

WORKPLACES THAT WORK FOR MILLENNIALS & GEN Z

BY RACHEL ANTMAN

What kinds of workplaces appeal to millennials and members of Generation Z? This question perplexes business leaders and HR departments around the world as they compete in the so-called “war for talent.” With first-hand knowledge of workplace trends, SIOR office realtors feel less perplexed by this evolution. Here is what some of these SIORs had to say:

THE OPEN PLAN: AN OPEN QUESTION

Many people associate open-plan layouts with younger employees because the

trend gained momentum as millennials were entering the workforce. But the jury is still out on whether these employees genuinely like such spaces. Meanwhile, a backlash has arisen: An Inc.com writer, for example, recently called open-plan offices “the dumbest management fad of all time.”

Yet open plans can work, provided that they meet certain conditions. Grant Pruitt, SIOR, president and managing director of Whitebox Real Estate in Dallas, points out that millennials and Gen Zs [“MGZs” for the sake of brevity] welcome transparency and “connectedness to their leadership,”





which corresponds to open areas, glass, and team seating arrangements. Ernesto Gamboa, SIOR, of Remarks in Ecuador, has a similar perspective. He notes that MGZs perceive open space layouts as “more democratic and ‘horizontal.’”

Perhaps the most important condition for success is access to private space. As Pruitt says, “too often people do not think about this, and it completely kills the atmosphere...and productivity.” Variety—beyond private spaces—is another condition. Adam Kaduce, SIOR, senior vice president of R&R Realty Group in Des Moines, Iowa, spoke with a group of Gen Z interns, who told him that less individual space is OK, as long as there is a range of other places to go. That is the type of design recommended by Bjarne Bauer, SIOR, managing partner of NAI Sofia Group Shanghai: “If you take away the cubicles and make an office all open-plan, fine, but then you must ‘reinvest that space’ by converting it into common areas, break-out areas, informal meeting rooms, formal meeting rooms, quiet areas, loud areas, and brainstorming areas.”

Opinions are mixed on hot desks, a feature of open-plan offices that has risen in popularity along with wider acceptance of remote working. According to Dan Drotos, SIOR, senior director of Colliers International in Gainesville, Fla., MGZs prefer flexibility in their work hours and locations: “Being tied to a desk is not a necessity anymore.” But Pruitt identifies a downside of hot desks—a lack of community, connectedness, and guaranteed access to leadership. In his discussions with Gen Z interns, Kaduce learned that a sense of permanence is important. The interns explained that even if they don’t have their own desk, they like having their own area or

neighborhood. This point resonates with Bauer, who has observed that certain departments within companies like to sit together.

CONNECTIVITY AT THE CELLULAR LEVEL

While the verdict on open offices and seating remains uncertain, there is 100% clarity on the issue of technology. According to Paul Waters,

“THESE ARE THE GENERATIONS THAT HAVE NEVER NOT KNOWN TECHNOLOGY. THEY’VE ALL GROWN UP WITH THE LATEST CELL PHONES, VIDEO GAMES, COMPUTERS, AND DEVICES, AND THEY EXPECT TO BE CONNECTED 24/7.”

SIOR, chief operating officer of Integra Realty Resources in Greenwich, Conn., technology is rated “1,2, and 3” on the MGZ amenities scale. “Connectivity and bandwidth are critical,” says Drotos. “These are the generations that have never not known technology. They’ve all grown up with the latest cell phones, video games, computers, and devices, and they expect to be connected 24/7.” Technology, stresses Kaduce, should

be “very seamless, easy, and available everywhere.”

GREEN LIGHT FOR SUSTAINABILITY

Are MGZs as zealous about sustainability and wellness as the stereotypes suggest? It seems so. For MGZs, “The ethics and the policies of the employer still reign supreme, but occupying a building with a heart is a close second,” says David Pennetta, SIOR, executive director of Cushman & Wakefield of Long Island. Drotos reminds us that many MGZs—at least within the U.S.—have spent or are spending their college years in green buildings. As a result, “students are getting accustomed to these buildings, which provide for clean air circulation and plenty of natural light...and are seeking the same feel in their permanent jobs.”

Pruitt, too, emphasizes the importance of natural light, which “makes employees feel and work better.” Kaduce, whose interns expressed appreciation for on-site outdoor space, regularly advises clients to “incorporate as much of the outside” as they can, “whether it’s a living wall or more plants or just having some of those outdoor spaces.”

IMPACT ON OLDER EMPLOYEES

Older employees are less resistant to MGZ-style workplaces than one might expect. In Pennetta’s view, employees of all ages prefer flexibility in the office environment, better utilization of technology, and amenities that entertain, stimulate, and promote health.

Arguably, the biggest sticking points for older employees are perceptions of

status, the need for privacy, and adoption of technology. “Humans are creatures of habit,” says Pennetta. “Older employees have been conditioned to the mantra of bigger offices equate to higher position, authority, and prestige.” But status can be conveyed to some degree through location, seat positioning, and extras. Bauer offers an example of an extra: two additional chairs in front of a boss’s desk.

Privacy, as discussed earlier, can be addressed with spaces where employees can “escape.” Furthermore, older employees in high-tech workplaces simply require a bit of guidance. These employees, says Kaduce, are “willing to adapt,” but they need training and coaching. To keep them happy, Gamboa recommends tutorials and protocols to teach all employees how to use chill-out rooms, social gathering spaces, and workstations.

Clearly, it’s not impossible to satisfy the needs of older workers while attracting MGZs. Although the three sticking

points pose challenges, none are insurmountable.

THE ROLE OF BROKERS

Brokers play a pivotal role in bridging gaps between what MGZs want, what older employees want, and what landlords and employers assume these different groups want. “Brokers are the first voice that a tenant or buyer hears from concerning the market, changes to the market, and what’s usual and customary,” says Pennetta. “So brokers need to be educated about the benefits of Gen Z through millennial-catered design concepts.” Drotos concurs: “It is our job to recognize the trends in the market and note what works and doesn’t in office design. This allows us to guide our clients on how best to position their properties to be attractive to the current workforce.” In short, the task for brokers is straightforward. As Pruitt suggests: “Do your homework.” ♥

CONTRIBUTING SIOBS



Bjarne Bauer,
SIOR



David Pennetta,
SIOR



Dan Drotos,
SIOR



Grant Pruitt,
SIOR



Ernesto Gamboa,
SIOR



Paul Waters,
SIOR



Adam Kaduce,
SIOR

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