

Checklist Tool

Weighing the CRE Options: Which Amenities Will Deliver ROI for Your Business' Recruiting and Retention Goals?

The key to identifying which amenities will deliver the most value in terms of employee recruiting and retention throughout your tenancy is to know thyself, as the ancient Greek saying goes. Understanding and acknowledging where your business is today – in terms of the demographics of its employees, their needs and wants, its operational processes, and leadership style – is the baseline for defining your very individualized wish list of amenities. This should then be considered in the context of the company's desired future culture and identity (if this is different from its current state).

The integration of these amenities, location

Tip: Don't Focus on upfront costs.

Go through this process to understand and identify what kind of space will best serve your business – without any restrictions. Once the ideal program has been identified, cost can be applied to understand its impact on the field of options.

factors, space/ building considerations and supporting talent, requires comprehensive due diligence and a measured approach to provide the most viable real estate solutions for consideration.

This is why we've created this exclusive tool to help you through the process. While it can't replace the personalized insight that can be gained from working one-on-one with a

tenant advisor, like myself, it can offer a starting point for the considerations and steps that should be taken to assess and prioritize amenities as part of the CRE selection process.

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Interview Your Leaders

Step 2

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Interview Your Leaders

Goals:

- Confirm (or clarify) your company's **existing identity** and culture from a leadership perspective
- Clarify leadership's **vision** for the company's **future culture and identity**
- Determine what aspects of the current culture leaders want to reinforce
- If the desired future culture and the current culture are not aligned, these interviews can begin the discussion about what kind of future identity and culture the leadership would like to create

Sample Leadership Interview Questions

- What are the “big picture” business goals for the next 5-10 years?
- What are the fundamental things we value as a company?
- What works well with our current culture? What is not working well?
- What do we want the company culture to be in the future? Are we there yet?
- What is our brand as an employer? How do we market our company to potential employees?
- How do our employees accomplish their work? What resources are critical to supporting their work? What types of spaces are needed to effectively do that work?
- What is the experience that we want our employees to have?
- What amenities would make employee's lives easier on a daily basis?
- Who do we want to recruit? Describe an ideal employee. What do they want and need?
- What is our current company culture?





Employee Workplace Assessment

Goals:

- Get employee’s perspective: What is the current company culture and identity?
- Understand what about the current culture and identity works well for employees, and what is not working well. This will likely differ across demographics, pay grades, job roles, etc. The key is to identify and understand the differences, as well as the similarities across groups.
- Determine which amenities are valued by employees, and which are less important.
- Convey that the company values employees and wants their input as part of the office space selection process.

Sample Employee Survey Questions

A survey format will enable you to survey many employees quickly and easily using an electronic form. Questions should be simple, direct and focused on a single topic with limited open responses. Many of these questions mirror those in leadership and employee discussions in previous steps.

Sample question may focus on understanding (or confirming):

- Aspects of company culture?
- Tools or resources critical to accomplishing work on a daily basis?
- Types of office spaces needed to get work done on a daily or weekly basis?
- Employee priorities outside of work? (While the below suggestions are certainly important, people at different life stages and in different demographics will prioritize these elements differently):
 - Family
 - Friends
 - _____
 - _____
 - Career growth
 - Stability
 - _____
 - _____

Office amenities that would make employees lives easier on a daily basis?

- | | | |
|---------------------------------|----------------|---------------------|
| • Nearby food and drink options | • Dry cleaning | • Fitness center |
| • Hair salon | • Pharmacy | • Highway proximity |
| • _____ | • Shopping | • _____ |
| • _____ | • _____ | • _____ |
| | • _____ | |

Tip: Measure, record, and adjust.

Use employee surveys to understand how the current amenities are working, whether employees value them, and how they are supporting (or detracting from) your culture goals. Conducted on a regular basis – at least once per year – surveys can continually assess what is working and what is not working.

Step 3

Identify Your Company's Employee Demographics

When the employee surveys are complete, the results should be compiled into a summary report to help identify trends and key findings. From these results, you can identify:

- What are your company's current employee demographics?
- What are the current priorities for those demographics?
- What are the demographics for employees that you would like to **attract and retain in the future?** What are the **priorities for those demographics?**



Step 4

Conduct A Utilization Study

This step will likely require the support of a real estate advisor or consultant.

Utilization studies are designed to gather space use information.

The studies provide unbiased quantitative data about how often individual spaces or amenities are actually used, which often differs from employee's perceptions of how important those spaces or amenities are.

A utilization study is conducted along with workplace surveys and staff interviews to develop an accurate and comprehensive understanding of staff mobility and collaboration levels – which will help inform the space program - (as well as the extent of change management needed) based on the differences in space use perception as compared to actual use.

Studies have been conducted in a wide range of industries and across those industries, the studies have shown that:

- 77% of the time private offices are unoccupied
- 60% of the time workstations are not occupied
- Conference room seating is rarely used to full capacity
- Mobility is becoming more important
- Smaller meeting spaces are used more than larger spaces
- Rooms with technology are used much more than those without



Step 5

Benchmarking

Now we get into external research – looking beyond your company to other influences.

- **Clients or Customers.** What office amenities may be important to your clients or customers? An informal (or a more formal) survey may help you learn whether your current office location is convenient for clients, whether they are impressed or frustrated by the building security desk, and what they like and dislike about coming to your offices.
- **Competitors.** What kinds of office amenities do your competitors have? Are those things that you want for your next office space?
- **Industry.** What trends or challenges may affect your industry in the next 3-5 years? How might they change?

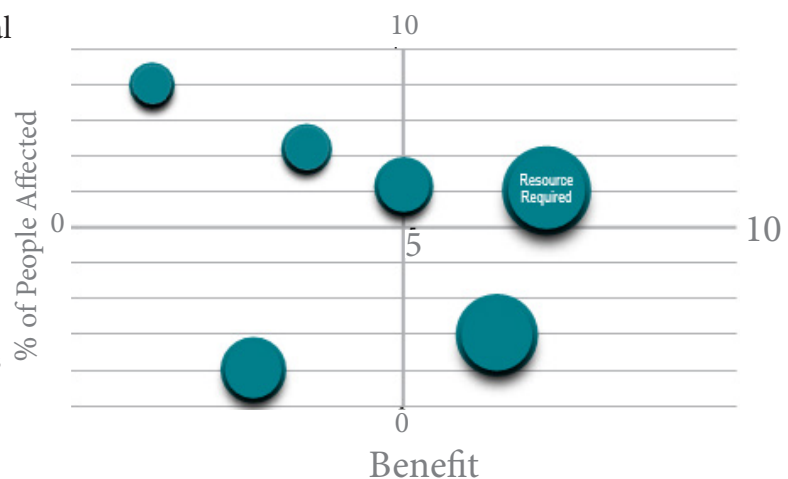
We have provided a sample template below for you to try.

To use this template:

- **Create a comprehensive list** of potential amenities for your company's next office move based on the information gathered from the previous steps
- **Assess each amenity's potential impact.** To do this, consider the number (or percent) of employees who would be affected by that amenity. Rate each amenity on a scale of 1-10.
- **Assess each amenity's benefit:** Identify the size of the benefit it would provide to staff (significant benefit versus minimal benefit). Rate each amenity on a scale of 1-10.
- **Assess each amenity's resource requirement** (how easy or difficult will it be to provide)? Consider costs, resources, market availability, risk/liability, etc. This step may be easier with the input of a real estate broker, who can provide insight into the market availability and cost of some amenities. Rank each amenity on a scale from 1-10 for resources required to execute.
- **Plot the amenities** on the following bubble chart.
- **Prioritize.** Identify the amenities that:
 - Have a significant benefit AND affect a large number of people (top right quadrant)
 - Have a significant benefit AND require minimal resources, even if they only affect a small number of people (small circles in the top half)
 - Have a mid-level benefit AND affect a large number of people AND have a small-to-medium resource requirement (small-to-medium circles in the middle of the right side)
- **Assess available resources.** For those select amenities, your company can then make assessments regarding whether the resources required to make them happen are possible, and worth it.

Tip: Using Excel to create a bubble chart

A bubble chart is a variation of a scatter chart in which the data points are replaced with bubbles, and an additional dimension of the data is represented in the size of the bubbles. In addition to the x values and y values that are plotted in a scatter chart, a bubble chart plots x values, y values, and z (size) values.



Step 6

Make Two Lists

“Need to Have Amenities” and “Like to Have Amenities”

- Based on the information you have gathered and the prioritization that you did using the bubble diagram above, you can now identify the amenities that are **must-haves** for your next office space. These are amenities that support your current and/or future company identity and culture, that are important and valuable to your ideal employees, and are within your capabilities to secure.
- Just like when you’re looking for a new home, the “like to have” list is one that will offer appealing benefits to your company and employees, but are non-essential.
- Identifying your company’s priorities for office space amenities can require some challenging self-assessment. However, this process and the information gained can help inform future business plans and strategic goals as well. **Your company is also well- prepared now to continue working with a broker, architect, and other consultants to assemble an office space program and begin looking at available real estate for consideration.**

Tip: Be flexible

Just because you went through this process doesn’t mean you’ll hit the nail on the head right away. Your business needs may change over time. Landlords and buildings that offer a degree of flexibility over time can be highly valuable.

Interested in connecting with me for more in-depth, personalized insight and guidance?



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