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Forward

Aster Angagaw
Senior Vice President, Market Development

January is a natural time for organizations to look ahead, mindful of the recent year just passed and cognizant of the future. For many companies, January also signals a strategic plan review. During this time, companies look to understand drivers of success, revenue generation and operational efficiencies. Regardless of industry, there is a common thread that brings success to all organizations. That common thread is people. Top of mind for all successful organizations today is how to attract, retain and harness the power of the best talent in your industry.

Our Sodexo researchers sought to understand what is top of mind for clients, end-users, and what the benchmarks are in the overall market. And more importantly, how each of these factors shapes the outlook for 2012 and beyond. This research review, along with the analysis of top industry practitioners of Human Resources, Workplace Strategy and Facilities Management, allowed us to create this rich and robust report of workplace trends. Many of the trends that emerged were not a surprise, but rather demonstrate a topic that has reached critical mass. True trends typically follow a path of mainstream consumption that occurs over a period of time. Relevant attitudes, beliefs, and larger population views feed these trends. This idea separates trends from simple fashions or events, which certainly might be popular or create a buzz in the market, but are not sustainable or nearly as impactful, with regard to benchmarking, end-user demand or widespread adoption.

The Workplace Trends Report outlines developments that influence both employees and employers. They are trends that we see as having significant impact beyond 2012, and will yield significant results over time. Our experts predict that these trends are the direct link to designing built environments that enhance individual performance, foster collaboration, and contribute to the holistic well-being of employees. We know that the creation of great space for your people to come together brings tangible outcomes and return-on-investment to your organization. Successful organizations place significant value on practical incentives and benefits, as a method to show employees they are valued, but there is more. Linking human capital solutions to practical business outcomes also shows employees that they are an important part of mission-critical success.

Research Methods & Summary of Findings

*Rachel Permut-Levine PhD, MSPH, Sr. Director,
Outcomes-Based Research & Solutions, Sodexo*

Kevin Rettle, FMP, Director of FM/CRE Market Research & Insights, Sodexo

Sodexo's experts in human capital solutions used an integrated methodology to monitor trends that affect the quality of daily life of their consumers in the workplace. This approach included traditional quantitative measures, observations and interviews from over 1,000 client sites, as well as a robust bibliographic review of academic and trade journals within Human Resources, Information Technology, Facilities, Real Estate, and Hospitality. In addition, Sodexo collected interviews and reports from panel discussions at Society of Human Resource Management (SHRM), American Psychological Association, International Facilities Management Association (IFMA), and CoreNet.

We have also incorporated an analysis of social media to understand context of less structured data, such as discussion boards and ad-hoc surveys within LinkedIn and Twitter. The Workplace Trends Report represents a sample size in excess of 800 end-users.

Our research demonstrates employees' desire to be aligned with their employer. The impact: Organizations must tangibly demonstrate a holistic level of empathy and commitment to their employees at both a personal and professional level. As one would expect, health and wellness, inspirational workspace design, flexible work arrangements, inclusion and the overall experience at work round out trends for engaging and retaining the workforce of 2012. Most importantly, we must underscore that these trends are outcome-driven. Each of the top 10 trends is quantifiable and has been shown to drive business outcomes.

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Top 10 Workplace Trends of 2012

- 1 Integration of Workplace Solutions: Creating Higher Value
- 2 Workplaces That Promote Sustainability
- 3 Inclusive Workplaces
- 4 It's All About Me: Rewards & Recognition
- 5 Virtual Workforces
- 6 The Built Environment as a Driver of Employee Engagement
- 7 Evidence-based Space Design
- 8 Quantifiable Employee Health & Wellness Initiatives
- 9 Psychological Health in the Workplace
- 10 Flexible Workplaces

Trend Abstracts

Integration of Workplace Solutions: Creating Higher Value

Today's workplace is hardly business as usual...There are four generations in the workforce with different work-style and life-style demands, footprint consolidation is happening everywhere, healthy employees are a must, there is a need to focus solely on core business, and if employers don't positively impact the environment, they won't be in business. While the word "integration" in the workplace has predominantly been used in reference to IT systems and functions, a new business model for integration is emerging that is expanding this reference to include various types of workplace solutions to enhance human capital and to meet the multiple business challenges described above. "Integration" now requires employers to view the needs of its workforce and workplace services solutions much differently and in a way that delivers both the optimal employee experience with the greatest operational value. As a result, we foresee a new business formula for success, which includes integrating the workplace + work style + lifestyle needs of the organization and its human capital, resulting in full engagement and maximized performance.

There is a tremendous value proposition to the organization and its employees when workplace solutions are integrated. It is beyond monetary. The value is returned in terms of performance, productivity and innovation. Inherently, efficiency is the result when diverse systems within the workplace are "talking with each other," and when we meet the needs of the "whole person" and not just the employee.

So, what do we mean by saying that integration of workplace solutions can create higher value? Quite simply $1+1=3$...**We are inferring that the combined effect of different solutions within an organization have the ability to create a positive synergistic effect if designed, managed and delivered correctly.** There are two key components of workplace solution integration that we believe bring multiple positive effects into the workplace when implemented. These elements must be espoused by the very core – or heart of the organization – where they are modeled by leadership and funneled down to all levels.

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Workplaces that Promote Sustainability

Water issues, the reduction of an organization's carbon intensity, and improved energy management continue to be critical issues in promoting 'green buildings' and a holistic culture of conservation. Sustainability is a driver of cost, savings and public perception.

Job seekers place increased value on organizations whose corporate real estate initiatives policy aligns with their own. Just as important, consumers purchase the same way. Transparency and governance issues will put environmental transgressions center stage.

Inclusive Workplaces

Not only are the demographics of our country changing, but the value we place on having a diverse workforce is changing as well. Creating an inclusive culture and maximizing a diverse population is more important than ever. In fact, a 2005 study by Timmermans and Mauck links the adaptive culture of diversity and inclusion to higher rates of employee engagement and satisfaction.

As the definition of "diversity" expands, so will business opportunities. The inclusion of women, GLBT employees, persons with disabilities, and minorities are simply the foundation of what diverse programs will look like. As 2012 approaches, look for more emphasis on diversity of occupational background, generation and life experiences that will allow many more people to bring "their whole selves" to work.

It's all about me: Rewards & Recognition

More than an employee benefit, recognition programs are used to engage employees, encourage repeat positive behavior, and execute on the corporation's goals and objectives, as well as support its mission, vision, and values. Top-performing companies across the U.S. leverage a combination of organization-wide, grassroots, and/or department-level employee recognition programs.

The ways in which people are recognized and rewarded have significant impact on the effectiveness of recognition on a company's bottom line. Most managers falsely assume that rewards have to be big and expensive to get the point across. We will begin to see more reward and recognition programs that use peer-to-peer platforms, non-monetary accolades, and innovative incentives to drive behavior.

Virtual Workforces

As companies take a broader look at productivity as opposed to hours worked, we will continue to see many new work situations arise, each of which will be highly tailored to the individual worker. Pay for performance and pay for productivity are compensation plans that align with deliverables versus time; these will become key areas of focus in the future.

While this is terrific news for those wishing to work from their homes (or the local coffeehouse), companies must still address the implications of this burgeoning trend. Will employees truly be more productive and how can this shift happen if cultures are slow to adopt this trend? With strategies around deliberate communication (virtual water cooler), training and recognition, a virtual workforce can flourish. It takes more effort, but it is very possible to have the same, if not greater, level of performance from a virtual team.

The Built Environment as a Driver of Employee Engagement

Employees view the work setting and service they receive as an extension of the level of care by management. Working in poor temperature-controlled spaces and buildings that appear in poor repair set a bad example. Prospective employees form impressions of your organization the minute that they step into your lobby.

Service that is not in alignment with end-users' expectations compounds the problem of perception. Employees who receive excellent service from maintenance personnel, dining staff, business support and housekeeping deliver equal levels of service to their customers. Employees perceive the level of attention given to soft benefits, such as wellness programs, on-site dining and gyms as a direct reflection on senior leadership, and more importantly, their level of engagement.

Evidence-based Space Design (EBD)

Evidence-based design (EBD) is neither novel nor surprising; however, its resurgence since the late 1980s is relevant, due to the manner in which it has evolved in the last three decades, including a greater understanding and emphasis on environmental stewardship, economic impact and the ever-changing dynamic of the workplace. Architects and engineers have long approached the design of built spaces as a strict and rigorous science. However, what differs today is the expectation that these professionals will also seek the input of various disciplines and subject matter experts to create spaces that are beautiful, inspiring and outcome-focused. In addition, corporate real estate executives must meet dual expectations of not only selecting economically feasible sites, but also delivering a results-driven service architecture.

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Quantifiable Employee Health & Wellness Initiatives

Corporate wellness programs are becoming more and more prevalent as time moves on. They are no longer considered just “nice to have” – they are definitely a “must have.” The breadth of their programming continues to grow in scope and complexity. For instance, corporations miss opportunities if their only focus is on fitness centers as a means to get their employees healthier. In fact, there will be a new emphasis this year on: short programs encouraging small fitness breaks or relaxation breaks; programs/exercises employees can do at their desks; and renewed focus on meditation, mindfulness, and non-traditional “well-being” interventions.

Further, the ability to match outcomes in terms of reduced health care costs, increased productivity, and higher rates of presenteeism will be the new standard in measuring the effectiveness of such programs. Focus will shift away from traditional “ROI” calculations to “VOI”, or “Value on Investment” as different organizations emphasize the importance of different outcomes. VOI is focused on intangible benefits, rather than the “hard/tangible” benefits that ROI measures. Some frequently used metrics within a VOI calculation are:

- business process reinvention and innovation
- cultivation, management and leveraging of knowledge assets
- collaboration and increased capabilities to learn and develop communities
- individual and organizational competencies
- new kinds and levels of leadership

Psychological Health in the Workplace

According to the American Psychological Association, a psychologically healthy workplace fosters employee health and well-being, while enhancing organizational performance and productivity. Psychologically healthy workplace practices can be grouped into five categories; employee involvement, work-life balance, employee growth and development, health and safety, and employee recognition.

As the definition of a healthy employee broadens, we will see corporations consider more than just the physical health of their employees. Mental health will be a top priority and we will see other dimensions of well-being addressed as well.

Flexible Workplaces

Flexibility in the workplace is the wave of the future. There are numerous proven benefits to this growing trend, including reducing a company's footprint (carbon and actual!), providing employees with more autonomy when deciding how to produce results, and more work-life balance. The prospect of allowing more flex-work and flextime can be daunting to many organizations. In that case, it is best to start at the top and form policy around flexible workplace arrangements and to reevaluate their effectiveness at periodic intervals - giving the flex strategies ample time to show their outcomes.

"Workplace flexibility helps businesses succeed and employees thrive by giving people an integral role in deciding how, when and where they do their best work," said Henry G. (Hank) Jackson, Interim President, and Chief Executive Officer of Society for Human Resource Management (SHRM). "That means higher productivity and employee engagement, lower turnover costs and more innovation — in short, a more competitive organization that is better prepared for what's next."

As this trend continues to move mainstream, more emphasis will be placed on proving how to implement flexible workplace and workspace management strategies without adding additional capital expense. Topics of interest include space overflow management (comparing fixed vs. variable workspace availability), utilization of fixed vs. variable real estate, and smart meeting spend (leveraging outsourced video conferencing to eliminate excessive travel and the need to purchase expensive video equipment).



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Integration of Workplace Solutions: Creating Higher Value

Debra Dailey, Vice-President Human Capital Outcomes, Sodexo



Today's workplace is hardly business as usual... There are four generations in the workforce with different work-style and life-style demands, footprint consolidation is happening everywhere, healthy employees are a must, there is a need to focus solely on core business, and if employers don't positively impact the environment, they won't be in business. While the word "integration" in the workplace has predominantly been used in reference to IT systems and functions, a new business model for integration is emerging that is expanding this reference in order to meet the multiple business challenges described above. "Integration" now requires employers to view the needs of its workforce and workplace services

solutions much differently and in a way that delivers both, the optimal employee experience with the greatest operational value. As a result, we foresee a new business formula for success, which includes integrating the workplace + work-style + life-style needs of the organization and its human capital, resulting in full engagement and maximized performance.

Workplace solutions can mean anything from IT systems, to workplace design, to human resource initiatives, to wellness, facilities and more. The inefficiencies arise for businesses when these different solutions are managed in silos. It is fairly common knowledge that siloed approaches to maximizing human capital performance can lead to communication failure,



disruptions in workflow, and disgruntled employees. There is a tremendous value proposition to the organization and its employees when workplace solutions are integrated. It is beyond monetary. The value is returned in terms of performance, productivity, and innovation. Inherently, efficiency is the result when diverse systems within the workplace are “talking with each other,” and when we meet the needs of the “whole person” and not just the employee.



So, what do we mean by saying that integration of workplace solutions can create higher value? Quite simply $1+1=3$...**We are inferring that the combined effect of different solutions within an organization have the ability to create a positive synergistic effect if designed, managed and delivered correctly.** There are two key components of workplace solution integration that we believe bring multiple positive effects into the workplace when implemented. These elements must be espoused by the very core – or heart of the organization – where they are modeled by leadership and funneled down to all levels.

We foresee a new business formula for success which includes integrating the workplace + work-style + life-style needs of the organization and its human capital, resulting in full engagement and maximized performance.

A Willingness to take a Unified Approach to Creating an Exemplary Workplace Experience

There is inherent value in creating an aligned vision for the workplace experience through cross-disciplinary teams and outsourcing vendor partnerships, because they provide different perspectives on problems and strategies that maximize efficiencies. A new lens offers an opportunity for innovation through collaboration.

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For example, let us use the goal of increasing employee engagement and satisfaction, while also driving overall employee well-being... not an easy task, and here's why.

Employee needs and workplace demands have changed:

- **The Workplace:** Must be built to minimize distractions and constraints, and designed to meet the work-style and life-style preferences of employees.
- **Work-Style Needs:** Agile, flexible, with multiple and different places to work, connect and socialize with peers. Must include the convergence of lifestyle solutions in order for more work/life balance, convenience and the ability to simplify lives.
- **Life-Style Needs:** Lifestyle improvement and behavior change is strongly by having strong social support and the "built environment." The workplace environment needs to default to the positive in order to make change easy.



It is obvious that a single solution, program or service will have only a minimal impact, and that businesses will need to look beyond the strategies and programs they currently have in place in order to be successful. Solutions need to come from a combined set of resources including: facilities; service architecture professionals; real estate developers; human resources; wellness; diversity; and communication staff to manage workplace change and promote the new environment.

The most effective and efficient way to achieve this challenging goal is through a unified approach, integration of cross-disciplinary functions and outsourced solutions that impact the interdependency of the needs described above. When managed and delivered through a single source, the combined effect of the solutions has a synergistic impact with results that are multiplicative. These results include saving money through operational efficiencies; more opportunities to improve health and drive innovation; cost per square foot is reduced; there are fewer daily interruptions resulting in the ability for employees to focus on the most important work activities of the day.

“Eight minutes is the average time between interruptions. That adds up to 50 interruptions in a normal workday. If the average length of an interruption is 5 minutes, an employee loses more than 4 hours per day.”

A Propensity for Outcomes, Measurement & Continuous Improvement

When implementing an integrated system of workplace solutions, we should ask ourselves many questions about outcomes and measurement. The pressures to measure solution impact will force workplaces to move beyond traditional outcomes, such as utilization and “cost per square foot,” toward value-based benefits achieved by impacting human capital. When multiple stakeholders are asked to design more effective solutions around achieving critical business outcomes such as: employee engagement; health care cost reduction; operational efficiencies; energy and facility management; it brings to life and even greater need to understand the interdependency of the workplace, work-style and life-style needs of employees.



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Most assessments, database and technology systems evaluate outcomes from one particular service or solution, significantly reducing any opportunity to uncover new solutions. For example, how does “cost per square foot” tell us anything about productivity, innovation, quality of life or overall engagement? Dr. Wendy Lynch, a leading researcher for Health as a Human Capital Foundation, contradicts this strategy as presented in her May 24, 2009 blog, “The most efficient solutions appear when we take information out of compartments to see how things interrelate.” It is our belief that this approach provides the

best opportunity to uncover more than what’s merely apparent about the impact of a particular service, solution or measurement. This brings to life the value of integrated workplace solutions, the need to view the workplace experience holistically and the competitive advantage it can potentially bring to businesses.

“The most efficient solutions appear when we take information out of compartments to see how things interrelate.”

What is the cost of Business as Usual?

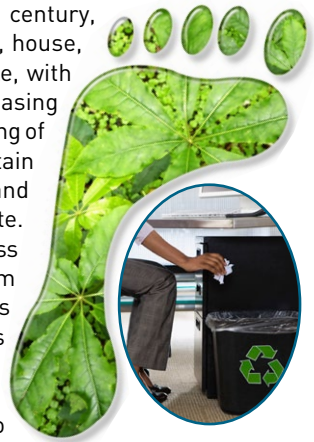
When workplace solutions do not “talk to one another,” and when we view employees one dimensionally, operational inefficiencies and low engagement are inevitable. Operational inefficiency occurs in every business and only those companies who are vigilant about uncovering these inefficiencies and correcting them are capable of maintaining better outcomes across the board – including higher employee engagement and better customer relationships. The value proposition for integration comes in many forms – most notably taking a unified approach to the workplace experience, streamlining of operations, enhancement of communication, and the incorporation of different stakeholders into the conversation in order to maximize business success.

A new business model is emerging. A model that takes into account the efficiencies and positive, synergistic effect that results from the integration of services and solutions...one that is designed, managed and delivered in a way that meets the workplace, work-style and life-style needs of the organization’s most important asset, its human capital.

Workplaces That Promote Sustainability

Rachel Sylvan, Engagement Director, Office of Sustainability & CSR
Kristen Rainey, Sustainability Director, Corporate Services

Having just crossed the population threshold of seven billion people and rapidly approaching nine billion by the middle of this century, many experts are questioning how we can feed, clothe, house, and otherwise meet the needs of so many more people, with the finite resources our planet has to offer. Rapidly increasing population is already influencing the health and well-being of people and communities around the world, and it is certain to have an impact on the political, economic, social, and technological realities within which businesses operate. Leading companies recognize that preparing to address the changing needs also creates the opportunity for them to thrive in the future, though innovations that address shifts in the environment support local communities and enhance health and wellness. This is in essence what sustainability in the workplace is about. Here are three ways that companies can add more meaning to their sustainability strategy.



Link Sustainability to Employee Engagement

It turns out that the benefits for companies that embrace sustainability go beyond energy efficiency, risk mitigation, opportunity for innovation and corporate social responsibility. Sustainability directly affects your employees. According to Ante Glavas, Assistant Professor of Management at the University of Notre Dame's Mendoza College of Business, "People who work for green companies have a pride-in-ownership mentality and are happier and more productive." (Koch & Glavas, 2010) Higher productivity is certainly a no-brainer for any CEO, no matter what the industry. Based on its own findings, Gallup calls employee engagement "a leading indicator of financial performance."* The same research demonstrated that engaged organizations have 3.9 times the earnings per share (EPS) growth rate compared to organizations with lower engagement in the same industry."

Furthermore, pride-in-ownership is not simply about smiling employees showing up for work every day; more critical to the bottom line, pride-in-ownership could lead to greater employee retention, resulting in cost savings from lower turnover.

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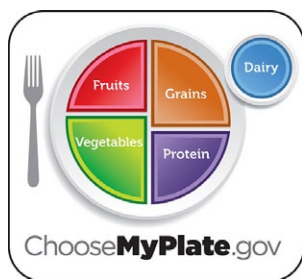
Show Your Commitment to Nourish Both Health & Planet



Food tops the agenda for many people concerned with our environment, health, and communities. This is where concern about the rising obesity epidemic in the U.S. comes together with the global recognition that the food we grow consumes 70 percent of the planet's available fresh water, affects more than half its habitable land and influences the livelihood of about a billion people. Food served on site, at meetings, and in a company's products is a highly visible opportunity that every organization has to show they care about health and the environment. Food also provides an opportunity to engage the workforce in whatever sustainability issues matter to you – climate change, waste, water supply, healthy living, etc. Companies that do this best have a multi-dimensional approach.

One trend that is a great example of the bridge between health and environment is the return to smaller portion sizes. Increasingly, many adults are coming full circle, opting to return to smaller portions resembling the kid-sized meals from their childhoods. Why? For starters, smaller portions obviously contain fewer calories, so many are pursuing this shift due to a concern for their waists. Therefore, it is not surprising that the National Restaurant Association recently identified "mini meals" as a top trend for 2011. The benefits go beyond health. For example, smaller portions produce less food waste, reduce carbon impact, and generally cost less, which makes fiscal sense in this difficult economy.

Portion sizes are not only getting smaller; what people eat is changing as well. With the USDA's new "MyPlate" recommendation for healthy eating, the government is shifting from a plate of the past (1/3 meat, 1/3 starch, and 1/3 vegetables) to a plate of the future (1/4 protein, 1/4 whole grain, 1/2 fruits and vegetables). The more people know about the impact of animal production as a leading contributor to climate change, the more they realize that increasing consumption of plant-based foods and reducing animal proteins is not just good for individual health, it is beneficial for the health of the planet.



Go Beyond Your Boundaries to Address What Matters Most

Often our greatest impacts lie outside the boundaries of our own businesses. Sustainability requires collaboration within our own organizations and throughout the supply chain. Just look at the way companies are now accounting for climate impacts. Traditionally, companies have measured emissions from their own energy production and purchase. However, the world has recognized a growing need for a more complete picture. This has never been more important, given the recently released numbers by the Global Carbon Project, which shows that 2010 brought the biggest jump on record for global carbon emissions – an increase of 5.9 percent according to coverage by the New York Times (Gillis, 2011).

The great thing about sustainability is that it contains opportunities.

The need for a wider perspective on the subject is why the Greenhouse Gas Protocol, in conjunction with the World Resources Institute (WRI) and The World Business Council for Sustainable Development, just introduced new standards providing increased clarity around Scope 3, which will allow companies to better measure the emissions of their supply chain. Scope 3 accounts for “upstream emission” embedded in areas such as purchased raw materials and “downstream emissions” that account for employee commuting and business travel and the full life cycle of the product after it has already left the company’s hands. Global companies like Alcoa and SC Johnson have already expressed endorsement for the new Scope 3 standards. This type of reporting is likely to be mandated from advocates, clients and customers in the near future. Moreover, once we know where our impacts lie, the next question will naturally be – so what are you doing about it? Many companies see a strong business case for conducting Scope 3 inventories, and are realizing significant cost efficiencies after accounting for all emissions.

Sustainability contains opportunities to motivate employees, reach new customers, innovate business models, improve financial bottom lines, and feel good about the contribution to improving the world. That seven and soon-to-be nine billion need all of us to take full measure of our impact and the future of our businesses depends on it.

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Inclusive Workplaces

Rohini Anand, Senior Vice President & Global Chief Diversity Officer, Sodexo

In today's increasingly complex and interdependent global economy, diversity and inclusion is a business imperative that can drive an organization's ability to attract and develop the best talent, create an engaged and high-performing workforce, identify new business opportunities and deliver exceptional results for clients and customers.



Clearly, the population in the United States—and the world—is changing dramatically. In 2008, “minorities” were roughly one-third of the U.S. population, but by 2042, “minorities” will be the majority! Moreover, between now and 2050, people of color will represent 90% of the population growth. As their numbers increase, so too, does their buying power.

Forward-looking companies need to understand the implications of these demographic shifts. To remain competitive, organizations must continually evolve their focus and adjust their strategies to anticipate changing workplace and marketplace demands.

In addition, the composition of our workforce has changed rapidly in recent years and will continue to become more diverse in the years ahead. That, combined with a challenging and unpredictable economic climate, is leading organizations to utilize new strategies to retain and engage employees. One of the most significant trends emerging in 2012 is the value employers and employees are placing on inclusion and inclusive work environments.



Diversity and inclusion also has a significant impact on business performance. Numerous studies by organizations including Catalyst, McKinsey, and Bloomberg have found links between gender diversity and corporate financial performance - companies with the highest representation of women in top management, experience better financial performance than companies with lower representation of women in top management.



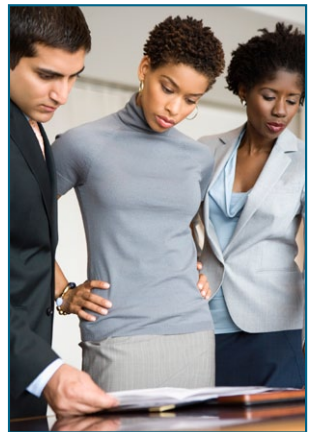
According to the Equality and Human Rights Commission, an inclusive workplace is one where fairness, respect, equality, dignity and autonomy are promoted and are part of the organization's everyday goals and behavior. To remain competitive, organizations will need to create and sustain a culture that not only respects and accepts individual differences, but also leverages them for innovation and business growth. While addressing gender and minorities continue to be very relevant to

creating inclusive work cultures, it is also vital to understand and actively engage other groups such as the LGBT community, people with disabilities, multiple generations and veterans.

“Diversity and inclusion is a competitive advantage and should be a fundamental component of any organization’s long-term growth strategy...”

Progressive companies are creating and promoting inclusive work environments to maximize productivity, attract new talent and increase employee commitment. Leveraging differences helps any organization reason and react faster, approach challenges and solve problems more effectively, make valuable suggestions and informed decisions and identify and pursue exceptional opportunities.

As the U.S. and global population base steadily becomes more diverse, a significant portion of any organization's future growth must come from tapping into diverse emerging markets and understanding cultural preferences and decision-making processes.



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As companies continue to refine and expand their inclusion efforts they will find that living their diversity values and implementing key inclusion initiatives will enable seamless integration with customers on a global scale, especially as business practices evolve with the world population. Inclusion itself could be the driver of rapid globalization for some organizations.



Diversity and inclusion is a competitive advantage and should be a fundamental component of any organization's long-term growth strategy. Progressive organizations are seeing the value and return on investment of a solid diversity and inclusion strategy.



It's All About Me: Rewards & Recognition

Heidi Hastings-Brien, Sr. Director Motivation Solutions, Sodexo

Forget What You Know: Five Paradoxes on Motivation at Work

The mechanisms of motivation at work are more complex than they seem. To create long-lasting motivation, you have to resolve a few paradoxes.

Your Employees Want a Clear Framework. Don't Forget Autonomy.

For people to be able to give the best of themselves, it is essential that they know what is expected of them.

It seems apparent that the more precise and ambitious the objective, the stronger their motivation—assuming, of course, that it is realistic.

In 90% of cases, very ambitious and clearly defined objectives will lead to greater performance than vague objectives, such as “Do your best.”

However, watch out: when setting objectives, you have to leave room for autonomy. Human beings also have a fundamental need to make their own choices about how they do things—to have power over their own lives. So, yes to a clear framework, but no to “Do this, do that.”

Your Employees Keep Talking About Pay? Don't Forget Enjoyment!



Salary is often among the foremost demands of employees: it is seen as a key to a comfortable life. Yet, if you dig deeper, it becomes clear that other elements are as important, if not more so.

No, just human. A salary covers a person's fundamental needs, but once these are satisfied, other factors come to the forefront, such as the need for recognition or to do something of personal interest to them. Thus, expectations must be taken as a whole, and it requires a whole pallet of tools to respond to them.

According to a survey of more than 90,000 employees in 18 countries, the main factors for motivation are the following: management's interest in the well-being of employees, opportunities for learning, the company's reputation on social responsibility, employees' capacity to participate in decision-making, and the quality of solutions offered to clients (Gallup, 2011).

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You Want Better Results? Loosen Things Up.

There was once a time when companies could afford to use carrot-and-stick methods to increase their employees' productivity. But the world has changed. Using stress as the principal lever for motivation is incompatible with the complexity of tasks, the need for innovation, and the rising importance of services. Focus instead on empowerment, flexibility, and well-being.



In the United States, 77% of employees who feel that they benefit from flexibility at work intend to stay with the same company, versus 41% in companies that do not offer this kind of benefit. In Germany, a recent study showed that the introduction of measures in favor of the work/life balance could save companies 50% of the costs induced by absences for family reasons.

You Want Employee Engagement? Focus on Values.

A privileged relationship with clients, the desire to work together, goodwill: a relational culture based on certain convictions, values, and norms make these things natural and easy. Similarly, an organization's management style and transparency influences employee engagement: people respond to the way they are treated.

The revenues, profit growth, and ROI of companies with programs focusing on social responsibility are, on average, 10% greater than those of companies in the same sector without such programs. (Watson Wyatt, 2008).

You Want to Satisfy Your Shareholders? Take Care of Your Employees.

Happy employees make happy clients, and thus high performance. This is the principle applied by companies like HCL Technologies (India) and Southwest Airlines (USA), who promote an "Employee First, Customer Second" and has proven it in performance terms.

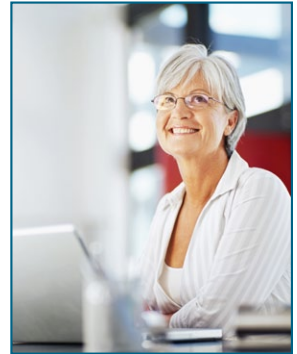
In five years, the vision of HCL Technologies has allowed the company to secure the loyalty of its employees, triple its revenues, and increase productivity and customer satisfaction. Today, it is one of the highest-growth companies in its sector (IT services).

Virtual Workforces

Arie Ball, Vice President of Sourcing & Talent Acquisition, Sodexo

In a recent study conducted by WorkSimple, (WorkSimple, 2011), 61 percent of participants surveyed believe their companies will allow more telecommuting over the next three years.

While this is terrific news for those wishing to work from their homes (or the local coffeehouse), companies must still address the implications of this growing trend – not only on business outcomes, but also on the logistics of this “new” way to work. Can employees truly be more productive, and how can this shift happen if cultures are slow to adopt this trend?



“With excellent management, flex work can provide the opportunity to perform better, faster and more willingly!”

Enabling a Virtual Workforce



Virtual teams offer a number of benefits – including the opportunity to hire the best staff regardless of their physical location. To develop a successful virtual workforce, you must have a clear vision with specific goals to guide your employees. In addition, you need to be prepared to focus on the tasks that are completed and goals achieved – not necessarily how they got there.

- Building a strong training and development program is important for engaging virtual employees. From onboarding to professional training, to the regular sharing of best practices, providing consistent development opportunities for virtual employees helps support an outcome-oriented culture.

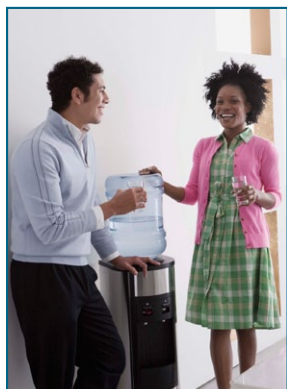
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- Deliberate communication is a key to engaging a virtual workforce. These employees crave a constant flow of communication to help combat some of the downsides to working from home – such as feelings of isolation and being disconnected from the business, feelings of being undervalued and, not surprisingly, weight gain. Therefore, establishing regular, intentional communication within your team is important. Examples include weekly team conference calls and biweekly individual calls.
- Providing planned live meetings can be motivating, too. Perhaps it is an annual meeting or maybe your team is close enough to meet more frequently. Live interactions are a great opportunity to celebrate accomplishments, energize and motivate employees, and provide time to enjoy the personal company of each other.



While it is natural to connect to one another in a live workplace, you have to be intentional in a virtual environment. It takes more effort, but it is very possible to have the same, if not greater, level of performance. By providing training and development and online support, teams can succeed in the virtual environment.

Virtual Water Coolers & Intentional Recognition



Working virtually, there is little time to socialize with colleagues in casual conversations or hold impromptu meetings in the hall. So, you have to build in water-cooler time. During team calls and even during one-on-one calls between supervisors and employees, scheduling time for personal musings and informal chatter is important for helping people feel that they are part of a larger team – a team that is connected virtually and available for collaboration.

And, intentional recognition is essential to engaging a virtual team. Providing consistent recognition for the contributions and successes of team members helps build a culture of recognition, innovation, and engagement.

HR & Operational Partnerships

Developing virtual teams requires more than just a focus on the employees. It also requires the alignment of strategies with business objectives. This may require a new way of thinking for management, operational and HR teams who will need to set the stage for this paradigm shift through training for various departments in the organization.

Your approach to virtual employees may require your company to tailor each virtual (or flexible) work arrangement to individual workers. Alternatively, you may consider pay for performance or pay for productivity compensation plans and supervisory structures that align with deliverables vs. time. Each organization's business objectives are unique. Fortunately, there are many solutions to allow virtual work arrangements while meeting those objectives.

Thinking Beyond the Brick & Mortar

So, do you need office space at all? What does that mean for the real estate you already have? Just as it is important to think beyond time and technology to enable your virtual workforce, it is just as important to think about ways to engage your workforce remotely. Chances are, when your virtual workers do come into the office, it is for the purposes of collaboration. Creating space where collaboration is comfortable will make the space more inviting and more engaging. This space can also be a place to celebrate the accomplishments of the team and to publicly recognize what your workforce has been able to achieve through collaboration.



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Creating space for collaboration, creativity and celebration will only make the office a place in which your workforce will want to come because it is a break from the monotony of the daily grind and, more importantly, a place to experience the camaraderie of what can be achieved together.

Flexible work arrangements and innovative workspaces are the way of the future. As companies take a broader look at productivity, as opposed to hours worked, we will continue to see many new work situations pop up, as well as new and exciting ways to make use of the space they already have.

With excellent management, flex work can provide the opportunity to perform better, faster and more willingly! The key to enabling this trend will be successfully managing change at the mid-management level of organizations, and establishing trust and accountability.



The Built Environment as a Driver of Employee Engagement

Tim Parker, MSBA, BSEE Independent Guest Contributor & Doctoral Candidate in Business Administration Leadership, NorthCentral University

Employee Engagement & the Role of Facilities Management

Many companies recognize the importance of employee engagement. The December 2010 Towers Watson Strategies for Growth study of 700 global companies listed the four top workforce areas of concern as “Loss of talent in key skills area, lack of succession planning/management, inability to attract necessary talent, level of disengagement among workers.” In assessing solutions to these problems, studies indicate leadership as a key factor in retention and engagement. A study by Wyatt Watson stated that 71% of new employees arrived on the job with high levels of engagement, but after six months on the job, this rate dropped to 57%. One of the key factors in this significant drop was leadership. Employees sensed a lack of encouragement, empowerment, and clarity from company leaders, and primarily from their immediate supervisor. (Watson Wyatt’s WorkUSA Survey, February 2009)

22% improvement in overall performance was realized by all respondents who incorporated the concepts important to a better-designed workspace.

One of the primary success factors links directly to the attitudes of employees. Towers Watson surveyed 50 global firms in 2010 and found those with highly engaged employees improved operating income by 19.2% over a 12-month period— versus a drop of 32.7% for firms with low engagement levels! During this same period, growth in net income rose by 13.7% for high engagement companies and decreased by 3.8% for low engagement firms. The evidence shows employee engagement - indicated by levels of absenteeism, turnover and discretionary effort - as a key ingredient in achieving financial success for companies.



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This same study presented revealing statistics about the employees: "Engagement reflects the bond or attachment between employee and employer. It incorporates willingness to give discretionary effort, and buy-in to company values and objectives." Disengaged employees indicated the desire to leave, or make themselves available for other opportunities, at a rate of 84%. For engaged employees this fell to 49%, a remarkable difference. The current economic environment drives part of this difference, as employees have been asked to do more with less, and with reduced compensation. An analysis of the aspects of engagement indicates several areas of importance for focus: a rational component linked to the employee's support for the organizational strategy, goals, and values; an emotional component related to the employee's sense of commitment to the organization; and a motivational aspect reflecting the willingness to extend effort beyond normal expectations.



71% of new employees arrived on the job with high levels of engagement. After six months, this rate dropped to 57%

Corporate Real Estate Executives, designers, and Facility Managers can significantly influence the attitudes of employees, and therefore the company's level of employee engagement.

This team fits into the success model in two important ways: First, several studies have demonstrated the role of the facility and services, in creating a positive work environment in the minds of employees. Specifically, employees bring to the workplace an individually developed and unwritten set of expectations, setting a benchmark of how they want to be treated and cared for by the company. Employees viewed the work setting and service they received as an extension of the level of care by management.

Second, corporate real estate executives, designers, and facility managers directly influence the environment important to four working modes considered key in effectively leading today's knowledge workers: those that encourage employee focus, employee collaboration, employee learning and socialization. (Gensler 2008 Workplace Survey) Effective use of these environments translates to significantly improved performance. Top-performing companies used learning, collaborative, and socializing modes more than twice as much as average-performing companies did. All the survey respondents indicated an overall improvement in performance of 22% by incorporating the concepts important to a better-designed workspace. The improvements resulted in levels of employee engagement and job satisfaction three times higher than average companies.

“Highly engaged employees improve operating income by 19.2% versus a drop of 32.7 for firms with low engagement levels”

Of note for facilities managers, is that working in poorly heated/cooled spaces or buildings that appeared shabby, as compared to other comparable facilities nearby, or in the same industry, created negative attitudes in the minds of employees. Perceived poor service from support staff, like maintenance personnel or hospitality staff compounded the problem. Employees perceived the lack of attention in these areas, and a lack of amenities (wellness programs, on-site dining, etc.) as a direct reflection of senior leadership. Negative attitudes in employees often translated to poor treatment of customers as well. To a large degree, facility managers control these aspects of the work environment, and therefore, significantly impact the success of the company (Bitner, 1992; Lin, 2004).

The real estate team's ability to leverage workspace design and perceived service quality influences attitudes of employees and significantly impacts the bottom line. The manner in which the service staff treats clients, as established by the facility manager, greatly affects the attitudes of those served. Unquestionably, the facility manager influences the ultimate success of the organization in a very significant way.

Evidence-based Space Design

Kevin Rettle, FMP, Director of FM/CRE Market Research & Insights

Evidence-based design (EBD) is neither novel nor surprising; however, its resurgence since the late 1980s is relevant, due to the manner in which it has evolved in the last three decades, including a greater understanding and emphasis on environmental stewardship, economic impact, and the ever-changing dynamic of the workplace. Architects and engineers have long approached the design of built spaces as a strict and rigorous science. However, what differs today is the expectation that these professionals will also seek the input of various disciplines and subject matter experts to create spaces that are beautiful, inspiring, and outcome-focused. In addition, corporate real estate executives must meet dual expectations of not only selecting economically feasible sites, but also delivering a results-driven service architecture.

With increased emphasis on environmental factors, and the economic scrutiny of building and designing space, smart designers are turning to (EBD) as a method to ensure predictable, practical and results-focused design. The practice of evidence-based design is a process for the conscientious, explicit and judicious use of current best evidence from research and practice in making critical decisions, together with an informed client about the design of each individual and unique project (Hamilton & Watkins, 2009).

Evidence-based design's roots are in medicine, in which practitioners aimed to apply the best available evidence gained from the scientific method to clinical decision-making (Timmermans & Mauck, 2005). It seeks to assess the strength of evidence of the risks and benefits of treatments (including lack of treatment), diagnostic tests, top-down research, and bottom-up conventional wisdom. Other factors include statistical validity, clinical relevance, currency and peer-review acceptance. Quality of care, patient outcomes, increased rigor, and credibility are all defining factors of success. It is clear how the health care architectural and design community soon adapted this practice to the design of hospitals and health care facilities, in which critical design decisions surrounding life and death within the built space were being made.

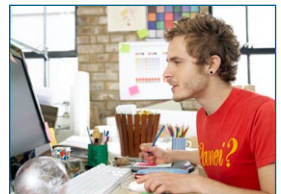


Today's design professional must recognize that built space that is expected to provide clear outcomes for its inhabitants or users must be explicitly built for that purpose. Take for example the construction of a high-tech manufacturing facility compared with executive office space. Technical, social, environmental and service considerations must be taken into consideration. Insight into each of these subjects is gathered from researchers, manufacturing engineers, social scientists, LEED practitioners, and end-users. Designers hold the trust of their clients, end-users, and public at large in their design decisions; therefore, it is clear that a broad spectrum of insight must be gleaned.

Corporate real estate professionals charged with the effective and efficient service architecture of a built-space can also rely on (EBD). One example of an instrument to accomplish this is the use of both psychographic and firmographic variables (such as industry, seniority, and functional area) to achieve quality, excellence, sustainability, performance, productivity and overall integration. This use of psychographic clustering is one method by which designers can create space, and a complementary service architecture that is definitively created for the end user, with a high degree of accuracy.

Psychographic variables are any attributes relating to personality, values, attitudes, interests, or lifestyles. These variables may be cross-tabulated against demographic information (such as age and gender), behavioral variables (such as usage statistics), and firmographic variables to create a robust view of the need state of the end-user population.

It is important to note that psychographics are not demographics. For example, historical generations are defined by psychographic variables like attitudes, personality formation and cultural touchstones. Psychographic analysis tends to be a more accurate way of programming space and services, as attitudes and behaviors transcend all demographic markers.



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Through detailed analysis of end-user requirements, clusters are created that define points of activation, which then may be incorporated into the built-space design. Through algorithmic analysis, planners can cluster the population with activation points germane to space and service.

The less attractive side of this trend is the appearance of practitioners who would like to be associated with evidence-based design but who have not studied to become current. Given the almost endless potential sources of information, there is a need to reach speculative conclusions about the design implications of narrow studies. Bringing together the architect, designer and real estate executive is crucial in translating and applying the research to useful design. Inexperienced practitioners will find it difficult to make the leap from data to a successful design. Another fear revolves around (EBD) leading to “cookbook” architecture. This is far from the truth... “cookbook” suggests dull, repetitious buildings stamped from a mold (Hamilton & Watkins, 2009). Yet research-informed design is like the continuous search for truth in the world of science. Not static, it does not easily conform to fixed regulations that will be made obsolete by new findings.

As building footprints become smaller, social dynamics change, and expectations of built space continue to grow, the architect, designer and real estate professional must rely on a large set of tools including evidence-based design to create both inspirational and outcomes-based spaces. Timing is good for today’s facility manager or building management to take an active role in creating real and tangible business impact and creating an enhanced environment where the business can thrive. True value to the client and end-users is only derived when the built space performs for the business over the life of the building.



Quantifiable Employee Health & Wellness Initiatives

Rachel Permut-Levine, PhD, MSPH Sr. Director, Outcomes-Based Research & Solutions



A return-on-investment metric, or ROI, is the typical gold standard of measurement in business. Corporate wellness programs are no exception considering there is substantial pressure among C-suite executives to show an ROI when contributing money up front to employee wellness initiatives. However, the tide is turning away from a typical ROI to something that shows more value to the business overall like value-on-investment (VOI).

Employee wellness programs are slowly becoming the norm rather than the exception in corporate America. It is becoming imperative to quantify the outcomes for this form of preventive care so that companies can ascertain which types of interventions make a difference on their “bottom-line.” “The ROI for wellness programs is often elusive,” said Dr. Ron Leopold, a New York-based national medical director and VP for Metropolitan Life Insurance Co.’s institutional business division. “Most employers today have to make the decision to invest in some wellness initiative and they shouldn’t expect hard numbers to demonstrate the ROI.”

The expectations for employee health and wellness programs are often set unrealistically high. For instance, although certain wellness benefits such as corporate fitness centers, on-site coaches/nutritionists and disease management clinics have been shown to positively affect healthcare costs and claims, the actual dollar amounts saved are hard to show. Unfortunately, there is no consistent way to compute dollars saved from wellness activities.

Because financial indicators of success are so difficult to ascertain, many experts in the field are arguing that VOI is the more comprehensive and inclusive metric because it can be self-defined by the company to include attributes that are important to their own business success. For instance, in addition to improvements in health care costs and reduction of healthcare claims, a VOI for a company might include recruitment and retention rates, measures of morale, quality-of-life indicators and absenteeism metrics.

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The bottom line for any employee wellness program is to establish some form of outcome-based measurement in order to show results. Wellness programs that do not have leadership support are doomed to fail – thus, starting a data dashboard early on in the creation of all of your programming will be critical to success.

Here are some tips to ensure you are starting on the right foot for evaluating your wellness programs:

1. Programs should be customized. One size does not fit all. Once you ascertain the needs of your organization and the health-risk status of your population, you can begin to build the programming.
2. Phase in the programs according to your budget. Particularly if your budget is small, you can start with short-term programs led by on-site employees, or you can outsource to vendors. As you begin to assess satisfaction, participation, and other behavioral outcomes from the programs, you can start to adopt bigger programs and invest more money into those facets of your wellness program that are “working” – in your definition.
3. Something (done well) is better than nothing. You cannot underestimate the impact of an employee wellness program on the morale of an organization – particularly if the wellness goals are communicated in an effective and broad manner. Employees should be aware of the programs as a part of their regular culture.
4. Do not be afraid of measurement. Collect data – lots of data to ensure that your program is achieving what you set out to achieve. Different wellness programs will have different end-goals in mind. For instance, when starting a weight-loss program, first start with participation rates, attrition rates, weight loss attained, biometric markers, self-reported and proxy health ratings, health care claims, etc. The list is endless – particularly if you offer the weight-loss program in ways that attract different types of employees (e.g., face-to-face, virtual, group).



Remember, although financial ramifications are difficult to demonstrate with corporate wellness initiatives, gains in employee morale can be significant. New metrics will be the trend for 2012 – more customized, more meaningful and more robust – while retaining the same amount of accountability for the organization.

Psychological Health in the Workplace

David Ballard PsyD, MBA Guest Contributor from the American Psychological Association

Fostering Employee Well-Being & Organizational Performance

Creating a psychologically healthy workplace takes a firm commitment even in the best of times, and as the recession hit full swing, many organizations (even healthy ones) had to make some difficult decisions. In a 2009 survey conducted by the American Psychological Association, 68 percent of employed Americans reported that their employers had taken steps such as putting a freeze on hiring or wages, laying off staff, reducing work hours, benefits or pay, requiring unpaid days off or increasing work hours because of the weak economy.

There is no “one-size-fits-all” approach to creating a psychologically healthy workplace

Employers who understand the link between employee well-being and organizational performance strived to maintain a work environment characterized by openness, fairness, trust, and respect, even when difficult actions were required. These employers are positioned for success in the economic recovery and will have a distinct competitive advantage in their ability to attract and retain the very best employees.

Although there is no “one-size-fits-all” approach to creating a psychologically healthy workplace, the practices that help create a healthy and productive work environment can be grouped into five categories: employee involvement; health and safety; employee growth and development; work-life balance; and employee recognition.

Employee Involvement

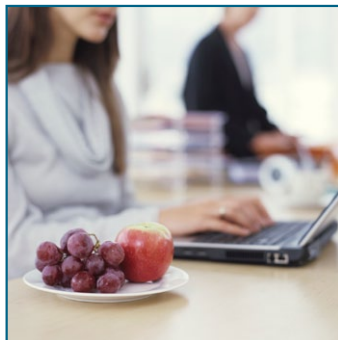
Efforts to increase employee involvement empower workers, involve them in decision-making and give them increased job autonomy. Employee involvement programs can increase job satisfaction, employee morale, and commitment to the organization as well as increase productivity, reduce turnover and absenteeism and enhance the quality of products and services.



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Health & Safety

Health and safety initiatives improve the physical and mental health of employees through the prevention, assessment and treatment of potential health risks and problems, and by encouraging and supporting healthy lifestyle and behavior choices. Health and safety efforts include a wide variety of workplace practices that can help employees improve their physical and mental health, reduce health risks, and manage stress effectively. By investing in the health and safety of their employees, organizations may benefit from greater productivity and reductions in healthcare costs, absenteeism, and accident/injury rates.



Employee Growth & Development

Opportunities for growth and development help employees expand their knowledge, skills, and abilities and apply the competencies they have gained to new situations. The opportunity to gain new skills and experiences can increase employee motivation and job satisfaction and help workers more effectively manage job stress. This can translate into positive gains for the organization by enhancing organizational effectiveness and improving work quality, as well as by helping the organization attract and retain outstanding employees. By providing opportunities for growth and development, organizations can improve the quality of their employees' work experience and realize the benefits of developing workers to their full potential.

Work-Life Balance

Programs and policies that facilitate work-life balance generally fall into two categories: flexible work arrangements and resources to help employees manage their non-work demands. Conflict between work and other life responsibilities can diminish the quality of both work and home life for employees, which in turn can affect organizational outcomes such as productivity, absenteeism and turnover. Efforts to help employees improve work-life balance can improve morale, increase job satisfaction and strengthen employees' commitment to the organization. Additionally, the organization may reap benefits in terms of increased productivity and reduction in absenteeism and employee turnover.

Employee Recognition

Employee recognition efforts reward employees both individually and collectively for their contributions to the organization. Recognition can take various forms: formal and informal, monetary and non-monetary. By acknowledging employee efforts and making them feel valued and appreciated, organizations can increase employee satisfaction, morale and self-esteem. Additionally, the organization itself may benefit from greater employee engagement and productivity, lower turnover and the ability to attract and retain top-quality employees.



The Importance of Context

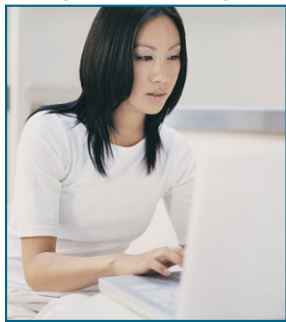


It is important to note that the success of any workplace effort is based in part on addressing the challenges unique to the particular organization and tailoring programs and policies to meet its specific needs. Workplace practices do not exist in isolation and creating a healthy workplace culture goes well beyond a wellness program or health promotion initiative. Each workplace practice functions in relation to other programs and policies the organization has in place as well as internal and external environmental factors. The complex nature of these relationships highlights the importance of taking a comprehensive approach to creating a workplace in which both employees and the organization can thrive.

Flexible Workplaces, Inspiring Design

Jaime Leick, guest contributor from Life Meets Work

Workplace Flexibility – Not An Employee Benefit Anymore



“Work-life balance” has long been part of corporate vernacular in America’s Fortune 500 companies. It encompasses a variety of family-friendly benefits like backup childcare, on-site fitness centers, concierge services and—often, but not always—flexible work arrangements.

The recent recession had an impact on the workplace flexibility movement. Employers were cutting staff, asking everyone to do more with less, and one of the last things on many workers’ minds was asking for any kind of scheduling accommodations.

Now the tides are turning and workplace flexibility is enjoying a sudden new emergence in corporate America. Working Mother magazine put it on the cover of its October 2011 issue and the Society for Human Resources Management launched a comprehensive public policy campaign to promote workplace flexibility in the spring of this year. These are powerful endorsements.

However, what is it exactly that has workplace flexibility at the top of corporate agendas again? Just pick your social, economic, environmental or health issue and it points back to flex.

In December 2010, the President signed the Telework Enhancement Act, which set minimum standards for teleworking among Federal employees. The move is expected to improve productivity and retention, and help the government remain operational during extreme weather and crisis situations. (The “snowmageddon” of 2010 and the estimated \$70 million per day in lost government productivity did much to help the matter along.)



Last year's H1N1 virus is furthering support for telecommuting. Encouraging workers to stay at home when they are sick (and keep their sick children home, too) is a lot easier when they can login and stay productive from home.

Many groups are using the same issue to push paid sick leave. The Family Values at Work organization used the recent blockbuster Contagion as a launching pad for a compelling video on the public health issues associated with paid time off. Not flexibility exactly, but in the same purview.



“For the first time in our nation’s history more than 50 percent of the workforce was women.”

Then there is a whole other group of researchers pointing to societal changes and a socioeconomic imperative for flexible work. The dual-parent/one-income family model of the 50s and 60s has virtually disappeared in our country. It is becoming increasingly difficult for companies to sustain rigid mandatory overtime and just-in-time scheduling policies. Given the choice between leaving a three-year-old unsupervised and risking a job, parents will choose the three-year-old.

We are seeing a dawning realization among hourly wage companies that ongoing problems with absenteeism and callouts may be more a reflection of unrealistic staffing policies, not an irresponsible workforce. Speaking of changing family dynamics, the 2009 landmark report from Maria Shriver, “A Women’s Nation,” revealed that for the first time in our nation’s history, more than 50 percent of the workforce comprised women. Then the percentage of women in the workforce and women who were their family’s primary breadwinner increased in 2009 and 2010 as recessionary layoffs hit men disproportionately harder. Now women are outpacing men in educational attainment, too. These shifts are only going to increase the need for flexible work as women continue to balance care giving responsibilities and careers.

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Meanwhile, men are spending more time in hands-on parenting and are reporting levels of work/life conflict that exceed their female counterparts. Several pieces of new 2011 research suggests that men are just now going through the “having it all” conflicts that became part of the collective female identity as early as the 1970s. Therefore, we are seeing a stronger demand for flexibility from our male population, too.

On the topic of care giving responsibilities, our aging population is going to place increasing demands on the sandwich generation workforce. Flex is an issue for adult caregivers and it is an issue for healthy boomers who would like phased retirement options.

***“Flex is no longer an ‘employee benefit.’
Those days are gone.”***

Back to the topic of telecommuting... our transportation infrastructure is not keeping pace with commuting demands. Large cities, states and municipalities across the country are providing financial incentives for companies to implement telecommuting and flexible scheduling as part of their alternative commuter strategies. By the same token, telework is also being seen as an emissions reductions strategy, something that may play a bottom-line role in emissions trading.

Finally, technology means that telecommuting and virtual teams has really become part of the American business world already—flexible work policies or not. Office professionals are already logging in at night and on weekends. It is just a matter of time before more companies realize that expecting home-based weekend work without allowing some home-based weekday work just is not going to fly anymore.

Because recession or not, the U.S. still has a skilled worker shortage. As the economy picks up and the boomers finally do retire, it is only going to get a whole lot worse. Companies that get ahead and build real cultures of workplace flexibility are going to have the staffing advantage and the competitive edge.

Flex is no longer an “employee benefit.” Those days are gone. Today it is an all-around public policy issue and bottom-line corporate strategy.

In Summary & Closing

The Workplace Trends Report outlines developments that influence both employees and employers. They are trends that we see as having significant impact beyond 2012, and will yield significant results over time. For any business wanting to grow, these trends show there is a premium on programs that are outcome driven and with sustainable results that address both people and physical space. Our experts predict that these trends are the direct link to designing built environments that enhance individual performance, foster collaboration and contribute to the holistic well-being of employees.

We know that the creation of great space for your people to come together brings tangible outcomes and return-on-investment to your organization. Successful organizations place significant value on practical incentives and benefits, as a method to show employees they are valued, but there is more. Employees expect a much different workplace experience now, resulting in new models for solution integration. Linking investments in human capital solutions to practical business outcomes also shows employees that they are an important part of mission-critical success.



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