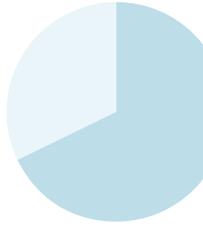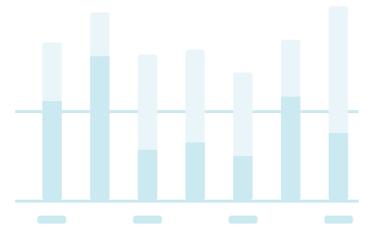ENVOY REPORT

Without accurate data, the physical workplace won't survive

Introduction

While most employers recognize the power of data to drive problem-solving and better decision-making, more than half (53%) of businesses lack the data they need to make smart decisions about one of their largest investments: the workplace.

Accurate, unified data is not only core to the survival of the physical workplace but also to overall business success. It empowers employers to answer questions about the critical workplace challenges they face today, such as:

- **How will we manage real estate and workplace costs?**
- **How will we create a space where employees want to work?**
- **How can we understand our space usage ?**
- **How can we uphold compliance at every location?**
- **How can we measure our return-to-office policies?**
- **How can we ensure employees are efficient and productive onsite?**

With accurate data on hand, employers can prove—or improve—any workplace strategy, measure the success of their in-office policy, stay on top of regulatory requirements, optimize their space, and anticipate real estate needs with confidence.

To reap the benefits of workplace data, business leaders need to take several steps. The first is to consolidate data sources to ensure fast and accurate analysis. The second is to ensure employees leverage the workplace on a regular basis. For many industries, this is a given. For those that transitioned to remote work during the pandemic, this means updating policies to require regular onsite attendance. Without these two actions, companies can't capture their workplace data to drive smarter decisions.

Together, these steps will enable companies to understand exactly what's happening across locations and identify, with pinpoint accuracy, opportunities to drive smarter, bolder decisions about the workplace.
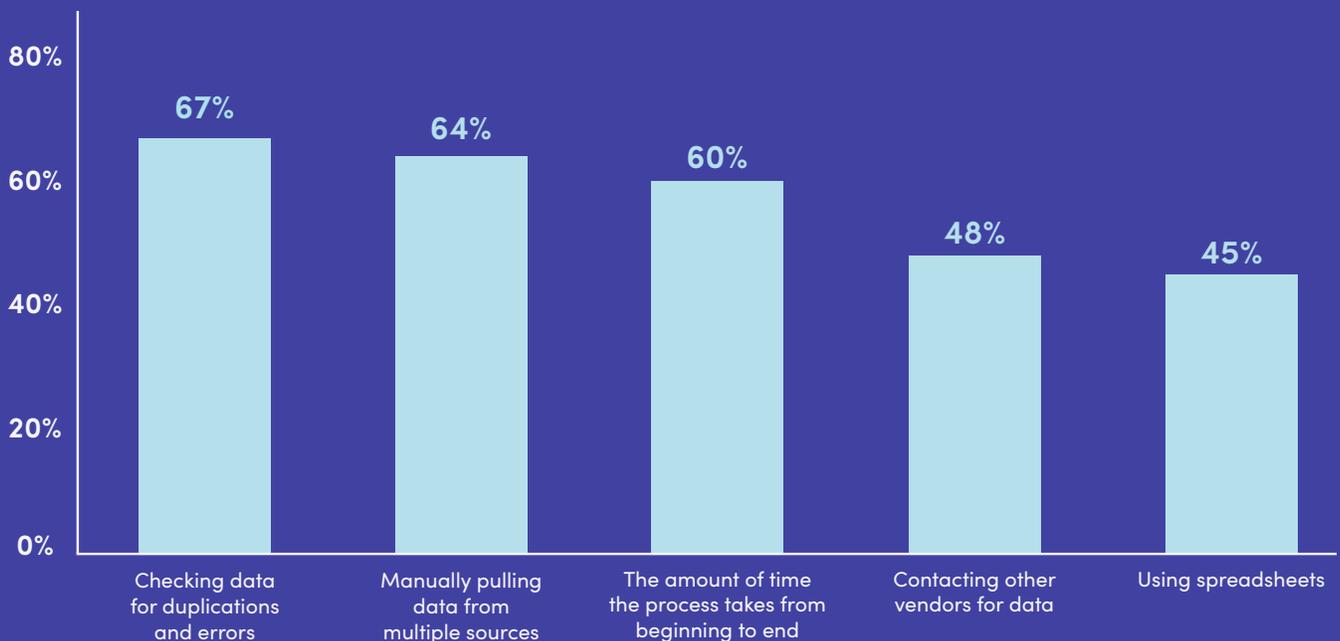
Data fragmentation and guesswork have become the status quo

When it comes to making data-driven decisions about the workplace, the problem most companies run into isn't the availability of data. In fact, 96% of companies report having access to it. The problem is the lack of *accurate*, *unified* data.

To ensure the workplace is secure and efficient, companies implement an array of point solutions. These may include an access control system, WiFi solution, visitor management software, and space management software, just to name a few. As a result, their data is scattered across many different siloed systems, making it extremely difficult for workplace leaders and their teams to gather for analysis.

In fact, many workplace managers report having to go to great lengths to manually collect their data, including pulling it from multiple sources (64%), contacting external vendors (48%), and relying on spreadsheets to bring it all together (45%). For example, to understand their workplace occupancy, a manager might have to pull data from their room booking software, access control system, and visitor management system. They may even have to contact external support for assistance pulling the data. Then, they'd have to spend even more time to consolidate and double-check it for accuracy.

Which of the following frustrates you when it comes to workplace data collection?

67%	64%	60%	48%	45%
Checking data for duplications and errors	Manually pulling data from multiple sources	The amount of time the process takes from beginning to end	Contacting other vendors for data	Using spreadsheets

The amount of manual work managers spend pulling data is staggering.
Nearly half (48%) report spending one or more days gathering data from disparate sources just so they can *analyze* it. By the time leaders gather and verify their data, it could be days or even weeks out of date—and their endless collection cycle begins again. Dealing with fragmented data makes it nearly impossible for companies to make decisions or pivot their strategies in a timely manner.

80%

of executives say they would have approached their company's return-to-office strategy differently if they had access to workplace data to inform their decision-making.

Despite their effort, more than half (54%) of managers report having to forgo making a critical workplace decision because they didn't have access to the necessary data to support it. This number increases to 62% for managers in the consumer goods industry.

It's no wonder why some workplace managers, including those with access to data, forgo using it altogether and instead rely on their gut instinct to drive their decision-making. While this is cause for concern—since individual biases and limited perspectives can turn out to be costly—nearly a quarter (23%) of managers admit to trusting their gut to make decisions. For hybrid work organizations in particular, this can result in poor decision-making. Employees come and go at different times of the day and week, and adherence to onsite policies can vary greatly by location. This makes it impossible for workplace managers to know how many people are onsite on any given day, and how to best allocate space and resources across the organization.

« We work in a hybrid environment where there is less consistency in attendance throughout the week. With so much variability, it's difficult to know how to improve efficiency in order to save critical budget."

– Brooks Gooding, Workplace experience program manager at Braze
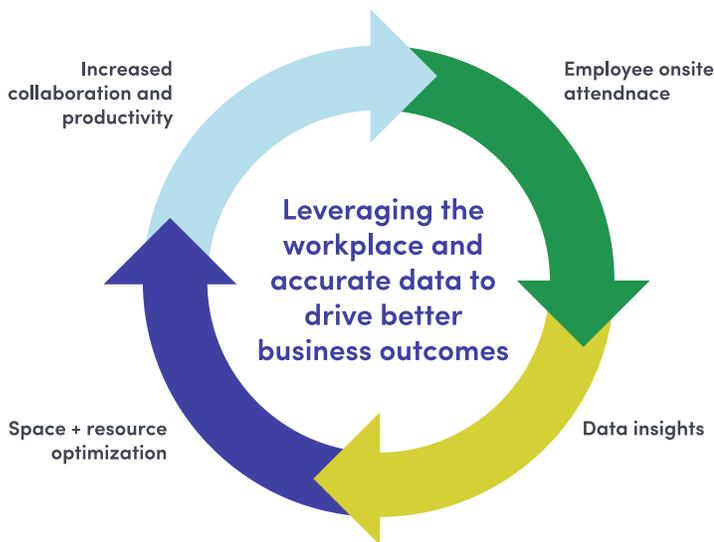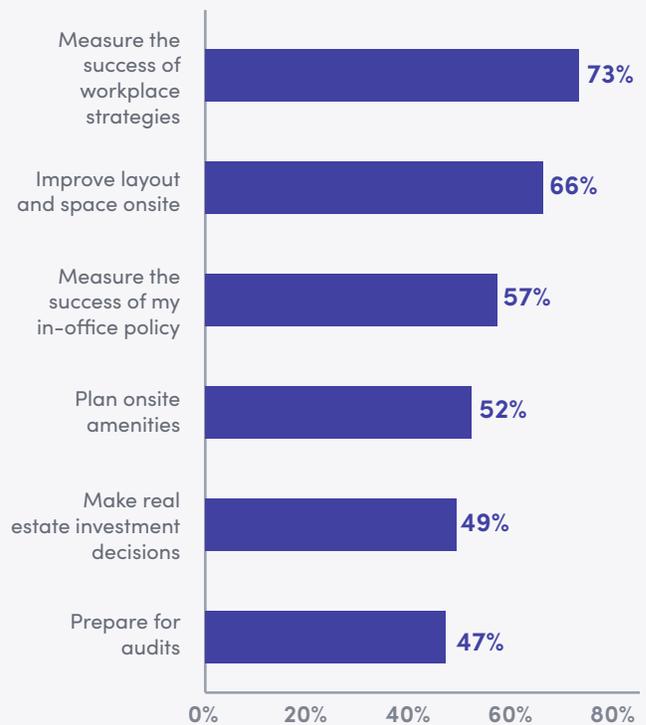
braze

Now is the time to invest in accurate, unified workplace data

For more accurate data that's easier to analyze, companies need to adopt a single source of truth that brings all of their workplace data together in a unified dashboard.

Workplace leaders across industries believe that easier access to data would enable them to drive smarter decisions about their space, programs, and policies. The vast majority (73%) agree that they would be better equipped to measure the success of their workplace strategies. With easy access to real-time data, leaders can be more agile, pivoting quickly when a strategy proves to be ineffective and doubling down on the ones that work.

If you were able to better pull workplace data reports, which of the following would your company be better equipped to do?

Category	%
Measure the success of workplace strategies	73%
Improve layout and space onsite	66%
Measure the success of my in-office policy	57%
Plan onsite amenities	52%
Make real estate investment decisions	49%
Prepare for audits	47%

Leveraging the workplace and accurate data to drive better business outcomes

- Employee onsite attendnace
- Data insights
- Space + resource optimization
- Increased collaboration and productivity

Once a centralized system is in place, employers need to ensure their employees leverage the workplace on a regular basis. Why? Because employee attendance and workplace data have a symbiotic relationship. The more that employees use the workplace, the more insights managers can glean to optimize their space. The result: a better work environment for employees, more efficient spend for employers, more collaboration and productivity, and, ultimately, better business outcomes.

This cycle is critical in today's challenging economic environment that demands that businesses move fast, adapt quickly, and capitalize on emerging opportunities. The in-person collaborations and spontaneous interactions that occur in the workplace promote knowledge sharing, problem-solving, and innovation. So, by creating a space where employees *want* to work, companies can ensure the survival of the physical workplace and reap its many benefits.

> **Workplace data helps us distribute our employees across different days so we can provide enough space for them to benefit from the buzz of the office without having too many people in at once."**
>
> **– Ronda Stahl, Facilities and real estate director at GLG**

GLG

Access to accurate, unified data also enables leaders to be better financial stewards. With the ability to easily pull data at any moment, they can use it to justify operational spend, optimize space to reduce costs, and identify where budget or space can be allocated more effectively. To illustrate these benefits, consider the following scenarios:

- **Right-sizing onsite resources:** The facilities manager at a professional services firm wanted to reallocate some of their budget to increase the efficiency of their spend. Looking at weekly occupancy trends, they realized they could reduce their catering orders on Mondays and Fridays since fewer people come onsite on those days.

- **Optimizing space:** The office admin at a manufacturing company's corporate headquarters was tasked with improving their space layout to accommodate more employees. Looking at data on desk and meeting room bookings, they could see that one of the floors they rented out was hardly used. They decided to consolidate their seating arrangement onto one floor and sublease the unused floor. Not only did this save the company money, it also improved the culture onsite because employees were able to more easily interact and collaborate.

- **Making real estate decisions:** The workplace manager at a consumer services company analyzed their occupancy data and realized one of their larger office spaces was at or near capacity most days. They had an option to sign a long-term lease for the space but decided against it. Instead, they signed a short-term lease and began to look for a larger space that better met their needs.

- **Maintaining security and compliance:** The facilities manager in charge of overseeing the corporate office and facilities of a pharmaceutical company needed proof of their visitor records in case of a workplace audit. Using their visitor data that detailed who, when, and where visitors were onsite, they were able to stay on top of regular third-party and government audits, and avoid any gaps in their visitor records or non-compliance that could lead to significant financial penalties.

> **We want to be as operationally efficient as possible. For us this means knowing how many security officers or janitors we need to staff, how much catering we need, and what patterns of behavior will impact our costs over time."**
>
> **– Alex Yeoman, Security strategy and real estate technology manager at Match Group**

Match Group

How AI and machine learning will shape the future of workplace data—and what you can do now to stay ahead

Artificial intelligence (AI) and machine learning are revolutionizing nearly every aspect of business, and the workplace is no exception. Soon, businesses will be able to harness the power of machine learning algorithms to analyze their vast pool of workplace data. This will enable them to uncover new patterns, trends, and correlations in how employees use the workplace, and predict future behavior based on past patterns.

With these predictive learnings, organizations will be able to plan for a variety of growth scenarios, navigate uncertainty, and accurately forecast their return on investment. This will be particularly valuable to companies that continue to use hybrid work and other flexible working models, as well as companies planning for future growth that requires real estate investment.

Enabled by AI, workplace data will also be able to support move management by providing cost and space analysis on proposed workplace moves. This technology will empower businesses to evaluate the financial implications and space requirements of potential relocations. It will also make informed decisions based on these insights. Today, companies can benchmark their own workplace data with businesses of a similar size and type to help justify a proposed workplace move. Soon, AI-powered recommendations will be able to go beyond data comparison to predictive analytics.

Finally, AI-powered workplace data will help organizations create personalized experiences down to the individual employee level. As more businesses leverage the predictive power of workplace data, more employees will expect tailored experiences at their workplace.

The organizations that stand out in the future will deliver hyper-personalized workplace experiences, catering to each employee's unique needs, preferences, and work styles. And accurate, unified data lies at the core of delivering this. For example, data will be able to provide insight into an employee's preferred type of desk, meeting room, and amenities. As a result, businesses will be able to close the gap between the workplace and popular remote work locations, increasing employee attendance and the benefits of in-person collaboration.

In order for machine learning algorithms to learn how to predict future needs, they need to be ingesting data now. The more historical data these algorithms have to learn from, the more trends and patterns they can uncover. Organizations that begin collecting workplace data today are positioned well to gain valuable insights that ensure their workplace can thrive—now, and in the future.
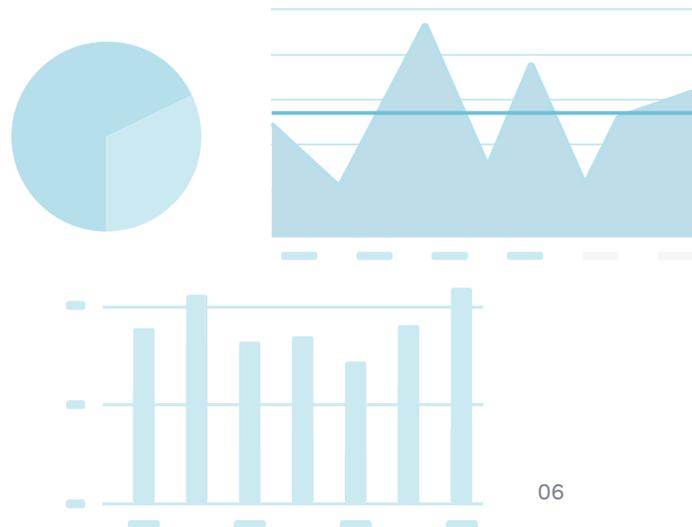
About Envoy

Envoy's workspace platform has redefined how companies manage modern workplaces. 16,000 workplaces and properties around the globe rely on Envoy's fully integrated solution to create an unrivaled first impression, keep spaces secure and compliant, and solve common and complex workplace challenges. From multi-tenant buildings and corporate headquarters, to labs, production sites, and factory floors, Envoy powers the places where people work best together.

Ready to explore how Envoy can help you unlock the full potential of your workplace? Visit envoy.com/content/workplacedata

Research methodology

For this white paper, Envoy partnered with Hanover Research to survey 1,156 senior executives and workplace managers in the United States. "Executives" are defined as those with a seniority of vice president or greater. "Workplace managers" are defined as those with specific workplace roles. Survey responses were collected from June 6, 2023 to June 14, 2023. At a 95% confidence level, the margin of error for this study is ±2.8%.

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