



Title	The applicability of the alternative workplace strategies in the real estate operations in Hong Kong
Other Contributor(s)	University of Hong Kong
Author(s)	Yip, Oi-yee, Debbie; 葉靄儀
Citation	
Issued Date	2004
URL	http://hdl.handle.net/10722/48864
Rights	Creative Commons: Attribution 3.0 Hong Kong License

THE UNIVERSITY OF HONG KONG
DEPARTMENT OF REAL ESTATE AND CONSTRUCTION

**THE APPLICABILITY OF THE
ALTERNATIVE WORKPLACE STRATEGIES IN THE
REAL ESTATE OPERATIONS IN HONG KONG**

A DISSERTATION SUBMITTED TO FACULTY OF ARCHITECTURE
IN CANDIDACY FOR THE DEGREE OF
BACHELOR OF SCIENCE IN SURVEYING

BY

YIP OI YEE DEBBIE

HONG KONG

APRIL 2004

Declaration

I declare that this dissertation represents my own work, except where due acknowledgment is made, and that it has not been previously included in a thesis, dissertation or report submitted to this University or to any other institution for a degree, diploma or other qualification.

Signed: _____

Name: _____

Date: _____

ABSTRACT

With the advancement in technology, office setting and its layout design has been facing a lot of changes since the twentieth century. These advances in technology, together with the growing concern on the topic of effective space planning in facilities management, have enabled some alternative workplaces strategies (AWS) to be developed in North America and some western countries to reduce operational space and thus the rental costs of the office. The trend of some on-site strategies among the many forms of AWS has been dictated for some years in Hong Kong in some large corporations such as computer companies and accounting firms and therefore is not new. The reason for some forms of AWS are applicable to those companies is that there is a significant portion of staff members within these organizations who spend a large amount of time out of the office with respect to their job natures.

It has been identified by the author in this study that certain types of staff in the top-market real estate operations in Hong Kong actually possess similar characteristics regarding their job nature and therefore utilizing some AWS in those divisions should be beneficial to the organization. To the contrary, it is observed that these real estate operations in Hong Kong seem to have no intention to adopt any form of the AWS at this moment. This study, therefore, aims to find out the applicability of both on-site and off-site AWS in the top-market real estate operations in Hong Kong by investigating the perception of these strategies by the staff within those operations.

Interviews with the employees, managers and managing directors within the real-estate companies were conducted. Results show that the employees in the real estate sector are generally unwilling to get involve in the on-site AWS but rather neutral towards the off-site AWS. The most concerned areas perceived by the employees under the on-site AWS are identified and they are the space availability and the accessibility of files and documents. However, from the organization's and the managers' perspectives, both types of AWS seem not very applicable to the real estate operations at this moment. The main reason behind the inapplicability of the

on-site AWS is due to the current operational size of the real estate companies not big enough and therefore they do not perceive any cost benefits to utilize such strategies. For the off-site AWS, the view of both the managers and the organization is that the general crowded home environments in Hong Kong are not suitable for the employees to work at home. Also, they are concerned about the security of some confidential information within the company.

The implications of the results from this study is that the on-site AWS may be applicable to the top-market real estate companies in the future when there is a change in business needs or operational growth. During the implementation of these strategies within the organization, the facilities managers or the workplace team should pay special attention to the most concerned areas perceived by the employees in order not to dissatisfy the staff and improve their willingness to participate. For the off-site AWS, although they may not be applicable to the real estate industry at the moment, they can be practised informally within the organization as a ad hoc basis to supplement the implementation of the on-site AWS.

ACKNOWLEDGEMENTS

I would like to begin by thanking my research supervisor, Dr. Daniel C.W. Ho, who gave me guidance and enlightening comments during the process. Without his patience and support, this dissertation would not have been completed.

I would also like to thank Ms Arnald Ng and Ms Natina K.W. Wong who gave me an overview on the implementation of the Flexible Office arrangement at Sun Microsystems in Hong Kong.

Debt is also owed to the following persons who have spent their valuable time in interviews and gave me their invaluable opinions.

Mr. Raymond Kan	Director of Commercial Agency Chesterton Petty Ltd.
Ms. Lucy Hammerbeck	Strategic Consulting, Corporate Solutions – Asia Pacific Jones Lang LaSalle
Mr. Christopher Green	Director of Corporate Services Colliers International Pacific Ltd.
Mr. John Falkiner	Managing Director, Global Corporate Services - Asia CB Richard Ellis

Last but not least, I would like to thank my dear family and friends who always stand by me and gave me the necessary support throughout the process.

YIP, Oi Yee Debbie
April, 2004

TABLE OF CONTENTS

	Page
Abstract	i
Acknowledgements	iii
List of Figures	vi
CHAPTER 1 INTRODUCTION	
1.1 Background of the Study	1
1.2 Definitions and Background of Alternative Workplace Strategies (AWS)	3
1.3 Aim of the Study	3
1.4 Significance of the Study	4
1.5 Objectives of the Study	5
1.6 Organization of the Study	6
CHAPTER 2 LITERATURE REVIEW	
2.1 Types of AWS	7
2.2 Benefits of AWS	11
2.3 Human Aspects in AWS	17
2.4 Application of AWS in Different Business Organizations	27
2.5 Potential Application of AWS in the Real Estate Business	31
CHAPTER 3 METHODOLOGY	
3.1 Perception on AWS by Employees in the Real Estate Sector	34
3.2 Interviews with the Management Level Staff in the Real Estate Business	42
CHAPTER 4 FLEXIBLE OFFICE AT SUN MICROSYSTEMS	
4.1 The Concept of ‘Flexible Office’ at SUN	45
4.2 Workspace Arrangement in the Flexible Office at SUN	46
4.3 Organizational Practices Associated with the Flexible Office	47
4.4 User Satisfaction about the Flexible Office	50

	Page
CHAPTER 5 RESULTS AND DISCUSSION	
5.1 Results and Discussion of Interviews with the Employees in the Real Estate Business Operations	53
5.2 Results and Discussion of Interviews with the Managing Level Staff in the Real Estate Business Operations	77
CHAPTER 6 CONCLUSION	
6.1 Conclusion	86
6.2 Implications and Recommendations	88
6.3 Limitation of the Study	90
6.4 Recommendations for Future Study	91
Bibliography	93
APPENDIX A – Current Survey Results on the Flexible Office Arrangement at Sun Microsystems	96
APPENDIX B – Questionnaire for the Interviews with the Employees in the Real Estate Operations	98
APPENDIX C – Results of Interviews with the Employees in the Real Estate Operations	100

LIST OF FIGURES

	Page
Figure 2.1 Maslow's hierarchy of needs	20
Figure 5.1 Employees' understanding on AWS	53
Figure 5.2 Possession of a permanent desk/workstation to work	55
Figure 5.3 Finding a desk/workstation on a first-come-first-serve basis	57
Figure 5.4 Sharing a desk/workstation with one or a few fixed colleagues in office	57
Figure 5.5 Reservation of a seat in office through a computer system/telephone every few days	58
Figure 5.6 Setting up of desk before work and clearing the desk after work	60
Figure 5.7 Login desktop computers in the flexible seat for personal files	61
Figure 5.8 The need to locate other colleagues within my term/department through a computer system/telephone due to the mobile seating in office	62
Figure 5.9 Sitting with different colleagues every day	63
Figure 5.10 Willingness to participate in the on-site AWS if the organization implements them	68
Figure 5.11 Perceived benefits of some off-site AWS to employees	69
Figure 5.12 Perceived drawbacks of some off-site AWS to employees	70
Figure 5.13 Willingness to participate in the off-site AWS if the organization implements them	71

CHAPTER 1 INTRODUCTION

1.1 Background of the Study

Since the twentieth century, the concept of facilities management has become more and more popular in other parts of the world and in Hong Kong as well. One of the big issues in facilities management is space planning. With the advancement of the information technology, facilities managers in the countries in North America and Europe have noticed the potential reduction in the space needed to support a given number of staff and also the potential increase in productivity and job satisfaction through the implementation of some alternative workplace strategies (AWS) within or outside the traditional office. These strategies have been developed and adopted in those countries since the last decade and therefore is not new. However, the development and implementation of the AWS in Hong Kong is still at a formative stage (Gilleard and Tam, 2002). The greatest advantage of these new ways of working to the organization is the reduction in operational costs of the building, which contributes to the main part of the expenditure in running a business. This benefit is particularly significant for the Grade A offices in Hong Kong since their office rents are comparatively higher when compared with office buildings in other parts of the world. In fact, this is also why only the top-market real estate operations in Hong Kong are being investigated in the context of this research. Other benefits for the implementation of some AWS within an organization include the improvement in workplace productivity, increase employees' productivity and job satisfaction, and flexibility to support organizational growth.

For the time being, it is observed that only some large computer companies such as IBM and Sun Microsystems and some large accounting firms such as PricewaterhouseCoopers and Deloitte are practising some forms of the on-site AWS in Hong Kong. In the large computer technology companies, there is a large portion of employees who belongs to the sales and the maintenance staff. These types of staff frequently spend substantial amount of time out of the office and therefore these companies have made use of the Flexible Office arrangement where the desk to staff ratio is no longer one to one. Staff members do not have their own desks but they have to reserve a desk before they work. Much of the office space can thus be saved because it needs fewer desks or workstations to support the same number of staff under this arrangement. For the accounting firms, similar arrangements are made in their auditing teams where large amount of auditors often work in their clients' offices rather than their own office. By observing the job nature of certain types of employees in the top-market real estate companies in Hong Kong, it is in the view of the author that some types of workers within these companies like the estate agents/brokers, property management consultants etc. can also involve in some types of the AWS such as hot-desking and tele-working. However, for the time being, none of the top-market real estate operations practises any forms of AWS formally in Hong Kong. In view of this situation, the author is thus interested to find out the perception of these new ways of working in the real estate operations and the applicability of the AWS in these companies.

1.2 Background and Definitions of Alternative Workplace Strategies (AWS)

In view of the property is an expensive asset which demands effective management, how to utilize the space within the facilities and thus the topic of space planning has become an important issue in facilities management. On the other hand, advances in technology have created opportunities for new ways of working. Knowledge based work no longer need to be performed at a fixed desk or even more, workers can work at home or telecommute from a business centre. According to Gilleard and Rees (1998), Alternative Workplace Strategies (AWS) is a collective term used to describe these changes, i.e. workplace redesign, on-site strategies and off-site strategies. They have first been developed in western countries like North America and Europe since the last decade to “maximize space usage based on the amount of time workers spend inside and outside the office and with each other”. They are ‘alternatives’ to traditional office layout and organizational practices in the way that employees no longer need a fixed, permanent desk in an office to perform their duties. Details about different types of the AWS will be reviewed in the next chapter.

1.3 Aim of the Study

Many employees in the real estate sector such as the property agents, brokers, property managers, and the like are required to meet their clients outside the office or inspect the properties frequently for most of the time. Thus they actually have over half of their office hours working outside the office in a normal day. These divisions within the organization will therefore have a great potential to adopt the AWS and the

organization will then be able to enjoy the benefits of these strategies such as reduced operational costs. The aim of this dissertation is to find out whether both the on-site and off-site AWS will be applicable to the staff with the above job nature within the top-market real estate companies in Hong Kong.

1.4 Significance of the Study

It is generally claimed that there are many benefits associated with the AWS to organizations. However, certainly not all kinds of business operations and job natures of the employees are suitable to adopt these new workplace strategies. It may lead to some serious negative impact to both the employees and the organization if the AWS are implemented inappropriately and there are actually failure examples in the western countries as well (Cairns and Beech, 1999). Therefore, despite the favourable conditions that appear to support the top-market real estate companies to utilize at least some forms of AWS, it is very important and in fact necessary to investigate whether these strategies are applicable to the real estate sector from a wider perspective and in particular, from the human perspective.

While the facilities managers focus on the reduction of costs by increased efficiency and the implementation of alternative working strategies, the impact of these strategies on the users of the building should not be neglected. It has been founded that flexible working strategies that have too great a focus on buildings and technology and too little on people tend to be less successful. Particularly that the employees are the end-users of the office building, the facilities managers have the responsibility to create efficient working environments conducive to high morale and

productivity and they should have the ability to recruit and retain the quality staff. Much research actually shows that there is a strong relationship among the working environment, employees' satisfaction and the productivity of employees. Therefore, with the concept to increase the value-for-money in facilities management, facilities managers should not just concern the financial impact on the operational costs of the building assets when introducing the alternative workplace strategies. They should also consider the value for money in respect to the employees' satisfaction and productivity. In this study, the applicability of the AWS in the real estate operations will therefore be investigated from both the organization's and the human's perspectives. While a certain level of dissatisfaction is expected, it will also be significant to find out the major areas under these strategies that actually contribute to the expected dissatisfaction among the staff involved.

1.5 Objectives of the Study

There are 3 objectives of this study:

- To find out the perception of both the on-site AWS and the off-site AWS from the employees' perspective in the real estate sector.

- To find out the applicability of the on-site AWS and the off-site AWS to the top-market real estate operations from the organizations' and manager's perspectives.

- To find out the area(s) that is (are) most concerned by the employees in the real estate sectors before the implementation of AWS within the organization.

1.6 Organization of the Study

This study is divided into six chapters. Chapter 1 identifies the background of studying the AWS in the real estate sector and also the aim, significance and the objectives of this study. Chapter 2 reviews the benefits, drawbacks and also the human aspects associated with the AWS. The potential application of the AWS in the top-market real estate operations in Hong Kong is also discussed in this chapter. Chapter 3 outlines the methodologies and method of analysis in the study. The details of the current Flexible Office arrangement at Sun Microsystems obtained from interviews and site visit are discussed in chapter 4. Chapter 5 discusses the results from the interviews with the employees, managers and managing directors in some top-market real estate companies in Hong Kong. Lastly, Chapter 6 concludes the major findings, implications and recommendations of this study on the applicability of the AWS in the real estate operations. Limitations of this study and also recommendations for future study are also made at the end of this chapter.

CHAPTER 2 LITERATURE REVIEW

Various types of on-site and off-site alternative workplace strategies (AWS) have been developed. To investigate the applicability of the AWS in the real estate operations in Hong Kong, it is first necessary to have a good understanding of each of them and therefore they will be briefly reviewed in the first section of this chapter. The potential benefits and drawbacks will also be reviewed in respect with top-market real estate operations in Hong Kong.

2.1 Types of AWS

There are various types of AWS and they can generally be categorized into two groups: on-site AWS and off-site AWS. On-site AWS refer to workplace strategies that are practised within the office; while off-site AWS may or may not need an office to accommodate the staff involved. Most of the staff involved will perform their job duties outside a traditional office.

2.1.1 On-site AWS

2.1.1.1 Free address

Free address workspaces are unassigned and can be used by anyone in the company — not just by people from a particular team, group, or department. Reservations are not required; the space is available on a first-come, first-served basis.

2.1.1.2 Hoteling

“Hoteling” refers to a system where unassigned individual work spaces may be reserved for use by a particular individual for a specified block of time. A corporate “conciierge” is responsible for scheduling and equipping spaces for use. This “conciierge” can be a telephone receptionist or a computer booking system.

2.1.1.3 Shared Space

Shared space refers to a situation where two or more employees are assigned to use the same desk, office, or workstation at different times. The people who share the space are generally expected to work out a schedule for themselves.

2.1.1.4 Just-in-time

Just-in-time describes a method of leaving corporate space as open and flexible as possible by providing mobile or easily moved furniture and screens or partitions that can be assembled to support individual work processes "on the spot."

2.1.1.5 Team/Group Address or Project Team Environment

Group address spaces are not assigned to a particular team but are designated for use by a specific project team for the duration of a project. This type of space works well for parallel teams whose members generally work apart or off-site but who need to meet on an irregular basis.

Whatever it calls, the essence of on-site AWS is that staff members, or at least some of them, do not have ‘their own desk’. Organizations may adopt one or several of the above strategies together at the same time, depending on the needs of their business. These strategies can be sometimes referred to as ‘hot-desking’, where the term is borrowed from “hot bunking” on submarines, assumes that the desk has just been vacated by a colleague and is reoccupied before the chair has had time to cool down (Marmot and Eley, 2000).

Among the various types of the on-site AWS being discussed, there are no general rules to determine which is better than the other. Which strategy or strategies should be implemented within an organization will depend on the business needs, culture and job nature of the employees involved. By looking at the definitions of the above types of on-site strategies, it is in the author’s view that the first three strategies discussed above should be more significant to be discussed in the context of this study. The main reason is that the first three strategies require less change in the existing office layouts and therefore the companies and should be more popular about the current business operations.

2.1.2 Off-site AWS

2.1.2.1 Tele-working/Tele-commuting

It is a combination of home-based and office workspace linked by technology. Besides working at home, staff member can choose to work at an alternate work facility such as the clients’ office, or in a “virtual” environment at least part-time.

2.1.2.2 Satellite officing and Tele-centers

According to Gilleard and Rees (1998), satellite officing are office centers that provide technology and administrative support, located near employee residences and used full-time by employees living closest to satellite site.

2.1.2.3 Virtual officing

Employees are equipped with the tools and portable technology to perform their jobs anywhere, including home, car, office, hotel, customer location, or in transit.

Gilleard and Rees (1998) suggest that the on-site AWS is more favoured when compared with the off-site AWS by the facilities managers in Hong Kong. They point out there is a genuine reluctance in Hong Kong to embrace the off-site AWS due to several reasons such as the culture of ‘the need to be “seen” and “show face” and also the sense of job insecurity associated with these strategies. However, it is suspected by the author that these facts may not necessarily contribute to a high level of unwillingness for the employees to take part in these strategies because the different backgrounds of employees will affect their perceptions towards the strategies. Different organizational culture may also affect their employees’ attitudes to a different extent.

The adoption of the AWS undoubtedly has certain benefits to the organizations. These benefits are in fact the drivers of the implementation of such strategies and they are discussed below.

2.2 Benefits of AWS

Gilleard and Tam (2002) point out the objectives and benefits for corporations to implement some forms of AWS are to drive down operational costs, improve workplace productivity and increase job satisfaction. These benefits are examined as follows.

2.2.1 Reduced operational costs

The major objective of introducing AWS in Hong Kong is to minimize office space (Gilleard and Tam, 2002). Since the essence of the flexible workplace strategies is that the desk to staff ratio is no longer one to one, therefore much of the space in the office can be saved. As a result, the rental expenses will be reduced. Chung (2001) mentions an example: suppose an operation requires 60,000 ft² of office floor space and that half of the staff members can use flexible office arrangement. Assuming equal office desk requirements for all staff and a ration of 1.50 (staff to desk) just for the half portion of staff on the flexible office arrangement, 10,000 ft² (60,000 ft² x 50% x 1/3) of floor space could be reduced. Say an average rental cost of HK\$50/ft² per month, this would translate into HK\$500,000 per month or HK\$6M per year. In addition, the costs of furniture and facilities such as desks, telephones, and other building services costs like the lighting and air-conditioning will be much reduced,

too. From the above example, we can see that the rental expenses being saved will depend on the desk to staff ratio, size of operation and also the rental price of the office. Therefore, this cost benefit of flexible office is especially meaningful to places like Hong Kong, where the office rents and property prices are relatively high. Secondly, businesses that need to lease relatively large amount of grade “A” office space to accommodate a huge proportion of field/ out-of-office work staff members will benefit the most. Chung (2001) suggests these potential businesses include the insurance companies, top market real estate agencies, highbrow financial advisory services, and the like.

Successful examples which show a significant reduction in the operating costs include:

- AIA’s Shanghai office introduced desk sharing on a ratio of four staff to one desk. This helped the company to save office space and eventually to reduce leasing and operating costs without adversely impacting productivity. (Gilleard and Tam, 2002);

- In PricewaterhouseCooper’s (PwC) London office, hoteling is adopted to enable “optimum utilization of real estate”. The desk-to-staff ratios vary from 1:8 in consultancy and 1:2 in corporate finance. It is reported a 50% reduction of space in 10 years and thus savings in prime property costs are resulted. (Facilities Management, October 2002, pg. 12-13);

However, office space may not be necessary saved by implementing these on-premise AWS in some cases. Survey results of an alternative workplace study¹ in the U.S. and Canada by LaSalle Partners and the International Facility Management Association (IFMA) claim that “while alternative workplace strategies are becoming more commonplace, they have not significantly reduced the overall demand for office space” and “of those using AWS, most (71%) have not experienced any savings in rent or other property occupancy charges”. Although the reasons behind have not been pointed out, one possible reason for this may be due to the approach of implementing AWS by the organization.

Cost-Driven versus Business-Driven Approach

Becker and Steele (1995) agree that non-territorial offices can reduce costs, and employees will accept these kinds of offices if the technology and space provided genuinely support the work processes. However, the rental costs that can be saved may depend on whether the organization is using a cost-driven approach or business-driven approach. The business-driven approach differs from the cost-driven approach in that it regards the AWS a means of improving overall organizational effectiveness and profitability. New workplace strategies in this context are carried out as part of an overall business reengineering process, with cost savings being a secondary. They are developed to help support changes in business practice and will concern whether a particular strategy represents the most effective environment. However, a cost-driven approach centers around cost rather than business and just concerns whether employees will still be able to work in this environment without significant reductions

¹ LaSalle Partners and IFMA (1998), Alternative Workplace Study, International Facility Management Association . Houston, TX.

in effectiveness (Becker et. al. 1994). The difference between cost- and business-driven approaches is clearly reflected in the subsequent use of the space saved by having fewer offices. Cost-driven approaches tend to accommodate as many staff as possible in as small a space as possible. Little of the space saved is reinvested into other kinds of functional work areas, like dedicated project rooms and informal meeting areas. Even less is used to support diversity in work style that can help people to be more productive, like incorporating dining and snack areas into the basic work area. Therefore, the cost benefit will very much depend on the AWS approach adopted by the organization.

Among the on-site AWS, a research report² points out that potential cost savings is most commonly reported reason for adopting free address (71%³), hoteling (76%), and share space (74%). For off-site AWS, potential cost reduction was an important reason to consider telecommuting (58%), satellite officing (52%) and remote telecenters (47%).

2.2.2 Improved workers' productivity

There are massive literature suggest that the benefit of improving workers' productivity is the major driver of implementing AWS for some organization in the western countries, in contrast with most of the organizations in Hong Kong, which regard cost reduction as their major incentive (Gilleard and Tam,2002). That is,

² The research report was done by the International Facility Management Association (IFMA) and Haworth Inc. in 1995 investigating alternative officing and workplace strategies. Their findings were based on a number of facilities managers who had implemented some forms of AWS in their organizations.

³ The percentages in brackets indicate the number of facilities managers' responses.

organizations in the west are more likely to use the business-driven approach while organizations in Hong Kong are more likely to be cost-driven.

Among the on-site AWS, not all of them may contribute to improve workers' productivity. The research report done by IFMA and Haworth suggests that the implementation of free address, hoteling and shared space most often yields cost reductions, while use of group address, project team environments and activity settings results in productivity increases. This can be easily justified since the strategies like group address and project team environments etc. create a better environment and communication for group work. However, other desk-sharing strategies may to a certain extent benefit the ad hoc teaming. Staff and sit with the persons they need to interact anytime and anywhere they like. Nonetheless, it seems that the on-site AWS will only benefit employees who regard team-work as an important issue to perform their job. Otherwise, these strategies may only contribute to the organization in cost savings and there are not many benefits in the eyes of the staff members.

The research report also shows that all facilities managers in response list increase in employees' productivity as a benefit for all off-site AWS. Particularly, seven in ten (70%) facilities managers investigate telecommuting due to perceived worker benefit and this is also a driving force for considering satellite officing. Watson and Lightfoot (2003) point out the benefits of remote working or home-working for employees include a more comfortable work environment since home-working can be more familiar and comfortable than an office. Furthermore, there are

fewer distractions. The opportunity to leave one's desk and chat, smoke, etc. is removed as work colleagues are not usually at home with the worker.

2.2.3 Improved workers satisfaction/morale

Although this benefit of implementing AWS is often seen in literature research, it is observed that these benefits usually just appear in the off-site AWS but not the on-site AWS. In contrary, the on-site AWS are often criticized to have certain negative effects on employees' satisfaction and morale and they will be discussed in the next section. For the off-site AWS, the research report suggests that telecommuting (67%) and virtual officing (57%) appear to have the greatest impact on increasing employee morale but also have some drawbacks which again, will be discussed in the next section. Despite of those, there are still massive research which supports remote-working/home-working can improve employees' satisfaction and morale (Heath and Silverton, 1997; Gilleard and Tam, 2002; Watson and Lightfoot, 2003). For instance, Watson and Lightfoot (2003) point out the benefits of better work-family balance since strategies like virtual office allows people with children, disabled people or those looking after parents to work at home and have close contact with their families. Also, employees' stress can be reduced as they do not have to stick to a nine to five work day can allow people to work when and where they work best or prefer. The more comfortable environment also contributes to increase workers' satisfaction. The consequence of this benefit of off-site AWS on the organization is there will be improved employee retention and recruitment which leads to savings on recruitment and training costs.

Despite the benefits as claimed above, there are hot debates on certain areas in question, particularly in the human aspect. The understanding on the human aspects in the AWS is highly related to the willingness of the employees within the organizations to participate in these strategies, which is one of the factors to determine the applicability of the AWS in a business operation.

2.3 Human Aspects in AWS

The major criticism of the implementation of AWS regards the human aspects or the psychological effects on employees. “In our culture many measures of personal values are related to identity at work. This is why the debates about new ways of working are of such interest” (Marmot and Eley, 2000). It has been found that the AWS strategies that have too great a focus on buildings and technology and too little on people tend to be less than successful, and this often happens when the reason behind the strategies is to exploit savings in workspace (McGregor, 2002). Rees (1998) also points out that ‘a bigger consideration is the human side; alternative work practices’ and ‘the staff behavioral factor is needed to successfully drive the initiative forward’. The reason why the organizational behaviour and the psychological aspects of the employees should be a key element in implementation of flexible working strategies is that there is a strong relationship between the workplace and employees’ satisfaction and productivity. If the employees are dissatisfied by the workplace environment or the organizational practices associated with it, the productivity of the employees will decrease which directly affects the output of the company. In a long run, the company may be unable to retain quality staff or recruit new staff. Therefore, in planning space within a company, focusing just on the cost aspects and not paying

attention to the human side may cause a substantial loss to the organization, in terms of satisfaction and productivity, and this loss may not be compensated by the financial gain due to the reduction in operational costs.

There are massive literature on the subject of how the design and management of the workplace contribute to employee satisfaction and job performance. Wineman (1986) points out that “with growing nationwide interest in organizational effectiveness, the design and management of work environments and workers’ responses to them are receiving increased attention”. It is suggested that a strong relationship exists between the organizational setting and both the satisfaction and dissatisfaction of the workers, in which it directly affects the organization effectiveness. Here, Wineman cited from Herzberg (1976) and distinguishes between satisfaction and dissatisfaction of a worker within a working environment. Herzberg suggests that dissatisfaction is not the opposite of satisfaction. Instead, the opposite of satisfaction should be ‘no satisfaction’. Similarly, the opposite of job dissatisfaction should be ‘no job dissatisfaction’ rather than job satisfaction. Therefore, workers’ satisfaction and dissatisfaction should be treated as separate aspects of workers’ responses to the work environment. This concept is not difficult to understand but it may be often overlooked when designing a workplace arrangement. In implementing AWS within an office, the ideal situation is that the strategies can enhance the satisfaction by improving the effectiveness of their work. Many case studies in the U.S. and Europe about flexible workplace strategies claimed that the productivity and satisfaction of employees are enhanced and in fact this is one of their objectives to implement such a strategy (Heath and Silverton, 1997; Gilleard and Tam, 2002). However, after further looking at the case studies of flexible workplace arrangements

in those case studies, it is observed that most strategies involved are actually the off-premise AWS such as home-working, virtual office. Therefore, it can be suspected the advantage of enhanced employees' productivity and job satisfaction appears in those off-premise AWS only and not the on-premise AWS such as hot-desking and hoteling.

If implementing AWS really brings dissatisfaction to the employees, the morale of the employees will decrease and there will be a great negative impact on the organization. Before forecasting the potential areas in which may lead to dissatisfaction during the implementation of flexible workplace practices, it is necessary to understand the psychological needs of the general employees. Moleski and Lang (1982) and Oseland and Bartlett (1999) cite a model from Maslow which classified the needs of the occupants and the manner in which they are satisfied. Maslow, an early motivational theorist, argues that people have a hierarchy of needs which must be met in order for them to achieve their maximum potential or performance. This model is a hierarchical structure of needs in which the lower-order (more basic) needs have to be fulfilled before the higher-order (more complex) needs. In other words, it means that if the lower-order needs are not met then people cannot proceed to the higher level of needs, thus blocking the route to maximum performance. The structure, from the lowest level to the highest level, is as follows: the first level is the physiological needs to carry out bodily functions. This is the most basic needs which include the lighting, temperature of the office environment. Much of the research work has shown a relationship between such physical settings. However, since the context of this study focuses on the workplace strategy arrangement, these needs relating to the physical settings of the office will not be

further discussed in this research; the next level is the safety needs which refer to the “security and protection from physical and psychological harm”. These needs include issues about personal territory, defensible and personal space and privacy; the third level in Maslow’s model is social needs. It may also be referred to as the “belong and love needs, which concern being a member of a group”. In the context of an office environment, it refers to such needs as maintaining social interaction and establishing group identity and community; next, the esteem needs, means the “desires of a person to be held in high evaluation by self and others”. They are the “expression of self-identity and status through symbols”. In an office environment, this can be observed easily through the traditional example that staff of higher status often own larger private offices with better views; the next level is the self-actualization needs, which represent the desire to achieve one’s full potential and these are the needs which involve personalization and the freedom of choice in determining behaviour and environment; the highest level of needs are the “aesthetic and cognitive needs, which give sensory and nonfunctional pleasure to the individual, such as a beautiful place in which to work”.

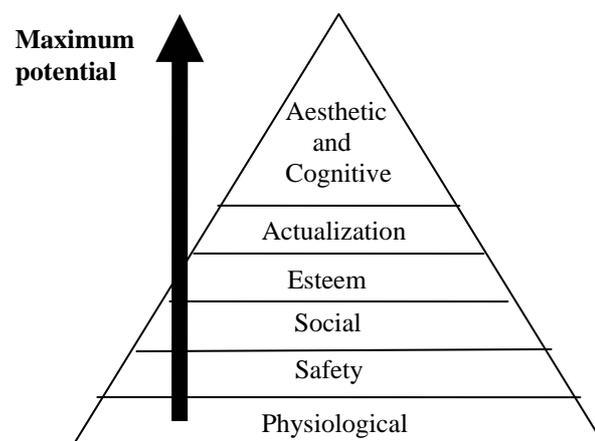


Figure 2.1 Maslow’s hierarchy of needs

2.3.1 Criticism Regarding the Human Aspects on On-site AWS

It can be deduced that if the AWS is really going to lead to a certain extent of dissatisfaction to the users, it will probably dissatisfy the safety needs and also the social needs in the above model. The types of organizational behaviour that are associated with the on-site AWS will be discussed first in the following section.

1 Personalization

Personalization is one human behavioral that is often associated with office design. Personalization is the deliberate decoration or modification of an environment by its occupants to reflect their identities (Sundstrom, 1986). Employee personalization of office environments is in fact a common phenomenon in businesses. Bechtel (1997) points out when a person moves into an office, the desk is immediately decorated with pictures, a name plate, or some other object that conveys personal possession of the occupant. Researchers have proven that there are various psychological functions of personalizing the workplace. The primary one is 'display' or 'self-expression'. Personalizing workspaces with personal items serves to express personality, emotions, status within the company, and group memberships outside the office (Bechtel, 1997; Wells, 2002). Wells (2002) further summarizes the other psychological functions which include regulate privacy and social interaction by indicating whether they prefer to be alone or with others; to make the workplace more a more pleasing environment; helps the employees to cope with stress; exert control over the environment; enhance employees' attachments to their workplaces and; to express a commitment to a place and its purposes. With the above psychological

functions are served, therefore the greatest benefit for employees to personalize their workspaces is enhanced job satisfaction and satisfaction with the work environment (Wells, 2000).

The implementation of on-site AWS will definitely dissatisfy the employees due to most of the employees will not be assigned a permanent desk under such an arrangement. Various researches evaluating the implementation flexible workplaces in the foreign countries have actually addressed this issue (Hawworth and IFMA, 1995; Becker and Steele, 1995⁴; Umeda, 1998⁵; Chung, 2001⁶). Booty (2002)⁷ reviews a paper about the employees' perception about their workspace and finds out that office workers concern the most about 'having my own individual space such as desk or workstation. People prefer to have their own desk rather than their own office. The implication is that it is having the space rather than being able to work alone that seems to matter. Booty also claims that many US firms reports loss of morale after introducing flexible workspaces because the flexible workspaces make the employees unhappy by 'denying their territory'. Becker and Steele (1995) point out non-territorial offices where most of the staff are not assigned a personal desk may "lie in the risk of creating a sense of homelessness or anonymity among employees.

Umeda (1998) studies a relocation project of airline headquarters in Tokyo where some desk-sharing strategies are adopted in the new office. The sales force receives shared offices since it had been identified that their office occupancy time was extremely low and all the sales staff is unlikely to be in the office at the same

⁴ Becker F. and Steele F. (1995) *Workplace by Design*. Jossey-Bass Inc: California.

⁵ Umeda, The workplace strategy in response to organizational downsizing

⁶ Chung S. (2001) *Flexible Office and Its Implications on Office Demand* [http://www.real-estate-tech.com/zeppelin_simple_read_stuffs.htm]

⁷ Booty F. (2002), *State of the Office*, *Facilities Management*, March 2002

time. A user satisfaction survey is done before and after the implementation of this new strategy. Before relocating, most sales member were concerned about losing their own workspace, which they personalized by decorating with personal items. For the post occupancy survey, although the results show a substantial decrease in the comfortable feeling about employees' own workspace (from 75% to 41%), it is revealed that the major source of dissatisfaction was acoustics, where employees were disturbed by the telephone rings in shared office with no partitions. This result to some extent agrees with Maslow's model of human needs in which the most basic need of an employee is the physiological needs and in the context of an office, this refers to the noise, lighting levels etc. which affect their productivity. However, this should be attributed to the problems of open plan office and should not be associated with the desk-sharing strategies as shared office does not necessarily mean an open plan office. About the workspace, the results just mentioned complaints about the decrease in workspace size doubled. The point about losing their own workspaces such that they have no way to personalize was not mentioned in the post occupancy survey. Again, the reduction in workstation size should not be associated with flexible office and the dissatisfaction resulted from it should be dealt with separately.

So, do the results imply that only the physiological needs of the employees and thus the physical setting of the office should be concerned by the management in order to enhance workers' satisfaction? From Maslow's model, we have seen that the physiological needs are the most basic needs. In order to help the employees to achieve the maximum potential and performance, the next levels of needs should also be fulfilled. The employees' desire to personalize their workspace can be taken as a form of safety needs because the safety needs in the context of an office environment

refer to the ‘personal territory, defensible and personal space and privacy’ (Moleski and Lang, 1982). We can also see that the ‘safety needs’ are the second basic needs for good performance and thus management should also pay attention to it so that the route to maximum performance would not be blocked. However, there are other human aspects of employees associated with the on-site/son-premise AWS, such as the resistance to change, which may not be reflected in Maslow’s model of human needs.

2 Resistance to change

Haworth and IFMA research report shows that organizational culture was a primary barrier to implementing the on-site AWS, with the greatest resistance to change coming from the work force. From the information obtained during the interview and site visit of Sun Microsystems, which adopts the flexible approach similar to the hoteling strategy, it is observed that the implementation of on-site AWS is not just simply to remove a permanent desk from the employees. There are quite a number of changes associated with their organizational practices that need to be coped with. Details of the findings from the interview and site visit will be discussed in the next chapter.

2.3.2 Criticism Regarding the Human Aspects on Off-site AWS

For the off-site AWS, the notion of it is that employees involved may spend a considerable time working in places other than an office such as at home or at an alternate work facility. The issues associated with them which are criticized for

dissatisfying staff or leading to a decrease in staff morale are wide-ranging, namely: social/professional isolation, strained family relationships and management issues.

1 Social/professional isolation

In Maslow's model, it is in the view that when man's physiological needs and safety needs are satisfied, his social needs become important motivators of his behaviour. Davis (1977) points out that the social needs within an organization may refer to the needs for belonging, for association, for acceptance by his fellows, for giving and receiving friendship and love. It is studied above that the employees involved in the off-site AWS usually do not stay in an office. Therefore, they will not have co-workers to talk to, have coffee with, etc. and this could lead to a feeling of isolation and the loss of the informal communications systems which can be found in most organizations (Helms and Raiszadeh, 2002). This feeling of isolation may not only lead to dissatisfaction or lower morale but may also lead to a decrease in productivity because these teleworkers or home-workers cannot easily interact with the persons they need, either formally or informally. As suggested by Watson and Lightfoot (2003), workers may feel a "reduced influence from main office" while "Am I doing the work correctly" is a phrase that could be asked by home workers".

Besides the feeling of isolation, the lost proximity associated with the off-site AWS may also have a negative impact on the trust relationships among the colleagues. Nandhakumar (1999)⁸ argues that personalized trust relationships established through face-to-face interactions and socialization are essential for

⁸ Virtual Working (1999) edited by Paul Jackson

continuous teamworking. However, the use of information and communication technologies appears to be inadequate for establishing and reproducing such trust relationships.

2 Strained family relationships

Homeworkers can find it hard to get away from the PC and work, leading to “a fuzzy border” between work and home life (Parkinson, 1996). This could lead to the other family members feeling that they come second to the homeworker’s paid work. Although it has been discussed that most off-site can lead a balance of work and home life, especially for women, and also a reduced stress since the environment at home is more comfortable than in the office, the drawback of strained family relationships can be a potential contrary argument for this benefit. It is also suggested working from home is actually an “invasion of home life” (McLocklin, 2001).

3 Management issues

Off-site strategies are most often resisted by the upper management staff because there may probably be difficulties in managing remote employees and they are likely to lose the control of staff (IFMA and Hawworth, 1995; Watson and Lightfoot, 2003).

2.4 Application of AWS in Different Business Organizations

By looking at the definitions of different forms of AWS and also their benefits, it can be deduced that not all businesses or organizations will benefit from the implementation of AWS. Some characteristics of some organizations that should benefit from these strategies are pointed out by Chung (2001) and are summarized as follows:

- 1 A significant portion of staff members involved in field or out-of-office work

This is actually a necessary condition for an organization to adopt the on-site AWS in particular. Only employees with job natures that require spending quite a substantial amount of time out of the office like meeting clients, site inspection etc, can take part in these on-site AWS. These job natures may include marketing and sales, agency, technical support and maintenance. Staff members who do not involve any outdoor work or need a frequent access of paper files, such as the clerical staff and administrative staff, are difficult to share their workstations with other colleagues. It is not necessary for the whole organization to adopt the same form of workplace strategy. For instance, the desk-sharing strategy can be implemented in the sales department while staff from the personnel, office administrative departments etc. can receive an assigned desk as usual.

However, this condition may not be necessary for an organization to utilize the off-site AWS. Some employees with job duties that are creative in nature such as writers, designers and so on, though, are not necessary to perform their jobs outside

an office, a more relaxed and comfortable work environment will help to increase their productivity. In these cases, the off-site AWS will benefit both the organization in terms of cost savings and the employees in terms of increased productivity and satisfaction.

2 A sizable operation

This condition is particularly true for the on-site AWS. Unlike the off-site AWS, the whole office or department will not be eliminated under the on-site AWS. Therefore, if there is only a few staff members in the organization or department, cost savings due to the reduced office space of one or two desks will not be significant. The cost benefit may not be able to compensate the increased technology costs or other potential drawbacks such as decreased staff satisfaction.

Again, this characteristic should not be necessary for an organization to benefit from the off-site AWS. For sizable business organizations, where there is a large number of staff with job natures suitable to work out of the office, the benefit of reducing overhead costs is obviously significant. For small organizations, if all the staff members within the company do not necessarily need to perform their duties in a traditional office, they can simply save the whole office or just rent a smaller area by adopting strategies like virtual office and satellite officing. Moreover, the major benefit and the objective to practise the off-site AWS are often to increase productivity and satisfaction of employees rather than cost saving.

3 Technology

Technology is the ‘enabler’ of the implementation of both types of AWS (Gilleard and Tam, 2002). For the on-site AWS, a computer network system is essential so that a staff member in the desk-sharing arrangement can use any computer on any desk booked and is still able to retrieve his/her computer files stored in network servers. The technology requirements for off-site AWS are particularly of higher level such as the wireless technology or videoconferencing may be needed. These strategies simply will not work without the use of technology.

However, the current technology status of most organizations in Hong Kong should have already supported those on-site AWS, since the Internet or an intranet system within an office is very common nowadays. However, for the off-site AWS, the computer networking requirements are much higher because it is necessary for the worker to access the computer system outside the office anywhere and anytime so that their work effectiveness will not be affected. Although the technology has already been developed, it may take some time for the facilities manager to notice these technology advancements and whether the organization is willing to invest in these ‘high-tech’ systems are in doubt.

4 The willingness on the part of Management and Employee to use AWS

As discussed in the above section, human and psychological aspects of the employees should not be neglected during the implementation of AWS. It is because not only their satisfaction and morale will affect their productivity, there will be also

a long term effect on the retention and recruitment of staff. In all forms of AWS, there are changes in the organization practices which relate to the business culture of individual operations. Therefore, the success of these both on-site and off-site AWS will depend on the empowerment of staff and their support.

With the above characteristics, it can be observed that there are certain businesses in Hong Kong that are more likely to be able to utilize the AWS and benefit the most of it, namely, insurance companies, top market real estate agencies, high-brow financial advisory services, IT companies, and the like (Chung, 2001). The world’s largest accountancy firms and consultancy organizations, telecommunications and information technology organizations, are more enthusiastic in adopting some forms of AWS to acknowledge, and thereby exploit, the change in working patterns (Marmot and Eley, 2000; Becker and Steele, 1995). The followings are some foreign and local examples where the organizations have experienced some forms of AWS.

<u>Accountancy/consultancy firms:</u> Ernest and Young Arthur Andersen PricewaterhouseCoopers KPMG	<u>Telecommunications</u> AT&T British Telecom (BT)
<u>IT companies</u> IBM* Sun Microsystems* Cisco Systems* Hewlett-Packard Amadahl Computers	<u>Others</u> Citibank* AIA (insurance companies)

** indicates organizations that have adopted some forms of AWS in their Hong Kong offices*

From a casual interview with some employees in the big four accountancy firms in Hong Kong such as PricewaterhouseCoopers and Deloitte, it is found out that these firms have actually applied some forms of desk-sharing strategies for their auditing and consultancy departments. The job nature of the auditors and accountants is that they have to work in their clients' office frequently to check out their financial accounts. Also, the accountants point out that it is necessary for them to work in their clients' offices sometimes in order to understand better the clients' needs and give them any professional advice. Therefore, in the auditing and consultancy departments of the accountancy firms, employees with less than a certain number of years experience, say three years, are not assigned a permanent desk and there is a pool of workstations for them to work. However, staff members who have worked in the company for certain years, probably in the management level, will be assigned a desk in the department. They have not yet practiced other forms of off-site AWS so far.

2.5 Potential Application of AWS in the Real Estate Business

It is observed that the top market real estate agencies in Hong Kong such as CB Richard Ellis, Jones Lang LaSalle, FPD Savills, Chesterton Petty, Colliers International and Debenham Tie Leung, have at least three most basic characteristics that have been discussed in the above section. Firstly, the real estate agencies should have quite a large portion of staff in their, commercial, residential, retail and industrial agency departments. In a casual interview with some employees from such departments, they admit that there is quite a large amount of time that they need to go out to meet clients and visit the properties for sale or lease. They briefly estimate that they have actually over half of the office hours a week that they need to work outside

the office. Therefore, the job nature of real estate agents is very suitable for their departments to utilize some forms of AWS.

Secondly, these top market real estate agencies are all multi-national organizations that have sizable operations in Hong Kong. Particularly, all of them locate their offices in the grade A offices in the Central Business District (CBD) in Hong Kong and the rents for them are relatively high around the world. However, these businesses are actually leasing relatively large amount of grade A office space to accommodate a huge proportion of 'out-of-office' work staff. Thus the various forms of AWS should be particularly attractive to the real estate agencies to help them reduce the rental expenses.

Thirdly, the technology should not be a big problem for these businesses to implement at the on-site AWS since they should have used the computer network technologies for a considerable period of time. Data and clients' information are all computerized. Also, most of their employees are knowledge workers who should be have little difficulties to make use of the latest computer technology. For other technology requirements such as videoconferencing that are necessary for the implementation of off-site AWS, current computer systems in the real estate agencies may not support, though should be easily to be upgraded. However, whether or not the companies are willing to spend the money to invest in these technologies in the future is in doubt.

For the last characteristics which determine if adopting AWS is beneficial to the real estate agencies, that is, the willingness on the part of management and staff to

change their organizational practices and culture, it is in question because currently either forms of AWS are rarely practiced in the top market operations mentioned above. It is also the aim of this study to investigate the perception and willingness of the employees in the top-market real estate companies to participate in both on-site and off-site AWS.

To summarize, for the on-site AWS to be beneficial and applicable to the top-market real estate operations, the organization should possess all the four characteristics discussed above. It is in the author's view that the real estate companies should currently possess the first three characteristics. However, for the fourth characteristic, the unwillingness on the part of management and staff is in fact expected because these issues have already been well documented in the literature. Thus, the significance of this research will lie on identifying the major areas that will probably dissatisfy the employees so that the facilities managers or workplace team will be able to design suitable solutions. The staff will then be less reluctant to get involved in these on-site AWS. As a result, the overall effect is that these on-site AWS can still be applicable to the top-market real estate operations in Hong Kong.

CHAPTER 3 METHODOLOGY

The aim of this study is to investigate whether both types of AWS, the on-site AWS and the off-site AWS, are applicable to the top-market real estate companies in Hong Kong. In order to look at the subject from both the perspectives from the organization and the employees that may be involved in the AWS, the methodology used in this study is divided into two parts. The first part is to find out the perception of the AWS by the employees in the real estate sector. This part includes a case study of the current arrangement of some on-site AWS in Hong Kong, and then followed by interviews with some employees working in the real estate sector as agents/brokers, consultants, and the like. The second part is to find out the perception of the AWS from the organization's point of view. Managing directors or general managers in the sales and leasing departments of the top-market real estate companies have been invited for interviews to give their opinions.

3.1 Perception on AWS by Employees in the Real Estate Sector

This part of the methodology is divided into two stages. The first stage is a case study of the Flexible Office Arrangement in Sun Microsystems. The information collected from this case study is used to formulate the interview questions for the second stage interview with the employees.

3.1.1 Case Study of the Flexible Office Arrangement in Sun Microsystems

3.1.1.1 Background and Objective of the Case Study

In the previous chapter, the importance of considering the human aspects when planning how an organization can make use of some AWS to help reduce the space and thus the operational costs has been discussed. One of the objectives of this study is to find out the perception of both on-site and off-site AWS by the management level staff and the employees working in the real estate sector. A pilot study is carried out to investigate the general understanding about both types of AWS by the public. It is found that most of the people have heard of some off-site AWS such as tele-working, home-working and virtual office etc. but not familiar with those on-site AWS like hot-desking, hoteling, team environment etc. Therefore, in order to help the interviewees to have a better understanding of the on-site strategies so that they can have a more accurate perception on the subject matter, interviews with the employees in Sun Microsystems (SUN) and also site visit to the company are conducted before conducting interviews with employees in the real estate sector. The main purpose of the interviews and site visit is to get a better understanding the on-site AWS in real practice. The major changes in organization practices associated with the strategies which may probably dissatisfy the staff will be discussed in the next section. Besides, survey results of their employee responses to the flexible office have been obtained during one of the interviews. This survey was conducted internally within the organization to study their employees' responses to the Flexible Office arrangement on the areas such as effectiveness, satisfaction. The results obtained from this case study are used to prepare the interview questions for the next part of the methodology where employees in the real estate agencies are interviewed to estimate their perceived level of dislike about those organization practices.

Sun Microsystems is a computer hardware and software provider which has adopted a 'flexible office' arrangement for a few years. This arrangement is similar to that of hoteling in the on-site AWS. The details of the arrangement and also the organizational practices associated will be discussed in the next section.

For the off-site AWS, interviews or site visit will not be done for the same purpose as mentioned above. There are two reasons behind: firstly, there is a lack of information about which organizations are formally practising some forms of off-site AWS such as tele-working, satellite officing or virtual officing in Hong Kong; secondly, it is from the author's observation that most employees understand the general notion of these off-site AWS quite well. The essence of them is just to make use of the network technology so that they can work anytime, anywhere, probably at home. Employees can easily foresee the working conditions and the perceived level of satisfaction or dissatisfaction about them.

3.1.2 Interviews with the Employees in the Real Estate Business Operations

3.1.2.1 Background and Objective of the Interview

To justify that the implementation of AWS is significant to the top market real estate companies, all the four characteristics deduced from the part of literature review for an organization that will most likely benefit from the AWS should be present. The characteristics are the proportion of out-of-office staff, a sizable operation, a computer network system and the willingness on the part of management and staff to use the AWS. Based on the case study of the flexible office arrangement

at SUN, it is observed that there are several areas that will probably dissatisfy the staff members. However, the extent of perceived level of dislike is in question. Therefore, interviews with the employees in the real estate business are conducted in order to investigate their perception on both types of AWS and the areas that are likely dissatisfy them the most.

Mass questionnaires have been considered to be a means of collecting the above data. However, since the topic of AWS is not familiar with most of the employees, there will be great difficulties in explaining these strategies in details through mass questionnaires. The responses received through this means will therefore not be very accurate and convincing because the knowledge of AWS possessed by individuals varies greatly. Thus, despite the drawback of substantial reduction in the number of responses, interview is used as a way to collect opinions of employees in real estate agencies. Furthermore, conducting interviews has the advantage that further elaboration on the interviewees' choices and opinions can be requested during the interview by the interviewer. This is very important in justifying their responses and attitudes towards the AWS especially for this kind of study where most questions are set to investigate the human concerns and psychological aspects.

3.1.2.2 Research Sample

Since the aim of the study focuses on the implementation of AWS in real estate companies, only employees from the real estate sector have been invited for this interview. Also, since one critical determinant of whether the on-site AWS will be beneficial to the organization is a significant portion of 'out-of-office' staff within

the company, only the staff who are most likely to be 'out-of-office' are being interviewed. It is observed by the author that a large portion of staff in the top market real estate companies belongs to the leasing or agency teams within the company and most of them will at least have half of the office hour within a week not being in the office. These teams include the office, residential, industrial and retail sales and leasing. Other departments within these organizations include strategic/professional consulting, valuation and advisory services, tenant representation, management services etc. As a result, 12 interviewees are selected from these departments in some top-market real estate companies in Hong Kong, namely, Chesterton Petty Ltd., Jones Lang LaSalle, Sun Hung Kai Properties Limited and Colliers International Pacific Ltd. The number of interviews is limited by the lack of time and also the response rate of the invitation for interview. However, this number should be sufficient to get a general understanding of the employees' perceptions on the AWS in the real estate sector.

3.1.2.3 Structure of the Interview Questions

The interviews are based on a questionnaire (*Appendix B*) after taking into account of some of the organizational practices in the Flexible Office at SUN. Before the start of interview, the purpose of interview and also the background of both on-site and off-site AWS are introduced. This is to ensure all interviewees will have about the same level of understanding about both types of the AWS and thus the possible misconceptions or misunderstanding of the subject matter can be reduced.

Question One (Q1) is a background question to test how much understanding the interviewee has on AWS before the interview. The level of understanding about these strategies of the interviewee may affect his or her perception about whether the strategies are applicable to their job nature.

Q2 asks the interviewee to rate his/her perceived level of dislike for some organization practices associated with some on-site AWS. These organizational practices are based on the findings in the case study at SUN and also some literature on the on-site AWS. In the previous chapters, it has been discussed that the new organizational practices that come with the on-site AWS may dissatisfy the user to a certain extent. The purpose of this question is to test the perceived extent of dislike, if any. However, since the interviewees in the real estate business are probably not practising the AWS at the moment, this question does not serve as a means to evaluate the effect of AWS on users' satisfaction. It is in fact a question to investigate the perception of the employees on the AWS and thus their level of willingness to take part in such strategies. The question is subdivided into (a) to (g) because it is in the view of the author that the extent of dislike or those organizational practices should be different. Since it is quite obvious that those organizational practices should not bring any satisfaction to the employees when compared with the traditional practice, the answers given are in a 5-point scale ranging from "no dislike" to "not acceptable" should be appropriate for the interviewee to rate. The implication of this question is that the willingness or level of acceptance can be projected through looking at the interviewees' responses towards the major possible changes in the AWS arrangement.

Q3 asks the interviewee to rank the perceived level of concern for different areas in the implementation of the AWS. These areas are again based on the case study at SUN. Most areas are obtained from the questionnaire survey for the employee to evaluate the current system at SUN but not all of them are included here because not all are applicable nor can be easily perceived by the potential users. These 10 areas chosen, (a) to (j), are in the author's view that the situation can be easily perceived and are the major changes associated with the on-site AWS. Guidance will also be provided during the interview. The purpose of this question is to find out the areas that are most concerned by the employees during the implementation of the on-site AWS. The implication is that facilities managers or the workplace teams within an organization should understand the major concerns from the employees and thus more thoughts should be put in those areas during the implementation of some forms of AWS in the future, when there is a need.

Q4 asks the interviewee to rate his/her willingness to participate in the on-site AWS if his/her organization implements them. The purpose of this question is to obtain an overall perception from the interviewee and the results may be justified with the results of Q2.

Q5 to Q7 are the questions on the off-site AWS. The format of questions on the perception of off-site AWS is different from that of the on-site AWS due to the reason that the benefits and drawbacks to the workers are much more debatable for off-site AWS such as tele-working and home-working than those in the on-site AWS, where the benefits are probably significant to the organization only but not the human aspects of the employees. Therefore, it is assumed that the on-site/on-on-premise

should bring no satisfaction to the employees and so only the level of dislike and the areas concerned about some organizational practices associated with the strategies are asked. For the off-site AWS, since the potential benefits and drawbacks to the interviewee are arguable, Q5 and Q6 are asked to verify these potential benefits and drawbacks to the interviewee. The purpose of Q7 is again to obtain an overall perception from the interviewee about the off-site AWS and the results may be justified with the results of Q5 and Q6.

3.1.2.4 Method of Analysis

The data obtained from all questions in the questionnaire, except for Q3, will be analyzed by simple statistical methods in the next section. However, for Q3, since the format of answer is in ranking and the expected number of interviewees is only 12, using the general statistical methods such as finding the means or modes for each of the areas may not be significant. Therefore, patterns of the ranking will be analyzed by general observation.

Besides, comments and opinions regarding the interviewees' answers will also be discussed in the next section.

3.2 Interviews with the Management Level Staff in the Real Estate Business

3.2.1 Interview Objective and Research Sample

Currently, all the top market real estate companies do not formally practise both the on-site and off-site AWS. The purpose of interviewing the management level staff in those companies is to investigate the reasons accounting for this situation from the organization's perspective. The targeted interviewees in this part are the managing directors or other management staff in the top-market real estate companies in Hong Kong. 6 top market real estate companies have been identified by the author, according to the organizations' operational size, number of employees and office location. However, only 4 replies from the managing directors or managers were received out of these 6 companies. Therefore, only 4 interviews⁹ are conducted in this part of the methodology.

3.2.2 Questions in Interviews

The interview questions in this part are different from the above in which questions are no longer based on the same questionnaire survey. The reason for that is, firstly, the aim of these interviews is to get the general perception of whether both types of AWS are applicable in the real estate companies from the organization's point of view. It is hoped that through interviewing these directors or managers, a

⁹ The 4 interviewees are: -

1. Mr. Raymond Kan, Director of Commercial Agency, Chesterton Petty Ltd.
2. Ms. Lucy Hammerbeck, Strategic Consulting, Corporate Solutions - Asia Pacific, Jones Lang LaSalle
3. Mr. Christopher Green, Director of Corporate Services, Colliers International Pacific Ltd.
4. Mr. John Falkiner, Managing Director, Global Corporate Services – Asia, CB Richard Ellis.

wider perspective about the AWS in the real estate companies rather than just the willingness on the part of staff can be obtained. Also, while the areas in the questionnaire for interviewing the employees focus on their daily organizational practices, the areas concerned by the management level staff should be more than that. One obvious example is that they have to consider how to manage their subordinates as well particularly in the off-site AWS. Therefore, separate questions are asked during the interviews.

Although all interviewees possess quite a good understanding about both the on-site and off-site AWS, the background of this study is still introduced before each interview to ensure that the interviewees understand these strategies in the context of this research. Then, general questions on their opinions about whether the on-site and the off-site AWS would be applicable and beneficial to their business are asked. Follow-up questions are asked accordingly to the answers given by individual interviewees. Furthermore, since the managers are actually part of the employees within the organization, their willingness to take part in both types of AWS from their own perspectives as an employee should also be taken into account. Therefore, their own perceptions on the on-site and off-site AWS have been asked during the interviews as well.

3.2.3 Method of Analysis

Since only 4 sets of answers will be obtained, the opinions collected will be analyzed by a qualitative approach rather than a quantitative approach. It is hoped that similarities among their opinions can be identified so that they can represent a general

view regarding the applicability of AWS in a real estate operation in Hong Kong from the organization's perspective. Differences or individual's opinions and comments which should receive attention in the author's view will also be discussed in the next chapter.

CHAPTER 4

FLEXIBLE OFFICE AT SUN MICROSYSTEMS

Three interviews were conducted in order to get a better understanding about how the on-site AWS actually works. Two of the interviewees were former employees in SUN. One of which was in charge of the implementation of the ‘flexible office’ office at the time of employment. The third interviewee is currently working in SUN and she is the Facility Manager in the Workplace Resources. The actual office environment at SUN was visited during the last interview to further understand some of their organizational practices. The findings are as follows:

4.1 The Concept of ‘Flexible Office’ at SUN

A flexible office environment is similar to the ‘hoteling system’ among the on-site AWS. It requires the employees to reserve a space themselves with software applications. Besides, there are enlarged formal and informal meeting areas to enhance teamwork, social communications etc. Therefore, the flexible office arrangement also consists of some form of ‘team environment’. As pointed out by one of the interviewees, “Flexible office is not a specific type of AWS. It can consist of several forms of AWS, according to the needs of the organization. That is why it is called a ‘flexible’ office.” SUN is aware that most of the staff in the Professional Service Team often needs to work in the clients’ offices to provide maintenance services and they account for 20 percent of the total headcounts. Also, since SUN is a multi-national company, some types of employees may need to travel a lot and at the same time staff from other countries may come to the Hong Kong office to work for a short period of time, say a week. The flexible office program at SUN aims at reducing

the overall cost of deploying corporate resources, while at the same time providing flexibility for growth in the business and increasing team interactions.

4.2 Workspace Arrangement in the Flexible Office at SUN

The flexible office consists of both assigned and unassigned seats and there is a large variety of workspace choices in supporting different types of work tasks, such as closed space for private work; multi-purpose rooms for meetings, teamwork, social communications, and customer event, etc. There are several criteria to decide who should be assigned a permanent desk and who are not, namely, the traveling time, the type of job, and whether the staff is a manager. For the traveling time criterion, employees who have approximately over 30 percent of time when he or she needs to travel will have an unassigned seat; secondly, if the employee is an administrator, then he or she will be assigned a permanent seat; lastly, if one is a people manager who has 11 or above direct subordinates reporting to him or her, he or she will be again assigned a permanent desk. These criteria are quite clear-cut and reasonable. Therefore, unfair situations in deciding where an employee should have an assigned or unassigned desk are less likely to happen. This may help to prevent a decrease in morale among the staff.

Based on the historical data of the space audit in the organization, SUN is now adopting a 1 to 1.5 desk-to-staff ratio.

4.3 Organizational Practices Associated with the Flexible Office

There are a number of changes in organizational practices that are associated with flexible office at SUN. These refer to the booking of workstations, personal and files storage, use of facilities and amenities, and discipline issues.

4.3.1 Reserve System

There is a special computer system for their employees to reserve for all types of spaces including private spaces, teamwork spaces, meeting rooms etc. and the system is called SUN Reserve. Each employee has a user identity and password to login this reserve system. The system shows a layout plan of the office and all the spaces available will be shown with one colour. Spaces that have been occupied will be shown in another colour. The use of this system was demonstrated during the site visit and it is in the view of the author that the system is quite user-friendly. However, since SUN is itself a network service provider, the setup and design of such a system require little costs and effort. In other non-IT companies, they may have to spend extra costs to purchase such a user-friendly system from some network services provider.

The employees can reserve the same space for a maximum of 5 days. However, they cannot reserve the same space for two consecutive period of time. This prevents some employees reserving the same space for a very long period of time as if they possess a permanent desk and also all employees will have the chance to sit in some 'better positions' such as workstations facing a good sea view. After

booking, they have to confirm the seating through the system again when they start to use the space. If a reserved space is not being confirmed within some time during the reserve period, say the first 15 minutes, this space will then be shown 'available' again in the reserve system and it will be open for other colleagues to book.

4.3.2 Personal and Files Storage

Since the employees no longer possess their own desks. They have no drawers to store their personal belongings and files. Therefore, all employees involve in the flexible office arrangement are assigned a standardized personal locker for the purpose mentioned above and they are free to personalize their own lockers with photos, posters etc. To facilitate the transporting of files around when they need to set up the desk in a new seat, the employees in a flexible office arrangement also possess an individual mobile pedestal (a trolley) so that they do not have to carry heavy files around every time when they change a new seat.

4.3.3 Use of Facilities and Amenities

The most important facility is the use of computers for most of the employees. Again, since they no longer possess their own desks, thus they also do not possess their personal desktop computers. At SUN, they make use of a smart card system. Every employee has his or her own smart card. They can easily logon any computers within the office as a result. However, in the author's point of view, this smart card may not be necessary for the flexible office arrangement or other on-site AWS since the same purpose can be achieved through a login identity and password system.

Although a smart card system may be more convenient for users, this certainly demands an extra cost for it.

For other facilities and amenities like printers, fax machines etc. there are several central locations where all the facilities are contained. They are connected with all desktop computers within the office.

4.3.4 Discipline Issues

The flexible office arrangement is not simply a strategy where staff members share their workspaces and it actually involves many discipline issues. The major issue is about the clearing of desk every time after use. Traditionally workers possess their own permanent desks where they can personalize with family photos, posters, calendars etc.; they can post many notices or notes on the bulletin board; they can place a stack of files on the desks; they can pack the drawers as full as they can be with personal belongings and files. However, under the flexible office arrangement, these practices will cause quite a lot inconveniences since they have to clear the desks for other users when they leave a seat. Sometimes, not all staff members are well-disciplined enough or they just not get used to clear the desk after use due to traditional culture does not require them to do so. Other colleagues may feel upset if they find a reserved space is still full of files and stationery. In order to ensure that the employees have a good discipline in clearing the desks and make the space always available for use, there is a 'dumping exercise' every two weeks at SUN. A specific team will patrol around the office and clear desks that have not been booked for that

period of time. All the files and personal belongings will be removed and the employees will have to claim back their things at the mailing department.

4.4 User Satisfaction about the Flexible Office

In this study, it is assumed that the main reason for the on-site AWS being not very much favoured from the employees' perspective is due to a number of drawbacks which may dissatisfy the employees to a certain extent. These potential problematic areas were suggested by the interviewees and also the survey results of employees' perception of the flexible office (*Appendix A*).

Firstly, the major problem is that the number of staff varies from seasons to seasons. Therefore, during the season when the number of staff increases significantly, the desk-to-staff ratio may not accommodate all the staff on site. The staff members will have to 'compete' for seats and this situation has led to some frustration among staff. One interviewee pointed out that there was one situation that staff members need to reserve at home at 12 a.m. in order to compete for seats. Employees who could not reserve a desk would have to wait or work from home. However, from the recent survey results, it is found that 100 percent of the respondents think that the availability of space is favourable and they agree that they can always have a place to work when they come to office. It was also observed during the site visit that there are quite a number of vacant seats available. One possible reason for this is that it may not be a peak season for the company at the moment.

Suggested by the interviewees, another possible area which may dissatisfy the staff in the flexible office comes from the removal of a permanent desk. Employees can no longer decorate their desk and the interviewees also agree that personalization of the workspace actually has a psychological effect on employees. In some cases, workers may even have a loss in their sense of belonging to the organization due to the absence of their own fixed desk. However, the interviewees also point out that the effects vary from person to person and it may depend on the job nature of their work.

The third problem encountered under the flexible office arrangement is about co-worker accessibility. 10 percent of the respondents in the survey think that this area is unfavorable to them and this means co-workers are not easily reachable when they need them. Since there is no designated area for staff within a specific team or department to sit, i.e. all employees from different departments who are involved in the flexible office strategy are free to reserve any available desk within the office, the implication is that one will not be sitting with a same colleague permanently. This may hinder the employees to develop a strong social relationship with other colleagues. However, this attitude again varies from person to person. Some may find this arrangement may help them to meet more people and therefore do not have much objection about this area.

Lastly, the possible area that leads to dissatisfaction comes from the discipline issue. From the survey results, it is found that about 20 percent of the respondents think that the etiquette in which people are considerate or demonstrate proper office etiquette is unfavorable. It is in fact easy to understand that finding a reserved space actually not ready for use will certainly lead to grievances since it will waste the

workers' time to re-reserve another workspace or wait for the staff in use of the desk to clear up. It may even lead to bad relationships among staff if the problem of discipline is serious for some employees.

CHAPTER 5 RESULTS AND DISCUSSION

5.1 Results and Discussion of Interviews with the Employees in the Real Estate Business Operations

There were 12 interviewees in total and they were all from real estate sector with job natures such as properties agents, brokers, consultants, valuers/appraisers, and the like. Individual answers to the questionnaire were tabulated in Appendix C.

5.1.1 Results and Discussion for Question One

Q1: How much understanding do you have on the Alternative Workplace Strategies (AWS)?

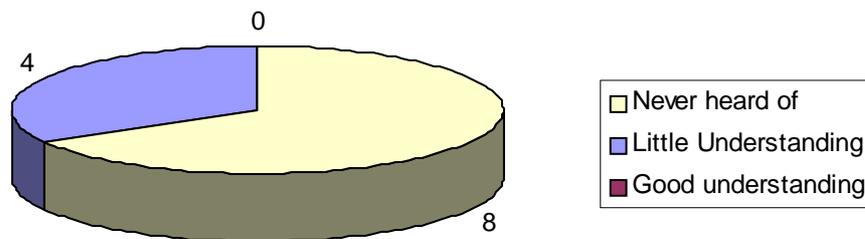


Figure 5.1 Employees' understanding on AWS

Out of the 12 interviewees, no one regarded himself/herself had a good understanding about the AWS that was being introduced before the start of this interview. Two-thirds of the interviewees had not heard of the terms in AWS before and one-third of them have little understanding about some of the AWS. Among the 4

interviewees who regarded themselves having little understanding, the most popular strategies were hot-desking and home-working in the on-site AWS and the off-site AWS respectively. However, they only understood the essence of the former as sharing the desks with other colleagues and of the latter that workers do not need to come to the office to work. They did not know the details of the organizational practices associated with those strategies.

The result of this question is not surprising because the trend of implementing AWS in Hong Kong is still at a formative stage, though should be emerging. Particularly that any forms of AWS have not yet formally used by the real estate sector. The employees within this industry have not heard of it or just have little understanding about it is normal.

5.1.2 Results and Discussions for Question Two (Q2)

Q2 consists of a list of organization practices associated with the on-site AWS and the interviewees were asked to rate the perceived level of dislike for them. These practices were clearly explained to the interviewees and they were asked to elaborate on some of their answers after rating. Their answers were rated in the range from 1 to 5, indicating their perceived level of dislike from ‘no dislike’, ‘little dislike’, ‘dislike’, ‘very dislike’ to ‘not acceptable’.

5.1.2.1 Results and Discussion for Q2 (a)

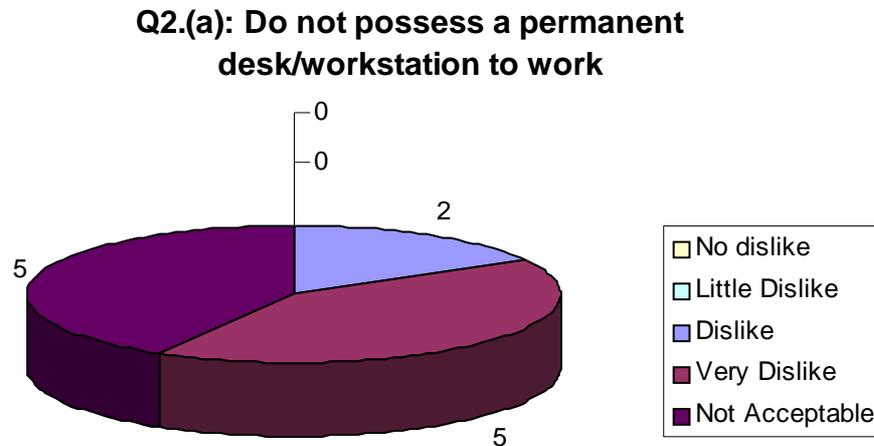


Figure 5.2 Possession of a permanent desk/workstation to work

The average rating given to this organizational practice is 4.25, indicating the perceived level of dislike in between ‘very dislike’ and ‘not acceptable’. This level of dislike is very high and there were several reasons pointed out by the interviewees. Most interviewees disliked to be removed of a permanent desk or felt it was ‘unacceptable’ because they thought that a desk within an office is a sense of identity and they perceived that their sense of belonging towards the organization would be reduced under such a practice. The second most common reason was the inconveniences caused. They claimed that there were much paper work and files that they frequently used and they needed a permanent desk and shelves to place them. It would be very convenient for them to store the personal files. Other reasons given were ‘not able to decorate the desk with pictures’ and simply ‘It’s a habit’.

Q2(a) should be a good indicator for the overall willingness to participate in the on-site AWS within the organization because the essence of the strategies is that employees will no longer possess their own desks. Therefore, it could be foreseen that the on-site AWS would probably received a significant resistance from the staff involved from the results of this question. For the reasons pointed out by the interviewees regarding 'identity' and 'sense of belonging' etc and the personalization of desks, it seems that the facilities managers or the workplace team could do nothing about it because this reason is related to the psychological meaning of a desk in the office to an employee. For the second common reason about the possible inconveniences caused, despite that the interviewees had been briefed that personal lockers and mobile pedestals would probably be provided for the purpose of storing and transporting personal files and belongings and so on, since they had not been actually using the lockers, mobile pedestals etc., the real level of dissatisfaction during the implementation may be less, provided that adequate associated facilities like personal lockers and mobile pedestals will be provided.

5.1.2.2 Results and Discussion for Q2 (b), (c) and (d)

Q2(b): Find a desk/workstation on a first-come-first-serve basis

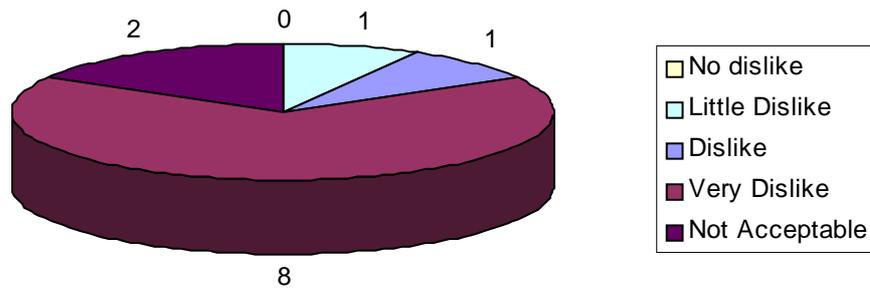


Figure 5.3 Finding a desk/workstation on a first-come-first-serve basis

Q2(c): Share a desk/workstation with one or a few fixed colleagues in office

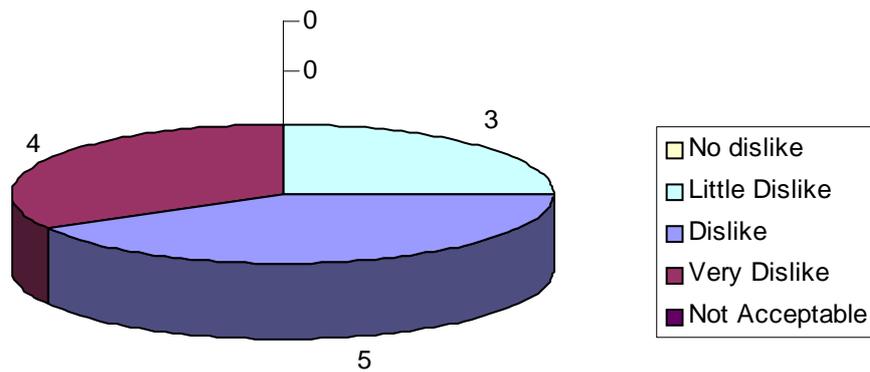


Figure 5.4 Sharing a desk/workstation with one or a few fixed colleagues in office

Q2(d): Reserve a seat in office through a computer system/telephone every few days

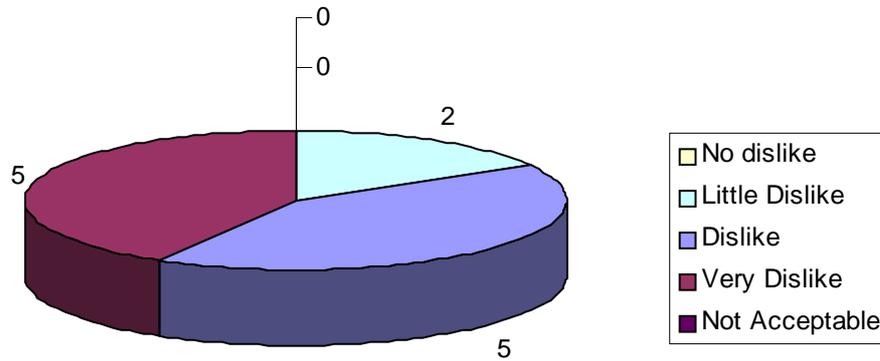


Figure 5.5 Reservation of a seat in office through a computer system/telephone every few days

Q2 (b), (c) and (d) investigate their perceived level of dislike on the different ways of sharing the desk or workstation among the colleagues. The average rating given to (b), (c) and (c) are 3.92, 3.08 and 3.25 respectively, all indicating a level in between ‘dislike’ and ‘very dislike’. Among the three ways of sharing the desk, Q2(b) refers to the ‘free address’ in the on-site AWS and was mostly disliked by the interviewees. 2 out of the total (12) regarded this as ‘unacceptable’ where this level of dislike did not appear in practices in Q2(c): share the desk with some fixed colleagues (shared space) and in Q2(d): reserve desk through computer or telephone every few days.

One possible reason for the above results is that employees are afraid of not able to find a seat when come to the office. Therefore if seats are shared in a first-come-first-serve basis, chaos and grievances may arise especially when the desk-to-staff ration is too tight or during some special occasions. Also, some employees may

want to compete for better positions like facing a sea view and more chaos may result in these situations. This problem may be less serious if the shared space strategy is adopted. For instance, if one colleague foresees that he/she will be meeting a client or inspecting the properties for the whole morning, the other colleague who shares the same desk with him/her can try to arrange his/her out-of-office work in the afternoon. For the sharing strategy in Q2(d), i.e. hoteling, chaos will also happen in the situations discussed above like there are too many staff members who need to perform his/her duties in the office where desks are not sufficient. However, the reserving method is more systematic and at least one can be certain that he/she will get a seat or not in those situations. He/she can arrange his/her tasks schedule to fit the desk availability. However, the results showed that the level of dislike of the hoteling strategy was still slightly with the shared space strategy. The possible reason was implied by some of the interviewees that they perceived the reserving process was 'troublesome' and 'a waste of time'. This problem may be dealt with by using a more user-friendly reserving system. However, whether any extra investments in these systems can be compensated by the reduced operational costs or other benefits to the organization such as flexibility for growth in a long run is another issue and it needs further data to verify.

Another interesting reason suggested by one of the interviewees for his dislike of the shared space strategy was the discipline problem. He concerned if his desk-sharing partner was not co-operative and not willing to compromise the use of desk with him, unsettling relationship with colleagues might result.

5.1.2.3 Results and Discussion for Q2 (e)

Q2(e): Set up the desk before work and clear the desk after work

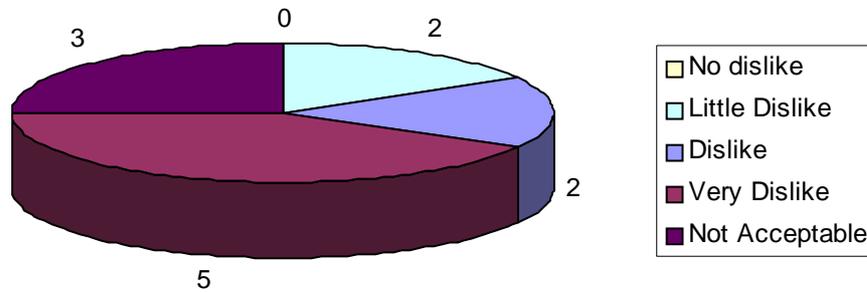


Figure 5.6 Setting up of desk before work and clearing the desk after work

The average rating of this practice is 3.75, indicating a level of dislike in between 'dislike' and closed to 'very dislike'. The general comments on this organizational practice were 'troublesome', 'inconvenient' and 'a waste of time'. However, the responses were quite extreme in which 3 out of the total (12) regarded the frequent setting up and clearing up the workstation as 'not acceptable' while 2 out of them just perceived a little dislike. This may depend on the working practices of different people. For workers who like to have all the stationery, files, documents and even drinks and snacks etc. at arm's length and personalize their desk with photos, posters may regard the setting up of desk in a new flexible seat and clearing all these belongings after work as a difficult task. However, some people may only need the related documents or files nearby and minimal decoration such as a few notices on the bulletin board. These people will probably perceive less dislike about this work practice and be more disciplined to clear the desk for others to use during the implementation when compared with the former type of person.

5.1.2.4 Results and Discussion for Q2 (f)

Q2(f): Login desktop computers in the flexible seat for personal files

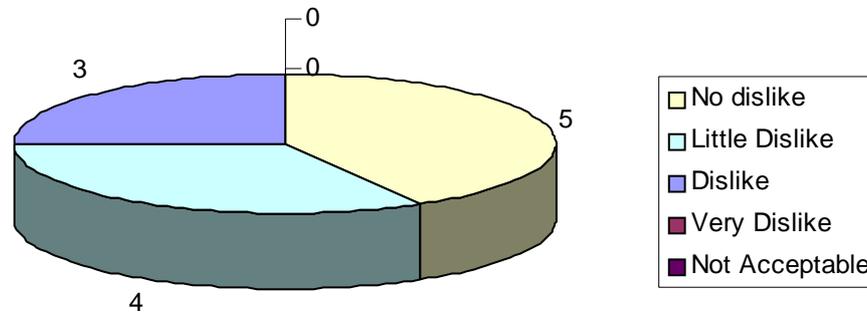


Figure 5.7 Login desktop computers in the flexible seat for personal files

This organizational practice associated with the on-site AWS received the least perceived level of dislike with an average rating of 1.83, indicating a level in between ‘no dislike’ and ‘little dislike’. Almost all interviewees regarded using user identity number and password to login public computers as a common practice and required little effort. Some even suggested that they sometimes did the same in personal computers at home for the sake of security and privacy. However, there were still one-fourth of the interviewees who perceived that they would dislike the logging-in practice because some of them were aware that they might be forget to log-out and thus their personal files and work might be loss or even copied by others. They claimed that they did not have such concern currently when they had a personal desktop computer in an assigned seat.

This result reveals that while most people should not be dissatisfied by such a practice, there are still some people who are ‘technology-bias’ meaning that they do

not have sufficient confidence in technology. However, this may also be a problem of habit. Furthermore, the perceived level of dislike should reduce further if a smart-card system to log-in computers is used. Again, whether extra investment in such a system could be compensated from the view of the organization is another issue and has to be further studied.

5.1.2.5 Results and Discussion for Q2 (g)

Q2(g): Need to locate other colleagues within my team/department through a computer system/ telephone due to the mobile seating in office

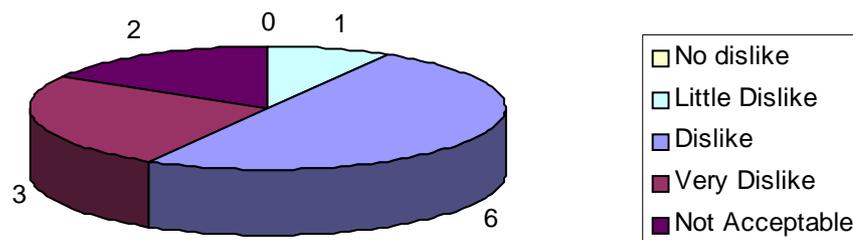


Figure 5.8 The need to locate other colleagues within my term/department through a computer system/telephone due to the mobile seating in office

The average rating for this practice is 3.50, indicating a perceived level of dislike in between ‘dislike’ and ‘very dislike’. This perceived level is also quite high where 2 out of the total (12) thought it was ‘unacceptable’. However, half of the interviewees perceived a level of ‘dislike’ and just 1 out of the total perceived ‘little dislike’. Some interviewees pointed out that the major reason for their choices behind was ‘inconvenience’. They thought that it would take them extra time and effort to use the computer or phone call to find a mobile colleague in the office. They also

concerned particularly if there was an urgent need, they would be even more dissatisfied.

This result is out of the author’s expectation. It is found that the reason behind is related to the job nature of most of the employees working in the interviewees’ departments of a real estate company where some interviewees pointed out that they often needed to find other colleagues to ask for clients’ and properties’ information etc. Also, it is suspected by the author that people may just simply dislike this indirect way to find a person and rather not doing so unless it is necessary.

5.1.2.6 Results and Discussion for Q2 (g)

Q2(h): Sit with different colleagues every day

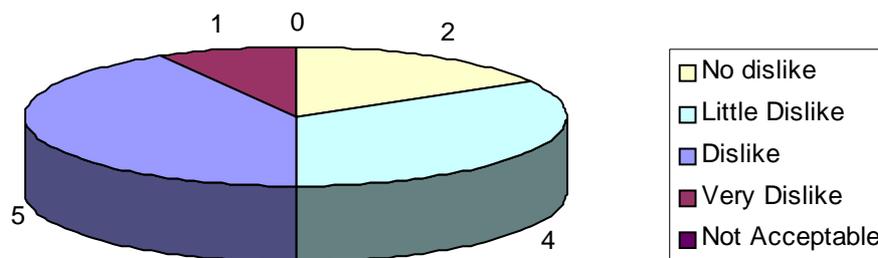


Figure 5.9 Sitting with different colleagues every day

The average rating of this organizational practice is 2.42, indicating a perceived level of dislike in between ‘little dislike’ and ‘dislike. The results shows that half of the interviewees perceived that they had ‘no dislike’ or just had a ‘little

dislike’ for sitting with different colleagues every day while the other half perceived a ‘dislike’ and ‘very dislike’. This result was expected because there are actually both drawbacks and benefits of sitting with different colleagues. Firstly, the possible drawback is that the employees within the same department may not be able to maintain a strong group cohesion and affiliation. Also, sitting with a colleague from a different department or team may lead to distractions. Some of the interviewees who perceived a level of ‘dislike’ claimed that interaction within the same team or department colleagues was very important and it would be difficult for them to interact with them under this arrangement. However, they might be not well-understand that actually one benefit of this flexible seating is that workers may choose to sit with the team of people they need to interact, provided that there is a more systemic way to reserve the workspaces like hoteling. Besides, one may know more different people within the organization under this flexible seating rather than the few people who sit near around an employee in the traditional fixed sitting. These are the possible reasons for some interviewees not being too conservative about this practice.

5.1.3 Results and Discussions for Question Three (Q3)

The purpose of this question is to find out the areas that are most concerned by the employees in the implementation of the on-site AWS. The rankings of these areas by the interviewees are tabulated in Appendix C. However, the last 5 rankings perceived by the interviewees have been discarded due to two reasons. First, the last 5 rankings perceived by the interviewees indicated those areas that were less concerned by the interviewees and thus will not be very significant in view of the purpose of this

question; Second, it is in the author's view that the accuracy of the results of the last 5 rankings started to decrease due to people generally cannot perceive a big difference among 10 areas as listed. After discarding these results, several patterns are observed and they are discussed below.

- *Most concerned area perceived by the employees: Space availability*

All interviewees perceived the space availability as the 3 most important areas in the implementation of the on-site AWS in which 9 out of the total (12) ranked this area as the most concerned area. The space available here means the employees can always find a place to work when they come to the office. The notion of the on-site AWS is that the desk-to-staff ratio is no longer one-to-one. Although this ratio should be carefully estimated before the implementation of any forms of the desk-sharing strategies, there is still a risk that the office will be 'over-crowded'. Therefore, this concern by the employees can be easily understood.

- *Second most concerned area perceived by the employees: Accessibility of files/paper work:*

This area means that the employees can access the files and paper work in the company at arm's length. 10 out of the total interviewees ranked this area as the 5 most concerned areas, in which 7 of them ranked it as the 3 most concerned areas.

Traditionally, each employee possesses his/her own desk which usually comes with shelves and drawers. They can place their stacks of files and paper work on the

desk, the shelves or the drawers. With the desk-sharing arrangement under the on-site AWS, interviewees were concerned that they would not be able to carry stacks of files around the office. They perceived that they would need to walk around frequently to fetch the files and documents they needed since they could not place and store them in the seat for a long period of time.

- *Other areas concerned by the employees: Group Proximity and Finding People*

Again, 10 out of the total (12) concerned about the group proximity in which staff could sit near the people with whom they needed to interact. Although only 5 of them ranked them within the 3 most important areas, 2 of them perceived the highest level of concern over this area. They pointed out that they considered this area as the most important because as brokers working in the sales and leasing departments, they always need to interact with other team members to get information of clients, transaction records, location and floor plans etc. Some of them also explained that the culture of their company encouraged team-work very much. They seldom do a project individually. Therefore, they found sitting with the people in the same team particularly important.

Similarly, 6 of the total (12) interviewees expressed concern over the area of finding people which means one can locate others within the office when he/she needs them. However, some interviewees pointed out that they needed to find their colleagues not only for work, but also for informal communications such as meeting for lunch and so on. They were concerned that it might take them extra time and

effort to locate others within the company under the flexible seating in the on-site AWS.

- *Other areas concerned by the employees: Effective Group Space*

The effective space here refers to meeting rooms, project rooms, group work areas and so on that are available and effective for collaboration among the employees. Half of the interviewees (6 out of 12) ranked this area as the most important 5 areas in which 4 of them ranked it as the top 3 concerns. Some interviewees mentioned that their job nature required them to have meetings with other colleagues and do presentations quite often. For instance, they need to discuss the sales and leasing strategies and exchange the latest information on clients and properties. Therefore, an effective group space is necessary and will help enhancing their productivity.

- *Other areas concerned by the employees: Workgroup Cohesion*

Among all the areas that were most concerned by the interviewees, the workgroup cohesion is more related to the satisfaction or human aspects of the employees rather than the workplace productivity. It refers to maintaining strong group cohesion and affiliation with the colleagues within the same team or department in the company. 7 out of 12 interviewees perceived this as the 5 most concerned areas in the implementation of the on-site AWS, though it was mostly ranked 4 to 5 which seems that this area of workgroup cohesion was perceived as less important when compared with the above areas.

Most interviewees pointed out that workgroup cohesion gave them a sense of belonging and had a strong relationship with their job satisfaction. They were concerned that under most forms of the on-site AWS, the workgroup cohesion within their teams would greatly decrease due to the flexible seating arrangement.

5.1.4 Results and Discussions for Question Four (Q4)

Q4. Please rate your willingness to participate in the on-site AWS if your organization implements them

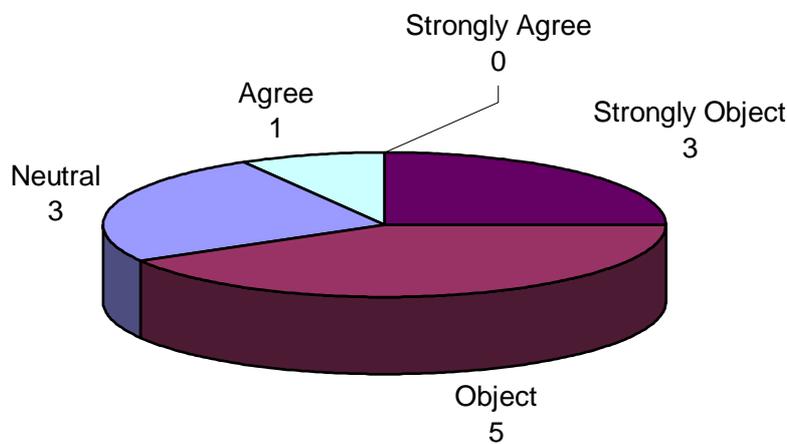


Figure 5.10 Willingness to participate in the on-site AWS if the organization implements them

Out of the 12 interviewees in total, two-thirds of them either chose ‘strongly object’ (3) or ‘object’ (5) to participate in the on-site AWS; 3 of them was ‘neutral’ while only 1 of them chose ‘agree’. This result shows that the employees in the real estate sector generally are not willing to support these strategies. The reasons behind can be justified from the results in Q2. However, about half of the interviews also expressed that they were unwilling to support because they found no direct benefits to them about the implementation of such strategies.

For the one who would agree to participate in the on-site AWS explained that it was due to the fact that he really had a considerable time out of the office, particularly that he had quite a substantial of time working in another branch of his company. Therefore, he would be happy to be involved in such strategies if there were benefits to the organization.

5.1.5 Results and Discussion of Q5, Q6 and Q7

Q5, Q6 and Q7 are related to the perception of some off-site AWS by the employees. Interviewees were asked to perceive any benefits or drawbacks in the off-site AWS with regards to their job nature. Lastly, the interviewees were asked to rate their overall willingness to involve in the off-site AWS.

Q5. What are the perceived benefits of some off-site AWS to you? (Can choose more than one)

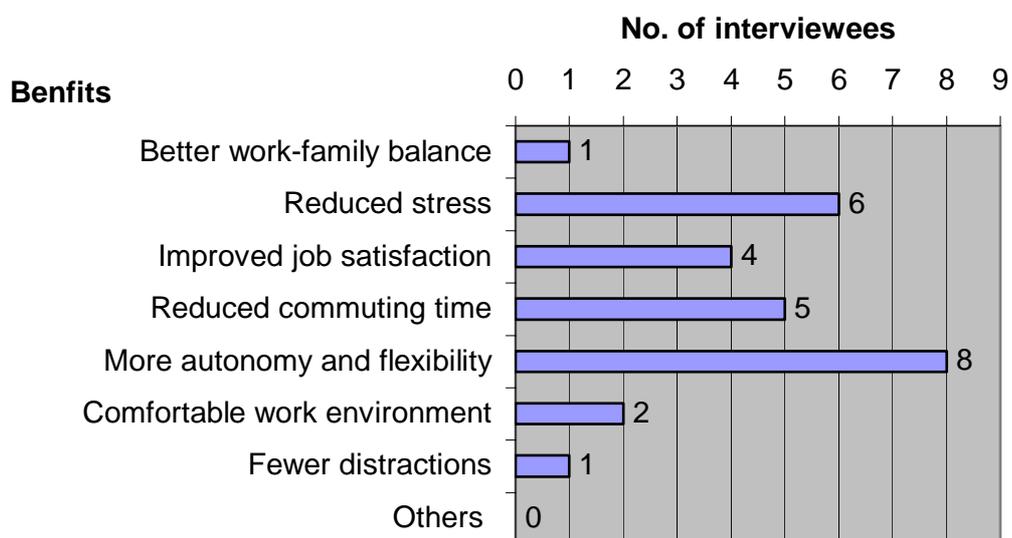


Figure 5.11 Perceived benefits of some off-site AWS to employees

For the off-site AWS, two-thirds of the interviewees (8) perceived their benefits as ‘more autonomy and flexibility’. Besides, half of the interviewees (6) believed their benefits as ‘reduced stress’. Other mostly perceived benefits were ‘reduced commuting time’ and ‘improved job satisfaction’.

Q6. What are the perceived drawbacks of some off-site AWS to you? (Can choose more than one)

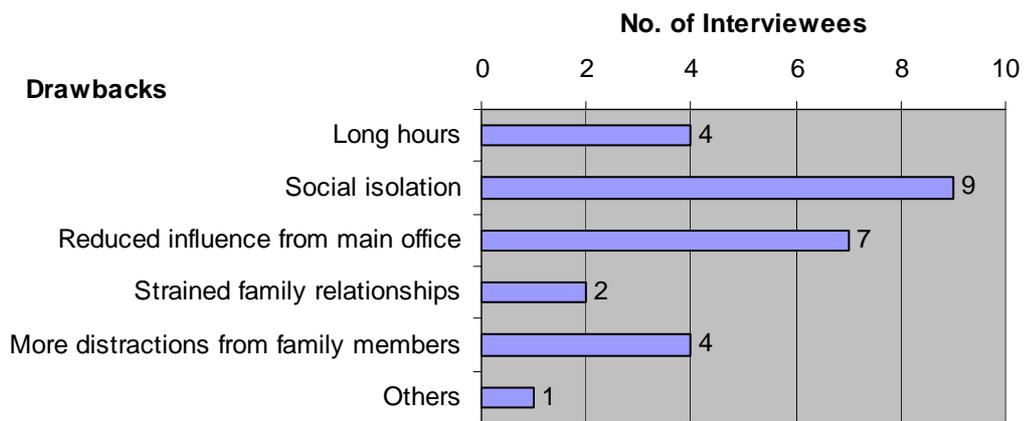


Figure 5.12 Perceived drawbacks of some off-site AWS to employees

For the drawbacks of the off-site AWS, 9 out of 12 interviewees perceived ‘social isolation’. 7 of them perceived ‘reduced influence from the main office’ in which they could no longer ask questions or make use of data stored in the company. Furthermore, both ‘long hours’ and ‘more distractions form family members’ were perceived as a potential drawback of the off-site AWS by one-third (4) of the interviewees.

Over half of the interviewees pointed out that the formal and informal interactions with colleagues in the office actually contributed quite substantially to their job satisfaction. Therefore, most of them were concerned that they would be

isolated from their colleagues when they worked at home or places other than the main office. On the other hand, as discussed in the section about the on-site AWS, employees in the real estate industry need to interact with their colleagues and work in a team. For instance, in the residential agency division, the staff will be divided into the Hong Kong Island team and the Kowloon team. The colleagues in the same team are responsible for all the selling and leasing of the properties in their particular area. They have to exchange information on the properties and clients, and discuss the leasing strategies very often as a team. Therefore, they were aware that they might not be able to ask questions and communicate with others as frequent as in a traditional office.

Q7. Please rate your willingness to participate in the off-site AWS if your organization implements them

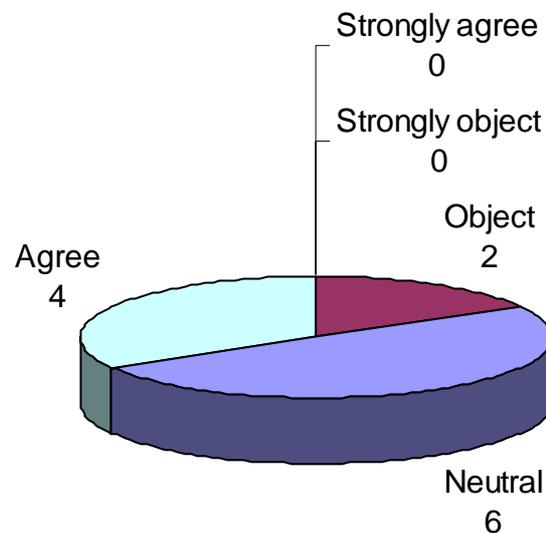


Figure 5.13 Willingness to participate in the off-site AWS if the organization implements them

For the results of Q7, half of the interviewees were 'neutral' to participate in the off-site AWS. For the other half, the interviewees who were willing to involve in these strategies were slightly more than the ones who were not willing. 4 of them indicated 'agree' to Q7 while only 2 indicated 'disagree'.

5.1.6 Implications of the Interview Results with the Employees in the Real Estate Business Operations

5.1.6.1 Implications on the On-site AWS

At the moment, the employees in the real estate business operations are generally unwilling to take part in some on-site AWS. The major resistance comes from the removal of a permanent desk from the employees. The desk has both psychological and physical significance for them to carry out the daily work tasks. Besides, whether they can easily find a place to work under the desk-sharing arrangement tops the list of their level of concern.

The result has indicated the importance of providing some associated facilities to the staff involved in the on-site AWS. It is in fact indisputable that possessing a fixed workstation for every staff members within an office is better for them to share a pool of desks with regards to their work productivity and efficiency. However, these physical problems of a desk such as the storage of files and documents and clearing up desks after use can be solved by providing associated facilities like personal lockers and pedestals and better training and education. The provision of such facilities like a large-enough personal lockers and pedestals are necessary not only for

the staff to work efficiently but also make the employees less dissatisfied in a way that they can still personalize their lockers instead of a desk. With the adequate provision of these facilities, the physical problems associated with the removal of a desk should not become the source of unwillingness on the part of the employees or the barrier in the implementation of the on-site AWS in the organization. However, it seems that the psychological feeling about the possession of a desk such as the sense of belonging and identity cannot be altered within a short time. In the list of concerned areas, 'finding people' within the organization was also ranked at the top positions. Therefore, facilities like a 'follow-me' phone number that enable calls to be taken from any fixed line or mobile phone are necessary in the desk-sharing strategies.

Results of the interview also show that the area that is most concerned by the employees is the space available, i.e. whether they can find a place to work when they come to the office. This implies that the facilities manager or workplace team must be very cautious in deciding the desk-to-staff ration during the planning stage of the on-site AWS. Otherwise, serious decrease in the staff satisfaction and morale and also the productivity of the employees are expected.

It is found that the form of on-site AWS used may also affect the level of the willingness of the staff to participate in it. The interviewees dislike finding a workstation on a first-come-first-serve basis to a greater extent than sharing a desk with a fixed colleague or reserving a seat through a computer. The implication is that on-site AWS in the form of 'free-address' should be avoided, or at least not to be the only form to be practised within the organization; while 'hoteling' or 'shared space' can be utilized by the organization to save space. On the other hand, since employees

in the real estate sector frequently need to interact with their team members to exchange information and they recognize the importance of group proximity, locating others within the office and the workgroup cohesion very much, 'group address' may also be a choice among all the on-site AWS.

While it can be affirmed that the on-site AWS will lead to certain dissatisfaction to the employees, knowing the source of the possible dissatisfaction and the areas that are most concerned by the employees becomes particularly important for the facilities managers or workplace teams before the implementation of the on-site AWS so that they can put more thoughts into the above areas in satisfying the staff involved. Furthermore, results of the interviews also show that most employee in the real estate business operations have not even heard of any forms of the AWS or just have very little understanding about these new ways of working. It can be easily deduced that they will not understand the benefits of them to the company and also the actual impacts on their productivity and satisfaction. This in fact may account for the high level of unwillingness perceived by the employees. Besides, quite a number of interviewees expressed that they were unwilling to participate because they found no benefits to them in the implementation of these on-site AWS. This may imply the organization can provide some indirect benefits to the employees such as using the reduced space to provide some relaxing social areas like a mini café in order to improve their satisfaction in other ways. Furthermore, since the interviewees also perceived a certain level of concern over the possible decrease in chances to develop close relationships with other colleagues and workgroup cohesion, the provision of some informal social areas may also help solving this potential problem.

5.1.6.2 Implications on the Off-site AWS

The perceived level of willingness by the employees to be involved in some off-site AWS such as tele-working and home-working are much more neutral when compared with the on-site AWS. Most interviewees perceived the benefits of these off-site AWS as gain in ‘autonomy and flexibility’ and ‘reduced stress’. The implication is that the top-market real estate companies may utilize some forms of the off-site AWS when they see the needs. However, high degree of computer technology such as teleconferencing and company network system being able to be accessed anytime and anywhere is a necessary requirement to enable these off-site AWS. It was therefore assumed during the interviews with the employees in the real estate sector that all these technologies exist in order to investigate their perception on these strategies. In the contrary, the technological status in the real practice in even the top-market real estate companies at the moment has not met the requirements yet. Therefore, the implication of this part of the results is only on the willingness of the staff to take part in the off-site AWS where staff members in the real estate sector are generally neutral towards these strategies. It does not imply that these off-site AWS are applicable to the top-market real estate business operations as a whole at this moment.

The results, yet, show that most of the interviewees were ‘neutral’ towards the off-site AWS. The reason behind is that the interviewees also perceived some potential drawbacks in these strategies. The mostly concerned drawbacks were ‘social isolation’ and ‘reduced main influence from the main office’. This result implies that it may not be very suitable to send the employees to work ‘off-site’ all the time

because they still have the need to interact with their colleagues, regarding both their job nature and their own satisfaction. The off-site AWS such as home-working or tele-working may be practised informally within the organization as an alternative way of working to supplement the on-site AWS. This means that the staff normally will not work at home or somewhere else unless certain situations, say, one can foresee that many colleagues will work in the office on a particular day and there may not be enough workstations to accommodate all the staff.

5.2 Results and Discussion of Interviews with the Managing Level Staff in the Real Estate Business Operations

The managing directors and managers being interviewed gave their opinions and comments on the on-site and off-site AWS from both the organizations' and their own perspectives. These perceptions will be discussed separately in this section.

5.2.1 Perception of the On-site AWS from the Organization's Perspective

All of the interviewees carried the same opinion that any forms of the on-site AWS would not be applicable to any divisions such as the agency division in a real estate business operation at the moment. Only similar views and reasoning from the 4 interviewees were found and they will be discussed in following part.

- *Real estate industry is a conservative industry*

3 of the interviewees actually mentioned several times about the words like 'conservative', 'tradition' and 'culture'. They recognized that it had been a tradition for the top-market real estate companies to provide a nice environment for their employees to work, and especially the new graduates or staff members who came to their company would expect a comfortable and private place to work. The interviewees actually admitted that their industry was quite conservative when compared with other businesses and they would not have a great intention to make changes unless there was really a need to do so.

- *Satisfied with the current office space*

Although most of them agreed that implementing some on-site AWS such as hot-desking should result in certain cost benefits to the organization, they pointed out that their organizations currently did not have a need to lease a smaller office space or relocate. Furthermore, they thought that the current layout of their offices might not be applicable for the implementation of the on-site AWS. They preferred not to make any changes while they were satisfied with the current office space at the moment.

- *Operation not sizable enough*

Some of the interviewees mentioned that their business operations, though were already among the top in the real estate market, were not sizable enough when compared with the accountancy firms in terms of the number of employees within the organization. Therefore, the benefit of utilizing the on-site AWS like the hot-desking strategies might not be as beneficial and applicable as the accountancy firms.

5.2.2 Perception of the On-site AWS from the Manager's Perspective

- *Time clash among employees*

Although all the managers agreed that most staff in the agency divisions generally had over half of the office hours out of the office to meet clients and so on, they were very concerned about the times when most of the staff was in the office. They thought that a desk was necessary for all kinds of staff to work including agents

and brokers. Therefore, they preferred to leave some of the desks vacant for some time or even retaining some spare space, rather than situations where the number of desks was insufficient to accommodate all the staff in the office.

- *Inconvenient for staff due to much paper work with regards to their job nature*

The managers pointed out that there was quite a lot of paper work such as letters, proposals, reports, office places etc. in their daily work. Therefore they perceived that a desk was necessary for all staff to place and store the paper work. Even though they understood that employees might make use of personal lockers or pedestals for this purpose, they were concerned the work efficiency of the employees might decrease.

- *Resistance from Employees*

The interviewees could generally understand the psychological aspects of their employees about the removal of a permanent desk. They were also concerned the sense of belonging of the staff would decrease and thus they would be less committed to the company. This should be a situation which all managers do not want to see.

5.2.3 Perception of the Off-site AWS from the Organization's and Managers' Perspectives

Again, all of the interviewees carried the same general view that the off-site AWS were not very applicable for the real estate business operation at the moment. More than that, 3 out of 4 of the managers thought that the off-site AWS were generally not applicable to the Hong Kong environment. Similar views among the interviewees are discussed below.

- *Not beneficial to the employees due to the small home environment of most employees*

They pointed out that the home environment of most people in Hong Kong were small, unlike those in the Europe or America. This crowded living environment thus makes some perceived benefits of the home-working or tele-working such as a more comfortable work environment and fewer distractions actually become their drawbacks, where workers may find more distractions from their family members and a less comfortable place for them to work.

- *Security of company's confidential documents*

Interviewees were concerned about area from both the organization's and the manager's perspectives. They pointed out that there were lots of documents or data which are related to client's information, for example, are confidential. They would

worry about the confidential information being insecure if employees could access all company information anytime and anywhere under some off-site AWS.

5.2.4 Summary and Implications of the Interview Results with the Management Level Staff in the Real Estate Business

After the interview, it is found that the managing directors and the managers in the top-market real estate companies generally perceive that both on-site and off-site AWS are not very applicable to their industry at the moment, from both the organization's point of view and their own view. For the on-site AWS, the major reason for their perception is due to the conservative nature of the top-market real estate organizations and they do not realize the need for change. They are satisfied with the current space within the office and therefore fail to respond to some new ways of working. As a manager, they also perceive the resistance from the employees due to the removal of a desk and inconveniences in carrying out their work tasks.

For the off-site AWS, their perception is that these strategies are not going to benefit both the employees and the organization. For the employees, the general home environments of them are too crowded for them to work efficiently. This accounts for the rare use of the off-site AWS in most organizations in Hong Kong. On the other hand, another concern about these strategies from the organization's perspective is the security of some confidential documents. Particularly in the agency departments, there are much data regarding the information of the clients and properties for sale/lease which are confidential. This result is different from author's anticipation where a loss of control over the remote staff should be the manager's top concern.

5.2.4.1 Implications on the On-site AWS

The major reason that the top-market real estate companies in Hong Kong have not yet considered the implementation of some forms of on-site AWS is that they regard the size of their business operations not big enough to gain a significant saving in costs. This may only be true for the time being where the office rentals for the Grade 'A' offices in the core districts in Hong Kong have dropped significantly from about \$50/ft² in the 1997 level to about \$20/ft² in 2004. Property is always an expensive resource which needs to be managed effectively. Say for instance, suppose the operation requires 20,000 ft² of office space and that 40%¹⁰ of the staff members can use the on-site AWS. Assuming equal office desk requirements for all staff and a ratio of 1.50 (staff to desk, i.e. 3 employees to share 2 desks) just for the 40% portion of staff involved in the strategy, over 2,500 ft² (20,000 ft² x 40% x 1/3) of floor space could be reduced. If the average rental cost is \$20/ ft² per month, this would translate into \$50,000 per month or \$0.6M per year. This amount may not be very significant to their business when compared with other expenditure like salary or their profits. However, if the rental cost is \$50/ ft² per month, the amount that can be saved would become \$125,000 per month or 1.5M per year. Moreover, this amount does not include the extra interior decoration and fitting out for the reduced space.

Despite the possible saving in costs, it can be understood that a reputable organization in the real estate market may not consider leasing a smaller office all in a sudden, unless there is an urgent need. Also, the office layout may need to make some

¹⁰ 40% is a rough estimation of the number of staff members who are suitable to involve in some on-site AWS in the real estate companies based on the number of agency divisions and the like within the company.

changes to utilize the on-site AWS such as creating more open-place hot-desking area. Although these may not necessarily be substantial changes, again, the organization may need to realize there is a business need and chance for change such as relocation. The ‘satisfied with the current situation’ and ‘resistance to change’ by the organization may therefore be actually supported by some practical considerations. However, the needs of the business are always changing. One of the benefits for implementing some AWS within an organization is the increase in the flexibility for the rigid physical real estate asset to cope with future changes of the business. Although the managers in the top-market real estate companies are satisfied with the current office layout and the traditional work practices, there may be growth in business in the future and thus a larger demand for space. Therefore, even the on-site AWS seems not very beneficial to the industry from the organization’s perspective at this moment, these strategies should be considered to see if they can bring any benefits to the organization. If they are really applicable to some kinds of staff within the organization, one possible benefit is that the company does not need to relocate to a larger office upon growth in business.

On the other hand, the conservative nature of the industry is a fact rather than a reason account for the inapplicability of the AWS to the real estate sector. However, this point should not be ignored because it does not only mean that the organization is conservative and thus does not respond to changes quickly, but also the staff within the organization. Regarding the tradition, or culture, in the office environment or workplace practices, changes cannot just happen overnight. This conservative nature may imply that the real estate companies may need to see more examples in the future, where other businesses with similar characteristics with regards to the nature of job of

the staff and operation size start practising these strategies can gain significant benefits from utilizing such strategies, before they will start to adopt some forms of them.

From the manager's perspective, the first problem concerning the time clash among the employees' working schedule may be solved by a adopting a desk to staff ratio that is not too tight. However, if the ratio is too low, the space that can be saved will become insignificant. An appropriate ratio can only be determined by a careful space audit within the organization before. Another important implication is that whether there is a really significant portion of staff working out of the office in the real estate sector is in doubt. This is one of the basic characteristics that we have previously discussed in Chapter 2 for an organization to benefit from the on-site AWS. However, since no formal space audit has been done in the companies of the interviewees, even the time clash situation expected by the managers really exists, there is no information on the level of extent of the clash such as how frequent the situation happens and the number of staff involve. Therefore, whether the level is acceptable, which means several solutions like supplementary by the off-site AWS can be used to ease the situation, cannot be concluded.

Another problem perceived identified by the managers about the on-site AWS was the large amount of paper work required by the employees. It is indisputable that the work efficiency of the employees will affected if there is really large amount of paper work and a fixed desk is removed from them. However, with the advancement in computer technology, many businesses have already computerized their company documents and the trend of 'paperless office' is dictated. Although at this moment the

real estate companies may still require large amount of paper work, it can be foreseen that more an more documents such as letter, proposals, reports and office plans will be mostly computerized and thus this problem of affecting the work efficiency of the employees should not be so significant in the future.

5.2.4.1 Implications on the Off-site AWS

The concerns about the inapplicability of utilizing the off-site AWS in the real estate industry by the managers are not without justifications. Therefore, these off-site strategies may not be suitable to be formally practised in these companies as a means to save space or improve worker's productivity and satisfaction in the moment. However, as discussed before, these strategies may also be practised informally during ad hoc situations. In this case, it will not be necessary for the whole system of the company's computer network to be accessed elsewhere by the employees because employees will normally stay in the office to work and thus, the confidential information and data can be retained to be accessed within the organization only.

CHAPTER 6 CONCLUSION

6.1 Conclusion

Although it has been identified by the author that there are certain characteristics with top-market real estate business operations in Hong Kong which should support the view that the implementation of some Alternative Workplace Strategies (AWS) within these organizations is beneficial to them, these organizations have not yet planned to adopt any of these strategies. The aim of this study is to find out whether the on-site and off-site AWS are applicable to the top-market real estate business operations in Hong Kong from the employees', managers' and organization's perspectives. After interviewing the employees, managers and managing directors of some top-market real estate companies in Hong Kong, it was found that all the three parties perceive that the on-site AWS are not very applicable to the industry; while for the off-site AWS, the organization or managers disagree with the utilization of these strategies much more strongly than the employees.

For the on-site AWS which are mainly referring to the 'hot-desking' strategies in the context of this research, interview results show that most of the employees have very little understanding about those strategies and they are unwilling to take part if their organizations are implementing them in the future. The organizational practices associated with those strategies that will probably dissatisfy the employees the most include: the removal of a permanent desk from the employees to work, to find a desk on a first-come-first-serve basis, and to set up the desk before work and clear the desk after work. Furthermore, the areas in which the employees perceived the greatest

level of concern are whether workspace will be always available, the accessibility of files or paper work, and the group proximity. From the manager's perspective, the top concern is the time clash among employees' working schedules and this view is actually the same as the view of the employees in which they were concerned if there would space always available for them to work. Other concerns of the managers were the inconveniences caused by the large amount of paper work and the resistance from staff. Again, their concern about the large amount of paper work is similar to the employees' concern over the accessibility of files and paper work. From the organization's point of view, these on-site AWS are not very much applicable to their the real estate business operations at the moment because there is no need for them to save any space in their current situations where some spare space can still be found occasionally. Also, some of them actually cannot perceive the cost benefits to their organizations in which they think that their operation size is not big enough to gain significant cost benefits.

For the off-site AWS which mainly refer to the tele-working or home-working strategies in this study, the perspectives between the employees and the organization or managers are different. Interview results find that the employees are more neutral to support these strategies as they could perceive their benefit as 'increased flexibility and autonomy'. However, they could also perceive some drawbacks about these strategies, namely, the 'social isolation' and 'reduced influence from main office'. The views of the managers and the organization about the off-site AWS were similar. They think that those strategies are not very applicable to their industry, firstly because of the crowded home environments of most people which are not going to benefit their employees in working from home. This is a situation which is different

from the western countries. Another problem that is very much concerned under the off-site AWS from the organization's perspective is about the security of the confidential data and information of the company. There is a large amount of such data such as the transactions data and information of clients and properties for sales/lease in their agency divisions in particular.

6.2 Implications and Recommendations

To justify whether the on-site AWS are applicable to the top-market real estate business operations in Hong Kong, four characteristics have been identified to be present with those organizations. They are a sizable operation, significant portion of staff members involved out-of-office work, a computer network system, and a willingness on the part of management and staff to use the strategies. From the organization's perspective of those real estate companies, it is found that two of the above characteristics appear to support that the on-site AWS may not be applicable to the industry at the moment. The first one concerns the whether these top-market real estate business operations are sizable enough. Although the managers think that the amount that can be saved with respect to the current operational size may not be very significant at the moment, these strategies may actually be applicable to support future business growth. Therefore, it may be true that the on-site AWS are not applicable to the real estate operations for the time being with respect to the operational size and current business needs. However, they can still be beneficial and applicable to these operations in the long run when there is a growth in operational size or a change in business needs.

The results of this study also point to the view that the management and staff are currently unwilling to take part in the on-site AWS. However, the unwillingness is in fact 'expected'. In this study, the organizational practices associated with the on-site AWS that will contribute to the greatest level of dislike among the potential employees to involve in these strategies and also areas that are most concerned by them have been identified. The implication is that the facilities managers or workplace teams can put more thoughts into the above areas before the implementation of the on-site AWS in satisfying the staff involved.

Lastly, the conservative nature of the real estate industry may lead to the real estate companies not being able to respond to these new ways of working quickly and to understand the benefits of these AWS to their organizations. This may imply that the real estate operations may have to see more examples about the implementation of these AWS in other businesses before they will really consider utilizing some of them in their own organizations.

By looking at the areas identified, the following recommendations are deduced for the implementation of the on-site AWS within the real estate operations in the future. Firstly, special attention should be paid to the determination of the desk to staff ratio because both the employees and the managers are very concerned on the space available within the organization under these new arrangements. Secondly, the 'free address' strategies should be avoided to be the only strategies being practised within the organization because results show that more interviewees perceive more dislike in finding a desk in a first-come-first-serve basis than reserving a desk through computer or sharing the with a fixed colleague. Furthermore, facilities such as

personal lockers, pedestals and ‘follow-me’ phone numbers are necessary for staff to work efficiently under the on-site AWS strategies and to improve their willingness or satisfaction so that they can still have somewhere to personalize. Lastly, training and education about the indirect benefits to the staff members should be provided before the implementation of such strategies.

For the off-site AWS, results in this study show that they are not very applicable to be top-market real estate operations at the moment. This implies that they should not be implemented formally within the organization for the time being. However, it is in the author’s view that these off-site AWS can be used as an ad hoc basis to supplement the implementation of the on-site AWS.

6.3 Limitation of the Study

There are three major limitations of this study. Firstly, the methodology used in this study may only be a good indicator of the perception about the AWS from the human perspectives. However, the opinions obtained from the interviews with the managing directors or managers may not give strong evidence on whether the AWS are applicable to their top-market real estate companies from the organizational perspective. This is because no concrete data have been obtained regarding the operational size, portion of out-of-office staff and the technology status in these companies.

Secondly, the number of interviewees may also be insufficient to represent the perception of the employees and managers in the agencies or similar divisions in the real estate companies. This is due to the lack of time and networking of the author.

Lastly, since there are no real estate organizations in Hong Kong that formally practise at least some forms of on-site or off-site AWS at this moment, the perception of these strategies on the satisfaction of the interviewees or the applicability of the AWS on their business may be biased, particularly for the employees who have no or just very little understanding about these strategies. However, since the objectives of this study are to investigate the perceptions of employees and managers in the real estate sector, this limitation is unavoidable.

6.4 Recommendations for Future Study

One or more case studies of the companies who are currently practising either type of AWS in Hong Kong can be done in order to investigate these strategies from a wider and fuller perspective such as the cost associated, technology requirements, exact number of portion of out-of-office employees etc. The data obtained can then be compared with the real estate operations so that the feasibility will not just focus from the human perspective as in this research.

Furthermore, there are other businesses that may also have the potential to adopt some forms of the AWS in order reduce space in the office, improve workers' productivity and satisfaction. These include the insurance companies that may utilize the on-site AWS and some 'creative industries' like advertising that may utilize the

off-site AWS. The feasibility studies of other potential businesses can also be studied in the future.

BIBLIOGRAPHY

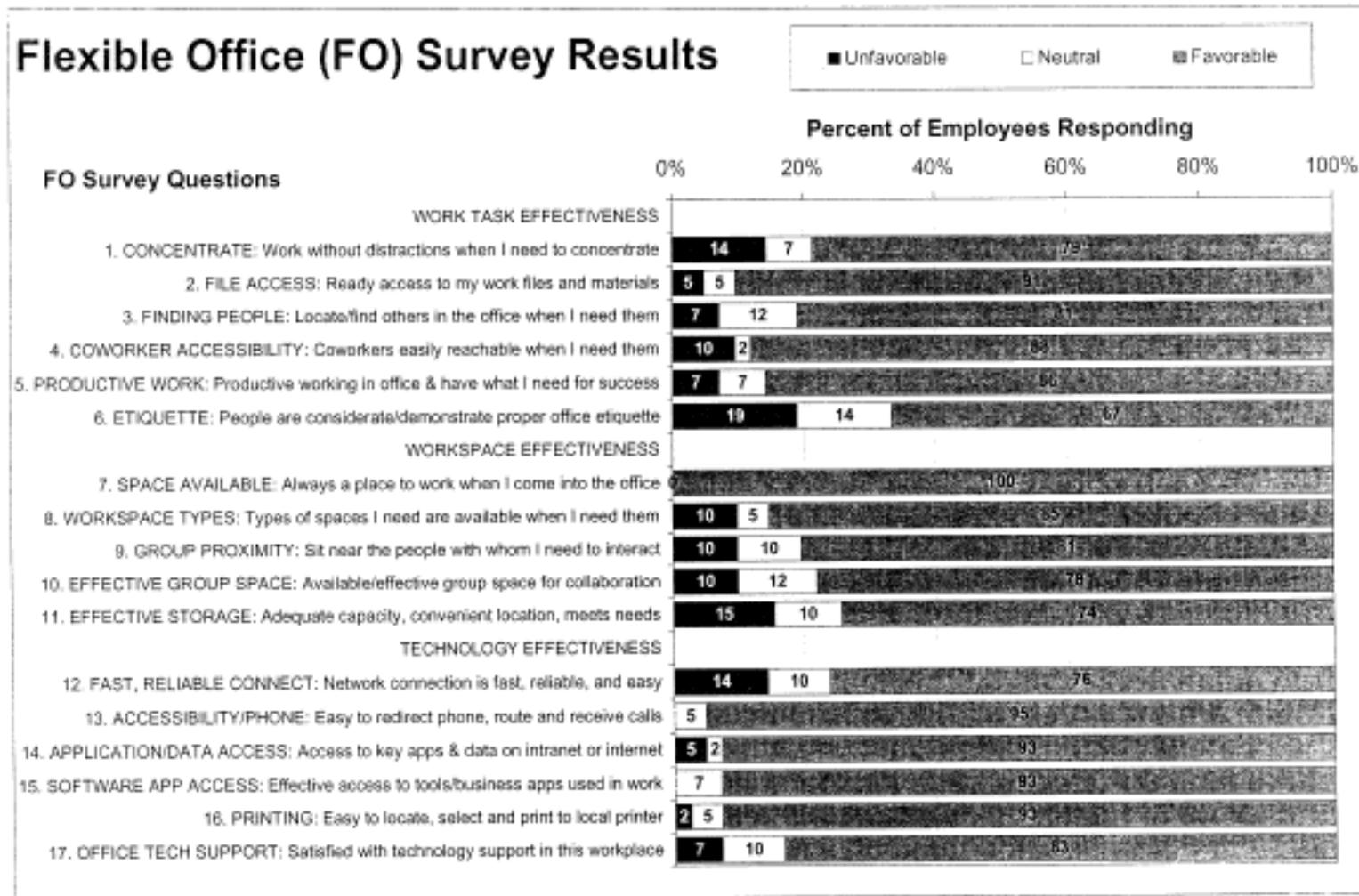
- Attwood, D. A. (1996) *The Office Relocation Sourcebook: A Guide to Managing Staff Throughout the Move*. New York: John Wiley & Sons Inc.
- Barrick, M. R., Ryan, A. M. (Ed.) (2003) *Personality and Work: Reconsidering the Role of Personality in Organisations*. San Francisco, CA: Jossey-Bass
- Becker, F., Quinn, K.L., Rappaport, A.J., & Sims, W.R. (1994). Implementing Innovative Workplaces: Organization Implications of Different Strategies. Ithaca, NY: Cornell University International Workplace Studies Program
- Becker, F., Steele, F. (1995) *Workplace by Design: Mapping the High-Performance Workscape*. San Francisco: Jossey-Bass Publisher
- Booty, F. (2002) State of the office, *Facilities Management*. March Issue, p. 14 – 15
- Cairns, G., Beech, N. (1999) Flexible working: organizational liberation or individual strait-jacket? *Facilities*. Vol. 17(1/2) p.18 – 23
- Chung, S. (2001) Flexible Office and Its Implications on Office Demand. *Publication by Zeppelin Real Estate Analysis Limited*.
- Davis, K. (1977) *Organizational Behaviour; A Book of Readings*. 5th Ed., USA: McGraw-Hill, Inc.
- Facilities Management Guide (2000) A management guide to flexible working - Is flexible working appropriate? *Facilities Management Guide* 26. March Issue, p. 2 – 15
- Gilleard, J. D., Rees, D. R. (1998) Alternative workplace strategies in Hong Kong, *Facilities*. Vol. 16 (5/6) p. 133 – 137

- Gilleard, J. D., Tam, K.S.N. (2002) Appropriate workplace strategies in Hong Kong, *Facilities. Bradford*, Vol. 20 (3/4). p.113 – 118
- Greenberg, J. (2003) *Organizational Behavior: The State of the Science*. 2nd Ed. New Jersey: Lawrence Erlbaum
- Haworth Inc., IFMA (1995), *Alternative Officing Research and Workplace Strategies*.
- Heath, P., Lee, T. S. (1997) Addressing change through alternative workplace strategies, *Facilities Management*. May/June Issue
- Jackson, P. (Ed.) (1999), *Virtual Working - Social and Organizational Dynamics*. London: Routledge
- Johnson, N. J. (2001), *Telecommuting and Virtual Offices: Issues and Opportunities*. London: Idea Group
- Lam, A. (2002) Trends in Facilities Design and Management. *Presentation Paper*. Hong Kong: The Hong Kong Institute of Facility Management and Building Surveying Division of The Hong Kong Institute of Surveyors
- Lee Kiang, Q. (Ed.) (1998) *International Symposium on Management, Maintenance and Modernisation of Building Facilities - Facilities Management and Maintenance: The Way Ahead into the Millennium*. Singapore: McGraw Hill
- Manson, B. J. (2000) *Downsizing Issues: The Impact on Employee Morale and Productivity*. London: Garland
- Marmot, A., Eley, J. (2000) *Office Space Planning – Designing for Tomorrow’s Workplace*. New York: McGraw-Hill, Inc.
- McGregor, W. (2002) Flexibility that works, *Facilities Management*. Sept. Issue, p. 26

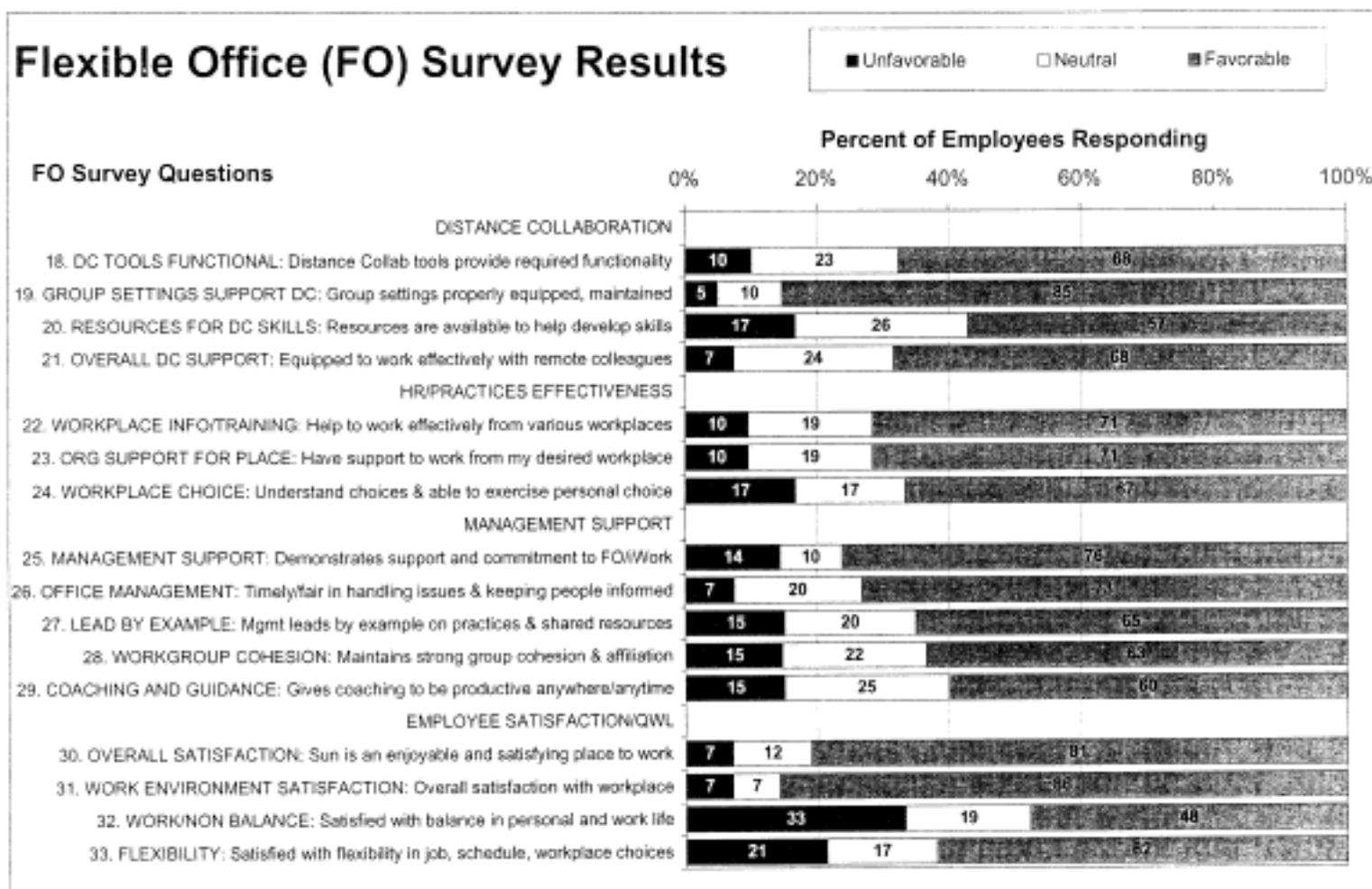
- Moody, M. (2002) Designs on space, *Facilities Management*. August Issue, p.26
- Noyes, J. (2001) *Designing for Humans*. 1st Ed., New York: Psychology Press
- Oseland, N., Bartlett, P. (1999) *Improving Office Productivity – A Guide for Business and Facilities Managers*. 1st Ed., Singapore: Longman
- Paterson, G. (2001) Improving working environments through flexible working technology, *Facilities Management*. July Issue, p. 16 – 17
- Roberts, P. (2002) Workplace revisioning, *Facilities Management*. March Issue, p. 26
- Shumake, M. G. (1992) *Increasing Productivity and Profit in the Workplace; A Guide to Office Planning and Design*. USA: John Wiley & Sons, Inc.
- Taylor, R. C. (2003) The Facilities Management Case Study - Forward Planning Your Space, *Facilities Management*. October Issue, p. 16 – 18
- Thompson, P., Warhurst, C. (Ed.) (1988) *Workplaces of the Future*. Basingstoke: Macmillan Press
- Watson, I., Lightfoot, D. J. (2003) Mobile working with Connexions, *Facilities*. Vol. 21 (13/14) p. 347 – 352
- Wineman, J. D. (Ed.) (1986) *Behavioral Issues in Office Design*. New York: Van Nostrand Reinhold Company
- Wustemann, L. (2001) One size fits all, *Facilities Management*. May Issue, p.18 – 19
- Young, F., Hesch, J. (2000) Improving workplace productivity at PricewaterhouseCoopers, *Facilities Management*. October Issue, p.12 – 13

APPENDIX A – Current Survey Results on the Flexible Office Arrangement at Sun Microsystems

Current Survey Results: Employee Responses To FO Survey Questions



Current Survey Results: Employee Responses To FO Survey Questions (cont.)



APPENDIX B – Questionnaire for the Interviews with the Employees in the Real Estate Operations

Q1. How much understanding do you have on the Alternative Workplace Strategies (AWS) such as hot-desking/hoteling/flexible office/tele-working/home-working etc?

- Never heard of
- Little understanding: *just heard of the names but do not know exactly how they work*
- Good understanding: *know the concept behind and generally how they work*

a.	Do not possess a permanent desk/workstation to work.	1	2	3	4	5
b.	Find a desk/workstation on a first-come-first-serve basis.	1	2	3	4	5
c.	Share a desk/workstation with one or a few fixed colleagues in office.	1	2	3	4	5
d.	Reserve a seat in office through a computer system/telephone every few days.	1	2	3	4	5
e.	Set up the desk before work and clear the desk after work.	1	2	3	4	5
f.	Login desktop computers in the flexible seat for personal files.	1	2	3	4	5
g.	Need to locate other colleagues within my team/department through a computer system/telephone due to the mobile seating in office.	1	2	3	4	5
h.	Sit with different colleagues every day.	1	2	3	4	5

Q2. Please rate your perceived level of dislike for the following organizational practices:

(1=no dislike; 2=little dislike; 3=dislike; 4=very dislike; 5=not acceptable)

Q3. Please rank your perceived level of concern for the following areas in the implementation of the on-site AWS:

(1 = most important; 10 = least important)

a.	Space Available: <i>Always a place to work when I come to the office</i>	
b.	Accessibility of Files/paper work: <i>All files/paper work at arm's length</i>	
c.	Finding People: <i>Locate others within the office when I need them</i>	
d.	Group Proximity: <i>Sit near the people with whom I need to interact</i>	
e.	Workspace Types: <i>Types of spaces I need are available when I need them</i>	
f.	Effective Group Space: <i>Available/effective group space for collaboration</i>	
g.	Effective Storage: <i>Adequate capacity, convenient location, meet needs</i>	
h.	Accessibility/phone: <i>Easy to redirect phone, route and receive calls</i>	
i.	Lead by Example: <i>Management leads by example on practices & shared resources</i>	
j.	Workgroup Cohesion: <i>Maintains strong group cohesion & affiliation</i>	

Q4. Please rate your willingness to participate in the on-site AWS if your organization implements them:

- Strongly object Object Neutral Agree Strongly agree

Q5. What are the perceived benefits of some off-site AWS to you? (Can choose more than one)

- Better work-family balance
 Reduced stress
 Improved job satisfaction
 Reduced commuting time
 More autonomy and flexibility
 Comfortable work environment
 Fewer distractions
 Others (please specify: _____)

Q6. What are the perceived drawbacks of some off-site AWS to you? (Can choose more than one)

- Long hours
 Social isolation
 Reduced influence from main office
 Strained family relationships
 More distractions from family members
 Others (please specify: _____)

Q7. Please rate your willingness to participate in the off-site AWS if your organization implements them:

- Strongly object Object Neutral Agree Strongly agree

APPENDIX C – Results of Interviews with the Employees in the Real Estate Operations

Interviewee	A	B	C	D	E	F	G	H	I	J	K	L
Q1.												
Answer	1	2	1	1	1	2	2	1	1	1	1	2
Q2.												
a	4	3	5	5	4	4	3	5	4	5	5	4
b	4	2	5	4	4	5	4	3	4	4	4	4
c	3	4	3	3	2	4	2	3	2	4	4	3
d	4	3	4	3	2	4	2	3	3	4	4	3
e	5	3	4	4	4	5	4	5	2	4	3	2
f	3	2	1	1	1	3	2	2	1	3	1	2
g	3	3	5	4	2	4	3	4	3	5	3	3
h	3	2	4	3	3	2	1	2	1	3	3	2
Q3.												
a	1	3	1	2	1	1	1	1	1	1	2	1
b	10	-	2	3	3	5	2	5	2	4	3	3
c	8	4	7	1	8	3	3	3	6	7	4	9
d	7	1	4	4	9	2	4	4	3	3	1	4
e	4	-	6	8	2	6	9	10	8	9	10	7
f	2	2	3	5	4	9	5	7	7	2	6	6
g	9	-	8	9	5	8	7	2	4	5	5	2
h	3	-	10	10	7	7	6	9	10	10	9	8
i	6	-	9	6	10	10	10	8	9	8	7	10
j	5	5	5	7	6	4	8	6	5	6	8	5

Interviewee	A	B	C	D	E	F	G	H	I	J	K	L
Q4.												
Answer	3	2	1	2	4	1	3	2	3	1	2	2
Q5.												
	Total											
Better work-family balance					1							1
Reduced stress		1		1	1				1			1
Improved job satisfaction					1		1			1	1	4
Reduced commuting time	1		1	1	1	1		1	1	1		8
More autonomy and flexibility	1		1		1	1		1	1		1	7
Comfortable work environment							1					1
Fewer distractions							1					1
Others												0
<i>N.B. '1' indicates interviewee's choice</i>												
Q6.												
	Total											
Long hours						1	1		1	1		4
Social isolation	1			1	1	1	1		1	1	1	1
Reduced influence from main office	1		1		1	1		1			1	1
Strained family relationships				1				1				2
More distractions from family members		1		1				1	1			4
Others			1*									1
* Reduced sense of belonging to company												
Q7.												
Answer	3	4	4	3	3	3	4	2	2	3	3	4

