Does Workplace Design Affect Employee Attraction?

October, 2015

Hassell

Does Workplace Design Affect Employee Attraction?

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EXECUTIVE SUMMARY

This primary-source research study presents unique and compelling evidence that links the physical workplace (i.e. office design) to employer attractiveness and therefore successful staff attraction and retention.

Workplace designers have often claimed that office design is important in attraction and retention.

There is also evidence that workplace positively impacts culture and workplace behaviours. Until this study however, very little empirical data has been available to support or challenge this claim.

The findings show that workplace design significantly increases the attractiveness of employers to potential candidates, especially when working in conjunction with an attractive organisational culture.

These research findings are based on a web-based survey of 1,006 Australian current and recent job seekers which was conducted in January 2013 by Empirica Research.

About the research

Respondents completed a series of 'choice modelling' tasks to reveal which factors affected their decisions to accept different hypothetical employment offers across a range of scenarios.

The scenarios varied salary, technology provision, organisational culture and workplace design. The survey sample comprised a range of respondents with minimum representation across four major Australian cities, five key industry sectors and a balance across gender.

The spread of representation included respondents aged from 18 to 66+ with education levels from secondary to PhD and experience levels spanning junior, mid and senior.

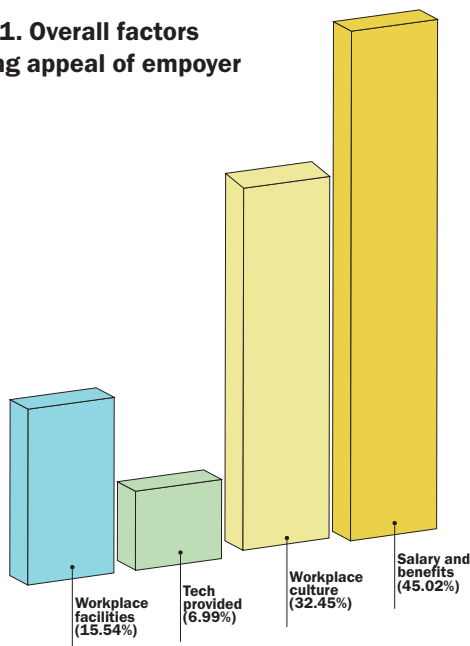**Figure 01. Overall factors impacting appeal of empoyer**
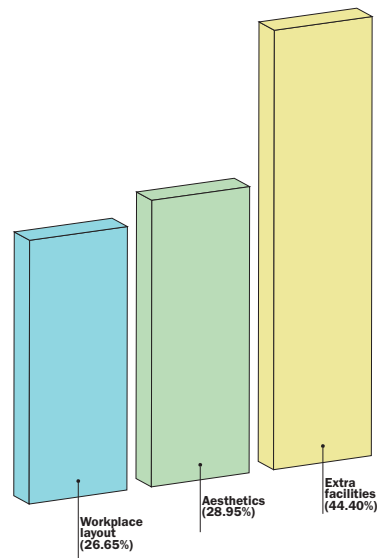
Workplace facilities (15.54%)
Tech provided (6.99%)
Workplace culture (32.45%)
Salary and benefits (45.02%)

Figure 02. Facility factors impacting appeal of a workplace

Workplace layout (26.65%)
Aesthetics (28.95%)
Extra facilities (44.40%)

Key findings

The study found that workplace design significantly affects employee attraction. The findings show that what makes an organisation attractive to an employee varies across gender, industry, experience level and even geography but that good workplace facilities, design and culture are consistent drawcards for potential employees.

Highlight findings include:

→ Salary has the largest influence on the attractiveness of a job (45% share), but workplace culture (32%) and facilities (16%) combine to outweigh the influence of salary.

→ Unprompted, respondents often cite physical workplace features as evidence of a good or bad workplace.

→ Workplace aesthetics has a greater influence on job attractiveness than workspace allocation (offices vs open plan vs activity based learning).

→ When salary is removed as a variable, an attractive workplace culture is the most influential factor in determining whether an individual is likely to accept a job or not, followed by workplace design, and then technology.

→ Appealing workplace facilities consistently DOUBLES the likelihood

→ of a candidate choosing an employer regardless of the combination of other variables.

A creative, modern workplace aesthetic consistently TRIPLES the appeal of an employer's workplace facilities.

Findings in action

These research findings complement anecdotal observations that Hassell has gathered designing over a million square metres of workplace for more than 100 diverse clients.

There are several case studies from Hassell's experience designing leading workplaces. Anecdotal evidence supports the findings of the study by demonstrating tangible improvements to overall business performance and employee satisfaction from workplace design that is aligned with organisational culture.

For example, SA Water reinvented their physical workplace environment in conjunction with a cultural change program.

This resulted in strong increases in employee engagement, a better culture, a reduction in sick leave by one day per person per year, a reduction in turnover by two per cent and increased graduate applications from approximately 20 per year to over 400 per year.[1]

Ongoing research

This research is part of an ongoing program of studies to isolate and explore key topics in workplace design where there is an unnecessary lack of empirical evidence of the impact of good design on business.

SA Water House, Adelaide, Australia Photography by Matthew Sleeth

INTRODUCTION

This research aimed to establish empirical evidence of the relationship between physical workplace facilities and an organisation's ability to attract employees.

This research aimed to establish empirical evidence of the relationship between physical workplace facilities and an organisation's ability to attract employees.

In exploring this relationship, it is important to acknowledge rapid and significant changes in the external business environment – and consequent changes in organisational priorities – over the last decade.

Put simply, the nature of work is constantly changing and so too is the role of the office itself.

Ubiquitous, mobile information technology, autonomous work styles, increasing focus on work/life balance, sustainability imperatives and incentives to reduce business costs are often cited as challenges to the traditional office.

These pressures have led some futurists to question the need for an office at all. Now that we're all connected by efficient information technology, do we need to come into an office? Wouldn't it be cheaper, easier and more sustainable if many of us simply worked from home?

This research adds weight to the argument that while the role of the office is definitely changing, a physical office that embodies an organisation's culture is vital to competing in today's market.

As an international design practice with a strong focus in workplace design, we have seen increasingly business focused design briefs over the past decade.

Our clients are looking for their physical spaces to work harder than ever before – both broadly and particularly in relation to attracting talent.

Organisations are seeking workplaces that increase flexibility, speed and agility, reinforce the organisation's culture, improve the quality of collaboration and help drive the resulting gains in innovation and productivity that are critical in today's knowledge economy.

Near the top of the list for almost all briefs is a desire for the workplace to help attract and retain the best talent.

Changes in external business environment in the last decade

→ Ongoing shift to a knowledge-based economy
→ Ubiquitous, mobile information technology and wireless networks
→ Increasingly autonomous workforce and independent work styles
→ Challenging shifts in workforce demographics and increasing diversity
→ Changed work-life balance expectations
→ Focus on sustainability imperatives
→ Need for increased productivity
→ Ongoing drive for cost reduction

Does Workplace Design Affect Employee Attraction?

Drivers of design - increasingly business focused objectives

→ Influence upon attraction and retention of key talent
→ Improved flexibility to respond to change
→ Enable faster speed and agility
→ Reinforce cultural alignment through encouraging desired systems, symbols and behaviours
→ Enhance efficiency and quality of collaboration, creativity, and connection between people and teams

Enhance value for money through more direct impacts on business performance

A cost-effective talent attraction strategy

The chart below shows that the physical workplace accounts for an estimated 15% of an employer's total operating costs over the life of a lease compared with salaries which account for the other 85%.

Given the relatively small capital cost of workplace facilities – and especially of good design – relative to ongoing staff salary costs, this study suggests that investing in workplace design and organisational culture can be a more cost effective strategy for talent attraction than offering higher salaries.

Connection and identity

From the point of view of an individual employee, there is an attraction in 'being part of something' – both when they are deciding on a job offer and once they are working within an organisation.

In their work on Identity Economics, Nobel Prize-winning economists George A. Akerlof and Rachel E. Kranton establish a compelling link between how people identify within their social context and how they make decisions – including how hard they work.[2]

In the organisational context, their model shows that "if employees think of themselves as firm insiders, rather than outsiders, the pay differentials needed to induce higher effort will be lower".

It follows that anything an organisation can do to increase an employee's feeling of connection and identification will offset the need to offer higher salaries and increase the motivation levels of employees. The way a workplace is designed can impact on the extent to which an employee connects and identifies with their colleagues and the organisation as a whole
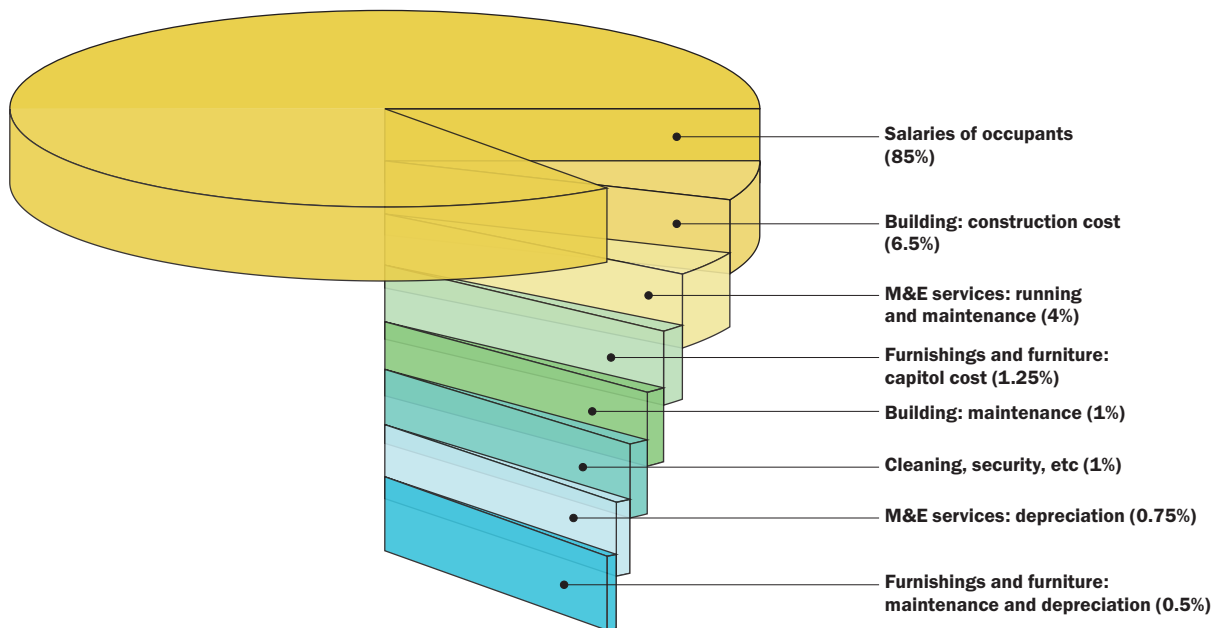

Salaries of occupants (85%)

Building: construction cost (6.5%)

M&E services: running and maintenance (4%)

Furnishings and furniture: capitol cost (1.25%)

Building: maintenance (1%)

Cleaning, security, etc (1%)

M&E services: depreciation (0.75%)

Furnishings and furniture: maintenance and depreciation (0.5%)

Figure 03. Value of people versus cost of property over time

Source: The Impact of Office Design on Business Performance, British Council of Offices, 2006

METHOD

The survey asked respondents to choose between specific job options, each consisting of different combinations of variables – i.e. "If you were offered the following two jobs, which one would you choose?"

By analysing the patterns of people's choices between different options, in relation to the specific variables altered. in each option, the data allows us to statistically understand the relative influence each variable has upon respondents' choices between job options A and B.

The study investigates an organisation's attractiveness to potential candidates on two levels.

Broadly the study looked at the comparative influence of 'big picture' attractiveness factors including salary, culture, workplace facilities and technology.

In more detail the study probed what type of workplace facilities are most attractive. The chosen factors for this study were: the workplace layout, overall aesthetic of the workplace, and the extent of additional staff facilities provided in the workplace.

There are other acknowledged influencing factors not included in the controlled variables to be examined through the survey. In general, the factors included in this survey were chosen because they represent the most valuable factors to understand relative to one another. Some other factors, such as location of the potential workplace, were excluded because their importance and influence is already well accepted.

Other factors, such as international work opportunities and formal learning and development programs, clearly may affect attractiveness but were excluded because they are less directly related to the primary focus of the study – the influence of workplace facilities and design on employer attractiveness.

Finally, the study sought to investigate whether the influences of these factors upon attractiveness are different in different contexts by separating the responses by age, experience level, gender, industry sector or geographical location.

'Choice modelling' tasks

The survey respondents were asked to choose between two differently described job offers, randomly generated from a series of predefined variables.

These diagrams explain the structure of the targeted variables, and how the options were created for respondents to choose between.

Level 1: Survey respondents were asked: "Which job would you prefer?" in scenarios where overall attractiveness factors were varied:

→ Salary and benefits
→ Perceptions of the organisational culture
→ Workplace facilities
→ Technology provided

Level 2: Survey respondents were asked: "Which job would you prefer?" in scenarios where specific workplace factors were varied:

→ Workplace layout (individual work point allocation)
→ Design aesthetic
→ Additional staff facilities

The survey also included an open comments field to provide qualitative support to the quantitative data gathered via the choice modelling tasks. Some of the comments are included within this report.

This is a more realistic psychological replica of the intuitive process of choosing an employer than directly asking respondents to assess their own (often sub-conscious) weighting of the various factors.

Robust methodology to replicate real-world decisions

These research findings are based on a web-based survey of 1,006 Australian current and recent job seekers which was conducted in January 2013 by Empirica Research.

Respondents completed a series of 'choice modelling' tasks to reveal which factors affected their decisions to accept different hypothetical employment offers.

The survey sample comprised a range of respondents with minimum representation across four major Australian cities, five key industry sectors and a balance across gender. The spread included respondents aged from 18 to 66+ with education levels from secondary to PhD and experience levels spanning junior, mid and senior.

Does workplace design affect employee attraction?

All respondents to the survey were either currently seeking, or had recently sought a new employer and so were broadly engaged in considering the factors important to them when doing so.

Also it is important to the study that all respondents were unaware that the survey was investigating issues of workplace facilities and design. For the respondents, the questions were simply about their choices between potential employers with the facilities and design-related variables just some of many factors to consider.

This is important because it means responses were not 'primed' to artificially focus on workplace facilities issues.

Much research in the architecture and built environment industry is artificially primed by being undertaken as part of a project or otherwise artificially loaded within a primed context. The 'choice modelling' approach (See Fig. 04 and 05) is a well suited method because it replicates the real-world situation of intuitively weighing up multiple different factors when choosing between available options.

This is a more realistic psychological replica of the intuitive process of choosing an employer than directly asking respondents to assess their own (often sub-conscious) weighting of the various factors.

The important distinction between intuitive, instinctive judgements and locial, cognitive decisions (and the implications for understanding thought processes) is best described by Daniel Kahneman[3], and is critical in correctly evaluating the impact of design on user psychology.
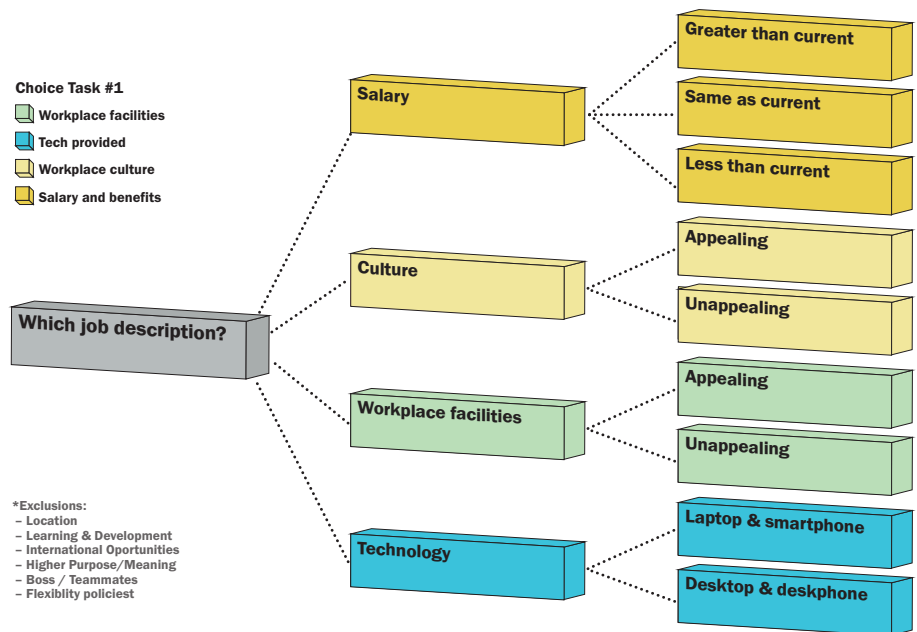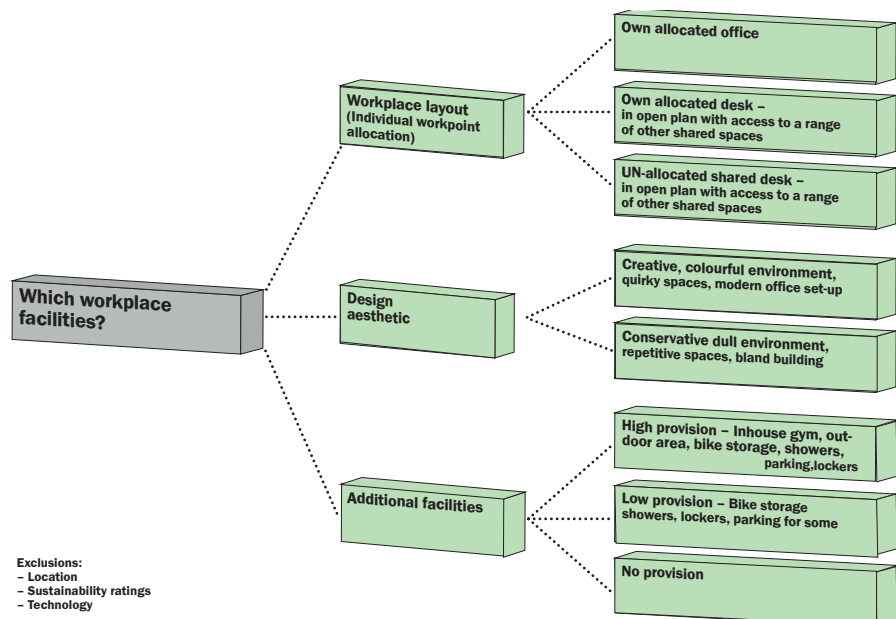
Figure 04. Factors affecting employer attractiveness

Choice Task #1
- Workplace facilities
- Tech provided
- Workplace culture
- Salary and benefits

Which job description?

- Salary
  - Greater than current
  - Same as current
  - Less than current
- Culture
  - Appealing
  - Unappealing
- Workplace facilities
  - Appealing
  - Unappealing
- Technology
  - Laptop & smartphone
  - Desktop & deskphone

*Exclusions:
– Location
– Learning & Development
– International Oportunities
– Higher Purpose/Meaning
– Boss / Teammates
– Flexiblity policiest

Figure 05. Factors affecting workplace facilities attractiveness

Which workplace facilities?

- Workplace layout (Individual workpoint allocation)
  - Own allocated office
  - Own allocated desk – in open plan with access to a range of other shared spaces
  - UN-allocated shared desk – in open plan with access to a range of other shared spaces
- Design aesthetic
  - Creative, colourful environment, quirky spaces, modern office set-up
  - Conservative dull environment, repetitive spaces, bland building
- Additional facilities
  - High provision – Inhouse gym, out-door area, bike storage, showers, parking,lockers
  - Low provision – Bike storage showers, lockers, parking for some
  - No provision

Exclusions:
– Location
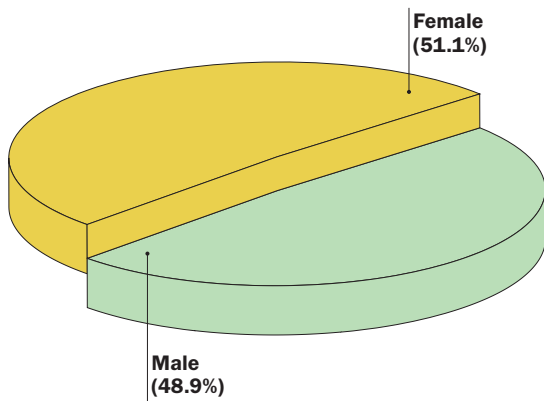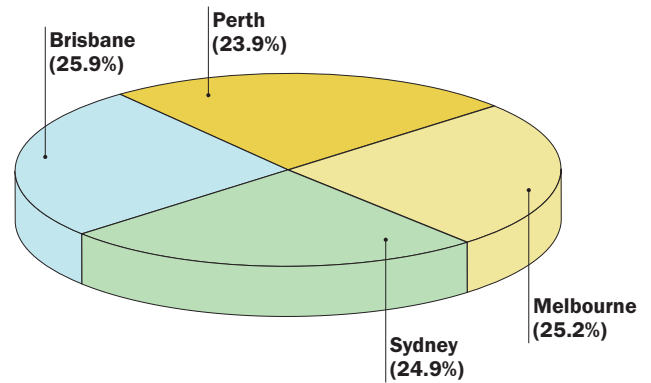– Sustainability ratings
– Technology

DEMOGRAPHICS

The 1,006 survey respondents were from four major Australian cities, five key industry sectors and represent a balance across gender. (See Fig. 06)

The spread of representation included respondents aged from 18 to 66+ with education levels from secondary to PhD and experience levels spanning junior, mid and senior. (See Fig. 06 and 07)
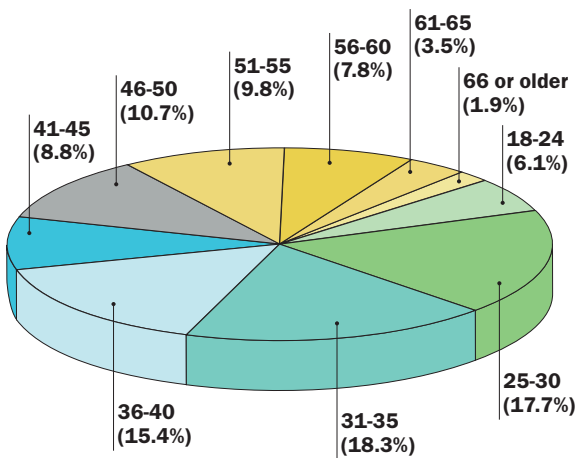
Gender

Female
(51.1%)

Male
(48.9%)

Location

Brisbane
(25.9%)

Perth
(23.9%)

Melbourne
(25.2%)

Sydney
(24.9%)

Age

46-50
(10.7%)

41-45
(8.8%)

51-55
(9.8%)

56-60
(7.8%)

61-65
(3.5%)

66 or older
(1.9%)

18-24
(6.1%)

25-30
(17.7%)

31-35
(18.3%)

36-40
(15.4%)

Industry sector

Technology/
Telecommunications
(20.8%)

Government
(21.8%)

Finance
(15.0%)

Resources/
Engineering
(20.1%)

Professional Services
(22.4%)

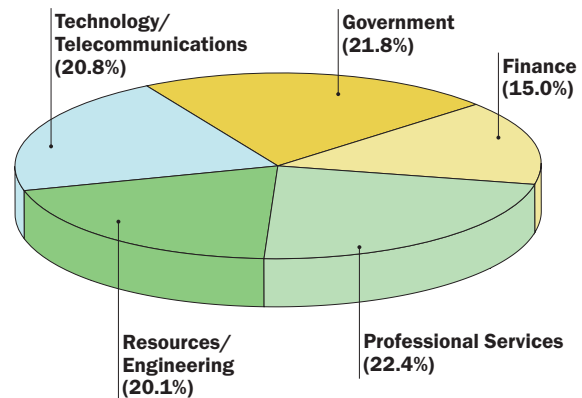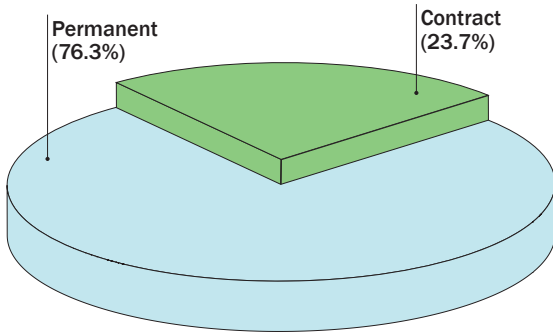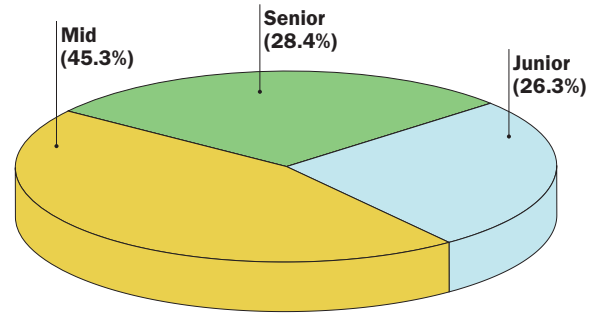**Figure 06.
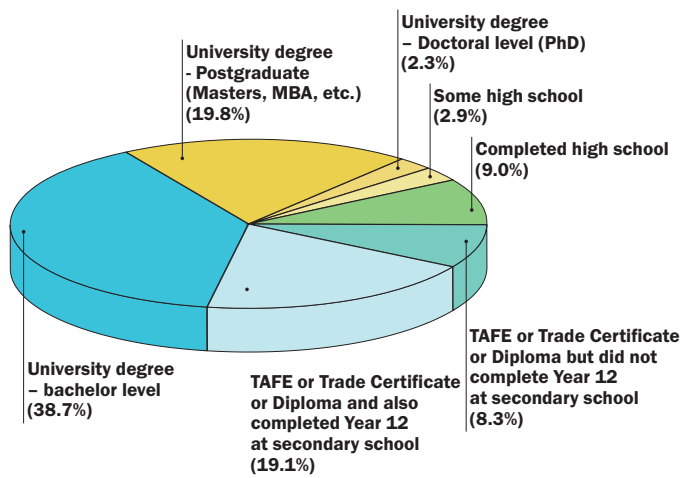Demographics**

Does Workplace Design Affect Employee Attraction?

Does workplace design affect employee attraction?

Type

Permanent
(76.3%)

Contract
(23.7%)

Experience

Mid
(45.3%)

Senior
(28.4%)

Junior
(26.3%)

Education

University degree
- Postgraduate
(Masters, MBA, etc.)
(19.8%)

University degree
– Doctoral level (PhD)
(2.3%)

Some high school
(2.9%)

Completed high school
(9.0%)

TAFE or Trade Certificate
or Diploma but did not
complete Year 12
at secondary school
(8.3%)

University degree
– bachelor level
(38.7%)

TAFE or Trade Certificate
or Diploma and also
completed Year 12
at secondary school
(19.1%)

Salary

$100,001-$120,000
(7.2%)

$120,001-$140K
(6.1%)

$140,001-$160K
(2.3%)

$160,001 or more
(4.8%)

I'd prefer not to say
(10.4%)

Less than $40K
(15.4%)

$80,001-$100,K
(15.5%)

$60,001-$80K
(20.3%)

$40,001-$60K
(18.1%)

Status

I have recently started
the job at my current
workplace after
searching for jobs
(12.7%)

I am currently
looking for a job
(18.6%)

I have been working at my current
workplace for a while now but am
considering other options
(68.7%)

Situation

I'm a stay-at-home
parent/partner
(2.8%)

I'm unemployed
(8.0%)

Other
(please specify)
(0.6%)

I'm a student
(3.2%)

I work
part time/casual
(22.0%)

I work full time
(63.5%)

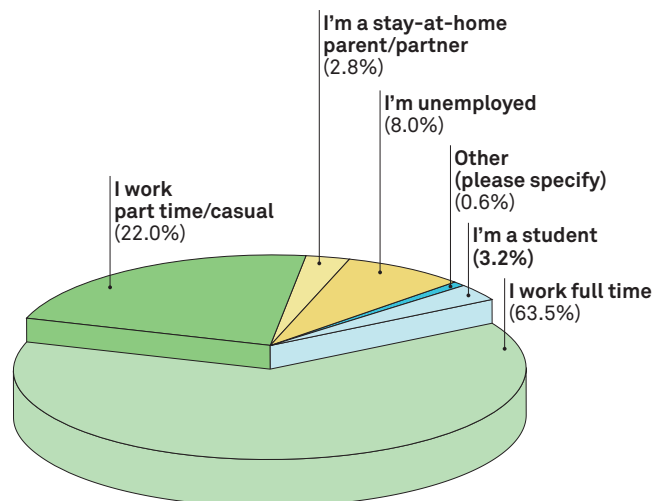**Figure 07.
Demographics**

FINDINGS PART 1

Overall attractiveness factor

Combining attractive workplace facilities and an appealing culture can outweigh salary in attracting candidates. This is a valuable finding for organisations that want to attract good talent without having to offer higher salaries .

When considering the high-level factors affecting the overall attractiveness of an employer, analysis of respondent choices between the different combinations of variables shows the following:

→ Salary and benefits were the most influential factor on respondent's choice of employer overall. However, this factor was not as dominant as might be expected.

→ Combining attractive workplace facilities and an appealing culture can outweigh salary in attracting candidates. This is a valuable finding for organisations that want to attract good talent without having to offer higher salaries than competing employers.

→ Organisational culture was consistently the second most influential factor, more influential than workplace facilities or providing mobile technology

→ Workplace design and organisational culture are closely linked because workplace design can directly influence culture through supporting "systems, symbols and behaviours over time"

There were also differences in the influence of the examined variables when comparing different subsets of the respondents (Figs. 09-11)

Figure 08. Overall factors impacting appeal of employer

Workplace facilities (15.54%)

Tech provided (6.99%)

Workplace culture (32.45%)

Salary and benefits (45.02%)
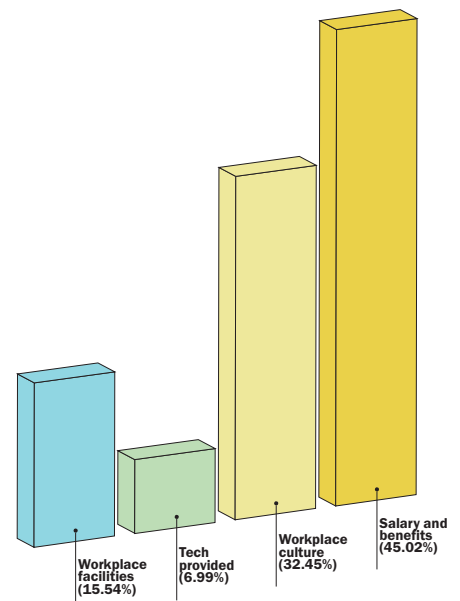
Does workplace design affect employee attraction?

By seniority/experience
Junior and senior employees place more importance on workplace facilities when choosing an employer than mid-level employees. This may be because mid-level employees are relatively less involved in leadership of the organisation than senior candidates, and less involved in learning than those in junior roles.

Junior roles were significantly less likely to be influenced by the technology on offer than mid and senior candidates, perhaps because they are more likely to take mobile technology for granted. (Fig. 10).

By industry sector
When looking at the different influence of factors between respondents from different industry sectors (Fig. 09), the data shows:

→ Workplace facilities are relatively MORE influential upon the decisions of candidates in the technology, professional services and resources/engineering sectors, than they are for government or finance sector candidates
→ Technology is MORE important for the decisions of finance sector candidates than those in other sectors

By age
Analysis of the different influence of factors between respondents across age or seniority (Fig. 10) shows:

→ Technology is LESS important for the choices of younger candidates than older
→ Workplace facilities are MORE important for junior and senior candidates than mid-level

By location
Differences were also identified in the responses according to the respondents' location (Fig. 11):

→ Workplace facilities were MORE influential on respondents' choices in Perth than other cities
→ Organisational culture was MORE important for candidates' choices, and technology much LESS important for Brisbane-based candidates
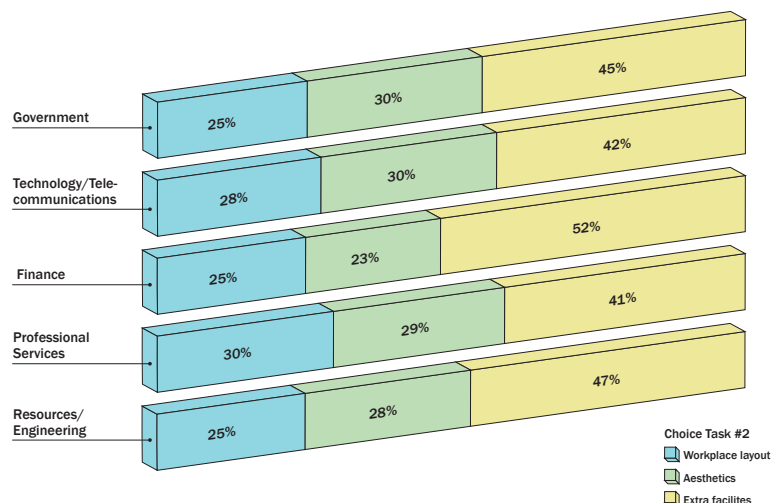

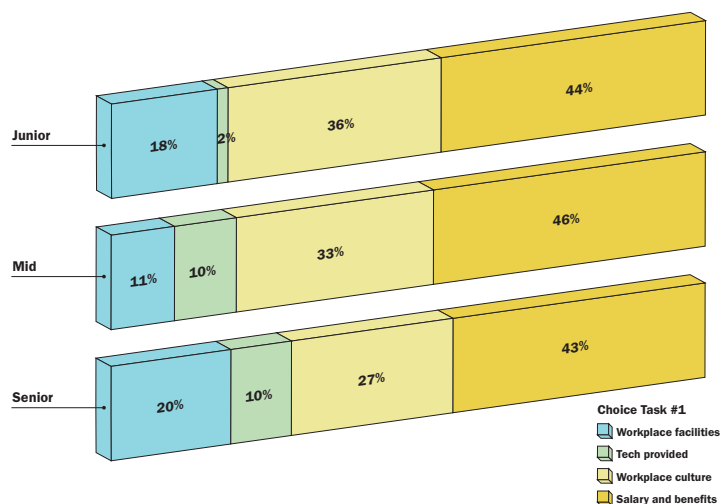**Figure 09. Influence on attractiveness by industry sector**

Government: 25%, 30%, 45%
Technology/Tele-communications: 28%, 30%, 42%
Finance: 25%, 23%, 52%
Professional Services: 30%, 29%, 41%
Resources/Engineering: 25%, 28%, 47%

Choice Task #2
- Workplace layout
- Aesthetics
- Extra facilites

Figure 10. Influence on attractiveness by seniority/experience

Junior: 18%, 2%, 36%, 44%
Mid: 11%, 10%, 33%, 46%
Senior: 20%, 10%, 27%, 43%

Choice Task #1
- Workplace facilities
- Tech provided
- Workplace culture
- Salary and benefits
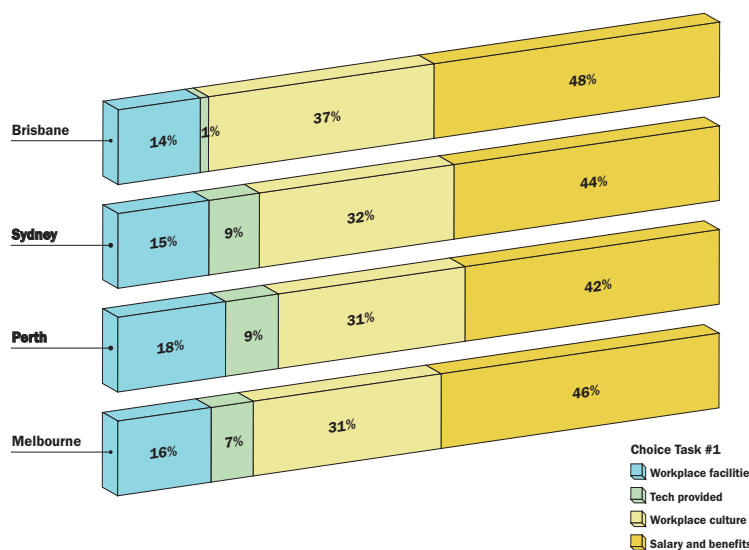
Figure 11. Influence on attractiveness by location

Brisbane: 14%, 1%, 37%, 48%
Sydney: 15%, 9%, 32%, 44%
Perth: 18%, 9%, 31%, 42%
Melbourne: 16%, 7%, 31%, 46%

Choice Task #1
- Workplace facilitie
- Tech provided
- Workplace culture
- Salary and benefits

The data shows the trade-offs respondents make between different variables, and the impact of different combinations upon a candidate's likelihood of being attracted to a job offer.

For example, when considering only the combinations where the salary variable was described as "lower than the salary you are on now", the study highlights the relative importance placed upon workplace organisational culture, workplace facilities, and technology, in offsetting a less than ideal salary.

It shows that:

The most effective way to offset a lower salary is to offer appealing organisational culture and workplace facilities, and technology, which will attract 37% of candidates despite a lower salary on offer.

An appealing organisational culture and appealing workplace facilities alone will still appeal to 24% of respondents despite the lower salary.

The table (Fig. 12) shows the uplift each variable can contribute to attracting candidates.

Adding the "appealing workplace facilities" variable consistently doubled the likelihood of an employee being attracted, regardless of the combination of other variables, taking it from:

→ 14% to 37% when both technology and culture are also appealing
→ **10% to 24% when only an appealing culture is on offer**

Qualitative feedback also suggested the strong link between perceived attractiveness of the physical workplace and the overall attractiveness of a job offer.

"We need a few different environments for different types of work - quiet, shared, private, phone friendly, common room, kitechm helps keep workspaces quiet."

Survey respondent, Professional Services

Relationships with colleagues and the office space were the most often described features of an attractive employer.

When asked to describe "the best place they have ever worked" respondents often referred to the role of the physical office facilities despite the general nature of the question.

This clearly showed a strong and intuitive association between the nature of the physical workplace facilities and the overall attractiveness of the employment experience on offer.

New office, hot desks, bright and funky interior. An energetic and dynamic vibe."

Survey respondent, Financial Services

When salary is lower than current...

Appealing Workplace Facilities	✓	✓	✗	✓	✗
Good technology (Laptop + Smartphone)	✓	✗	✓	✓	✗
Appealing Culture	✓	✓	✓	✗	✓
% who would need at least this combination to be likely to accept:	37%	24%	14%	6%	10%

Figure 12. Salary tradeoff

Does workplace design affect employee attraction?
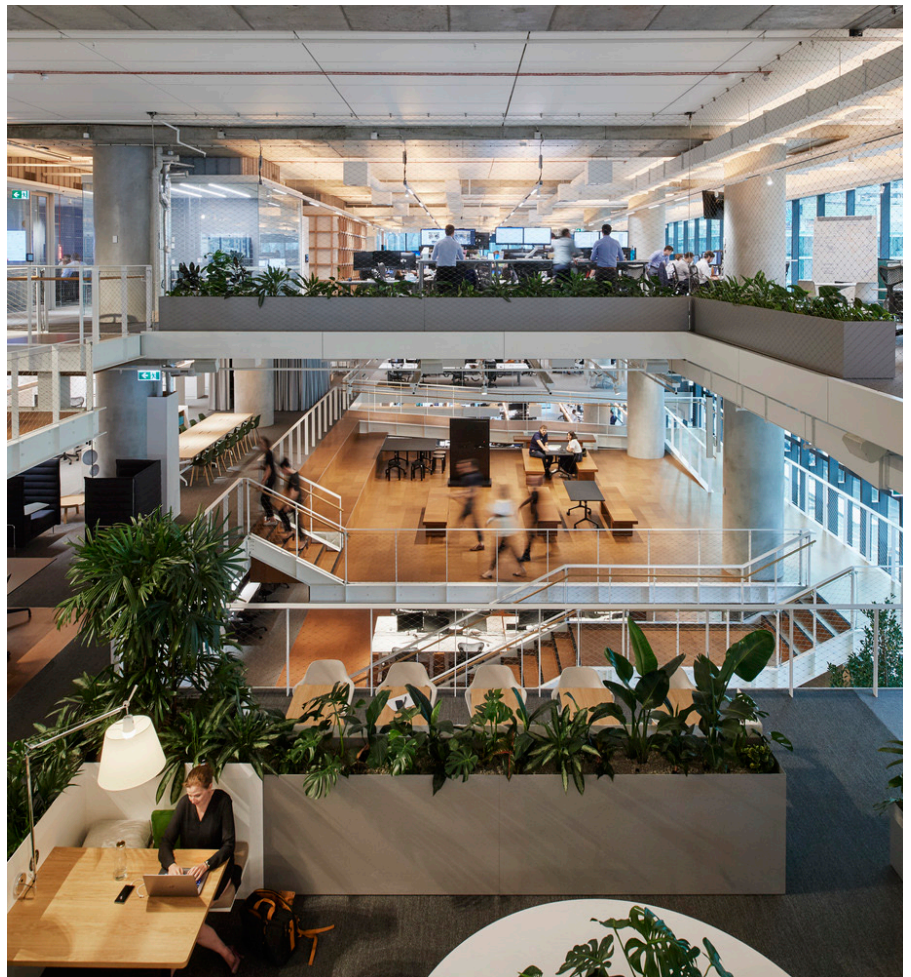
1. Origin, Brisbane, Australia
   Photography by Nicole England
2. Arup, Melbourne, Australia
   Photography byEarl Carter

FINDINGS PART 2

Workplace attractiveness factor

When choosing between job offers, the general aesthetic of a workplace has a bigger influence than whether an individual has an allocated work point.

At the second, more detailed level the study explored different aspects of workplace facilities to better understand which aspects are most attractive.

The analysis of respondent choices between different combinations of variables showed the following:

Staff facilities

Providing additional staff facilities, beyond the workspace itself, has the biggest influence on respondents when choosing between job offers.

Car parking is most commonly identified as an extremely appealing 'extra facility', followed by food and drink outlets and outdoor areas. Bicycle storage and childcare facilities were extremely appealing to the smallest number of respondents.

Aesthetics

The general aesthetic description of the workplace (i.e. whether it was colourful and creative rather than grey and corporate) has the next strongest influence on respondents' choices - a bigger influence than individual work point allocation (i.e. whether you are assigned an office, a workstation, or a shared workstation).

This is a surprising finding considering the emphasis placed upon individual work point by most users when asked directly about what is important to them in their workspace. This finding emphasises the significant – but perhaps less explicit – role of aesthetics in the workplace when compared to issues of functionality.
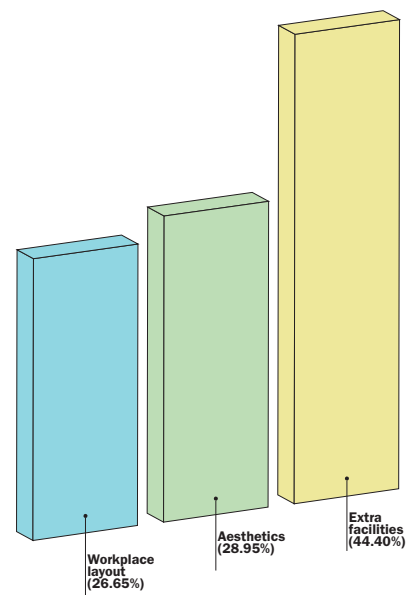

Figure 13. Facility factors impacting appeal of a workplace

Workplace layout (26.65%)

Aesthetics (28.95%)

Extra facilities (44.40%)

Does Workplace Design Affect Employee Attraction?

Figure 14. Workplace facilities

Facility	Not at all appealing	Somewhat appealing	Moderately appealing	Very appealing	Extremely appealing
Car-parking	4%	8%	15%	28%	45%
Food and drink outlets	4%	13%	28%	37%	18%
Outdoor area	3%	14%	30%	36%	17%
On-site gym	11%	17%	26%	27%	20%
Shower facilities	13%	21%	31%	24%	11%
Lockers	13%	21%	30%	26%	10%
Childcare services	38%	17%	16%	14%	14%
Bike storage	32%	26%	24%	12%	6%

Choice Task #2
- Not at all appealing
- Somewhat appealing
- Moderately appealing
- Very appealing
- Extremely appealing

Figure 15. Industry by choice importance

City	Workplace layout	Aesthetics	Extra facilites
Brisbane	23.95%	29.16%	46.89%
Sydney	25.71%	31.89%	42.39%
Perth	28.95%	29.17%	41.88%
Melbourne	27.75%	26.38%	45.88%

Choice Task #2
- Workplace layout
- Aesthetics
- Extra facilites
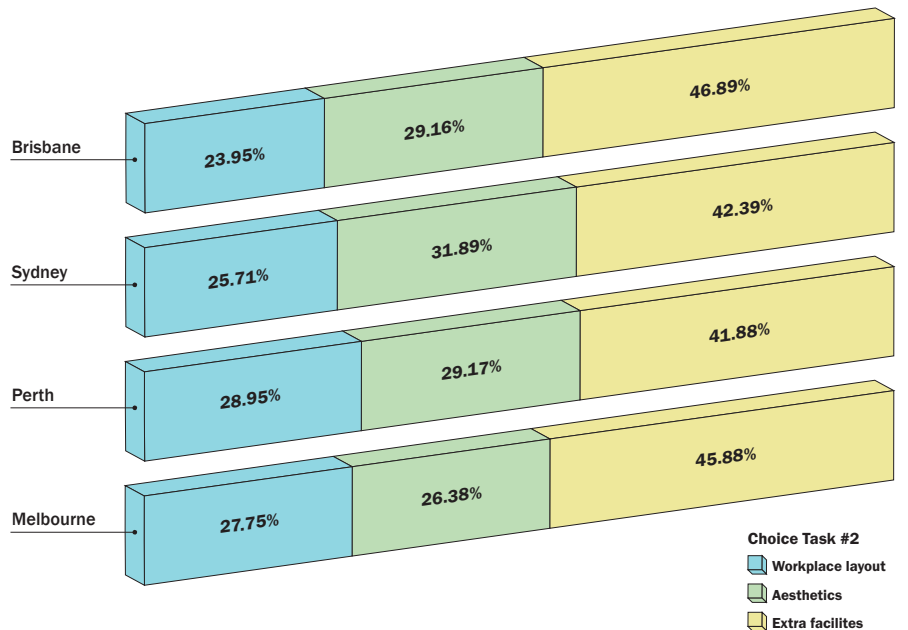
There are also differences in the influence of the specific workplace facility variables when comparing different subsets of the respondents, as follows:

By industry sector

Differences in respondents by industry sector include (See Fig. 15):

Extra facilities are MORE influential in the finance sector than in the professional services and technology/telecommunications sectors

Within the 'layout/allocation' variable, having an 'own allocated office' is the most appealing option for employees overall. However, in the finance and government sectors, and among junior level respondents overall, employees preferred an allocated open-plan desk with partitions over having their own allocated office.

Shared unallocated spaces (such as those that might be shared under an Activity-Based Working or ABW model) are the least appealing option overall – although finance sector respondents saw this as preferable to having their own allocated office.

By age/experience/gender

Differences in responses by age or seniority include (See Fig. 16):

Workplace layout/allocation is significantly MORE influential for mid-level compared to both junior and senior level employees.

Aesthetics of a workplace plays a MORE important role, and extra facilities are LESS important role for 36-50 year olds than for younger and older employees. Men are more likely to be influenced by extra facilities than women.

By location

There is relatively little difference in the influence of variables when compared city by city. So while the relative importance of the workplace overall is slightly different in different places, what makes those facilities appealing in the first place appears to be more consistent.

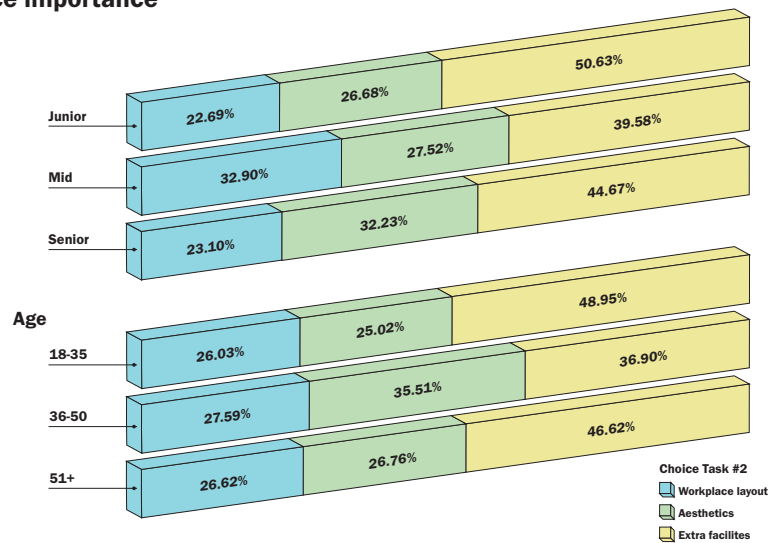**Figure 16. Employment level by choice importance**
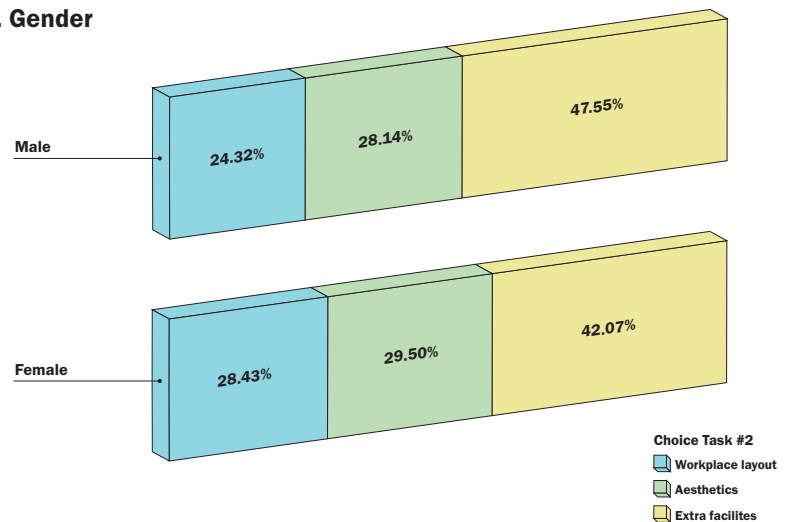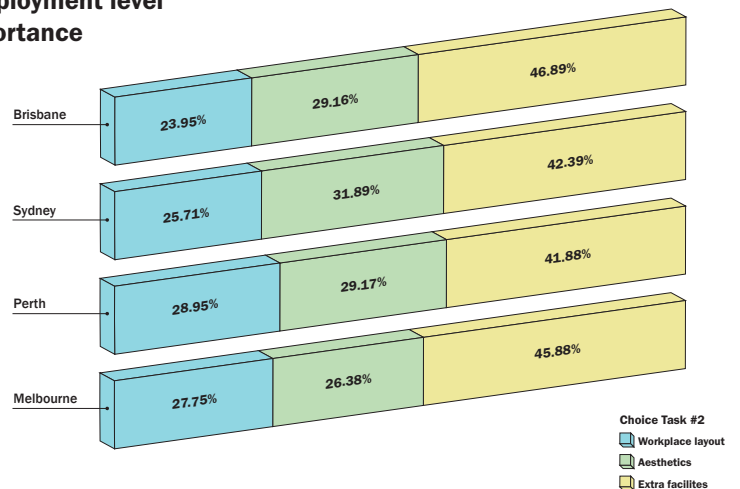

Figure 17. Gender

Figure 18. Employment level by choice importance

The importance of the creative modern space can be seen in the trade-off between the space and the extras – people would prefer to forego gym than the creative space.

Trade-offs to offset having 'no extra facilities' (See Fig. 19):

→ Extra facilities have the biggest influence on decision outcomes
→ When the facilities component was described as 'no extra facilities', an individual office in a creative/modern space is the best combination to offset having 'no extra facilities'.
→ The importance of a creative modern space is also clear – when the space is described as dull/conservative, even the appeal of a private office does little to get people across the line.

Where the facilities component was described as 'no extra facilities':

→ An allocated work point was three times more attractive than an unallocated desk; and
→ A 'creative, modern space' was three times more attractive than a 'grey, corporate' space, regardless of work point allocation.

Trade-offs to offset the perceived down-sides of an open-plan office

The perceived downsides of an open-plan office are very strongly offset by the best combination of the other factors, as described below:

→ A creative modern space and all the extra facilities (such as an in-house gym) strongly offsets the perceived negative of an open plan office
→ The importance of the creative modern space is also demonstrated in trade-off between the space and the extras – people would prefer to forego the gym than a creative modern space
→ A 'creative, modern space' is more than three times more attractive than 'grey, corporate' space, regardless of extra facilities.

Figure 19. Trade-offs: The importance of the aesthetic/ expression factor

When "no additional facilities"…

Creative, modern space	✓	✗	✓	✗	✓	✗
Office type	Allocated desk	Allocated desk	Office	Office	Unallocated desk	Unallocated desk
% who would need at least this combination to be likely to accept:	30%	10%	34%	10%	12%	4%

When "open-plan workspace"…

Creative, modern space	✓	✓	✗	✗
Extras	Low provision: Bike storage…	High provision: In house gym…	Low provision: Bike storage…	High provision: In house gym…
% who would need at least this combination to be likely to accept:	21%	56%	8%	16%

CONCLUSION

'This study suggests that investing in workplace design and organisational culture can be a more cost effective strategy for talent attraction than offering higher salaries.

The way a workplace is designed can impact on the extent to which an employee connects and identifies with their colleagues and the organisation as a whole.'

Steve Coster
Principal, Hassell

Fora Borough, London, United Kingdom
Photography by Hufton Crow

These research findings complement anecdotal observations that Hassell has gathered designing over a million square metres of workplace for more than 100 diverse clients.

In designing workplaces for a range of organisations, we have seen those that actively design appealing workplaces and also support positive culture will reap the benefits in attracting talent.

This research:

→ Gives us an empirical basis to substantiate a discussion about the importance of workplace design and aesthetics to overall business performance.
→ Reinforces the link between organisational culture and the physical workplace.
→ Provides us with a fact base upon which to advise clients trying to prioritise their spending on the various components of
→ a new workplace.

Further questions raised by the research findings include:

→ Whether the economic cycle would impact the degree to which workplace design and facilities impact a candidate's decision-making relative to salary.
→ Whether the provision of certain facilities – such as childcare – that impact a relatively small employee population in an important way are in fact disproportionately valuable both in attracting candidates and building an organisation's reputation.
→ How certain variables can impact other significant attraction factors not specifically researched in this survey. For example, how the design of certain open, collaborative workplaces naturally fosters highly sought-after mentoring and informal learning opportunities – which may offset the need to spend on more formal learning programs.

We will continue to research the impact of good workplace design on business performance.

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Steve Coster

Steve is a specialist in workplace strategy and design. He holds a Masters degree in Architecture focused on the strategic use of architecture and design for organisations. He has extensive experience developing workplace strategies, strategic briefs, design frameworks and workplace change management plans for a diverse range of organisations.

Steve is particularly focused on how workplaces and buildings (and the design process itself) can support organisational change and improve business performance. He has developed strategies and user-focused processes for projects including co-working places, workplaces, commercial buildings, laboratories, university campuses and city precincts.

Prior to joining Hassell in 2011, Steve was Managing Director of international workplace strategy consultancy DEGW, and has been involved in some of Australia's most progressive workplaces.

Steve is also a joint leader of the Hassell Knowledge and Sustainability team, focused on developing knowledge leadership and research programs across all Hassell studios.

Cassie Govan

Cassie hold a PhD in social psychology. Her previous roles include Research Associate/ Co-Director of the Behavioural Lab at Stanford University's Graduate School of Business and Associate Director at Sweeney Research

Cassie launched Empirica Research in 2010. She is an Honorary Fellow in the University of Melbourne's Department of Psychology and is regularly in the media as an expert social psychologist.

Cassie has worked on over 100 communication testing projects. One of her major passions in research is taking the science of attitude and behaviour change and combining it with her love of advertising and communications –the combination of academic theory and real-world insight.

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