

Work, sweet, work



Business people globally describe
their **ideal work environment**

Regus – September 2014

**Regus**[™]

management summary

Ideally, people would like to be able to work in a professional, discreet environment, near to home so that their commuting time is reduced and full personal productivity achieved.

A professional work location with highly functional ICT is essential to good business, according to research from Regus that helps define the ideal workspace. But respondents also want their workplace to look smart and they demand professional front desk management. Collaborative environments, where many firms co-locate and stimulate one another are seen as key to entrepreneurial business development and innovation. The cost-containment aspect of collaboration is also important and the ability to expand or reduce operations more flexibly is another huge benefit. Privacy, however, remains a concern – fuelling the need for a professional workspace environment where people can work flexibly, but be assured that their private business will not be exposed.

So, although people can keep busy while commuting, there are restrictions on what they can achieve because of these privacy concerns with trains, planes and airline lounges regarded as too public to work on sensitive business information. Although cafés are often a handy time-out point to catch up on tasks while on-the-go, respondents actually reveal that this is where their privacy is most at risk.

Global workers report they do not waste their commuting time, but spend it making phone calls, catching up on the day's news and contacting family and friends. In spite of this, intraday travel tends to be more productive with emails and document reading taking place. Ideally, people would like to be able to work in a professional, discreet environment, near to home so that their commuting time is reduced and full personal productivity achieved. Certainly, people commuting over the global half hour average should look seriously at finding a more local professional workspace environment in order to achieve their full potential.



key findings and statistics

- Over 22,000 workers globally were asked to identify the key features of their ideal work environment and 82% selected reliable and fast IT services.
- A smart look (63%) and professional front desk management (55%) are also key features of the ideal workplace.
- On a more practical note, half of respondents require proximity to transport links (49%) or a car park (48%), and 67% are concerned that the location should guarantee safety of their belongings.
- Almost a quarter (23%) report that they would prefer to be close to home, reducing their commute and providing them more free time.
- The benefits of collaborative environments are widely appreciated with cost reduction topping the list of reasons: 89% report they are more value for money, 88% say they help reduce cleaning and maintenance costs.
- Collaborative working is also seen as important for creating connections with partners, providers/suppliers (80%), and potential clients (79%). It also encourages workers to think entrepreneurially (73%) and innovatively (72%).
- 73% report that collaborative work environments help them expand or retract more rapidly as these set-ups are more flexible than traditional leasing arrangements.
- The privacy of business conversations and documents remains a concern with respondents reporting that a handy drop-in at a café en route is the scenario most likely to put their sensitive information at risk (59%).
- In the privacy risk stakes, cafés are followed by hotel bars and lounges (50%) and planes (46%).
- Working during a regular commute can prove just as insidious as business travel, with 42% reporting that crowded trains put their privacy at risk.
- Mobile conversations are the most easily exposed (69%), followed by printed documents that can easily be read by people looking over other's shoulders (62%).
- Technology has also provided prying eyes with more scope to snoop as respondents report that open laptops are easy prey (59%) and 23% are concerned about others peering over their shoulder to read information displayed on smartphone screens.
- Given the limitations on what work can be done while commuting, it is dispiriting that workers globally report that the average commute has increased by 5.5 minutes to 32.5 minutes, compared with two years ago when the average commuter travelled 27 minutes one way .
- In emerging economies commutes are slightly longer than four years ago suggesting that infrastructure spend is still to produce positive results.
- Commuters try to fill their time using smart devices to make telephone calls (59%), listen to music (58%), contact family and friends (50%) and catch up on the day's news (45%).
- Intraday travel is generally more work-focused with emailing (45%) and reading important documents (37%) more likely to be carried out on the way to and from meetings.
- Certainly, businesses where workers are mostly commuting over the global half hour average need to seriously consider opting for a more local professional workspace environment in order to improve productivity and work-life balance.
- Ideally, workers globally concur that they need to work in a professional, discreet environment, near to home so that their commuting time is reduced in order to reach their full personal productivity.

73% report that collaborative work environments help them expand or retract more rapidly

Introduction

Workers globally are ever more reliant on new technology to help them boost productivity, respond faster to queries and always stay connected, so it's easy to see how an IT glitch can wreak havoc in the working day. Depending on the scale of the problem, on-and-off internet for half a day, or complete server shut down, the impact on worker morale and productivity, as well as business reputation can also vary greatly.

A 2013 USA survey shows that an unplanned data centre outage can cost over \$16,000 per minute. On average, the cost of an unplanned outage per minute is likely to exceed almost \$8,000 per incident. The report also shows that IT equipment failures result in the highest outage cost, followed by cyber-crime.¹ Another survey reveals that businesses collectively lose more than 127 million man-hours annually in employee productivity due to IT downtime. This is equivalent to an average of 545 man-hours per company or to 63,500 people being unable to work for an entire year.²

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This same report warns that 56% of organisations in North America and 30% in Europe don't have a formal and comprehensive disaster recovery policy, and are therefore more vulnerable to downtime. This report also estimates that any business experiences an average of 14 hours of downtime per year, during which employees are only able to work at 63% of their usual productivity. Once systems are back up and running, organisations lose an average of nine additional hours per year to recover data. During these recovery times, employee productivity only reaches 70%. In addition to loss of productivity, this report reveals that half of organisations say IT outages damage their reputation and 44% of respondents believe IT downtime damages staff morale, and 35% that it impacts customer loyalty.³

¹ Ponemon Institute, 2013 Cost of Data centre Outages, December 2013

² CA Technologies. The Cost of Downtime, 2011

³ CA Technologies. The Cost of Downtime, 2011

But reliable IT is not the only important feature of a productive and professional work environment as safety, location and appearance also play a big part. In order to provide all these elements for workers and visiting clients, many smaller businesses are opting to use collaborative workspaces.

The latest Deskmag annual collaborative workplace survey found that co-working continues to increase, up 83% on 2013. The maximum capacity of most spaces is reported to be 41 people, with average membership of 44. Desk utilization is up, from 49% to 55%, meaning spaces are being used by their members more frequently. The vast majority of co-working space operators have a positive outlook for their sector with 91% expecting more members.⁴



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The increasing popularity of collaborative workspaces confirms that workers need a professional environment to work from and while they are happy to share workspace they do not want to end up over-sharing things like confidential business information.

Whether travelling for business or simply commuting, the information stored and accessible on portable devices such as computers, tablets and smartphones as well as paper documents and conversations, is at risk. A UK study found that 72% of the UK's office commuters are looking over the shoulder of the person sitting next to them to see what their fellow commuter is working on. 21% of respondents say they are doing confidential or sensitive work while travelling on public transport.⁵ ComRes research confirmed that snooping is a global reality with half of French adults concerned about the privacy of their documents on transport and 38% saying that at some point they had been able to see confidential information.⁶

⁴ Deskmag, Third Annual Coworking Survey, 2013

⁵ Ironmountain, Protecting sensitive company information from the commuter snoopers, October 2013

⁶ ComRes, 3M study reveals French concerns about shoulder surfing, September 2013

In India, in Mumbai, rail traffic has increased sixfold in the past 40 years, but capacity has only doubled.

But commuting is not just a risk for the privacy of business documents and information; it is also a drain on employee health, productivity and well-being. The environmental aspect is also hugely important with China, for example, speeding up construction of subway lines in major cities to contrast the increasing number of vehicles and pollution in urban areas. Six new subway lines with a total length of more than 90km are planned in Beijing, and there are a further 34 cities engaged in underground line construction. Seventy subway lines are currently being built, accounting for a total investment of 800 billion yuan (US\$131.3 billion).⁷ In India, in Mumbai, rail traffic has increased six fold in the past 40 years, but capacity has only doubled. Meanwhile the city's population has grown hugely to 20 million.⁸

Beijing and Mumbai are among the most congested cities globally, while in Europe traffic congestion dropped 18% between 2011 and 2013 as a result of the slow economy. In the USA congestion was found to have increased 6.4%,⁹ in a recent study suggesting that commuters are struggling even longer to get to work.

⁷ WantChina Times, Smog sends Chinese commuters underground, 03.11.2013

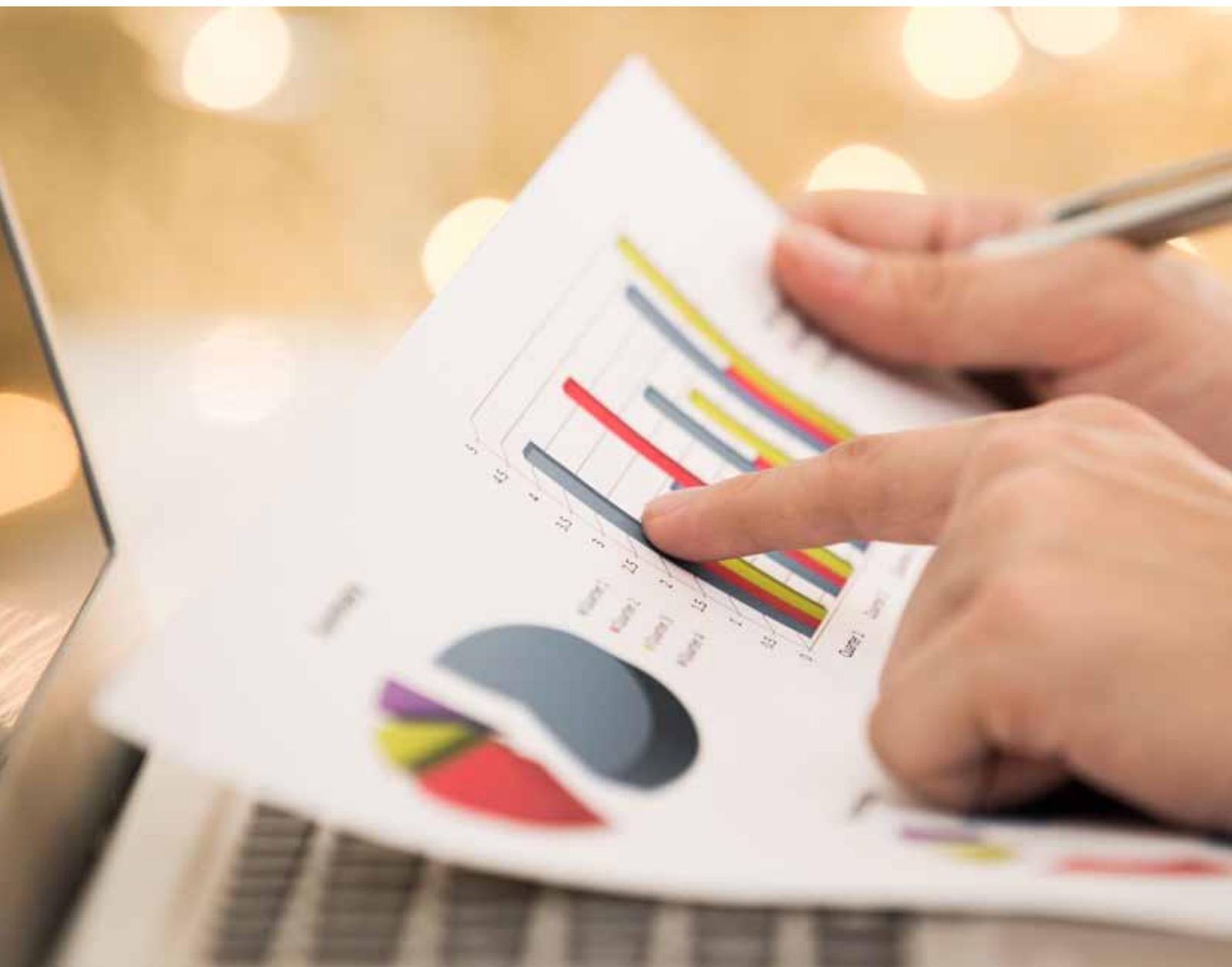
⁸ The Guardian, Mumbai's rail commuters pay a high human price for public transport, 39th October 2013

⁹ Forbes, The World's Most Traffic Congested Cities, 25th April 2014



The results

In order to identify the key features of the ideal workplace Regus commissioned research canvassing over 22,000 senior managers and business owners asking them to reveal the unmistakable features of their ideal work environment. Respondents were also asked to delve deeper into the motivations for some of their preferences explaining the benefits of collaborative workplaces and the downfalls of traditional work arrangements that require lengthy lease agreements and rarely provide workers with flexibility of location.

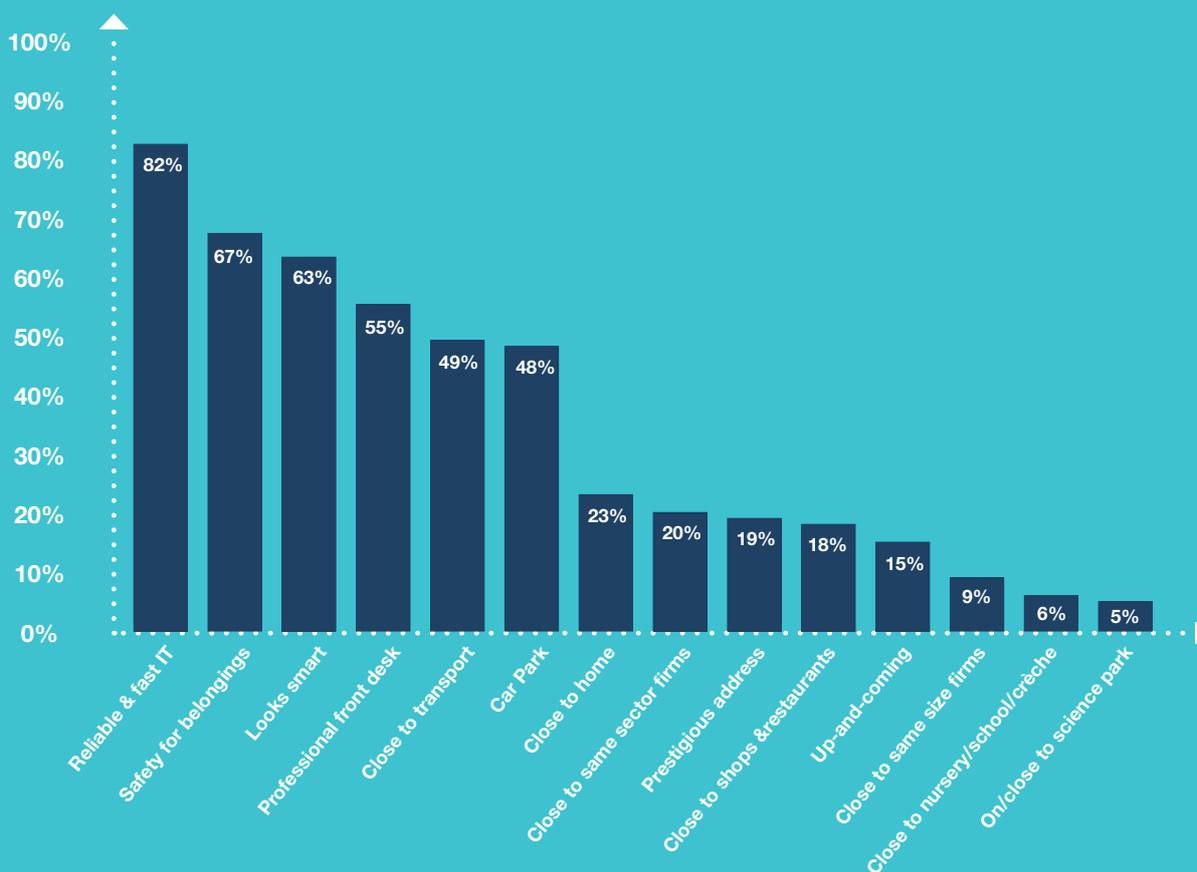


The ideal location

Workers globally identified the key features of their ideal workplace and report that reliable and fast IT services (82%) are their top business requirement. While of course 67% highlight the importance of the safety of their belongings, a smart look (63%) and professional front desk management (55%) are also key features of the ideal workplace, although only 19% prefer a prestigious location. Half of respondents require proximity to transport links (49%) or a car park (48%) and a quarter (23%) would prefer to be close to home highlighting that simplifying the daily commute is one of their top priorities.

A fifth (20%) of respondents also value being close to other firms in their industry, but only 9% to firms of a similar size suggesting that globally, firms see more value in mixing with dissimilar firms. As Figure 1 shows, respondents are not particularly keen to be in up-and-coming locations or based in science parks and would actually rather be close to shops and restaurants.

Figure 1: Key features of the ideal work location



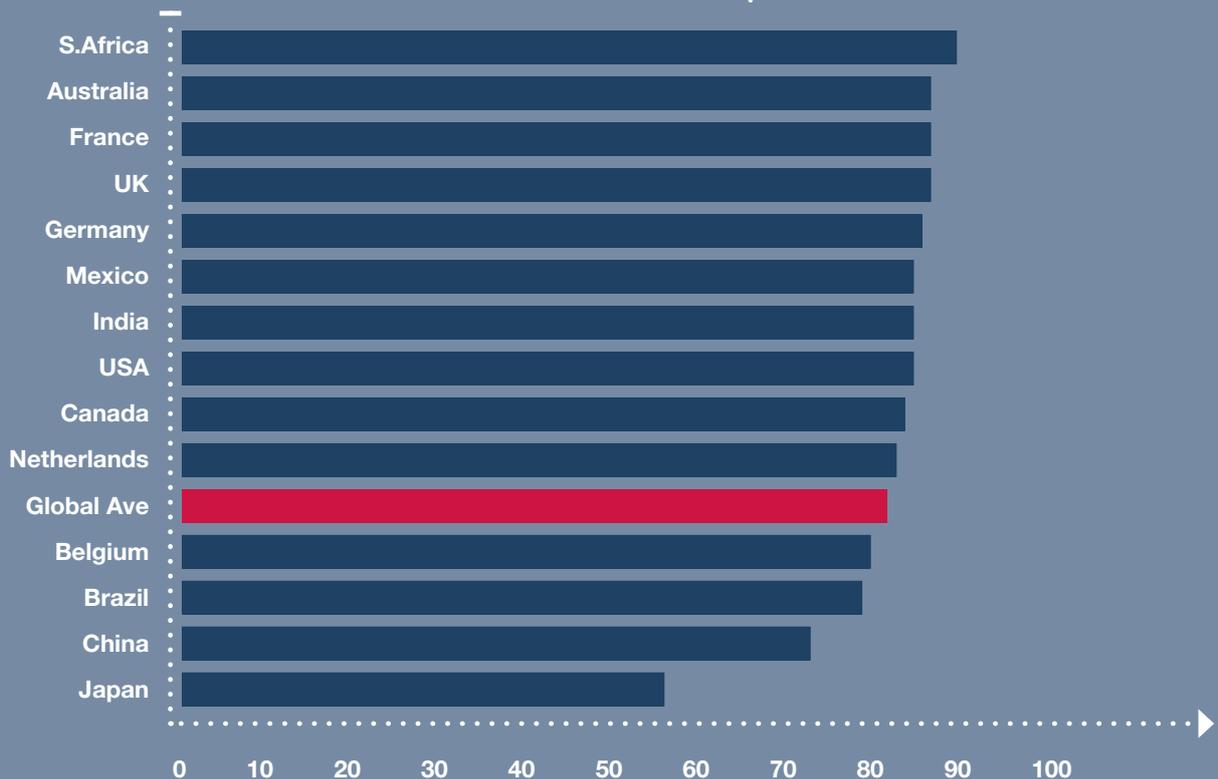
With reports that USA workers spend on average two hours a day waiting for their slow computers ¹⁰, Britons lose five days a year, and Italians almost seven days ¹¹, it is hardly surprising that slow IT, a real productivity-killer, topped the chart of key features.

¹⁰ Huffpost, Computer Stress, 10th January 2014

¹¹ The Telegraph, Britons lose five and a half days a year from slow computers ,8th October 2013

82% report that reliable and fast IT services are their top business requirement.

Figure 2: Reliable and fast IT is the key feature of the ideal workplace

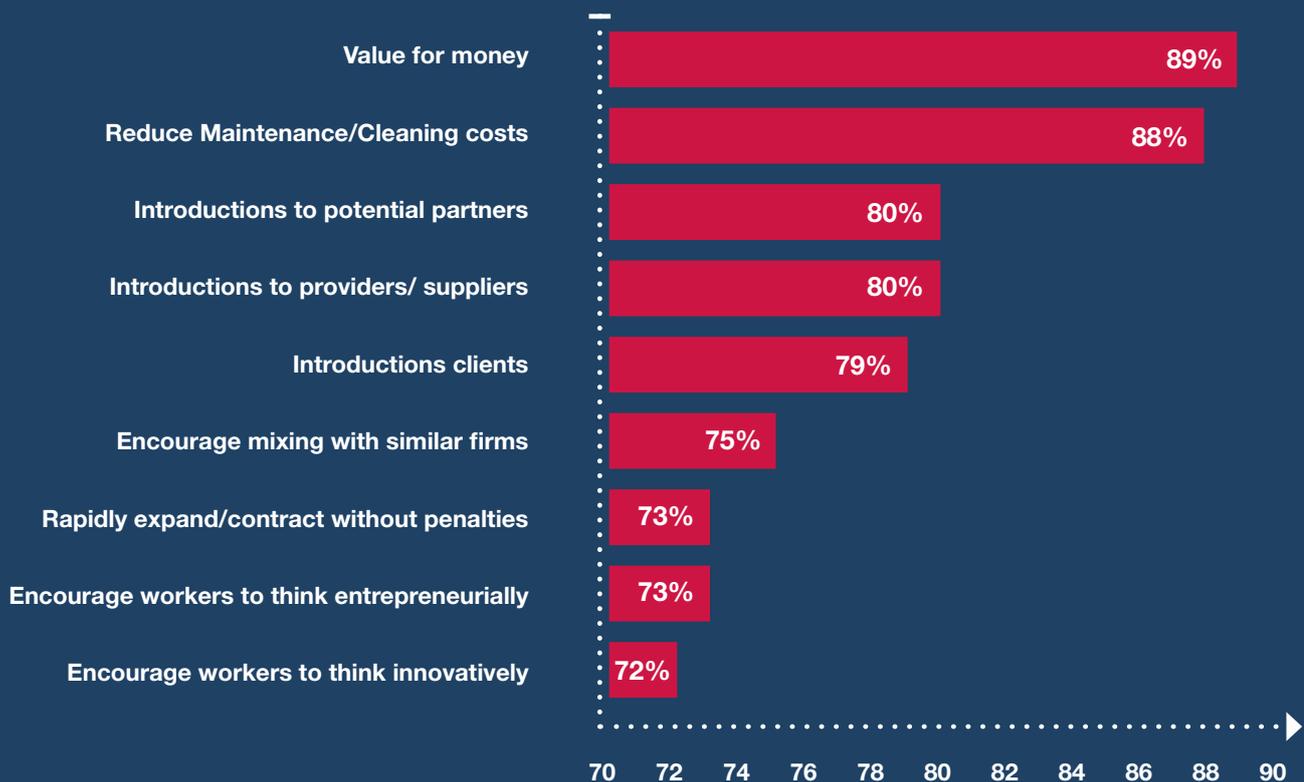


Collaborative environments

The benefits of collaborative environments are widely appreciated and, predictably, cost reduction tops the list as 89% of respondents report they are more value for money and 88% say they help reduce cleaning and maintenance costs. But there are a number of other key business benefits that global firms choose to highlight. Collaborative working is in fact seen as a way of creating connections with partners, providers and suppliers (80%) and even potential clients (79%).

Businesses also report that collaborative work environments encourage workers to think entrepreneurially (73%) and innovatively (72%), a highly desirable outcome given the value businesses place on so-called intrapreneurs, or innovative entrepreneurial employees. In addition to this, in a volatile economic environment businesses also report that collaborative environments help them expand and retract more rapidly and without incurring hefty penalties (73%) as they usually are more flexible than traditional leasing arrangements.

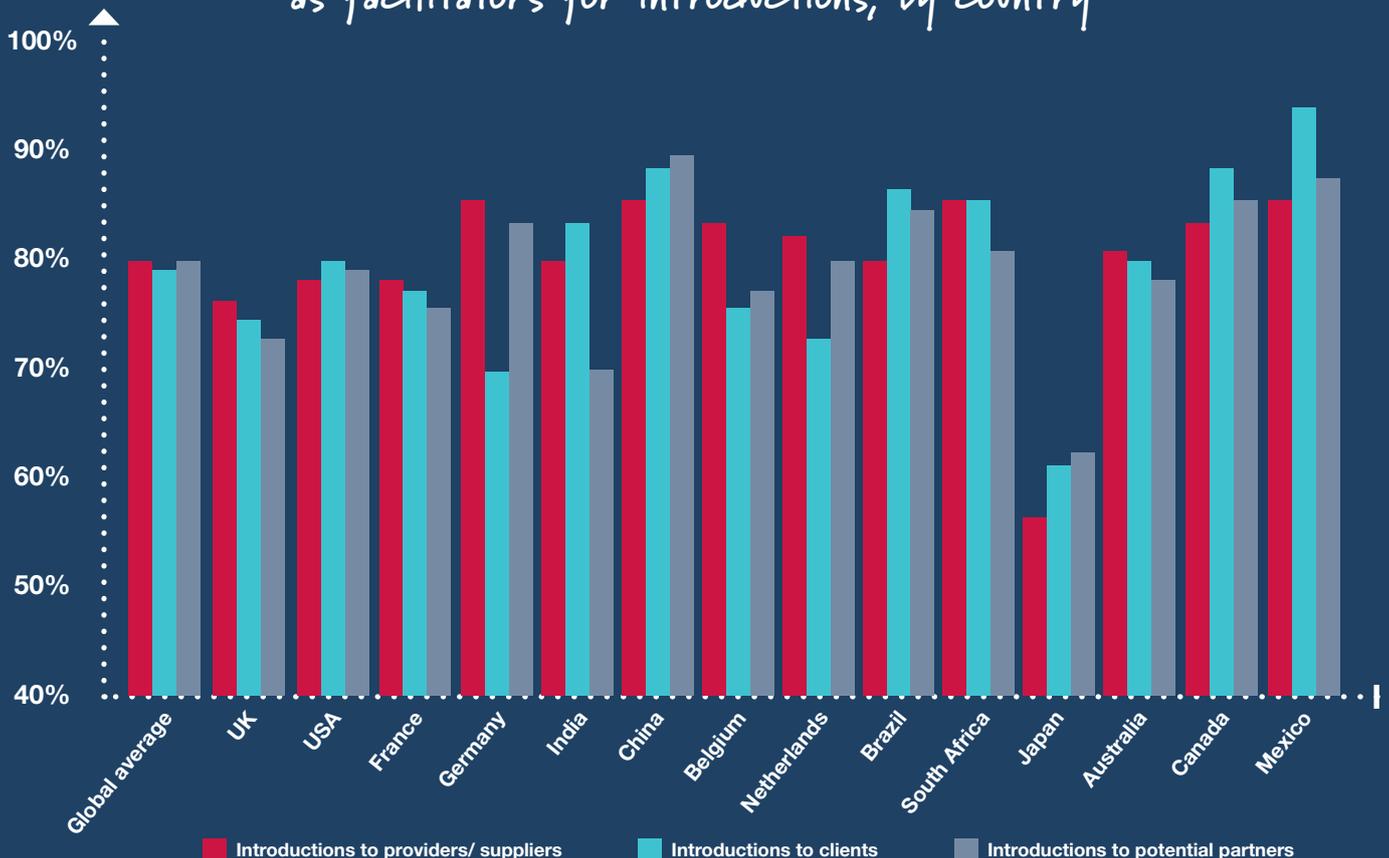
Figure 3: The benefits of collaborative work environments



Some interesting local differences are evident when some of the top benefits of collaborative workplaces are analysed, with Japanese respondents far less likely to regard collaborative work as helpful to introduce new business connections than Chinese and Mexican respondents for example. Nevertheless, it's worth noting that, among the countries analysed, more than half of respondents were always in agreement that collaborative environments are facilitators for introductions.

80% find collaborative environments productive for meeting new clients, suppliers and partners.

Figure 4: Collaborative work environments as facilitators for introductions, by country

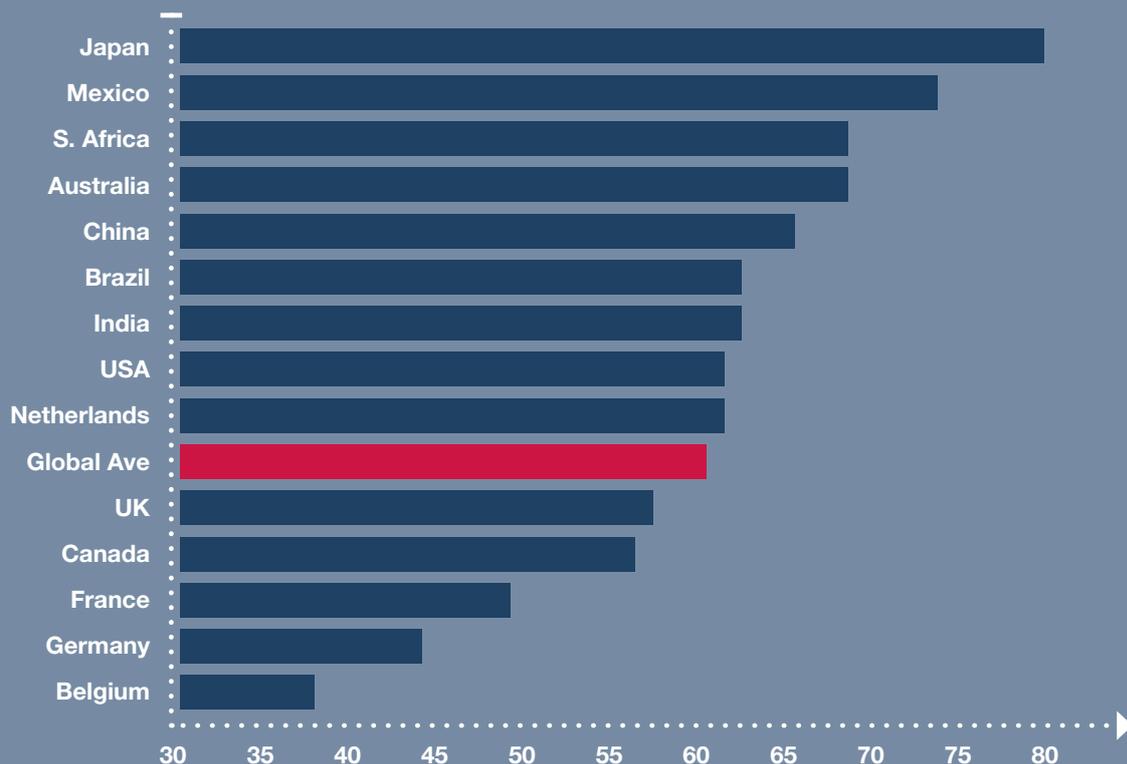


Look behind you

Mobile conversations are the most easily exposed (69%), followed by printed documents that can easily be read by people peering over other's shoulders (62%). Always keeping connected also is risky in the privacy stakes with open laptops (59%) reported to be easy prey for snoopers and 23% of respondents concerned about others peering over their shoulder to read information displayed on smartphone screens.

In terms of locations, some places are more likely to expose confidential information than others. Although cafés are a much touted choice for workers to drop in and send a few emails, or catch up on tasks while on-the-go, this survey shows that respondents actually feel that the privacy of their confidential business information is most at risk in cafés (59%). The second and third most perilous locations are hotel bars and lounges (50%). Campus style canteens are also seen as places with little privacy to offer (29%).

Figure 5: Respondents reporting that information is most at risk in cafés



42%

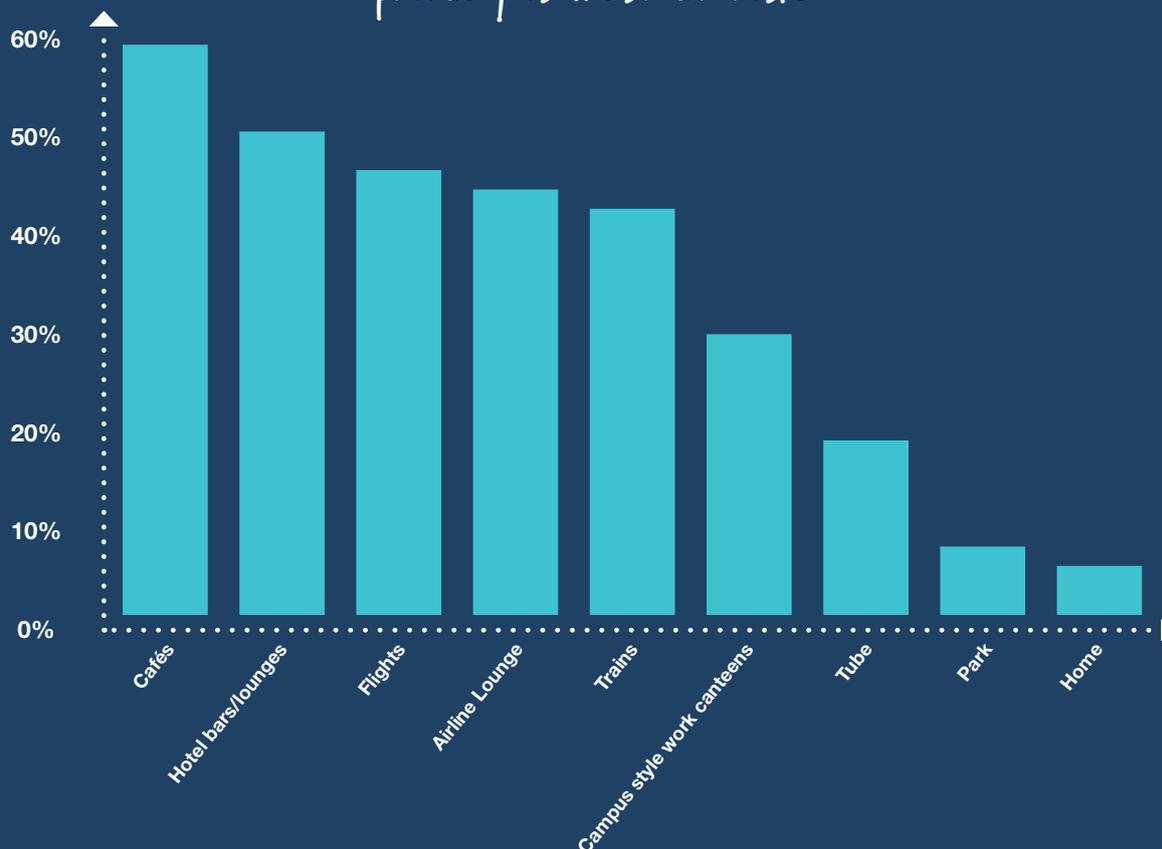
believe busy commuter trains put the privacy of their confidential information at risk.

Business travellers lament that confidential information is at risk on planes (46%), where neighbouring travellers and anyone sitting behind them can easily read into their open laptop. Airline business lounges (44%) are also regarded as very public, but most disheartening is that 42% believe busy commuter trains put the privacy of their confidential information at risk.

Ironmountain research also confirms that in the UK, trains and planes are the top locations for 'commuter-snooping', although 20% at director level or above find the airport business lounge very risky for accidental information sharing. This research also reports that it's not just the threat of exposing information on mobile devices that worries workers, but paper documents are often left unattended, lost or simply not securely destroyed so that the information cannot be reconstituted ¹².

¹² Ironmountain, Protecting sensitive company information from the commuter snoopers, October 2013

Figure 6: Locations where confidential business privacy is most at risk



Commuting – the daily odyssey

Commuters globally are travelling longer to get to work, and now travel 32,5 minutes each way on average compared to 27 two years ago. This is especially relevant in Japan where workers travel a full 12 minutes more than in 2012. In Belgium, India, Brazil and France commuters also have added more than 7 minutes to their daily commute each way. While the global upturn, with more people returning to employment, has certainly meant that more commuters are back on the road, the research also suggests that emerging economies have yet been able to realise the infrastructure spend required to reduce commuter congestion.

But workers do not let the time spent commuting go wasted and thanks to their smart devices they keep busy making telephone calls (59%), listening to music (58%), contacting family and friends (50%) and catching up on the day's news (45%). Interestingly, as figures 8 and 9 reveal, intraday travel is generally more work-focused with emailing (45%) and reading important documents (37%) more likely to be intraday travel activities.

Figure 7: Length of commute, one way, by country



Intraday travel may be carried out to move to and from meetings or simply to different clients during a single working day and sees workers more focused on improving their productivity with 37% of respondents reading important documents during intraday travel compared to only 27% that do so while commuting and respondents also revealing that they are more likely to visit professional social media during intraday travel (31%) than while commuting (23%).

Figure 8: Activities carried out while commuting

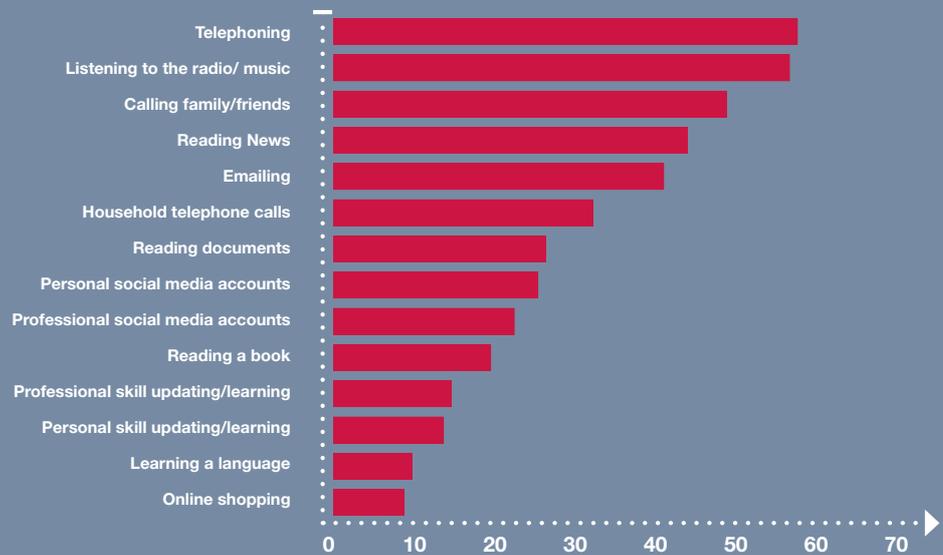
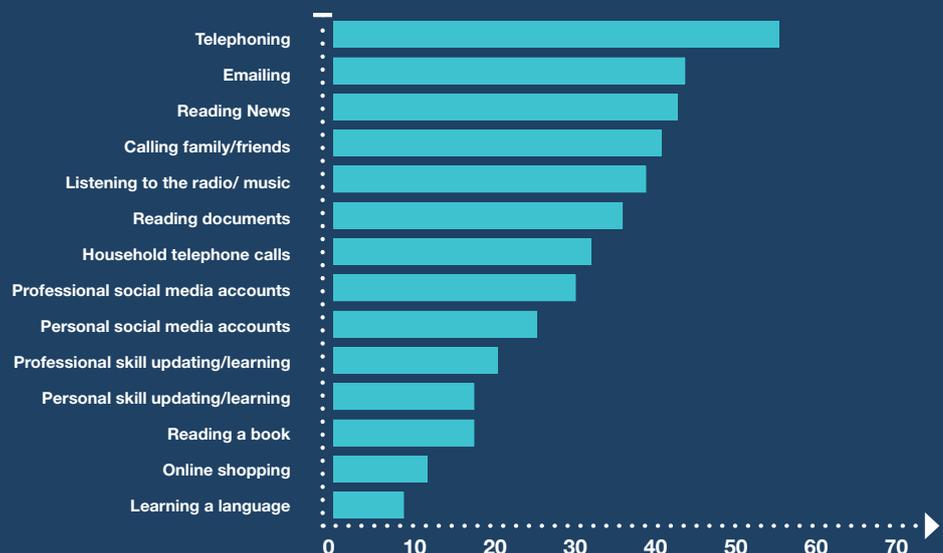


Figure 9: Activities carried out while travelling during the day



Conclusion

Workers globally agree that the key feature of the ideal work environment is highly functional ICT, highlighting the need to maintain productivity levels. Respondents also report that the work environment they prefer is smart, safe and has professional front desk management. In order to tick all these boxes without breaking the bank many businesses are opting for collaborative environments, where a number of different firms co-locate and workers mingle. An important benefit of allowing workers from different businesses to mix is the development of a keen entrepreneurial and innovative outlook. Furthermore, the ability to expand or reduce operations with more flexibility is another huge benefit of collaborative workspaces. Privacy, however, remains a concern with respondents confirming that the space they work in needs to be professional, discrete and well equipped.



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Especially when travelling between meetings and commuting, respondents highlight that there are restrictions on what they can achieve because of these privacy concerns and report that trains, planes and airline lounges put their sensitive business data at risk. Although cafés are much touted as handy drop-ins for workers on-the-go, respondents actually reveal that this is the location where they feel their private conversations, open laptops and business documents are most public.

Ideally, people would like to be able to work in a professional, discreet environment, near to home or to wherever their business takes them, so that their commuting time is shorter and their productivity can be maximised. But working closer to home also means reducing the daily productivity-drain represented by commuting and giving workers an opportunity to improve their work:life balance.

Country highlights



Methodology

Over 22,000 business respondents from 100 countries were interviewed via online survey during July 2014. These were sourced from Regus' global contacts database of over 1 million business-people worldwide which is highly representative of senior managers and owners in business across the globe.

Respondents were also asked to delve deeper into the motivations for some of their preferences explaining the benefits of collaborative workplaces and the downfalls of traditional work arrangements that require lengthy commutes and rarely provide professional drop-in locations for workers travelling or moving to and from meetings. The survey was managed and administered by the independent organisation, MindMetre Research.

mindmetreresearch.com

Respondents were also asked to delve deeper into the motivations for some of their preferences explaining the benefits of collaborative workplaces...

22,000

business respondents
interviewed



100

countries

About Regus

Its network of more than 2,000 business centres in 102 countries provides convenient, high-quality, fully serviced spaces for people to work, whether for a few minutes or a few years. Companies like Google, Toshiba and GlaxoSmithKline choose Regus so that they can work flexibly and make their businesses more successful.

The key to flexible working is convenience and so Regus is opening wherever it's 1.5million members want support – city centres, suburban districts, shopping centres and retail outlets, railway stations, motorway service stations and even community centres.

Founded in Brussels, Belgium, in 1989, Regus is based in Luxembourg and listed on the London Stock Exchange.

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