STAPLES Advantage

2015workplaceindex

A Comprehensive Study of Workplace Trends

Developed in partnership with Redshift Research

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A look at workplace trends

With more than half of employees feeling overworked and burnt out, employee engagement has become a top priority for businesses. According to the inaugural Staples Advantage Workplace Index survey, there are a number of factors, from office environment to working practices, that can contribute to a more committed, productive and loyal workforce.

The Staples Advantage Workplace Index benchmarks trends including job satisfaction, productivity and office design in the United States and Canada, surveying more than 2,600 office workers. The resulting data paints a picture of a professional environment that demands companies and employees to do more with less. "It's not a surprise that employees are feeling overworked and burnt out," said expert Dan Schawbel, founder of WorkplaceTrends.com and managing partner of Millennial Branding. The survey results explain why some employees feel burnt out — and pinpoints what companies can to do make employees feel positive about their workplace.

Key findings

Burnout

Burnout from working long hours is a key cause of low productivity. According to the survey, more than half of office workers are experiencing burnout from working long hours, which is likely to have a negative impact on productivity. Burnout can be reduced by encouraging workers to take a break, cut down on unnecessary or unproductive meetings and minimizing email overload.

Job Satisfaction

Job satisfaction is the key to staff loyalty. Eight out of ten workers who are the most dissatisfied with their jobs are currently looking for a new job. According to survey responses, this can be avoided by instilling a positive work culture, building trust in leadership and ensuring staff feel challenged in their work.

Flexible Workplace

A flexible workplace plays an important role in fostering a positive work culture. Only half of all unhappy workers have access to a flexible work environment, while 70 percent of happy workers report having some workplace flexibility. By offering flexible working options such as telecommuting and ensuring employees feel free to take a break when they need to, employers can build a stronger bond of mutual trust with their employees. Employers who offer the most flexibility, experience the least employee churn.
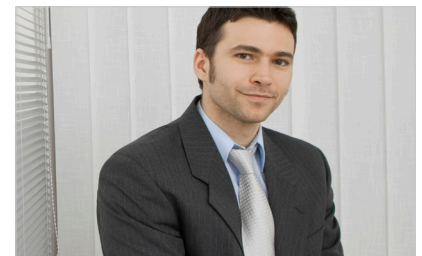
Technology

Having the right technology and tools for the job is critical for productivity and minimizing employee churn. Poor technology was identified by employees as one of the top three causes of poor productivity while the most satisfied employees are much more likely to have access to the latest technology such as mobile phones, laptops and tablets.
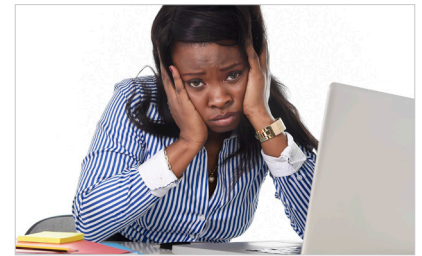
Office Space

It's not the size of your office, but how you make use of the space that's important. An open office plan can deliver a productive, energetic and fun working environment but when things don't work out it becomes noisy and disruptive. A more "closed", traditional format, can also be productive and has a strong personal feel when done well; but when executed poorly, the office feels demotivating and isolating.

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Productivity

KEY FACTORS CONTRIBUTING TO HIGH PRODUCTIVITY

Figure 1

Base: 832 Employers & 1,771 Staff
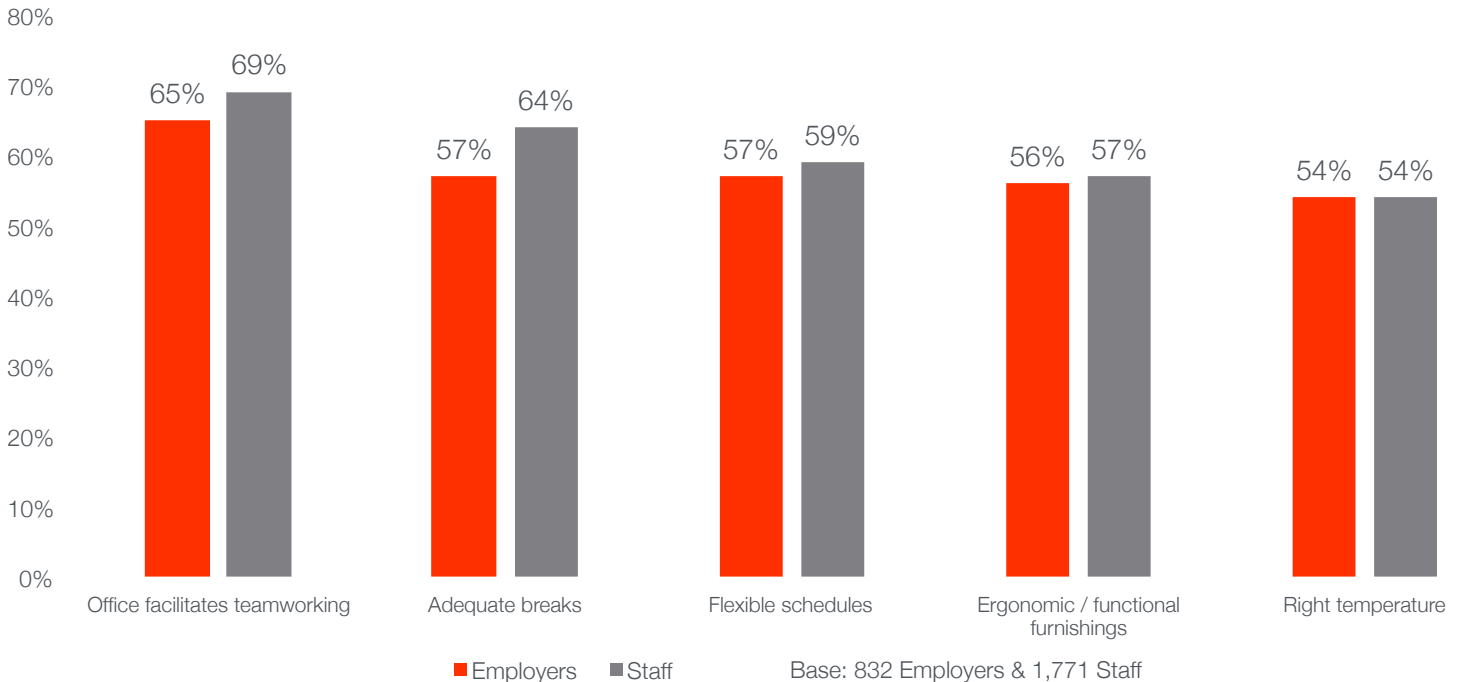
Both the employees and employers identified a number of factors that can impact productivity. Encouragingly, staff and employers agree that the key to a productive office is an environment that facilitates strong teamwork, encouraging co-workers to work well together and communicate effectively.

Making sure staff get adequate breaks to refresh themselves was also identified as important, and flexible schedules emerged as the third most significant factor. In the modern business world, more companies seek to have resources available whenever needed rather than simply during the traditional 9-to-5 day. Conversely, many workers find that traditional schedules do not always suit them and prefer a more flexible, non-conventional arrangement and working hours. If staff and employers can strike the right balance, both can benefit.

The importance of the office environment itself cannot be underestimated – even basics such as furnishings and air conditioning to the right temperature contribute to higher productivity.

Perhaps, it's not surprising that employers most commonly identify illness as having a significant negative impact on productivity. What is more surprising is the fact that employers believe burnout from working long hours (highlighted by 55 percent) is as likely to have a negative impact as illness (highlighted by 56 percent). People also identified "too many meetings" as another productivity drain – which could in turn contribute to burnout.

> The importance of the office environment itself cannot be underestimated – even basics such as furnishings and air conditioning to the right temperature contribute to higher productivity.

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KEY FACTORS CONTRIBUTING TO POOR PRODUCTIVITY

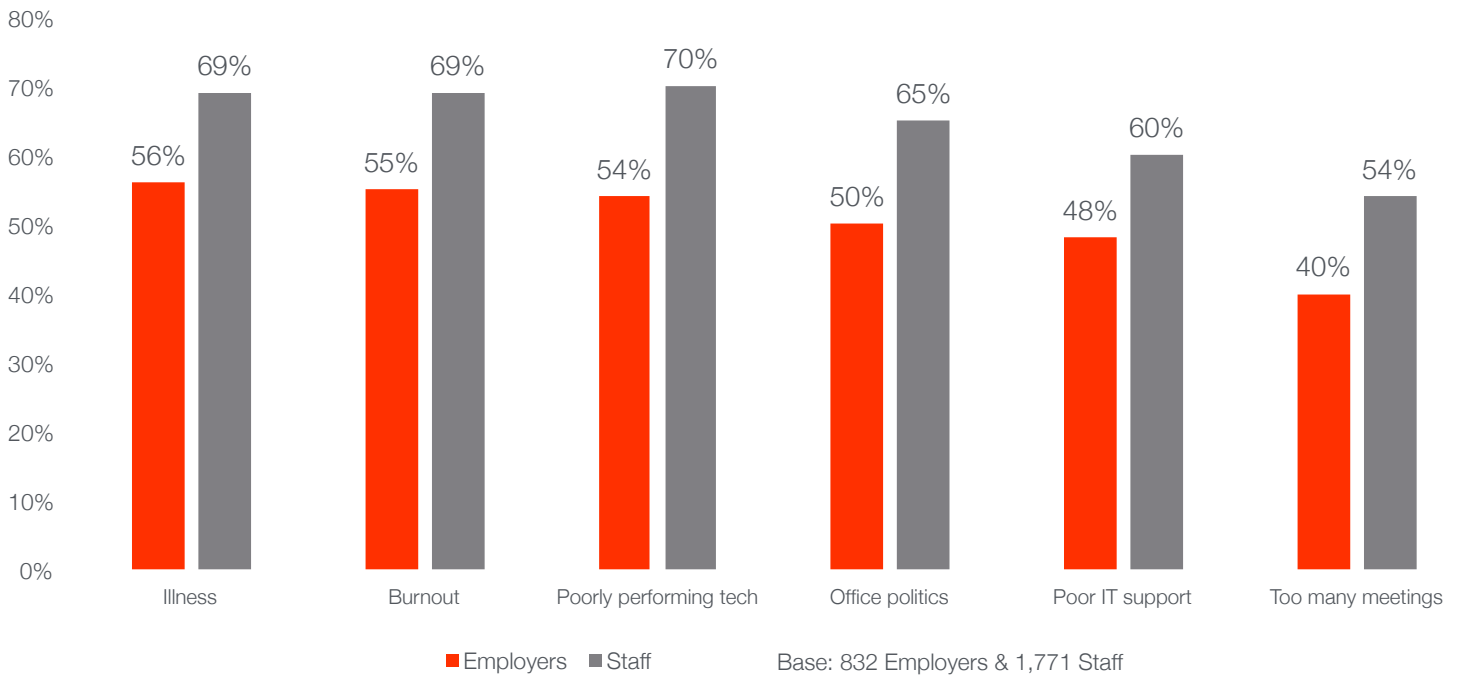**Employers** **Staff**   Base: 832 Employers & 1,771 Staff

Figure 2

Both employers and staff tend to agree on which factors contribute the most to poor productivity in the workplace (although employers are usually a little more conservative in their views).

Poorly performing technology and the related problem of poor IT support also emerge as a significant negative. These factors can also impact the hours people need to work, contributing to employee burnout and, in some cases, to actual illness.

While both staff and employers acknowledge that burnout is a key factor in poor productivity, half of all office workers in the United States and Canada now work more than eight hours a day. One in four workers say they usually work from home after their standard working day and 40 percent are working over the weekend at least once a month. More than half of office workers say they are suffering from burnout as a result of the hours they work.

WHETHER FEEL BURNOUT FROM WORKING MORE THAN 8 HOURS

Yes **No**
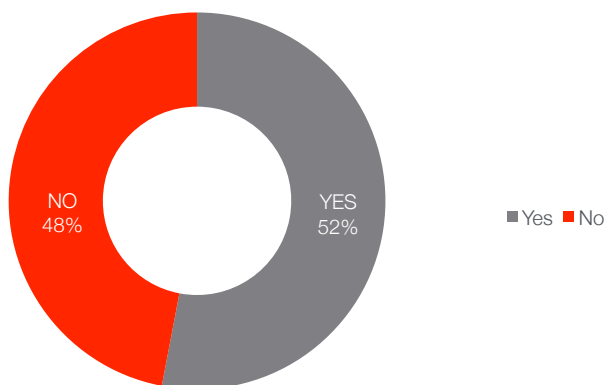
Base size: 1285

Figure 3

Pressure to work more and longer hours can come from bosses, clients or even be self-imposed as ambitious employees strive to prove their worth. One in five office workers say they spend more than two hours a day in meetings and more than a quarter report that the meetings they attend are inefficient. Cutting unnecessary meetings and planning meetings more effectively could have a significant impact on productivity.

Another area of concern is email overload. The first thing many employees do when they get into the office is to go through their emails, to delete spam and other unnecessary emails.

Over one-third of all office workers admit they experience email overload and find it has a negative impact on their productivity. Good spam filters and policies are only part of the answer; putting more thought into emails and observing good email etiquette can ultimately help save a lot of wasted time and effort.

Staff loyalty and churn

Staff churn can be seriously damaging for a business. Every time an employee leaves, employers must go through the lengthy and expensive process of recruiting, hiring and training a replacement. This incurs costs – not only in terms of hiring costs but also in terms of the lost management time to identify and interview candidates as well as train new hires.

Therefore, it's concerning to find that up to one in five workers say that they are looking to change jobs over the coming year. In fact, only two-thirds of workers are willing to commit to remaining with their current employer over the next twelve months.

Employers with the highest employee dissatisfaction experience five times the level of staff churn compared to employers with happier staff. That's five times the recruitment costs and five times the amount of management time spent unnecessarily.

HAPPY STAFF = LOYAL STAFF

Do you expect to change jobs in the next 12 months?

Very happy
Unsure 10%
Yes 13%
No 77%

Base: 1070

Somewhat happy
Unsure 21%
Yes 17%
No 62%

Base: 1194

Slightly unhappy
Unsure 26%
Yes 39%
No 35%

Base: 245

Very unhappy
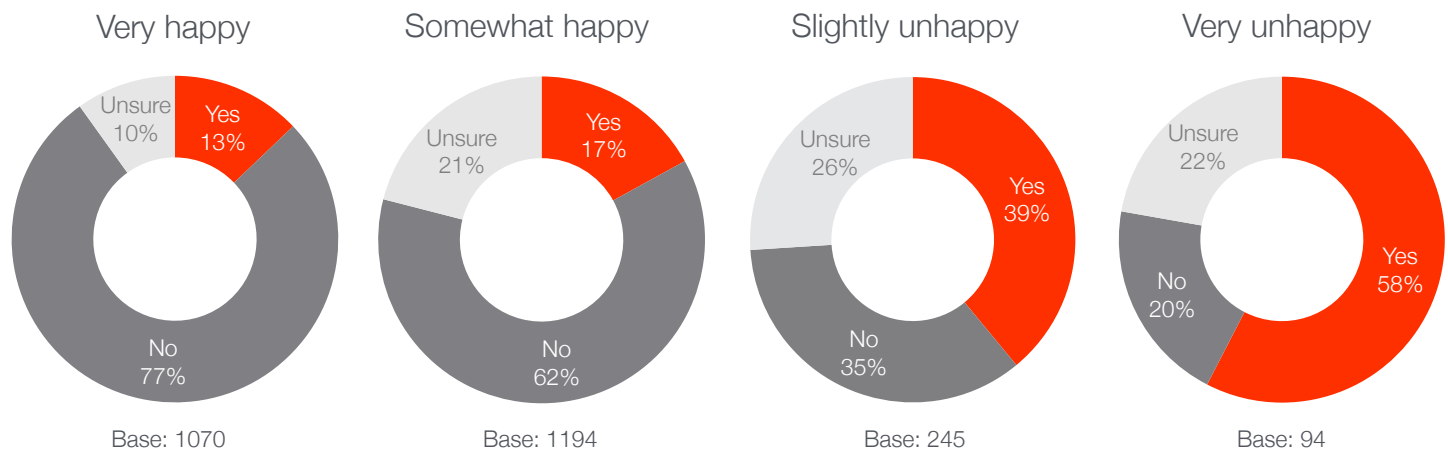Unsure 22%
Yes 58%
No 20%

Base: 94

Figure 4

While salary is often a factor in employees leaving, it is by no means the only factor. Dissatisfied employees looking for a job change also cite poor office culture (35 percent), lack of challenges in their current role (31 percent) and distrust in the leadership (21 percent) as key factors in their decisions to leave.

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Promoting a positive culture

Creating an environment conducive to effective teamwork was cited as the most important factor in driving productivity. Conversely, "office politics" was cited as having a negative impact on productivity and "poor office culture" was identified as a key factor for staff dissatisfaction and churn.

Creating a positive and effective office culture therefore plays an essential role, both in maintaining high productivity and minimizing staff churn. But to create a good, positive working culture, we first need to understand what "good" looks like.

The happiest workers were more likely to identify "shared vision, goals and values" as important, indicating a particular strength of a healthy office culture.

HOW DO YOU DEFINE GOOD WORK CULTURE?

Open and collaborative work environment — Very happy 38%, Very unhappy 38%
Supportive co-workers — Very happy 34%, Very unhappy 37%
Gives you freedom to make your own decisions — Very happy 35%, Very unhappy 28%
Strong leadership — Very happy 35%, Very unhappy 30%
Management is supportive of associates in building their career — Very happy 29%, Very unhappy 44%
Shared vision goals and values — Very happy 31%, Very unhappy 17%
Providing flexibility to employees via flex schedules or telecommuting — Very happy 25%, Very unhappy 38%
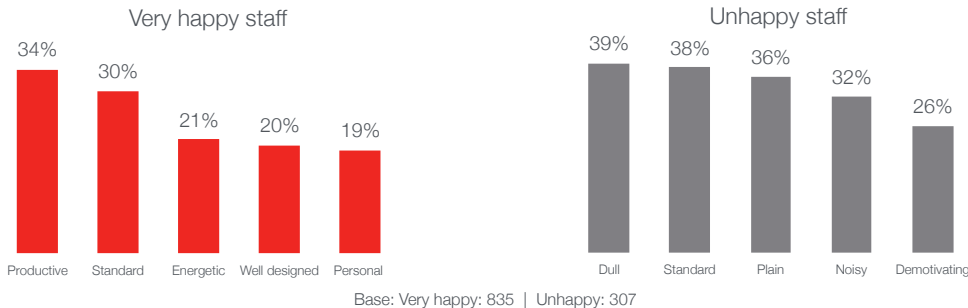
■ Very happy
■ Very unhappy

Figure 5

Base: Very happy: 1070 | Very unhappy: 94

It seems clear that open, collaborative environments, supportive co-workers, the freedom to make decisions and strong leadership are all universally acknowledged as key.

However, the unhappiest workers place great importance on management being supportive of building their careers and on workplace flexibility, providing a strong clue as to what aspects of their current workplace are lacking.

Just as significant is the fact that the happiest workers were more likely to identify "shared vision, goals and values" as important, indicating a particular strength of a healthy office culture.

THE DIFFERENCE BETWEEN A HAPPY OFFICE AND AN UNHAPPY ONE…

Very happy staff — Productive 34%, Standard 30%, Energetic 21%, Well designed 20%, Personal 19%

Unhappy staff — Dull 39%, Standard 38%, Plain 36%, Noisy 32%, Demotivating 26%

Base: Very happy: 835 | Unhappy: 307

Figure 6

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The happiest employees are not only more likely to be loyal to their employer, they are also likely to be the most productive (34 percent of them describe the office environment in which they work as "productive" compared to only 11 percent of unhappy staff). The most positive working environments are additionally characterized as energetic, well designed and having a more personal feel to them; whereas failing offices were described as dull, plain, noisy and demotivating.

Flexibility in the workplace

Greater flexibility was identified as a good way of preventing burnout. Over one-third of employees feeling burnout said it would help if their employer could provide a more flexible work schedule.

Flexible working can have advantages for both employers and staff. The complex nature of the modern business environment means having coverage and resources available outside traditional office hours. From an employees' perspective, the flexibility to work non-traditional hours may fit in well with family or social commitments and telecommuting may save on unnecessary travel expense, not to mention time. It may also provide tired staff the opportunity to recuperate by working a more relaxed schedule when their business is less busy.

However, only around half of all unhappy employees have access to any form of workplace flexibility – but more than 70 percent of happy workers say they have workplace flexibility.

> From an employees' perspective, the flexibility to work non-traditional hours may fit in well with family or social commitments and telecommuting may save on unnecessary travel expense, not to mention time.

AVAILABILITY OF FLEXIBLE WORKING IMPACTS ON STAFF HAPPINESS & LOYALTY

Does your company offer flex-timing or telecommuting?

Happy Staff — 19% Yes just flex-timing, 10% Yes just telecommuting, 27% Yes both, 28% Neither, 16% On an as needed basis. Base: 2264

Unhappy Staff — 9% Yes just flex-timing, 8% Yes just telecommuting, 17% Yes both, 48% Neither, 18% On an as needed basis. Base: 339
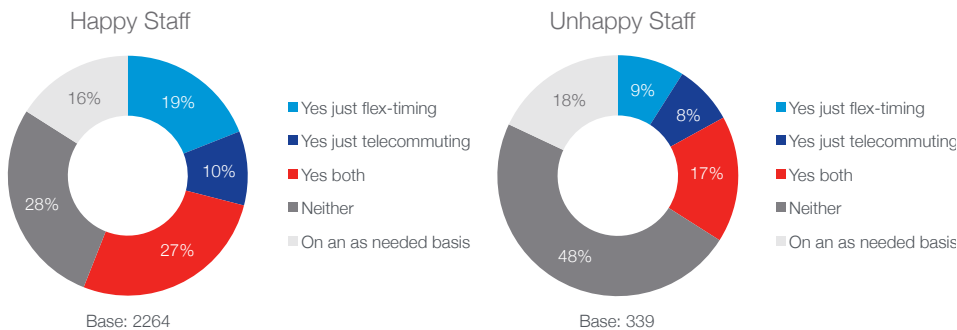
Figure 7

Of course, flexible working requires mutual trust – the boss must trust the employee not to abuse it and the employee must trust management to manage well from a distance. But a lack of trust in leadership can be a significant driver prompting unhappy employees to look for alternative employment. Indeed, nearly 40 percent of all unhappy employees specifically identified flexibility as a factor that would improve their job satisfaction.

Unhappy staff were also a lot more likely to feel under such pressure to be "seen" as productive that they were unable to leave their desks for a break when they wished. This is surely a case of an office culture where "being seen to be busy" is taking precedence over actually being productive. It is also strong evidence of tension between staff and management – and a breakdown in trust.

It is possible that the need for mutual trust is the secret behind successful flexible working arrangements.
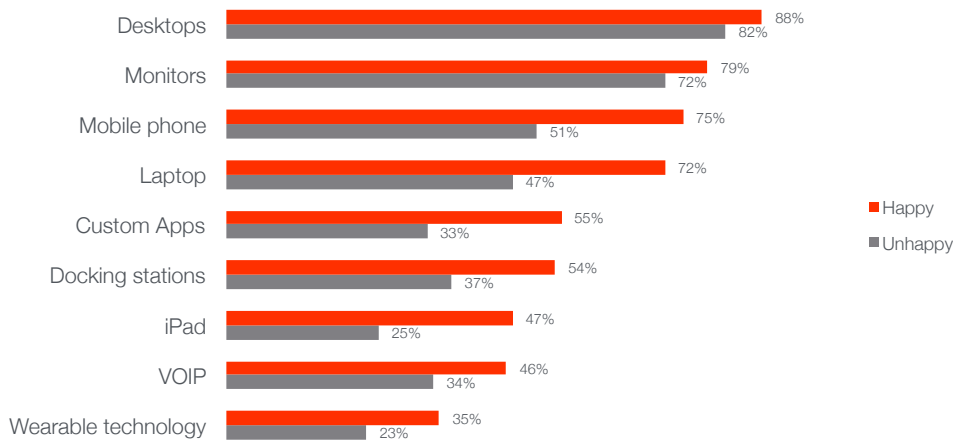
The importance of technology

Technology plays a key role in improving the competitiveness and productivity of modern business. Much has been written about the operational and commercial benefits of investing in IT and technology but the impact that poor/inadequate technology can have on staff morale is often overlooked.

Our research confirms that not only does inadequate technology place companies at a competitive disadvantage, it also demotivates staff and contributes to inefficient working and higher staff churn.

Many employers do recognize this problem, however, and poorly performing technology was cited as one of the key causes of poor productivity.

ACCESS TO TECHNOLOGY

Technology	Happy	Unhappy
Desktops	88%	82%
Monitors	79%	72%
Mobile phone	75%	51%
Laptop	72%	47%
Custom Apps	55%	33%
Docking stations	54%	37%
iPad	47%	25%
VOIP	46%	34%
Wearable technology	35%	23%

Base: Happy: 2264 | Unhappy: 339

Figure 8

Not only does technology impact productivity, but it also impacts job satisfaction. The most satisfied employees have access to more advanced technology when compared to dissatisfied workers. While a majority of staff (whether happy or unhappy) have access to basic technologies such as desktops and monitors, the big differences are in terms of access to newer, mobile technologies like mobile phones, laptops, custom apps and tablets.

An interesting finding was that millennials were less worried about technology infrastructure than boomers – 71 percent of millennials rate a fast/reliable internet connection at 8+ out of 10 for importance, compared to 85 percent of boomers. In a similar manner, only 50 percent rate an up-to-date phone at 8+, against 66 percent of boomers. The reason for this difference may well be that millennials take fast, reliable internet connections for granted, and in a similar way, they may be less concerned about new, modern phones because they are simply more reliant on their own smartphones.

"Effective technology" for a millennial is increasingly seen as the "norm." The boomers, by contrast, recall times when such technologies were nowhere near as "effective" and hence are more easily impressed by the latest tech (and more fearful of the consequences of technology failing).

Office design and layout

Is it better to have an open plan office or a more traditional configuration, where people occupy smaller, enclosed offices? We found many office workers in both environments and many who worked in offices that offered a hybrid of the two. But which is better? The answer is none in particular. None of these design choices by themselves appear to have any significant impact on such things as creativity, staff satisfaction or productivity.

However, the way office space is used and how colleagues interact with each other have a significant impact on productivity and satisfaction. Open plan spaces, when they work well, can be vibrant and creative environments – they foster creativity and encourage co-workers to share ideas and communicate with each other. Employees working is such environments describe their office as productive (one in four cases), fun (one in five) and energetic (one in five). On the flip side, some employees working in open plan environments also complain that their office is noisy (in 35 percent of cases) and as a result they find their environment distracting and disruptive.

The more enclosed traditional spaces also have their benefits. Workers experience a good sense of having their own personal space (cited by one in five) and they are enabled to concentrate on their work and feel productive (mentioned as a benefit by 28 percent). But if designed poorly, these layouts can end up making workers feel isolated from their co-workers and see their environment as demotivating (one in three cases).

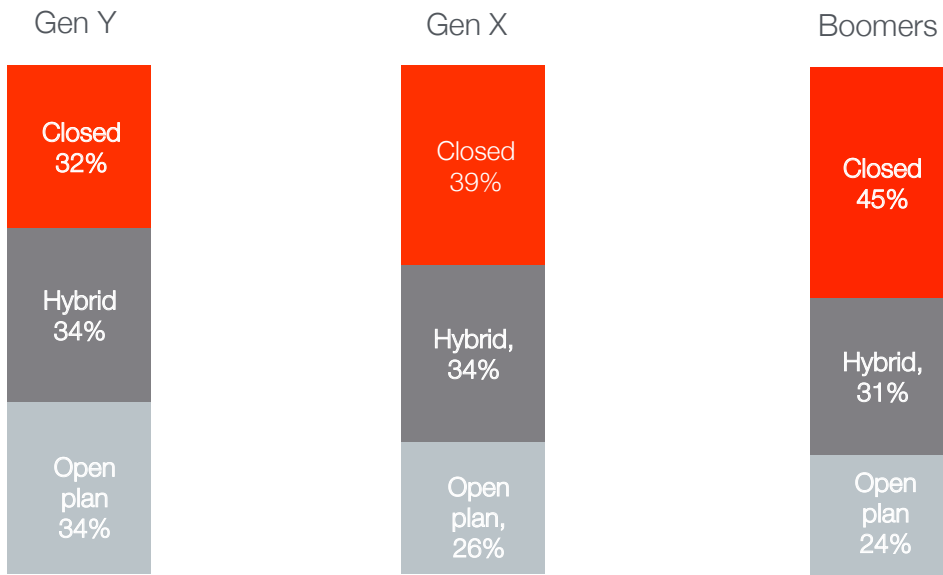# Adapting office design to workforce age profile

Generation Y workers have distinct preferences for office environment when compared to older workers. When designing an office layout, employers may need to consider the kind of environment suitable for the age profile of their workforce.

The kind of office environment that a worker from the boomer generation will feel most comfortable in is quite likely to be different from the ideal office a millennial worker would find appealing. One difference found in the survey relates to the relative preference for open plan spaces.

> Open plan spaces, when they work well, can be vibrant and creative environments – they foster creativity and encourage co-workers to share ideas and communicate with each other.

OFFICE SPACE PRERENCES…

Gen Y	Gen X	Boomers

Closed 32%
Hybrid 34%
Open plan 34%

Closed 39%
Hybrid, 34%
Open plan, 26%

Closed 45%
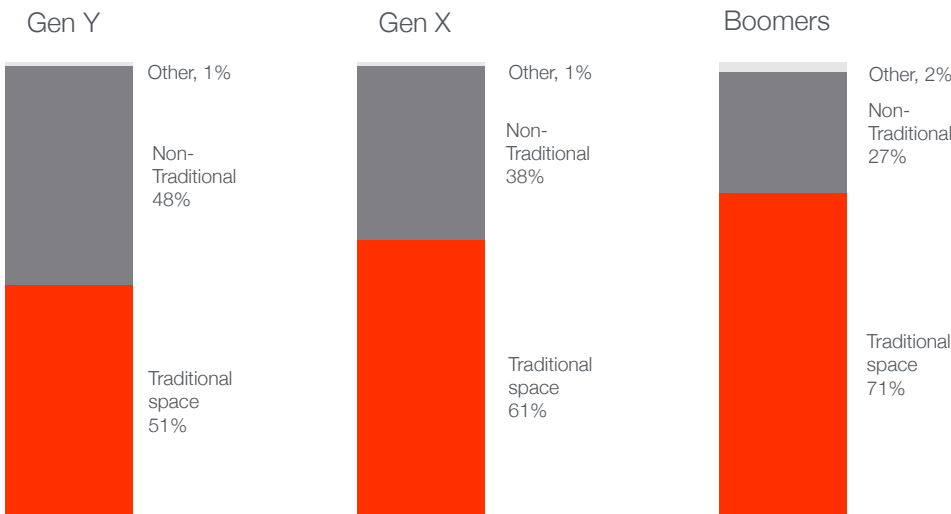Hybrid, 31%
Open plan 24%

Base: 2603

Figure 9

A millennial worker is more likely to have a preference for working in an open plan environment, whereas a boomer prefers a more traditional arrangement of closed, discrete, office spaces.

A millennial worker is more likely to have a preference for working in an open plan environment, whereas a boomer prefers a more traditional arrangement of closed, discrete, office spaces. An even more significant difference became apparent when we asked people what type of working environment stimulated their creativity the most. Millennials are clearly a more mobile generation, having grown up with technology like smartphones and tablets. They are happy with the idea of working in non-traditional spaces and less apt to view a physical office space as an indispensable workspace.

WHERE STAFF FEEL MOST CREATIVE/INNOVATIVE…

Gen Y	Gen X	Boomers

Other, 1%
Non-Traditional 48%
Traditional space 51%

Other, 1%
Non-Traditional 38%
Traditional space 61%

Other, 2%
Non-Traditional 27%
Traditional space 71%

Traditional = Office, cubicle or conference room
Non-Traditional = Lounge area, outdoors, café etc

Base: 2603

Figure 10

Generation Y workers are more likely to feel most creative in non-traditional work environments – in lounge areas, outside or in a cafeteria style environment. The boomers, by contrast, display a strong preference for more traditional environments such as offices, cubicles and conference rooms.

Other differences between the generations are also evident in terms of a preference for "comfort." Boomers rate the importance of clean, well stocked restrooms very highly (73 percent scoring it at 8+ out of 10 for importance), and also feel comfortable chairs (81 percent) and comfortable furniture (78 percent) are key items an office needs to provide. Younger employees are less concerned with them overall. Only 63 percent of millennials rate comfortable furniture highly and only 59 percent see a key need for comfortable furniture that met their needs.

In fact, there are only a few areas millennials feel more strongly about than their older colleagues – 27 percent feel nap rooms were a good idea (compared to just 12 percent of boomers) and 22 percent find the idea of a room equipped with recreational equipment (like a ping-pong table) appealing (compared to just 12 percent of boomers).

> Only 63 percent of millennials rate comfortable furniture highly and only 59 percent see a key need for comfortable furniture that met their needs.

Recommendations

An action plan for an effective workplace culture

An effective workplace culture is productive and has low employees churn. But how do employers achieve this? According to the Staples Advantage Workplace Index, employers can use several tactics to ensure employee engagement and loyalty remains high.

Reduce employee burnout

- Monitor the work time of employees who put in too many hours for prolonged periods of time and encourage them to take a break.
- Manage meetings effectively: Avoid unnecessary meetings and ensure all meetings have clear agendas and next steps outlined.
- Minimize email overload by developing policies to reduce spam and encourage employees to use email effectively.

Build trust

- Offer flexible work environments and encourage a flexible work approach.
- Encourage a workplace culture where people feel free to take a break when they need to.
- Discourage a culture where people feel under pressure to remain at their desk just "in order to be seen to be doing something."

Look for opportunities to build loyalty

Employers who are flexible enough to help employees when they have a genuine problem find that their employees are more loyal and willing to work harder.

- Make sure people have the right tools for the job.
- Understand what technology tools workers need to do their jobs effectively and make sure they have access to them.
- Remember that in addition to hitting productivity, poor technology also demotivates employees and leads to higher employee churn.
- Investment in technology demonstrates to employees that their employer is committed to moving the business forward.
- An unwillingness to invest in technology undermines employee confidence in the leadership.

Make effective use of office space

- Plan open work spaces when it makes sense to promote a vibrant, creative environment that naturally encourages collaboration and communication, while remaining aware of some of the pitfalls that may come with an open office environment such as noise and disruption.
- Use traditional "closed" office spaces where it makes sense to promote productive, personalized working spaces, while ensuring staff in such spaces don't feel isolated, ignored or remote from other co-workers.
- Consider that you may need to tailor your office layout depending on the age profile of your workforce due to generational differences.

Conclusion

Results of the Staples Advantage Workplace Index clearly show how employers organize, equip and run their workplace can significantly impact the performance of a business. High employee churn or poor employee productivity often have little to do with "what" employers do and more to do with "how" they choose to do it.

About the survey

The study was designed in conjunction with Dan Schawbel, founder of WorkplaceTrends.com, a research and advisory membership service for forward-thinking HR professionals, as well as the managing partner of Millennial Branding, a Gen Y research and consulting firm.

The survey fieldwork and analysis was conducted by Redshift Research during May 2015, amongst 2,603 office workers in the United States and Canada. All interviews were completed online with people currently working in an office environment. The sample of 2,603 will generate a margin of error of +/-1.9% at 95% confidence limits.

The survey was sponsored and commissioned by

STAPLES® Advantage

About Staples Advantage

Staples Advantage, the business-to-business division of Staples, Inc. (Nasdaq: SPLS), serves organizations of 20 or more employees up to the Fortune 1000, helping them make more happen with more products, greater cost savings and improved ordering efficiencies. Staples Advantage provides its customers, including global businesses, local, state and federal government, healthcare organizations and educational institutions, with a one source solution featuring comprehensive products and services like office supplies, technology, printing, promotional products, furniture and facility supplies, along with a customized level of account support and best-in-class customer service. More information is available at www. staplesadvantage.com.