





“**Knowledge worker**” is a term that’s been around since Peter Drucker coined it in the late 1950s, and today the people who create, combine, and modify knowledge account for from 20% (depending on the estimates) to as much as 45% of the U.S. workforce.

Practically every organization, not just service and knowledge businesses, includes knowledge workers. Customers expect information when they buy hard goods, too: the hardware store customer seeking a 1/4" drill bit, as the story goes, is really after a 1/4" hole. In other words, people don't just buy products or services, they seek a solution to a problem—and that requires knowledge and experience.

One of the best measures of the knowledge economy is the growth and influence of professional service firms: legal, accounting, consulting, advertising, engineering, and architecture & design firms. They are powerful icons of the knowledge economy. The nature of their work makes it critically important they have effective workplaces.

#### Rising Demand

Knowledge workers are on the ascent. According to the U.S. Department of Labor Bureau of Labor Statistics, demand for designers, architects and engineers will continue to grow at least as fast as the rest of the labor market, and some professional service jobs will

grow at an even faster rate. There's increased demand for legal services in healthcare, intellectual property, energy, and other industries. Accounting and auditing jobs will grow faster than other occupations thanks to new financial laws and reporting regulations, and also because accounting firms are performing some of the functions lawyers used to, such as employee-benefit counseling and document processing.

Positions in advertising are projected to grow 22% between 2004 and 2014, and consulting is in for a major surge: management, scientific and technical consulting services businesses are expected to grow by 60%, compared to 14% for all industries. Consulting ranks as the fifth fastest growing industry in the economy.

The workplaces of professional service firms used to be fairly predictable. Law firms meant wood-paneled private offices, millwork, and a big library. Accountants and engineers had workstations in six-packs or rows of private offices. Each profession had a certain look and feel.

That's all changing. Law firms do legal research on the web, eliminating the need for a library full of books. Consultants spend more time at the client's office than their own. So how do clients adjust to accommodate a twice-weekly staffer? Rising real estate costs push every firm to justify the use of every last square foot of space.

#### Inside The Firm

To better understand what's happening with these firms and their offices, Steelcase researchers recently studied 14 different professional services firms in 21 different cities. Their analysis, coupled with insights from designers who plan workplaces for professional service firms, reveal interesting insights into the work, and workplaces, of these knowledge workers.

**Talent rules, and it's expensive.** “They want the brightest talent they can find, and they're in an extremely competitive environment for that talent,” says Anjell Karibian, lead interior designer at Rossetti

Architects in Detroit. The talent pool is now global, just like the clients who expect a global perspective from their lawyers, ad execs, and consultants. Bringing innovative thinking to the client requires service firms to find uniquely capable individuals, provide all the tools they need to be successful, and retain these expensive workers as long as possible.

**The need for speed—and balance.** The workers in these firms push hard and log long hours. But at the same time they want more balance between their work and personal lives. Technology offers the convenience of wireless access and the feeling that you can't ever be out of touch. Across all professions, workers report they want more control over how and where they work.

Achieving this work/life balance is often more important than acquiring traditional rewards such as a corner office, bigger title, and sometimes even more money. As a result, professionals frequently make lateral moves between firms, seeking better balance, more

control, more interesting work. Firms must leverage their people as best they can for as long as they can, knowing no one spends an entire career at one firm anymore. That puts pressure on organizations to quickly get new hires up to speed and at ease with the organization and its culture.

**Generational change is driving workplace changes.** Karibian says firms “know that demographics are different from just ten years ago. They have to acknowledge and cater to how young people want to work today. For example, younger people like to congregate in different spaces, café-type spaces.” That translates into different uses for the firm’s real estate. “The day is past when the law firm’s crown jewel is the library. Young lawyers do research on a laptop. Firms are finding other uses for that library space now, like café spaces that help attorneys congregate, brainstorm together, and get help from others.”

**The rise of the invisible workers.** Professional service firms rely on what researchers call “professionals under the radar,” the legal assistants, project coordinators, office administrators and other support staffers who enable the professionals. They keep work moving, monitor project progress. They’re the ones who manage interruptions and help manage the time for project engineers, law partners,

principal designers, and auditors. They also support more people than in the past, since the professionals are more self-sufficient with email, voice mail, etc. These two levels of workers also need to meet and work side by side for brief periods of time, on a regular basis. If this sounds like legal assistants are getting a larger and more flexible workspace than they used to, you’re right.

#### Inside the Workplace

As professional service firm change how they work, their workplaces are changing, too.

**Working solo.** Some workers still need enclosed offices: a tax attorney or human resources director, for example. The culture of the firm and its emphasis on hierarchy also dictate how open vs. private the office becomes. “One firm might be more corporate, another is flattening out the hierarchy. There are people in professional services that expect a hierarchy, they feel they deserve a certain workspace for their seniority and accomplishments. It’s difficult even in the more creative service organizations to get rid of hierarchy completely,” say Paula Lutz, vice president of VOA Associates, Chicago.

As a result, private office endure. Inside the office, though, things are changing. To make private offices more responsive, different



“Consulting ranks as the 1/5 fastest growing industry in the U.S. economy.”

## “The library is no longer the crown jewel of the law firm.”

zones can be designed into the space: the individual's work zone for head down, concentrated work; another zone where two people can collaborate, such as a pull-up table or a return off the main worksurface; and a third zone for welcoming visitors, perhaps in a pair of lounge chairs.

Sharing a corner suite, or even a private office is less important to younger workers. Karibian says as a result some law firms are converting those expensive corner locations into mini-libraries or study rooms, spaces that anyone in the firm can use. “The practice of law is much more collaborative now. Even though attorneys are assigned to cases, they know there's a lot of intelligence in the firm that they can tap.”

Another staple of solo professional work is hotelling. Consultants spend more time outside the company office; auditors move into client offices for weeks or months at a time; field engineers are mostly, well, in the field. When roaming professionals hit the home office, they often grab a temporary workstation where they can plug in, camp out, and then move around, meeting and collaborating with others.

Yet even day campers need a place for their stuff. For one consulting firm, Melissa Dicaire of The Environments Group, Chicago,

provided lockable mobile files each consultant could take to their workstation for the day.

She says “the downside is people still don't like the term hotelling for what they do. They feel transient, somehow less secure in their job. If it's the nature of their business to hotel, like auditors, they don't mind. But people coming from a situation where they were in an office all day struggle with the concept of hotelling.”

**Working together.** Every professional service firm uses more collaborative work processes today. Law firms are a great example. “Clients ask who the team is that will be working their matters,” says Don Schott, managing partner of Quarles & Brady LLP, Milwaukee.

In response, many law firms are switching from built-in workstations to systems furniture for legal assistants, paralegals, and administrative support staff. Offering more technology support and the ability to adapt when the work changes. Quick collaborative discussions are better supported with pull-up tables and mobile peds with cushion tops. The style stays high end, and costs come down.

Karibian recently worked on a 250-person law firm's headquarters renovation and expansion, and says the younger staff helped drive workplace changes. “They're not about isolating themselves in a

corner office, they're about having the collaboration and technology tools they need to do the work.” Workstations are modular case-goods with “inherent flexibility. They have the intelligence of a system and can be arranged in different ways.”

For an advertising client with 270 workers, Lutz says VOA provided all mobile furniture divided by low, powered panels, and the agency provided the attitude. “Everything is mobile and they've definitely taken advantage of it. We went back after a few weeks and if you didn't know the design of the space, you wouldn't recognize the layout. They're making it their own.”

Ad agencies and design firms have long used open plan environments to support their teams' various ways of working. Collaborative neighborhoods support the constant discussion, evaluation, and revision of the creative process. For an agency merging 1,300 employees from several communications companies into one location in Detroit, Gensler specified only 130 enclosed spaces, and some of those don't have doors. 90% of the people are in the open plan. Just as important as those individual workstations are an equal number of seats –1,300– for collaborative work in a variety of environments: bench seating along the perimeter of the space, conference rooms, 2-3 person spaces for small groups, small private rooms, and more.

“We had a lot of conversations with people about where they say they do their best work, and they say in a cafe, or outside, in the park, etc. So within the workspace, we asked, how we could create spaces they want to work in?” says Christine Keener, interior designer with Gensler in Detroit.

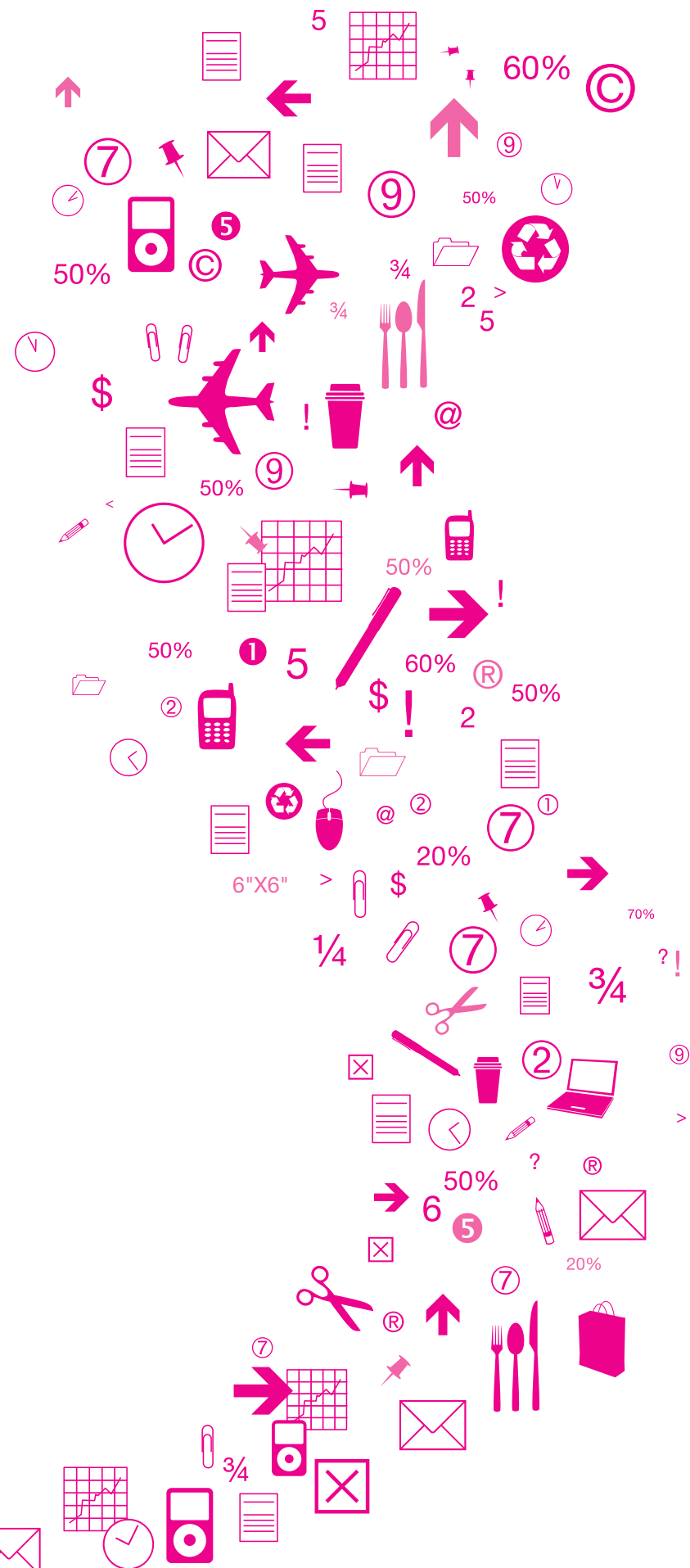
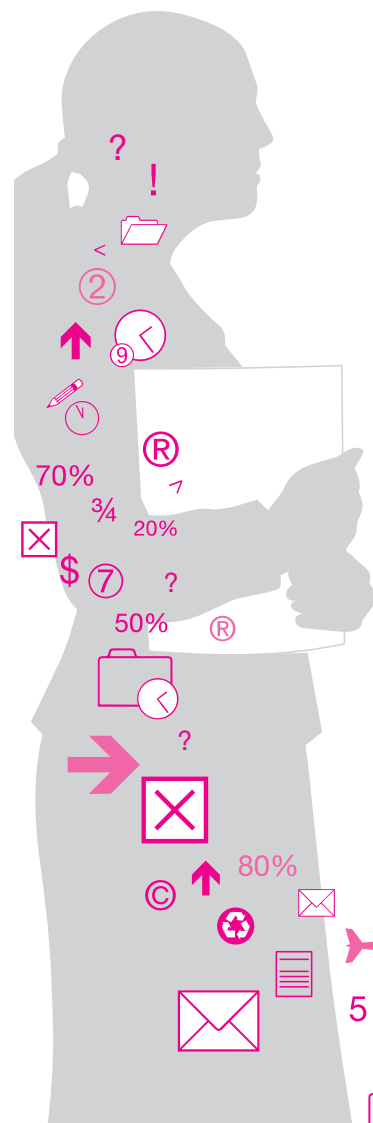
For a brainstorming space “we came up with the idea of an Airstream trailer. We created an abstracted, freestanding enclosure out of corrugated, perforated metal in a rounded form. We gave them an attitude and tied it back to their work and their client (an auto company) without being extremely literal.”

Making work visible at ad agencies, engineering firms, and design studios is another constant necessity, requiring plenty of both horizontal and vertical display surfaces. This kind of display accomplishes three things: it inspires the individual and his colleagues, it aids review of the work, and it showcases completed projects for the rest of the group.

When it comes to finding spaces for groups to meet, Lutz asks “Who ever has enough project or meeting spaces?” Project teams need a homebase for the team, a place to keep resources and inspiration nearby for ongoing team sessions, and a way to maintain the team's information and work in process over the course of the project. Legal



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firms, for example, use conference spaces as case rooms for document review that can go on almost indefinitely. They also use meeting rooms for taking depositions.

**The Big Squeeze.** Counterbalancing the need for space is every firm's desire to reduce fixed costs. Professional service firms have dramatic swings in their space requirements. If a major client leaves the ad agency, downsizing often results. Accounting firms often ramp up for the audit season, rate the staff after the rush, then downsize in the spring. In these cases, real estate needs swing. Mergers and acquisitions are common for these firms. Spending cuts follow most mergers, and reducing real estate is often part of the equation. Space needs can increase, too. When clients approve a new project, or the firm wins a new account, the firm must staff up to support it. Suddenly, there are new associates working at tables in the conference room.

Professional service firms often reduce workplace real estate by using a central storage system. Researchers found, though, that many people don't trust these systems. They imagine something like the last scene of "Raiders of the Lost Ark," when the crate containing the ark disappears in a Montana-size warehouse. Lawyers and

other professionals say they fear their files will never get back to them quickly enough, or the material that arrives from the archives will be the wrong stuff. So they become hoarders.

Hoarders have towering piles of papers, files and binders. Engineering managers may keep samples of new materials and components around their desks to feed the vision and creativity of their staff.

Obviously, paper files often are a necessity: many documents must be stored for legal and regulatory reasons (e.g. Sarbanes-Oxley). Plus, paper is just as popular as ever. "Every client is different," says Melissa Dicaire, senior designer at The Environment Group in Detroit. "You can have a consulting firm that's really good about scanning all of their documents and trying to become a paperless office, while another firm has everything on paper and your whole design becomes highlighting the files because there are 8,000 of them."

**"The Boffo Presentation Room."** The client presentation is a key event at professional service firms, the physical manifestation of the firm's thinking, knowledge, and creativity. Where that presentation takes place showcases the firm's capabilities, culture and brand,

“People think of central storage as the huge warehouse in ‘Raiders of the Lost Ark’ where the ark gets lost forever.”

# “You want to make the space multi-function, multi-purpose, so it enhances work, collaboration, and productivity.”

and differentiates the firm from the competition. Plus, as face-to-face communication is increasingly replaced by electronic communication, there's even more pressure on a presentation space to welcome clients, put them at ease, and build trust and confidence in the firm.

Keener describes a new presentation space her firm developed for her advertising client, which they now call “the boffo presentation room.” It's a large, enclosed “black box theater, dark inside, with no distractions for the client. The focus is purely on the creative work.” The room is near the firm's lobby and café areas, a design adjacency often used with presentation spaces.

**A place for community.** With professionals sprinting all week long to juggle projects, resources, client needs and a constantly nagging Blackberry, it's no wonder they can feel out of touch with their own organization. Communal spaces help put them back in touch.

Many firms are building cafés, lounges, cafeterias and group spaces that offer a place to relax, reconnect, and meet new faces and old hands. They're often large enough to host the firm's all-staff meetings, too.

Fridays are “community days” across industries. Cafés with kitchens or vending areas and various seating arrangements—booths, counters, stack chairs and different height tables—bring people together and help build a sense of community among hard-charging frequent flyers, hotelling professionals, principals and admins, field and head-quarters staffers alike.

But it's not just a humble café. There has to be more functionality: wireless access, power outlets, presentation hardware and projection surfaces, even movable full height walls or doors that can close off all or part of the space. “If you have a space that doesn't have the tools and doesn't enable work, that's the first thing to go. It's seen as fluff. You want to make the space multi-function, multi-purpose, so it enhances work, collaboration, and productivity,” says Keener.

Individual work, collaborative work, hotelling, displaying, presenting, communing: professional service firms exhibit ways of working both unique and commonplace, and offer lessons for anyone planning a workplace for knowledge workers.

## A&D Firms Walk the Talk.

As work everywhere becomes more collaborative, business leaders often visit A&D firms to see how their spaces function. They find that design firms are great places to see spaces where professional knowledge workers thrive in an environment without walls and doors.

“Whenever I hear a client say they can't imagine moving from an office to the open plan, I'm always a little amazed. I've never been in an A&D firm that doesn't have an open office,” says Melissa Dicaire, senior designer at The Environments Group, Chicago, an eleven-year veteran of the design business.

The firm's offices on East Wacker Drive house about 65 professionals, almost all in the open plan: six by nine workstations in small clusters, with tables on wheels among the workstations for staffers grouped by project. “We move around quite a bit.” Cubbies with a bookcase and drawing storage are provided for each two workstations. 88% of the windows are shared by all employees, and afford beautiful views of downtown Chicago and Lake Michigan. “It's so collaborative. It's great to hear the dialogue, to see drawings and plans, to talk with other people so easily.”

Anjell Karibian was heavily involved in the design of Rossetti's office, located in what she calls a “pretty typical, nine-story, class A building in the suburbs” of Detroit. “Clients come through here and they're really surprised. It's more of a work studio environment. It doesn't really feel like an office.”

The space for about 50 design professionals has concrete floors, few walls, and lots of moveable furniture, and center splines to route power. Mechanical equipment overhead is exposed and the ceiling is painted blue. Tables, storage and bookcases are all mobile. The private offices in many firms are for principals; here they have walls just high enough to hang bookcases and writing surfaces from them, but no doors. “It's a fun environment to work in.”

Designers know not every client is ready for such an open environment. And every business needs some private spaces. Still, clients always seem to want to hold meetings or spend time in their design firm's space. “When we're talking to a client about a different workstyle from what they're accustomed to, we'll bring them here and talk about an open environment. We say ‘See? Even our principal sits out in the open, and the management partner doesn't have a door either!’” says Christine Keener at Gensler, Detroit.

