

The Flow of Urban Life – a podcast by KONE – Transcript

Episode 4: Green scene: How technology will change our workplaces

Leeson Medhurst [00:00:02]

The future workplace is all about experience. Let's consider that every workplace has to become an experiential center that gives you so much more about betterment. It's a place that we want to go to, we strive to go to, as a better alternative to our homes that we currently work in. So, what is going to encourage people to make that transition?

Denise Wall [00:00:25]

Wherever you are in the world, there's a good chance that you're one of the 4.4 billion people living in a city.

Sam Kingsley [00:00:32]

And even that number is set to grow massively by the middle of this century.

Denise Wall [00:00:37]

Join us on a journey to understand the changing way we live, work, learn and even play in cities.

Sam Kingsley [00:00:43]

We're going to explore how we can make sure that our urban environments serve all kinds of people at all stages of life, today and in the future.

Female announcer [00:00:55]

The next stop is the flow of urban life.

Sam Kingsley [00:01:02]

I'm Sam Kingsley.

Denise Wall [00:01:03]

And I'm Denise Wall.

Sam Kingsley [00:01:04]

Hey Denise, the other day I came across this picture of what the office of the future is going to look like, but from 1961.

Denise Wall [00:01:11]

Oh, my goodness, tell me.

Sam Kingsley [00:01:02]

It had this sort of space-like pod with all these TV screens where you could speak to other people in other pods. And it had a fridge under the chair, so I suppose they weren't that far off.

Denise Wall [00:01:23]

Definitely not far off the mark, but maybe a bit short of where we are now, because I do recall that a few years ago, there was a Swedish company that was in the news because they were chipping employees who were up for it, so you'd get this sort of rice grain chip in your hand and it would allow you to do things like open the doors and activate the vending machines and even get your copies printed on the floor printer that sort of thing.

Sam Kingsley [00:01:53]

Watch this space! It is amazing to think about what's coming up in the world of work in the next 5, 10, 20 years. Things are changing so fast.

Denise Wall [00:02:00]

Absolutely, and we're going to talk more about that, and to help us envision what the world of work will look like in the next 20 to 40 years we have on the line, Leeson Medhurst. He's head of workplace strategy at Peldon Rose, and that's a firm that helps companies build better workplaces. Welcome, Leeson.

Sam Kingsley [00:02:21]

Hello, Leeson.

Leeson Medhurst [00:02:22]

Hello, guys. How are you?

Sam Kingsley [00:02:24]

Great, thanks, and we're really happy to have you joining us. Your work centers around how environments influence human behaviour. So, what would you say are the elements that the perfect work environment needs to have to make people like Denise and I happy at work?

Leeson Medhurst [00:02:42]

It's almost like asking me what this week's lottery numbers will be as well.

Sam Kingsley [00:02:46]

If you know those, then I'll happily take them.

Leeson Medhurst [00:02:50]

Me too, my friend, me too. I think there's a general consensus now that the world has shifted since 2020, and expectations of how workplaces might be set up and formulated, of course, are different, and then that is a given. But I think it's fair to say that many businesses on a global scale are still really to find their cadence or rhythm as to how people might be working in the future. So, there's no one size fits all – that is firmly being retired – and I think it's very important that every organization considers real estate, the people they employ, and what they want to get out of it before we really land at what a perfect workplace might look like for them and for its people as well.

Denise Wall [00:03:33]

In general, would you say that you're someone who tends to work more remotely from home or from another location. or are you someone who's very happy working in the office?

Leeson Medhurst [00:03:45]

I'd probably say I'm more of a navigator in terms of how I describe myself, and that is a person that is quite nomadic and is happy to work in any location. So, whether it be at home, whether it be on a client site, in an office or an airport lounge, I'm quite flexible. And over the years, that has been the way that I have conducted my work ethic and my working style, if you like. And I do appreciate that is not for everybody. If we look at the worker type in a 100 percentile, I would suggest it's probably only about 10% of individuals that actually work like that. We, as individuals, that do work that way are quite unique.

There are a large tranche of people, of course, that would like to work in set spaces that they can call their own. Whether it be in the office or at home itself, but it's a space that I can say, well, it's mine, it's set up in my way, and it's configured to what I need to do on a very specific task or very specific day as well. So, I think it's important that in the work that I do is to navigate that complexity of the worker types and behavioural types that comes up with a space that accommodates all, not just a fraction of the populace.

Sam Kingsley [00:04:53]

I think that's a really important point there, isn't it? How much do we actually know about what people want when it comes to their work, and how they want to work and where?

Leeson Medhurst [00:05:02]

If we dial our memories back to pre-pandemic days, so 2019 and before, agile working is not a new concept. People would be nervous and say, well actually, what? How can I prove that people are going to be working from different locations, absenteeism, being out of sight, out of mind, aren't they going to be, is their performance going to be affected, can we trust them? I think that's the key issue there is that there was a trust gap. And that hasn't gone. So, to answer your original question, what do people want and what do people need for the future? Every business is made up of two key assets. It's space and people.

Every organization should take a deep dive into understanding exactly how those two work together. What do we want as a business for our real estate to do for us? But what are people to employ and how long are people to work in the future? That barometer has shifted in terms of the people power. The labour force currently owns the power in terms of the way we're working. But, of course, there's real estate to consider; we've got big large assets, we don't want to see them redundant and obsolete. So, how do we get them to work together efficiently and in the best way possible?

Denise Wall [00:06:11]

Now you strategize, Leeson, and you advise companies about how human behaviour can probably be considered to better shape the workplace and maybe vice versa. Can you provide us with an example of a recent project that sort of illustrates exactly what it is you do? What does that mean, in essence?

Leeson Medhurst [00:06:36]

The future workplace is all about experience, so let's consider that every workplace has to become an experiential center that gives you so much more about betterment. It's a place

that we want to go to, we strive to go to, because there's a better alternative to our homes that we currently work in. So, what is going to encourage people to make that transition? So, in terms of the work that we do, we center in on emotional connections in the first part. I'm going to give you an example. I bought an iPhone earlier on this year, which was, you know, other phones exist of course, but I did decide for an Apple product and it was reassuringly expensive. I had gone through the buying cycle and I'd seen all of the marketing materials surrounding the product, and I had made the choice, the desire had started to exist, and, therefore, that drove the need. And, of course, I wanted to then buy this product because I genuinely believed that it would improve my life.

But, of course, then I buy it, and that emotional connection is created from the value that I actually paid for said product, and if you think about everything that we do, and every place that we go to, and everything that we own, there is a value proposition, which is created around emotion. So, one of the things that we're looking to do is create or find those strands of emotion that exist between people and the place, so what is the value proposition to you as an individual? How can we create those emotional connections so that you as individuals have a value proposition and a connection with that space which then means you'll want to come back time and time again?

Denise Wall [00:08:11]

Can you describe some of those elements that would create an emotional connection? What are the sort of pull factors or the strings or triggers that would get me into the office?

Leeson Medhurst [00:08:23]

So, the first thing is about selling the idea of coming to the office, Denise. So, I think the danger we have there, of course, is a tell rather than sell. And again, I'm going to go back to my phone of choice. There was a huge marketing campaign around that phone of choice to get me to buy into it. And that's what I think where a lot of companies are falling down is that they don't have a comms or marketing strategy around that return to the workplace. What is the value proposition? Why are we suggesting this? What's in it for me? Why should I come back to the space?

Rather sadly, I do look at TFL data, Transport for London data, and Transport for London data peaks and spikes on Saturdays and Sundays. Before the pandemic, it peaked Monday through Friday, so you could see that people were actually going to work and then perhaps spending less time in the city on Saturdays and Sundays. That's now completely flipped. And people are now seeking experiences and they want to do something different than being at home. So, where we're looking to create those connections, Denise, to answer your question, is focusing on what you're missing, that human engagement, that human capital. We are creatures of habit, as human beings we are meant to be around other human beings and we are meant to socialize, connect and be part of something.

So, if you could be part of the culture, the organization structure that you are contributing to something and you feel valued as part of that, that's what we want to focus in on. And it could be a simple thing. It may not even be in the space. It may be that you do something after work that creates an emotional connection, and the product of the office becomes just a by-product of you doing something else after work or before work.

Sam Kingsley [00:09:59]

But do we know whether companies should even go to the effort of persuading Denise off her kitchen chair and back into the office? Like, do we know, for instance, are workers more productive if they're in the office rather than working from home or are they happier? Is that measured at all or measurable?

Leeson Medhurst [00:10:20]

It's very difficult to measure that. I mean, there is a lot of rhetoric that exists that says that if you come back to the workplace your performance will increase. I would say that's an element of nonsense around that. People will do their best work where they want to do their best work. You have to remember that going to the office by default will create distractions, interruptions, and there's a big thing that really does frustrate me, shall I say, in terms of reading the noise that exists in different mediums, that you go to the office to collaborate.

We don't collaborate on demand, so we are dictated by human behaviour and I think what we should allow people to do is to have the choice of doing their best work from the best location. So I think it's very difficult to actually start to measure performance indicators in and out of the space. It's about deliverables, and I think what we've done over the last 10 years is we've moved away from, this is your job 9 to 5, it's about now measuring by performance and measuring by deliverables, and you should be empowered to make the choice of where that work is done.

Denise Wall [00:11:25]

Absolutely. Now, I just want to circle back to what you were talking about, which is to sell the workplace, the sell factor. And I'd like you to expound on the idea of the novelty paradox where we try to introduce, maybe create these pull factors to sell a workplace to individuals by coming up with all of these shiny, flashy objects. What's the danger there, would you say?

Leeson Medhurst [00:11:51]

So, we are working on a genuine hypothesis at the moment where we can prove that everything that we touch, feel, have, own – there is a gestation where we then become bored of it. And the life cycle of that item will degrade, or our boredom threshold will start to increase as the life cycle of that product goes on. I'm going to refer back to my iPhone. I bought it, I loved it, I scratched it, I have less care for it now. But the moment I scratched it, of course, it's just a phone now. And I think the same could be said at the workplace. So, I talked earlier on about the experience center, the experiential center.

One of the things that we have in our personal lives is we have choice, we have an abundance of choice. When it comes to the workplace, we don't have that much choice. So, most work settings will exist around a desk, a meeting room, maybe a breakout space, and there might be a couple of calibration spaces. How do we encourage that or bring in more choice to the space? You know, why don't we start bringing things like sleep pods? We can have different environments that encourage you to think about taking a nap if you're tired, well-being rooms for wellness activities, and we have IT-free zones, we have mobile device-

free zones as well, so we have technology blackout spaces, so you can start to think about different spaces for different needs.

But to go back to the question, Denise, it's all about keeping it fresh. So, there will be a gestation time where we need to think about keeping it fresh and recycling what we're doing. And if you overlay that with the office environment, I think it's very important that every business owner or every real estate owner takes a fresh, hard look at what they do, to think about keeping it fresh. How do we keep it up to date, and how do we make it super flexible and fun so we can actually keep attracting people to the space? And we're not just talking about attraction, retention of new and existing talent, but it goes back to that challenge that we have today of getting people to come back to the workplace.

Sam Kingsley [00:13:53]

We are always talking about creating spaces that are adaptable. Of course, technology is changing all the time, so we need to be, I suppose, able to make spaces and buildings and so on that can adapt to needs that we don't even know what they're going to be yet. Is that something that you're sort of grappling with when you're working with a client and working on a project?

Leeson Medhurst [00:14:17]

Yeah, so fluid or flexibility is the key. So, there's a lot of real estate executives now, of course, looking at building in the element of flexibility. But we are trying to be resilient and future-proof what we can do. And not only are people expecting different things in the space, but we are becoming very climate-aware. And we are no longer in climate denial. I do think we're somewhat in climate delaying at the moment, but we do have to start to think about how we can actually make these spaces more sustainable from the medium to long term so that sustainable goals on a global scale can be achieved.

People are walking in now and asking, you know, what are your sustainable goals? What makes you different? And that's something that we're talking a lot about in terms of that future resilience of spaces, to make sure that where they can be shifted towards the future demands and trying to predict what those future demands might be, not just in terms of people needs, but also needs as well.

Sam Kingsley [00:15:23]

What are some of the things that you can do to make a workplace more sustainable and, kind of, extend its lifestyle? Do you have various tricks in your playbook, for instance, of how you would approach that?

Leeson Medhurst [00:15:35]

A lot of what we do, of course, would exist in Scope 3 of anybody's ESG plans to arrive at a net zero position. And what we can also do is we can help them look at their performance metrics in terms of Scope 1 as well. So, if we look at the heating and cooling of a space, turning the lights on as an example, your pure existence of your organization is, of course, using carbon. How do we look at that in its overall complexity and its overall given to see how we can reduce it? So, if you look at spaces that have got big utilization, lots and lots of different rooms, of course that is going to be quite hungry in terms of your heating and

cooling and on lighting. Is there a real need for it? Do we actually need to put all of these meeting spaces in? And do we need all of these individuals in their own lovely, glamorous offices?

You know, we start to challenge that because whilst there might be a want for it, and then you might argue a need, but if you look at the ESG position, we would start to challenge that and say, well, do you realize that creating these spaces are going to be working against your Scope 1 deliverables for your ESG plan? Off-setting with electrical vehicle charging, all of these things we can start to look at, but, of course, we have to understand that a lot of our clients are taking spaces in multi-tenant buildings, so some of these things are going to be restricted by lateral considerations and position of the space as well.

Denise Wall [00:16:55]

A term that's been banded around a lot recently has been the concept of human-centered design in terms of designing workspaces. Is that something that's really at the center of what you're doing as well, Leeson?

Leeson Medhurst [00:17:10]

For me, it really center right back to experiential workplaces. So, I think we in the workplace design community have perhaps worked at a glacial pace compared to what has happened in our personal lives. So, we have not developed at the same rate or the same speed.

It's now on us as professionals to start to take a long, hard look at how we can actually make better spaces. But there are still large spaces. I'm in London, you're in Finland; I'm sure you can probably point to spaces straight away where you're still sitting in large swathes of desks. Everybody comes in, they've got their own little space which they can call their own, and very little consideration to, well, actually I only spend 10% of my day actually at this desk. The rest of the time, I'm actually being quite nomadic in the space, I'm jumping from meeting room into a telephone booth into a breakout space, into a cafeteria, whatever it might be.

But in terms of the choice that you have that is limited to a desk that you can sit at, we need to learn from our personal lives and our personal behaviour and how we can translate that into the workplace.

Denise Wall [00:18:19]

There is something I'd like to sort of challenge you on a little bit here, Leeson, if we think about a high-tech place in Silicon Valley like the Google campus. You've got day-care services, you've got laundry services, you've got restaurants, catering services if you're working late, pods, breakout spaces. It seems to me that the risk is of blurring the line between your workspace and your living space, where people end up living at work. Is there a risk of us going in that direction?

Leeson Medhurst [00:18:53]

I would say not, Denise. I think you make a very valid point and that is the whole psyche behind those type of spaces, that campus feel. So whether it be Google, whether it be Apple, and we can even see it in some private investment firms in London and I'm sure in

Helsinki, Finland as well, is that there is a provision of everything, everything you could care for is given in that space. And that is for the sole purpose of making sure you don't leave that environment.

Denise Wall [00:19:21]

Exactly.

Leeson Medhurst [00:19:22]

So, time is money and for every minute you spend in that office environment, you, of course, are making money for said organization. I think we've become wise now as humans, and there is a transition between work and life, and we need to find the happy medium between the two. So, I think as individuals now we've become stronger, more robust, and we've learned to say no. So, it is all about creating space and I keep saying 'betterment', and forgive me, but we have as humans learned from the pandemic that no is okay to say, the power of no.

Sam Kingsley [00:20:02]

I don't think we can have this conversation without also mentioning new technology, AI, for instance, but also just more generally sort of connected devices and things that we're now able to do just on our smartphones that five years ago would have been unthinkable. What sort of role do you see all of this new and emerging technology as playing in the workplace? Do you think it's going to fundamentally change the way we are at work?

Leeson Medhurst [00:20:34]

Absolutely yes, and you're quite right if you think about that transition we've seen in such a short space of time. And you'll see artificial intelligence is becoming greater, and next year we'll see the release of the first goggles that we can readily buy as consumers. What will happen, of course, with these goggles and the technology as it evolves is we'll then go back to that level playing field. You might be in the space, but you'll have this device that you'll feel connected to whoever they are in different parts of the world.

And that's not that far away, that's 12 to 24 months away, and we'll start to see that, which will then bring its own set of challenges because you'll start to live behind devices. We will then need to work harder in terms of engagement, culture, interactions in the real space rather than just virtually as well.

Sam Kingsley [00:21:28]

Do you ever think about what kind of workplaces you might be designing in just five years' time or something, or is it just totally all bets are off?

Leeson Medhurst [00:21:37]

I think, at the risk of doing a disservice to my business and the industry, it will get to a point where we're starting to create green rooms as offices, where the fabric of the environment will become interchangeable on a day-to-day basis as we see fit through technology. Once we transition into more of the metaverse and artificial intelligence, the space will become, dare I say it, secondary. There's a product that Microsoft is developing at the moment that can measure how you feel, your happiness index when you walk into the space. So that

exists at the moment which they're developing, and it measures your stance and your gait. So now what it's going to do is it's going to start to think about the environment that you work in.

So, all of a sudden, the technology will exist that will enable the background, the surroundings, but I think spaces will start to be created that will be interchangeable depending on mood, how you're feeling. And that could be, you know, it could be green screens in certain places that then can put a different image of something that you want on a given day rather than something else.

Denise Wall [00:22:39]

Because we've got quite a lot of stock in terms of buildings that are already existing today. Do you think we'll be moving in a direction where we will be building new building stock, creating new building stock that has the kind of flexibility that you're talking about? Or is there an opportunity for us to use technology to sort of retrofit older and existing building stock so that it fits in with the needs and the desires of the workforce in the future?

Leeson Medhurst [00:23:07]

So, I was at a conference yesterday, Denise, where they talked about this very same thing. So, it's all about sustainability, ESG, and is carbon killing construction, basically. We started the conference with yes, carbon is killing construction, but we ended the conference with no, we have to think differently about what we're doing. So, I think we need to be careful about new stock. I think consideration needs to be given to what we can retrofit in a sustainable way without creating the environmental damage and challenges in other areas.

I think there is an awful lot of stock on a global scale that is perhaps overlooked, and it's very easy to demolish and start again. And let's not, I think, kid ourselves that to work with existing stock is going to become expensive, but in terms of the carbon neutrality, it's something we need to think about and consider more, because it is better for the environment to work with the embodied carbon that exists in the existing stock rather than starting again, because we'll only ever be adding more carbon to the environment by starting again.

Sam Kingsley [00:24:09]

Leeson, we've heard all about the comings and goings on the landscape, and the companies that you're working with and the trends, but what about yourself? Just quickly tell us: what would your own dream workspace look like?

Denise Wall [00:24:27]

Or are you living the dream already?

Sam Kingsley [00:24:30]

Or is it the green screen with the goggles?

Leeson Medhurst [00:24:33]

Do you know what? I like different spaces at different times. At the risk of giving a political answer, I think, for me, it's about mixing up, changing it up. So, my utopian space would be

the ability for me to be in different locations, speaking to different people at any given time, but being given the complete freedom, empowerment and flexibility to choose what I want to do when I want to do it. As we started right at the top of this conversation, that's not for everybody.

Denise Wall [00:25:05]

Thank you so much.

Sam Kingsley [00:25:06]

Thank you so much. Great talking to you.

Leeson Medhurst [00:25:08]

No, pleasure. Thank you very much indeed.

Denise Wall [00:25:10]

The Flow of Urban Life is a podcast that looks at how we live and move in urban landscapes.

Sam Kingsley [00:25:16]

We sit down with people at the forefront of making the world's cities better and more sustainable places to live.

Denise Wall [00:25:22]

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Sam Kingsley [00:25:31]

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