedicated services geared toward hyperconnectivity, including dedicated spaces equipped with the latest tools and innovations that make this kind of collaboration possible. Collaboration could include various technologies, such as video and audio conferencing systems, live-streaming software and telepresence robots. These interactive spaces and technologies bring together global and remote-based workforces, including the younger generations who still value “face-to-face” collaboration — even if that need is met through a computer screen.

## Innovative Solution: Telepresence Robots

A trend that’s slowly picked up speed across companies is the use of telepresence robot devices. The “Telepresence Robot: Market Strategies and Forecasts Worldwide, 2016-2022” report by Wintergreen Research Inc. forecasts that by 2022, the telepresence robot device market is anticipated to reach \$7 billion — up from \$825 million in 2015.<sup>8</sup> From DIY tablet-on-a-stick setups to high-end offerings from developers such as Double Robotics, these solutions are one of many telepresence options that will continue to enable employees to work from any location across the globe while also being virtually active in their company’s home base.

# CUSTOMIZABLE AND AT-HOME WORKSPACE SOLUTIONS

One of the benefits of the evolving workplace is the potential for tailored environments. In the future, customizable solutions won't be limited just to your desktop calendar and office plants. Both furniture and technology will enable employees to create and use spaces that complement their work and individual needs, including dedicated locations that bring employees together. Here are some of the solutions you can expect to see:

**Modular huddle spaces:** These enclosed or semi-enclosed spaces provide asylum from noise and distraction. They can be shared by a few individuals or used by one person in need of some quiet time to finish a project on deadline.

**Family-style dining areas and communal lounges:** Dedicated to bringing employees together in a nontraditional work setting, this “at home” atmosphere is the perfect place for lunchtime brainstorm sessions and informal status meetings.

**Sleek and durable devices:** Mobile and powerful space-saving devices let employees easily connect and create at any time and from any location.

**Personalized workstations:** Companies are rolling out product innovations driven by employees' experiences and their comfort in workspaces. Traditional desk-and-chair configurations will become a thing of the past as employees opt for less static desk-and-chair setups, such as standing desks accompanied by balance boards. And the technology that goes with these setups must also be adaptable and customizable.

**Health-oriented options:** Offices will integrate health and wellness programs and features into their spaces, from yoga classes to at-the-desk fitness boards.





## FOUR WAYS COMPANIES ARE BREAKING THE BOUNDARIES OF TRADITIONAL WORKSPACES

**Get some R&R:** Google is a pioneer when it comes to innovative, unique office spaces. A number of their global locations offer nap rooms, or “sleep pods,” where employees can rest between long working hours or nap for a quick refresher.

**Find your Om:** Daisy is the first office yoga company in New York City. Providing yoga classes fit for a boardroom, with an instructor who’s actually certified to work in office settings, Daisy aims to help improve work-life balance and increase employee health and happiness.

**Go green:** Amazon’s environmentally friendly workspaces feature sustainable practices such as “district energy” — a concept that recycles heat from nearby city buildings.

**Enjoy the city:** Village Underground, a cultural event and coworking space in London, is anything but traditional. The combination of train cars and shipping containers, on top of an old railway viaduct, is the perfect urban setting for a creative community.



### Innovative Solution: Altwork Station

Altwork is one company that’s started reinventing workspaces through its Altwork Station — a workstation designed to improve employee comfort and well-being by enabling both the user and the computer to move seamlessly together into reclined, seated and standing positions.

# THE FUTURE IS HERE

All of these solutions mean our workspaces are becoming just as customizable as our homes — but with the caveat that smaller spaces will require smarter, more creative solutions. Future workplaces will make it increasingly difficult to draw the line between “at home” and “in the office,” meeting the needs of employees who continue to blur the lines between work and personal life. The office of the future will help ensure the blur becomes a boon for productivity and enables employees to work better together and as individuals, and within a space that is just as evolved and adaptable as they are.

To stay ahead of the competition, and position offices for future success, companies must act today, rather than wait for the next incarnation of office innovations to transpire. And employees can take the first step by requesting the tools and technologies that will make their spaces efficient and future-proof.

**It's time to update your office. For design inspiration, download the e-book, [insert title].**





## SOURCES

<sup>1</sup> HP, "Office of the Future," April 2015.

<sup>2</sup> The United Nations, "World's population increasingly urban with more than half living in urban areas," July 10, 2014, <http://www.un.org/en/development/desa/news/population/world-urbanization-prospects-2014.html> (accessed September 23, 2016).

<sup>3</sup> HP SlideShare, "Thriving in Small Spaces," December 1, 2015, <http://www.slideshare.net/hp/thriving-in-small-spaces> (accessed September 23, 2016).

<sup>4</sup> Richard L. Draft, "Organization Theory & Design," 12e, CENGAGE Learning, 2016.

<sup>5</sup> Intuit, "The Intuit 2020 Report," October 2010, [http://http-download.intuit.com/http.intuit/CMO/intuit/futureofsmallbusiness/intuit\\_2020\\_report.pdf](http://http-download.intuit.com/http.intuit/CMO/intuit/futureofsmallbusiness/intuit_2020_report.pdf) (accessed September 23, 2016).

<sup>6</sup> HP, Quantitative Research with WW End Users, 2015.

<sup>7</sup> HP, Proprietary Research with Panel, 2015.

<sup>8</sup> Wintergreen Research Inc., "Telepresence Robot: Market Strategies and Forecasts Worldwide, 2016-2022," March 2016, <http://www.researchandmarkets.com/research/klghf/telepresence> (accessed September 23, 2016).

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