CREATING A WORKPLACE THAT MAXIMISES PRODUCTIVITY

The findings of Sodexo's knowledge worker research project, in partnership with Quora Consulting

sodexo

QUALITY OF LIFE SERVICES

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FOREWORD

Sodexo is committed to providing solutions that impact the performance of organisations by improving the quality of life of their employees.

We do this by delivering solutions focused around six dimensions:

- Physical environment – everything that contributes to an individual's comfort and sense of safety
- Social interaction – encompasses all factors that strengthen bonds among individuals and facilitate access to culture and leisure
- Ease and efficiency – all factors that impact on an individual's ability to carry out activities smoothly and with minimal interruptions
- Health and wellbeing – promoting a healthy lifestyle through nutritious meals, a well-balanced diet and exercise
- Recognition – those things that make an individual feel truly valued
- Personal growth – refers to everything that allows an individual to learn and progress

This study touches on all six dimensions, providing Sodexo with valuable insights that help us create and deliver quality of life services for our clients and customers.

Whether it's the menus we carefully craft to support an employee's health and wellbeing, the workplaces we meticulously manage to encourage effective social interaction, or the expert technical maintenance we provide to ensure the physical environment is optimised and ready for employees to work in, our services are often core to improving the productivity of organisations.

This research focuses specifically on knowledge workers and identifies that organisational functions have to work more closely than ever before to support the challenges we face with regards to meeting the needs and expectations of this group. Our expertise lies in bringing together requirements from across many organisational elements and helping to deliver a great workplace experience, all based on employee insight, that makes a tangible difference.

Martin Boden
Managing Director
Corporate Services UK

INTRODUCTION

Comprehensive focus on knowledge workers

While there are a number of academic studies that explore the individual challenges of employee engagement and talent retention, and some that look into the complex subject of knowledge worker productivity, this study takes a comprehensive look at all of these factors: knowledge worker productivity, employee engagement, and talent retention.

We focused on knowledge workers – people whose job typically involves handling or using information and 'thinking for a living' (see box for a comprehensive definition of knowledge work) – because pre-conceived wisdoms frequently say that it is impossible to measure their productivity.

In the UK, knowledge workers today represent 60 per cent of the overall labour force and are the single fastest growing segment.

The needs and expectations of knowledge workers in relation to their work and working environment are unique. Meeting these unique needs and expectations can not only make a big difference in employee retention and employee engagement, it can in turn make a significant contribution to the performance of the organisations they work for.

Figure 1: Knowledge worker gender distribution by seniority
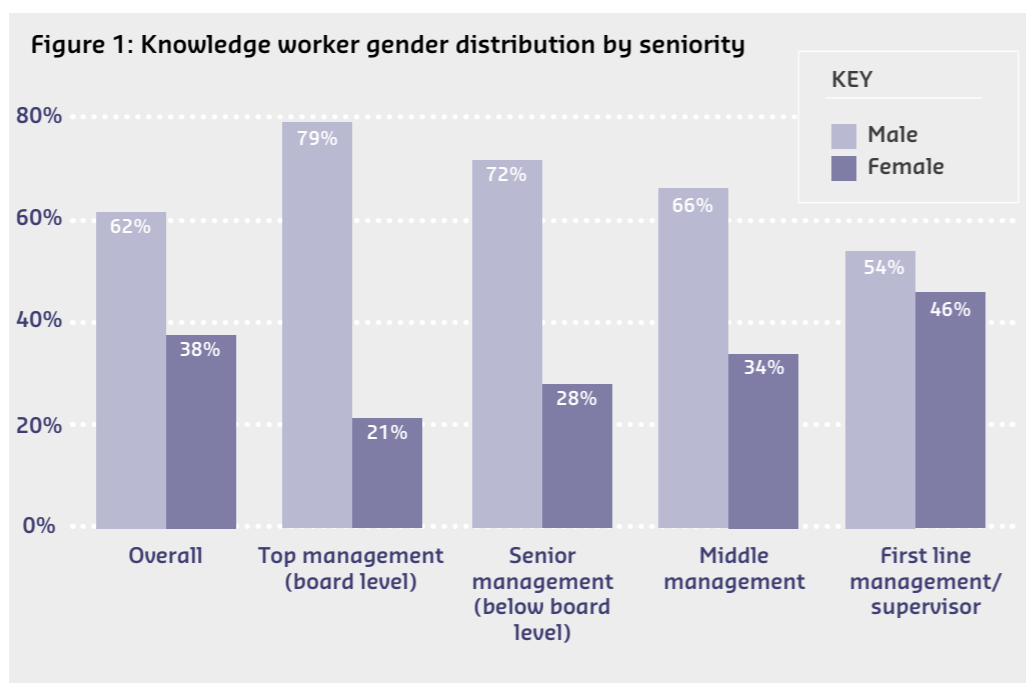
28% are aged from 20 to 39 years old and 41 per cent are 50+

With over 2,800 respondents, the study gives us a vast insight into what is actually happening across today's knowledge worker workplace and the areas organisations need to address to compete for the best talent out there.

Knowledge worker profile

The profile of knowledge workers responding to our study revealed some interesting findings. Firstly, in terms of gender balance, the profile of our respondents revealed a split of 62 per cent male to 38 per cent female.

A relatively balanced profile; however, a deeper dive into the sample revealed the gender balance in organisations drops off as seniority rises (figure 1), with the split at board level changing to 79 per cent male and 21 per cent female.

This gender imbalance at board level presents a challenge for all organisations dependent on knowledge workers.

It is also of interest to note here that Quora's (our research partner for this study) tracking of graduates from the top 100 universities reveals that close to 70 per cent of graduates in the UK are now women, highlighting that the female population is a crucial resource in the search for the best talent.

Another group that deserves attention are the increasing number of workers over 55 years of age. In 1990, about 10 per cent of the workforce was over 55. By 2010 that share had risen to 26 per cent and by 2030, the proportion of older workers (over 55) is projected to exceed 50 per cent[1].

The UK's Department for Work & Pensions (DWP) has projected that over the next ten years the number of job vacancies in the UK will reach 13.5 million.

With only seven million young people predicted to be leaving school and joining the workforce at the same time there will be a shortfall in the number of workers in the UK, or what is more commonly referred to as a skills gap.

Many of these workers are likely to need to keep working past the traditional retirement age to save more for retirement.

The OECD suggests that less than a third of the developed economy workforce in the so-called 'baby boomer' generation (typically people born between 1946 to 1964), which is now reaching retirement age, have adequate retirement savings – something that has been considerably exacerbated by the financial crisis of recent years.

With over half of job vacancies therefore at risk of not being filled due to the UK running out of workers, enabling people to work longer could be the solution and help fill this skills gap.

Clearly, these talent dynamics combined with UK productivity down by 17 per cent over the last decade demands that organisations across all sectors must act swiftly and decisively to remain competitive in the knowledge worker market.

[1] Source: Office for National Statistics and OECD

WHAT IS A **KNOWLEDGE WORKER**?

Knowledge workers are broadly those who generate value with their minds more than with their muscle, they include managers, salespeople, scientists, and others whose jobs consist primarily of interactions with other employees, customers, suppliers. Their roles often entail complex decision-making based on knowledge and judgment. Typical features are:

- work in an environment that is less standardised and structured
- are likely to be used to working with a certain level of autonomy
- can prove difficult to measure in terms of productivity. They are often judged on their outcomes, or tangible results
- own their key production means – their brains

Organisations around the world struggle to crack the code for improving the effectiveness of these knowledge workers. In the UK knowledge workers today represent circa 60 per cent of the overall labour force and are the single fastest growing segment.

However, it is not as simple as grouping large masses of the workforce under a single banner of 'knowledge worker'. Through this survey, we asked people what they actually do at work and how often they perform particular tasks. We used the responses to assess the knowledge content of jobs.

The key test was the cognitive complexity required for each task – the use of high level 'tacit' knowledge that resides in people's minds rather than being written down (or codified) in manuals, guides, lists and procedures.

The results when broken down in this way revealed

- 30 per cent in jobs with 'high' knowledge content
- 30 per cent in jobs with 'some' knowledge content
- 40 per cent in jobs with 'less' knowledge content.

Interestingly, knowledge work cannot be adequately described simply by looking at job titles or education levels. About 20 per cent of people engaged in jobs with 'high' knowledge content are not graduates.

THE CHALLENGE OF PRODUCTIVITY AND KNOWLEDGE WORKERS

Many executives have a hazy understanding of what it takes to bolster productivity of knowledge workers, partly because their work involves more diverse and unstructured tasks than production or administrative positions, where the relatively clear-cut, predictable activities make jobs easier to automate or streamline.

Performance metrics can be seen as hard to come by, making it challenging to drive improvement efforts, which often lack a clear owner in the first place.

Against this backdrop, it is perhaps unsurprising that many companies settle for scattershot investments in productivity improvement.

Since knowledge workers spend half their time on interactions, our research and experience suggest that organisations should first explore the productivity barriers that impede these interactions.

Armed with a better understanding of the constraints, senior executives can 'shift the needle' further by identifying targeted productivity-improvement efforts to increase the effectiveness of the staff interactions.
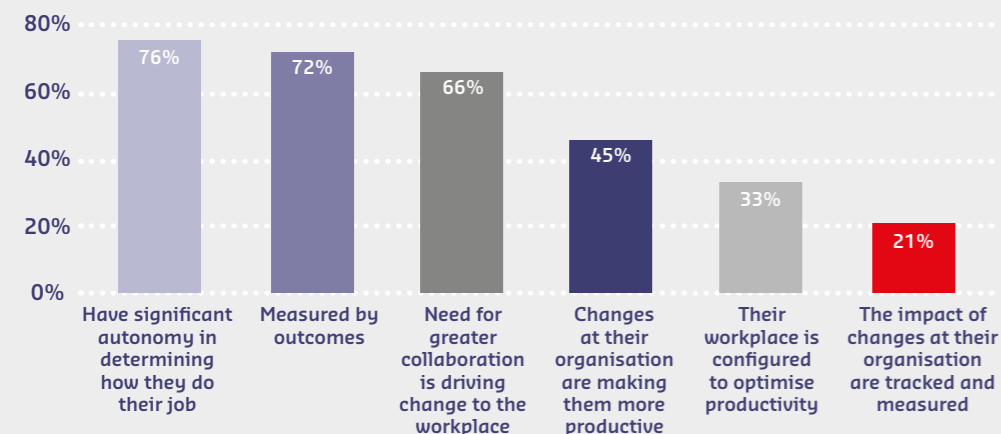
Barriers to productivity

Despite 76 per cent of the respondents to our study stating that they have significant autonomy in how to do their job and 72 per cent stating they are measured by outcomes, two-thirds stated that the need for greater collaboration is driving change to their workplace (figure 2).

"If our companies are going to be more profitable, if our strategies are going to be successful, if our society is going to become more advanced – it will be because knowledge workers do their work in a more productive and effective manner."

Tom Davenport, American academic and author

Figure 2: Views on productivity

76%	72%	66%	45%	33%	21%
Have significant autonomy in determining how they do their job	Measured by outcomes	Need for greater collaboration is driving change to the workplace	Changes at their organisation are making them more productive	Their workplace is configured to optimise productivity	The impact of changes at their organisation are tracked and measured

More strikingly, only a third of respondents stated that their workplace is configured to optimise productivity. This suggests that unfortunately workplace designers are placing cosmetic design and style over substance.

When allied to the finding that only one-in-five state that changes at their organisation are tracked and measured, there is clearly an overwhelming need for tangible metrics to be applied to the workplace.

Study respondents also indicated that more than half of all interactions are constrained by one of four barriers:

■ **Physical and technical**
Physical barriers such as geographic distance and different time zones often go hand in hand with technical barriers because the lack of effective tools for locating the right people and collaborating becomes even more pronounced when they

There is clearly an overwhelming need for tangible metrics to be applied to the workplace

are far away.

While these barriers are on the wane at many organisations, given the arsenal of technology solutions available, we still regularly encounter large, globally dispersed organisations that continue to suffer.

One remedy can be to create 'communities of practice' for people who could benefit from one another's advice. By supplementing electronic tools with video-conferencing and occasional in-person meetings, communities can bridge physical distances and build relationships.

■ **Social or cultural**
Examples include rigid hierarchy or ineffective incentives that discourage the right people to engage. Some organisations have created a series of case

studies drawn from real events in the organisation's past to illuminate its values, processes, and norms. The cases are discussed with new hires in small groups, promoting a broader understanding of how the organisation works and encouraging a broad culture of knowledge sharing and collaborative problem solving.

■ **Contextual**
Employees who face contextual barriers struggle to share and translate knowledge obtained from colleagues in different fields. Complex interactions often require contact with people in other departments or divisions, making it hard for workers to assess a colleague's level of expertise or apply the advice they may receive.

To overcome contextual barriers, organisations can rotate employees across teams and divisions or create forums where specialists in different areas can learn about one another's work.

■ **Temporal**
The final barrier is time, or rather the perceived lack of it. If valuable interactions are falling victim to time constraints, executives can use job roles and responsibilities to help identify the employees that knowledge workers should be interacting with and on what topics. In some cases, organisations may need to clarify decision rights and redefine roles to reduce the interaction burden on some employees while increasing it on others.

Proximity to my work colleagues

Make mobility/ location independent working the norm

Small spaces available for impromptu meetings

Improve flexible working technology

Joined up thinking

Improved process so mistakes aren't repeated, efficiencies are learned and gained

Some comments from our respondents on steps to take to improve productivity...

ARE WE TRULY ENGAGING THE WORKFORCE?

What is employee engagement?

Employee engagement is about a 'mutual gains' employment relationship, creating a win-win for employees and their employers with both parties 'going the extra mile' and employees feeling 'valued' and 'passionate' about their work.

Employers want engaged employees because, as well as being happier, healthier and more fulfilled, they deliver improved business performance and will be stronger advocates of their organisations.

Conversely, having a disengaged workforce brings huge risks – organisations may lose their best people and face huge difficulties when embedding organisational change if employees are not on board.

Lack of engagement also constrains collaboration and innovation.

There is a direct relationship between how people are managed, their attitudes, behaviour, and business performance, and this can be evidenced in profitability, revenue growth, productivity, innovation, staff retention, and effectiveness.

Why is employee engagement so difficult?

Considering the crucial merits and benefits for both organisational performance and individual wellbeing, you could assume that ensuring effective employee engagement is a 'no-brainer' for all organisations. But all too often people management, practices and poorly configured workplaces can result in increasing frustration and burnout.

Engaged employees are happier, healthier, more fulfilled and deliver improved performance

Essentially employee engagement is about great people management and this demands 'engaging managers' who make employees feel trusted, respected, supported, empowered, inspired and valued.

Those managers in turn need to be treated in this way themselves and on up to the top of the organisation.

Our study highlighted that the seven strongest factors for building employee engagement are:

- Trust in management
- Satisfaction with work and the job
- Involvement in decision-making
- Relationships between managers and employees
- Satisfaction with remuneration
- Job challenges
- Sense of achievement

The research suggests that one of the most important and influential factors that applies to all employees is trust in management.

The reality for knowledge workers

Our study revealed how difficult organisations are finding it to effectively engage their knowledge workers.

The responses to "how effectively does your organisation engage with its employees?"

THREE DIMENSIONS OF EMPLOYEE ENGAGEMENT

- Intellectual engagement – thinking about the job and how to do it better

- Effective engagement – feeling positively about doing a good job

- Social engagement – actively seizing opportunities to discuss work-related improvements with colleagues

(figure 3) revealed a vast chasm between the known factors for building employee engagement and the reality of how engaged knowledge workers actually feel.

Just over half of the respondents felt their managers involved them in decisions that affect them.

Less than half of the respondents trusted their managers and only 30 per cent expressed any confidence that changes at their organisations were progressive and delivered any lasting improvement.

Knowledge workers are more likely to work for organisations that they think are innovative and achievement orientated.

50 per cent of knowledge workers said that their organisation's predominant feature was innovation, development and being at the cutting edge.

What needs to change?
Work is not just about money, but being motivated by such things as the working environment, the people within it, the product or service delivered and even the brand.

Similarly, engagement is not something that managers or organisations 'do' to their people; it is a mental, emotional and physical state and something that employees give.

While managers and leaders cannot directly control the engagement of others, how they behave, the work environment, the support and encouragement they give to their teams, and the trust they engender are all critical.

Much of these principles have been long understood but, as our study shows, are not necessarily being applied.

Knowledge workers are not spearheading radical changes in the way we work. They do have more flexibility at work than those in less knowledge intensive jobs, but the differences were not overwhelming.

Figure 3: How effectively does your organisation engage with its employees?

Their manager involves them when making decisions that affect them	55%
Management kept them informed about business issues and about how well it's doing	53%
They trust their managers to 'do the right thing' by them	48%
They are fairly rewarded for the work well done	44%
Their organisation really cares about their wellbeing	34%
Change at their organisation is always progressive	30%

0%   10%   20%   30%   40%   50%   60%

TALENT MATTERS

The focus on candidate experience will become as important as the customer journey; we are offering an experience as well as a job

Talent is a critical factor for business leaders and retaining employees whose knowledge has high competitive value is a well-recognised challenge.

According to PwC's 19th annual Global CEO survey 72 per cent of CEO's said availability of key skills was a concern, a figure which has increased each year, in 2014 63 per cent cited it as a concern.

Attracting talent
Employers today have to be a lot more open and transparent about their recruitment processes.

It is not enough to assume, because your organisation has a certain turnover, market capitalisation, or brand cache, that the best talent will come to you.

The focus on candidate experience will become as important as the customer journey.

Access to technology, social media and tools such as LinkedIn means that candidates have access to a wealth of information about the organisation long before they even consider submitting an application.

They can find out what existing employees think of the pay, the culture, the promotion and career advancement opportunities – and they can use this to decide if they want to work there.

Once there, employers cannot rest on their laurels. The talent retention path starts at the initial interview and perceptions from there and the fluency of the process that follows.

Retaining talent
The retention challenge is the result of increasing job mobility in the global knowledge economy where workers average six employers over the course of a career, coupled with a retirement 'brain drain' and fewer workers entering their prime working age during this time.

Putting into context the scale of the retirement brain drain, the UK's Office of National Statistics projects that around 10 million people in the UK will permanently leave work over the next 12 years, taking their acquired skills and experiences with them.

Once employees are hired, companies must focus on retention. Although a certain degree of churn (typically between 8 to 12 per cent) is good for individual workers and represents a positive dynamic in the broader economy, higher attrition rates are hugely expensive for organisations.

Workplace strategies need to offer new ways of working to hold those costs down by increasing employee engagement and flagging early warning signs so that managers can intervene before a high performer leaves due to low morale or boredom.

Interestingly, Google has estimated that the business impact of its top performers leaving can be up to 300 times higher than that of the average employee.

Retaining talent of knowledge workers is best performed when:

- Leadership recognises and values the importance of strategic work
- An active learning culture is cultivated
- HR programmes and practices support knowledge management processes

Organisations that learn how to design and execute strategies that do these three things will also be more likely to perform better.

A wide spectrum of practices such as the concept of 'total rewards' as a means of retaining valuable employees can also be immensely valuable for retaining talent.

While there is little consensus and understanding of what actions constitute 'total reward', among the more commonplace actions are:

- Defined contribution money purchase schemes with salary sacrifice contributions
- Healthcare, wellbeing, and fitness programmes
- Income protection and life assurance schemes
- Share options
- Salary sacrifice car and cycle-to-work schemes
- Childcare vouchers
- Voluntary benefits scheme
- High calibre catering with choice

What needs to change?

Our study has revealed that an overwhelming volume of people (83 per cent) stated that change at their organisation was necessary for it to grow (figure 4). This clearly demonstrates a substantial demand to do things differently in response to the

rapidly changing nature of work.

But how do organisations need to change in order to retain their knowledge worker talent?

Some answers can be found in the responses around their current job. Only 50 per cent of respondents said that their job lives up to their expectations and less than a third (30 per cent) of respondents regarded their job as secure.

For over two-thirds of employees the primary reason for changing jobs was that a presenteeism culture where working long hours is expected still existed in their organisation.

Stagnant career development was also cited by three-in-five employees and given the challenge of stemming the tide of over 50s leaving the workplace, organisations need to increase their focus on training and development in order to retain this group.

This combination of a 'long hours' culture with half of staff feeling the job doesn't live up to expectations and less than a third feeling their job is secure

is what organisations need to address in order to retain and engage their employees.

Employee retention and employee engagement go hand in hand. Increasing employee engagement reduces an employee's probability of departure and increases retention.

The impact of culture

Organisational culture is also a huge factor in employee retention. Strategically proactive HR functions help to create a corporate culture that supports innovation and creativity.

A culture that values interpersonal relationships and collaboration, a team approach, and respect for people consistently results in longer employee tenure.

Other proven retention drivers include a sense of connection between an employee's job and organisational strategy as well as the organisation's success, reputation for integrity, and a culture of innovation.

Figure 4: How well does your organisation perform on talent retention?

Category	Percentage
Change is necessary for their organisation to grow	83%
Regularly work long hours	69%
Essential to be offered career development opportunities	61%
Job lives up to expectations	50%
Job is secure	33%

Some comments from our respondents in relation to what matters to them...

- Positive leadership with a clear sense of direction
- Alignment with focus and opportunity
- Opportunities for learning and career development
- Opportunity to make a difference
- Career progression and rewards, both financial and personal
- Friendly environment, progressive about people and social issues
- A culture of freedom to innovate

WORKPLACE

There is broad agreement that a positive work environment that allows people to grow and develop their careers is critical for retention and the results of our study back this up.

Two thirds (67 per cent) of those we surveyed left their last role because the workplace was not optimised for them (figure 5).

This clearly shows that in FM we have a long way to go to put the user at the heart of our solution design.

All organisational cultures are different, and therefore all workplace design initiatives should be treated as unique projects with unique stakeholders that are built on facts and insight, rather than just relying on generalised preferences that may not be wholly applicable. It is only by doing this that we can hope to create a greater sense of engagement and improve productivity.

The workplace must reinforce engagement and trust, particularly leadership trust.

Workplace design must also emphasise the desired discretionary behavioural and cultural values of the organisation – something that's crucial when attracting the right talent – remember, first impressions count.

It is also vital that we wake up to the importance of collaboration and networks.

Organisations that use their workspace to encourage collaboration and sharing across their entire operation, rather

than just up and down the hierarchies and silos, will always get more from their employees.

Our study revealed that over two thirds (69 per cent) of respondents stated that their workplace design directly affected their effectiveness (figure 6).

Workplace and quality of life
Employees are now looking to their work environments to contribute more to their quality of life. Especially amongst knowledge workers, some of the emerging expectations are:

■ Meaningful environments
■ Measures of 'happiness'
■ Inspiring, creative and innovative work settings
■ Greater choice and variety of workplace configurations

Organisations will need to be increasingly nimble and responsive to adapt to this rapidly evolving work ecosystem.

Finely balancing physical environments, people, technologies, and cultures, along with the ever-present drive to optimise productivity and control costs while maintaining the crucial quality of life across the workplace requires a precise analytic understanding of how work works.

The sharing of experience and tacit knowledge, combined with a common purpose and understanding helps to drive innovation and productivity.

Co-working environments enable ideas to take off and you can completely reinvent what it means to go to work as you become part of a community

Forty-six per cent of the respondents to our study stated that workplace design is pivotal to maintaining relationships with their colleagues but only 44 per cent stated that their current workplace design enables them to network effectively with their colleagues.

The more we engage with employees on the configuration and layout of their work settings, the more engaged they will feel and the more they will want to contribute.

With only 37 per cent of respondents stating that their workplace enables them to work effectively, it would appear that organisations need to put considerably more effort into engaging and listening to their employees' needs for work settings.

A shared workforce
Many office buildings and environments are still laid-out within a time-held tradition of business adjacency that relies on the notion of 'who needs to be next to whom'.

Whilst most business leaders typically expect to find sales next to marketing and finance next to business operations, perhaps this is not the most prudent way to situate employees after all.

These 'safe' and 'conservative' options deliver safe and conservative outcomes but what would happen if you sat the sales team next to the finance team?

Cross-disciplinary adjacency enables organisations to tap into an even bigger pool of thoughts and is a proven driver of breakthrough thinking.

By beginning to blend the lines of the boxes we operate in, we can unlock new ideas and

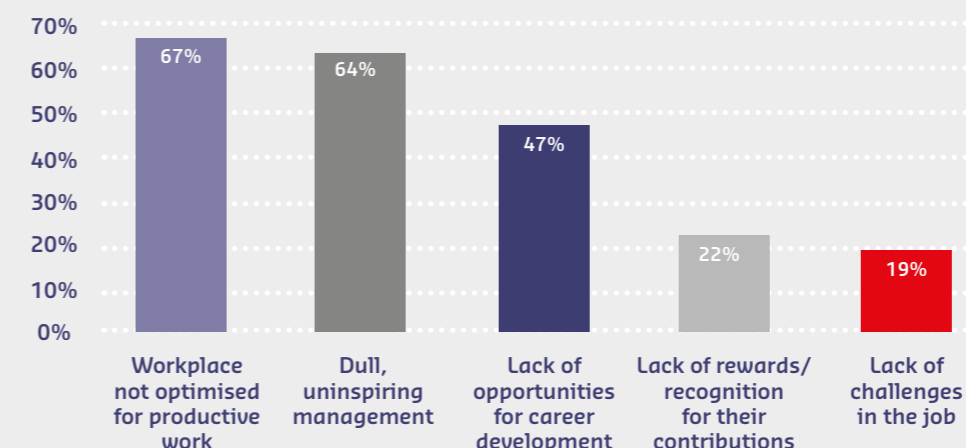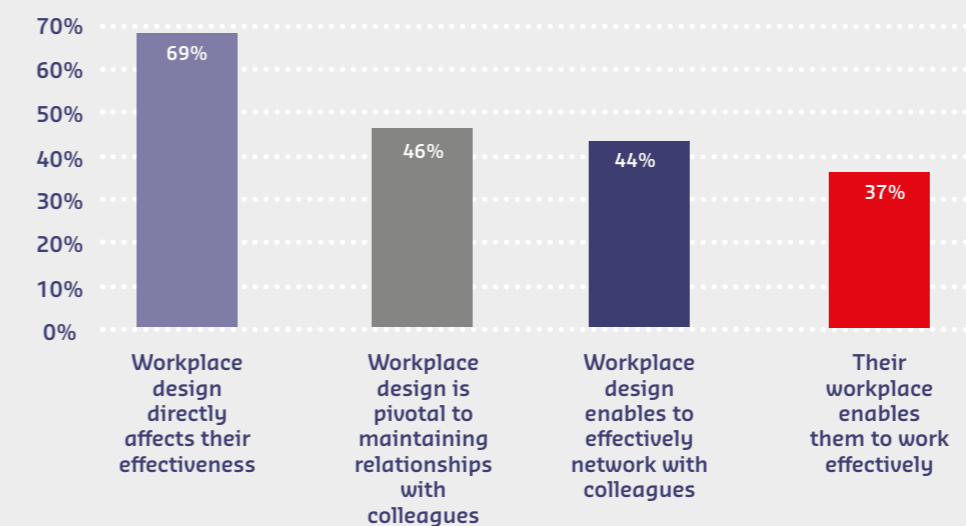**Figure 5: Reasons for leaving your last employer**

	Workplace not optimised for productive work	Dull, uninspiring management	Lack of opportunities for career development	Lack of rewards/ recognition for their contributions	Lack of challenges in the job
%	67%	64%	47%	22%	19%

Figure 6: Does an organisations' workplace design play an important role in establishing quality of life

	Workplace design directly affects their effectiveness	Workplace design is pivotal to maintaining relationships with colleagues	Workplace design enables to effectively network with colleagues	Their workplace enables them to work effectively
%	69%	46%	44%	37%

enable problem solving on a whole new level.

There are clear and tangible benefits to be had from face to face interaction. That is why we create workplaces in the first place.

A study by the DWP predicts that by 2020, as much as 50 per cent of the members of a

shared workforce will no longer work for that organisation itself, and will instead become self-employed.

Workers themselves will take on more control over their skill set, which will impact their choice of working environment.

Opportunities for knowledge transfer across an organisation

are massive – it no longer matters how, where, and when you work, it is about the outcomes you achieve. Against this backdrop, there must be choice.

People will be looking for interesting work and for people who inspire them, so you need to create those environments.

Up to now, traditional corporate space models have measured success based on occupancy cost per square foot per person. However, what these models failed to consider was productivity, or cost structure across the company where a high proportion of all cost is in people.

With today's productivity pressures, it is vital for organisations to think very differently about value and what that cost is trying to achieve.

The latest generation of workplaces encourage employees to sit anywhere and people are beginning to organise themselves in different ways with different logic to who sits where.

It is more about ensuring that people come into the space and actually enjoy the experience.

It is becoming increasingly clear that people begin to feel a sense of belonging and part of a community in co-working environments. This will lead to a break down in barriers as a result of increased social interaction.

Co-working environments enable ideas to take off and you can completely reinvent what it means to go to work as you become part of a community. Workforces now implicitly understand what they need and what they want.

69%
stated that their workplace design directly affected their effectiveness

WORKPLACE DESIGN AND PRODUCTIVITY

In order to cut through the preconceived wisdoms about which workplace design factors have the greatest and least impact on productivity, we asked our respondents to rate a wide spectrum of factors that impact their productivity.

From the range of responses, half (51 per cent) reported that reducing unnecessary office noise was the most important factor for improving their productivity (figure 7).
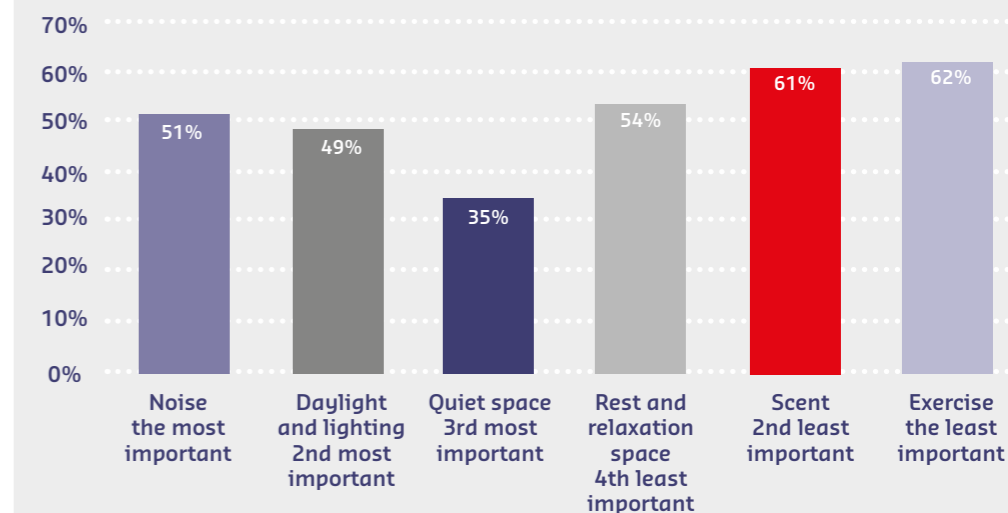
Noise can be particularly troublesome in open plan environments and has been linked to reduced cognitive performance.

It impairs employees' ability to recall information, and even to do basic computations.

Exposure to noise in an office may also take a toll on the health of employees.

Studies have shown that when knowledge workers were exposed to office noise for three hours, they had increased adrenaline levels associated with the so-called fight-or-flight response.

Figure 7: Ranking of the most & least important workplace design factors that impact productivity

Noise the most important	Daylight and lighting 2nd most important	Quiet space 3rd most important	Rest and relaxation space 4th least important	Scent 2nd least important	Exercise the least important
51%	49%	35%	54%	61%	62%

The human element

We must not overlook the importance of being 'human' in our workplaces.

We are at a time when we need more intuition and more judgement. Productivity and innovation does not come from people who are treated like children.

We need workplaces that offer autonomy and provide adult-to-adult relationships. What does that look like? It looks like trust.

Through our study, the main attributes of leadership came across strongly as resilience, engagement, insight, curiosity, and humility.

Who are the leaders that really inspire and motivate you? Who are the leaders that drive you to perform at your best? These are the leaders who know your name, their doors are open, they ask your opinion, and they are prepared to admit when they get it wrong.

Against this backdrop, the role of HR needs to shift towards giving leaders the confidence to be human at work.

With the increasing number of knowledge workers required by organisations, the need for people to trust their leaders has never been more crucial. One in five people stated that they did not believe their leaders would tell them the truth even if they were confronted.

To create trust, leaders must ensure that they know their people. You cannot view employees as one group.

Surveying employees once a year and producing an action plan to show 'we've listened' is not enough.

It is increasingly important to be able to manage diverse and virtual teams and create workspace environments where individuals can flourish and cope with uncertainty.

NUTRITION AT WORK

The value and impact of nutrition in our workplaces is enormous and is all-too-often under-estimated by employers.

Just consider, if you work full-time, at least one-in-four of your meals is going to be consumed during work hours.

Knowledge workers are particularly exposed – by implication, their extensive reliance on using technology means a more sedentary work style and, making matters worse, how many of these workers are guilty of eating at their desk?

Mental performance
There is considerable and mounting scientific evidence that links nutrition and particularly hydration to mental performance and agility.

Just one per cent dehydration has been found to directly reduce vigilance and working memory such as reasoning, comprehension and learning. It also leads to significant increases in feelings of tension, anxiety, and fatigue.

Job performance is another strong incentive. Inadequate consumption of nutritious food during the working day has been linked to difficulty concentrating and making decisions, fatigue, sickness, low morale, and greater risk of workplace accidents.

Our study revealed that providing high quality, portion-controlled food to employees is a gap in workforce health programmes that must be addressed – only a quarter (26 per cent) of our respondents

1%
dehydration has been found to directly reduce vigilance and working memory

stated they were well catered for by their organisation (figure 9).

Based on the feedback comments to our study (this topic attracts the single largest number of comments), it is evident that organisations vary in the content and quality of programmes offered, with sizable disparities in food options across sectors.

Even when companies allocate funds for food, fundamental tensions underlie workplace food provision. In particular, a tension persists between, hospitality, portion control and health.

Often the tension lies between what employees say they want to eat and what they actually eat.

The CBI estimates that absence costs UK employers £12 billion per year with 168 million working days lost.
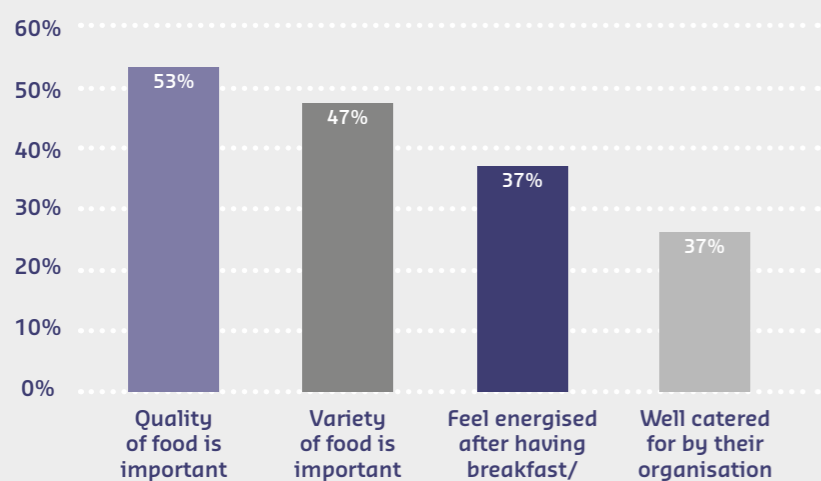
Obesity
Obesity is a significant predictor of both short and long-term absenteeism in the workplace for both men and women.

Foods eaten away from home tend to be less healthy than foods prepared at home which cannot help the nation's chronic obesity epidemic.

Evidence shows that the average weight gain for the overweight or obese person is 1kg per year. Further increases in sickness absences as a result of increasing weight are likely to occur over time.

Any policy aimed at addressing sickness absence

must include dealing with the issues of obesity.

The National Institute for Health and Clinical Excellence (NICE) guidelines on weight and obesity recommends that workplaces should endorse weight management programmes with an aim for realistic weight losses of between 5 per cent and 10 per cent and focus on long-term lifestyle changes in order to manage conditions relating to excess weight such as diabetes,

heart disease, osteoarthritis and sleep apnoea.

Our study revealed that almost half (47 per cent) of respondents regard variety in catering provision is important but only just over a third (37 per cent) feel energised after breakfast or lunch, a clear indicator of the poor nutritional value of what is being consumed.

Employees gaining weight as a result of the food offer in the workplace can often go under the radar.

Studies are now pointing to eating frequent small meals as the best way to maintain energy and effectiveness

Abundant food in endless variety can result in over-consumption, bringing with it the knock-on implications associated with obesity and other related diseases.

Employers are increasingly giving mixed signals. 'Employees are our greatest asset' is a mantra that echoes around almost every boardroom; but an asset is a building, a table, or a car, it is something that is tangible and typically behaves in the same way over and over again. People are not like this, we are all different, we have preferences, we have likes and dislikes.

Eating habits
Historically, 'three square meals a day' has been touted as good practice with organisations typically focusing on solely catering for the middle of the day meal, but there's a distinct dearth of clear scientific evidence to support the 'three square meal' mantra.

21st Century scientific studies are now pointing to eating frequent small meals as the best way to maintain energy and effectiveness.

Given the huge changes to the nature of work and the cultural shifts in eating habits – and despite many challenges – the workplace offers plentiful opportunities to promote a healthy diet while also earning a substantial return on the investment.

Put simply, when employees feel energised by their work, valued by their organisation, and happy in their environment, they are more productive.

Figure 9: Does the calibre of an organisations' catering provision link to productivity?

Selected respondent comments for improving organisation catering

- Greater level of variety
- A bigger space to collaborate and use outside of eating times
- A dedicated place to eat away from desks
- Ask people what they would like – an army marches on its stomach
- Change to a deli bar
- More fresh fruit and healthier snacks
- Gluten free options
- Vegan choices
- Free coffee provision

CONCLUSION

This study focuses on knowledge workers because:

■ The UK's service sector, predominantly staffed by knowledge workers, now represents over 77 per cent of overall GDP

■ The UK's services sector is the single fastest growing industry sector with the Bank of England forecasting sector growth of 3 per cent in the coming year

■ There are huge challenges, many unforeseen, facing the attraction and retention of knowledge workers

■ With productivity down by 17 per cent over the last decade, the knowledge worker workforce must lead the charge for increasing output

Against a backdrop of the rapidly changing nature of work, our study polled over 2,800 people to explore their views on: levels of engagement and what constitutes successful engagement, the challenges of talent retention, providing the right nutrition and quality of life, where does the workplace feature and how does its design enhance or impede productivity.

Looming talent challenges

There are three principle talent challenges facing organisations:

■ An aging and retiring workforce - our study revealed that more than 40 per cent of the knowledge worker workforce are over 50 years old and more than 70 per cent of this talent pool will be retiring in the next 7 to 12 years.

■ Availability of talent - the DWP projects a requirement for 13.5 million job vacancies over the coming decade but only 7 million young people joining the workforce during the same time period.

■ Addressing the gender imbalance - at an overall level, the gender balance across the knowledge worker workforce stood at 62 per cent male to 38 per cent female representation. However, as we scrutinised the respondents in more detail, it soon revealed that by the time people reach the 'top management' main board level, the male to female ratio had changed to 79 per cent male to 21 per cent female representation.

IMPORTANT NOTE

This conclusion does not aim to provide a comprehensive set of definitive answers to every challenge but instead aims to prioritise the challenges posed by ever-increasing numbers of knowledge workers and point to some appropriate interventions to increase their productivity.

Women make up almost 70% of graduates leaving universities

The ability of organisations to plug these gaps in their workforces will dictate their ability to survive. There is no doubt that those organisations failing to address this challenge are unlikely to exist in ten years.

With women making up almost 70 per cent of graduates leaving universities, effectively attracting and retaining this talent pool is essential.

Productivity and the workplace

Knowledge workers currently represent over 60 per cent of the UK's workforce, and are the fastest growing labour segment, consequently it is vital to listen to and respond to the productivity needs of this group.

The respondents to our study pointed to the importance of interactions to effective knowledge work.

The respondents highlighted that more than half of all interactions are constrained by barriers including:

■ Physical and technical
■ Social or cultural
■ Contextual
■ Temporal

Two-thirds of the respondents to this study stated that the need for greater collaboration is driving change to their workplace.

The understanding and enhancement of productivity is shrouded by myth and pre-conceived wisdom. However, on an individual level, we all intuitively know if we have had a

Selected respondent comments for workplace designs to enhance quality of life

Provide quiet space to concentrate

Meet and greet services

An open office that enhances communication

More technology to increase opportunities for mobility
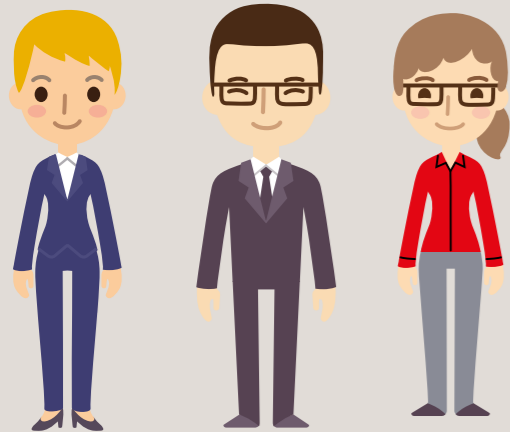
Seamless video conferencing

Complete workplace redesign

Better levels of lighting (natural light)

More autonomy

Hot desking does not support my spatial needs

Increase support for flexibility of working hours and remote working

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productive day.

Most troubling, only a third of the respondents stated that the workplace is configured to optimise productivity. This suggests that unfortunately workplace designers are placing cosmetic design and style over substance.

Changes to the nature of work lend itself to greater use of adaptable flexible co-working space and in turn make it far easier to accommodate choice of work setting. Offering knowledge workers the opportunity to be involved with their work settings encourages greater engagement which can be a positive step towards building trust.

This report identifies a sizable number of steps, each of which in isolation is relatively small but when combined can deliver a significant increase in productivity.

Engaging knowledge workers

It is widely accepted that engaged employees are stronger advocates of their organisations. Conversely, having a disengaged workforce brings huge risks – organisations may lose their best people and face huge difficulties when embedding organisational change if employees are not on board.

Lack of engagement also constrains collaboration and innovation.

Given the increasing complexity of the work we do and how we work, and the diverse nature of the workforce, organisations must become much better at developing the people management skills of managers at all levels.

Our respondents highlighted how poor their organisations are at retaining talent and even

understanding the reasons for talent walking out the door.

Eighty three per cent of our respondents stated that change at their organisation was necessary for it to grow.

One of the top areas identified as needing to change were long hours and a presenteeism culture with over two-thirds of employees reporting this as a chief reason for changing jobs.

Stagnant career development was criticised by three-in-five employees and only half of the respondents said that their job lives up to expectations.

Trust in management

Our study revealed that, out of the seven strongest factors for building employee engagement, overwhelmingly the single most important and influential factor that applies to all types of employees is trust in management.

The respondents to our study revealed a vast chasm between the known factors for building employee engagement and the realities of how engaged knowledge workers feel. Just over half of the respondents felt that their managers involved them in decisions that affect them.

Less than half of knowledge workers trusted their managers and only 30 per cent regarded changes at their organisations as progressive and delivering any lasting improvement.

The outcomes of the poor bonds of trust between knowledge workers and managers was profoundly evidenced by 75 per cent of the hard-fought-for top end talent (degree level and above) leaving their organisations within the first two years.

Work – and especially knowledge work – is about being motivated by such things as the

working environment, the people, the product or service, and even the brand. But most importantly, it demands trust in managers and leaders.

Trust is a driving force for business creation; it is a key factor in team building and a needed enabler for cooperation.

Trust building needs personal knowledge and regular face-to-face interaction; it requires empathy, respect, and genuine listening.

Trust increases communication, something that is essential for effective knowledge work.

Other important factors for building trust are a shared vision, clear roles and responsibilities, willingness for cooperation, and supporting and encouraging leadership.

Fuelling knowledge workers

The nature of knowledge work demands heightened vigilance, reasoning, comprehension, and learning. This extensive and sustained use of the brain places particular pressures on our metabolism, with upwards of 25 per cent of all our food consumption being devoted to powering this single muscle.

The latest scientific evidence is now showing that, to fuel the brain's power demands eating frequent small meals is the best way to maintain its energy levels and effectiveness.

In addition to this we have to take on board that knowledge workers have extensive reliance on using technology which means a more sedentary work style. Consequently, striking the right balance of frequent food and drink provision with a healthy dietary balance is essential.

Again, our study revealed that

there is considerable scope for organisations to improve their nutrition provisions and respond to the changing nature of work.

Just a quarter of knowledge workers state they are well catered for by their organisation – citing greater variety, greater choice, more fresh fruit, and places to eat away from desks amongst the top requests.

Put simply, when employees feel energised by their work, valued by their organisation, happy in their environment, and appropriately nourished, they are more productive.

Rethinking the workplace

The opportunities for knowledge transfer across an organisation are significant – it no longer matters how, where, and when you work, it is about what outcomes you achieve. What does appear to matter however is choice.

Among the factors that emerged from our respondents regarding the calibre and provision of their workplaces

Organisations need to listen to their employees' needs for the workplace environment

was a need to be involved and consulted about the design and configuration of their workplaces.

With only just over a third of respondents stating that their workplace enables them to work effectively, organisations need to put considerably more effort into engaging and listening to their employees' needs for the workplace environment.

There was also a demand to be given greater choice about work locations. Knowledge workers in particular are aware that their work can be undertaken from any location, consequently repeatedly trekking into a central HQ no longer makes sense and can rapidly detract from their quality of life.

Reducing unnecessary noise

Addressing unnecessary noise in the workplace was reported as the most important factor for improving their productivity.

We are surrounded by noise at all times – it affects the way we feel and behave, some sounds can be pleasant and

soothing while others are annoying and distracting.

Complaints from our respondents included the lack of speech privacy, high noise levels and the distraction of overheard conversations.

These complaints significantly increased with open plan configurations that allowed sound to circulate more freely throughout the space.

When considering what is good and not good, it is important to appreciate the difference between 'hearing' and 'understanding'.

The muffled sounds from adjacent workspaces are generally not as distracting if they cannot be understood.

Of course, if they cannot be understood, you have confidential speech privacy even though some degree of distraction may exist.

Sound travels via three paths:
- Direct straight-line path between the source and receiver
- Reflected path as the sound bounces off various surfaces
- Defracted sound bending over the top and around the sides of partitions

Creating a quiet environment requires dealing with the paths that sound takes between the sources. People and equipment are sound sources.

People alone are the receivers of the sound being transmitted. Control of speech privacy sound requires consideration of all three paths.

The most common approach to stopping the direct path of sound is by using specifically designed partition barriers but this will still leave defracted sound.

Our ears are more sensitive to certain frequencies, typically these are the frequencies associated with human speech.

It is the higher frequencies of human speech that provide intelligibility and these require closest attention in an open plan environment.

Space between people is one of the most immediate ways of lowering unnecessary noise

Space between people is one of the most immediate ways of lowering unnecessary noise and office design should maximise this wherever possible.

Lines of sight are another important consideration. If you can see someone, you have not dealt with the direct path of sound.

This basic understanding of sound, its measurement and how to control it, can help to focus on the most functional acoustical environment in open plan and other office space.

A third of the respondents stated access to quiet space was important.

Given the impact of unnecessary office noise on productivity, it is not surprising that knowledge workers crave quiet spaces.

Improving lighting
Ensuring access to daylight and good lighting was a close second to noise, with just under a half of all respondents stating it was a major disruptive factor for

their productivity.

Although our bodies have adapted to artificial lighting over the years, there are both physical and physiological consequences arising from poorly managed lighting in the workplace.

With their ever-increasing use of technology, knowledge workers cite eyestrain as one of their biggest health challenges. Their efficiency drops in correlation with eyestrain and inappropriately lit offices.

By replacing artificial light with natural light, employees will experience many positive results including improved mental clarity, better vision, together with a decrease in headaches and migraines.

Because our eyes are meant to function under full-spectrum lighting, having natural light helps to boost productivity and improves how well one can read a computer screen or paperwork.

Light stimulates the production of vitamin D,

melatonin, and serotonin which helps to regulate our body clock and keeps us working productively.

Serotonin keeps moods regulated and lifted. If the balance between serotonin and melatonin release gets out of balance, the body's rhythm is affected and this can have a range of detrimental health impacts including poor concentration, tiredness, and a lowered mood.
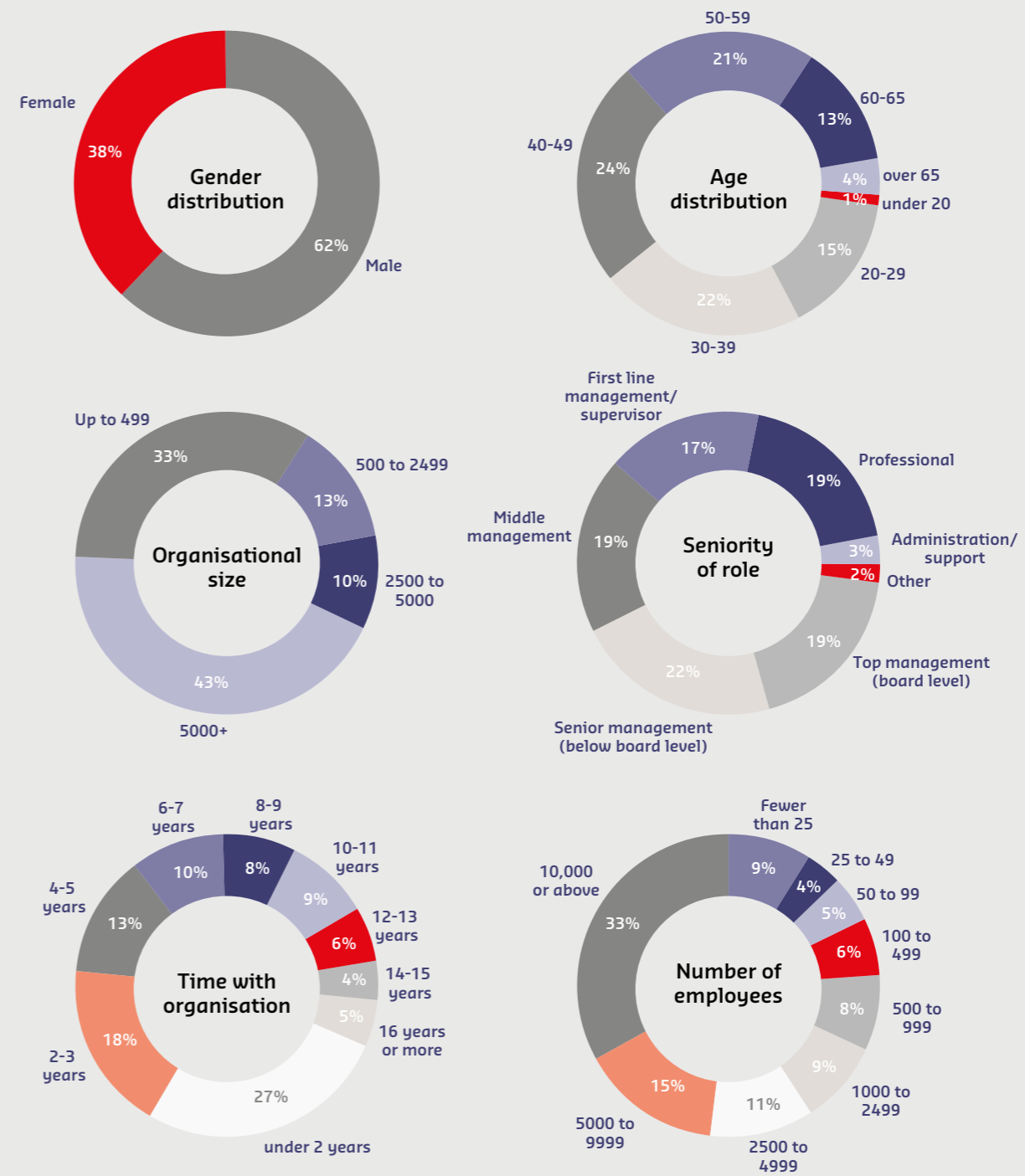
In the absence of natural daylight, our inner clock does not function correctly and this can result in fatigue, listlessness and, at worst, depression. At one end of the spectrum, organisations could invest in costly new building designs or building improvements such as new windows and skylights.

There are a number of less costly interventions that can increase natural lighting in the workplace. Relocate employees closer to existing windows and

use interior spaces for functions where people do not need to be present for hours at a time. Encourage employees to take regular breaks, especially going outside.

Full-spectrum lighting can get close to mimicking natural light albeit the downside is that they can be expensive, consume more energy, and have a shorter lifespan than standard fluorescent bulbs.

Fluorescent light filters work with existing fluorescent bulbs and offer the closest approximation to natural light.

In conclusion, providing access to natural lighting is by far the best option for creating a healthy work environment – one that ensures the mental and physical wellbeing, and productivity of employees.

Our study has identified a number of factors that impact the productivity of knowledge workers. The research tells us that organisations face many challenges with regards to optimising the productivity of this workforce but what is becoming increasingly clear is that the workplace has a leading role to play in developing this, one that we believe will become evermore important in to the future.

Providing access to natural lighting is by far the best option for creating a healthy work environment

ABOUT THIS RESEARCH

In total, this study attracted 2,874 completed responses from knowledge workers across a wide variety different business sectors ranging from banking, broking, central and local government, financial services, insurance, legal, media, pharmaceutical, professional services, technology, transportation, and not-for-profit organisations. The distribution of responses is shown below:

Gender distribution
Female 38%
Male 62%

Age distribution
50-59 21%
60-65 13%
over 65 4%
under 20 1%
20-29 15%
30-39 22%
40-49 24%

Organisational size
Up to 499 33%
500 to 2499 13%
2500 to 5000 10%
5000+ 43%

Seniority of role
First line management/ supervisor 17%
Professional 19%
Administration/ support 3%
Other 2%
Top management (board level) 19%
Senior management (below board level) 22%
Middle management 19%

Time with organisation
6-7 years 10%
8-9 years 8%
10-11 years 9%
12-13 years 6%
14-15 years 4%
16 years or more 5%
under 2 years 27%
2-3 years 18%
4-5 years 13%

Number of employees
Fewer than 25 9%
25 to 49 4%
50 to 99 5%
100 to 499 6%
500 to 999 8%
1000 to 2499 9%
2500 to 4999 11%
5000 to 9999 15%
10,000 or above 33%

Note:
(1) 45 per cent of employees have been with their organisation less than three years and 24 per cent have been with the organisation for more than 10 years.
(2) 59 per cent of respondents work for organisations with more than 2,500 employees

About the author – John Blackwell

John is widely recognised as a thought-leader on the changing nature of work and effective business operation. Drawing on a 35-year board-level career with IBM and MCI, John implicitly understands that opportunities for innovation and investment must continually balance the need to act quickly.

About Quora Consulting

Quora is a unique business consultancy and provider of strategic solutions whose forte is inspiring business leaders to transform workplaces and work practices through precision analytics and compelling methodologies.

Our analytics help organisations focus limited resources on critical decisions. We provide frontline leaders with Net Present Value clarity to ensure effective investment decisions for: attracting and retaining talent; determining space configuration and location; deploying technology innovations; enhancing staff productivity; and making fluent social, ethical, and environmental decisions.

Legal statement