

TED MOUDIS ASSOCIATES

# 2019 Workplace Report

TMA BY THE NUMBERS



**This fourth issue of the TMA Workplace Report demonstrates the variety of choices organizations face today when it comes to planning their workplaces. Although many of our clients have similar goals for the workplace, they all have different ways of reaching those goals.**

In 2016 we began leveraging our internal database of project metrics to track the trends in workplace design, and further understand how our clients utilize space.

In this report we track the changes we have seen over the past calendar year and share with you a snapshot in time of how our clients were working in 2018, as well as our predictions for the changes we will see throughout the current year and beyond.

## The Big Picture

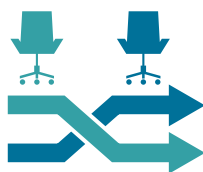
### What's Changed from 2018 to 2019?

Many of our clients, regardless of industry, share similar goals in creating their future workplace. Spaces to recruit, retain and mentor top talent, reflect culture and values, support flexibility and choice, and are sustainable both mentally and physically are often key goals. However, the approach and strategy our clients take to achieve these goals is unique to their business. While we saw a decrease in the usable square foot (USF) per work seat, the more significant change we saw this year was an increase in the range from the low to high USF metrics we track. The gap widened by 35%, which speaks to the tailored work environments we are creating in collaboration with our clients. With so many factors impacting real estate decisions, the options are more expansive than ever for organizations to choose the right strategy to meet their needs.



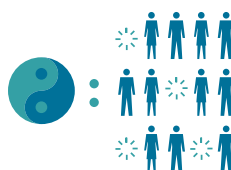
#### USF per Seat

This year we saw average USF per seat decrease from 165 to 151, largely due to the wide range of projects in this year's report.



#### Alternative Seats

The percentage of alternative to work seats decreased slightly from 54% to 51%, however employers are still providing more alternative seats than work seats.



#### Wellness

Though we saw a slight drop in wellness spaces this year, we have seen wellness increase in other forms, like sit-stand desks.



#### Activity Based Working

More organizations and employees engaged in activity based working (26% this year vs. 24% last year).

Another significant change we saw this year came when we broke out traditional assigned-seat projects and activity based working projects. In both of these we saw an almost 20 point drop in the USF per person. This shifts the focus of our conversations from the USF per seat to the USF per person.

We made several predictions in last years report. Lets see how we did:

- Although we didn't see an increase in semi-enclosed and small focus rooms, we did see an increase in the usage of creative furniture solutions to support these semi-private conversations in the open environment.
- We were, however, on point for the executive suites, as we saw less of these than we did the previous year. This is due to more executives having the desire to be embedded with their teams.
- While the USF per work seat in activity based work environments stayed consistent between last year and this year, the percentage of alternative spaces increased 6 points, indicating more emphasis on choice in work environments. This also played to the decrease in the USF per person.
- When it comes to wellness it's less about the numbers. We may have seen less dedicated wellness spaces, but we did see an increase in sit-to-stand desks, and an increased focus on biophilic design.

## TMA By the Numbers

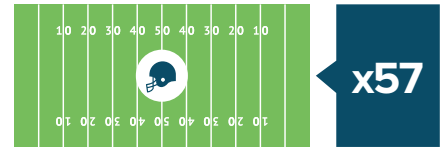
### There is No Average Client

From 2017 through 2018 our clients leased approximately 3.3 million rentable square feet of real estate across 59 projects. While the USF didn't change much this year from last year, the number of projects increased significantly, highlighting the importance of treating each client individually as well as looking beyond the averages in our metrics. With our data, we are able to dig into our clients individual needs along with analyzing overall workplace trends and changing features that impact our design landscape.



Total rentable square feet (RSF)  
for all projects surveyed:

**3.3 million**



Total usable square feet (USF)  
for all projects surveyed:

**2.5 million**

USF is used for benchmarking, as it can be compared consistently across global regions and various building types. It is measured as the area of the building from the finished face of the building to the centerline of demising walls, not including any vertical penetrations. In other words, it's the space you can use!

Total  
workspaces  
from all  
projects:

**16,285**



This includes individual workspaces such as offices, open workstations, seats in workrooms, trading areas, etc. That's a lot of places to work!



**Domestic projects**

The 59 projects included in this report are a selection of full design and build projects completed this past year.



Technology and Digital Media

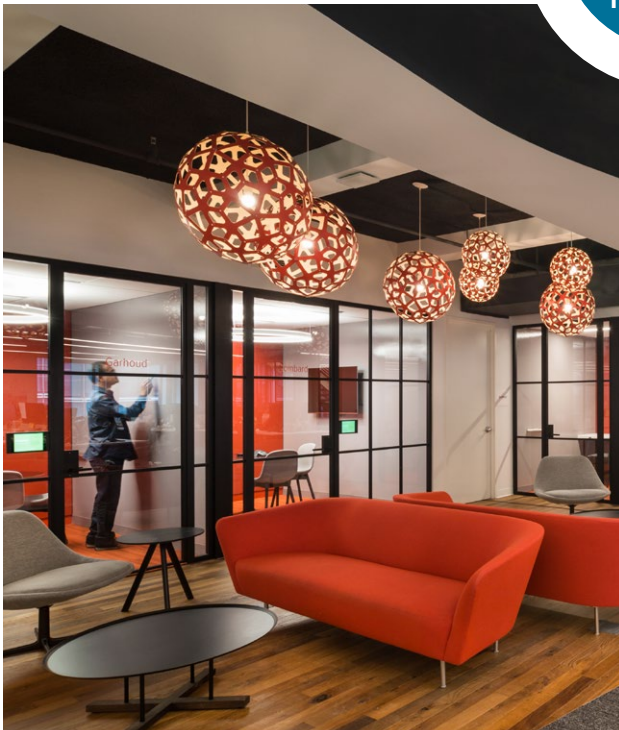


Financial

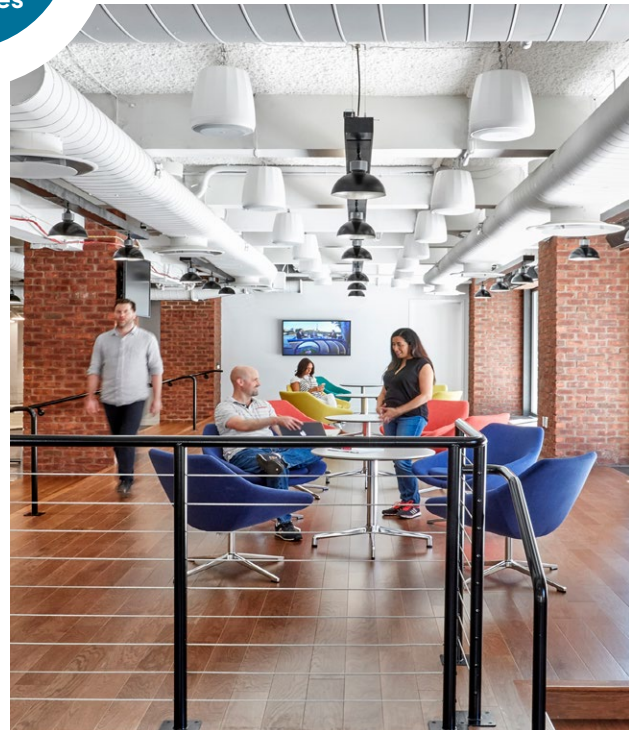


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Industries



Professional Services



Consumer Products

## Tailoring Within Best Practices

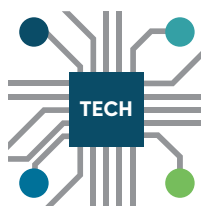
### More Choices Available in Workplace

We are finding that across industries, organizations are becoming more aware of the multitude of choices available for creating and implementing a comprehensive workplace approach. No matter the size of the company they are ready to have conversations early and take the time to get it right. Together with our business partners we work to ensure we are aligning industry best practices with associate interviews and data collection to match and support our client's unique culture and long-term strategic goals.



#### Transparent

Open perimeters and glass enclosures create greater visibility and provide better access to daylight and views within the workplace.



#### Integrated

Spaces are designed to be connected through the integration of various forms of intuitive, mobile technology, giving employees more flexibility within the office.



#### Flexible

The only constant is change. Spaces are designed to allow flexibility for the future, as well as flexible in their day to day use, such as an office that is also used as a huddle room.



#### Mindful

Workplaces support the physical and mental well-being of the user, boosting productivity and company culture, while reducing health costs.



#### Purposeful

Spaces are designed to support the different ways that teams come together, through design, furniture, and technology.



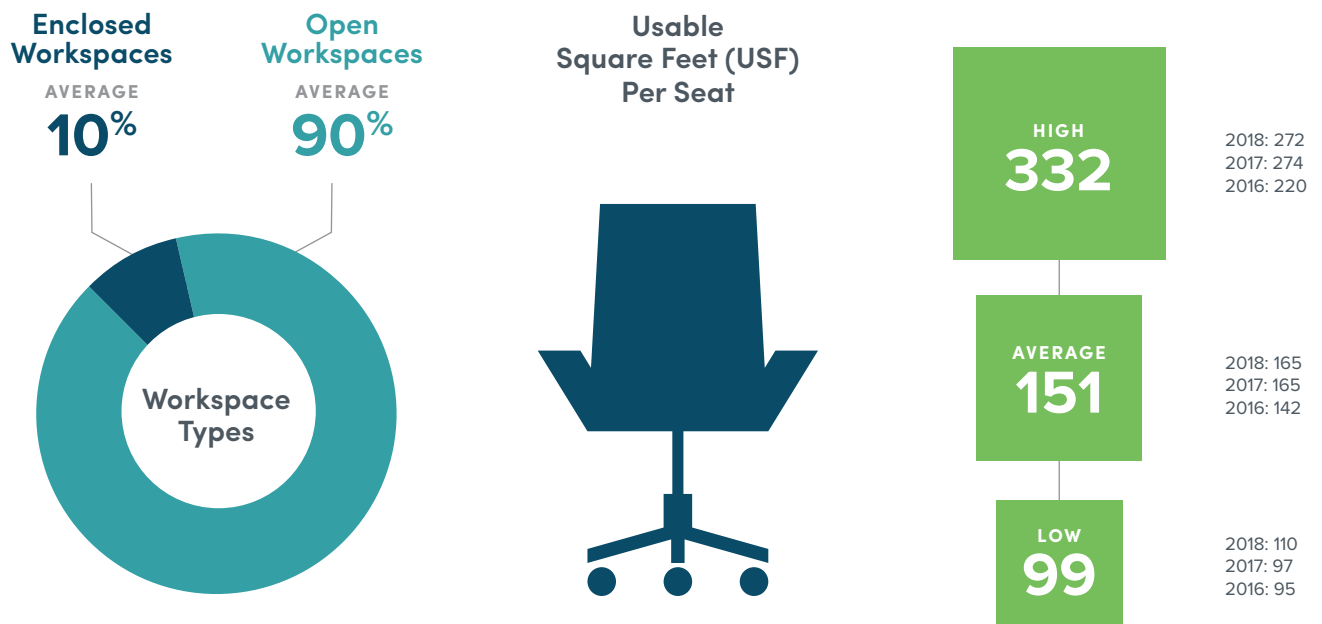
#### Experiential

Spaces are designed to reflect the brand and the culture of the organization, while creating a welcoming environment for all.

# Workspace

## One Size Does Not Fit All

This year we've seen the range of USF per seat widen from last year by 35%, while the overall USF per seat dropped. We're continuing to work with our clients to strike the right balance between providing an efficient use of space along with a supportive and highly utilized work environment. Every project offers the opportunity to make the best decisions to support your organization. The data below is collected from both projects that use the traditional office model and those that engage in activity based working. The data on page 15 breaks these statistics down further.

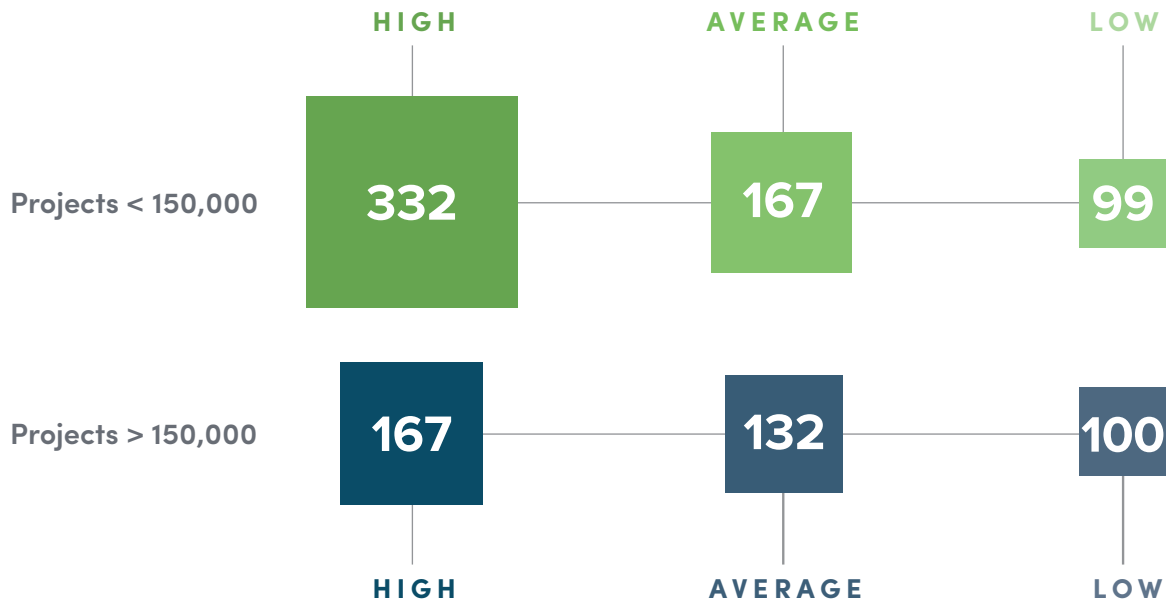




## Explaining the Drop in USF per Seat

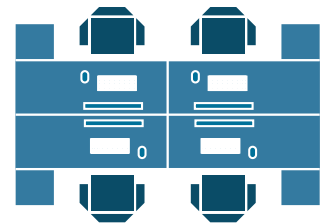
Although we saw a drop in the average USF per seat this year, a majority of the projects had a USF per seat that fell above the average. This indicates that our larger projects this year had a smaller USF per seat than our smaller projects, skewing the average downwards. In our larger projects, we are able to fit more workseats, while still providing the right mix of amenities for the client.

### Project Size by USF/Seat



### Desking Continues to Rise

Again we saw our clients adopt benches over traditional workstations. 2019 brought a 7% increase in benching, many of which were sit-to-stand desks.



**84%**  
of open workspaces  
are desking/benching



Seats either in the open or enclosed meant for teamwork and collaboration



Seats typically used for casual work, café seating or informal meetings.



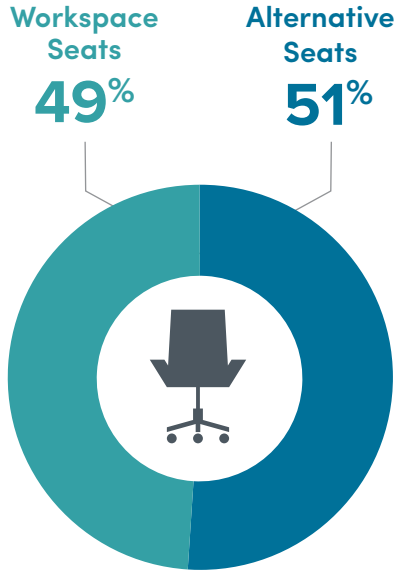
Seats free from both visual and auditory distraction



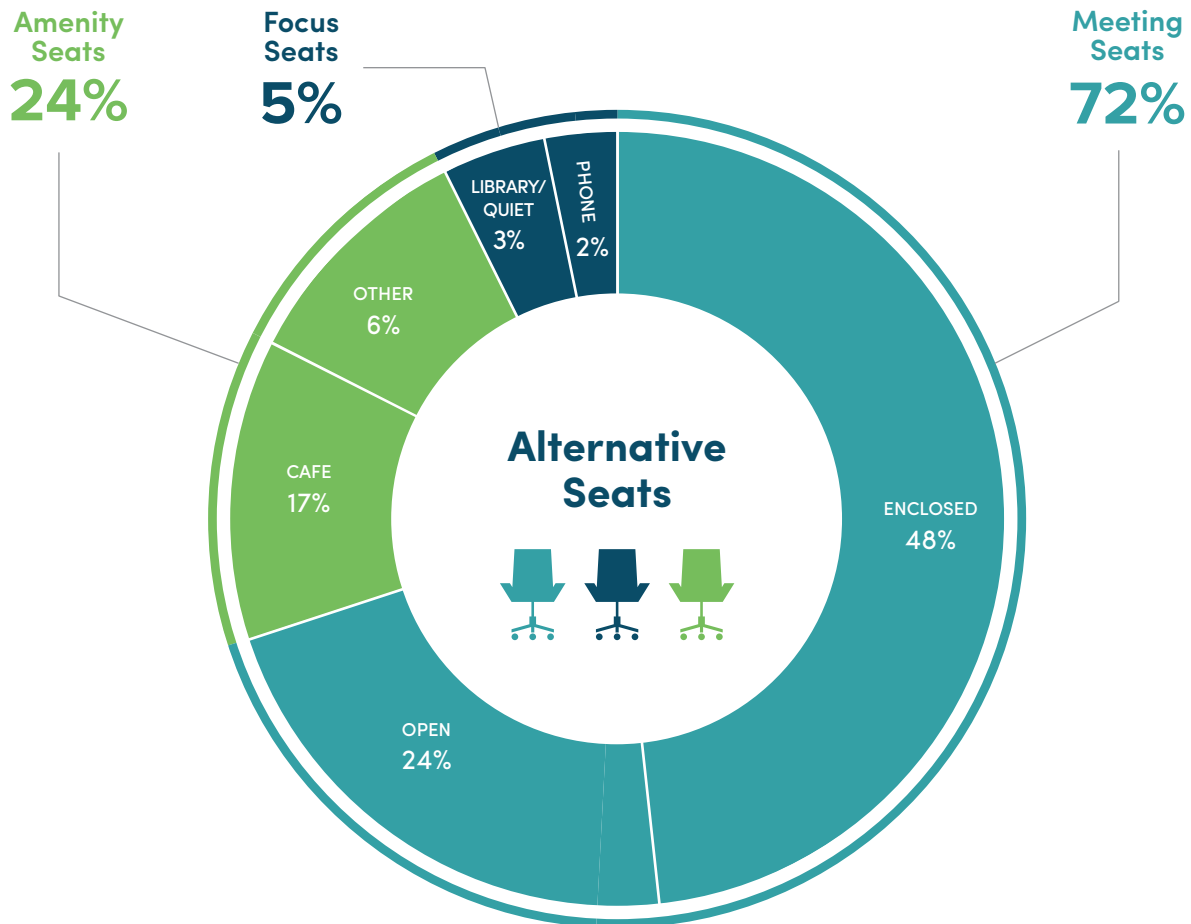
# Alternative Spaces

## Diversifying the Workday

A lot has been said about open-plan workplaces, but an important distinction should be made between purely open spaces and the kinds of engaging, tailored workplaces we design. Alternative seats are where we make this distinction. As we continued to see this year, we are designing spaces with slightly more alternative seats than workspace seats, providing employees with plenty of opportunities to change up their work environment throughout their day. We work with our clients to determine the proper mix of alternative seats for their workplace culture. The average mix we provided this year is detailed below.



This is defined as a "seat" in the office that isn't assigned to a particular individual, and can be used for a variety of work and non-work related activities. Think of it as the fun stuff that makes your office cooler than your friend's!



## Support Spaces

### No Longer A “Nice to Have”

To attract and retain top talent, organizations consistently evaluate their policies and spaces they utilize to support employees. Factors such as sustainability and individual wellness become more prevalent in our workplaces. That is why 2018 was the final year we reported copy/print areas, after seeing a continued reduction resulting from the move towards paperless workplaces.

A key support feature in the workplace is the pantry or cafe. Pantries act as more than just a place to eat or grab your food and go; they are a place to encourage social interactions, alternative space to work in, a place to meet and collaborate. These spaces, which can vary from a small seating area to a large multipurpose space, also encourage chance interactions with other employees that may not happen otherwise.

The definition of wellness spaces continues to expand, in the form of meditation spaces, gyms, prayer rooms, and outdoor areas. Not included in our metrics is wellness in the form of sit-stand desks, biophilic design elements, and policies – and we know these were big considerations of our clients this past year.

WHAT'S  
IN THE  
RATIO?

1:?

Ratios are a way of measuring the amount of “things” in a workplace by the relative number of people per each one of those “things.” For example, a 1:100 stapler-per-person ratio means 1 stapler is shared by 100 people. The humanity!



### Pantries

The number of pantries we provided in 2019 stayed fairly consistent. In 2018, our clients provided cafe seats for roughly 15% of their staff to sit at a time. This year saw a similar 16%.



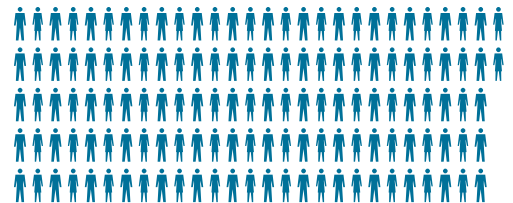
1:137

PER PEOPLE

2018: 1:145

2017: 1:112

2016: 1:133





### Wellness

We continue to provide a variety of wellness spaces and amenities, and though this number suggests we provided slightly fewer in 2019, this count does not include sit-stand desks, biophilic elements, and other wellness opportunities.

**1:203**

PER PEOPLE

2018: 1:173

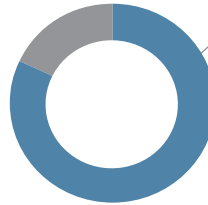
2017: 1:198

2016: 1:251



### Sit/Stand Desks

This year we started tracking the percentage of projects that provided their employees with access to sit/stand desks. 62% of projects had sit/stand capabilities at every desk while 20% provided at least access to desks with sit/stand capabilities. This shows that wellness is provided to employees in a multitude of ways. We've seen the percentage of projects where every employee is given a sit-stand desk increase over 8-fold since our first report. In other words, over 74% of employees represented in this year's report are working at a sit/stand desk!



**82%**

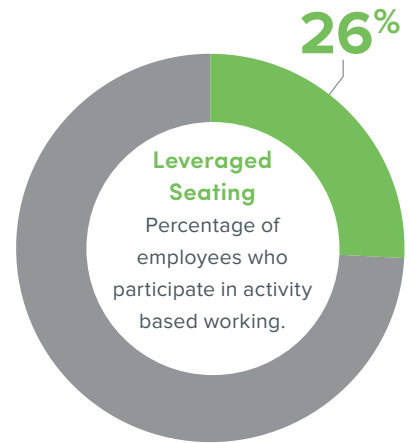
of all projects provided access to sit/stand desks in 2019.



# Activity Based Work Environments

## More People Taking Part

This year we saw a continued increase in the number of employees engaging in activity based work (ABW) settings, from 24% last year to 26%. ABW in this report refers to an environment where the desks are unassigned. This type of working recognizes that work happens in many different places and in many different ways. It gives choice to the employee to select the best work setting for them, and it gives flexibility to the organization as business needs change. ABW goes beyond real estate. It is necessary to have the supporting technology, infrastructure, training, policies, buy-in, leadership support and change management in order to be successfully implemented in an organization.



A leveraged seating ratio is the number of people per desk in an office. So, 130 people sharing 100 seats would be a ratio of 1.3:1. Did you know that, in pretty much any office, you could leverage seats at that ratio and still have enough seats for everyone who shows up to work on any given day? Cool right?

### Leveraged Seating Ratio:

**1.3:1**

PEOPLE PER SEAT



### Average Usable Square Feet (USF):

With this style of working, what matters at the end of the day is USF per person.



PER SEAT

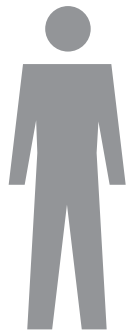
**176**

2018: 177  
2017: 163  
2016: 159

PER PERSON

**110**

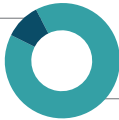



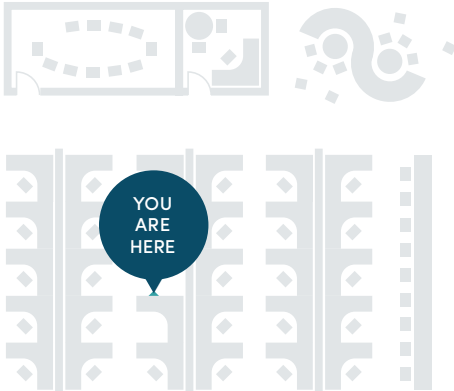

2018: 131  
2017: 124  
2016: 123



# Work Mode Strategies

## Traditional vs Activity Based Working

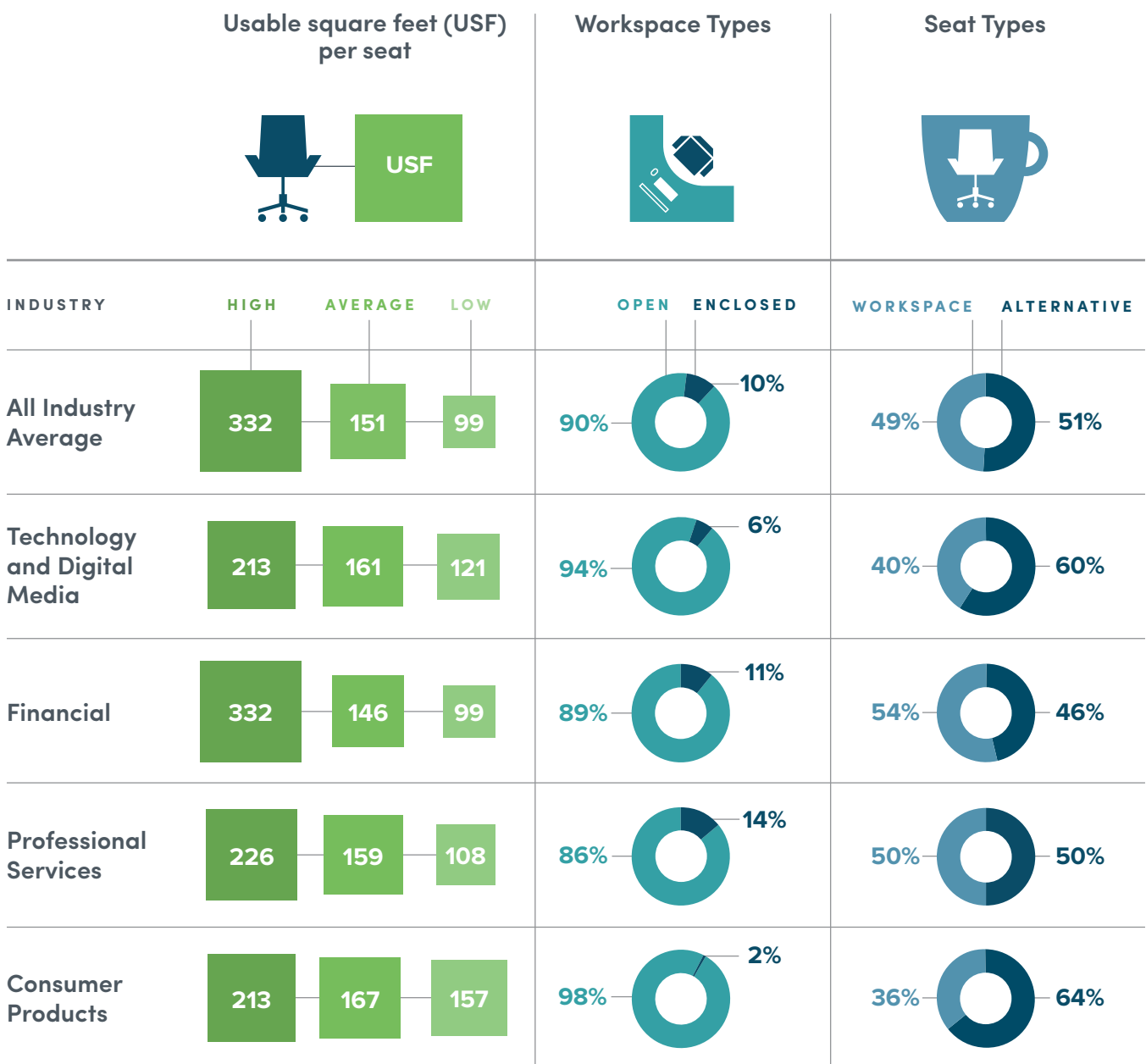
A larger percentage of our clients' employees were engaged in activity based working this year. The below information displays the key workplace metrics for traditional workplaces and activity based workplaces. Each year, we can look back at these metrics to see how choosing a model of working impacts key ratios. In Activity Based Working Alternative Seat Types, we saw this percentage increase from 59% last year to 65% this year. This could indicate more value being placed on common spaces and community over singular workspaces.

	Traditional One person, one place (1:1)	Activity Based Working Multiple people, multiple places (avg. 1.3:1)
USF / Seat	<b>145</b>	<b>176</b>
USF / Person	<b>145</b>	<b>110</b>
Workspace Type	<p>10% ENCLOSED</p>  <p>90% OPEN</p>	<p>8% ENCLOSED</p>  <p>92% OPEN</p>
Seat Types	<p>54% WORKSPACE</p>  <p>46% ALTERNATIVE</p>	<p>35% WORKSPACE</p>  <p>65% ALTERNATIVE</p>
Daily Workflow		

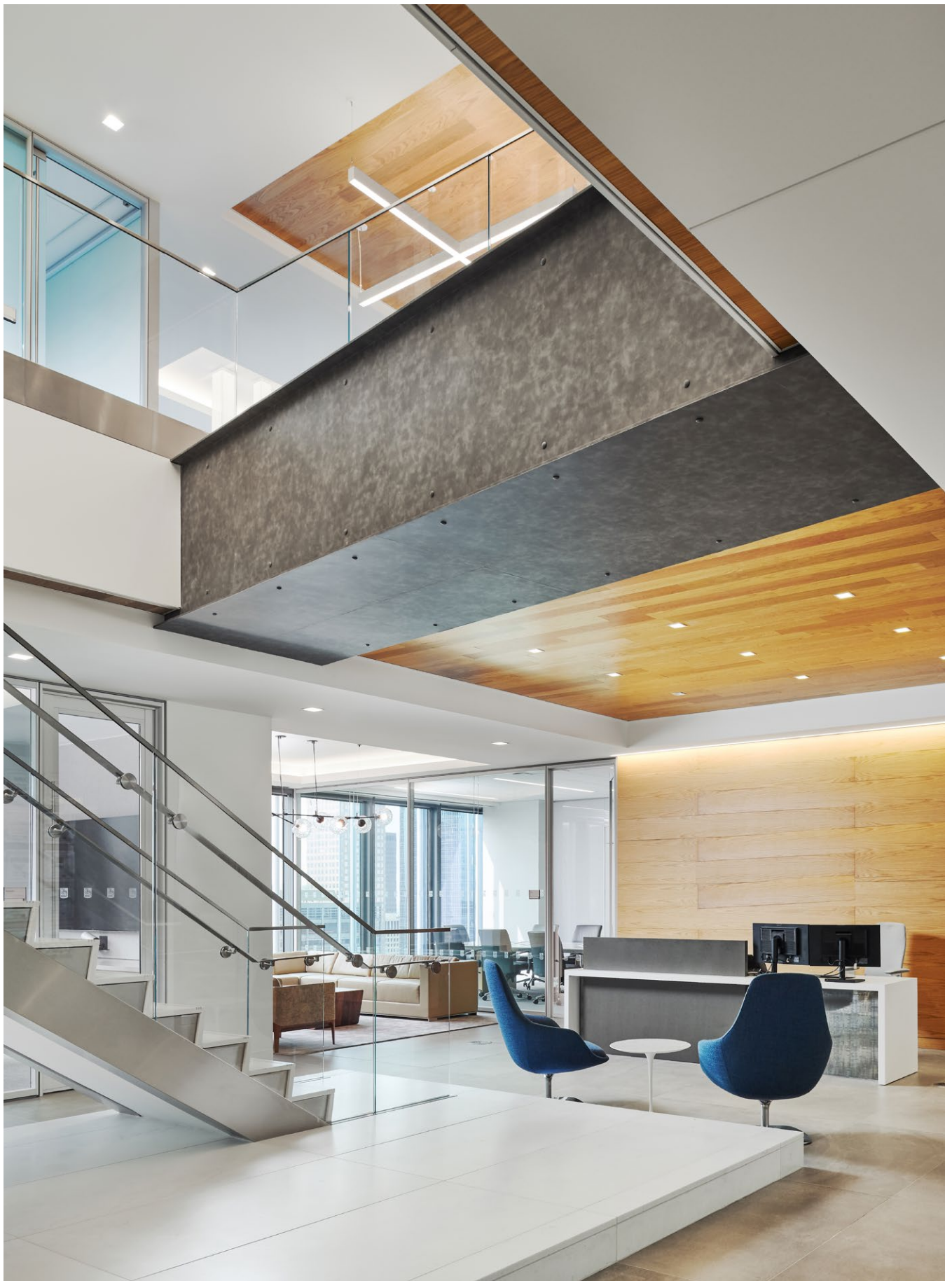
## Data Dive

### Overall vs. Industry Metrics

We track all our projects in a comprehensive database to enable analysis both overall and by-industry. Although we have segmented USF per seat, Workspace Types, and Seat Type distribution by industry below, we see a blending in workstyles across industries. We benchmark clients not only within their industry but also with organizations that work similarly to them.







# TMA's Workplace Predictions

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- 1 More holistic view to showcase company values through design, culture, and policies
  - 2 More strategy-driven workplace transformations
  - 3 Increase in opportunities for well-being spaces, programs, and sensory elements
  - 4 Increase in truly flexible workplaces to support mobile employees
  - 5 More meaningful data collection methods – both quantitative and qualitative
- 

## Can't get enough?

Want more detail on our 2019 workplace predictions? Read our article published in *WorkDesign Magazine*: ['What's Next In Workplace Design?'](#)

Interested in learning about more meaningful data and our rule of thumb for workplace data gathering? Read our article published by *WorkDesign Magazine*: ['Why Measuring the Human Condition Results In Better Space Design'](#)

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### LEARN MORE!

This report only scratches the surface. We would love to tell you more about our results and our services. Contact our Workplace Strategy Team: [workplace@tedmoudis.com](mailto:workplace@tedmoudis.com)

### FOLLOW US!



## About Ted Moudis Associates

Ted Moudis Associates designs workplaces that provide sustainable environments and flexible workplace solutions built for longevity, productivity, and enjoyment. We believe that a built space should not only reflect but also enhance an organization's culture and values.

Businesses today face an unprecedented mix of social, economic, environmental, and technological challenges. Our diverse staff of multi-disciplinary experts in the fields of architecture & interior design, workplace strategy, change management, brand integration, and furniture coordination help our clients to meet these challenges.

Founded in 1990 by Senior Principal Ted Moudis, AIA, and headquartered in New York with an office in Chicago and an alliance in London, we are a recognized Top 10 Office Giant by *Interior Design Magazine*.

### Our Expertise



#### ARCHITECTURE & INTERIOR DESIGN

We believe in the power of space. Your workplace is a key driver for your organization's success and continued growth. Our architecture and interior design experts partner with you to design the perfect solution that provides maximum productivity, flexibility, and innovation for your unique business.



#### WORKPLACE STRATEGY

The design of your workplace is an opportunity to implement new strategies that reflect your changing business environment and set the stage for how your people will work in the future. We equip your employees with spaces and technology that enhance overall performance, while at the same time driving efficiency.



#### CHANGE MANAGEMENT

We understand that workplace performance is only as good as the drive of your people. We focus on workplace and workstyle adoption to support your people through the transition to ensure they are utilizing the workplace to its full potential and to reduce the natural dip in productivity that occurs with all change initiatives.



#### BRAND DESIGN

For workplace clients, brand integration into the built environment is a key factor in designing the perfect experience. Partnering with you, we deliver impactful graphics, technology solutions, and branded environments that are seamlessly incorporated into the architectural services we provide.



#### FURNITURE COORDINATION

The purchase, scheduling, production, delivery, and installation of furniture is one of the most complex aspects of any project. Our in-house experts provide a turnkey furniture solution. We analyze your furniture inventory and requirements and develop purchasing strategies, budgets, and schedules based upon projected quantities and furniture styles.

# TED MOUDIS ASSOCIATES

DESIGN | PLANNING | STRATEGY

## **NEW YORK**

79 Madison Avenue  
New York, NY 10016  
Tel. 212-308-4000

## **CHICAGO**

La Salle Wacker  
221 North LaSalle St.  
Chicago, IL 60601  
Tel. 312-924-5000

## **LONDON**

MCM Architecture  
71 Hopton St.  
London SE1 9LR  
United Kingdom  
Tel. 020-7902-0900  
[www.mcm-uk.com](http://www.mcm-uk.com)

[tedmoudis.com](http://tedmoudis.com)