



# The Office of the Future

The critical factors behind our changing work environment



# Introduction

*“The brain is a wonderful organ. It starts working the moment you get up in the morning and does not stop until you get into the office.” Robert Frost<sup>1</sup>*

Originally, the term ‘office’ meant ‘the location of one’s duty’. Today, it’s defined as a building or place where a business or service is transacted, or a designated location for an organisation’s head office.

With several influences affecting change in our office environment - including technology, socialisation, legislation, the environment and the sheer cost of running a business - what will the definition of an ‘office’ be tomorrow?

Here we examine the influences and effects on our changing office environment, and look at how businesses and organisations can embrace these changes positively and incorporate them into their own working practices and cultures to save both time and money.

Be it an accounting firm set up thirty years ago or a virtual online business of today, two things remain constant and are fundamental to conducting business effectively - **communication and interaction** with our employees, colleagues, suppliers and customers.

Traditionally, there have been two common elements required for effective communication and interaction. First, there’s the **physical** element - the location, the space and the equipment that surrounds us. Second, there is the **social** element - the human collaboration and contact that takes place between individuals working towards a common goal.

Today, the physical and social elements of our working environment have evolved, directly influenced by factors such as the **cost** of doing business, the expectations and demands of the **customer and the worker**, and the challenge of becoming **environmentally** responsible. Driving each of these factors is the advancement of technology and the way we create, interpret, manage and access information.

This information has been written for business owners and IT professionals in small and medium sized organisations. It is designed to outline the key influences that are driving change in our office and working environments, and discusses how some organisations are using technology to turn these changes from a business challenge into business advantage.

Let’s take a look at each of these individual factors and examine how technology and real-time information access are affecting physical and social change in our office environment.

## Managing Business Costs

The fundamental principle for business survival requires total income to outweigh total expenses, and a significant portion of those expenses are driven by the fixed costs of maintaining office space, energy and utility costs, and staffing. Running an office that houses a large percentage of an organization's employees is often a money pit for many small or mid-size businesses, being a key factor in sustaining profitability and business survival.

In addition, teams of people regularly travelling to a centralized place of work or to attend meetings in their company cars has burgeoned both business and personal expenses, through rising fuel prices, car allowances and generally high transport costs. And as IT infrastructures have grown and proliferated, more energy is required to power and cool servers and PCs in a conventional office environment.

By reducing the amount of staff that are in the office for the majority of their working time and allowing them the flexibility to work from home on a more regular basis, organizations can reduce the amount of space required to operate, and thereby reduce rent, energy bills and other costly overhead such as telephone systems.

These are tangible costs that you are able to measure - but what about those you can't plan for or forecast, such as the cost of lost business opportunities or employee productivity due to IT failure? In the past, businesses failing to back up systems and information correctly stood the risk of dissatisfied customers and considerable business downtime through lost information. Today, using remote technology solutions, businesses are able to protect themselves against threats such as natural disasters and information security breaches, safeguarding their livelihoods and maximizing their business opportunities.

### *Reduced capital expenditure*

Technology that provides centralized storage of line-of-business and productivity applications on a single server, and then securely delivers those applications and files in real-time to its users, will enable businesses to double the lifecycle of aging hardware such as PCs, laptops and servers, saving on the cost of equipment replacements. This is enabled because applications hosted on a desktop require more memory and processing power, quickly wearing down the effectiveness of the machine. When those applications are not installed on the desktop but centrally stored on a server and then delivered to the user virtually, the desktop uses less memory and power, extending its life and reducing the amount of bandwidth required to connect remotely to information.

### *Reduced overhead expenses*

By consolidating the IT resources required to service a workforce, and incorporating a remote working philosophy into its culture, businesses will be able to reduce energy bills and also decrease the physical square footage required to house its staff simultaneously. Why? Because a consolidated IT environment demands less physical space and power to facilitate, and by enabling the workforce to remain productive in a remote environment, businesses can reduce the amount of office space required to reduce leasing costs, as well as office equipment, supplies and the energy required to support that working staff.

### *Reduced IT support costs*

Using technologies that enable centralized administration, management and support of applications, businesses will also be able to reduce IT support costs - servicing and supporting remote and mobile users from one location without the need to hit the road to physically touch a user's device or bring users into the central office for support. Whether an organization outsources its IT support, or uses an internal IT resource, managing applications and user access, wherever they may be, from one location is a highly effective way of reducing IT support costs.

### *Reduced cost of business risk*

The office of tomorrow represents a more mobile working environment that is more secure and resilient to business risk. Business continuity solutions that enable organizations to minimize business downtime will ensure that business opportunities are maximized. Remote access used to be perceived as decreasing the amount of networking security and risking unauthorized visibility of critical business data. Now, highly effective security is embedded into remote working technologies, ensuring that a business can deliver increased working flexibility without compromise.

### *Increased business profitability*

By facilitating mobile and remote working using technology that enables people to access applications and information safely from any location, businesses can reduce commuting costs, thereby improving business profitability. Improved access to information and business tools makes employees more productive and more responsive, which in turn means customers are more satisfied, loyalty is enhanced and business returns are increased.

# The Customer

It is undeniable that 'choice' has proliferated in almost every market, and as such the customer truly is king. Get it right, and a satisfied customer will recommend, reward and return to an organisation that has met his or her needs; get it wrong and the customer is likely to be lost forever. Only the fittest business, with the business agility to respond, communicate effectively and be productive around the clock, will survive. So how will the office of the future help businesses meet the increasing demands of its customers?

The one thing that won't alter is the need to access, manipulate and exchange real-time information to conduct a service or transaction. The challenge is to make the interface with this information exchange a smooth, timely and trouble-free process. Those that do this best will succeed - it's as simple as that.

## *Incorporating virtual office thinking*

The office of the future will be able to drastically improve customer service by giving its staff access to real-time data at any location, at any time. Staff will be able to deliver a completely unique customer experience by working at a customer's site for example, or by providing immediate answers to questions through effective information access and collaboration at anytime from anyplace.

Technology that offers ubiquitous information and application access will enable organizations to effectively 'spin on a dime', and will engender a productive, responsive and motivated workforce to meet the needs of its customers. Technology has now enhanced collaboration between colleagues and suppliers, which means that real-time information flows are streamlined and decision making is faster, which ultimately means that customer service is improved.

## The Worker

The 9-5 work culture of yesterday's office has all but disappeared. Gartner predicts that more than 45% of workers are now working away from their primary work location for more than 20% of each working week. A recent survey<sup>2</sup> has also demonstrated that employees in small businesses today want greater personal control over their own working day and are increasingly demanding the ability to be the boss of their own time. Interestingly, the same survey also showed that the need for remote access was 66% greater in small businesses than across all business segments and that 62% of workers that don't have the ability to work remotely want this capability - underlining small businesses need to offer employees increased working flexibility in order to gain business agility and retain the highest quality talent.

Today's customer centric environment dictates that organisations need to have real-time information at their fingertips, no matter where they are working or at what time of day. The fact is that more and more individuals need the flexibility to access line-of-business applications and information while away from the office, so they can stay on top of their workload and remain productive. The Web Commuting survey supports this point, showing that at least 50% of small business owners work away from their offices on a regular basis.

This shift to working outside the boundaries of the office has been driven not only by efficiencies realised in the organisation itself such as increased productivity and reduced travel expenses; it has also been driven by employees themselves - wanting to work for organisations that offer the flexibility to function outside of the boundaries of the working day and the working location. By offering this flexibility to employees, businesses will improve employee job satisfaction and gain an advantage in hiring and retaining high-quality staff and contractors.

Important changes in the laws<sup>3</sup> concerning family-friendly employment and flexible work environments came into force in the UK in April 2003, with employees being given 'the right to request' flexible working hours. In November 2008, Australia followed suit with an identical piece of legislation<sup>4</sup>. In the USA, Obama has already pledged to create a program to inform businesses about the benefits of flexible work schedules; helping businesses to create flexible work opportunities and permitting employees to request flexible arrangements. As more and more countries adopt this policy, it is likely that others will follow suit - and soon.

Studies show that the demand for flexible working will only increase over time, making it even more important for businesses to provide employees the ability to access office applications and information outside of their normal working hours, and from outside of their office walls. This change in the traditional 'office bound' work ethic will not only free an organisation's people to be in charge of their working day, it will enable them to gain a high degree of personal

flexibility, enhancing workforce satisfaction, improving productivity and in turn increasing client satisfaction.

#### *Providing working freedom*

Collaborative and mobile technologies delivered over secure high speed reliable networks will provide workers with the freedom and flexibility previously unavailable. Businesses wanting to satisfy and retain quality employees and contractors will need to leverage this technology and provision them with the tools, information and support they need to undertake their jobs effectively.

#### *Retaining a collaborative culture*

People are social creatures; they need personal contact and interaction with co-workers as well as frequent feedback on the tasks they undertake. The office of the future that enables remote and mobile working also needs to adopt collaborative technologies that enable a business to retain an office culture based on social interaction. The value of such 'water-cooler' encounters that engender impromptu collaboration should not be underestimated, and therefore protected.

#### *Satisfying the technological generation*

Employees of today and tomorrow understand technology and gadgetry, and are comfortable with using a variety of devices. Because employees are now demanding the same level of functionality from their work PCs as they would from their home PCs, the new trend of 'Bring Your Own PC' is emerging - a scheme which allows employees to do exactly that. While giving users more control, this will drive the need for businesses to deploy technology that offers 'safe' information access.

#### *What technologies will workers use in the office of the future?*

"Presence will become the new dial tone" (Elliot 2006). Even though your work force might be located in disparate locations, be it at home, on the road or in branch offices, users using 'presence' based technology will be able to see if colleagues and contacts are online and ascertain if they are able and willing to answer inquiries before contact is made - just as if they saw a colleague working with an open door in the office.

By 2012, Gartner predicts that 50% of mobile users won't use a laptop for access to information<sup>7</sup>. The use of smaller devices such as the iPhone will proliferate, and Web applications will become prevalent as it's easier to deliver standard Windows applications to small form factor mobile devices.

Companies will also move more towards the use of intelligence based collaborative solutions - an integrated collection of applications that enable businesses to improve the management of business information, enhance real-time employee communications and improve the use of business intelligence.



# The Environment

Fueled by the apparent cause and effect of global warming, usage of the term 'reduce your carbon footprint' has become ubiquitous, and in computing circles the movement has become known as 'green IT'.

As the issue gains momentum, so has the emphasis and pressure on businesses to become environmentally conscious. And, right or wrong, significant business recognition is now attached to being environmentally friendly; with the need to tick the 'we are green' box a part of most business agendas.

Business legislation is also dictating that organizations become more environmentally responsible, with legislation such as the WEEE Directive<sup>5</sup> coming into play around the world that restricts the disposal of electronic waste equipment.

So, whether it's for political correctness, legal compliance or for the genuine future of the planet, how does a business harness technological developments to enable a sustainable impact on our environment? And how will this affect not just how we work, but where we work as well?

In 2007, Gartner stated that "businesses need to focus less on how IT contributes to their environmental impact and more on how IT can help lessen the environmental impact of business operations."<sup>6</sup>

By utilizing technology that enables businesses to cut down office space requirements, reduce business commuting, and reuse its hardware, organizations can now harness technology to help them do just that.

## *Zero carbon emissions - a business utopia?*

It's not just the workers themselves that want to cut out long commutes and sitting in traffic jams. It has a serious environmental impact and businesses are aware of this too. So if you can't take the people to the office, why not take the office to the people - without compromise. The same applications, delivered from a centralized location, at the same speed, enabling intuitive collaboration and improved productivity, without increasing emissions. Then deliver this without increasing the complexity of a distributed IT environment.

Additionally, by centralizing the deployment of applications and information you can centralize the management of them, fix issues and update applications remotely, with no need for on-site visits. It has to make carbon-reducing sense, and it enables the ability to deliver on a promise for reduced energy consumption.

*Reduce, reuse, recycle*

Consolidation and Virtualization, are fancy terms that in reality mean no more than 'how to do more, with less'. That's less space, less power and less management - all factors that will reduce your carbon footprint. And with a centralized approach, resource hungry applications no longer need to reside on desktops - which means you can reuse old PCs and reduce the need for new hardware.

## Summary

The office of today is gradually harnessing technology to reduce its business cost, satisfy customers, retain the best people, and reduce environmental impact. The office of the future will use technology that enables the secure and centralised delivery of applications and real-time information to staff, no matter when or where they are working or how they access data, breaking down the barriers of a traditional working environment and creating a seamless and dynamic working culture that is unaffected by working location.

Through email, text and instant messaging we may lose the ability to provide expression and meaning, and the biggest challenge with an office without walls will be integrating the value of face-to-face interaction back into our working practices. How far will this go? It's scary to consider that a couple of the large IT vendors are already investigating the use of holograms and robots to represent ourselves in the office alongside our 'real' colleagues.

Before our offices become the domain of a sci-fi movie, businesses will need to strike a balance between remote working and social interaction between colleagues, a balance that serves the purpose of its own unique business requirements, deploying technologies that enable productivity to thrive and profitability to grow.

It's ironic that small and medium sized businesses moving to a remote and mobile working ethic have an advantage over large enterprises already there. This is because organisations with large teams of remote and disparate workers have now realised the importance of retaining the 'social' element of our traditional working culture and are trying to claw it back. Thankfully for businesses adopting remote and mobile working today, technology has evolved to truly facilitate and encourage the social element of our working day. Now, using 'presence based' technology to ascertain if people are immediately available to communicate, employees can collaborate with colleagues and external contacts at the touch of a button.

The office of tomorrow will be deployed by businesses that are willing to trust its employees and step away from micro-management - a culture change that many will need faith to undertake. And to retain the highest quality of employees, it is a move that employers will need to make to survive. Conversely, even though many like the idea of working from home, employees will need to feel secure enough to give up a physical desk of their own in the office. Given these two mindset changes happening simultaneously, remote and mobile working will deliver benefits for both employer and employee alike.

Many businesses begin to embrace the ethic of remote working by its employees, seeing it as a strategic business asset that will drive business cost reductions and increase business agility. As

economic times become ever more challenging and as business costs increase, these factors will become even more critical.

Professor Irwin Corey once said “If we don't change direction soon, we'll end up where we're going.” Those that do make the move towards the office of the future will reap the benefits of business agility and attain competitive strength that a flexible working environment brings.

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1. Robert Frost (1874 - 1963)
  2. Web Commuting & the American Workforce, Citrix, September 2007
  3. UK - The Employment Act 2002
  4. Australia - The Fair Work Bill
  5. UK - Waste Electrical and Electronic Equipment (WEEE) Directive
  6. Gartner - Green IT, November 2007
  7. Gartner Highlights Key Predictions for IT Organisations and Users in 2008 and Beyond

#### **About Citrix XenApp Fundamentals**

Citrix XenApp™ Fundamentals, an application virtualization solution for small to mid-size businesses, enables organizations with up to 75 users to securely access corporate applications and files from anywhere at anytime. XenApp Fundamentals makes it simple to access order entry, billing, scheduling, CRM, accounting and other centralized Windows-based line-of-business applications over the Internet with just a Web browser. This cost-effective software turns a Windows Server® into a secure access point for applications, files, and internal websites, making centrally maintained information as easy to update and query from home, while traveling, or from Internet cafes, as it is from the main office.

For more information about Citrix XenApp Fundamentals, contact your local trusted advisor. Find your nearest Citrix advisor at [www.citrix.com/partners/locator](http://www.citrix.com/partners/locator).

**Worldwide headquarters**

Citrix Systems, Inc.  
851 W. Cypress Creek Road  
Fort Lauderdale  
Florida 33309  
USA  
T + 1 800 393 1888  
T + 1 954 267 3000

**European headquarters**

Citrix Systems International GmbH  
Rheinweg 9  
8200 Schaffhausen  
Switzerland  
T + 41 52 635 7700

**Asia Pacific headquarters**

Citrix Systems Hong Kong Ltd.  
Suite 3201, 32nd Floor  
One International Finance Centre  
1 Harbour View Street  
Central Hong Kong  
T + 852 2100 5000

**Citrix Online division**

5385 Hollister Avenue  
Santa Barbara, CA 93111  
T + 1 805 690 6400

