How to Allocate Office Space With User Demand Data

The rise of **flexible working,** where employees are often working remotely from the office, is dissolving the **need for desks or workstations** being assigned to individual employees. Instead, companies provide **assigned areas** – known as **neighborhoods** or sometimes **zones** – with a specific **desk-sharing ratio**. But what is the most effective way to determine the **optimal desk-sharing ratio** for each neighborhood? And **how much space should be allocated** to each team?

Turn Space Requests Challenges into Opportunities

Space requests are often the impetus for reviewing whether **desk-sharing ratios** are optimal. Corporate real estate managers are commonly faced with space requests due to:

• **a specific team requiring more/different space**

• **headcount planning**

• **or other events (e.g. reallocations & moves)**

These requests are **highly sensitive** and often **led by emotions**. The lives of workplace planners and strategists would be much easier if there was a **data-driven approach** to address such requests while **optimizing space efficiency,** properly **addressing team needs**, and fostering a **positive office experience**.

According to **Verdantix** ⓘ, **29%** of the market spend for workplace management software is allocated to **occupancy analytics and space planning** to facilitate visualizing occupancy patterns and forecasting space usage.

ⓘ **Source:**
Verdantix report: Market Size And Forecast – Space And Workplace Management Software 2020-2026

According to Verdantix, roughly 1/3 of organizations are already on the way to mapping out their unique office space demand.

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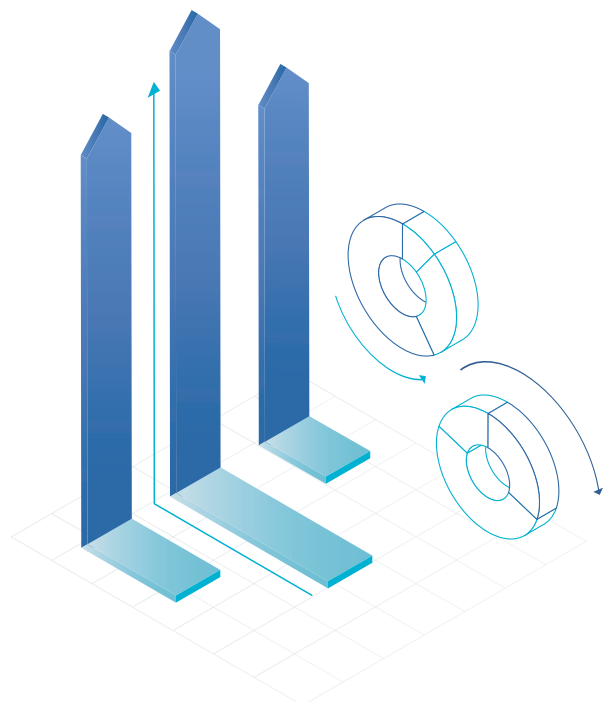
Utilization Data is the Data You Need to Make Space Allocation Work

Traditionally, space allocation was done through a **CAFM/IWMS system**. However, these systems are limited to measuring only the supply **(available workspace)** and do not include any reliable information on the demand **(workspace utilization)**. Workspace utilization information illuminates **patterns in office space usage** and helps to define **desk-sharing ratios** based on actual behavior. Workplace managers can then respond to space requests with real office demand patterns and **evaluate**, **approve**, or **deny** those requests with data.

Many **workplace analytics technologies** lack either granularity or diversity of utilization data across various dimensions (e.g. floors, buildings, the entire portfolio). Don't get stuck with these incomplete data solutions. **Quality utilization data** allows facts-based contextualization of team needs across dimensions and enables proper, **data-driven decision making**.

According to CBRE's **"Global Occupancy Insights Report 2021"**, 74% of their clients use utilization data to inform scenario development or plan solutions.
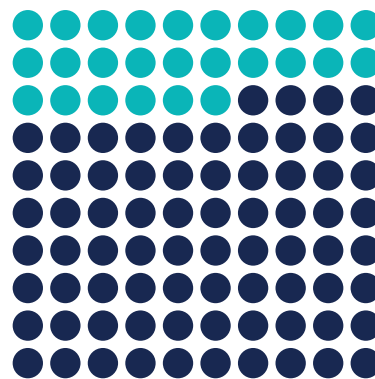
74%

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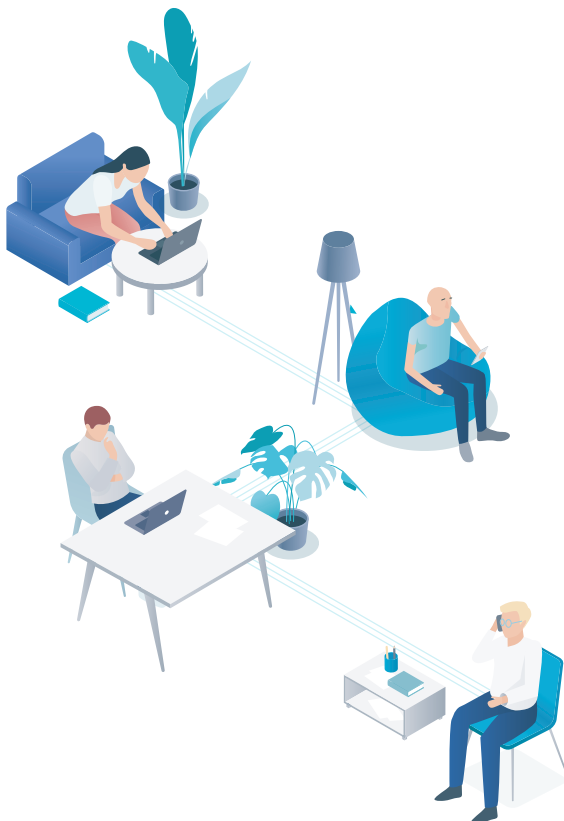
From Simply Meeting Needs to Space Allocation Optimization

Determining the **optimal space allocation** can be challenging. This is especially true as daily and even hourly **demand for office space changes** from being static to more dynamic like hotel and restaurant space demand. **Remote work** policies provide even **more uncertainty** as conservative **desk-sharing ratios** could now possibly be increased to even higher levels. But dynamic demand doesn't need to be a barrier from providing the most **efficient**, **productive**, and **enjoyable workspaces** for all through **space allocation optimization**.

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Office Space Optimization with Utilization/Demand Data

A Locatee Workplace Analytics Step-by-Step Guide

1 To understand if teams have enough space in their dedicated zones, you can check the **"Spaces"** view and identify teams that have run out of space, e.g. the Innovations team with only 4 spaces **"Free at peak"**.

Westberg HQ: Spaces
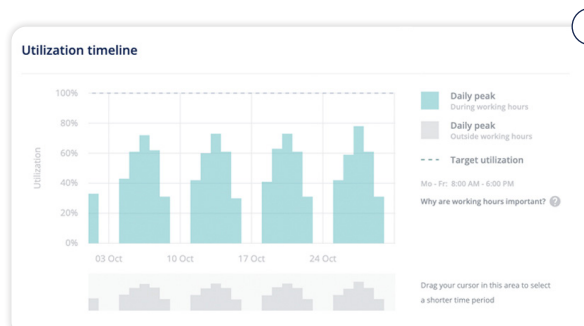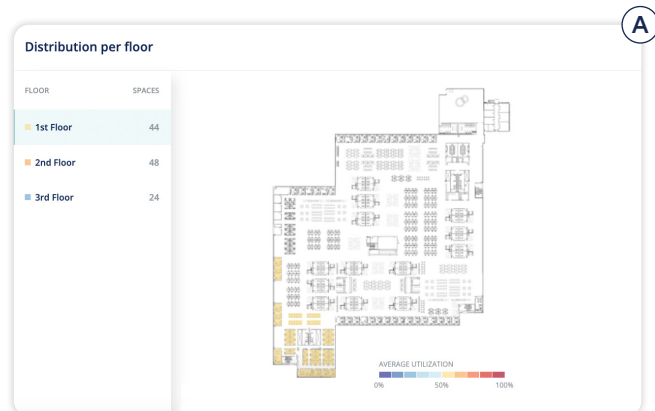Selected time range: 1 Oct 2021 – 31 Dec 2021

Assigned Space   Space Type

Filter by name

Name	# Spaces	Utilization chart ↓	Average utilization %	Average peak %	Average peak spaces	Free at peak spaces	
Innovations ((•))	116		47%	97%	112	4	Details
Finance ((•))	160		41%	84%	134	26	Details
Accounting ((•))	176		41%	81%	143	33	Details

2 To review **utilization by floor** and spot **trends in the data,** open the team **"Details"** view.
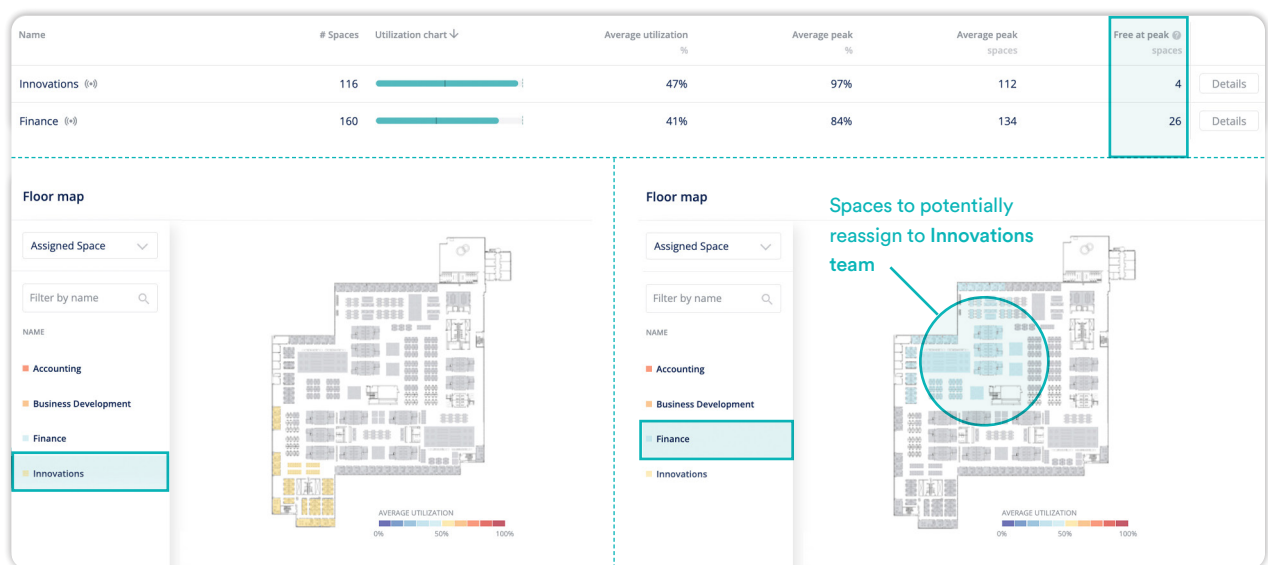
A Look at the distribution per floor and the utilization of a team's designated area.

B Detect possible trends or seasonality in utilization levels in the timeline to avoid any bias due to short term trends (i.e. summer holidays).

C Spot weekly patterns regarding different week days and times.

A

Distribution per floor

FLOOR	SPACES
■ 1st Floor	44
■ 2nd Floor	48
■ 3rd Floor	24

AVERAGE UTILIZATION
0%   50%   100%

B

Utilization timeline

Utilization
100%
80%
60%
40%
20%
0%
03 Oct   10 Oct   17 Oct   24 Oct

■ **Daily peak**
During working hours

■ **Daily peak**
Outside working hours

--- **Target utilization**

Mo- Fr: 8:00 AM - 6:00 PM
Why are working hours important? ?

Drag your cursor in this area to select a shorter time period

C

Weekly pattern

8am
10am
12pm
2pm
4pm
Mon   Tue   Wed   Thu   Fri

We average utilization for each working hour of the week to detect the busiest

AVERAGE UTILIZATION
0%   50%   100%

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3 To resolve the issue of the **Innovations team** (yellow spaces) running out of space, one option would be to reallocate spaces currently assigned to the Finance team (blue spaces). The reason being, Finance team has 26 spaces free at peak and the Innovations team only has 4. *Note: Team area colors correspond to their average utilization and not team space assignments.*

Name	# Spaces	Utilization chart ↓	Average utilization %	Average peak %	Average peak spaces	Free at peak ⓘ spaces	
Innovations (•)	116		47%	97%	112	4	Details
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Floor map

Assigned Space ▾

Filter by name 🔍

NAME

■ Accounting

■ Business Development

■ Finance

■ Innovations

AVERAGE UTILIZATION
0% 50% 100%

Floor map

Assigned Space ▾

Filter by name 🔍

NAME

■ Accounting

■ Business Development

■ Finance

■ Innovations

Spaces to potentially reassign to **Innovations** team

AVERAGE UTILIZATION
0% 50% 100%

4 Another layer of utilization data offered by Locatee is the "**People**" view. Here you can see which **teams** use which **designated team zones**. In this example, we see both Finance and Innovations team members use the **Innovations team space** on the 1st floor. This analysis supports the idea proposed in **Step 2** to assign some **Finance spaces** to the Innovations team.

Space breakdown

Name floor / space category	People in the space people	Time in the space hours	Avg. per employee hours
⌄ 1st floor (2)	**11** ↑5%	**176** ↓3%	**16** ↓3%
Innovation	6 ↑5%	120 ↑5%	20 ↑5%
Finance	5 ↓3%	56 ↓3%	11 ↓3%
⌄ Other buildings (1)	**5** ↑5%	**32** ↑5%	**6.5** ↑2%
⊞ Binz Building B	5 ↑5%	32 ↑5%	6.5 ↑5%

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🌐 Portfolio overview

💟 Return to work

Westberg HQ ▾

▦ Building overview

🗇 Floors

▦ Spaces

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Discover a Wealth of Insights with Locatee

· Measure how much space each team requires and use that as an input to **define desk-sharing ratios** and **team neighborhoods**, e.g. when moving from **"fixed to flex"** (fixed, assigned seating to unassigned, flexible seating).

· Respond to **space requests** with real **utilization patterns** and answer those requests with **data-based evidence**.

· Craft suitable **team space assignments** using **assigned zones data** to right-size the allocation of space per team and other services (i.e. parking).

· Use **assigned zones data** and **team neighborhood data** to determine specific **teams' usage** of their assigned zones and whether more/less space is warranted.

· Go beyond simply analyzing if a team uses its own zones. See if they tend to work in other teams' neighborhoods and how you can **inform your space planning** to reduce teams' assigned space, bring certain teams together, etc.

If you're looking for a better way to handle space requests and forecast the impact of remote work policies on your office space demand, contact us! Our mission is to achieve higher productivity and create attractive spaces where people love to work.

(info@locatee.com) (www.locatee.com)

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