

## Creating an Office from an Easy Chair

### Cisco reduces costs and attracts Gen Y employees with new workspaces and work styles

For most Cisco employees, the workplace is not always a cubicle or enclosed office anymore. Instead, it is likely to be a meeting room, the dining room table or sofa at home, a customer site, or a coffee shop. Their work hours are not the standard eight to five either. Instead, work and personal activities are often intermingled across the span of day and night, serving both personal preference and the communications needs of a global company. And, especially for younger Cisco employees, this flexibility for place and style is exactly how work should be done.

#### **Attracting and Engaging the Gen Y Workforce**

One part of Cisco efforts to find new employees is an active university recruiting program. As a demographic, today's university graduates are considered members of "Generation Y" (Gen Y, also called "millennials"). They have never experienced life without computers, mobile phones, and the Internet playing a major role in work, learning, and increasingly, leisure pursuits and social connections. In fact, more than two of five Gen Y respondents to a Cisco survey indicated they would accept a lower-paying job that had flexibility with regard to communications device choice, social media access, and mobility rather than a higher-paying job without this flexibility.(1)

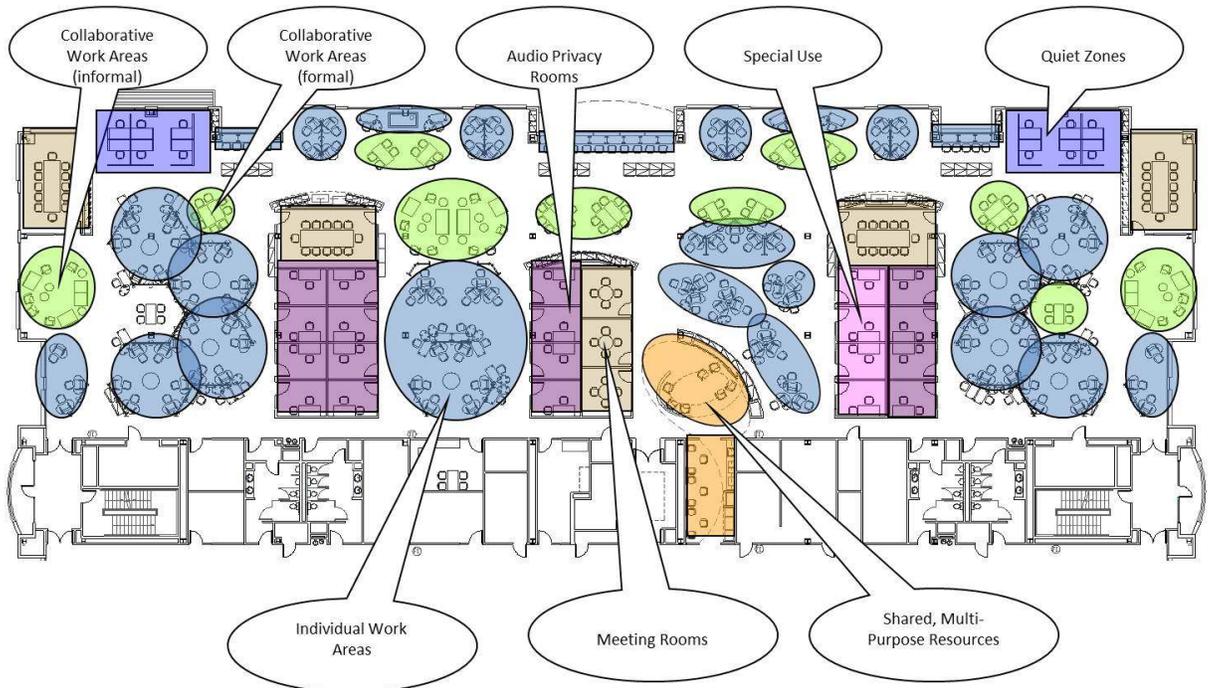
These new employees bring expectations for work styles that are often significantly different from those of their older Generation X and Baby Boomer colleagues. Specifically, members of Gen Y have these interests and traits:

- Desire for more flexibility on where, when, and how work gets done, with continuous movement from work to personal activities and back again throughout their working hours.
- Strong interest in working collaboratively in teams to reach a goal or solve a problem.
- Limited regard for hierarchical boundaries between teams and job levels.
- High interest and involvement in making and maintaining connections with others, based on common interests and experiences.
- Low attachment to stability and routine, with more interest in work that involves a variety of activities and interactions.
- Expectation that all work tools available in their private lives (e.g., social networking, Internet-based information sharing, mobility devices, and more) will be available to them in their work lives.

These perspectives, along with a corporate emphasis on creating a culture of collaboration, are changing how work gets done at Cisco, to the benefit of all employees and the company. These changes encompass new designs for workspaces in Cisco offices that support more collaborative work while housing more employees and reducing Cisco facilities costs. Also supporting this culture are practices and tools for flexible work styles, including access to the corporate network from home, video calls with colleagues worldwide, and access to Cisco email and applications on an employee's personal mobile device.

## From Café to Library to Meeting Space to Touchdown

In Cisco offices worldwide, many employees do not have an assigned workspace, because the nature of their work means that they are not in the same place all day, every day. Instead, each time they go to a Cisco office, these employees can choose an available workspace that meets their needs at the moment, from an individual desk in a quiet area ... to a lounge area with sofas and chairs for a spontaneous team meeting ... to a formal, enclosed meeting room ... to a standing countertop for quickly checking email or making a phone call. (Figure 1)



**Figure 1.** Example Floor Plan Design for a Cisco Connected Workplace Showing Workplace Types

“We’re designing workspaces for the Internet generation, whose minds are wired differently and who probably wouldn’t be able to work in a space with just private offices and high-walled cubicles,” says Candice Balobek, solutions design manager for Cisco Workplace Resources (Cisco real estate and facilities department). “We’ve

found that our student interns and young employees relate to the new space design, because they understand the need to be connected, and they like the ability to see everyone in their group. This connectedness is fundamental to how they think and communicate and work.”

The flexible and open office environment, called the Cisco® Connected Workplace, is viewed positively by recent university recruits. “The flexible workspace looks a lot like my campus library, so it is a very comfortable environment. And carrying a laptop to different places for different activities and connecting wirelessly everywhere is a familiar way for me to do my work,” says Nick Choy, a Cisco IT analyst.

### CISCO FACILITIES

22 million square feet  
536 buildings  
303 cities  
91 countries  
83,000 people housed

The new workspace design emerged first in 2004 in Cisco sales offices in South America, and was adopted in most sales offices around the world in a few years. It has since been adopted for newly built or remodeled offices worldwide, and is now the standard office design inside Cisco. The company is also renovating older offices, especially in the headquarters campus in San Jose, California.

The changes at Cisco reflect a business trend among industries of all types. As reported in *The New York Times*, the average amount of office space per employee in the United States has dropped from 400 square feet to 250 square feet in recent years and is expected to be only 150 square feet in the future.(2)

As a part of the planning process for a new or remodeled space, the affected Cisco groups are able to choose furnishings and room arrangements that best match the work needs of their employees. "There isn't much difference in terms of technology or expense for creating a cubicle environment or a variety of flexible workspaces," says Rich Gore, a Cisco IT manager.

Feedback from Cisco employees working in one of the company's flexible workspaces indicates a positive response to the new office design:

- 77 percent prefer the new environment, and 82 percent report an increase in work satisfaction
- 82 percent indicate the design improves communications
- 80 percent say it is easier to find a meeting room, and 62 percent say it is easier to find quiet space because many more areas are dedicated to those purposes

#### CISCO EMPLOYEES & REMOTE WORK

70% telecommute at least once a week  
47% collaborate across time zones  
43% use mobile devices for some work  
41% work outside the United States  
38% work in a different location than their manager  
6% work in a fully remote manner

True, some Cisco employees, including members of Generation Y, are not completely comfortable with the idea of unassigned spaces. "Some people want to be able to 'nest' in their own space," says Alyssa Habing, Cisco IT analyst and another recently hired employee. "Or they need an area that is very quiet and with no distractions, which can sometimes be harder to find in an open environment." But meeting rooms and quiet places are easier to find in the new environment, after Cisco has transformed most of the private offices into added meeting rooms and quiet areas. To ensure adoption of the connected workplace solution and reinforce a culture of collaboration, a robust change management program is an integral part of each connected workplace project. Technology is only one part of the solution; in response to continuous requests for insight into "how Cisco does it", lessons learned and change management best practices have evolved into a service line to support customers as they provide flexible workspaces and remote work capabilities for their own employees.

A variety of Cisco technologies play a significant role in making workplace flexibility both possible and productive. (Table 1)

Mobility in- the Office and Beyond the Office	Mobility Beyond the Office	Expanding Communications across space and time
Mobility enablers inside the office such as: <ul style="list-style-type: none"> <li>- Cisco wireless access points and controllers: release employees with wireless laptops from fixed locations</li> <li>- Cisco IP phones with Extension Mobility and Single Number Reach features: release employees from a fixed phone location</li> <li>- Softphones such Jabber for voice and video (and voicemail, web conferencing, IM and presence): remove the need for any phones at all</li> <li>- Shared printers, copiers, fax machines</li> </ul>	Mobility enablers beyond the traditional office such as: <ul style="list-style-type: none"> <li>- Cisco Any Connect VPN client and Cisco VPN router in the employee's home</li> <li>- VPN access concentrators and security solutions</li> <li>- Cisco WebEx® Connect, Meeting Center, softphones, and collaboration tools</li> <li>- Cisco Cius™ tablet / videophone</li> <li>- Other smartphones that enable working beyond Wi-Fi</li> <li>- Virtual desktop integration (VDI) and Virtual experience integration (VXI)</li> </ul>	Services that expand our communications reach such as: <ul style="list-style-type: none"> <li>- Cisco Unified Communications audio and video services</li> <li>- Cisco TelePresence® solutions: from desktop and small group solutions to room-based systems</li> <li>- Cisco IP Television solutions</li> <li>- Cisco Integrated Workforce Experience (IWE -- based on Cisco Quad) internal collaboration platform and web access to business applications</li> <li>- Cisco Show and Share® video and Show and Share® Live</li> <li>- Cisco digital signage solutions</li> </ul>

**Table 1.** Supporting Technologies for Flexible Workspaces

Deploying wireless LAN access and providing wireless-enabled laptops were the first steps toward untethering employees from their desks. Alternatives to a dedicated desk phone, such as the Extension Mobility feature, laptop-based softphones, and mobile devices with Single Number Reach, snapped the last link that kept people working in one spot. Collaboration tools increased the number of ways that people can meet and share information, regardless of location. Video tools enabled employees to meet and work together, in person, across global distances. Many of these technologies also support the flexible work styles that are important to the success of Cisco employees and the company's collaborative, global work culture.

Video helps. "Cisco has a global workforce, but we really didn't have many effective global teams before we had effective video services," says Gore. "Once we had a significant number of Telepresence endpoints, Cisco employees formed more teams regardless of where the people were. Desktop video expanded this trend and made video more convenient, since the Telepresence rooms were almost always in use." Video helped more than just employees form teams. It also made it easier for customers to meet with Cisco experts to help solve their problems, since the pool of experts now includes any Cisco employee around the world.

### From Work to Personal Life and Back Again

Employees of all ages today increasingly want more choices for where, when, and how they do their work. Simply put, they want to create a better work/life balance, so they can more easily handle all of their responsibilities. Cisco recognizes the value of supporting this balance by providing both policies and tools to help employees work on flexible schedules, in any location.

"The Cisco culture isn't about putting in 'face time' at the office, it's about meeting deadlines and getting results," says Choy. "This principle allows me to get things done when and where and how I can handle them most effectively."

Adds Habing, "The work flexibility helps me be more productive by allowing me to avoid rush-hour traffic. Even if I don't get to the office until 11:00 AM, I've been working from home since 7:30 AM."

But office time is also valuable, says Habing. “I don’t think I could work completely remotely. When I’m in the office, I can have the in-person, informal meetings that solve problems quickly and build personal connections with my coworkers in ways that would be hard to do through email alone.” In most cases, group managers and vice presidents are also much more accessible to their teams, because they work in the same flexible space.

“Collapsing physical and organizational walls in the workplace fits with the expectations of Gen Y employees,” says Camille Gatenby, senior university manager, University Connection in the Cisco Human Resources Department. “They want accessibility to everyone and are looking for opportunities for collaboration and providing visibility into their work. So the concepts of the Cisco Connected Workplace and the social media aspects of Cisco IWE are very appealing to them.”

This view is reinforced by an article on the website Careerbuilder.com, which indicates Generation Y employees develop a sense of workplace belonging through participation in online communities and the personal brands they can build there.(3)

Video also helps break down walls. “I’ve worked in other companies where I have never met the CEO. At Cisco, I see John Chambers several times a year.” Like others in Cisco senior management, CEO Chambers uses Cisco IP TV streaming video on a regular basis to share company information across the corporation. Employees can tune in to these video programs during the day, or watch the recorded video later when it’s more convenient. Some of these company events are supported by video integrated with IWE, and the IWE component enables viewers to ask questions of the speakers, and share comments with each other during the event.

**Give a Little on Flexibility, Gain a Lot in Results**

Changing office spaces and work routines is not just a nice benefit that Cisco offers to employees. These options also produce strong financial, operational, and recruiting results.

**Cost savings:** “Office space is our most underutilized asset, because only half of our assigned workspaces are actually used in a typical day. This adds up to US\$1 billion per year in wasted expense for Cisco,” says Balobek. Because more people can be assigned to a given space, the office redesign allows for substantial savings in both initial capital expenses and ongoing operational costs, as shown in Table 2. With the savings, Cisco Workplace Resources estimates that payback for typical remodeling expenses will be achieved in less than three years.

Financial Benefits	Operational Benefits
Space reduction per person: 30% CAPEX reduction for furniture: 55% CAPEX reduction for cabling and infrastructure: 50% Power usage reduction, per person: 58% Total workplace resource cost per person: 50% Reduced costs for space reconfiguration Lower absenteeism and employee turnover rates	Increased productivity, collaboration, and knowledge sharing among employees Reduced energy consumption and environmental impact (58% reduction in watts per employee) Reduced e-waste (fewer electronic devices dedicated per employee) Better positioned for business resilience, building site loss, or pandemic Improved ability to attract and retain employees Enhanced employee comfort and job satisfaction

**Table 2.** Financial and Operational Results from Cisco Connected Workplace

“The flexibility in how and where employees do their work also has a big appeal when we are recruiting,” says Gatenby. “It helps us in attracting candidates who might initially be more interested in companies that are perceived as having ‘cooler’ technologies than Cisco.”

---

**Business Resilience:** Working flexibly is also a powerful tool for business continuity. Cisco has had its share of building closings due to road snow and ice, power failures, gas leaks, fire and smoke alarms, or other local problems. “Because of our flexible work culture, Cisco employees aren’t tied to a particular location. They can be productive working from anywhere” says Balobeck. “Closing a building doesn’t have the same impact on our productivity anymore.” This power to work from anywhere is also tied into the Cisco strategy for responding to pandemics and other emergencies: employees are expected to continue working, while avoiding dangerous situations until the danger has passed.

**Teleworking:** This culture of working flexibly has made it much easier for people to integrate teleworking into their work life, to great benefit. “Over 70 percent of Cisco employees work from home at least one day a week,” says Jerry Applegate, Cisco IT Service Manager. “When they work from home, the average Cisco teleworker avoids about 95 minutes of commuting each day. Internal surveys show that for every 60 minutes our employees save on commuting, they work an extra 40 minutes.”

**Globalization:** A flexible work style, teleworking, and collaboration tools have helped significantly in building effective global teams at Cisco. “I routinely meet with Cisco employees and partners in Asia early in the mornings, and in the U.S. in the evenings,” says Gore, who is based in London. “I wouldn’t be willing to stay in the office for those hours, but I can fit them into my home life pretty easily.” Collaboration tools help, too. Video services help bring immediacy to meetings regardless of distance. Web 2.0 collaboration tools such as Cisco Quad™ (which integrates blog posts, documents, microblogs, video, softphone, presence information, instant messaging, and more), and the internal Cisco Show and Share video site allow people to work together asynchronously, around time zone differences.

### **Gen Y Expectations That Benefit Everyone**

Although members of Gen Y are still in the early years of their careers, they are already having a profound effect on their employers’ work cultures. Today, employees of all generations are seeking to work in ways that can adapt easily to different styles, workspaces, and work/life demands.

Cisco is changing its office environment and practices to match these new work habits, tools, and locations. And, as Cisco has found, the productivity and satisfaction of employees, as well as the results for the company, are better because of these changes.

### **References**

- (1) 2011 Cisco Connected World Technology Report: [www.cisco.com/en/US/netsol/ns1120/index.html](http://www.cisco.com/en/US/netsol/ns1120/index.html)
- (2) “Office Work Space Is Shrinking, but That’s Not All Bad,” *The New York Times*, January 18, 2011: <http://www.nytimes.com/2011/01/19/realestate/commercial/19space.html>
- (3) “Unique Generation Y Working Styles,” CareerBuilder.com: [http://www.careerbuilder.com/jobposter/small-business/article.aspx?articleid=ATL\\_0217GENY](http://www.careerbuilder.com/jobposter/small-business/article.aspx?articleid=ATL_0217GENY)

---

## For More Information

Cisco Connected Workplace Case Study:

[http://www.cisco.com/web/about/ciscoitatwork/collaboration/connected\\_workplace.html](http://www.cisco.com/web/about/ciscoitatwork/collaboration/connected_workplace.html)

Cisco Connected Workplace videos: <http://www.cisco.com/web/about/cre/index.html#~two>

More information about the Cisco products and features discussed in this case study is available at:

[www.cisco.com](http://www.cisco.com).

To read additional Cisco IT articles and case studies on a variety of business solutions, visit Cisco on Cisco:

Inside Cisco IT [www.cisco.com/go/ciscoit](http://www.cisco.com/go/ciscoit).

Cisco Collaboration Change Management Services:

[http://www.cisco.com/en/US/services/ps2961/ps10961/Cisco\\_Collaboration\\_CMS\\_Data\\_Sheet.pdf](http://www.cisco.com/en/US/services/ps2961/ps10961/Cisco_Collaboration_CMS_Data_Sheet.pdf) or

[http://www.cisco.com/en/US/products/ps10961/serv\\_group\\_home.html](http://www.cisco.com/en/US/products/ps10961/serv_group_home.html)

## Note

This publication describes how Cisco has benefited from the deployment of its own products. Many factors may have contributed to the results and benefits described; Cisco does not guarantee comparable results elsewhere.

CISCO PROVIDES THIS PUBLICATION AS IS WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Some jurisdictions do not allow disclaimer of express or implied warranties, therefore this disclaimer may not apply to you.



---

**Americas Headquarters**  
Cisco Systems, Inc.  
San Jose, CA

**Asia Pacific Headquarters**  
Cisco Systems (USA) Pte. Ltd.  
Singapore

**Europe Headquarters**  
Cisco Systems International BV Amsterdam,  
The Netherlands

Cisco has more than 200 offices worldwide. Addresses, phone numbers, and fax numbers are listed on the Cisco Website at [www.cisco.com/go/offices](http://www.cisco.com/go/offices).

Cisco and the Cisco logo are trademarks or registered trademarks of Cisco and/or its affiliates in the U.S. and other countries. To view a list of Cisco trademarks, go to this URL: [www.cisco.com/go/trademarks](http://www.cisco.com/go/trademarks). Third party trademarks mentioned are the property of their respective owners. The use of the word partner does not imply a partnership relationship between Cisco and any other company. (1110R)