



CBRE Research

North America

How Workplace Experience Can Boost Employee Engagement

A CBRE Workplace analysis and perspective

CBRE

2 | HOW WORKPLACE EXPERIENCE CAN BOOST EMPLOYEE ENGAGEMENT

Delivering workplace experience goes beyond providing an attractive workplace. An effective work environment creates an emotional connection between employees and their organizations, making the physical space a destination that supports the physical, cognitive and social needs of individuals.



EXECUTIVE SUMMARY

Employees value an emotional connection to their organization. Great workplace environments and their experiences are a key instrument in enabling and supporting this connection.

Employees place more value on physical elements that support well-being and convenience—such as natural light, views of the outdoors and food—more than service amenities like fitness centers and on-site child care.

To fully optimize your workplace investment, it's important to proactively consider what will improve both employee satisfaction and engagement.

Understanding your organization and what will uniquely impact employee engagement and satisfaction is key to determining the right workplace investments.

Through this report, CBRE examines a range of variables impacting employee satisfaction and sheds light on which elements of the workplace experience CRE executives should focus. The underlying methodology described in this report can help form a customized plan of action for employee engagement. Read on to better understand how to evaluate employee engagement, how to determine what matters most to employees and how to think beyond just furniture and walls to deliver an exceptional workplace.



“If senior management can impact employee engagement positively, it can influence better recruitment and retention of talent,” says Damla Gerhart, Senior Managing Director of CBRE’s Workplace practice.

“If someone is more engaged in their role, they likely will be better brand stewards, reflecting more positively on the organization.”



REPORT SOURCES

CBRE’s Workplace practice independently analyzed a survey conducted by [Future Workplace](#) in partnership with [View, Inc.](#)

FUTURE WORKPLACE

is an HR advisory and research firm providing insights on the future of learning and working.

VIEW, INC.

is a technology company creating smart and connected buildings to improve employees’ health and wellness.

CBRE WORKPLACE

is a global practice within CBRE that enables organizations to inspire their employees to connect, create and contribute to a better working world.

The Employee Experience Study is the source for all charts and tables in this report.

SURVEY OVERVIEW

More than 1,600 employees in the United States and Canada were surveyed to gauge the aspects of the work environment that impact their employee experience. The survey was sent to employees of all ages, ranging from Generation Zers (4%), millennials (40%) and Gen Xers (38%) to baby boomers (17%) and even the Silent Generation (less than 1% of responses).

The majority of responses (62%) were from the U.S. Respondents, representing a broad range of industries, were surveyed on how satisfied they are with their workplace experience, including workspaces, technology, corporate culture, management and relationships with colleagues.

The respondent breakdown by generation is representative of the labor force today. While perceptions about the expectations of millennials continue to have a disproportionate influence on workplace trends, the survey showed little generational variation. Even when evaluating workplace technology—an area where younger digital natives might be expected to be more critical—millennials were only marginally less satisfied than their older counterparts. Good workplace experience is something that every generation appreciates, and the recommendations derived from this survey can be applied universally.

See the Appendix for a comprehensive breakdown of the survey responses.



“This sample size is large enough to be statistically significant,” says Julie Whelan, who leads Occupier Research for the Americas at CBRE. “The generational breakdown is also very similar to what exists in the workforce today, which means the survey feedback is indicative of sentiment across the labor force.”

SURVEY RESULTS

DESIGNING A WORKPLACE OF CHOICE

When it comes to prioritizing workplace investment, the place to start is by looking at what employees value and expect from great work environments. While services and amenities are a common tactic that organizations use to differentiate their experiences—often embracing the latest trends such as massages, on-site baristas and “puppy petting” as a way to delight employees—the survey results show that function and comfort override trendiness.

Survey participants were asked to select which workplace features they value most from a list of common and trending options provided by organizations. Employees place the highest value on natural light and views, which were well above amenities like fitness centers and game rooms. Although employees place the highest value on natural light and views, these are also areas that employees reported being the most dissatisfied with in their current environments.

Another workplace feature that ranked prominently on the list is food. Concepts range from strategically located snack and beverage stations that invite serendipitous social connections, to quality of food that supports employee well-being, to community kitchens that bring employees together around the preparation and sharing of food. Integrated strategically, food is a key element of fostering community and culture within an organization. It is no surprise that survey respondents ranked access to on-site cafés and kitchens as two of the four highest-valued workplace provisions (Figure 1).

Understanding workplace features that employees value is a good initial step in prioritizing design decisions and investment. However, to fully optimize that investment, it’s important to balance employee value with impact. Doing so requires understanding how different elements of experience impact employee engagement.

FIGURE 1:
Top 5 most valued perks or amenities at the office

53% Views of the Outdoors

53% Natural Light

44% On-site Café/Food

37% Kitchen

28% Open Office Space

MEASURING EMPLOYEE ENGAGEMENT

According to Gallup research, engaged employees are “involved in, enthusiastic about and committed to their work and workplace.”¹ Using this definition, we focused on two survey questions to derive a measure of employee engagement (Figures 2 and 3). The first question is an assessment of involvement and enthusiasm; the second involves the likelihood for employees to recommend their workplace as a proxy for commitment.

The results show that the majority (71%) of respondents report feeling involved in and enthusiastic about their work and organizations, while more than half (57%) are likely to recommend their company. But are these respondents truly engaged in their work?

¹ “Gallup Daily: U.S. Employee Engagement,” Gallup, Web.

FIGURE 2

To what extent do you agree or disagree with the following statement: “I am highly involved in and enthusiastic about my work and organization. I put energy and passion into my work, not just time.”

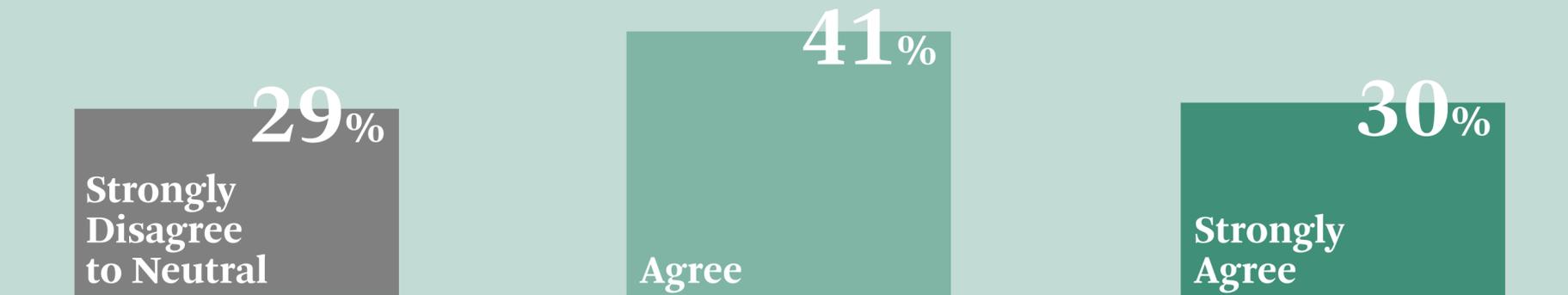


FIGURE 3

How likely are you to recommend your company for employment to a friend or colleague?



To understand how many employees are highly engaged, we combined the answers to these two questions and categorized respondents into one of three groups: promoters, passives and detractors (Figure 4). To qualify as a promoter, respondents had to demonstrate high levels of enthusiasm about their work and commitment to their organization. If they answered strongly in one category but not the other, they were categorized as passive.

“Although passives technically are positive about their workplace experience, their lack of emphatic positivity makes them a vulnerable group,” says Kasey Garcia, Senior Manager for CBRE’s Workplace practice “They’re on the cusp and probably have a couple of things they want to see improved in their overall workplace experience. Detractors are a tougher group to sway and are more likely to be vocal about their negative perceptions of their work and the organization.”

Survey results show that 51% of respondents exhibit low engagement (detractors) and 35% exhibit only moderate engagement (passives). These outcomes show a real urgency to understand and address how workplace experience can evolve to more positively impact employee engagement.

FIGURE 4
Categories of employee engagement



IMPACTING EMPLOYEE ENGAGEMENT

Most organizations have limited budgets for workplace investments and aim to target these investments in the most impactful way possible. Achieving the greatest impact requires more than just addressing dissatisfaction alone; it means creating a relationship between satisfaction (Appendix 5) and engagement to identify variables that, if improved, have the highest impact for an organization.

We tested the correlation between low satisfaction with elements in the workplace and employee engagement in this survey. When we ranked elements of the workplace experience based on this correlation, the results varied greatly relative to dissatisfaction rankings alone. The top five elements illustrate a shift toward a more emotional level of experience that speaks to a desire for workplaces that put employees at the center (Figure 5).

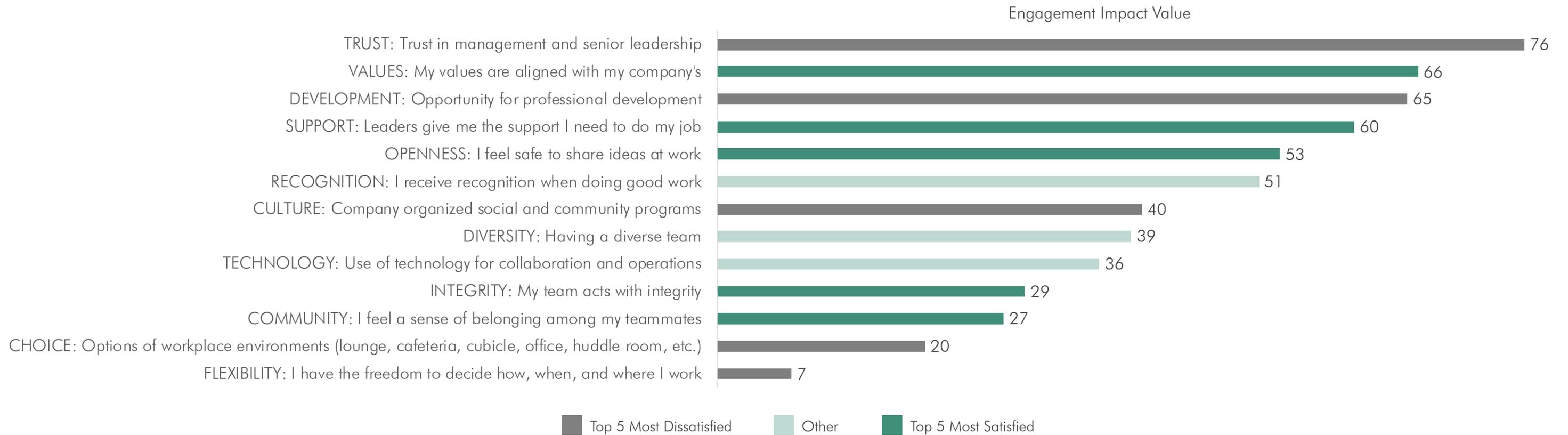
“A high percentage of dissatisfaction for any workplace issue does not immediately translate into a call to action for upper management.

It's vital to take a strategic, multi-tiered approach to the issue

due to the very subjective nature of any employee feedback,” says Damla Gerhart, Senior Managing Director of CBRE's Workplace practice.



FIGURE 5
Elements of workplace experience ranked in order from strongest to weakest impact on employee engagement



“We performed a statistical analysis to determine the impact of various elements of workplace experience on employee engagement. An Engagement Impact Value (EIV) of 9.00 or higher indicates a 100% impact; 6.00-8.99 indicates a 95% impact; below 5.99 indicates no impact. All of these elements of workplace experience are impactful and the ranking simply helps communicate the relative impact,” says Kasey Garcia, Senior Manager of CBRE Workplace.

The results reveal that to drive increased engagement and organizational impact, workplace investment should be aimed at creating an emotional connection by employees with their employers. When leveraged, the physical environment provides an opportunity to reinforce these emotional elements of workplace experience.

“Trust is reinforced by environments that make employees’ impact and work processes visible. Values are signaled by space allocation hierarchy and investment in experiences that support culture, well-being and ease of work,” says Nina Charnotskaia, Senior Director of CBRE’s Workplace practice.

While physical space attributes are lower on the list of the Engagement Impact Analysis, their value indicates a more than 95% probability of impacting employee engagement. As evidence of this value, respondents with access to natural light and views are 67% more

likely to be satisfied with working at their company and are equally more likely to refer a friend or colleague for employment at their company.

The survey results support an evolution we see taking place in the workplace: The office is no longer simply a place for work; it is a destination where employees connect, feel a sense of community, understand organizational objectives and feel their impact on a greater whole. CRE leaders have the opportunity to make these destinations the most desirable choice in a network of places where people do work, making it easier for organizations to directly impact the emotional connection employees require to feel engaged in their work and loyal to their companies.

“Many of the reasons we used to require an office are obsolete today and therefore the role of the workplace is evolving,” says Julie Whelan, who leads Occupier Research for the Americas at CBRE.

When provided a
VARIETY OF WORK SETTINGS
respondents are 91% more likely to be satisfied with their organization and are 73% more likely to refer a friend for employment within their organization than their counterparts that do not have access to a variety of settings. A workplace of choice draws an employee in because it provides an experience that simply cannot be achieved anywhere else—from the culture it emits to the technology it provides and the relationships it helps build.



“ A strategic change to move private spaces from the window line and provide natural light and views to all employees

signals the company's value in them and promotes organizational transparency,”

says Nina Charnotskaia, Senior Director of CBRE Workplace.

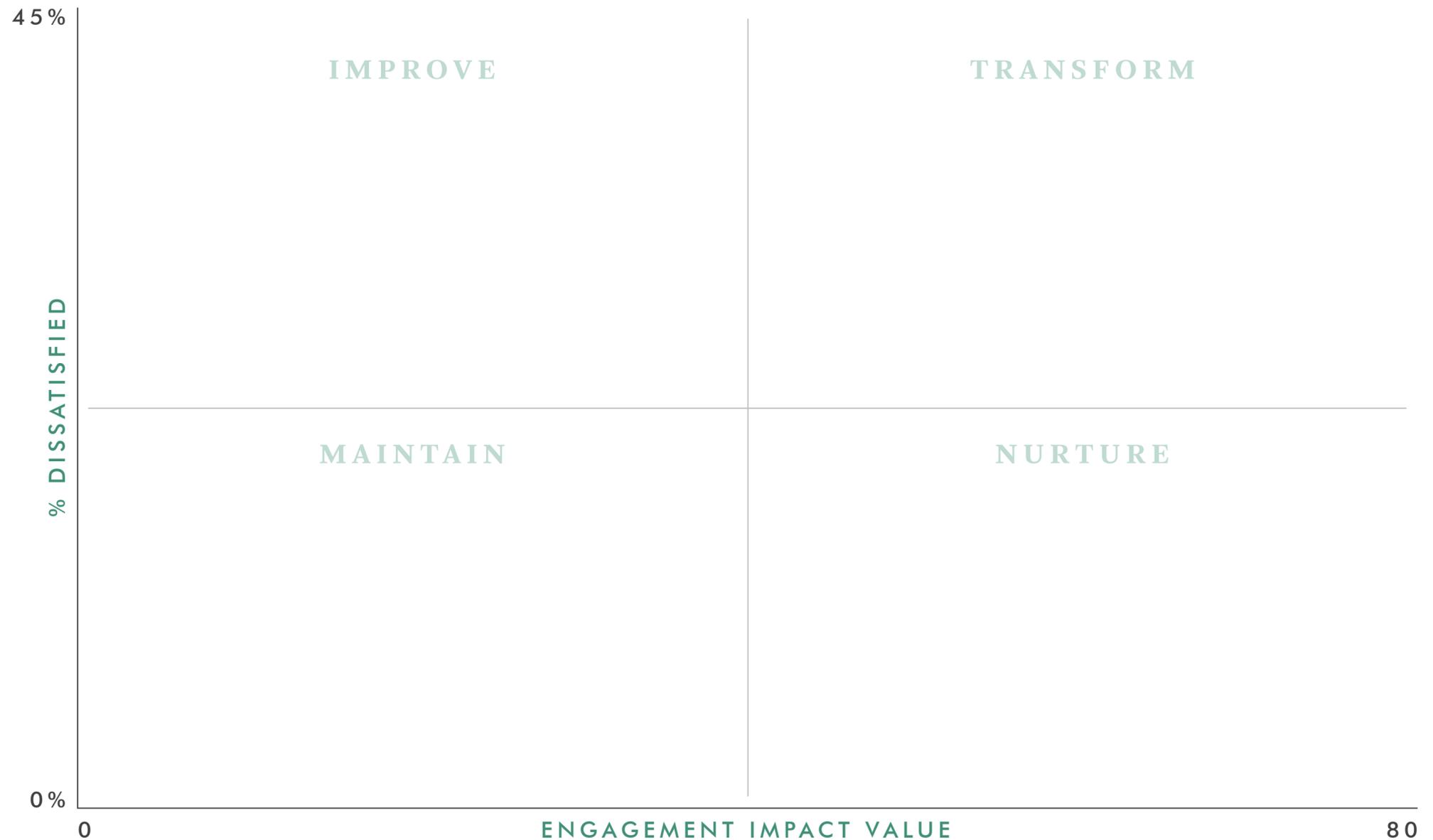
PRIORITIZING INVESTMENT FOR IMPACT

CBRE used the results of this impact analysis to design an opportunity matrix (Figure 6). The matrix plots the elements of experience into quadrants relative to satisfaction and their impact on engagement. The quadrants are associated with a recommended degree of change: transform, nurture, improve and maintain. The survey results indicate areas of high impact on engagement across a variety of industries and employee populations and help us correlate the impact of quality physical space on supporting employee engagement. Additionally, this methodology can help organizations evaluate what elements of their unique experience would have the greatest impact on their employee experience.

The results from this analysis, should serve as a guide. We recommend organizations conduct a study of their own employees to understand the greatest areas for impact and investment.

FIGURE 6
Opportunity Matrix

[Click to Understand the Quadrants](#)



The transform quadrant highlights the most impactful elements of experience, including trust in leadership, opportunities for professional development and experiences that drive organizational culture. These elements of the workplace experience need investment to achieve their greatest potential in transforming engagement.

The nurture quadrant suggests that employees already feel recognized, supported and valued at work, and they are engaged as a result. These experiences must be nurtured and held to the standards employees are accustomed to or they could challenge engagement in the future.

Flexible work practices and quality of work environment often are areas of low satisfaction, as shown in the improve quadrant. Their direct impact on engagement is lower than elements found in the transform quadrant, but consideration should be given to their indirect impact on other elements. When these areas are supported effectively, they can provide a platform that reinforces other elements that more directly impact engagement.

Several elements are clustered toward the right edge of the maintain quadrant. With EIVs (Engagement Impact Values) between 26 and 40, their significance is statistically undeniable. While some organizations can maintain high approval ratings of these items with minimal investment, others will find that their performance slips without strategic investment.

There-fore, the directive to maintain these elements should not be conflated with permission to ignore them.

While these results represent a wide variety of workplaces, this methodology can be applied to surveys specific to your workplace and employee base. While the results are directional, we would not suggest taking action on this alone without a deeper dive into your organization.

While the matrix is intended to help guide priority of workplace investment, the right solutions require an integrated approach that considers how physical environment, technology, services and policies come together to shape truly impactful experiences.



“Time and resources of our clients being finite, we wanted to provide a framework to help organizations triage their approach to improving the workplace experience,”

says Kasey Garcia, Senior Manager, CBRE Workplace. “Each quadrant of the opportunity matrix has a different potential return on investment and a correspondingly different recommended approach.”

SPOTLIGHT ON TRANSFORMATION

Analysis of the survey data showed that three elements of workplace experience have transforming impact on employee experience: (1) trust in management and senior leadership, (2) opportunity for career growth and (3) company-organized social and community programs. The research suggests that these three elements, if supported successfully, will have the greatest impact on improving employee engagement. While these elements are typically addressed at an organizational level, CRE professionals have the opportunity to support these further through the physical work environment.

TRUST IN MANAGEMENT

Provide environments that reduce the relationship between hierarchy and access to private space.

Leverage glass and sight lines to increase visibility of employees and work.

Engage employees in the process that informs the design of their work environment. Gather inputs about work styles and process flows and provide solutions that are informed by these inputs.

PROFESSIONAL DEVELOPMENT

Prioritize quality of learning and growth content and ensure access is seamless (Figure 7).

Provide opportunities for networking, which is critical to career growth. Consider the four S's of creating a welcoming amenity:

SEATING

plentiful, comfortable seats in a variety of styles (barstool, bench, lounge, etc.)

SOCKETS

integrated, tabletop power access and data ports

SUSTENANCE

access to healthy and delicious food and drinks

SCENERY

natural light and views for a more relaxed, restorative environment

COMMUNITY-BUILDING

Prioritize social and community-building events that reinforce corporate values, such as well-being (e.g., morning meditation), sustainability (e.g., beach clean-up) or entrepreneurship (e.g., hackathons) and build flexible, multi-functional space to host them.

Showcase the history, values and ongoing impact of the organization through integrated brand elements.

FIGURE 7

Top 2 most important features/benefits of employer-provided learning at work by percent of respondents



Ease of Access



Quality of Content

The workplace is where organizations have the most direct opportunity to impact trust, growth and sense of community. By providing physical environments that excite employees, CRE leadership can provide a place to most effectively impact engagement.

SPOTLIGHT ON IMPROVEMENT

Analysis of the survey data showed two elements of workplace experience in the improve quadrant: (1) options of workplace environments and (2) freedom of choice to decide how, when and where to conduct work. The research suggests that these two elements, if supported successfully, will have a medium impact on improving employee engagement despite potentially requiring the greatest degree of change.

WORKPLACE ENVIRONMENT OPTIONS

Expand the available places to work beyond the traditional triad (office, workstation, meeting room) to include new space types for focus work, collaboration and building community.

Incorporate design features that make the office more welcoming and comfortable.

FREEDOM OF CHOICE

Partner with business leaders and HR functions to reinforce norms that support choice and flexibility for all employees to use the right space for their work.

Invest in hardware and software that supports employees' productivity both within or outside the office (Figure 8).

Refresh training to cover not just how to use provided technologies but also best practices for effective virtual communication, managing mobile employees and hosting different types of productive meetings.

FIGURE 8

Top 3 most important features of employer-provided digital tools by percent of respondents



“Each of these is a building block that plays a role in solving for employee needs, and are solutions typically owned by different functional groups, whether it’s IT, corporate real estate or human resources,” says Nina Charnotskaia, Senior Director of CBRE Workplace. “Historically, organizations have treated these functions as separate, and in turn the functions invested into separate, often unrelated solutions.”

“While dissatisfaction might be directed at elements controlled by individual functions—HR or IT, for example—the impact is found in combined solutions,” she continues. “Integrated together, these building blocks become powerful levers that impact employee engagement. This allows organizations to address what employees are actually in need of: leadership engagement, cultural connectivity and a sense that they can make an impact through their daily work.”

CRE executives have the opportunity to leverage the physical environment as a platform that enables their organizations to directly impact employee engagement. Doing so requires moving past troubleshooting areas of dissatisfaction and working on building a prioritized, strategic investment approach to transforming, nurturing, improving and maintaining the overall work experience.



CONCLUSION

The notion that corporate real estate (CRE) departments are primarily responsible for the physical workplace environment, the comfort of employees and the functionality of space is an outdated concept. As employers begin to recognize the role their workplace plays in attracting, engaging and retaining top talent, CRE leaders are taking a more integral role in enhancing employee engagement. Understanding which workplace elements enhance engagement is what will ultimately allow organizations to achieve full value from their real estate investments.

The results highlight a shift in employees' expectations of the physical environment from just a workplace to an experience that fosters an emotional connection to organizational values, purpose and culture.

The physical work environment is one of the few avenues within an organization's direct control that has the power to influence an employee's emotional experience of work. CRE leaders must be strategic about balancing investments to deliver an engaging workplace experience that still provides high-quality, functional environments. Treating the workplace as a tool that reflects and supports organizational values changes the priority of certain workplace investments.

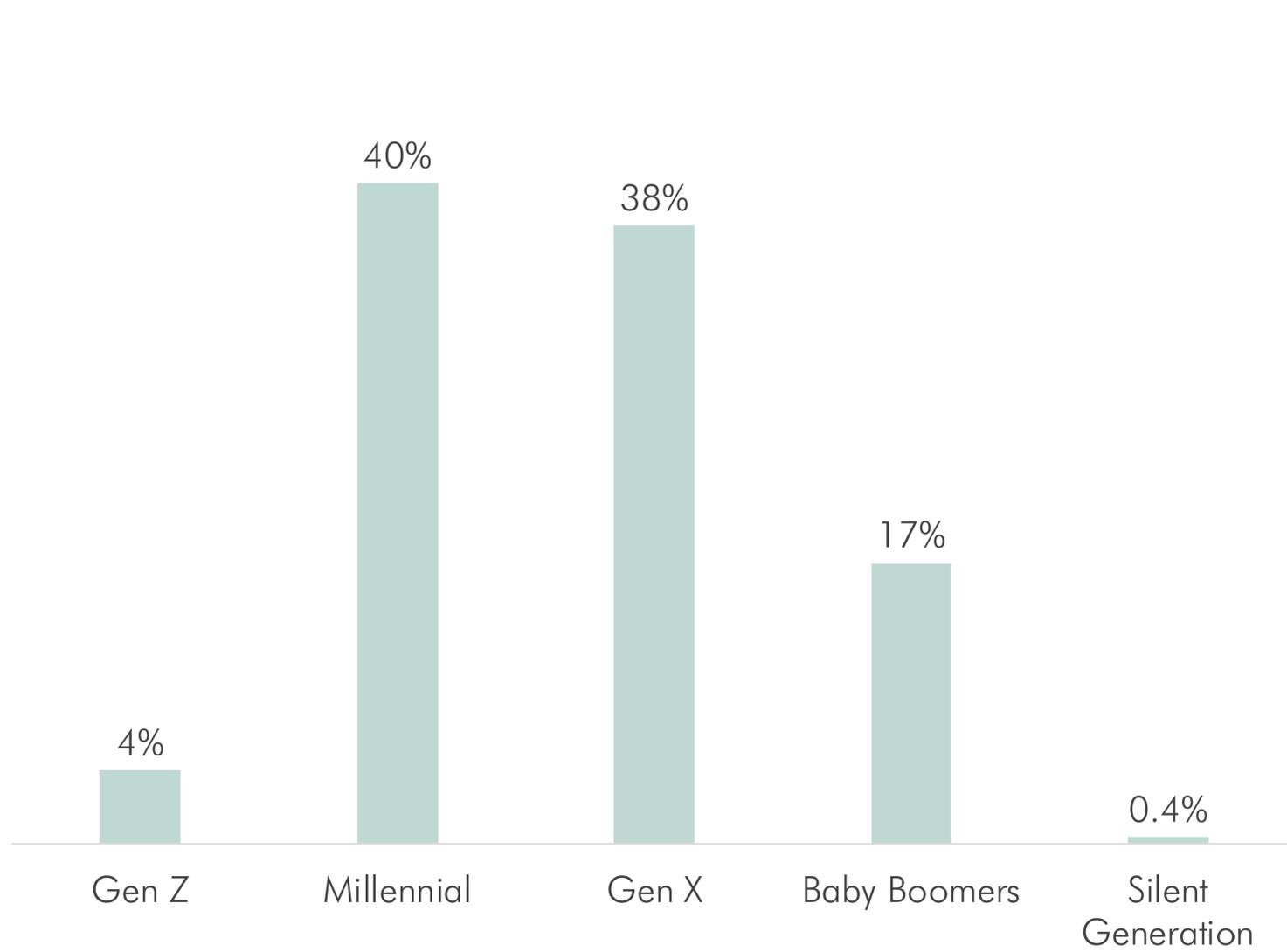
The survey highlights that certain workplace features—such as access to natural light, outdoor views and great food options—are valued by employees and are more likely to bolster the office as a destination of choice. Such investments signal to employees that they are valued by the organization.

Glass-front offices can communicate that leadership is transparent and accessible, and help employees feel trust in management. Providing welcoming, central social venues (with great coffee) can communicate that relationship building is encouraged and helps employees feel integrated in the culture. CRE leaders must understand what each investment decision is “saying” to employees and optimize it for the intended message.

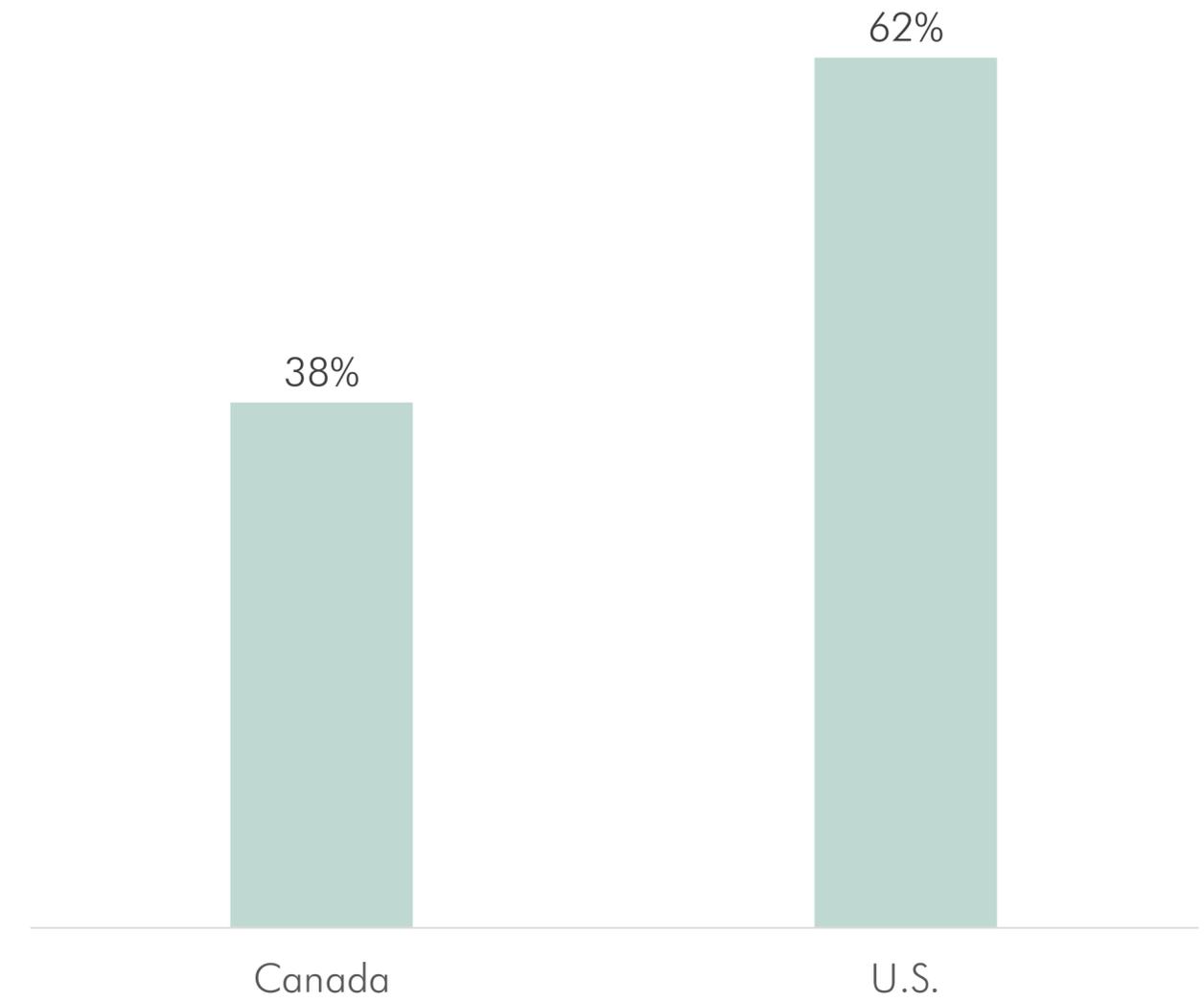


APPENDIX

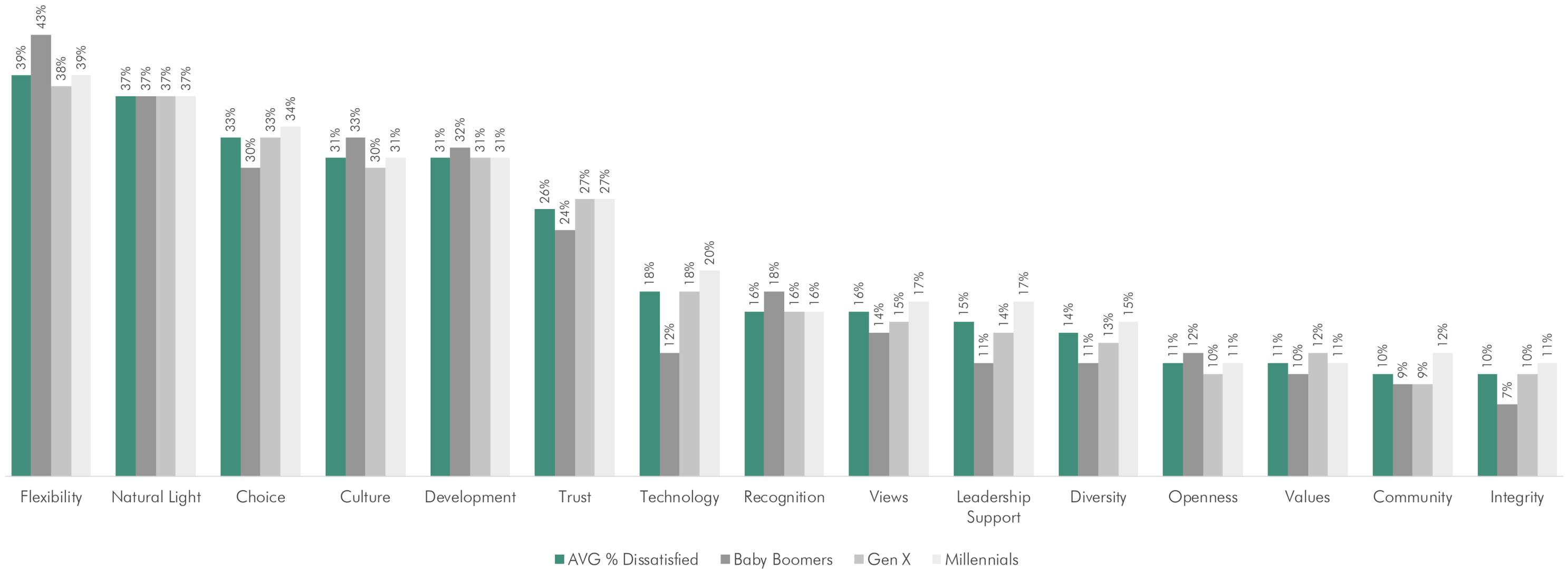
APPENDIX 1: Survey Respondents by Generation



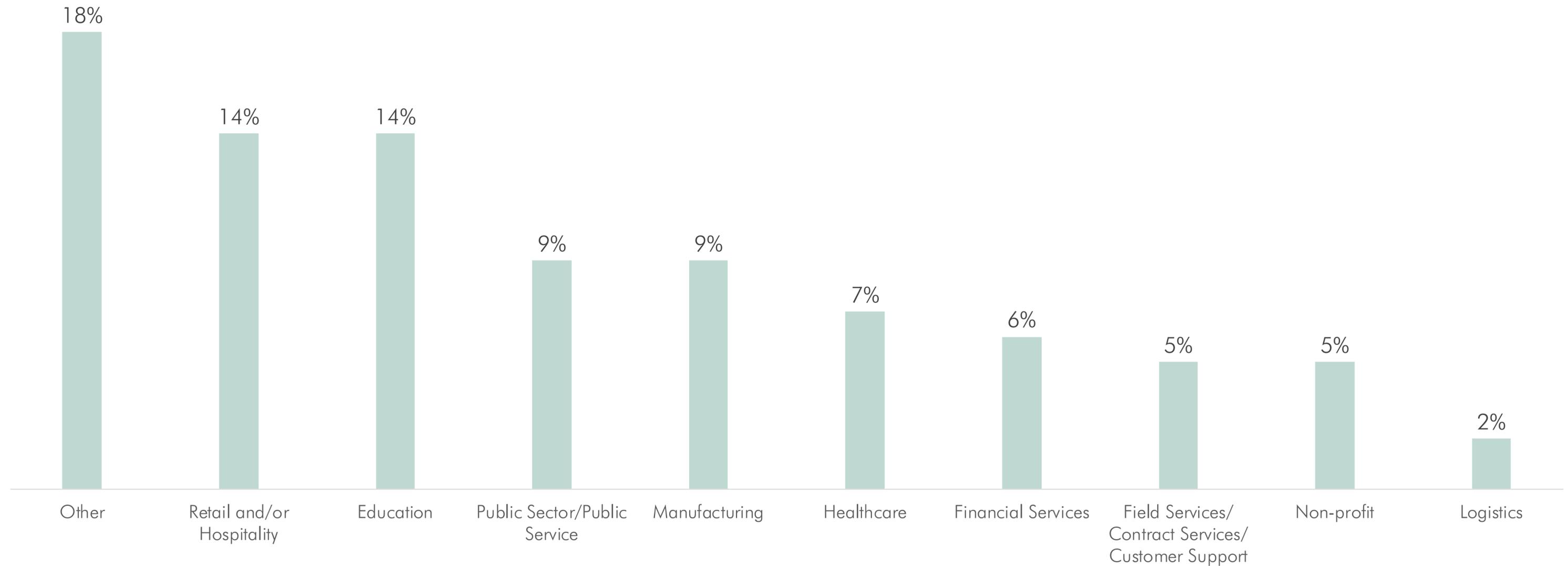
APPENDIX 2: Survey Respondents by Country of Origin



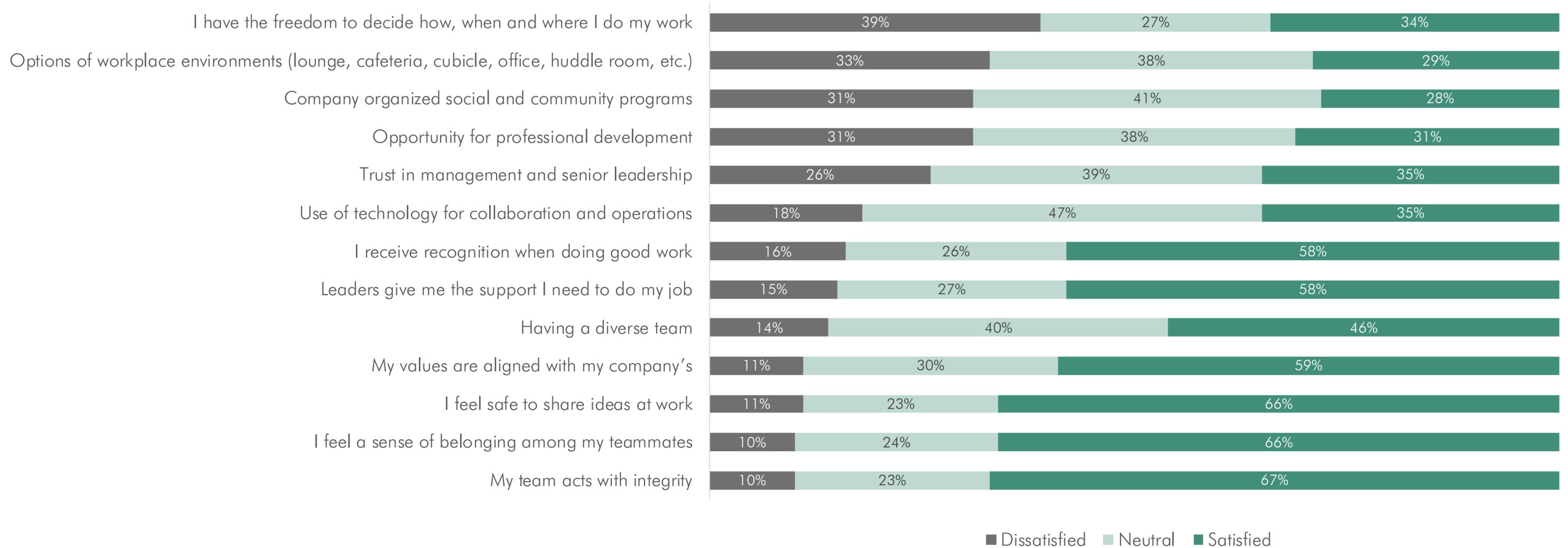
APPENDIX 3: % Dissatisfaction Comparison by Generation



APPENDIX 4: Survey Respondents by Industry



APPENDIX 5: Level of Satisfaction with Workplace Experience Elements



CONTACTS

Julie Whelan

Americas Head of
Occupier Research
julie.whelan@cbre.com
+1 617 912 5229

Damla Gerhart

Senior Managing Director
Americas Lead, Workplace
damla.gerhart@cbre.com
+1 312 935 1439

Nina Charnotskaia

Senior Director
Workplace
nina.charnotskaia@cbre.com
+1 312 297 7678

Kasey Garcia

Senior Manager
Workplace
kasey.garcia@cbre.com
+1 213 613 3622

Gianni Assam

Senior Strategist
Workplace
gianni.assam@cbre.com
+1 212 895 0973

Brigit Bruning

Senior Marketing Manager
Advisory Services
brigit.bruning@cbre.com
+1 215 561 8920

Learn more about CBRE's Workplace practice: [cbre.com/workplaceview](https://www.cbre.com/workplaceview)

Disclaimer: Information contained herein, including projections, has been obtained from sources believed to be reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to confirm independently its accuracy and completeness. This information is presented exclusively for use by CBRE clients and professionals and all rights to the material are reserved and cannot be reproduced without prior written permission of CBRE.