

MODERN OFFICE PLACE

HOW EFFECTIVE OFFICE DESIGN PLANNING CAN BRING BOTTOM LINE RESULTS

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Not so long ago the office design buzz was all about pet food stations and the company foosball table. Today, however, a new reality is bringing a revolution in the way corporate Canada identifies value in the office environment.

Most who have experienced office space, know how dramatically its design can affect both the residents and visitors to the space. Design is a powerful tool that can be used to help achieve business, financial and cultural objectives. Space should not only functionally support the task at hand, but if designed properly, inspire specific behaviour, reinforce marketing mandates, assure staff they are cared for and assist in recruiting new talent.

One fact about design that amazes most people is, a well-designed space can often cost less than a poorly designed space.

A poorly designed space, for example a space that sends the wrong message, can slowly disable an otherwise capable organization. A successful firm knows all of this — It's all a part of the power of "branding."

When the economy challenges our feelings of business well-being there is a tendency for organizations to stop considering the impact their office space has on their success. However, this line of thinking could not be more incorrect.

Design can be used to improve an organization's bottom line results, and this truth becomes even more important when we have to work harder for our share of the market.

Smart businesses should see the current business climate as a tremendous opportunity, not as a threat. Vision and confidence in a company's future will make it easy to organize and take advantage of these times. Led by increased office vacancy rates, the tenant/landlord economic balance has finally shifted in favour of the tenant, but only if the tenant in question knows how to seize the moment. As in any business cycle, smart firms will recognize this is a unique time of

opportunity, particularly in major centres where the shift in the economy can be felt most strongly.

Activating opportunities can assist in reducing overhead for the next 10-year period, while re-positioning the firm from a branding perspective. If planned properly this could be the best strategic period in the firm's history. The actions taken in a slow economy can draw in better staff and increase business. This proactive approach will set the company apart from the competition.

Following is a short check list to get started.

HOW TO TAKE ADVANTAGE OF THE TIMES

Increased Vacancies

Difficult economic times always create an increase in office vacancy. This increase means more options for users of office space, such as landlords who are cutting lease deals that are increasingly attractive to the tenant.

Users of space should ensure they evaluate their options carefully. Some professional assistance at these early stages can save a tenant a lot of money and "terms" over the length of the lease.

Ensure the group doing any space evaluation does not have a conflict of interest. For example, if their services are offered by a landlord or associated with a real estate broker, the group's loyalty is to its client, the landlord or broker, and not the business itself.

Therefore, before beginning a project, ensure the design group is willing to receive input from the business about the project. It's expected, and it's smart.

This professional evaluation does not need to cost much at all, and the time spent doing it is an investment in reducing long term overhead. There are usually many terms within a standard lease that the landlord expects a tenant to question and negotiate.

Many real estate lawyers leave these sections of the lease alone, as it takes knowledge of facility management, design and build-out of interior space to be able to offer fair alterna-

tives. The more experience in doing this, the more creative and fruitful the suggestions. A few hours of consulting time can save a medium-sized tenant over \$200,000 in the initial lease negotiation, and more for each year of the lease term.

Renegotiate Agreements With Suppliers

While the economy is slower, consider taking advantage of the times by negotiating or renegotiating with suppliers of office furniture, supplies and services. If unsure how to start, some seasoned professional assistance will provide guidance to the areas where savings can be found.

For example, most firms need to buy new furniture periodically throughout the year, either for new staff or to replace older furniture. However, with furniture manufacturers in the current climate, many would be very interested in responding to a call for competitive quotations. This could well be a terrific opportunity to pen a new long-term purchasing agreement with a favourite supplier — an agreement that could save money for the next three years, or more. There is no need to commit to purchase a volume, but the furniture manufacturer needs to agree to hold its low price for a specific period of time. Plan ahead, and get these agreements in place.

A similar review of stationary, catering and IT costs may also turn up some pleasant opportunities for saving.

Disaster Recovery Plans

It's only wise to take advantage of slow times to organize "disaster recovery plans." This plan ensures that if the worst happens, for example, a terrorist attack or war — a business and its staff will survive.

Both staff and clients feel more comfortable working with a group that organizes itself well and can guarantee service through bad times.

Having these plans in place can help reduce insurance costs and assist in both retaining comforted staff and recruiting staff who might otherwise worry about their future.

Don't underestimate the value of these plans when promoting services to clients and customers. They need to know that the organization will be able to be there for them when their services are needed most.

If a business is able to continue servicing customers through a disaster, when the competition can't, there is a better chance of winning their business.

Reward Staff for their Response

Evaluate staff for the way they handle challenging times and reward innovative, creative responses. Continue to re-evaluate current staff performance and make space for new, qualified talent. These are times to bond with staff.

A poor economy can threaten



RECEPTION AREA — AFTER

employees and cause them to wonder about their futures. Follow appropriate staffing needs, then ensure that retained staff knows they have a future with the company. Solicit their ideas and encourage their input.

Let employees see how the company is organizing for the long term. This will give them confidence in themselves and their futures. This confidence and pride will be reflected in their interactions and performance with clients and customers.

Take Advantage of the Opportunity to Find New Recruits

Appreciate that there are a number of very talented people currently seeking work. These people have seen threatening times and are prepared to be loyal, hard-working employees. The fact that layoffs are happening means it's an employer's market again. Take advantage of finding talent that was previously hard to find to further enhance the organization's abilities. The news that an organization is hiring during challenging times will be seen positively both internally and externally.

Don't Wait for Spring Do It Now!

If a business needs to do a project, for example a Web site, renovation, new furniture standards, new graphics or an all-encompassing branding project, realize that if implemented now, instead of waiting until the economy is booming — it will most definitely save money. There are many suppliers of services and goods anxious to have the opportunity to discuss any potential business deals, including reducing prices to increase their chances of success. And with these businesses not as busy, more personal attention will be paid to the deal at hand.

Construction prices are also very good at present, and crews are available to move quickly. Speak to professional consultants in the areas of work being considered to establish if timing is good for the specific type of project. Issue a formal "request for quotation" to several suppliers for competitive, legal bids and establish if costs are within budget. If they are

not, hold onto the bids and try again in a few months. Or negotiate — there may be some pleasant surprises out there.

Positively Reposition the Business' Image in the Marketplace

A business can distinguish itself from the competition by how it handles these challenging times. Take advantage of reducing overhead with clever negotiations, but look into options with dedicated assistance. Don't make assumptions. Seek proof.

Any investment made into the business, is an opportunity to reinforce a marketing message. Look carefully at the issue of branding, and aim for targeted accuracy of message, and consistency.

Imagine being in the shoes of an individual experiencing a business for the first time. How does the switchboard operator treat you? What impression does the receptionist leave you with? What does the office space say to a visitor? What does it say to an employee who needs to work in it for long periods of time? Is the experience of meeting this company a pleasant one? How does it compare with meeting your strongest competition? Who would you rather deal with? Who would you rather work with?

Understanding these objectives ensures that each time energies and funds are invested into anything for the business, the message sent is carefully evaluated. Be sure there is control over this and, if necessary, test the suggested changes before finalizing the decision and investing available funds. This will avoid costly mistakes. Investment into the business will assist in taking advantage of these times, and will distinguish the company from all others. Be noticed. And enjoy the happy results.

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