



Workplace Report 2018

Survey Source: Dexis Workplace Report, December 2017

Your place to grow

dexis



Kick-start your business in 2018

We currently live in a state of flux, where the only reliable constant is change itself. So how do we navigate the disruption to the way we live and work arising from rapid developments in technology, an 'always-on' business culture and changing worker demographics? And what can we do to optimise conditions in our workplace to help our people not only give their best, but prosper and thrive in that environment?

We commissioned Think Global Research to take the pulse of executives in growing small and medium-enterprises (SMEs) across Australia, assess how they're reacting to the current climate and understand what they're looking for in their workplace to drive business success.

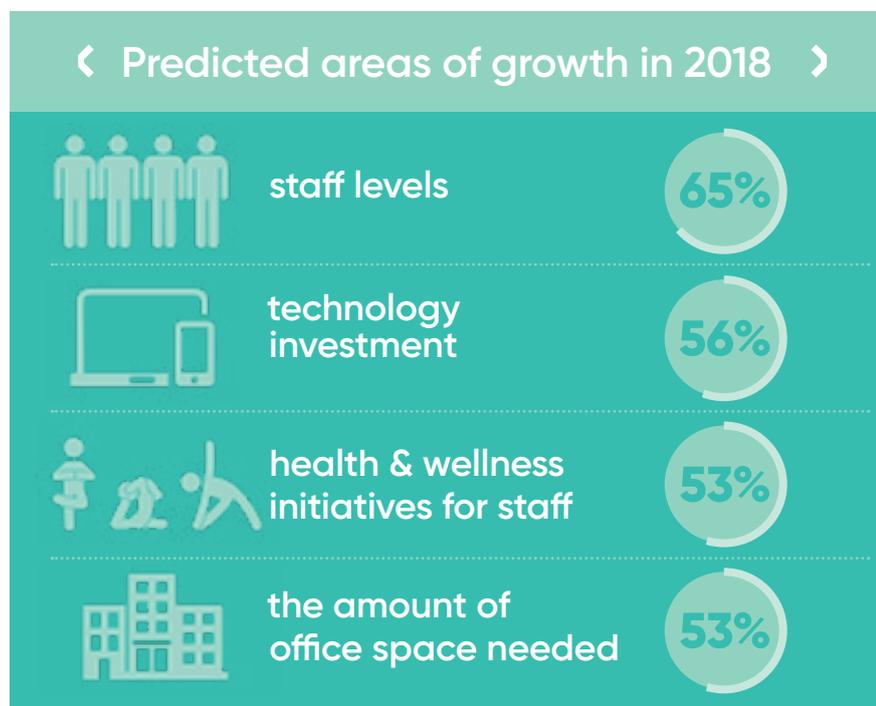
The research findings highlight a belief that the workplace directly influences, **job satisfaction**, **productivity** and **team engagement** – three cornerstones of business success. As a result, among the top priorities for business leaders in growing SMEs is accommodating their employee's needs around flexible workplaces, an improved sense of connectedness with their teams and work-life balance.

This also reflects global trends which overthrow traditional workplace norms that dictate to be at work, you need to be physically present in the workplace. Now, the mobile worker can operate from an office, a café, even their home. But with greater levels of productivity intrinsically linked to collaboration, each workplace clearly has its role to play.

As the New Year rings in, we are presented with growth opportunities stemming from the insight that 'where' you work directly impacts on 'how' you work, and to inspire the best in your people, you need to offer the perfect balance of flexibility and productivity in your workplace. In other words, *if your place doesn't work properly, your people can't either.*

A growing business moves with the times.

Typically, small companies are more likely to outgrow their workspace by the end of a lease and expand their staff than larger companies – a trend that's supported by the research, with business executives in growing SMEs predicting growth in 2018:



It's important that workspaces allow for this growth, since 80% of the responses highlighted a need to upgrade/improve office spaces to make executives more productive.

The research also indicated that low workplace satisfaction is more likely to result in staff being indifferent or concerned about the year ahead. Conversely, high levels of workplace satisfaction are likely to result in a motivated team who are 'raring to go'.



So, how do your people feel about their workspace? And why is this relevant?

With nearly three in every four Australian business executives in growing SMEs indicating that their workspace directly impacts job satisfaction (74%), productivity (71%) and team engagement (71%), its importance cannot be overstated. Add to the fact that the workplace is also viewed as a more crucial staff retention factor compared to the more traditional bonus, progression opportunities or work colleagues, and you start to understand the critical role it plays in creating a happy and productive workforce.

As some tasks and roles become automated, businesses are looking to the ingenuity of staff with a renewed focus on hiring the best 'talent' for that competitive edge. Since job satisfaction relies heavily on work-life balance (often achieved by providing greater flexibility in the workplace), companies are beginning to loosen the ties binding workers to a physical location, and this trend is expected to continue.

However, while SMEs may promise workplace flexibility, low uptake is often linked to concerns about the impact on remuneration levels and promotion opportunities, or providing limited access to flexible options to all staff. To make sure you get it right, consider these tips:

◀ SME executives who believe their workspace impacts ▶



job satisfaction

74%



productivity

71%



team engagement

71%

3 tips to offering workplace flexibility

- 1 explore performance measures that move beyond number of hours worked.
- 2 tailor your programs to the individual needs of all your people.
- 3 get staff buy-in on the most valued flexible workplace options.



"Before you break down the barriers to success, you have to find the right four walls."

Andrew Johnson,
Managing Partner of AJ & Co.
Lawyers and Dexus customer

In the future, a company's competitive advantage will increasingly depend on their workforce's productivity. Studies have shown that when employees collaborate, they work 15% faster and are 70% more likely to be innovative*. Accordingly, office spaces designed to make it easy for employees to collaborate not only maximise their productivity, they also fulfil their need for social interaction.

Since workplace satisfaction is intrinsically linked to productivity, the research invited executives to explore what an inspiring workplace looks like. It found at the top of the 'wish list' for SME executives in 2018: a communal rooftop/outdoor space (49%); on-site gym (47%); a quiet or chill-out zone (45%) and health & wellbeing classes (43%).



◀ SME executives workplace wishlist ▶



communal rooftop/
outdoor space

49%



on-site gym

47%



a quiet or
chill-out zone

45%



health &
wellbeing classes

43%

*Source is Deloitte Access Economics,
The Collaborative Economy, 2014.

With a world-wide focus on employee health and work-life balance generally, more than half of growing Australian SMEs plan to increase their investment in health & wellness initiatives for their staff in 2018.

Facilities and amenities around the workplace are also increasingly important to staff, like cafés, banking services, retail stores and green space. Proximity to public transport too is key, with less than 500m to train stations preferred.

Given the impact of workplace on productivity, consider these hacks to get the best from your people:

3 tips for greater workplace productivity and team engagement

- 1 facilitate greater collaboration among staff, including vital face-to-face time.
- 2 improve access to facilities and amenities your staff value – like communal eating spaces, and on-site gym and childcare.
- 3 encourage your people to formally align their workplace goals with their family and personal goals as they plan for the year ahead.



Not only did the research stress the importance of social connections to a productive and satisfied workplace, but strong 'connectivity' is also necessary with over half of Australian business executives in growing SMEs expecting to increase their investment in technology over the next 12 months. Interestingly, of those executives most motivated by improved profits, 58% said that new or improved technology will help make 2018 their best year yet.

No other factor has revolutionised the way we work more than technology. Across the globe businesses are rapidly moving their data storage to the 'cloud', thereby improving the ease of remote working and paving the way for improved access to flexible work arrangements.

As we approach peak smartphone penetration in Australia, there's a growing expectation that our workplaces are 'smart' with strong Wi-fi connectivity over a top-grade secure network. This is critical as it provides the foundation for powerful collaboration, workplace efficiencies, and the collation of rich and insightful data.

Technology in the workplace

32%

of businesses feel improved technology would help make 2018 the best year yet.

56%

expect to increase their investment in technology over the next 12 months.

51%

of businesses feel faster internet would lead to increased productivity.

The workplace has shifted. Maybe it's time you did too.

Accordingly, when assessing what to look for in a workplace, consider these highly sought-after features:

5

features that make a great workplace

1

access to sophisticated technology that heightens connectivity and enables workplace flexibility.

2

access to amenities that facilitate various forms of collaboration among staff, including face-to-face time.

3

access to amenities your staff value – like an on-site gym and childcare.

4

access to health & wellness programs.

5

provision for a mobile workforce.

In short, the research recognises the power of place and its effect on job satisfaction, productivity and team engagement in SMEs looking to grow. It's up to decision-makers to fully leverage these insights to ensure you get the most from your people and your workplace in 2018.

dexus

Dexus commissioned Think Global Research to conduct an online survey of 300 Australian business executives in growing SMEs who are responsible for, or influence decisions when choosing an office space.

This report refers to research data sourced from Think Global Research (unless otherwise stated). Think Global Research accepts no liability for damages suffered by any party resulting from their use of this document. All views expressed or implied in this report are solely those of Dexus. This report is for information only and Dexus specifically disclaims any responsibility or liability for any use of the information contained by any party. In preparing this publication, we have obtained information from sources we believe to be reliable, but do not offer any guarantees as to its accuracy or completeness. This report does not contain financial product advice.

