HAWORTH

# Work from Anywhere: Where Does the Best Work Happen?

September 2020

The digital age enabled organizations to work virtually—and the coronavirus pandemic forced us to embrace it. For months, approximately 85 percent[1] of global employees were working at home. Now, organizations around the world are reactivating their office spaces while thinking through what's next. The future state is one that reflects an ecosystem approach, which includes work in the office and in a multitude of spaces—home is just one of them.

## What We Have Learned

Haworth participated in the Global Working from Home Survey[2] conducted by Leesman, a global workplace research firm. It employs the Leesman Index,[3] which is based on the largest global employee workplace experience database. This study surveyed 125,000 respondents from around the world, including 1,121 from Haworth.

Based on the findings, we learned younger employees (under 25 to 34) reported lower satisfaction working from home than older generations—and they also prefer working in the office more than older workers. Specifically at Haworth, we found that functional groups focused on creativity and client-facing activities were not as well supported from home compared to other groups, indicating some work functions (e.g., accounting, finance, IT—groups that do more routine work) succeed better from home than others. We also identified which activities are important and how well the home or office environment supports them.
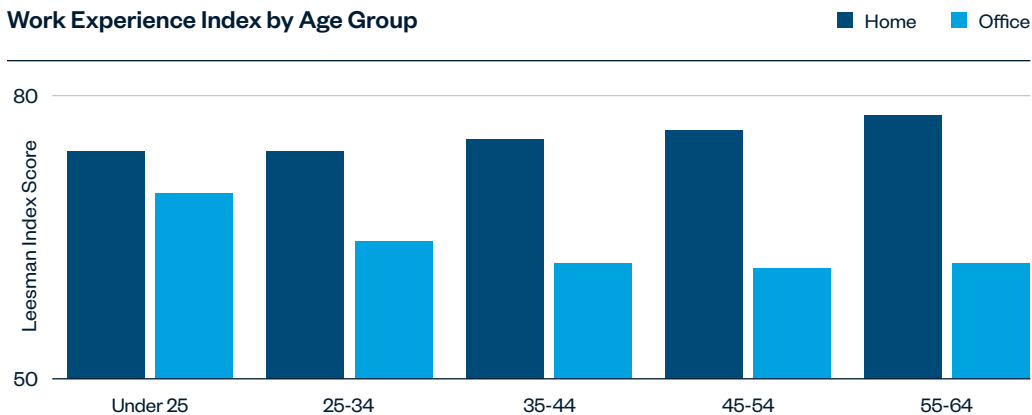
Of workers polled:

**50%**
like having no commute

**45%**
enjoying flexible hours

**44%**
miss human interaction with colleagues

**58%**
miss the office (65% among young professionals)

*Source: JLL*

**Work Experience Index by Age Group**
■ Home ■ Office



**Remote Work Satisfaction by Job Function**
Scores based on Home Leesman Index

| High | | Medium | | Low | |
|---|---|---|---|---|---|
| Information Security | 83.8 | Finance | 74.2 | Executive Management | 69.4 |
| Quality | 78.5 | Logistics | 74.2 | Field Sales | 66.6 |
| Customer Service | 78.2 | Manufacturing Support | 74.1 | Ideation | 65.8 |
| Human Resources | 78.1 | Product Engineering | 73.9 | Research & Development | 62.1 |
| Manufacturing | 77.4 | Marketing | 72.9 | | |
| Purchasing | 75.9 | Sales Support | 72.7 | | |
| | | Product Line Management | 71.9 | | |

1. Leesman Global Working from Home Survey, 2020.
2. Leesman Global Working from Home Survey, 2020.
3. See Appendix for more information.

**Activities Support (Home vs. Office)**                    ● Home    ● Office
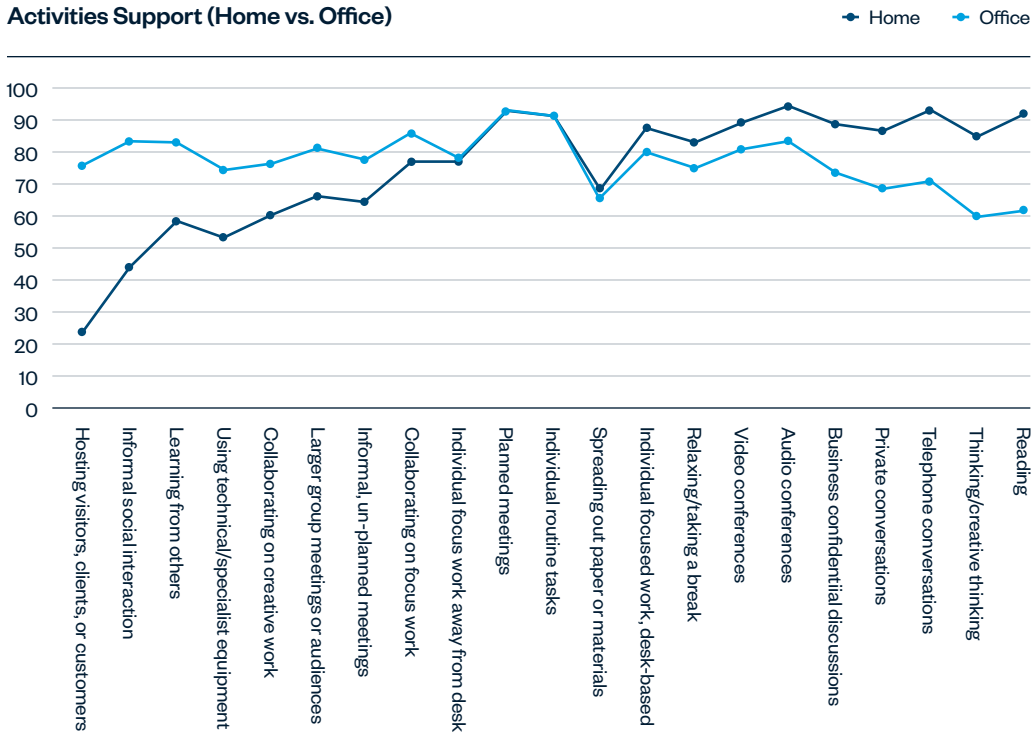


While many employees believe they are productive at home—and well supported for private conversations, confidential discussions, focused reading, and creative thinking—they struggle with finding the right balance with work/life, physical activity, and connection to both their organization and to colleagues.

*Source: Leesman Global Working from Home Survey, 2020*

Like all organizations addressing COVID-19, Haworth is learning and adapting as we navigate returning to the workplace in the short-term, while looking to the office of the future for the long-term. We know there is value in remote work as a useful tool for managing risk and business continuity. With many business leaders concerned that extensive remote work will eventually impact the well-being of their employees and weaken organizational culture, we know the office will remain the epicenter of where work happens—hence our work-from-anywhere approach.
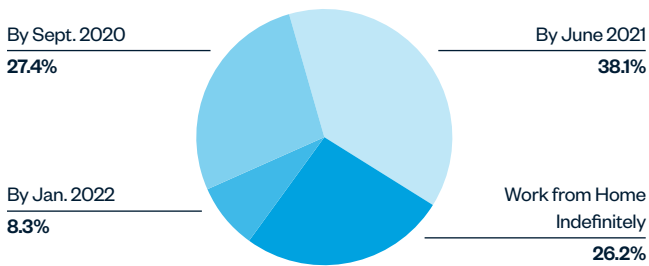
The challenges of varying technology platforms, broadband limitations, and awkward dynamics in virtual meetings can contribute to a decrease in employee performance and engagement. A longer duration of remote work has shown the benefits of working face-to-face in the office. Going forward, finding the balance in supporting personal interaction and collaboration—both virtually and physically—will be vital for people to perform their best and remain engaged.

## It's Not Home *or* Office—It's Work from Anywhere

When given the choice, people are drawn to places that make them feel comfortable and productive. What we previously knew as the "office" was already evolving into a place of social context—more collaborative than ever. After all, interaction with colleagues makes us happier and more engaged at work. These activities are just as critical to the creative process as high-focus work—and significant for innovation to occur.[4] The pandemic has fueled much uncertainty about the future. What *is* certain? That humans are adaptable and have adjusted to new work paradigms. But, there's no single answer.

---

4.    Haworth white paper: Optimizing the Workplace for Innovation: Using Brain Science for Smart Design, 2019.

**Estimated Time for Employees\* to Return to Their Usual Workplace**

By Sept. 2020
**27.4%**

By June 2021
**38.1%**

By Jan. 2022
**8.3%**

Work from Home
Indefinitely
**26.2%**

\*90% of the workforce
*Source: Fortune 500 CEO Survey, April 2020*

In the pre-COVID environment, 63% of respondents indicated their company had no full-time remote work; today, only 10% expect no remote work policies in the future.
— **CBRE**

**Why Do People Value Being in the Workplace?**
- Collaboration
- Innovation and creativity
- Social connection
- Increase team performance
- Establish and cultivate culture
- Minimize stress
- Build community
- Mentoring and career development
- Virtual connection cannot replace physical connection

## Why the Office

The office originated as a production place for knowledge workers. It transformed to a workspace powered by hard-wired technology—and the center of work. Mobile devices and Wi-Fi allowed for increasing flexibility. Previously, we came to the office to work—now we can work anywhere.
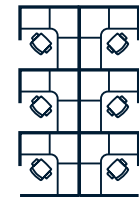
**1950s – 1960s**
Based on a factory workplace paradigm, the office mimicked manufacturing floors—but with rows of desks for knowledge workers.
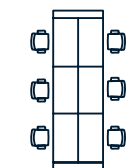
**1970s – 1990s**
The computer was introduced, freestanding desks evolved into cubicles, and the office transformed to a workspace powered by hard-wired technology requiring space for monitors and CPUs.

**2000s – 2020**
We used to come to the office because it's where our work was. Wi-Fi and mobile technology allowed for flexibility, untethering us from desks.

**Going Forward**
We can work from anywhere—the pandemic forced us out of the office and became a catalyst to change the way we view the office and work.

Why do people value being in the workplace? To collaborate, create, and innovate. To connect socially. To leverage the teams, networks, and processes that help them perform their best. To be inspired. Its purpose has shifted from where we had to work to a place that's more dynamic and experiential than ever.

The office is also where organizations establish and cultivate their unique culture, based on a foundation of values and influenced by brand. Culture is embedded in the physical workplace and manifested by the people who work there. Across generations, we are social creatures who need human connection to thrive. The office environment nurtures the human element of our work lives through all five of our senses, which virtual experiences can't replace.

## A Blended Experience

Work from Anywhere is the ecosystem that gives organizations and employees choice in where and when work occurs. This autonomy fuels creativity and drives innovation while keeping people safe. This flexibility also serves as an attraction/retention strategy for talent, offering improved work/life balance through flexible work schedules. The Work from Anywhere ecosystem supports organizational culture and employee well-being— so people can work fluidly.

> "Workplace design will evolve to support distributed teams that function like binary stars—orbiting the central hub and organically creating the correct connections."

**Jeff DeGraff**
Professor of Management and Organization
Ross School of Business, University of Michigan

**Work from Anywhere Ecosystem**



**Home**          **Office**          **Third Place**

Work is likely to be done in more than one location. It is an integrated ecosystem balancing three primary physical locations: office, home, and third places.

Through this ecosystem we'll need to leverage technology and adapt spaces to support virtual connections for people, including those working off-site at home and in third places.

**50%**
of the workforce will likely be working across a Total Workplace Ecosystem balancing office, home, and third places.

*Source: Cushman & Wakefield, The Future of Workplace report, 2020*

Based on 2019 data from Haworth's Business Fingerprint, the top five business drivers for customers were Employee Engagement, Collaboration, Flexibility/Adaptability, Attract/Retain, and Organizational Culture. Through conversations and workshops with leaders from over 225 organizations across 10 industries from April to July 2020, we identified a shift in the list of what is top of mind for them: Well-Being, Organizational Culture, Flexibility/Adaptability, Collaboration, and Innovation. Underlying topics affecting this shift are stress reduction, strong social networks, an inclusive work environment, sense of community, and group work performance.

The Business Fingerprint is Haworth's proprietary insight tool for engaging with customers to understand their business objectives for workplace change and investment.

**2019 Top Business Drivers**

1. Collaboration
2. Employee Engagement
3. Flexibility/Adaptability
4. Attract/Retain
5. Organizational Culture

**2020 Top Business Drivers**

1. Organizational Culture
2. Well-Being
3. Flexibility/Adaptability
4. Innovation
5. Collaboration
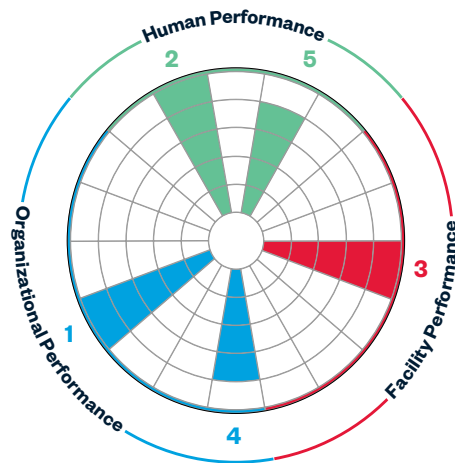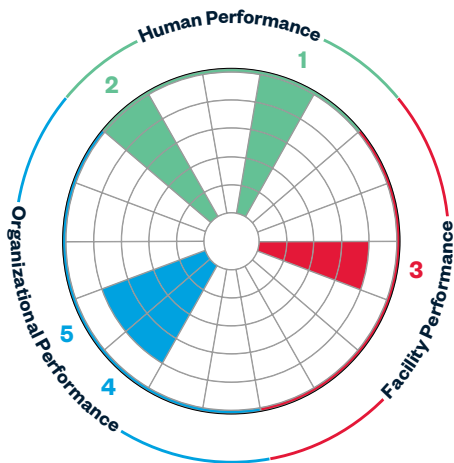


## Three Critical Areas of Focus

Haworth has identified three areas of focus when considering an ecosystem that supports Work from Anywhere.



**Culture & Innovation**
Preserving your unique culture to empower your workforce and leverage your space is essential. This includes building community and empowering teams to perform and innovate.

**Well-Being**
Supporting people's physical and psychological health builds confidence and enhances performance. Minimizing stress, promoting movement, and enhancing human performance are the themes emerging from our research.
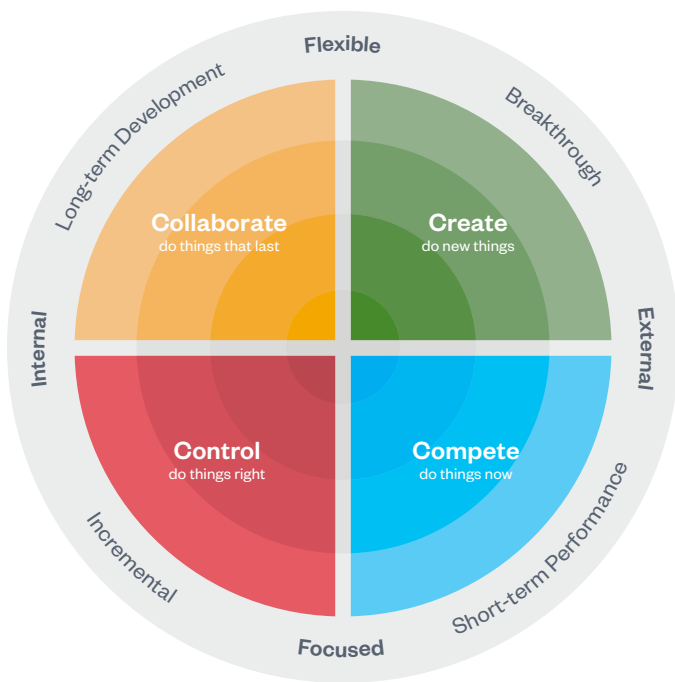
**Flexibility/Adaptability**
People are empowered to work fluidly in an ecosystem that includes office, home, and third places. This flexibility lets them choose the right space for the right task, with the resources and technology that support both.

## Organizational Culture & Collaboration

Preserving your unique culture to empower your workforce and leverage your space is essential for success—and even more important during this pivotal time. Culture serves as a guidepost for people's needs and organizational goals. It also drives innovation. To enhance the performance of your people, organization, and facility, it's important to understand cultural implications—what people value and how it affects space.

People need to work well with each other to meet organizational goals. If they can't, their organization will be less effective. Although groups may have preferred ways of working together, all will need to collaborate in various ways—but it's important to understand what brings them together.

**Competing Values Framework**

Physical offices cause people who don't normally work with each other to connect accidentally—bumping into each other in the hallway or the cafeteria—and that interaction sparks new ideas....We found that, after the lockdown, employees increased their communication with close collaborators by 40% but at a cost of 10% less communication with other colleagues.

*Source: HBR.org, The Implications of Working without an Office, July 2020*
*\*680 US-based white-collar employees*

Leveraging the Competing Values Framework™, we look at organizational and individual needs by culture type: Collaborate, Create, Control, and Compete.

**Build Community**
The office provides the place for all workers to build social networks and a sense of community and can also be a place to foster psychological well-being and mediate stress with support from that network. At the foundation of humanity is a shared truth: We are social beings that require physical connection and community. People across generations require face-to-face interaction—especially younger workers who are building their careers and seeking mentorship—and the workplace is one venue that supports these activities. A range of spaces fosters the social contact we crave while supporting the current need for physical distancing.

**Improve Team Performance**

With the pressure to stay competitive and innovative, organizations know effective knowledge sharing improves team performance. Teams also perform better when they have a designated team workspace.[5] That's why collaborative work is ideally conducted in person. It relies on a key social capital resource: psychological safety—the ability to engage honestly without fear of negative consequences. Aligning virtual and physical workspaces with organizational culture and team goals supports team interactions to facilitate those goals.[6]

Research continues to build evidence that we are social and thrive in community, we often accomplish more together than alone, and these tenets are inherently intertwined in the workplace. Why we gather with one another at work can be distilled down to four reasons:[7]

**Collaborative Modes Framework**

1. To **connect** socially
2. To **think** together
3. To **do** something specific
4. To **inform** one another

Connect

Think

Inform

Do

Although it can be done via video, people working together simultaneously on the same task is better done in shared space, face-to-face. Collaborative technology still does not fully replicate the information-rich context found in workspaces where teams gather. What's more, virtual teams must put more effort, time, and intentionality toward developing and maintaining their social connections.

## Well-Being

Supporting people's physical and psychological health builds confidence and enhances performance, which is critical in a time of uncertainty when stress levels are through the roof. Well-being is an enduring state that can lead to productive, engaged, balanced, and healthy employees—and it's directly affected by many features of the overall physical environment, including amenities like food and fitness centers, and space design that promotes movement.

**Minimize Stress**

There are growing concerns about psychological stress from the lockdown and economic reality that workers are experiencing. And there is weight to these worries: Stress and burn-out were concerns for employees before COVID-19. In April 2020, nearly 70 percent of employees reported[8] living through it as the most stressful time of their career. The office environment can be designed to enhance and protect physical well-being while reducing psychological stress.

US workers were stressed before COVID-19; now, stress levels are through the roof.

# 69%

**of workers claimed this was the most stressful time of their entire professional career, including major events like the September 11 terror attacks, the 2008 Great Recession, and others. Every demographic, including adults over the age of 55, rated COVID-19 as the most stressful time.**

# 91%

**of employees working from home reported experiencing moderate to extreme stress.**

*Source:* BusinessWire
*[*Ginger's *Second Annual Workforce Attitudes Report, April 2020]*
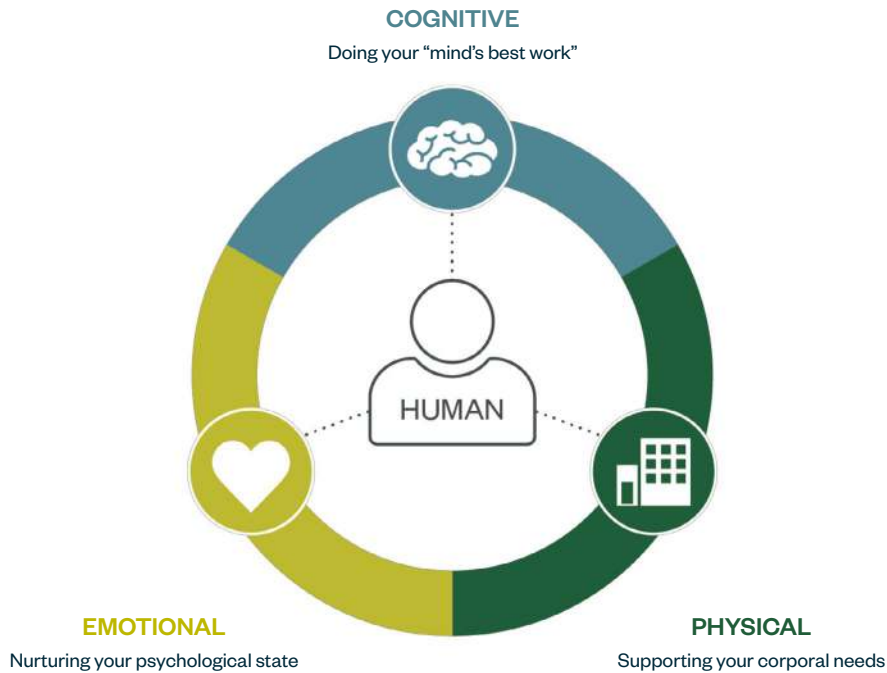*\*US full-time workers*

5.   Sawyer, 2007.
6.   Haworth Research on High-Performing Teams, 2019.
7.   Haworth white paper, Aligning Organizational Culture& Collaboration Spaces, 2020.
8.   BusinessWire [Ginger's Second Annual Workforce Attitudes Report, April 2020]

**Enhance Human Performance**

When people feel strong emotionally, they tend to manage the stressors of everyday life and recover more quickly—oftentimes leading to an ability to cognitively process information better. Our studies identified 10 Affordances vital to human performance. To create a work experience that nurtures well-being, the Affordances that relieve stress and provide security will take precedence when people are challenged with new ways of working.

**Why Affordances Matter**

The workspace is much more than a container for people. And it's much more than a tool used to perform a task. A well-designed workspace participates in performing the task, enabling optimal human performance—cognitively, emotionally, and physically. Affordances are the elements in the workspace that influences the physical, cognitive, and emotional needs of people.

**COGNITIVE**

Doing your "mind's best work"

HUMAN

**EMOTIONAL**

Nurturing your psychological state

**PHYSICAL**

Supporting your corporal needs

**10 Affordances to Support Human Performance**

**Cognitive**
- **Embedding** – Opportunities to place and retain appropriate mnemonic artifacts
- **Externalization** – Options for creating, recording, and expressing thoughts within the physical environment
- **Access** – The means to gather, organize, store, and retrieve information
- **Insulation** – The means to manage both irrelevant and meaningful stimuli

**Emotional**
- **Authenticity** – Familiar, meaningful, and engaging surrounding
- **Well-being** – A sense of personal control and safety
- **Affinity** – A feeling of connectedness with coworkers and others

**Physical**
- **Anthropometrics** – Furniture, fixtures, and spaces suitable to the worker's physical characteristics
- **Ambient(s)** – Healthy and supportive (appropriate) environmental conditions.
- **Movement** – Various opportunities to change posture, position, and location

## Flexibility and Adaptability

When we envision a future state of work, we know all the environments familiar to us before the pandemic—office, home, and third places—will no longer be the same. As people have adapted during the pandemic, so must these spaces.

Flexible workplaces enable space to change as rapidly as people and organizations require. They complement a Work from Anywhere ecosystem that conveys to employees that their organization is supportive of their diverse workstyles, further engaging them to perform from wherever they work. Creating structure by building in flexibility provides the organization the elasticity to react to short-term, unplanned events, which helps manage uncertainty for employees.

**Work Fluidly**
Each space in the ecosystem has its advantages—individuals and teams will choose the right space based on the task required and where they feel most productive. Spaces designed before the pandemic might not be the right fit for the future. As we transition into this new ecosystem, we take with us a better understanding of what worked and what did not. Applying this new perspective will allow us to rethink the design of the office, home, and third places to maximize their potential for the future of work.

**Work from Anywhere Balance**
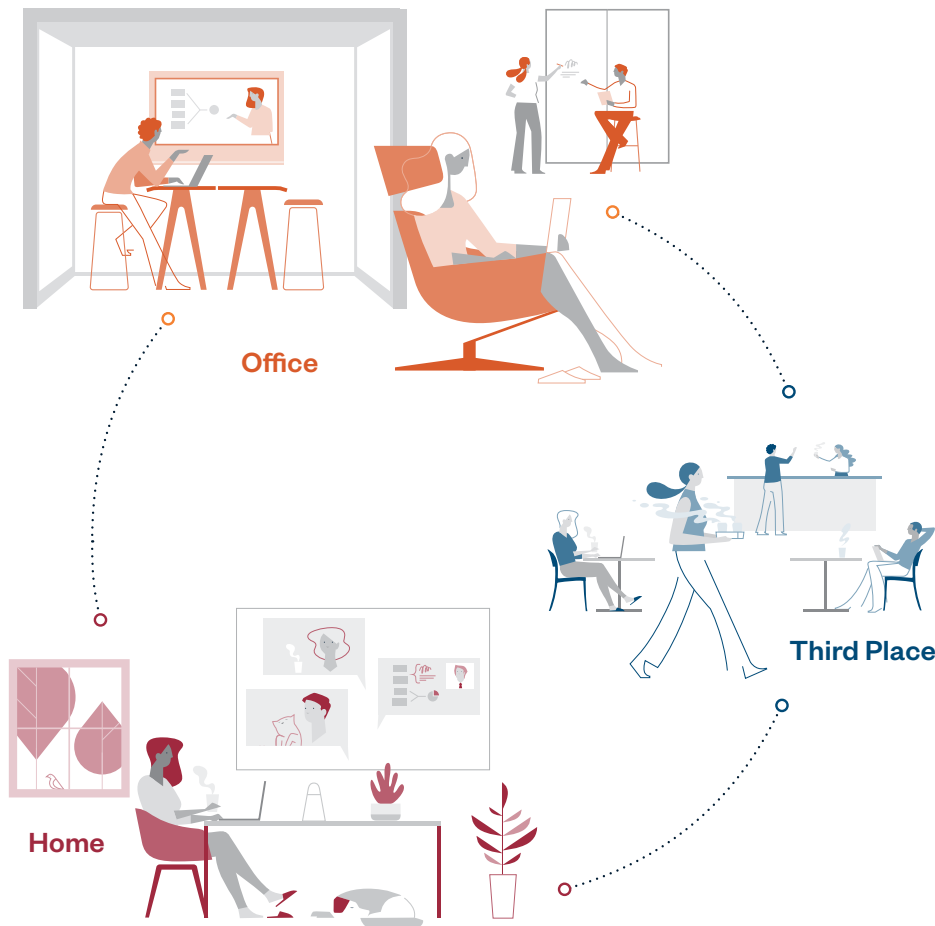


**70%**
of people want to work in the office the majority of their week.

*Source:* Gensler

**Advantages of each space in the ecosystem:**

**Office**
Team brainstorming, social interactions, impromptu connections, creativity, access to materials, face-to-face meetings, commute

**Home**
Focus work, reading, virtual meetings, scheduled calls, no commute

**Third Place**
Meetings over coffee, socializing, focus work, touchdown when traveling, work hub locations

## Organic Workspace

In this new ecosystem, the workplace floorplate needs to respond—creating environments that provide connection and adapt for occupancy levels. Organic Workspace is Haworth's perspective and process for understanding the work environment and how people use it. We start by looking at the entire ecosystem—where interaction and collaboration take place—right down to the individual workpoint— whether in the office, home, or in a third place. Then we help our customers create solutions that ensure people perform their best, support organizational culture, and leverage thier existing products, enabling reconfiguration with ease and reduced cost.

## Finding the Right Balance

The office is going through an evolution and ultimately will change work for the better. Before, many workers had assigned workstations. Now, not every job function may require daily presence in the office. With an emphasis on the office as a hub for innovation, real estate utilization will likely change too. The space will be optimized for activities that foster collaboration and creativity to drive innovation. Digital technology will need to support Work from Anywhere workers better than in the past—between the office, home, and the spaces in between.

The office is the epicenter of what makes work happen, to help people perform their best. Starting with the office, we'll explore with you the right balance for your ecosystem. We can provide solutions that will accommodate a continuous flow of work in multiple environments, allowing people to be effective and real estate to be efficient.

**71%**
said they want their company to offer some sort of flexible office provision.

**44%**
said working from home once a week would be the optimum level in future.

**34%**
said more than once a week would be ideal.

*Source: BisNow, 2020*
*\*200 readers surveyed*

## Appendix

### A) Market Observations

Large Corporations' Plans for Returning to the Office
- Google – Ongoing return complete in July 2021
- Apple – Not returning before 2021
- Twitter – Allowing remote work indefinitely
- Facebook – Allowing remote work indefinitely
- Nationwide – Shutting down at least five of its traditional brick-and-mortar offices by November 2020
- Ford Motor – Returning September 2020
- Capital One – Returning January 2021
- Amazon – Making plans to add 3,500 corporate jobs to its workforce and expand office space in New York, Phoenix, San Diego, Denver, Detroit, and Dallas.

### B) Leesman Global Working from Home Survey – Background

Leesman Index
- Launched in 2010
- Largest Global database of employee workplace experience information

Workplace Radiographers
- Data collected allows to understand how exactly their workplaces are supporting their employees.

Leesman Global Clients
- BCG, British Council, Deloitte, ExxonMobil, gsk, Honeywell, LinkedIn, PepsiCo, Volvo, RBC, Standard Charter, Wells Fargo, Johnson & Johnson, Merck, IBM, SAS, Marriott, Nestlé, PwC, AON, BB&T, Bosch, Logitech, CBRE, Coca-Cola

### C) Haworth Global Working from Home Survey

Goal: To learn about Haworth's work from home population and use this data to support customer interactions and inform work from home solutions.

Survey Findings
- Which activities are important and how well the home workplace currently supports them
- How well the home workplace supports overall sense of productivity, connectivity, etc.
- Which physical features are important and how supported members are with them
- How our responses compare to a benchmark against Leesman's global responders

Methodology
- Surveyed global members identified by HR from May 22 – June 1 (n = 1,121)
- 10 locations:
  1. US Headquarters – Holland, Michigan
  2. US Sales Offices
  3. Germany – Bad Münder Plant
  4. Germany – Other Locations/Functions
  5. France – Saint Hilaire Plant
  6. France – Other Locations/Functions
  7. India – Chennai Plant
  8. India – Other Locations/Functions
  9. China – Pudong Plant
  10. China – Other Locations/Functions

### D) Leesman's Haworth Working from Home (WfH) Results

- 84.6% of members agreed that "My home environment enables me to work productively" (Leesman 125,000 = 82.2%)
- Younger members reported struggling with WfH more than older members (Leesman 125,000 is similar)
- Functional groups focused in creativity and client-facing activities were not supported from home as well, compared to other functions
- Learning from others and informal interactions suffer when working from home (Consistent with Leesman 125,000)
- Home work settings impact the WfH experience—setting and presence of others

### E) Leesman Global Working from Home Survey – Overall Results Comparison

Haworth Population Report
- 75% of our member respondents had very little experience working from home prior COVID-19
- Working from home is working for most members; they report that their home environment enables them to work productively
- The work-from-home setting is one of the biggest factors in supporting working from home—whether you have a dedicated work setting and with whom you share your home matters
- Client-facing and creative functions have lower satisfaction scores when working from home (some functions work better from home than others)