



SPACE MATRIX

THE RISE OF **MILLENNIALS** AND THEIR IMPACT ON THE WORKPLACE

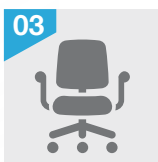
Space Matrix **Research**

April 2018

CONTENT



INTRODUCTION



WORKSPACE DESIGN EVOLUTION & GENERATION CHART



WORKFORCE PROFILE AND DIVISION OF GLOBAL WORKFORCE BY 2020



NEED FOR CHANGE IN DESIGN FORMATS



DESIGN RECOMMENDATIONS FOR MILLENNIALS

INTRODUCTION



Millennials constitute **over 50%** of the world's total population, ready to transform the workplace.¹

MILLENNIALS WORK HARDER THAN ANY OTHER GENERATION⁴

40+ hours a week

73%

50+ hours a week

25%



India to become the youngest country, with highest Millennial workforce by 2020.²

of the Millennials want a resourceful and innovatively designed office space.³

Approx.
97%
49%

of Millennials strongly support social tools such as **facebook**, **LinkedIn**, **twitter** and **Skype** for workplace collaboration.⁷

FLEXIBLE WORKING

is among the top five priorities of job searching Millennials.⁶



OF ALL THE COUNTRIES IN THE WORLD



Ranked first: Indian Millennials

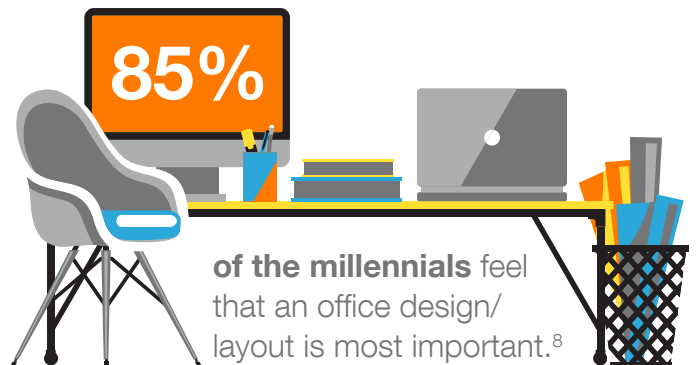
work the longest (average 52 hours a week)

Ranked last: Australian Millennials

(average 41 hours a week)⁵

85%

of the millennials feel that an office design/layout is most important.⁸



BY 2025, MOST CORPORATES TO FOLLOW MILLENNIALS OFFICE DESIGN AND APPROACH, COMPRISING OF:⁹

Smart technology

Use of smart technology such as mobile devices (BYOD), IOT and remote location access in office space to improve efficiency and productivity at workplace.

Hot desking

Open cabin culture with more breathable space and collaborative environment.

Integrated furniture

Casual lounge seating with an integrated workstations/table with two chairs.

Effective, innovative and agile office space

Full of cafés, lounges, open bay areas, co-working environment and rejuvenation centres etc.

Open but equipped spaces

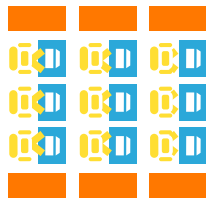
Equipped with writable wall surfaces, LED displays, sensors, projectors and access to daylight.

WORKSPACE DESIGN EVOLUTION & GENERATION CHART

The Silent Generation

ESTABLISHMENT OF 'THE STREAMLINED OFFICES'

A more aesthetically designed Taylor office space with the use of premium materials. Precisely designed space for efficiency and speed. Improved and updated by the extravagance of the Roaring 20's using newly invented premium materials in the market.

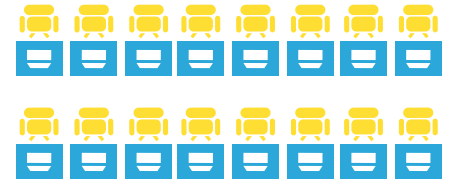


1900 onwards

1930's

INTRODUCTION OF 'THE TAYLORIST OFFICE SPACE'

Taylor's design featured workers evenly spaced along rows of desks inside one open room. The managers and owners were situated in separate private offices to establish their authority.



Baby Boomers



1960's

'THE BÜROLANDSCHAFT DESIGN'

Basically a German office landscape design with side-by-side workstations for co-workers. Pinwheel arrangements to make conversation easier, but the layout still stayed undivided.

'THE ACTION OFFICE DESIGN'

An advanced form of Bürolandschaft inspired design. This was the first modular business furniture system, with low dividers and flexible work surfaces. Very similar to the cubicle design format.

1968

Generation - X



Millennials (Generation - Y)

KICK START OF 'VIRTUAL OFFICE SPACES'

Increasing ease of internet access, widespread new technology, the internet, laptops and mobile phones moved offices, workers, and work away from the typical office and their desk, and onto public transport, into homes and cafés.



1980's

1990's

2000 onwards

RISE OF CUBICLE DESIGNS - 'CUBE FARM'

The cubicle concept taken to the extreme. An office as flexible as Action Office concept, with modification to suit the changing needs of the employee, largely to avoid expensive new furnishings.



'ADVANCE NETWORKING/CASUAL OFFICES'

Next generation & futuristic design and furniture parting away from the cubicles and encourage sociability with movable, semi-enclosed pods and connected desks whose shape separates work areas in lieu of dividers.



WORKFORCE PROFILE AND DIVISION OF GLOBAL WORKFORCE BY 2020



BABY BOOMERS
Born (1946-1964)



GENERATION-X
Born (1965-1979)



MILLENNIALS
Born (1980-2000)

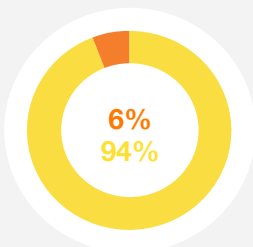


GENERATION-Z
Born (Post 2000)

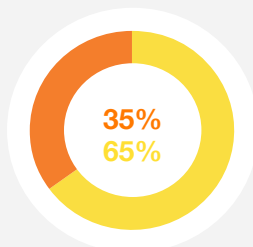
GENERATION CODE



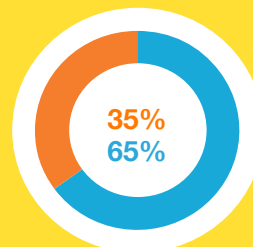
GLOBAL WORKFORCE % CONTRIBUTION BY 2020



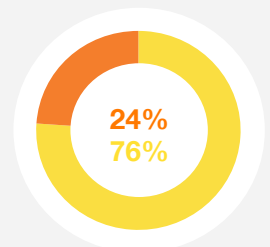
Baby Boomers
Others



Generation-X
Others



Millennials (Generation-Y)
Others



Generation-Z
Others

By 2020, Millennials would constitute to approximately 35% of the global workforce



Baby Boomers

Generation-X

Millennials (Generation-Y)

Generation-Z

Source: ManpowerGroup, Millennials 2020 Vision report

LIFE ASPIRATIONS

✓ Job security



✓ Work-life balance



✓ Freedom
✓ Flexibility



✓ Advancement
✓ Stability



TECHNOLOGY COMPATIBILITY

✓ IT adaptation

✓ Digital immigrants

✓ Tech natives ✓ Explorers

✓ Technoholic ✓ Technophilic

WORKSTYLE

✓ Easy lifestyle



✓ Evolving
✓ Changing



✓ Competitive
✓ Well-connected
✓ Mobile



✓ Transforming
✓ Technical



WORKFORCE PROFILE AND DIVISION OF GLOBAL WORKFORCE BY 2020

BABY BOOMERS Born (1946-1964)

GENERATION-X Born (1965-1979)

MILLENNIALS Born (1980-2000)

GENERATION-Z Born (Post 2000)

WORKSPACE DESIGN

- ✓ Cubicles
- ✓ Classic design
- ✓ Closed patterns



- ✓ Open
- ✓ Less cubicles
- ✓ Efficient
- ✓ Advance



- ✓ Green
- ✓ Innovative
- ✓ Collaborative
- ✓ Work agile
- ✓ Technology enabled



- ✓ Work agile
- ✓ Virtual collaboration
- ✓ Technology driven



DEVICES



- ✓ Personal computer
- ✓ Laptops



- ✓ Laptops
- ✓ Tablet
- ✓ Smartphones
- ✓ 3D printers



- ✓ Next-gen smartphones
- ✓ 3D printers
- ✓ Virtual reality engines



COMMUNICATION MEDIUM

- ✓ Letters
- ✓ Telegrams



- ✓ Telephone
- ✓ Emails
- ✓ Cell phone



- ✓ Email
- ✓ Text
- ✓ Messaging
- ✓ Social networking



- ✓ Social networking
- ✓ Voice enabled



COMMUNICATION PREFERENCE



- ✓ E-mail
- ✓ Voice conferencing



- ✓ Video conferencing
- ✓ Holograms
- ✓ Virtual engines



BASIC PROFILE

- ✓ Prone to **manual work**, **low tech adaptability**
- ✓ Deliver information **slowly but efficiently** in the form of **newsletters** and **verbal** conversation

- ✓ **Internet learners**, this generation has adapted to online business at work
- ✓ **Believe in manual work** process and use traditional tools
- ✓ **Use time effectively**, deliver information quickly and efficiently through **text messaging** and **social media**

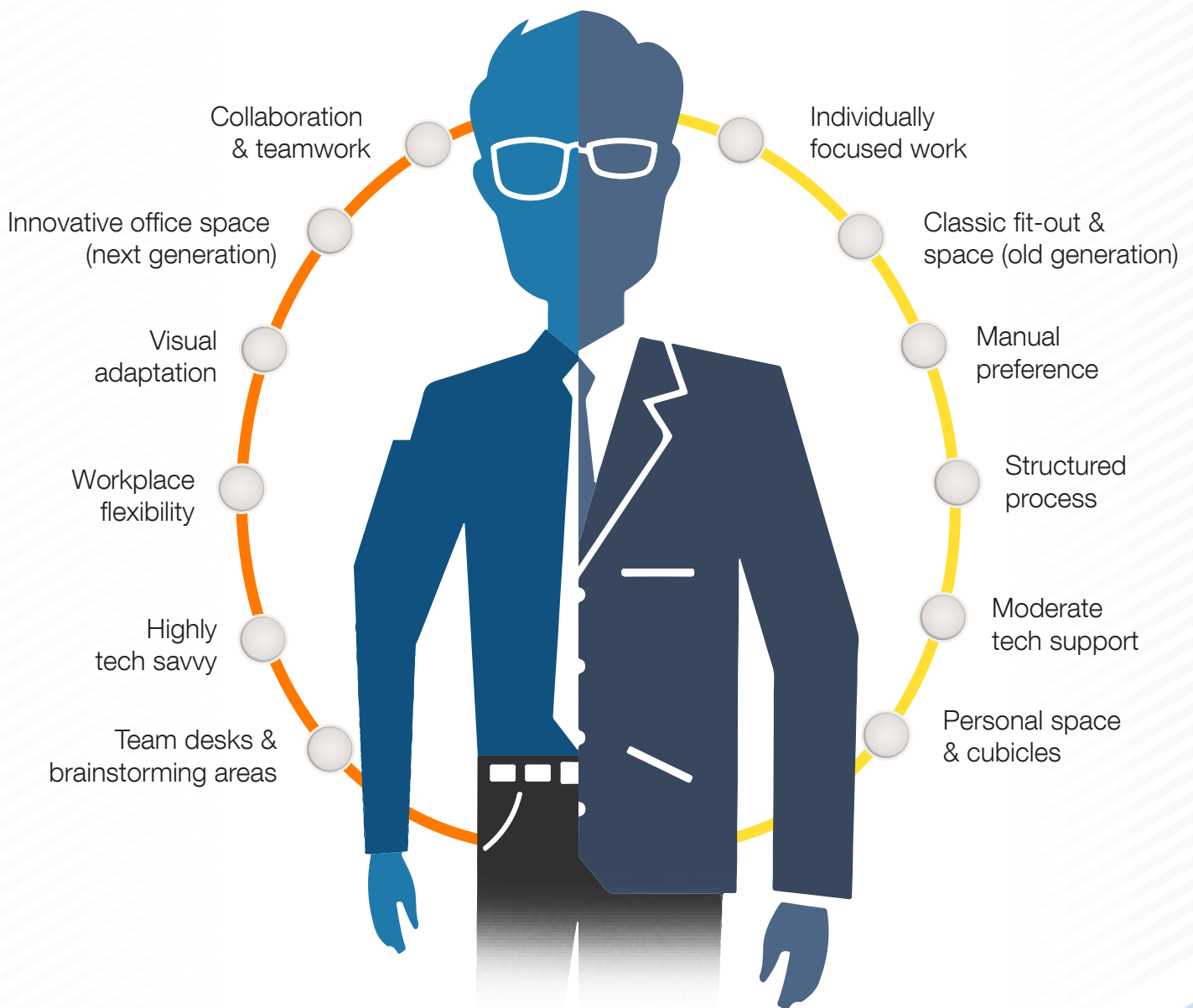
- ✓ **Focused and hardworking** as compared to older generations
- ✓ **Forward thinkers** and have practical approach towards lifestyle
- ✓ **Creative, task driven, multitaskers**, highly driven by technology and internet of things (IoT)
- ✓ Considered as the **first 'global' generation**, post development of 'the internet'

- ✓ This generation desires more **independence** at work
- ✓ **Highly tech-savvy**, technology driven and highly adaptable to changing conditions
- ✓ **Fast learners** and **good performers**
- ✓ Considered as **the next generation**, ready to transform the work, culture and design in short-term

EXPECTATIONS AND PREFERENCE OF MILLENNIALS OVER OLDER GENERATIONS

MILLENNIALS

OLDER GENERATIONS



NEED FOR CHANGE IN DESIGN FORMATS

IN THE LAST 5 YEARS, Millennials have become the largest generation in the global workforce. They are also the fastest-growing generation of workers, consumers and trendsetters in the marketplace, bringing the much-needed change to transform the future. Over the years, Millennials have contributed significantly to developing the technology, social culture, especially workspace design industry.

Millennials have preceded the older generations and view the world differently. They have redefined the meaning of success, personally and professionally by the adoption of a 'workplace strategy' encompassing an organisation's goals, objectives and values in line with a way to achieve the designated output with persistence and efficiency in the long-term. Given the complexity and nature of today's work culture, we are constantly thriving towards building a better workplace environment, one which supports human performance for the younger generation.

'OFFICE SPACE
DESIGN FOR
MILLENNIALS TO
BE FOCUSED
ON – THEIR WAY
OF WORKING,
NEED, UTILITY AND
ADAPTABILITY TO
NEW INNOVATIVE
TECHNIQUES
AT WORKSPACE.'

Space Matrix Research, 2018



WHY THE DESIGN OF SPACE MATTERS?

Workforce engaged in day to day activity has been influenced in some way or the other by design and format of office space. In the last few years, designs indicate a renewed imperative to both appreciate human dynamics and strengthen human interaction as a means to innovate. Also, the increasingly ubiquitous nature of technology ought to transform these spaces into test-beds for how distinct spaces, in distinct sectors, can balance technology with the valued processes of human interaction and engagement.

ROADMAP TO NEED FOR CHANGE?

Millennials remain most important in the transformation of today's workplace, the juggernaut that can wield immense influence on the way workplace design business is run globally. As the majority of Millennials continue to thrive for promising future, most sectors such as IT/ITeS, BFSI, pharmaceutical along with others are slowly exploring newer possibilities and innovative methods to reach a more effective, healthy and productive work environment. Moreover, countries such as India, China, Singapore, Vietnam and Australia would continue to remain, front runners, driving effective workplace strategy in the medium to long-term.

The global firms and designers are realising this generation's unique competencies and perspective. Therefore, we at Space Matrix are utilizing ways and techniques to harness their strengths and design with significantly improved, cost-effective, well adaptive and innovative methods suitable for the next generation workspace. As Millennials continue to shape the twenty-first century, we believe that modernisation and innovation of the workspace are sooner becoming a reality. Growing up in an era of rapid change, next-generation employees have a set of expectations and priorities that are radically different from those of the older generations. In this era of an over growing competitive market, it becomes extremely important for us to understand the nature and preferences of corporates with a higher millennial workforce, looking for expansion in the next generation of designed spaces, considering advanced workplace models.

“83% OF WORKERS BELIEVE THAT USE OF RIGHT TECHNOLOGY TOOLS CAN ENHANCE THE PRODUCTIVITY AT WORKPLACE” ~ AS PER DIGITAL, DISPARATE, AND DISENGAGED, A JUNE 2016 STUDY

Forrester Consulting commissioned by Prysm

“A GLOBAL MOBILE ADVERTISING FIRM (INMOBI), CONSTITUTE TO APPROX. 30% OF THE WORKFORCE AS MILLENNIALS, ENCOURAGING INNOVATION AND TECHNOLOGY-DRIVEN WORK CULTURE IN THEIR OFFICE.”

EFFECTIVENESS OF COLLABORATION AT WORKPLACE:

Where most generations take an individualistic approach to life and work, Millennials crave for team-based work, collaboration, employability and flexibility. For them, work is about personal enrichment and fulfilment, which means that having flexibility in their work schedule is highly account-ed for. Use of Unified Communication and Collaboration (UCC) technology helps in achieving that balance, by enabling real-time communication, information sharing and collaboration between employees/departments. Other important things include open green space, flexible work hours and competitive learning to make a difference.

TECHNOLOGY AND INNOVATION AT WORKPLACE:

Technology occupies centre stage when it comes to designing initiatives for Millennials, and tech giants. The advent of technology has led to less need for workers to be bound to their workstations, resulting in an innovatively agile work set-ups, followed by some of the Dot-Com companies that survived post the Y2K glitch. Innovative technologies have always inspired the culture of collaboration, level of contribution, and sharing of opinions and ideas regardless of an employee's role in the company. Some of the innovative components suitable for the workspace, to include:

Sit-to-stand desking

– workers using a sit-stand desk are likely to remain 78% pain-free as compared to the one using regular, stationary workstations.

Advance phone booths

– modular office phone booths are the ideal remedy as they offer instant privacy to those who need to make a phone call in an open office set-up, and because of their acoustically-sound construction that prevents leakage of conversations.

Smart Sensors

– use of smart sensing technology in an office space is essential for the modern workplace. These sensors provide most accurate data, which can be used to alter and refine the work-place design and help in productivity at work.

Tech pods

– equipped with modern technology are highly reconfigurable, with simple set-up option available in real time.

DYNAMIC, ACTIVITY-BASED WORKSPACES:



To design a dynamic activity-based workspace that would suit working style of the Millennials, away from open plan tedium. A more contemporary, responsive spaces that remain open, but separately allows collaboration, inspiration, mobility while working on special projects – without the worry of crowding/disruptions from others. Workers are presented with a range of logistically different workspaces to choose from to best suit their individual needs at the time – including their own desk, wide open meeting rooms with whiteboards, IT suites, or open, informal spaces equipped with coffee and snacks machines. An environment allowing staff to work effectively in different environments within the same space. This might be the key to both productivity and workplace wellbeing for the next generation.

THE IDEA BEHIND THE OFFICE HERE IS TO CREATE A VARIETY OF SPACES THAT WILL ENABLE PEOPLE TO WORK IN A WAY THEY WANT TO WORK

CREATIVE AND FLEXIBLE WORKSPACE DESIGN:



Nearly 10-20% of the employees in most companies work from home. Hence the necessity of adaptable, flexible spaces has become even more apparent. Fixed and formal meeting rooms aren't used constantly and can be cost inefficient. Hence, flexible workplaces from one-man phone booths (perfect for personal calls and personal work) to huddle rooms (for small groups), loud rooms (for informal creative and collaborative work); and quiet rooms (for private, confidential and reserved). This desire for flexible, yet adaptive workspace has permeated modern offices significantly through the introduction of "third spaces," or "in-between spaces," work areas with no rigid purpose; but the ability to adapt to multiple styles of working on different project types.


TODAY'S OFFICES HAVE BEGUN TO INCORPORATE SPACES TO ACCOMMODATE A RANGE OF DIFFERENT WORKING STYLES – ALL WITHIN THE SAME SPACE

FOCUS ON HOT DESKING & CASUAL OFFICE SPACES:



A highly radical example of hot-desking – where employees are encouraged to set up and use different desks each day. This has allowed companies to save space, consolidate expensive offices, utilise new communication technology to save operating cost, and promote a more flexible working environment. Workplaces should be designed to support both well-being and productivity, which can be achieved by promoting hot desking and using nuanced approach (casual office spaces).

APPROX. **67%** MULTINATIONAL CORPORATES PLAN TO ADOPT A SHARED-DESK WORKPLACE (HOT DESKING) ENVIRONMENT BY 2020



We at Space Matrix believe that a next generation / innovative workplace should support all different activities involved with knowledge at work and innovation at hand. Inventive workplace design and need for change are always about the active focus on things such as creativity, mentorship, collaboration, modernisation and dynamic operation of resources. A perfectly designed workplace has a positive impact on employee engagement, loyalty, and organisational development.

DESIGN RECOMMENDATIONS FOR MILLENNIALS



Cisco Systems, Singapore

Multiple phone booths scattered throughout the workplace support open environment and provide opportunities for private conversations, uplifting effective utilisation of space.

Office design can support different functional needs.

Employees to choose from a variety of spaces, depending on the task at hand, as well as when and how to use them.

Large conference spaces such as breakout space, and reception, to be located at the entrance of the floor, consolidating activity and noise to minimise disruption to individual workplaces.

Separating open workstations with enclosed spaces helps in maintaining noise. Too many open workstations create a feeling of overcrowding and can be too noisy.

Open and wider spaces allow light to penetrate deeper into the floorplate and provide access to daylight for interior spaces.

Create thermal comfort through the right combination of temperature, airflow and humidity. A combination of these elements is required for physical comfort in the workplace.

Shared spaces to be located along the window wall with ample access to light and external view (to increase visibility).

Ample use of smart sensor technology across office segments to attain energy efficient and technology-driven environment.

Healthy initiatives include gym/ yoga centres, rejuvenation rooms, smart activity areas, indoor gaming rooms, etc.

SPACE MATRIX RESEARCH

CONTACT US

RAGHAV KHILERY

LEAD MARKET RESEARCH

raghav.khilery@spacematrix.com

FIZA MALHOTRA

HEAD OF MARKETING

fiza.malhotra@spacematrix.com

To learn more about Space Matrix or to speak to one of our consultants please visit www.spacematrix.com

ABOUT SPACE MATRIX RESEARCH

This report has been prepared by the Space Matrix Research Team, comprising of leading industry researchers who provide office space market research and workplace design strategic outputs for investors and corporates across the globe.

This report is presented for information purpose only, exclusively for Space Matrix clients and professionals. The entire content of this report is largely based on primary, secondary and analytical research, provided on an 'AS IS' basis without any warranty. All the materials presented in this report, unless specifically indicated otherwise, is under copyright and proprietary to Space Matrix and/or its original source. The Information contained herein, including the overview and the subject matter, has been obtained from materials and sources believed to be reliable at the date of publication, however, Space Matrix makes no guarantee, warranty or representation, undertaking about it. The content of this report is not to be construed as advice or recommendations to any reader specifically. All the readers are responsible for independently assessing the relevance, accuracy, completeness and currency of the information of this publication. Any action taken or proposed to be taken based on this report must be in consultation with professionals and not merely based on this report.

All rights to the content of this report are reserved and none of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party without prior express written permission of Space Matrix. Any unauthorized publication or redistribution of Space Matrix research reports or any part thereof is prohibited. Space Matrix shall not be liable for any direct or indirect loss, damage, cost or expense incurred or arising by reason of any person using or relying on information in this publication.

REFERENCES

- [1] WORLD ECONOMIC FORUM_Annual_Survey_2017
- [2] Economic times_what-the-millennial-indian-wants
- [3] Space matrix employee satisfaction survey, Space matrix research_2018
- [4,5,6] ManpowerGroup's - Millennials - 2020 Vision
- [7] Online.queens.edu_MA-in-Communication
- [8] CBRE APAC Millennial_survey_India_2016
- [9] Space matrix research_2018, Secondary market research