Expect the Unexpected
Planning for the Future Workplace

After more than two years of transformative changes, it seemed hybrid work was here to stay. Employees were meant to show up in the office on an as-needed basis while fully leveraging the productivity benefits of remote work. Today, organizations globally are grappling with differing views on the return to office and the future of hybrid work hangs in the balance. How can business leaders adapt to an uncertain macro environment while meeting employee needs, attracting talent, and maintaining productivity?

At the AVI-SPL VIBE event in Chicago, Frost & Sullivan moderated a panel of experts from Microsoft and AVI-SPL, to discuss the re-envisioning of work that accommodates today's realities. The conversation followed three main themes: the changing expectations of hybrid work, the modern office experience, and the role of technology in enabling these shifts.

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Hybrid work is an evolutionary trend—constantly in motion and refining itself as it moves. It means different things to different people and its implementation varies across demographics, job roles, regions, and industry sectors. In Frost & Sullivan's 2022 survey of businesses and IT decision-makers, 73% of business leaders expect at least a quarter or more of their employees in the future to work from home part-time or full-time. This number stood at 83% during peak pandemic months. As a result of the shift to a hybrid workplace, 26% plan to reduce office real estate compared to 35% last year. These changes point to an interesting shift in mindset and raise the question—are businesses rethinking the role of hybrid work?

Panelists at the AVI-SPL VIBE event in Chicago discussing the future of the workplace. From Right to Left: **VIK KOLLI** - Director Hybrid Work, Microsoft; **John Bailey** - Senior Vice President, Technology & Innovation, AVI-SPL; **Mark Coxon** - Business Development Director, XTG, AVI SPL; **Roopam Jain**, VP of Research - Connected Work, Frost & Sullivan.

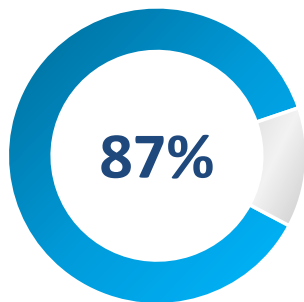## Remote Work – The Growing Chasm

If there is one thing that defines the current business climate, it is uncertainty. The past few years have seen a complex stew of trends that are reshaping work, the workforce, and the workplace. Most recently, the trend of quiet quitting, where employees won't quit but are doing the bare minimum to get by, has concerned businesses. In addition, overlapping geopolitical and macroeconomic factors, including an ongoing war, inflationary pressures, supply chain constraints, and the looming threat of a recession, are creating unprecedented business challenges. In this constantly shifting environment, many remote work trends that seemed like the norm a year ago are starting to backslide. It is unclear now how much of the surge in remote work during the pandemic years was a lasting transformation.

A recent Microsoft study on hybrid work that surveyed 20,006 global knowledge workers found that
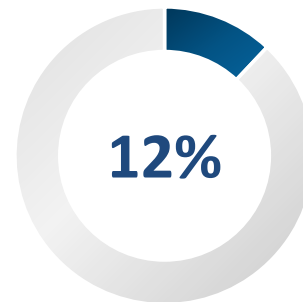
most employees (87%) report being productive when working remotely. On the contrary, 85% of leaders say the shift to hybrid work has made it hard to be confident that employees are being productive. This growing "productivity paranoia" among the leadership teams is feeding into a strong push by businesses to bring employees back into the office. They have another reason - in-person interactions are foundational to fostering innovation, creativity, mentoring, and teamwork. However, most employees do not want to return to the office five days a week. They are demanding the flexibility to choose how often and when they get to the office.

The Growing Productivity Paranoia: Disconnect Between Employees and Business Leaders

EMPLOYEES	LEADERS
Report they are productive at work	Say they have full confidence their team is productive
87%	**12%**

As the many variations of hybrid work continue to evolve, one thing is clear – employees want better experiences no matter where they work. So, what can business leaders do to draw employees back to the office where they can benefit from in-person energy, greater innovation, enhanced creativity, and more serendipitous conversations? Among the many ways in which forward-thinking businesses are motivating employees to get back to the office is the push to create more modern, collaborative, and engaging office spaces.

Creating a Purpose-driven Workplace

Work has changed dramatically over the last few years. If managers want employees to return to the office, they must make sure the office serves the new purpose of work. In other words, the office of today and tomorrow must answer the "why" behind its existence.

Today when employees go to the office they have a clear sense of purpose—it is an intentional act. For many, it's a place for building connections, camaraderie, and a shared sense of identity. For others, it's a place for inclusion, engagement, and mental wellness. And yet for many others, it's a place where they can focus and be fully productive by getting away from the many distractions of their homes. Businesses aware of this new reality are responding by creating a modern workplace that is aligned with the employees' varied needs. The cookie-cutter office of yesterday is indeed dead.

The Three R's of the Modern Office: Design with a Purpose

REDISTRIBUTE

RIGHTSIZE

REDESIGN

From centralized campuses to the clubhouse model and distributed offices

From downsizing to rightsizing that best serves your business needs

From "one size fits all" to a space for each need and digitalization from the lobby to the boardroom

FOCUS

COLLABORATION

LEARNING

RELATIONSHIP BUILDING

RELAXATION

Source: Frost & Sullivan

- **Rightsize**: Aligned with the massive move to remote work, much of the focus during the pandemic years was on real estate reductions. Cutting or adjusting real estate portfolios may seem straightforward, but the reality is complex for many large organizations due to multi-year lease commitments and differing accounting guidance for initiating real estate reductions. Many CFOs are taking a pragmatic approach and are rightsizing their operations to better align with the workforce and their new strategic goals. A multiplier of the needed space also offers them the flexibility to build newer purpose-built spaces that meet the various reasons why people come to the office—focus, collaboration, learning, socialization, and relaxation.

- **Redistribute**: Businesses that were previously centralized in one location are redistributing offices in a wider geographic area. Akin to the hub and spoke or the clubhouse model, it gives employees the flexibility to work in a location closer to their homes. The creation of smaller satellite offices or the use of shared workspaces in "neighborhoods" also offers businesses the benefit of reaching a broader labor market pool.

- **Redesign**: Modern offices are evolving from basic, technology-devoid spaces to vibrant, collaboration-rich environments that are better equipped for employees who transition frequently between remote and in-office work. When it comes to office redesign, one size does not fit all. New space buildouts include hot desks, open collaboration spaces, focus rooms, jump spaces, meeting pods, flex work areas, huddle rooms, think spaces, work cafes, open-air spaces, and communal information areas. The common theme across all workspaces is that they are designed to energize employees and promote creativity and collaboration.
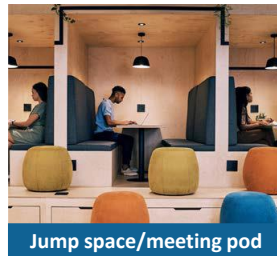
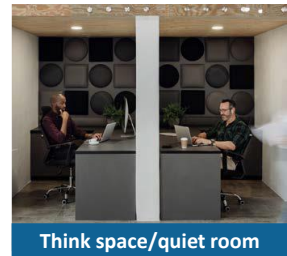### The Modern Workplace and Emerging Workspaces

Hot-desk

Open collaboration space

Jump space/meeting pod

Think space/quiet room

Work cafe

Phone booth

Huddle room

Image Source: Frost & Sullivan, Neat

Today, businesses of all sizes are in the process of planning for long-term transformations. The ultimate goal of space redesign is to create an employee experience that helps people stay in touch with one another and with the leadership team to encourage dialogue that empowers people to do their best work. An unwanted outcome of remote work has been that teams have become more siloed. Also, as employees plan their in-office presence around days when the rest of the team will be in the office, collaboration within teams continues to thrive but cross-functional collaboration has deteriorated. The spontaneous in-person contacts, including traditional "watercooler" chats, frequently lead to an improved cross-departmental exchange of ideas often sparking new ideas and concepts. Many of the new office spaces are meant to promote interdisciplinary communication and deepen relationships across functional teams.

Hybrid work means different things to different organizations, and many organizations are experimenting with multiple options. Planning, executing, and measuring the efficacy of all changes will be an iterative process until businesses are satisfied with the outcomes, and ultimately, the best-fit mix will be largely dependent on a company's specific culture, user personas, availability, and location of office space, as well as the nature of their business and work processes.

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Leading with a Technology-Driven Transformation

As more workers come back to the office their expectations are drastically different. After being hyper-connected with each other from their homes, employees expect the office to be super-charged with the latest audio, video, and content collaboration tools. They want every space to be tech-enabled, including desks, meeting rooms, cafeterias, and lobby areas, to promote continuous collaboration between the home and the office and vice versa. At the same time, technology design and implementation rules are changing.

> The new meeting space is not defined by its size but by its purpose. IT managers must think outside the confines of the small, medium, and large room. Each workspace serves a distinct need and technology must follow that purpose.
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The focus is shifting from video to activity-based collaboration that includes the right mix of intelligent audio, AI-infused video, contextual chat, collaborative digital whiteboarding, and efficient room booking and workspace management. A fast-growing demand for meeting spaces is putting an emphasis on space planning and utilization. Automated space scheduling, intelligent occupancy control, and actionable analytics are emerging areas of focus.

Emerging Meeting Space Trends: Technology-driven Employee Experiences

Scheduling	• Intelligent software that connects employees to the right spaces at the right time • Room booking automation reduces time on manual booking • Space labels on room technology, capacity, and other amenities that allow users to filter spaces by needs • Outside-the-room scheduling displays for presence/occupancy indicators • Digital signage in lobbies, and public spaces display room maps and real-time availability
Utilization	• Room capacity vs. occupancy – intelligent sensors for real-time discovery of large spaces that get used for smaller meetings • Occupancy sensors for room release when unoccupied or when the meeting ends early • Analytics on space and technology utilization for real estate optimization, office redesign, ROI evaluation, and planning future investments • User participation and engagement metrics
Experience	• AI advancements in hardware, software combined with better room design for meeting equality • Seating reconfiguration and furniture (e.g., V-shaped tables so everyone can see and be seen) • Proximity sensors, QR code scanning • Mobile authentication—use of mobile devices for meeting controls • Meeting quality and performance details

AI-based Collaboration	• Intelligent framing and speaker tracking for immersive meetings • Background noise suppression, acoustic fencing, and speech optimization • People counting and tracking for workplace and meeting room occupancy • Meeting transcription and real-time translation • Virtual backgrounds; background blur • Analytics on user behavior and technology usage • Conversational AI and voice-assisted meeting controls
Well-Being	• Room Health and environmental data on in-room and outside-the-room displays and on central workspace dashboards • Metrics on room air quality, temperature and humidity, room acoustics, ambient noise levels, and room lighting • Room analytics for corporate sustainability goals and facilities planning • Information available to IT and facilities management for real-time remediation

Source: Frost & Sullivan

Going forward, meeting spaces in the new office will be designed, labeled, and scheduled based on the use case/activity they serve and not by their size. This approach is creating a ripple effect on the demand for the right room design and the best mix of room furniture, AV peripherals, cabling systems, and workspace management and reservation software. Pro AV and managed services, including implementation and advisory services, are particularly relevant as customers navigate a fast-changing landscape of space and technology expansion.

A successful workplace redesign requires a thoughtful and comprehensive plan that spans new technology implementation, real estate optimization, and change management to ensure the best hybrid work experience. It is critical that steering committees keep all stakeholder views and preferences in mind and are built of cross-functional teams of C-suite, IT, HR, facilities, line of business heads, and user groups. The common theme across all workspaces is that they are designed to energize employees and promote creativity and collaboration. Therefore, investing in a technology-driven hybrid workplace is a must.

Driving Inclusivity and Engagement

Inclusivity and employee well-being are the big themes in technology deployment. The user experience must ensure that every employee is seen and heard equally. Meeting spaces are therefore evolving to allow for equitable participation regardless of where people work from.

In hybrid meetings, remote participants want up-close and personal experiences with clear audio and equitable video so they are not at a disadvantage. Similarly, those present in the meeting room do not want to miss out on the full digital experience such as private and public chat, raising hands, live reactions, meeting transcription, and translation.

Today the concerns of meeting inequality have been partly addressed by advanced AI-powered cameras that detect people in a room and auto-frame them in a grid view to present an optimized visual to remote participants. However, during most in-person meetings, especially those in larger rooms, participants do not always face the front-of-the-room camera. For instance, when the

speaker speaks to someone in the room across from them at a table, they usually face away from the camera. These circumstances frequently cause distant participants to lose visual signals, which results in a poor experience.

True meeting equality necessitates the use of multiple cameras from various angles so that the dialogue can be easily followed. For greater equity, inclusion, and natural meetings, an additional center-of-the-table camera that provides automatic switching enables the best views of each participant. Lastly, the addition of content cameras and integrations with digital whiteboarding apps and a focus on linking together the digital and physical experiences put everyone on the same page when it comes to contributing ideas.

Call to Action

The ongoing debate on hybrid work may not settle anytime soon. Regardless of the outcome, the office of the future will look drastically different with continued investments in technology across all spaces. Each business must lead with a technology-forward approach that effectively bridges the divide between in-office and remote work. A focus on designing the new workplace with a clear sense of purpose that matches the employee's needs will result in the best outcomes.

- **Map personas to purpose and preferences –** Support the return to office with a clear understanding of employee preferences. Plan, pilot, and test, spaces and technology options based on the needs of employees. Connect people and teams to spaces before making technology decisions and not the other way around.

- **Invest in a comprehensive technology stack** – Work has changed, don't put your employees back in the same office as before. Invest in an end-to-end collaboration stack that covers the gamut of next-gen tools, including modern audio, video, content collaboration, asynchronous collaboration, and messaging, to bridge the gap between in-person and virtual teams.

- **Train and implement for success** – Ensure optimal technology and resource utilization by training users adequately. Get employees excited about and engaged in workplace design changes by holding open houses and showcasing the benefits of the modern, agile workplace.

- **Put people first for equity and inclusion** – Eliminate disparities between locations and people by investing in spaces and technologies designed for the most equitable and inclusive experiences.

- **Leverage the power of data-driven insights and AI** – Data and analytics that measure the well-being and happiness of employees and offer deep workplace insights result in the most successful digital transformations. Rich analytics and insights on user behavior and technology use enable a better assessment of what is working and what needs to change.

- **Partner with leading managed and professional service providers –** Choose a provider that is aligned with your business needs and offers a comprehensive set of support and professional services, including design, AV integration, monitoring, and management of your hybrid workplace technologies.

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