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# When Is Cool Office Design More Than Window Dressing?



By Phanish Puranam , Roland Berger Chaired Professor of Strategy and Organisation Design at INSEAD, and Agustin Chevez , Senior Researcher, HASSELL

## **New trends in workplace design may turn out to be as game-changing as the ongoing technological revolution.**

Flying sharks, waterfalls in the lobby, in-house top chefs and dogs in the workplace. These are just a few tangible examples of experience design re-imagining organisations beyond the traditional scope of organisation design.

Organisation design is concerned with how to shape interactions among members to further certain strategic goals. It typically involves decisions about authority and incentives, selection and recruitment processes, leadership and culture. But the physical space within which an organisation's members interact has not historically been a part of the design palette. That's changing rapidly today.

The concept of experience design (introduced by Pine and Gilmore) has been influential in the world of customer interactions. Principles traditionally used to attract, captivate and retain customers are now being used by organisations to win talent in highly competitive labour markets. The idea,

though new to office culture, is basically intuitive: Make work a fun, rewarding place to be, and employees will want to come on board, stay put and work hard. Hence, the proliferation of foosball tables, bean bag chairs and other rec-room-style touches in offices aspiring to hipness.

But experience design principles can also be brought to bear much more fundamentally at the office. More ambitious schemes may require the intervention of trained spatial experts, i.e. architects. Here, the stakes rise substantially. A ping-pong table can always be folded up and taken away. A complete workspace redesign can't be so easily undone. And there is no guarantee that the new, expensive environment will produce the desired effects.

Indeed, it may backfire, as many argue is the case with **the open-plan office**, which until recently enjoyed an uncontested vogue among cool, creative companies. The express intent of open plan was to foster a more collaborative, less hierarchical workplace. But in many instances, it seems to have achieved just the opposite.

### **Three legs of the same stool**

To be clear, we expect that the synergy of organisational, experiential and architectural design will improve the structure, culture and setting of organisations much as technology is changing the landscape of work. That's the theory. The challenge lies in differentiating between the real game changers and the gimmicks.

To understand what defines truly innovative workspace design, we first have to look at each of the three spheres of design and how they fit together.

The central issues in organisation design concern breaking down an organisation's goals into tasks performed by its members (division of labour) and reintegrating these (integration of effort) by motivating and coordinating people. Experience design aims to address these concerns from the entertainment, educational, aesthetic and escapist perspectives. It also places importance on motivation and, more subtly, on coordination, particularly in terms of encouraging certain interactions over others. Think of the old "water cooler" idea: that the informal connections that drive information flows and knowledge recombination in organisations are more likely to be visible around the water cooler than in the organisation chart. The current thinking in workplace architectural design is to provide the

physical stage for various approaches to organisations to come together in a synergistic manner.

### **Bribery by design?**

Providing end-of-trip facilities (changing rooms), crèches and meditation spaces can help attract and retain a desirable demographic in the workplace. However, more extravagant offerings might be perceived as unnecessary, gimmicky or even just plain old corny, if not outright bribery.

In light of our analysis above, what separates a useful design from a tool, a gimmick or bribery may not be what it is, but what it does. The organisational designer would want to know what all that cool décor and design are doing for motivation and opportunities for information exchange and collaboration (as well as opportunities to escape distraction and work quietly and productively).

### **Gimmicks or game-changers?**

**Spotify has adopted Agile project management** in its development work, whereby projects are broken down into tribes, squads, chapters and guilds. The use of objects (sharks), colourful seating and wall paint can be used to create ‘neighbourhoods’ where tribes are located. In this context, these can be useful tools to provide a sense of belonging, identity and other important social cues that promote the performance and engagement of employees. The outlandish (to many eyes) décor is perhaps accomplishing these nudges in ways that reinforce the formal organisational design of Agile software development teams.

But without a firm anchor in organisational design, supposedly fun, playful embellishments can be unwelcome additions to the workplace. Even Google, arguably the progenitor of the office-as-playpen design philosophy, has been criticised for its famous slides. The site Dezeen **quoted Swedish brand designer Fredrik “Freddie” Öst** as saying, “Everyone hates the slide because it ruins your clothes. You go once on the first day and then you never go again...If you work close to it you hear people scream constantly because it’s tourists and new employees going in it all the time.”

A cool perk that falls under a broader definition of experience design, such as dog-friendly office policies, could go either way. While the presence of dogs has been found to **bolster mental health, increase social interactions**

**and raise productivity**, the downsides include allergies that affect 15 to 30 percent of the population, safety and hygiene concerns, and possibly clashing cultural norms (keeping dogs as housepets is uncommon in several countries).

If the company's primary goal is to attract employees from among the current crowd of urban hipsters eschewing parenting in favour of "fur babies", then embracing dogs in the workplace makes complete sense, from an organisational design perspective. It may even be worthwhile investing in an on-site doggie crèche. Otherwise, the trade-offs may be too uncertain.

We'd like to hear of an office layout/design/prop (flying sharks are allowed) that you think is either a gimmick or a game changer. If you can share photos, all the better. We're happy to weigh in with our own views, combining our expertise in organisational and architectural design.

In any case, one thing seems clear: Without a reinforcing logic linking décor to design, a shark hanging from the ceiling just because it looks cool will soon look like a fish out of water.

Feel free to leave your thoughts in the comments below, or email [Phanish](#) or [Agustin](#).

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